

**ABSTRACTS****1. THE INFORMATION CONTENT OF INSIDER TRANSACTIONS**

Scott Brown, University of Puerto Rico, Rio Piedras Campus, USA

**ABSTRACT**

*This paper sets forth a model to test the frame dependency aspect of prospect theory. This establishes the framework for analysis of the ability of insider transaction analysis recommendations of an investment newsletter to reduce frame opacity for investors.*

**Key Words:** Insider Trading, Prospect Theory, Frame Dependency, Investment Newsletters

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**2. NATIONAL STANDARDS AND EUROPEAN ACCOUNTING HARMONIZATION: TWENTY YEARS OF SCIENTIFIC LITERATURE IN REVIEW**

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**ABSTRACT**

*The purpose of this paper is to assess the current knowledge base on financial accounting standardization in EU Member States. Our review of more than 50 articles reveals the methodological diversity of the dedicated literature, from conceptual to empirical, with all shades in between. We adopted a cross-sectional / longitudinal classification for articles available in three scientific databases. Our review indicates that for the majority of EU Member States there is no updated information on national accounting systems. Most of the empirical contributions refer to regulatory frameworks effective in the 1990s or in the early 2000s. In this context, can we find any actual relevance for previous literature in the context of contemporary research?*

**Keywords:** Accounting Harmonization, National Standard-Setting, European Union, Literature Review

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**3. THE ACCOUNTING SYSTEM FOR MARK-UP FINANCING (MURABAHA) IN ISLAMIC BANKS**

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**ABSTRACT**

*Islamic finance has emerged in recent decades as one interesting trend in the financial world. There has always been a demand among Muslims for financial products and services that conform to the Shariah, which, in turn, is based on Quraan and Sunnah. The Islamic banks have played important role in developing viable Islamic instruments to have Shariah-compliant solutions to Muslims' financial needs. Basically, they have developed four main Islamic financing techniques, which are: Mudaraba, Musharaka, Ijara and Murabaha. Among them, Murabaha has represented the most popular instrument of financing in Islamic banks, especially, in Arab countries. Even though, it is believed Murabaha has been practiced without standardised accounting system.*

*This paper aims at **suggesting an accounting system for Murabaha transactions at Islamic banks.** In particular, it focuses on "**Credit Local Murabaha**" transactions. It attempts to set a framework for the standard documentary cycles applied throughout the performance of this kind of transactions, including procedures, instructions, journal entries, accounting books, documents and records.*

**Keywords:** Murabaha, Islamic Banks, Accounting System, Documentary Cycle

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#### 4. A MODEL FOR EXPLORING CULTURAL DIFFERENCES WITHIN A COUNTRY: NEW PERSPECTIVES AND INSIGHTS FOR INTERNATIONAL BUSINESS

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Detelin S. Elenkov, University of Tennessee, Knoxville, Tennessee, USA

##### ABSTRACT

*Globalization seems to be a phenomenon that leaves lasting trace on our generations. We observe more and more integrated economic, political, cultural systems across the globe. The number of companies realizing considerable revenues outside their home countries is growing at a rapid rate. Due to the development of multinational companies and international business relations, Human Resource Management (HRM) has been recognized as a crucial factor for success or failure of companies and valuable competitive advantage available to them. Despite the crucial importance of HRM, it is still arguable whether the development of human resources is culturally-driven, influenced by the cultural specificity of the host countries, or uniform and influenced by globalization. We present our argument in favor of the culture-specific proposition, and we support our standpoint by using empirical data from Cyprus.*

**Key words:** Cultural Differences, History, Subcultures, Globalization, Cyprus, Human Resource Management

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#### 5. LINKING SERVICE PROVIDER ROLE STRESS AND WORK OUTCOMES TO CUSTOMER SATISFACTION: A CRITICAL REVIEW

Edith Hui, Hong Kong Polytechnic University, Hong Kong  
Andrew Chan, Hong Kong Polytechnic University, Hong Kong  
Cathy H. C. Hsu, Hong Kong Polytechnic University, Hong Kong

##### ABSTRACT

*This study reviews the relationships between the role stress and work outcomes of service providers and relates them to customer satisfaction. It combines organizational behavior and consumer behavior literature and discusses the empirical evidence from both perspectives. Previous studies that used the role perception model only addressed the interrelationships between antecedents and consequences of role stress in organizations, without extending the interactive effects to customers. As customers and service employees are co-producers of service encounters, their role perceptions and satisfaction should be examined together. The outcome will be a better understanding of the process and how it affects employee and customer satisfaction.*

**Keywords:** role stress, job performance, job satisfaction, customer satisfaction

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#### 6. IAS/IFRS AND ITS IMPACT ON CONSOLIDATED COMPANIES' ANNUAL REPORTS

Ann Svensson, University West, Sweden  
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##### ABSTRACT

*From the year 2005 the pressure on Swedish companies to structure their consolidation accounting in agreement with International Accounting Standards has been increasing. The aim of this paper is to examine some essential changes that are expected to arise from the implementation of IAS (International Accounting Standard) and IFRS (International Financial Reporting Standards) standards. In making this, the consolidated reports from two different companies within two different branches of business, quoted*

on the A-list at Stockholm stock exchange list, are studied. The consolidated companies analyzed are Holmen AB and WM-data AB. The accounting treatments of the key concepts of Goodwill, Minority Shareholders, Intangibles, Impairment, Reserve, Provision, Contingent Liability and Contingent Assets, and Disclosure were used as a framework to examine the IAS/IFRS influence of the accounting changes. Moreover, The Swedish Code for Corporate Governance is also discussed to denote how this code has had an impact on the companies' accounting. The conclusion is that, International Accounting Standards could not fully produce the expected procedural effects on the consolidation accounting of the studied companies.

**Keywords:** Consolidation, Annual Report, IAS, IFRS, Disclosure, Harmonisation

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## 7. THE ASSOCIATION BETWEEN CORPORATE GOVERNANCE AND AUDITOR SELECTION: EVIDENCE FROM CHINA

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Desmond, Chun Yip Yuen, University of Macau, Macau, China  
Can Chen, University of Macau, Macau, China

### ABSTRACT

*Using a two-equation model, we test whether audits serve a corporate governance role in China. We find out that the demand for auditor reputation is inversely related with the shareholding of the largest shareholders, suggesting a negative relationship between demand for auditor reputation and ownership concentration. A negative relationship between auditor reputation and the size of the supervisory board is also found, suggesting that audits and the supervisory board serve as substitutes for each other in corporate governance. The insignificant relationship between auditor reputation and a management shareholding scheme may suggest that the alignment effect and the entrenchment effect exist but other shareholders (non-managers) incline to choose high-quality audits to prevent their interests from being eroded away by managers. Our overall results indicate that external audits play a corporate governance role in China*

**Keywords:** Auditor Selection; Audit Fee; Auditor Reputation; Corporate Governance

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## 8. TRANSFORMATIVE LEARNING IN BUSINESS EDUCATION: HOW MUCH TRANSFORMATION IS THERE?

Shady Fraiha, The University of Western Ontario, Ontario, Canada

### ABSTRACT

*Transformative learning is a concept that was proposed by Jack Mezirow in the mid 1970's. This concept developed into an educational theory over the years and posits that people have certain perspectives of things which may change when a person encounters a situation that does not fit that perspective. Academics are not sure how transformative learning is taking place in business schools. Business management students undergo transformative learning during their degrees and this research posits that senior students undergo more transformations than first year students, and MBA students undergo the most transformative learning.*

**Keywords:** Transformative Education, Transformational Learning, Transformation in classroom

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**9. STARTING POINTS IN TRANSYLVANIA'S BRANDING AS A TOURIST DESTINATION**

Monica Maria Coros, Babes-Bolyai University, Cluj-Napoca, Romania

**ABSTRACT**

*Under the threat of the global economic crisis, the industry of tourism represents nowadays an economic rescue valve. Tourism is still seen as a most dynamic economic sector, a key generator of workplaces, and a source of recovery for the national economy. Despite the "grey" economic situation, tourism and hospitality services shall continue to attract an increasing quota of the world's population. Thus, for Romania's sake, tourism needs to be properly promoted. We believe that Transylvania represents a valuable asset of our country from the perspective of tourism, and we raise the problem of its tourist brand. The paper tries to reveal how this particular Romanian destination is perceived by native and foreign visitors. The author aims to sketch the key starting points of a regional branding process.*

**Keywords:** *tourism, tourist destination, regional branding, Transylvania, Romania*

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**10. A STUDY OF OPTIMAL LOCATIONS AND CAPACITIES OF DISTRIBUTION CENTERS:  
A CASE STUDY IN A HOUSEHOLD APPLIANCES COMPANY IN TURKEY**

M. Erdal Balaban, Istanbul University, Istanbul, Turkey  
Burcu Adigüzel, Istanbul University, Istanbul, Turkey

**ABSTRACT**

*Competitive pressures have forced many companies to seek cost-saving measures. Accordingly, many companies reduced their costs by transferring production to the countries that production costs are cheaper, or some other decisions, but their distribution and transportation costs remained high. Thus, the optimality of the network has a major importance in their savings. This paper presents a research study with regard to the optimization of the distribution network of a household appliances company by using a mathematical model. We aimed to determine the optimal locations of the distribution centers (DCs) around the country to serve effectively reduce the response time and total transportation, inventory costs. This model takes into account freight costs, retailer demands and locations, fixed costs of DCs. We search for the decision where to open a new DC or close the DC.*

**Keywords:** *Distribution Center Location, Capacity Allocation, Multicriteria Objective, 0-1 Mixed Integer Programming, Mathematical Programming*

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**11. DATA MINING TOOLS AND TECHNOLOGIES FOR COMPETITIVE BUSINESS ADVANTAGE**

Shamsul Chowdhury, Roosevelt University, Chicago, USA

**ABSTRACT**

*People have been collecting and organizing data since the stone ages. In the earlier days data were collected and recorded in one way or the other mainly for record keeping purposes. With the advancements in computational technology in general, and storage technology, in particular, data collection and their storage in large databases and data warehouses have become an integral part of the data processing and decision-making environment of today's organizations. Over time people have learned to value data as an important corporate asset. Over the years the focus of computational technology has shifted more from Program-centric to Data-centric to Business-centric. This shift has enabled organizations learn more and more about their respective businesses and excel. In order to survive and succeed in the tough and complex business world of today it is important to learn and use data mining tools and technologies for competitive business advantage.*

**Keywords:** *Machine Learning, Artificial Neural Network, Decision-making, Knowledge Extraction, Case based Reasoning*

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**12. FORECASTING THE NIKKIEI AVERAGE:  
A COMPARISON BETWEEN A NEURAL NETWORK MODEL AND REGRESSION ANALYSIS**

Abbas Heiat, College of Business, Montana State University-Billings, USA  
Nafisseh Heiat, College of Business, Montana State University-Billings, USA

**ABSTRACT**

*Investors are interested in forecasting stock prices in financial markets. This study extends previous research to investigate the influence of the U.S. stock markets and the exchange rate on the Japanese markets using regression analysis and a neural network model. The current research found that regression models were superior to the neural network model in forecasting stock prices in Japanese markets.*

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**13. A NEUROECONOMIC APPROACH ON PLAYERS' BEHAVIOR**

Larissa-Margareta Batrâncea, Babes-Bolyai University, Cluj-Napoca, Romania

**ABSTRACT**

*In this paper I present the importance of the new emerging field of Neuroeconomics and its advanced research methods for the analysis of economic decisions in experimental games.*

**Key words:** *Neuroeconomics, trust game, brain regions, oxytocin, functional magnetic resonance*

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**14. EFFECT OF SELF-CONCEPT AND RETAIL STORE IMAGE IN CONSUMER'S STORE CHOICE**

Gonca Gunay, Izmir University of Economics, Izmir, Turkey  
Deniz Kucuk, Izmir University of Economics, Izmir, Turkey

**ABSTRACT**

*Retail sector is one of the highly competitive sectors and understanding consumers is crucial for succeeding in the sector. One of the important mechanisms that should be further explored is the self-concept and store image congruence, which is addressed by the propositions postulated by some scholars. This study aims to provide empirical evidence to these propositions. Findings of the study support previous propositions by showing that consumers who choose to shop at the store have more self-concept and store image congruency compared to the ones who do not choose to shop at that store.*

**Keywords:** Retail store patronage, Self-Concept, Self-Image

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**15. GENDER DIFFERENCES IN THE LEADERSHIP BEHAVIOUR OF MANAGERS IN THE BANKING SECTOR IN 2008**

Iya Petkova – Gourbalova, Sofia University St. Kliment Ohridski, Sofia, Bulgaria

**ABSTRACT**

*This study investigates the relationship between the gender and the leadership style of bank managers in a transition country. Based on leadership theory and the analysis of the specificity of the banking sector in that country, I proposed the following hypotheses: All bank managers, regardless of their gender, will receive higher scores on transactional leadership style than transformational, All bank managers, regardless of their gender, will receive higher scores on the Contingent reward style than the Management-by-exception style and Female bank managers will receive higher scores on transformational leadership style, compared with their male counterparts. Empirical data, collected from three banks operating on the Bulgarian financial market, was used in order to discuss the scientific questions, posed in the study. The statistical analyses supported some of the conceptualizations regarding the gender differences in the used leadership style. The hypothesis for the overall leadership style did not receive empirical support, consistent with other previous findings that there is no clear preference for transformational styles in post-communist countries, and both transformational and transactional styles were used.*

**Keywords:** Gender, Transformational Leadership, Transactional Leadership, Banking Sector

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**16. SERVICE QUALITY IN HEALTH CARE:  
A CHALLENGE FOR BOTH PUBLIC AND PRIVATE HOSPITALS**

Alev Katrinli, Izmir University of Economics, Izmir, Turkey  
Gulem Atabay, Izmir University of Economics, Izmir, Turkey  
Gonca Gunay, Izmir University of Economics, Izmir, Turkey  
Burcu Guneri Cangarli, Izmir University of Economics, Izmir, Turkey

**ABSTRACT**

*The health care sector is rapidly growing due to factors like policy changes and the rise in healthconscious population. Hence, the sector monopolized by public hospitals in the past is now being invaded by private hospitals. Nowadays, hospitals compete on the basis of service quality to dominate the market. This study attempts to identify service quality differences between a public and a private hospital from the viewpoint of the inpatients. The results reveal that the private hospital performs better than the*

public hospital on service quality. However, both the public and the private hospitals must take some actions in order to meet customers' expectations.

**Keywords:** service quality, health care, public and private hospitals

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## 17. COMPONENTS OF ECONOMIC GROWTH IN JAPAN AND THE UNITED STATES

Pete Mavrokordatos, Tarrant County College, Fort Worth, Texas, USA  
Apostolos Xanthopoulos, Illinois Institute of Technology, Chicago, Illinois, USA

### ABSTRACT

*The historical development of Japan in relation to its current deflationary condition serves as an indicator of potential developments in the U.S. in light of its current financial crisis. The economic impact of recent cross-border investment expenditures between the two economies could help investigate the impact of capital expansion on growth in GDP under mild inflationary pressures. Under these conditions, in addition to population, the U.S. has enjoyed relative economic growth.*

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## 18. AUDITOR CONSERVATISM AND MANAGERIAL DISCRETION

Hong Zhu, Loyola College in Maryland, Baltimore, Maryland, USA

### ABSTRACT

*External auditors enforce compliance with accounting standards and ensure that managers' estimations are reasonable. On one hand, auditors' exposure to litigation risk reduces the likelihood and magnitude of managerial opportunism and adds credibility to managers' report. On the other hand, auditors' concerns over legal liability may push them to over-restrain managers' ability to communicate with investors through discretionary financial reporting. Partitioning firms into four groups based on their relative current and future performance, I compare discretionary accruals made by Big 6 auditor clients with those made by non-Big 6 auditor clients. Focusing on two groups that both have poor current performance but different future prospects, I find big 6 auditors are stricter in constraining opportunistic management behavior than non-Big 6 auditors. However, I do not find evidence that Big 6 auditors restrain managers, any more than non-Big 6 auditor's do, from conveying private information about their firms' positive prospects through accruals.*

**Keywords:** Big 6 Auditors, Non-big 6 Auditors, Auditor Conservatism, Earnings Management, Managerial Discretion, Audit Quality

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## 19. ORGANIZATIONS UNDER STRESS: THE EMOTIONAL RESOURCE

Gabriele Morandin, University of Bologna, Bologna, Italy  
Massimo Bergami, University of Bologna, Bologna, Italy

### ABSTRACT

*This paper explores organizational identification antecedents and consequences within two business firms facing the adoption of a new information technology system (the first study) and a change of management program (the second study). We find that emotions play a significant role in reinforcing organizational identification during high pressure periods, and also confirm the positive role of well-known images in the organizational identification literature (e.g. perceived organizational identity). Moreover, both studies highlight strong evidence of positive extra role behaviors and attitudes, enlarging the scope*

of the extant literature. We used structural equation models to test our hypotheses on samples of 1442 (the first study) and 2528 (the second study) employees of two Italian companies operating on a global scale.

**Keywords:** Emotions; organizational identification; social identity; organizational change; trust

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## **19. THE PROMISE OF E-GOVERNMENT AND THE RISE OF AN E-ELITE CLASS: THE BANGLADESH EXPERIENCE**

M. Nazmul Amin Majumdar, Monash University, Australia  
Quamrul Alam, Monash University, Australia  
Mahbuba Farjana, Bangladesh Public Service Commission Secretariat, Bangladesh  
Thanh Hai Nguyen, Monash University, Australia

### **ABSTRACT**

*Bangladesh government has been pursuing policies for the last decade to introduce e-government infrastructure in order to increase the quality of public services and enhance citizens' participation with a view to create an integrated and networked government structure. This paper examines the performance of the e-government websites of selected government Ministries and statutory bodies and assesses whether the goals have been achieved or not. An empirical study conducted in 2006 reveals that the styles of the government websites are very different from one another though there is a policy to have standard websites for all government institutions. Administering units do not even follow the instructions circulated by the government. Some of the Ministry web addresses do not comply with the government standard practices. The absence of a single entry point for all e-government websites has added to the confusion and made the system unfriendly to the users. Potential users often found the links broken and at times redirected to some other unrelated links. The language interface used in the websites has not been able to attract interested users. It has rather disadvantaged a wide range of potential users, particularly those with limited English language skills and people with disability and special needs. This limited use of e-government practices has created a new e-elite class within the already dysfunctional structured and politicized bureaucracy in Bangladesh. This paper argues that the potential for the rise of a digital divide will thwart the essence of e-government.*

**Keywords:** E-government, e-elite class, websites, bureaucracy, new public management.

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## **20. DEVELOPMENTS ON GLOBALIZATION SYSTEM OF CREDIT INSTITUTIONS**

Anamaria Popa, Bogdan Voda University, Cluj-Napoca, Romania

### **ABSTRACT**

*Globalization is the process by which events, decisions and activities in a part of the world have significant consequences for individuals and communities located great distances from each other.*

**Keywords:** banks, globalization, internationalization, concentration

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## 21. THE IMPACT OF CONFUCIANISM ON CHINESE MARKET

Zhe Wan, European business school, Frankfurt, Germany

### ABSTRACT

*This paper will thus contribute to marketing theory, providing new perspectives on the impact of culture on consumer behavior, but it will also be of practical use in guiding businesses in their marketing programs.*

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## 22. ROMANIAN ENTERPRISES STRATEGY IN THE EU ECONOMY

Radu Pop, Vasile Goldis University, Arad, Romania

### ABSTRACT

*In the EU economy the enterprises have to establish their strategy concerning with the last developments in the world economy crisis. That's why, in this paper I tried to briefly present the different opinions of some experts from our country that were expressed in reference papers in the field of economy, management and finance.*

**Key words:** mission, strategy, objectives, resources

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## 23. IS FUNDS FROM OPERATIONS MANAGED TO MAXIMIZE REIT CEO'S CASH BONUSES?

Hong Zhu, Loyola College in Maryland, Baltimore, Maryland, USA

### ABSTRACT

*Previous accounting studies on earnings management provide mounting evidence that reported earnings are managed. In Real Estate Investment Trust (REIT) industry, Funds from Operations (FFO), as opposed to net income, has become a widely accepted standard measure of operating performance. In this study, I investigate whether FFO is managed to maximize REIT CEO's cash bonuses. I develop proxies to measure the discretions REIT managers exercised in converting Net income to FFO and then link those to CEOs' bonus structures. My results do not suggest that the use of discretion is associated with the incentive to maximize REIT CEO's cash bonuses.*

**Keywords:** Earnings Management, Performance Measure, Funds from Operations, Real Estate Investment Trust, Cash Bonuses

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