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Conference Abstracts**

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- *South Asia Institute at Harvard University,*
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ACCEPTED ABSTRACTS

**THE 2015 ANNUAL MEETING OF THE CYRUS INSTITUTE OF
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CAMBRIDGE, MA, MAY 24-26, 2015

Conference Theme:

**RESPONSIBLE LEADERSHIP, ENTREPRENEURSHIP, AND INNOVATION IN AN
ERA OF GLOBAL CHANGE**

Specialization

- 1. Entrepreneurship**
- 2. Ethics /CSR**
- 3. Finance**
- 4. Innovation**
- 5. Human Capital**
- 6. Development**
- 7. Marketing**
- 8. Posters Presentations**
- 9. Online Poster Presentations**

1. Entrepreneurship

THE SOCIAL EMBEDDEDNESS OF ENTREPRENEURSHIP: ACTIONS AND INTERACTIONS

CORRUPTION PERCEPTIONS AND ENTREPRENEURIAL INTENTIONS IN A TRANSITION ECONOMY CONTEXT: EMPIRICAL EVIDENCE FROM BULGARIA

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Corruption, typically defined as the abuse of public power for private benefit, is widespread and deeply rooted in transition economies' cultural norms. Most of the existing studies on corruption and entrepreneurship are based on macro data and focus on already established entrepreneurs, examining the effect of corruption on different types of entrepreneurial activity or new venture performance (Anokhin and Schulze, 2009; Tonoyan, Strohmeier et al., 2010). In contrast, we explore the effect of perceived corruption at the initial phase when entrepreneurial opportunities are being considered and a decision is made whether to pursue them or not (van der Zwan, Verheul et al., 2011). Our contention is that corruption may have an underestimated negative effect on economic development by diverting the ex-ante intention to engage in entrepreneurial activity. We combine insights from Ajzen's (1991) theory of planned behavior (TPB), particularly in the study of entrepreneurial intentions (Davidsson, 1995; Krueger, Reilly et al., 2000; Linan and Chen, 2006; Brooksbank, Thompson et al., 2008) and the institutional embeddedness perspective (North, 1990; Kibler, 2013) to develop and test a model of the direct and indirect effects of perceived corruption on the attitudes, social norms, and perceived behavioral control, which in turn determine entrepreneurial intentions. The study

hypotheses are tested using data from a survey conducted among rural households in Bulgaria in the 2008-2009 period (n = 195).

Findings from the mediated regression analysis suggest corruption perceptions are mediated by entrepreneurial attitudes, but not by social norms or perceived behavioral control. In addition, corruption perceptions exert a significant and positive direct effect on entrepreneurial intentions. This suggests the social acceptance of corruption is widespread and far-reaching, leaving a lasting imprint on entrepreneurial intentions.

Our study makes three contributions. First, we add to the literature on the economic effect of corruption by examining the ex-ante impact of perceived corruption on intended entrepreneurship activity. Second, we extend the entrepreneurial intentions literature by exploring some of the contextual factors in which entrepreneurial intentions are embedded. Third, we examine the intention to start a non-farm business, which is vital for the livelihood diversification and economic development of rural regions in transition economies.

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ENTREPRENEURSHIP IN POST-COMMUNIST TRANSITION ECONOMIES

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Post-communist transition economies are the developing countries in Eastern Europe undergoing radical transformation from communism to capitalism through pro-market reforms. As such, they are often argued to stifle entrepreneurship as individuals who lived under communism learned to keep a low profile (Danis, Liu, and Vacek, 2011; Wyrwich, 2013). Some have argued, instead, that the difficulties of life under communism have toughened up individuals and helped them embrace entrepreneurship by necessity in order to survive the totalitarian regime (Smallbone and Welter, 2009). We suggest that both camps have merit in their understanding of entrepreneurship in post-communist transition economies due to the different communist regimes entrepreneurs experienced: sometimes stricter and sometimes more liberal. Additionally, the entrepreneurs living in such post-communist transition economies were not exposed for their entire lives to communism. After the fall of communism in the 1990s in Eastern Europe, the transition economies, supported by the International Monetary Fund (IMF) and the World Bank, embarked on a journey of market-based reforms aimed to improve the countries' governance and introduce free market mechanisms in commercial exchanges (Hoskisson, Eden, Lau, & Wright, 2000). These reforms are often referred to as the Washington Consensus as they are supported by two key institutions based in Washington, D.C. Thus, during their lifetime, entrepreneurs experienced the opposing pressures of two different ideologies: communism and market-based reforms. We suggest these opposing pressures likely shaped their entrepreneurial orientation differently. We explore these ideas in the context of entrepreneurs from Russia. In so doing, we provide a more nuanced understanding of entrepreneurial orientation in post-communist transition economies than the current literature provides.

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A RESOURCE-BASED VIEW OF SOCIAL ENTERPRISES: HOW RESOURCES CONTRIBUTE TO THEIR GROWTH

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Despite efforts to address societal ills, social enterprises face challenges to increase their impact. Drawing from the RBV, we argue that a social enterprise's ability to develop the necessary capabilities contributes to the scale of its social impact. Additionally, we investigate how stewardship culture, comprised of an employee-centered logic and an entrepreneur's centrality, augments the benefits of these organizational capabilities. We find that greater stakeholder engagement, government support and earned-income generation increase the scale of social impact. Further, an entrepreneur-centered stewardship culture augments the benefits of government support and earned-income generation, while an employee-centered stewardship culture compensates for low government support and earned-income generation.

EXECUTIVE SUMMARY

For social entrepreneurs to make the greatest social impact they need be able to scale their social enterprise. We apply the resource-based view (RBV) to argue that capabilities and resources associated with social and financial capital can promote a competitive advantage for social enterprises. Although it is sometimes suggested that social enterprises emphasize cooperation more than competition, they still must compete for recognition and legitimacy, donor support, volunteers, and financial resources. As such, this survey-based study of 171 social enterprises identifies three capabilities that can improve the scale of their social impact: stakeholder engagement, government support and earnings-generation. That is, social enterprises that are able to engage stakeholders, garner government support, and generate earnings are more likely to scale their social impact. Additionally, we found that those social entrepreneurs who are able to foster a stewardship organizational culture, through an employee-centered stewardship culture and/or through an entrepreneur-centered stewardship culture, are able to augment the benefits of government support and earnings-generation, or to compensate for a lack of government support and earnings-generation.

Therefore, this study has important practical implications for social entrepreneurship. It suggests that those social enterprises that look to build certain capabilities and resources will be best able to grow their enterprises thereby providing benefits to the greatest number of constituents. Further, our study calls for social entrepreneurs to be mindful of the organizational culture that they create. A sense of stewardship should not only be towards external constituents, but it should also be reflected in employee motivation as well as the entrepreneur's relationship with the enterprise. Those social entrepreneurs that look to enhance their stakeholder engagement, government support and earnings-generation and also their employee- and entrepreneur-centered stewardship cultures should therefore be most likely to see their social enterprises grow and have the greatest social impact.

Digital Entrepreneurship and Development: Case Studies from Egypt

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With Egypt at a developmental crossroads, entrepreneurial activities are of paramount importance. Currently, there is a nascent entrepreneurial ecosystem in Egypt with strong potential for further development as exemplified in a growing number of start-ups and the establishment of accelerators, incubators, and various, albeit limited, financing platforms. Many of these new networks and hubs for entrepreneurial endeavors target information and technology (IT) related activities and digital entrepreneurship specifically. This budding bottom-up activity is taking place in a context where government policies and priorities do not necessarily reflect ample support to digital entrepreneurship. Digital entrepreneurship is an area that has been prioritized as an important means towards creating knowledge economies around the world. In light of these developments, this paper will survey the current state of digital entrepreneurship in Egypt. Through interviews with key digital startups in Cairo, we gain insights into the nature of the ecosystem in Egypt and identify factors that contribute to the creation of an enabling environment for digital entrepreneurship and ultimately a knowledge economy. The overarching objective of this paper is to explore the nexus between innovation, digital entrepreneurship, and development in Egypt at this period of transition. The paper will also contribute to providing ground- up alternatives to existing policies based on our empirical research.

THE ENTREPRENEUR'S ENIGMA: FROM ANALYSIS TO ARTISTRY

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Entrepreneurs are regarded as the creators of new business ventures, new industries and engines of economic growth. Much has been written about the process of entrepreneurship about bringing the idea to successful completion. This analytical approach focuses on business plans and models need to be revisited. This paper argues that the entrepreneur is a creative artist and should tell a story about the business, including its plot, theme, characters, scenario, timelines, and a conclusion. This paper illustrates and describes the process for future entrepreneurs.

HYBRID ENTREPRENEURS IN KUWAIT

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Recently increasing attention has been given to hybrid entrepreneurs who are presumed to minimize their risk by having an alternative income source or employment before starting a business. While economic, cultural and institutional factors tend to influence indigenous entrepreneurship, few studies have focused on indigenous hybrid entrepreneurship. This study examines indigenous hybrid entrepreneurs and their motives to start a business in Kuwait. Results show a strong presence of hybrid entrepreneurs in Kuwait with a primary motive of starting a business for financial gain and/or independence as business professionals.

INNOVATIVE BEHAVIOR OF EGYPTIAN ENTREPRENEURS: A MODEL OF ANTECEDENTS AND CONSEQUENCES

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We drew on positive organizational behavior concepts, strategic management, and entrepreneurship theory to create an integrated model of innovative behavior and venture performance. Participants in the study were Egyptian entrepreneurs who were invited to participate in the study which also used a database of Egyptian entrepreneurs through the Entrepreneurship and Innovation Program of the American University in Cairo. Emails were sent to, 4000 entrepreneurs. 170 participants responded. The sample was further reduced to 159 because of missing data. The low response rate (4%) is partially explained by the failure of the email system. Entrepreneurs came from different sectors: 16% from the manufacturing sector, 65% from the service sector, and 20% from other services including software development and web consulting, automation solutions and technology for health communication. Eighty four percent of the participants were males while 15% were females, with an average age of 31 (range from 19 to 61). We compared percentages with those of the entire population. The data is representative since 70% of the populations originate in the service sector. The average age of the population is 25 years which is close to that of our sample. Twenty percent of the population is female which is again approximates those in our sample percentage. All instruments used in this field study are published and standardized measures. Structural equation modeling, the model of innovative behavior and venture performance, was used. Responses came from 159 companies across industries. Entrepreneurs' competencies of hope, optimism, self-efficacy, resilience as well as the four constructs combined together were direct predictors of entrepreneurs' creative behavior and traits. Personal initiative also had an indirect effect on innovative behavior. The relationship between these competencies and innovative behavior was mediated by creative behavior and personal initiative. Entrepreneurs' competencies of PsyCap were also found to predict venture performance; however, this relationship was not mediated by creative behavior or personal initiative.

TECHNOLOGY AND THE INSTITUTIONAL WORK OF MULTINATIONAL ENTERPRISES: THE ROLE OF THE INTRANET

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This paper takes an interdisciplinary approach to the challenges Multinational Enterprises (MNEs) face. In uniting concepts from International Business, Organization Theory and Information Systems, it is theorized that technology can be used as way to mitigate institutional distance in contradictory environments. In a characterization of the intranet as an institution, with its own regulative, normative and cognitive pressures, it can be seen that the way an organization aligns its intranet with other higher order institutions, such as national institutions, is a way to become legitimate. In this way, the intranet can be used as institutional work – the creation, maintenance or disruption of other institutions, and gives powerful insight into the decisions organizations make about how legitimate to become in an environment. Specifically, a proposed longitudinal study of a MNE entering into a new host environment can reveal initial intentions to become legitimate or not and can also uncover tweaks made when faced with illegitimacy concerns. This approach to studying legitimacy and institutional work will allow a better understanding of a MNE's actions by isolating the choices organizations make about becoming legitimate in some cases and not in others through institutional work. This study on the intranet can be extended to other forms of technology, such as websites, enterprise resource planning (ERP) systems, and HR systems, and how they can be aligned with new host country institutions.

THE MAKING OF A SOCIAL ENTREPRENEUR IN NORTH AFRICA: THE ROLE OF GLOBAL NETWORKS AND ORGANIZATIONS

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In 2006, Samira Idelcadi, a high school teacher from Tiznit, a small rural town in southern Morocco, attended a program in Boston implemented by the University of the Middle East Project. Within six years, Samira had connected hundreds of Moroccan and American students together, became one of only two women to be elected to her city council, and spearheaded a sister city connection with the city of Somerville, MA that resulted in hundreds of individuals engaging in cross cultural exchange. Through her efforts, Samira successfully promoted mutual understanding between thousands of individuals from both America and Morocco.

In 2013, Samira was awarded the prestigious U.S. State Department Alumni of the month award, becoming only the 86th individual out of over 1,000,000 exchange participants to win this award. Other award winners have included Former British Prime Minister Tony Blair, and Nobel Prize winner Mohamed Yunus of the Grameen Bank.

This presentation will focus on the role of the domestic and international networks that supported Samira in becoming a successful social entrepreneur. Specifically, this presentation will describe how Samira was the product of UME's decade long effort to incrementally expand the breadth of its networks in the US and MENA region, its efforts to strengthen the connections within and between these networks and how these networks worked together to empower key individuals like Samira.

THE IMPACT OF COMMERCIAL LEGISLATION ON SMES BUSINESS DEVELOPMENT IN THE UAE

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This paper explores the impact that commercial legislation has on small and medium enterprises (SMEs) in the United Arab Emirates (UAE). Extents of commercial legislation dealing with the likes of Foreign Ownership Laws, Free Trade Zones, the provision of finance and financial support and competition laws all assist to make the UAE a commercial hub in the Middle East. Entrepreneurship and business development are actively encouraged in this country and laws are continuously being developed to improve this part of the UAE. Despite this, the business world is constantly developing, changing and evolving, and thus it is important that the UAE recognizes that this is a dynamic process which has to be monitored and reviewed to ensure that the UAE continues to be a center for business in the region.

Keywords: Entrepreneurship, UAE entrepreneurs, UAE Commercial Laws, SMEs in the UAE

MARKETING FOR EARLY STAGE VENTURES – LEVERAGING LOW-COST MARKETING OPTIONS THAT LEAD TO GROWTH

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This empirical study reviews several low-cost marketing options available to early stage entrepreneurs with limited capital and no room for error. The study reveals that partnerships and alliances in particular yield the greatest returns, offering not only credibility and visibility, but also advisory council on product development, market segmentation and more. The identification of key relationships and the exploitation of their resources and stature can aid in branding and even re-shape the competitive marketplace. This study highlights some of those successes and recommends areas for further study.

RESPONDING TO GLOBAL ECONOMIC CHANGES, ENTREPRENEURSHIP EDUCATION AND HIGHER EDUCATION IN NIGERIA

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The global economic meltdown which many developed economies are still grappling with is having far more biting effects in many developing countries like Nigeria. Despite Nigeria being the sixth largest oil producing country in the world, its economic base is abysmally on shaky grounds for several reasons, including the monolithic nature of this economy (with oil and gas industry generating about 95% of the total export revenue and 80% of the total national income), coupled with mal administration of the economy. The country's growing population which now stands at about 170 million and the accompanying pressure on the nation's dwindling natural resources are exacerbating the challenges. For instance the country has the worst deforestation rates globally (FAO estimates), while Nigeria has some of the fastest growing cities in the world today (UN 2014). All of these pressures are bouncing back on the education system in terms of huge cuts in government's subvention to public universities every year and increasing rates of unemployment among university graduates. Leadership in the Nigerian public universities is thus faced with two multi-dimensional challenges: securing adequate funds timeously to provide university education comparable with the best around the world and ensuring that graduates are employable and/ or become employers of labour. This paper explores the various dimensions of the challenges and demonstrates with practical examples (using case studies from federal and state owned universities), how innovative and broad-based entrepreneurship education that includes skill acquisition, entrepreneurial leadership and business management techniques are helping to reform public universities in Nigeria. The paper also demonstrates the power of public-private partnership in the Nigerian education sector.

2. Ethics/ Corporate Social Responsibility

Corporate Social Responsibility: Its Economic Impact and Link to the Bullwhip Effect

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This paper examines the economic impact of implementing Corporate Social Responsibility (CSR) in the supply chain operations of multinational corporations (MNC). Because they have global supply chains in emerging markets, MNCs face certain operational challenges. For example, unethical operations often result in a huge loss to MNCs in the long run, even though their initial cost seems to be low. In this paper, we extend the Bullwhip Effect theory in supply chain management to the ethical operations context, and define and evaluate a special Bullwhip Effect due to Unethical Operations (BEUO). Using economic data from various sources including Ford, Toyota, and GM in the auto industry, we first estimate the indices of BEUO for the three companies and demonstrate the economic necessity for MNCs to incorporate CSR with supply chain operations. We then propose a coherent approach, blending what we term the *bottom-up* and *proactive* methods, to achieve such an outcome. The bottom-up approach requires MNCs to switch their focus on stakeholders, shifting from shareholders to consumers and workers, and on decision levels from public relationships to supply chain operations. The proactive approach recommends initializing specific CSR-Operations to mitigate the negative impact of BEUO. Both theoretical analysis and case studies are conducted to evaluate our developed propositions that MNCs adopting the proposed CSR operations will in the long run achieve better economic performance. Recommended actions for implementation, based on best practices, are also presented.

Keywords: Economic Cost, Corporate Social Responsibility, Operational Decision, Bullwhip Effect, Multinational Corporations

What's Wrong with Lahore?

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Although a considerable literature exists on corruption in developing countries, including those in southern and central Asia, the data typically do not accommodate geographical distinctions within countries. I examine a set of indicators that suggest country-by-country corruption and apply them to a comparison of Pakistan's two largest cities, Karachi and Lahore. These indirect indicators strongly suggest a significantly higher level of corruption in Lahore by several measures. Although I am unable to identify the factors that may be seen as causing this distinction, indirect statistics clearly suggest that the distinction exists.

Economics and Decision Making in Transplantation

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The decision making process to accept and transplant a patient is a complex process not only from medical stand point but also from the prospective of fiscal and resource utilization. This process also occurs under the scrutiny of numerous regulatory bodies. Economists refer to the total cost of an action as the sum of the observed costs as well as the opportunity cost of the action. The opportunity cost of any activity is the value of the best-forgone alternative. In the context of the decision to accept an organ or not, the opportunity cost for accepting an organ is the health benefits that the next best candidate would receive from the organ if he or she had received the organ. This is of course a direct function of the health status of the other candidates in the queue for an organ relative to the patient being considered for transplantation. The observable costs of transplantation are not only determined by the direct costs of transporting the organ to a transplant center and the cost associated with the procedure, but they are also a function of many other contributing factors. There may be a direct cost of not transplanting an organ, which is the subsequent costs associated with a longer waiting list or deaths while on the waiting list. The stakeholders are not only transplant programs but society (the payers) who will call into question the value of transplantation. Failure to correct the current trend will likely result in continued attempts by payers to avoid sending patients for transplantation.

A physician has a duty to do all that he or she can for the benefit of the individual patient. Policies for allocating limited resources have the potential to limit the ability of physicians to fulfil this obligation to patients. Physicians have a responsibility to participate and to contribute their professional expertise in order to safeguard the interests of patients in decisions made at the societal level regarding the allocation or rationing of health resources.

Scarcity will lead to competition. Competition can lead to many socially desirable outcomes such as more choices for the patients, lower prices and higher productivity. The negative effects of competition in the current system are due to the outcomes produced. The challenge is between "healthy" vs. "unhealthy". In a healthy competitive environment, costs of the product should decrease over time, utilization of organs and access should improve and outcomes should improve. As costs increase, outcomes worsen and utilization is stagnant. Competition with different rules would have a different outcome. For example if organ utilization rate was the most rewarded goal the outcome would be different than if outcome was the most rewarded.

Liver allocation is a very complex issue with multiple forces playing a role in decision making. Game theory is a study of strategic decision making, specifically, in the cases which cooperation among different players are needed such as transplantation. To date "game theory" type of predictions to anticipate how centers will react to rule changes have not been a part of allocation decision making. Rule changes based only on past behaviour is

inadequate. Rather, allocation should acknowledge the participation of centres as stakeholders and design the rules of the "game" to encourage positive center behaviours. The market rules should be designed so that patient and center interests align as closely as possible. One should not rely on altruism, but rather an objective examination of the motivation for center practices. Bureaucratic intervention and oversight is not the answer, preferable is a better designed market and cooperative interaction between centers.

3. Finance

**DETERMINANTS OF FIRM FINANCIAL PERFORMANCE: AN EMPIRICAL
INVESTIGATION IN CONTEXT OF PUBLIC LIMITED COMPANIES**

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and

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In today's competitive environment, a company can exist if continually improves performance by reducing cost, improving quality and productivity, and by gaining easy access to markets. This paper examines the key determinants of firm financial performance. The purpose of this thesis is to check the firm financial growth and performance and the type of factors that affect the firm financial performance. We will differentiate between financial and non-financial drivers of the firm financial performance. For the measurement of the firm financial performance, we examine a comprehensive list of factors, such as debt, tax rate, operating expenses, earning per share, and economic conditions. This study has also been done in developed countries but these researches show that foreign companies face many difficulties in improving the firm financial performance. In findings we found that marketing expenditures and international diversification had a positive impact on firm valuation. We also found that the Firm's ownership composition, particularly the level of equity ownership by domestic financial institutions and dispersed public shareholders leverage of the firm, tax rate and economic conditions were important factors affecting its financial performance.

Key Words Debt, tax rate, firm financial performance, operating expenses, dividend per share and economic conditions.

Innovation

CHALLENGES FOR INTRODUCING NEW WATER TECHNOLOGIES TO THE MARKETPLACE

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World population is estimated to reach 8 billion by 2030. Water has been described as blue gold for the 21st century as oil was the black gold in the previous century. Access to clean water can be accounted for many territorial disputes. Preventing contaminants from finding their way into the water sources is a global challenge. Global water quality is declining especially in developing economies. Health of an increasing number of consumers is at risk from consumption of contaminated water. Even water treated centrally, removal of some of the contaminants proves to be more challenging.

Global industrialization has led to production of high strength industrial wastewater that needs to be treated before it is discharged because it has the ability to contaminate natural water resources. Various treatments that were originated from sewage and wastewater treatment have been used to treat industrial wastewater. All of them have inherent problems that make them less than ideal process for removal of high strength toxins. A new electro-oxidation process transforms these toxins into inert compounds, so that clean water can be safely discharged into the environment. However, other challenges prevent rapid acceptance of new technologies in the marketplace.

These challenges can include fear of risk associated with a new technology, or decision makers comfort zone, capital equipment expense and operational expense. Free standing solid polycrystalline boron doped diamond (pBDD), is the ideal electrode material which can be used in the electrochemical conversion of toxins. pBDD diamond electrodes have an extremely wide solvent window, enabling advanced oxidation processes, and their inherent stability enables very high current density operation combined with an electrode lifetime measured in years. The aim of this presentation is to highlight the benefits of the new technology to the public and challenges for introducing it into the marketplace.

INNOVATION ARCHITECTURE

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Cultivating creativity and innovation in organizations requires a collaborative forum for free exchange of ideas integrating the wisdom of classics with contemporary thought that advances our knowledge through intelligent dialogue.

This paper provides a blueprint for the development and implementation of such architecture, called "Center for Creativity, Innovation and Leadership (CCIL)". Our model encompasses theories of creativity that empowers innovation. For success, a new leadership characteristic is required that truly believes in this process and can provide the appropriate leadership so that innovation and creativity can flourish through collaborative integration of education and people and make it work.

Sustaining Competitive Advantage: MNC Issues in Innovation, Taxonomies and Measurements

Mr. John Chambers

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Accelerated under the ubiquitous information age, creative destruction now challenges strategies that may not have the durability to last many years. Combatting the forces of competition, firms must now be prepared to adapt their operations, their products, their supplier engagements, and they must have the capabilities to do this rapidly. They require differentiation in the marketplace, not just in cost but in customer services and customer offerings. To adapt to the expeditious competitive pressure, firms have advanced “innovation” as a corporate value and cultural construct.

Countless strategies of multinational corporations (MNC), in the face of creative destruction, mandate that firms differentiate themselves through innovation; yet innovation tends to be ambiguous, depending upon paradigm. Innovation can (and should) apply to the entire value chain in the organization. But innovation has become a buzzword in many corporate settings, difficult to assess and institute. Since innovation taxonomies and measures are often applied across a myriad of disciplines with varying interpretations and perspectives, a foundational framework for assessing innovation is required, particularly in the international business environment.

The literature and research in innovation is extensive and multi-dimensional. Herein lies a double edged sword. When one considers innovation in the context of international business strategy, the avenues of thought, analysis, and study are virtually infinite. Measuring innovation in an MNC, or determining innovation levels in countries, demands a rigorous focus on international forces, company processes, and institutions.

This paper and discussion draws upon the innovation literature, organizes interdependencies, and provides a structural framework for assessing and measuring innovation. Respectful of both practitioner’s and researcher’s objectives, this includes discussion on the major factors influencing international business innovation, the means by which innovation is defined, and how it is (or can be) measured. By providing a *taxonomical approach for contextualizing innovation*, and applying the discipline to various parts of the value chain, a model is proposed for guiding the assessment, evaluation and measurement of innovation in countries and MNC.

Human Capital **and** **Cultural Issues**

LEVERAGING SPIRITUAL NORMS TO ENHANCE EMPLOYEE RESPONSES DURING TIMES OF MARKET TURBULENCE IN MUSLIM MAJORITY MARKETS

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Organizations have been significantly impacted by recent turbulent events in the Middle East, particularly the wave of revolutions referred to as the “Arab Spring”. In the case of markets like Egypt, the wave also included employee strikes against several organizations driven by their disapproval of pay and benefits coupled by the impatience to await a corporate solution. Without the presence of sophisticated response plans to appease employee frustrations, many had to temporarily or permanently close operations. In that light, we wish to draw scholarly attention to the important role of leverage culture context, particularly spiritually embedded values to offset the negative consequences of and enhance employee response during states of market turbulence. We review the state of turbulence in the Middle East post the Arab Spring, discussing the case of Egypt. Drawing from Islamic human resource literature, we reveal key specific principles that are practiced daily by individuals to enhance their responses but are not being sufficiently leveraged at the organizational level. We present a multi staged conceptual model that draws from preexisting local principles of Sabr (Patience/Absorption), Tawakkul (Reliance on God), Ihsan (Excelling in work), Reda (Acceptance of Outcomes), and Jamma’ah (Call to Unity).

PREDICTION MARKETS: AN INCENTIVE FOR SABOTAGE?

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Employees face a complex incentive structure. Firms often use promotional systems, pay-for-performance and profit-sharing as ways to motivate workers. When a prediction market is introduced it can serve as an additional incentive for employees to succeed. However, when the market allows wagers on the work of others and is not positioned alongside other (stronger) incentives it can create a motivation for employees to sabotage the work of colleagues. This paper explores the multiple incentives employees have and how a prediction market plays into the motivation of workers.

DEVELOPMENT

INDUSTRY AND POWER: INDUSTRIALIZATION AND THE AUTOMOTIVE SECTOR IN PRE- AND POST-REVOLUTIONARY IRAN

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The literature on industrialization has often implied that its direction is more or less linear, that once a nation's industrialization process reaches a take-off point, it is irreversible. This is a "ratchet effect" that, even under the least favorable, most hostile, or chaotic conditions, the experience gained and accumulated will sustain itself and help form the foundation for its next phase of industrial growth.

This essay examines Iran's industrial experience since World War II and the linearity and uni-directionality of its industrial process. To test this proposition, the ratchet effect, this essay discusses Iran's industrial experience before and after the 1979 revolution with particular reference to the country's automotive industry.

The automotive industry in Iran had an early start relative to neighboring countries. As early as 1959, it was assembling Jeep cars with imported parts, and in 1962 was also assembling Fiats. Other companies followed. By 1974 some 18 western auto making companies from the U.S., Great Britain, and Sweden were engaged with local partners in assembling automobiles, vans, buses and trucks. In the early 1970s, Iran took a giant new step when Iran National Industrial Manufacturing Company (INIM) bought some machinery from Roots Motors, a defunct auto manufacturing plant in Scotland, disassembled its machinery and installed it in its manufacturing facility outside Tehran. Such was the advanced stage of Iran's automotive industry that engineers from Hyundai, then a novice car maker in South Korea, came to observe and apprentice at Iran National factory, to learn automotive technology.

The 1979 revolution and its anti-Western attitude and anti-economics rhetoric drove industrialists from the country, except for those who were later killed during the ensuing revolutionary fervor.

Years passed, but eventually some of the same industries that had originated in the pre-revolutionary era began to resurrect themselves. The slogans that drove the early days of the revolution ("economics is for donkeys") gave way to "industry is power" and an "industrial country a powerful country".

This essay will elaborate on the automotive industry in pre- and post- revolutionary Iran and will draw conclusions regarding the extent to which there was a "ratchet effect" within that industry.

A North-South-South Framework of Industrial Development: Experimentation in and Internationalization across Mobile Telecommunications Markets of Africa

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Dr. Romel Mostafa,
University of Western Ontario

and

Dr. Francisco Veloso
Catholic University of Portugal

Research suggests that adaptations of advanced-economy business models to challenging base of the pyramid (BoP) market conditions involve experimentation. We analyze the conditions that facilitate developing country entrepreneurs to learn about business models and the incentive of local and multinational firms to carry out experiments for BoP adaptations. We test our frameworks' implications on the evolution of the mobile telecommunications industry across Africa. Contrary to the economic models that posit one-directional investments from the North to the South, our findings suggest a two-step industrialization process. The spillover of modern-industry knowledge from the North enables a few entrepreneurial firms in the South to actively experiment, and through successful BoP adaptations they gain ownership advantages and internationalize across the South, catalyzing the growth of the industry. (124 words)

Key words: Africa, Base of the Pyramid, Entrepreneurship, Experimentation, Mobile Telecommunications

Running head: North-South-South Industrial Development

MEASURING THE INFLUENCE OF THE CHANGE MANAGEMENT PROCESS TOWARDS THE DEVELOPMENTAL CAPACITY OF THE BUSINESS MODEL

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Dean of the Faculty of Economics – Skopje

and

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Faculty of Economics – Skopje

The potential of every business model is determined by its profound orientation for anticipative determination and inter-disciplinary fulfillment of the objectives of the applied change management concept. In the process-based change management process, the prior intention is placed on a clear distinction between the crisis potential and the developmental capacity of the prevailing business model, as a pre-condition for achieving the optimal change stage Prime.

In the existing complex and turbulent business environment, the managerial orientation towards an external adaptation and internal integration is rather an imperative than a question of a managerial choice. Therefore, each change management initiative should be analyzed in a close relation to its effects on the actual business model, in order to establish a basis for on-going assessing and managing the risks which are associated with each change management initiative.

The process of measuring of the inter-connectivity of the proposed changes with the exact business model, in our scientific – research work would be qualitatively measured and quantitatively tested with an empirical usage of the DICE change model on a representative sample of more than 100 SME’s, as a methodological framework which integrates the most prominent behavioral individual and group features, as the Duration, Integrity, Commitment and Effort of the undertaken change initiative.

Managers, especially senior executives, continuously attempt to increase the developmental capacity of the applied business model, predominantly by identifying the developmental phase for every business unit in which the necessity for a dual business developmental perspective is opposed to the emerging crisis manifestation, especially in achieving the organizational dynamism and pro-activity.

Continuous advancements of the developmental capacity of any business model is the initial step in creating a sustainable model for business development, particularly in securing the unique integration of business resources and competencies, on a long term basis.

Key words: Change management process, sustainable business model, DICE change model, dual business developmental perspective

RECONCILIATION OF COMPETING LOGICS OF PRODUCTION AND DISTRIBUTION OF WEALTH: DIFFERENT APPROACHES TO POLITICAL ECONOMY AND CHALLENGES OF LEADERS AND ENTREPRENEURS IN DEVELOPING COUNTRIES

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and

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The challenge to reconcile the logics of production and distribution of wealth is an issue that many developing countries face. On one hand, production relies on entrepreneurial activities, facilitated by liberal political economy mechanisms. On the other hand, widespread poverty pressures governments to pursue command economy to distribute wealth and ensure domestic security. However, restrictive government approaches confront efforts of entrepreneurs to address institutional voids. This paper sets out to investigate whether reconciliation between two economic interests of production and distribution is possible? We build on comparative examples from the MENA region and Eastern Asia to answer our research question.

A POLITICAL ECONOMY APPROACH TO SOLVING GHANA'S PETROLEUM EXTRACTION CHALLENGES

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Northeastern University
Boston, MA

This paper uses a political economy approach to identify important aspects of Ghana's new petroleum sector such as the current status of this infant industry, who the major institutions including international and national oil companies, governments (Ghana and US) and government ministries are, what role each is playing and what interests are at stake and above all, posing the question, who benefits and how? This paper uses the concrete and prevailing situation in Ghana to test the validity of key aspects and underlying assumptions of the popular resource curse theory which in this study is rather equated with resource management challenges to move away from the original theorem's assertions about the inevitability of the so-called resource curse-so called innate dimensions. Paper lays out specific policy goals and practical measures that can be adopted like value addition, substantial local business participation and right amounts of indigenous training, employment and career development solidly anchored in a carefully thought out national plan with a vision to turn petroleum resources into a bona fide socially transformative asset.

**ETHNOGRAPHY:
Understanding the Middle East on its Own Terms**

Dr. Alf H. Walle
University of Alaska at Fairbanks

Ethnographies provide complicated pictures of social behavior. The goal is to understand people on their own terms. Topics can range from full cultural profiles to the study of relatively distinct patterns of behavior (such as product consumption, workplace patterns, and so forth.) Although many “scientific” researchers feel the method is not adequately rigorous, it has great potential to deal with culturally distinctive populations, such as ethnic groups that live in the Middle East, North Africa, and Central Asia.

**Outside Perspectives and Local Traditions:
*Charting a Strategic Course for the Middle East***

Dr. A. H. Walle
University of Alaska at Fairbanks

When culturally distinct peoples are presented with opportunities, outsiders and their advocates often emphasize mainstream goals, paradigms, and methods of analysis. Robust and more appropriate methods of evaluation, however, are often needed because economic and social intervention can lead to unanticipated side effects that trigger unexpected and negative consequences. The methods of conventional business and the “New Public Administration” offer alternative views that often conflict with each other and offer distinct insights. Their value to the Middle East, North Africa, Central Asia, and elsewhere is discussed.

Connecting Common Wealth: Caribbean and Caribbean Diaspora

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How do Caribbean hybridity and creolization impact regional and international relations? In what ways might they engage with regional integration that can be of benefit to Caribbean development? What are some of the likely challenges in their engagement? Caribbean diaspora and the promotion of creolization are relevant to regional integration. Regional integration, likewise Globalization, is understood to be a movement toward financial, economic, trade and communicative integration but to take advantage of this opportunity, a country must specialize and produce something that is unique in the world (Joag 8). The Caribbean's cultural diaspora possesses and continuously produces unique and distinguishable products with every wave that hits Caribbean shores. The same seas suggestive of representing distinctive traumatic histories, as proclaimed by Edward Baugh and Derek Walcott, have pulled with them, and continue to pull, calaloo cultural currents connecting common wealths. These wealths can be categorized through music, art, fashion, dance, food and the literary arts; prose, poetry, drama. Each category takes with it influences from its colonizers; the Europeans and the British, and countries of origin; India, Africa, Asia, Caribbean, thereby synchronizing to make its own. Music being the vibrating pulse that beats to the variety of rhythms. Art being an expression through which history and "current" ambiguities are spoken. Fashion is the bold reminder of our tropical lifestyles and 2 distinctive ambiances. Dance expresses heartfelt amnesias and emotions from bodies to minds and vice versa. Not forgetting food, that is signatory of a melting pot of cultures. Furthermore poetry, prose and drama, offer new ways of seeing Caribbean and Commonwealth perspectives whilst simultaneously creating new genres to the world. Hence, this paper serves to present the relevance of diasporic wealth and creolisation in Caribbean development and by extension, Globalization.

Marketing / Branding

**A SPECIAL SESSION ON MARKETING:
An Elevated View of Marketing**

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and

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Rationale and Structure:

The field of marketing is undergoing a fundamental shift in its core beliefs. As a result of abundant solely profit-driven marketing practices, most consumers - 60% - are “serious resisters” of marketing and advertising (Yankelovich, 2008). Leading scholars recently called for an elevated conceptualization and practice of marketing (see, e.g., Webster and Lusch, 2013). Consumers have been also urged to adopt more sustainable consumption behaviors (see, e.g., Vitell, 2014). This special session examines mindful practice of marketing and consumption by marketers and by consumers.

The session mainly consists of (1) presenting two research projects focusing on mindful marketing practices and sustainable consumer behavior, and (2) proposing possible changes to marketing courses curricula to better reflect an elevated view of marketing. The session will start with Nada Nasr Bechwati providing a brief background information about the status of marketing and consumer research and introducing (and linking) the three papers. In the first paper, Gary Ottley proposes an elevated view of marketing, namely conscious marketing, and explains its tenets. Gary will share data collected through in-depth interviews with marketing executives in conscious firms addressing how they practice marketing. In the second paper, Nada Nasr Bechwati proposes an index to measure mindful consumption behavior. Nada will share steps of the index development including rounds of survey data collected and analyses performed to specify and validate the index. In the third part, Gary and Nada will together discuss implications of their research on marketing education. More specifically, the presenters will examine the core concepts covered in a traditional Fundamentals of Marketing course proposing key changes to reflect an elevated, more conscious view of marketing.

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**EFFECT OF MISCLASSIFICATION/NON-CLASSIFICATION OF COUNTRY OF
ORIGIN ON BRAND EVALUATIONS IN AN EMERGING MARKET**

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and

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Much of the literature on brands and country of origin (COO) shows that consumers are often either unable to match a brand to its correct COO (misclassification) or are unable to classify it to any COO (non classification). This in turn influences brand image evaluations and ultimately the purchase intentions of the consumers. The authors have attempted to reproduce the study by Balabanis and Diamantopoulos (2011) and have tested for these effects in an emerging market setting. Additionally, they have also tested the potential impact of ethnocentrism on the consumers' buying decisions. The results obtained show that brands experience losses due to adverse misclassification but gains from favorable misclassification. However, overall the losses resulting from misclassification are greater than the gains. Furthermore, even though strong brands are less vulnerable to misclassification as compared to weak brands, non-classification is detrimental to all brands. This study has important managerial implications. Also, because of the influence of ethnocentrism on consumers' purchase intention, the study has a positive implication for the local brands to compete against the foreign brands.

FIRM-CREATED SOCIAL MEDIA COMMUNICATION AND CONSUMER BRAND PERCEPTIONS

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and

Nadeem Iqbal

Europa University of Viadrina

Germany

Social media has changed the business communication strategies in the corporate world. Firms are using social media to reach their maximum stakeholders in minimum time at different social media forums. The current study examines the role of firm-created social media communication on consumer brand perceptions and their loyalty with brand. An online survey is conducted through social media forums including Face book and Twitter to collect data regarding social media communication of a well reputed clothing company's brand in Pakistan. A link is sent to 900 customers of that that company. Out of 900 questionnaires, 534 were received. So, the response rate is 59.33%. During data screening and entry, 13 questionnaires are rejected due to incomplete answer. Therefore, 521 questionnaires are completed in all respect and seem to be helpful for the study. So, the positive response rate is 57.89%. The empirical results report positive and significant influence of company-generated social media communication on brand trust, brand equity and brand loyalty. The findings of this study provide important information to the marketing professionals and brand managers to understand consumer behavior through social media communication.

Keywords: Firm-created social media communication, brand trust, brand equity, consumer Behavior, brand loyalty

DETERMINANTS OF THE EFFECT OF ELECTRONIC WORD OF MOUTH COMMUNICATION: AN EMERGING MARKET STUDY

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As an important topic in marketing, word of mouth communications had been under investigation in the consumer behavior literature. This study investigates the potential sources of electronic word of mouth communications. It also discover the social media used in sharing the electronic word of mouth communications and discuss the main online activities done by consumers. Then, it investigates what is the impact of these sources on the electronic word of mouth communications effects. The study also investigates the perceptions of online opinions of other consumers and how that affect the electronic word of mouth communications. The study is based on a survey of 457 individual respondents in Saudi Arabia. Results of the determinants of electronic word of mouth communication and its outcomes are reported in the study. Research implications of this study include testing concepts that have been primarily applied in western country settings. This study is the first of its kind undertaken tested in a Middle East region and adds value by providing empirical support previously lacking in existing literature.

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Keywords: word-of-mouth; electronic word-of-mouth, social media, Saudi Arabia

GOOD OL' BOYS AND STEEL MAGNOLIAS: HOW AND WHY CORPORATE BOARDS APPOINT FEMALE DIRECTORS

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A relatively recent literature has emerged that underscores the lack of gender diversity on corporate boards while discussing associated implications. This same body of literature highlights the “urgent need” for more scholarship and theoretical development on board diversity and accessing the boards directly rather than just focusing on director demographics and firm financial data. In response to this need, this paper uses a qualitative interview approach to access both male and female directors in order to address how and why corporate boards appoint members and, specifically, how and why they appoint *female* members. Preliminary results indicate that (a) boards find candidate directors using search firms and their personal or professional networks; (b) boards often have a specific description of “who they look for,” but tend to appoint a director because they believe he/she will be a good “cultural fit” with the rest of the board; that (c) boards appoint female directors to attract female talent, and to gain legitimacy; and (d) they avoid appointing female members because of unconscious bias, stereotypes, “Good Ol’ Boy” networks, the “queen bee” syndrome, and the “mirror effect.” Evidence reveals a paradox in that even though “*the corporate world is embarrassed by how slow the progress has been [for women],*” and even though directors indicate “*they want to help increase gender diversity,*” they still tend to appoint people who “*look just like them.*” This drives the persistent tendency of current directors to largely ignore female candidates and appoint their male counterparts in a process that often seems to happen subconsciously.

BUILDING BLOCKS OF ACADEMIC LEADERS: A ZEBRA APPROACH

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Academic leaders play a major role in educational institutes. Academic leaders perform pivotal roles which span management, administration and leadership. The performance of the academic leaders in institutes determines the future of the institute, since they are main point of contact for current and prospective students. The objective of this paper is to explore the building blocks of academic leaders taking into account the benefits to its two main stakeholders – the faculty members, the students and staff. his paper outlines a novel framework for Academic leaders: Zeal (**Z**), Enthusiastic, Energetic, Emotional Intelligence, Ethical, experiment (**E**), Belief, Behavior, Business, Brand plus, Bold, Build (**B**), Responsible, Respect, Risk, Role Model (**R**) and Ambition, Attitude (**A**) and how this approach helps in building Academic Leaders to the management. The purpose is to lay down the mechanics of enhancing the academic leadership skill which in turn enhance the teaching skills of the faculty members and the overall learning skills of the students.

MINDFULNESS IN MARKETING INFORMATION SYSTEMS AND MARKETING STRATEGIZING

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and

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Marketing is broadening and no longer confined to a particular department or function. It stands at the core of business and is viewed as a complex management activity. However, research regarding the day-to-day activities, processes, context and contents of marketing strategy making is limited. This paper aims to answer how marketing strategists formulate and implement their strategies with the aid of marketing information systems (MIS). Mindfulness, at its root, is a notion that has been promoted as a part of Buddhist and other spiritual traditions and applied to psychological health in Western Medical and mental health contexts since the 1970s. Many theoretical and empirical work illustrate that mindfulness bring about various positive effects on psychological health as well as on organization management. Moreover, mindfulness is claimed as a promising theoretical lens to study how strategists use IT to make their decisions, this paper discusses the mechanism in which mindfulness in MIS affect the outcomes of marketing strategizing. Three propositions are proposed to be tested in future study. Contributions as well as future study design are discussed at the end.

Key terms: mindfulness, marketing information systems (MIS), marketing strategizing (MS)

Posters Session

Frugal Innovation: A Study of Emerging Markets Firms Serving the Base of the Pyramid

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The primary objective of this study is to explore whether multinational enterprises from emerging markets are in a strong position to serve the base of the pyramid consumers with their frugal innovation. Emerging markets (EMs) Multinational National Enterprises (MNEs) are growingly recognizing the benefits of serving the Base of the Pyramid (BOP) consumers in their home markets. The study uses qualitative methods using two case studies of Indian and Chinese household appliance firms. The study chooses specific product from each firms, Chotukool refrigerator from Godrej and washing machine from Haier, in analyzing EMs MNEs' position in serving the BOP consumers with their frugal innovation in their respective markets. The study examines that emerging markets' firms are able to perform well serving their BOP consumers using existed institutional voids in their advantage and opportunity. EMs MNEs take advantage based upon their product affordability, product quality, product multi-purpose, product scalability, product simplicity, product acceptability and product energy efficiency. EM MNEs' products' features targeted towards BOP consumers are well suited with the demand of the BOP consumers.

Keywords: BOP, frugal innovation, EMs, MNEs, Haier, Godrej & Boyce

An Investigation of Crude Oil Price's Influence on the United States, China, and Saudi Arabia: A Comparative Study

Mr. Steve Simon
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The purpose of this paper is to examine the influence of recent oil price shocks on three distinct economies: the United States, China, and Saudi Arabia. The paper first considers the influence that each country's economy had on the development of the global recession via rising oil prices. Next, the paper examines each country's economy and its responses to oil price fluctuations in three distinct phases: rising oil prices until the year 2008, dropping oil prices in 2008/2009, and, again, rising oil prices post 2009. The United States is considered first, followed by China, and, conclusively, Saudi Arabia. Ultimately, the paper culminates in an analyses and forecasting of the short-term future for each country via an oil-price centric view and the responses that each country implemented in the three distinct oil-price shifting phases noted above. I find that the United States is likely to maintain its strong economic growth and that the U.S. oil-producing industry will continue to increase market supply. Therefore, I offer that oil prices in the mid \$60 range are likely to develop and persist. With regards to China, I am concerned about the health of the national economy but suspect continuing low oil prices will help relieve pressure and allow for future, albeit slower, economic growth. Finally, I find that Saudi Arabia is extremely susceptible to oil price shocks and, given the movement toward energy independence by many countries, the Kingdom must therefore discover new areas of revenue beyond the oil industry in order to maintain its power and relevance in the Middle East.

BRAIN DRAIN: A STUDY OF THE TOP THREE COUNTRIES WITH HIGH MIGRATION

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Nader Asgary,

and

Michael Quinn
Bentley University

Though its ubiquitous influence is experienced globally, brain drains are especially felt by developing economies. Brain drains are especially high in the countries of Iran, India, and China due to the high number of specialized workers. This has a devastating impact on the home country since the removal of these individuals result in the loss of specific expertise that could otherwise be used to help the economy grow, leaving the home country underdeveloped and thereby perpetuating the vicious cycle of poverty.

Since most of the recent literature focuses on theoretical information and cross-country studies, we were more interested in discovering the reasons and motivations for these individuals to depart their countries. Thus, the causes of migration in these countries was researched and analyzed with the goal of discovering the motivations and decision drivers that incentivize these individuals to leave their homeland. Only by identifying the reasons for leaving can it become clear why brain drain is occurring and to what extent. These reasons were recognized first by a literature survey that consisted of a short analysis of each case country. It was found that brain drains typically occurred due to three problems in the home country; the problems were economic, political, or cultural/social. The literature was complemented with cross-generational research: the causes of emigration for the three countries will be observed for three generations. Three distinct time periods were identified for each country where migration levels saw a change.

The explicit object was answering the following research questions: What factors or variables have been principal in influencing highly skilled individuals to leave their home country? What, if any, are the similarities or differences between those individuals leaving on a generational basis? An empirical study, using survey methodology, was carried out to answer these questions. Looking at emigration on a generational basis is important because the causes for emigration may certainly change due to different environments in each generation.

The survey consisted of asking individuals who were born in Iran, India, or China and were now working in the U.S a set of questions. These questions pertained to their occupation and educational attainment, along with certain constraints that encouraged them to leave.

We asked these series of questions in order to gauge their reasons for leaving. The survey was an especially important aspect of this paper as it helps support or refutes the findings from the literature survey.

**CULTURAL ASSIMILATIONS AMONG GENERATIONS OF MEXICAN, CHINESE,
AND IRANIAN IMMIGRANTS IN THE UNITED STATES**

Morgan Kruegler,
Tyler Kaplan,
Mustafa Merchant,

and
Nader Asgary
Bentley University

This paper explores the effects of immigration to the United States of first, second, and third generation immigrants among three distinct ethnic groups. The groups profiled in this study include Mexican-Americans, Chinese-Americans, and Iranian-Americans. This paper delineates the outcomes of generational impacts in regards to initial immigrant settlement, language, education, cultural values, employment and socio-economic level, and psychological impact. Results from this examination suggest that second generation immigrants experience a higher standard of living in the United States than members of other immigrant generations, recognizing that first and third generation immigrants are subjected to detrimental environmental factors.

An Analysis of Economic, Political, and Financial Factors Affecting Oil Price

Liwen Wang,
Yuanmeng Wu,

and
Erline Tanice
Bentley University

Fluctuation of oil prices has always been an interesting and talkative subject, as every time there is a significant movement in oil prices either increase or decrease, lots of perspective has emerged. The purpose of this paper is to analyze different point of view of the oil prices fluctuation and examine the oil market to understand the oil prices movement. Three major factors, which are economic, political, and financial, will be considered to evaluate how oil price fluctuations affect the economy as a whole. Although the U.S economy will be primarily the main focus of this paper, but because oil consumption is not only a U.S. affair, China will also be cited throughout the paper to support some claims. Also, some comparison and predictions will be made among the three factors in this paper.

Entrepreneurs and Governmental Policies in China and the US:

A study on how differing governmental business policies affect entrepreneurship

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Sabrina Gregory,

and
Yuting Zhang
Bentley University

Entrepreneurship is an important economic tool for sustaining growth and supporting prosperity in a country. It is a complex system that goes into creating and sustaining entrepreneurs. In this paper we look at how governments affect the entrepreneurship process. The two countries we discuss are the United States and China. China and the US are both enormous economies with many different businesses, large and small, that contribute to economic growth. However, they are both very different in their approach to business and entrepreneurship. The US is known especially for its technical businesses that grew out of single entrepreneurs making it big. China is known for its large manufacturing sector and how it is trying to emerge from its industrial roots. We compare how these countries differ in their attempts to foster entrepreneurship and how some of their policies are similar and where and why they differ. First, we will show our research on how entrepreneurs work in both countries. We have taken articles that focus on entrepreneurs in their own country and how they became successful or what policies help entrepreneurs grow. Then we bring the knowledge of the two countries' policies together in a discussion on what works for entrepreneurship and comparing the successful strategies of each country to see if there is an underlying pattern to successful business creation. Using this knowledge we will discuss how governmental taxes and regulation in the US and China affect small businesses, especially entrepreneurs. Then we will follow the money and see how entrepreneurs gain the capital to start their businesses and have governments help to provide the necessary funds. Lastly we will look at the culture of business in each country and see how the government promotes the community necessary to foster entrepreneurs and give them the tools to succeed. We will round out our paper and show how governmental policies can either help or hinder the entrepreneurship process and how that fits in the greater business network.

Effectiveness of Social Media as a Marketing Tool

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Matthew Wall,

and
David Li
Bentley University

“Social media is not just a spoke on the wheel of marketing. It’s becoming the way the entire bicycles are built.” (Ryan Lilly) In today’s society, money talks and the more efficiently you can reach your potential customer, the higher societal status you will achieve. However, unlike previous points in history, social media is playing a key role in marketing strategies with companies like Facebook, Google and Twitter leading the way.

The effectiveness of social media marketing campaigns is undeniable. It allows companies to reach a much larger audience at a much lower expense per view. Currently, to place an advertisement in the Sunday New York Times newspaper, a publication that prints 1,257,958 copies, costs \$1,762 per day. In comparison, an advertisement in the New York Times website has 12,515,653 views daily and can cost substantially less². But are those 10X more viewership resulting in higher sales? Is the marketing working at reaching the target audience?

We will take 3 major forms of social media, Facebook, Google and Twitter, and analyze the impact of using a social media marketing technique on the local and global economies. Also, we will analyze each company’s marketing power in order relate it to the increased revenue for its potential customers versus marketing strategies not focused on social media. This will determine not only which methodology of marketing companies will trend towards in the future, but what impact this potential shift will have on the economy.

Will social media revolutionize marketing and have a major impact on the economics of small and large populations alike? Or, is there little to no impact on this new, globally reaching, strategy?

Policies that lead to the expansion of the middle class: Cases of U.S, China, and Colombia

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Jieyin Sun,

and
Shuhan Xie
Bentley University

The importance of the middle class as the main consumer of goods and services within the economy and the role it plays in the generation of physical capital and political stability has been widely studied. In this paper we look at the policies implemented in three different economies (U.S, China and Colombia) starting in the second half of the twentieth century through 2013, that have led to a significant growth of the middle class as a percentage of the total population.

The Servicemen's Readjustment Act of 1944, better known as the G.I. Bill, and its effects on increasing wages, employment benefits and home ownership will be presented as one of the most successful exercises in social mobility in the U.S. Later efforts implemented during the Reagan administration and aimed at benefiting the middle class through tax cuts as well as the more recent efforts by President Obama to reduce debt for troubled homeowners and raise the minimum wage, will complete the U.S. analysis.

China's Open Door Policy, initiated in 1978 by Den Xiaoping, will be examined. The adoption of this policy has been considered the beginning of the shift from a government controlled economy to a market economy that has served as the catalyst for the explosion of the Chinese middle class, along with industrialization and urbanization, structural changes in SOEs, and the expansion of private business and the transformation of banking and financial sectors. The Chinese political environment, and the impact that the economic crisis of 2008 had on government led policies will be discussed.

Finally, the country of Colombia will serve as the method of contrast between the two largest world economies. Being one of the most attractive economies in Latin America, with a middle class that grew almost twofold in the past decade, going from 16% in 2002 to 27% in 2011.

A Comparative Study of Renewable Energy: Cases of China, Germany, and United States of America.

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This paper examines the economic impact of renewable energy in China, Germany, and the United States. The prospect of global warming and its negative effects on the planet has dramatically increased interest in renewable energy. With the exception of hydro and nuclear power, energy production relies on the combustion of non-renewable fossil fuels (coal, oil, and gas) to produce power, a process that emits enormous quantities of carbon dioxide, the main contributor to global warming, into the atmosphere. Wind and solar power, the two “renewables” now under intense development, are seen as a substitute to fossil fuels and therefore a means of averting global warming.

We first discuss each country’s national policies and goals regarding renewables at the national, regional, and local levels. Following this we discuss and debate the social-economic change following the adaptation of renewables. Lastly, we examine the economic impact that renewables have had so far on each of the three countries, and we suggest potential impacts that renewables may have on each country in the future.

The Societal and Economic Benefits of Educating Women in Developing Countries

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and
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In this paper we evaluate the economic impact of educating women in developing countries. It focuses mainly on the developing countries known as BRIC; Brazil, Russia, India, and China. In a developed country, such as the United States, women weren't allowed to attend college until 1848, but this access was limited. Now that women are given a secondary education equivalent to their male counterparts, they have become productive members of society. In some developing countries, the women are expected to hold submissive, gender-specific roles within their families, villages, and communities. By increasing the education of women in these villages, the local and global community will improve exponentially because their human capital will increase. The women will be empowered once they learn importance of skills, they will train others in similar situations, and the society as a whole will benefit. This paper discusses why it is more important to educate the women in these developing countries than to educate the men; women tend to go back to their families once educated, where the men move to cities and/or developed countries. Women are the anchors of family and society, and by educating women, we can create a global domino effect where education will be accessible to all women worldwide.

Income Inequality - “Fact or Fiction?” An Inferential Study of Income Inequality in the United States, India and Australia

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and
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In this paper we provide an empirical analysis of income inequalities across three countries - the US, India and Australia. The paper will provide key insights into how income inequality is measured by the widely used Gini Coefficient index for income distribution across these countries, with each country having a different approach to the definition of income concept and to economic policy. The paper discusses income inequality and its relationship with each nation’s economic growth, GDP, unemployment, tax revenues, wage inequality, values and other non-income measures to infer whether the varying trends represent rising disparity, or whether they represent normal, healthy economics. Another focus is how income inequality impacts individual citizens’ economic opportunity and other social areas such as poverty and housing affordability. In the course of our study, we examine how much of an issue income inequality actually is in each country - is it merely political rhetoric or are there really trends that indicate the income inequality is damaging the economy and hurting economic output?

Robotics and the Future of Supply Chain

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and
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Robotics could be called as the revolution of the 21st century, which is yet to come but is an inevitable. We are looking at a future, with certainty, where robots would have a role in every step involved in the supply chain, from a good's production, till it is delivery to the customer. The whole supply chain would be consisting robotics technology which would without doubt replace human/labor as the factor of production for any industry. Availability of labor force wouldn't be an issue of the future entrepreneurs. Human error would no longer be involved in any aspect of the supply chain operations, wages would no longer constitute as a variable cost. Worker unions' would not be present, to demand rise of wages, complain about the working environment, nor will safety be an issue of concern for any company. Unethical operations would no longer haunt major MNCs. With a future where there is zero labor cost, companies would no longer go in search of countries to outsource their production process.

Supply chain is the sequence of processes involved in the production and distribution of a commodity. Supply chain dates back from the days of the industrial revolution in the 18th century, where for the first time, machines were involved in the production process. While innovations in the production process were being a very constant trend, logistics, which deals with the distribution of these machine made goods still are primarily traditional.

In this paper we take a look at evolution of supply chain since the information technology boom and consider the economic factors that influenced the need for change. We concentrate on the changes that are happening and how companies look at supply chains of the future.

Finally the paper also handles the ever persistent belief that human labor will be substituted by technologies and robotics. We discuss about the level to which these technologies impact on the labor force.

Keywords: Robotics, Supply Chains, Kivas systems, Impacts, Labor force

Ethical Variations: Combatting differences in ethics in the U.S., Mexico and Brazil

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and

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This paper addresses the cultural differences in the mindsets of business practitioners within the United States, Mexico and Brazil. The paper provides a framework for ethics within these three countries. We have examined the cultural environments of these paired with codes of ethics in those countries to best gather information regarding strategies to effectively work with other cultures while maintaining ethical practices. The findings provide useful information in helping to understand how to most effectively come to a mutual consensus regarding ethical standards among the three different countries.

How to Overcome Cultural Differences in Negotiation between Indian and American

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and
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The purpose of this research project is to examine and identify the key cultural characteristics that impact what we say and how we behave during a negotiation so that we can negotiate successfully with people from another culture. In this paper, we are describing the ways in which culture affects the negotiation styles of individuals, specifically those from the United States and India. We use literature surveys and personal experiences in order to explain the behavior of Indians and Americans during a negotiation process. We found that Indians feel comfortable when a hierarchy has been established and they can follow the roles that they are expected too; this was developed from the caste systems that were previously in place all over India. On the other hand, Americans value equality and therefore, wish to be seen as equals in the workplace. It is imperative for both parties to be cognizant of this while negotiating with the other. In order to evaluate the Indian-American workplace relationship further, we used Hofstede's principles of individualism and collectivism, power distance, uncertainty avoidance and, masculinity and femininity. We found that Americans are individualistic and have low power distance whereas Indians are part of a collectivist culture and have high power distance. Both cultures are masculine and have low uncertainty avoidance. These traits help to categorize and understand the Indian and American culture, especially in the context of the workplace. Therefore, we have outlined recommendations for both Indian and American professionals as part of our conclusion, as well as included examples of successful negotiating tactics with both nationalities based on the extensive research conducted on the subject matter.

How Urbanization's Destruction of Arable Land Has Significant Negative Impacts on the Region's Economy

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and
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In this paper, we will address how arable land used specifically for the purposes of agricultural production is diminished by the phenomenon of urbanization (Seto, 2012), and how in turn this leads to changes in agricultural production that have significant short term and long term impacts on the economy of the region experiencing this change. Our intentions are to show how an event that symbolizes progression for an economy can actually lead to regression for those living in the region, and how this can be seen through both micro and macroeconomic changes in the economy. By understanding this cause and effect situation, we look to locate critical points where changes could be made to avoid sliding into economic regression during or after period of rapid urban expansion. We will begin by constructing a sequence of events to illustrate how the initial event impacts the physical space available for agricultural production and how this creates situations that can create a domino, which results in a number of economic declines in the region. Next, we will look at how these physical shifts lead to changes in consumption and production practices of both individuals and firms in the impacted economy, which then impact the economy's aggregate demand and aggregate supply of agricultural goods. To show duplication of this sequence of events, we will trace the process in three regions who have all experienced similar issues: The United States, North Africa and East Asia. We will examine each region's agricultural processes and how they were impacted during periods of urbanization, and compare their conditions before and after the marked periods of expansion. In doing this, we will show how these initial events ultimately lead increases in food prices, higher employment rates and higher poverty levels. We will support our claims by highlighting consistent changes across the three regions, for example how unemployment rates or food prices were effected similarly at certain points in the sequence. In order to simplify the examination of this string of events and show the consistency in the process across various regions, we will hold certain economic factors constant, such as technological advancements and population growth, which can play a role in the impacts of urbanization but can also differ greatly from region to region and from one period to the next. Finally, we will examine policies that have been used to elevate these issues in the past, and discuss the potential benefits and limitations of each, exploring how they could be changed in the future to decrease the negative effects of urbanization's impacts on the amount of arable land used specifically for agricultural production.

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Impact of Student Loan Debt on Recent Graduates

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and
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This paper examines the impact of increasing student loan debt on recent graduates. Over the last twenty years, the percentage of college students taking out loans has surged. This has far reaching impacts. We will investigate four scenarios which are changing how recent graduates both live and work. The first area of research focuses on the generation of wealth. A majority of students obtain higher education to increase their future earnings power and their ability to generate wealth. Being financially stable is a common society goal, but many recent college graduates have numerous financial difficulties upon graduation. The second area of research focuses on the impact of student loan debt for those starting a family. Family is a basic building block of society, but starting a family has large financial ramifications, especially for those with student loan debt. The third area of research focuses on home ownership. Many in the US consider owning a home an essential part of the American Dream, but the large debt load many student graduate with impacts their ability to afford a home. And the last area of research focuses on the impact of student loan debt on small business formation and entrepreneurship. Small businesses are the lifeblood of the US economy, but starting a small business requires access to credit, which can become difficult for those with student loans. We will review these topics to determine if the rising amount of debt incurred to obtain higher education in the United States is having unforeseen consequences on our daily lives.

How Transitioning Economies are Effectively Increasing Private Sector Growth by Using Direct Foreign Investor Subsidies to Fund Local Entrepreneurial Projects

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The purpose of this paper is to examine transitioning economies who are using subsidies from direct foreign investors to fund locally run entrepreneurial projects as a method for stimulating cash flow cycles and creating stable economic autonomy within the region. The goal of this examination is to show how this strategy provides a path to decreases in unemployment rates and poverty levels and increases in consumer spending and investments, while at the same time allowing for direct foreign investors to set up operations in the region.

Using economic data from case studies on regions in MENA, the Middle East and North Africa ([Middle East and North Africa Transition Fund](#)), I will show how this strategy creates a series of events, which ultimately lead to significant, positive increases in the economy's overall Gross National Income ([Global Monitoring Report](#)). I will make use of case studies that examine the implementation of this strategy in Jordan, Bahrain and Yemen, who all share the common goals of promoting investment and private sector growth in their economies ([Yemen Investment Authority](#)), to illustrate the positive shifts in the economic indicators being observed.

In addition to detailing the three region's economic similarities, I will also discuss their political and environmental commonalities before the implementation of these entrepreneurial funding projects, as well as during the project and at the present time. These comparisons will illustrate the economic changes occurring over the period of time and how they are the same or different from case-to-case. Next, I will address exogenous factors that I am not considering in my examination, such as: population shifts - both growths and declines - and changes in age dependency ratios. I will also talk about why I am not considering the introduction of innovations, or other investments made by the direct foreign investors that can benefit the economy and as a result cause changes in the statistics and data being examined.

Finally, I will survey the current state of each region, touching upon potential road blocks or obstacles, such as flaws or oversights in their current accountability policies for direct foreign investors, in an effort to identify potential modifications that could be made to improve outcomes; to create both short term stimulation in the economy and significant long term growth in the economy; and, to allow for this strategy to be successfully applied in other regions experiencing similar difficulties while in a period of economic development.

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**System of Governments and Recruiting Methods:
A Multi-Country Comparative Analysis**

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and
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The purpose of this research paper is to compare and contrast the recruiting methods, the hiring process, and other issues (such as diversity between the United States, China and Saudi Arabia). We chose these three countries because we were interested in finding out if their different types of government (Democratic, Socialist, and Monarchy state) may produce different recruiting and hiring perspectives, policies, and issues across businesses in their respective countries. The different types of government and the history of each country contributes to the issues in recruiting which allowed new policies such as the Society of Human Resource Management and Equal Employment Opportunity to be enforced in the workplace. Recruiting methods are changing continually. Saudi Arabia uses headhunters, while China and United States effectively market their companies on job boards. The hiring process is somewhat universal in terms of screening, interviewing and adequately choosing the right candidate. In addition, each country has its own unique issues, which we will research to find any possible correlation with their particular form of government.

Online Presentations

**THE EXAMINATION OF THE RELATIONSHIP BETWEEN ENTREPRENEURIAL
ORIENTATION ON CUSTOMER'S LOYALTY OF BANK SADERAT IRAN
(WITH REGARD TO ROLE OF MARKET ORIENTATION STRATEGY)**

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and
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Background: Entrepreneurial orientation (EO) embodies a perspective that allows organizations the opportunity to exploit the needs of emerging markets. MO refers to the kind of organizational culture where a firm focuses on getting to know its customers and competitors well; and being able to internally coordinate responding actions.

Purpose: The purpose of this dissertation is to explicate how two strategic orientations i.e. entrepreneurial orientation and Market orientation have a robust positive relationship on Customers loyalty and entrepreneurial orientation has a significant relationship with Customers loyalty through the mediation of Market orientation.

Methods: In a descriptive study, in order to provide a regression model a sample of the 278 employees and customers of bank Saderat Iran were selected by random sampling. Participants completed entrepreneurial orientation scale suggested by Covin and Slevin(1991), Market orientation scale developed by Narver & Slater (1990) and Customer loyalty Scale developed by Hong & Goo (2004). The data were analyzed using simple regression and multiple regressions.

Results: The results showed that there is a positive and significant relationship between entrepreneurial orientation and customer loyalty ($R^2=0.268$). Market orientation has an effect on relationship between entrepreneurial orientations ($R^2=0.280$). Research model has a good fit. Also, Innovativeness, pro-activeness and Risk-taking through the mediation of a market orientation have a significant relationship with customer loyalty ($R^2=0.314$), ($R^2=0.201$), ($R^2=0.229$).

Conclusion: Findings of the present study suggest that the relationship between entrepreneurial orientation and customer loyalty can be explained more accurately and comprehensively through the mediatory role of market orientation. It is argued that firms can adopt either one of these two orientations, or a combination thereof, to achieve their superior goals.

Key words: Entrepreneurial orientation, Market orientation, Customer loyalty, Bank Saderat Iran

THE EFFECT OF FACTORS AFFECTING CUSTOMERS ACCEPTANCE OF INTERNET BANKING BASED ON THEIR INITIAL TRUST

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Utilization of the information technology in e-banking leads to a decrease in geographical distance and time interval between the bank and the customer. It also yields a reduction in bank service offering costs and money transfers. Therefore, it increases the competition among banks and the quality of services, and ultimately changes the bank organizational structure and optimizes the banking industry. The purpose of the present research is to extract the effective factors on the e-banking acceptance based on the customers' initial trust. After studying the empirical models and previous researches, and extracting the indices from various papers in the direction of the present research purposes, these factors were classified into several general categories, namely the perceived convenience, perceived profitability, perceived security, tendency to trust and the bank fame and reputation. The justifiability and stability of the questionnaire were confirmed using the formal justifiability and the Cronbach's Alpha coefficient, respectively. The developed questionnaire studies a sample comprised of 610 customers of Tehran city banks. Using the descriptive and inferential statistical methods in the LISREL software environment and applying the confirmatory & operative analyzing tests, the structural equations showed that there is a meaningful relationship between the pre-mentioned factors on the e-banking acceptance based on the initial trust. The findings of the present research indicate that the perceived profitability has the highest effect on the e-banking acceptance based on the customers' initial trust.

EFFECT OF FACTORS ON LOYALTY TO BRAND WITH UTILIZATION OF CONTEXTS SUCH AS SATISFACTION TRUST PERCEIVED VALUE AND PERCEIVED QUALITY

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Globalization of banking services market and emergence of new competitors as well as private banks have resulted in more competition among financial and monetary organizations and a reduction in their market share. Therefore in this highly competitive market, bank customers are considered to be major assets which must be preserved. It seems that finding a way to increase customer loyalty and satisfaction is one of the major challenges nowadays marketers encounter. For that, this research examines influential factors such as satisfaction, trust, perceive value, and perceive quality, leading to customer loyalty to the brand. To achieve this goal, the relationship of satisfaction, perceive value and quality and trust with customer's loyalty were hypothesized based on conceptual modeling. Necessary information was gathered by a questionnaire sent to a random sample of 303 customers of Tehran province's BSI branches all research hypotheses were tested using structural equation modeling. The covariance shows that factors such as, satisfaction, trust, perceive quality, and perceive value had a close relationship with BSI customer's loyalty.

Key words: satisfaction, Trust, Perceive quality, Perceive value, Loyalty of brand.

**CORRELATION OF ETHICAL ATTITUDES AND COMMITMENT TO THE SOCIAL
CONSEQUENCES OF ECONOMIC DECISION-MAKERS: A CASE STUDY
FROM SADERAT BANK OF TEHRAN PROVINCE**

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and

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The purpose of this study was to assess the impact of the ethical aspects, such as trust, honesty, justice, and deliver on the commitment of decision-makers to focus on the environmental impact of economic projects, stakeholders and the community. The sample of this study includes all the experts responsible for evaluating business plans presented to banking exports. We tested the validity of our questionnaire through different means. We tested and its reliability using Cronbach's alpha. Using structural equation modeling using LISREL software Conceptual model development and results of the survey will be analyzed using software SPSS22. To assess the relationship between variables, Kendall's rank test was used to him.

Keywords: Commitment, Social Responsibility, Moral attitudes, Saderat Bank

Information Security in Digital Economy

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Although many studies have been done in the field of digital economy, the issue of information security in digital economy has received less attention. The results of investigating 66 articles from 2008 to 2013 shows that the issue of information security in digital economy can be divided into 5 areas: information security management and control, vulnerability and threats, security incidents, disaster recovery plan, business continuity and auditing & risk management.

In this article, we try to answer the following question: which of the areas of security in digital economy should be studied further? We wanted to draw researchers and specialists' attention to some areas that have received little attention. Thus we can reduce the vulnerability that can result from security incidents.

This research study shows that with the willingness of communities to shape the economy based on digital technologies, two important areas, security incident and Business Continuity & Disaster Recovery Plan, need serious attention.

Key words: information security, digital economy, information society, vulnerability, security hole and security domains.

A Proposal for Calculating Large Projects Progress: Focused on Oil and Gas Companies

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Usually large projects such as oil, gas, and steel are hard to calculate the cost due to changes in the dynamic process. These projects directly and immediately will be affected by the price and conditions of final product. Clients or the owners of such programs usually change the programs as part of a portfolio due to the changes in the business case that is derived from the feasibility study or the business case. These changes may result in suspension of a project or cranking down the cash flow or leading the decision for early production of the plant with some technical process changes and output deviations. These changes usually could be devastative for project control. Although all these changes will be controlled by change in the project and therefore measuring the progress of the project will be a challenge for the project manager. Of course in such situation the priority and consequently weight of items in schedule would not be the same as it was.

Project progress usually is measured by the costs evaluated for each WBS item or task which will result in work progress appraisals. In a few projects the Progress Measurement System (PMS) is based on time consumed for each item of WBS. In a estimation of weights, cost and time are considered together but the formula, if there were any, will be totally rigid for all conditions. There is still the chance to use the expert judgment for weighting and correlating these parameters. There should be a systemic method for correlating the cost, time, and other variables in calculation of weight factors. The weight factors shall be considered such that physical progress and time consumed matched reasonably and be sensible for any stakeholders. This paper proposes a simple correlation between time, cost, the deliverable share in product and etc. for weighting the WBS items and activities. The method is flexible, predictable and is sensitive to change of weight factors. The weight factors would be adjusted based on the new situations by simply adjusting the factors in the formula. It is to be noted that off-shore projects the resources type and usage duration has a profound influence on the cost. The method has been used in two mega projects in oil and gas and steel making plant.

An Analysis of Networking Structure and Message Rate in Social Networks

Mohadeseh Rokni

These days, social network is one of the important means of communications. More users use at least one of the Online Social Networks (OSN) to connect to friends and business partners. Various OSN applications are developed to satisfy the requirements of different users or business groups. Among the large number of the OSN applications, friend recommendation is one of the most important and popular ways to make a new friend and expand the social circle. Social network are dynamic and continues. For this reason, the evaluation of social networks is very complex. In this paper, In addition to messages between nodes, the features of network structure are taken into consideration and evaluation. We propose a combined approach. First the network is divided into a number of communities by a community detection algorithm based on message rate as a Pruning algorithm, and then used FriendLink algorithm to calculate the similarity between all users on the network based on characteristics of the network structure and rate message. At the end users with the highest similarity as friend recommended is the targeted user. Experimental results show that the recommendation accuracy of our method is higher than the CSM and FriendLink algorithm.

