

**ABSTRACTS****1. STRATEGIC LEADERSHIP, ORGANIZATIONAL LEARNING, ORGANIZATIONAL INNOVATION, AND PERFORMANCE: EVIDENCE FROM ELECTRONICS BUSINESSES IN THAILAND**

Phapruke Ussahawanitchakit, Mahasarakham University, Thailand

**ABSTRACT**

*This study aims at examining the effects of strategic leadership, organizational learning and organizational innovation on performance of electronics businesses in Thailand. Strategic leadership, the independent variable, includes absorptive capacity, adaptive capacity and managerial wisdom; organizational learning, the independent variable, consists of commitment to learning, open-mindedness and shared vision; and organizational innovation, the independent variable, includes administrative innovation and technical innovation. Also, performance is the dependent variable of the study. Here, 121 electronics businesses in Thailand were chosen as the sample. The results indicate that absorptive capacity, managerial wisdom, commitment to learning, shared vision, and technical innovation definitely have a significant positive influence on performance. Surprisingly, adaptive capacity, open-mindedness and administrative innovation have no effect on performance. Accordingly, strategic leadership, organizational learning and organizational innovation have played an important role in driving and explaining an organization's performance. However, future research is needed to conceptualize the measurements of adaptive capacity, open-mindedness and administrative innovation and to collect data from other population and/or a comparative population in order to widen the existing perspectives.*

**Keywords:** Strategic Leadership, Absorptive Capacity, Adaptive Capacity, Managerial Wisdom, Organizational Learning, Commitment to Learning, Open-Mindedness, Shared Vision, Organizational Innovation, Administration Innovation, Technical innovation, Performance

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**2. M&A AND PERFORMANCE: EMPIRICAL EVIDENCE FROM EUROPEAN COMPANIES LISTED ON THE U.S. STOCK MARKET**

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**ABSTRACT**

*The analysis described herein permits the identification of a relationship between the differential pre/post listing prices of a group of target companies ( $T2-T1$ ) and a set of independent variables deducible from balance sheets and from the U.S. financial market before and after the aggregation of the two companies concerned. Consistent with this interpretation, we find that the variance of ( $T2-T1$ ) may generally be explained by the differential pre/post listing prices of the acquirer and the market value of the target company on the date of completion. However, a different set of variables is obtained when the majority and minority groups are considered separately. From our predictive analysis, we also verify that, in comparing the dependent variable ( $T2-T1$ ) with the predictive independent variables (from before the date of the announcement), there exists a linear relationship between the differential pre/post listing price of the target company, and the predictive characteristics of announcements made to the market before and after the circulation of rumours about the acquisition.*

**Keywords:** Mergers; Acquisitions, performance; NYSE

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### 3. A SERVICE FOCUS IN HIGHER EDUCATION AND THE CQL-MODEL

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#### ABSTRACT

*This paper focuses on the importance of a marketing and service focus in higher education. That importance is discussed and how marketing and service orientations have developed in the public sector. Marketing and service focus in higher education is discussed in depth. A part of that discussion is devoted to the introduction of the SERVMO MODEL Voon (2006) where the effects of a service-driven market orientation on service quality are delineated. The model, however, does not deal with the effect of service quality on other variables. To complete the picture a model developed by Helgesen and Nasset (2007), is therefore also introduced. It traces the effects of service quality, satisfaction and image on the loyalty of students to universities and programs.*

*The main contribution of this paper is the introduction of a research model, the CQL-Model, covering the process from culture to loyalty and a set of hypothesis derived from it. The model postulates that a service culture affects service quality which in turn affects the image of a organization's goods and services, the image of the organization itself and its customers' satisfaction. It also postulates that many other variables have an effect on satisfaction such as product quality, price, situational factors and personal factors. Loyalty is depicted as having two dimensions, attitudinal and behavioural loyalty.*

**Keywords:** Service Quality, Loyalty, Segmentation, Universities, CQL-Model

### 4. EMPLOYEE CREATIVITY, ORGANIZATIONAL CHANGE AND CORPORATE INNOVATION: MEDIATING EFFECTS ON THE TRANSFORMATIONAL LEADERSHIP-FIRM SUSTAINABILITY RELATIONSHIPS: EVIDENCE FROM THAILAND

Phapruek Ussahawanitchakit, Mahasarakham University, Thailand

#### ABSTRACT

*Recently, transformational leadership becomes a main driver of determining and explaining firms' profitability, survival and sustainability. This study aims at investigating the impacts of transformational leadership on firm sustainability of information technology businesses in Thailand via employee creativity, organizational change and corporate innovation as mediators. Here, 111 information technology businesses in Thailand were chosen as the sample of the study. The results present that transformational leadership has a significant positive influence on organizational change and corporate innovation, and employee creativity has an important positive impact on firm sustainability. Surprisingly, transformational leadership has no association with employee creativity; and organizational change and corporate innovation have no relationships with firm sustainability. For the mediating effects of the relationships, employee creativity, organizational change and corporate innovation are not mediators of the transformational leadership-firm sustainability relationships. Hence, further study may consider finding practical reasons why it is so by reviewing extensive literature, or collecting data from a larger sample, for example in order to verify the generalizability of the study and increase the level of reliability. Potential discussion with the research results is effectively implemented in the study. Theoretical and managerial contributions are explicitly provided. Conclusion and suggestions and directions of the future research are highlighted.*

**Keywords:** Transformational Leadership, Employee Creativity, Organizational Change, Corporate Innovation, Firm Sustainability

**5. A STUDY OF THE BUSINESS MODEL OF A SUCCESSFUL B-TO-B MARKET**

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**ABSTRACT**

*This paper examines the business model of NC Network, the most successful electronic B-to-B market serving the Japanese manufacturing industry, to identify the factors that have made it successful when other B-to-B markets have failed. Investigation of the services offered by NC Network reveals the importance of its ability to accommodate the unique economic and social institutions of the Japanese manufacturing industry. Specifically, by providing a search engine that shows results on the criteria of production technology and reputation rather than the end product; a bulletin board that fosters the formation of trusting relationships; and an infrastructure that highlights unique production technologies, fosters competition based on technology rather than price, and reduces the risk of opportunistic behavior, NC Network promotes matching between buyers and sellers, facilitates knowledge exchange, and provides an appropriate infrastructure. By so doing, it has achieved the objectives of providing value, offering an effective incentive system, and achieving the critical mass necessary to produce a network effect (Evans, 2009), which are essential to B-to-B market success.*

**Keywords:** *Electronic B-to-B Market, Japanese Manufacturing Industry, SME, Business Model, Economic and Social Institutions*

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**6. ARE A COUNTRY'S CORRUPTION AND DEVELOPMENT RELATED?:  
A LONGITUDINAL CROSS-LAGGED STRUCTURAL EQUATION MODEL ANALYSIS**

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**ABSTRACT**

*The official policy of aid agencies and development banks has been to encourage a reduction in corruption as a step towards promoting economic development and poverty alleviation. The objective of this study is to examine empirical evidence for cause-effect linkages between growth and corruption utilizing a cross-lagged structural equation model. We conclude that there is an overall tendency for countries to regress to a normal level of corruption for their level of economic development. Within this tendency, increased development leads to a reduction in corruption, but a reduction in corruption does not, in itself, lead to an increase in development.*

**Keywords:** *corruption, economic growth, GDP per capita, CPI, Structural Equation Modeling.*

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**7. AUDIT PRACTICE AND AUDIT PERFORMANCE OF CPAs IN THAILAND**

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**ABSTRACT**

*Auditors are significant professionals who encourage stakeholders to ensure and accept the quality and reliability of financial statements and reporting. Accordingly, an investigation of the auditor's practices, duties, functions, and activities are important. The objective of this study is to examine the effects of audit practice on audit performance of certified public accountants (CPAs) in Thailand. Audit practice consists of audit experience, audit independence, and audit professionalism; audit performance includes audit quality and audit effectiveness. In this study, 214 CPAs in Thailand are the sample of the study. The results indicate that audit experience, audit independence, and audit professionalism have a potential positive impact on audit performance and audit quality. Surprisingly, only audit independence and audit*

professionalism have a critical positive effect on audit effectiveness. This study definitely confirms the existing literature of audit jobs and behaviors. However, future study needs to conceptualize the audit experience-audit effectiveness relationships and to collect data from a large sample of auditors and other auditing professions such as tax auditors (TAs) in Thailand or elsewhere.

**Keywords:** Audit Practice; Audit Experience; Audit Independence; Audit Professionalism; Audit Performance; Audit Quality; Audit Effectiveness

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## 8. PERCEIVED EFFECT OF COMPUTER SELF-EFFICACY ON COLLEGE STUDENT COMPUTER USE

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### ABSTRACT

*Prior research indicates that a user's perceptions of computer systems will influence the level of their use of those systems. This study provides an analysis of the effect that students' perceptions of their Computer Self-Efficacy have on their level of computer use. The study provides support for the validity of the Computer Self-Efficacy construct and finds that it has a positive and significant relationship to Computer Usage. In other words, college students who perceive that they have higher levels of control over their computers have higher levels of computer usage. The findings also show that each indicator of the Computer Self-Efficacy construct is a statistically significant contributor to the relationship. Results of this research are generally consistent with other studies and support the importance of Computer Self-Efficacy on computer use. The findings also validate the importance of a broader view regarding the strength of the relationship between the perceptions of college students and their system usage.*

**Keywords:** Efficacy, Computer Efficacy, Computer Self-Efficacy, End-User Computing, Computer Usage

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## 9. ORGANIZATIONAL CHANGE THROUGH BALANCING EFFICIENCY AND FLEXIBILITY AT LOTTE DEPARTMENT STORE: THE ROLE OF SOTONG (疏通)

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Su-Jin Han, The Hoseo University of Korea, Chungnam, Korea  
Jun-Ho Lee, The Sungshin Women's University, Seoul, Korea

### ABSTRACT

*Changing in response to environment is essential to the development and survival of an organization. To this end, it is highly important to effectively manage resistance expected to arise in the early stage of change and make sure the changes are internalized by its employees. In order for the changes to be firmly rooted in the organization, its employees should accept the changes and translate them into action in a natural manner. This requires not only reasonable recognition but also emotional relevance. This study talks about the role of sotong as a tool for successful organizational change by focusing on the case of Lotte Department Store. We looked into the role of sotong at each stage of changes and its own characteristics of sotong. This study also discusses its persuasion and people management styles, which were exerted in the course of organizational changes, in terms of paradox management.*

**Keywords:** Organizational Change, Organizational Culture, Human Resource Management, Sotong, Core Value, Emotion

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## 10. THE MODEL AND PROCESS DEVELOPMENT OF HOUSEHOLD ACCOUNTING UNDER THE PHILOSOPHY OF SUFFICIENCY ECONOMY

Sareeya Phannarong, Rajamangala University of Technology Lanna, Chiangrai, Thailand

### ABSTRACT

*This research is a model and process development of household accounting under the philosophy of sufficiency economy. Its purpose is to improve the potential and the strength of the community and to raise the awareness and consciousness of living sufficiently by creating a household account. In this research, it is hypothesized that the model and process development of household accounting under the Philosophy of Sufficiency Economy has successfully helped people to live sufficiently. Five steps of household accounting developed under the philosophy of sufficiency economy include 1) the assessment of household economic status and debt state 2) household account book 3) the statement of household income and expenses 4) setting the goal for increasing income and reducing unnecessary expenses and 5) the assessment of creating a household account and applying it to their daily life under the philosophy of sufficiency economy. To examine if the families have successfully set their goals and achieved their goals, one hundred and fifty-five families who are farmers have been applying the household account to their daily life for 6 months. The findings show that in overall picture, the attitude of the samples who have never created a household account towards the household accounting under the Philosophy of Sufficiency is better than the attitude of the families who have experienced creating the household account before. More than 90 percent of samples understand how to create household account. An ability of the samples to make a plan and set the goal in order to reduce their expenses is better than making the plan and setting the goal to increase income and for saving (95.31%, 91.55% and 77.93% respectively). Moreover, more than 80 percent of the samples who have an ability to make a plan and set the goal has successfully achieved their goals.*

**Keywords:** Household Accounting; Philosophy of Sufficiency Economy

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## 11. EFFECT OF CONTINUING PROFESSIONAL DEVELOPMENT ON WORK SUCCESS OF THAI ACCOUNTANTS

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### ABSTRACT

This research aim at investigate the effect of continuing professional development (CPD) on work success of Thai accountants. The data were collected from 155 Thai accountants and multiple regression analysis was used for analyzed the hypothesis testing. The results were indicated that the continuing professional development that influenced on work success. Gender as the control variable is also associated with work success. For other control variables such as age, education level, and amount of training time for continuing professional development weren't influenced on work success. Therefore, this research concluded that the CPD had a positive relationship with work success that corresponds with the hypothesis setting. Besides, addition finds that gender is affected on work success of Thai accountants.

**Keywords:** Continuing Professional Development, Work Success, Thai Accountants

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## 12. FOREIGN DIRECT INVESTMENT AND ECONOMIC GROWTH: IS INFRASTRUCTURE AN ISSUE?

Suneeta Sathye, University of Canberra, Australia

### ABSTRACT

*The literature suggests that the host countries must possess certain characteristics, for example infrastructure, in order to benefit from the foreign direct investment inflows. Many countries are investing*

heavily in infrastructure which is one of the determinants of foreign investments. The present study investigated the link between foreign direct investment, infrastructure and economic growth for a sample of developing countries using OLS regression. The results suggest no relationship between foreign direct investments, infrastructure and growth. These results support prior studies which suggested that infrastructure per se is not sufficient to enable a country derive benefits from foreign investments.

**Keywords:** foreign direct investment, infrastructure, economic growth

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### 13. EFFICIENCY AND PRODUCTIVITY CHANGE OF BANKS: MAURITIAN EVIDENCES

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Seeboruth N, University of Mauritius, Reduit, Mauritius

#### ABSTRACT

*This paper employs a nonparametric approach to the efficiency and productivity of the Mauritian banking sector during 2001-2006. The measurement of efficiency is done using the Data Envelopment Analysis(DEA). Productivity growth is decomposed into technical efficiency and technological change using the Malmquist indices. Using labour, fixed assets and loanable funds as inputs and total loans and fee based income as outputs in the analysis, it is observed that the mean efficiency score of banks in the Mauritius when compared to other countries is lower. The Malmquist Total Factor Productivity results obtained indicate that annual productivity growth averaged the 4.9% across all commercial banks and was largely attributable to technological progress. The results have important implications for bank managers, policy makers, bank regulators and other stakeholders of the Mauritian economy. It is believed that there is considerable scope for efficiency improvements in this sector, particularly for Mauritian Bank to consolidate and enhance their competitiveness in the region.*

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### 14. DETERMINANTS OF POVERTY IN METROPOLITAN AND NONMETROPOLITAN AREAS: AN IMPIRICAL STUDY

Muhammad Mustafa, South Carolina State University, Orangeburg, SC, USA

#### ABSTRACT

*This paper analyzes the factors that affect poverty in South Carolina and identifies the differences in the causes that exist between metropolitan and non-metropolitan counties. The paper used cross-county data of South Carolina for 1990 and 2000, simple statistics and multiple regression model for the analysis. The results show that non-metro counties have higher family poverty than metro counties in 1990 and 2000. The results also indicate that the percentage of family headed by female (with no husband), the percentage of population less than 16 year old and the percent of population that is black have significant positive effect on the family poverty rate. Results imply that antipoverty policy should include job creation strategy, reduction of single and unwed parenthood in addition to selective improvements in income transfers.*

**Keywords:** Poverty, Multivariate Regression Analysis, Metropolitan and Non-metropolitan

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**15. A NEW PARADIGM SHIFT IN THE INTERNET IMPACT ON SOCIAL CHANGE:  
THE MIDDLE EAST REVOLUTION MODEL**

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**ABSTRACT**

*This paper discusses a new paradigm on the Internet impact of social change. Particularly it is concerned with the demonstrations in the Middle East and the roles that the Internet played in facilitating the fall of the regimes of these countries. The paper analyzes how technology and the Internet were strategically used by individuals in these nations to conduct organized demonstrations that gradually resulted in major social changes in these countries. The paper developed a new theoretical model that represents a new paradigm in the Internet effect on social changes.*

**Keywords:** *internet, social change, revolution model*

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**16. ASSESSING THE USEFULNESS OF ACCOUNTING EARNINGS TO FOREIGN INVESTORS**

Matthew Lamport, University of Mauritius, Reduit, Mauritius

**ABSTRACT**

*The objective of this paper is to assess the usefulness of accounting earnings to foreign investors by examining the explanatory power of earnings in explaining stock returns. In order to model the relationship between earnings and changes in share prices, it is important to first establish the relationship between earnings and share price via an earnings valuation model. The paper makes use of Ohlson's clean surplus earnings valuation model to show that reported accounting earnings are relevant to foreign investors in explaining both stock prices (i.e. value) and changes in stock prices (i.e. stock returns). Further analysis shows that when earnings are modelled as following a transitory process, a greater explanatory power is produced with an earnings response coefficient (ERC) as compared to when earnings are modelled as following a permanent process.*

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**17. DOES ORGANIZATIONAL LEARNING MATTER? A TEST OF THE RELATIONSHIP BETWEEN ORGANIZATIONAL LEARNING AND FIRM PERFORMANCE IN MNC SUBSIDIARIES**

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**ABSTRACT**

*Organizational learning is widely recognized as an essential set of values to initiate change and develop competitive advantage. In this study we examine the indirect effect of organizational learning on firm performance through marketing strategic change. In addition, we also examine the moderating effect of market dynamism on the relationship between organizational learning and marketing strategic change. Using the data from 101 MNC subsidiaries in Thailand, we find that that only commitment to learning, which is one of the organizational learning dimensions, has a negative and significant effect on marketing strategic change and that marketing strategic change has a positive and significant effect on financial performance but has no effect on marketing performance. Moreover, the findings show that market dynamism appears to moderate the effects of organizational learning on marketing strategic change. The results from a modified research model lend greater insight to the role of organizational learning.*

**Keywords:** *Organizational Learning, Marketing Strategic Change, Market Dynamism, Firm Performance, Multinational corporation (MNC)*

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