

ABSTRACTS**1. EFFECTS OF AUDIT PLANNING ON AUDIT QUALITY OF CERTIFIED PUBLIC ACCOUNTANTS (CPAs) IN THAILAND**

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ABSTRACT

This study aims at investigating the influences of audit planning on audit quality of certified public accountants (CPAs) in Thailand. Here, audit planning includes client background information search, materiality level setting, risk assessment, preliminary analytical review, and internal control structure understanding. In this study, 113 CPAs in Thailand are the sample of the study. The results of the study show that client background information search is firstly positively related to audit quality. Secondly, materiality level setting is positively associated with audit quality. Thirdly, risk assessment is positively interacted with audit quality. Fourthly, preliminary analytical review has a positive effect on audit quality. Lastly, internal control structure understanding has a positive impact on audit quality. In sum, audit planning is a key determinant of driving and explaining audit quality. For explicitly verifying the linking of the aforementioned antecedents to audit quality, future study needs to resort to mediating variables and moderating variables and include them in the conceptual model in order to increase the contributions and benefits of the study. Also, it needs to collect data from a larger sample of auditors and other auditing professions, such as tax auditors (TAs), governmental auditors (GAs), co-operative auditors (CAs), and internal auditors (IAs) in Thailand or elsewhere.

Keywords: Audit Planning, Client Background Information Search, Materiality Level Setting, Risk Assessment, Preliminary Analytical Review, Internal Control Structure Understanding, Audit Quality

2. THE DETERMINANTS OF BANK LIQUIDITY DURING FINANCIAL CRISIS: A COMPARATIVE STUDY OF THE GCC BANKING INDUSTRY

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ABSTRACT

This paper undertakes an analysis of the performance of the bank sector during – and around - financial crises in the Gulf Cooperation Council nations. A total of 67 banks from these countries constitute the sample for the study. The presumption as the analysis is initiated is that banks who have done well at the threshold of the crisis, that is, in the pre-bear phase, will have succeeded in weathering out the crisis better, as manifested in adequate liquidity creation. The period for the study is 2000 to 2009, with the focus on the bear phase beginning in 2006. The main finding from this cross-section – time series study is that key financial ratios in the pre-financial crisis or bear period have a bearing on how banks perform in the crisis period. Strong capital, liquidity and profitability ratios in the pre-bear phase are seen to point to high liquidity creation in the bear phase.

Key words: Bank liquidity, bank performance, profitability ratios, subprime crisis, Islamic banks

3. CREDIT: FROM ACCELERATOR TO PRIMARY MEANS OF PURCHASE

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ABSTRACT

Alice in Wonderland is the 1865 novel by Lewis Carroll, which tells the story of Alice who falls down a rabbit hole into a fantasy world populated by peculiar creatures (Carroll, 1865). In quite the same manner, the U.S. economy has fallen into a credit-fueled fantasy world, a world where credit card debt has more than tripled over the past 17 years. The consumer credit or accelerator of the 1920s, characterized by installment buying – a down payment and manageable monthly payments, has become the primary means of purchase for many consumers today. In today's economy, plastic credit cards have replaced paper money for millions of purchases that would otherwise be impossible due to inconvenience or lack of liquid funds. Therefore, the changing utility of credit is important and relevant to many areas of economic research. The shift in the function of credit has had several undesirable effects: undermining personal saving; straining personal finances, and generating inflation. This paper examines the changing role of consumer credit and its relationship with theories of macroeconomic consumption and saving.

4. HUMAN CAPITAL REPORTING IN EMERGING ECONOMIES: A COMPARATIVE STUDY ON THE BANKING SECTORS OF BANGLADESH AND KAZAKHSTAN

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ABSTRACT

The aim of this paper is to examine the extent and nature of voluntary human capital (HC) reporting practices in the banking sectors of Bangladesh and Kazakhstan. Content analysis of annual reports is conducted to compare the HC reporting practices of the banks of two emerging economies such as Bangladesh and Kazakhstan. The annual reports of 27 banks listed on Chittagong Stock Exchange (CSE) of Bangladesh and all 39 commercial banks listed on Kazakhstan Stock Exchange (KASE) were examined for the comparison. Findings of the study indicate that the banks of Bangladesh are disclosing more information about HC than the banks of Kazakhstan. Kazakhstani banks can take lessons from the HC reporting practices of Bangladeshi banks for satisfying their broad range of stakeholders in a better way.

Keywords: *Human Capital Reporting, Annual Reports, Bangladesh, Kazakhstan*

5. MOTORISTS' DEMOGRAPHICS, BEHAVIOR AND ATTITUDES AS PREDICTORS OF PREFERRED REVENUE-GENERATING OPTIONS FOR TRANSPORTATION FUNDING

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ABSTRACT

There is growing concern for the vitality of America's highways given the dwindling balances in the Federal Highway Trust Fund. Researchers have begun to focus on the citizens' evaluation of various revenue-generating initiatives. This study focuses on attitudinal, demographic, and behavioral criteria for segmenting the user base. A random sample of 4,300 residents was used to test the mediating role of motorists' evaluation of current roadway conditions in determining their willingness to pay for future improvements. Though there were significant differences in opinions between the various segments, overall, there was favorable opinion for three revenue-generating initiatives: (1) variable rates for

inspection and licensing fees, (2) increases in registration and licensing fees, and (3) General Obligation Bonds. There were neutral opinions towards toll-related initiatives and increasing the state gas tax, and negative evaluations of non-road usage fees, sales tax increases, and a mileage fee. The findings also suggest that dissatisfaction with roadway conditions, pollution, safety, and congestion are important determinants for shaping motorists' preferences for these alternatives. Though there is a general level of dissatisfaction with current roadway conditions, motorists tend to be reluctant to support revenue-generating initiatives, unless it is clear that the additional revenue will be used for roadway project.

Keywords: *Transportation infrastructure, Revenue-generating initiatives, Motorists' perceptions*

6. EXPERIMENTAL SIMULATIONS ON ENVIRONMENTAL BALANCE SHEETS FOR BRAZIL AND ITS STATES*

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ABSTRACT

This article aims: (1) to present a method to simulate environmental balance sheets (EBS) using Brazil and its federal units (states and the federal district - the nation's capital) as an experimental example; and (2) to mobilize scholars and researchers of Universities, Public Departments and NGOs to contribute to local knowledge and refine methods to improve carbon policies. Assets are valued by GDP adjusted by energy consumption in tons of oil equivalent (toe) - to reveal the energy effort of growth - while equity by the residual balance of environmental services (for the specific case of the paper, carbon emission abatements via carbon stock and biomass sequestration). The original figures in physical tonnes (metric tons) of carbon equivalent were converted into monetary terms according to the average sequestration cost. The environmental liabilities were assessed by the emissions, thus in broad terms representing the externalities. Preliminary results indicate strong inequality among Brazilian states revealing challenges and opportunities for wealth distribution via domestic carbon markets.

Keywords *Brazil, Environmental Balance Sheet, Carbon Accounting, Energy, Deforestation*

7. THE IMPACT OF CONSULTING FIRM OWNERSHIP IN ATTRACTING NEW TALENT

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ABSTRACT

In the last decade an increasing number of consulting firms abandoned the partner structure to sell shares on Wall Street. Going public and assuming a corporate structure is more than a question of bottom line. The change likely affects the very core identity of the consulting profession where commonly held expectations include the ultimate goal of reaching partnership and personalized, long term relationships with clients. Building on this notion, a psychological contract framework was used by Adams and Zanzi (2005) to argue that the shift to public companies creates dynamics that differentially affect consulting professionals of different levels of performance. In this study we explore the career-related implications of working for a public firm versus a private partnership. Specifically, how attractive are the identities of firms to prospective candidates? Using Vault's rankings of most prestigious consulting firms, we examine whether changes in prestige, as a proxy for attracting promising recruits and retaining

senior consultants, is related to private or public status. Additionally, we examine the role of firm size and type of consulting.

8. EFFECTS OF PROBABILISTIC IMPERFECT QUALITY ITEMS OF RAW MATERIAL ON THE OPTIMAL PRODUCTION LOT SIZE

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ABSTRACT

The purpose of this paper is to extend a recently developed economic production model that takes into account with imperfect quality items of raw material so that the percentage of imperfect quality items is a random variable having a known probability density function and to evaluate the new model. The mathematical model of the probabilistic case is developed and a closed form expression for the optimal solution is obtained. Numerical examples are provided to illustrate the probabilistic model and compare the theoretical and the computational solutions.

Keywords: Inventory, Economic Production Quantity, Raw Material, Imperfect Quality Items.

9. SERVICE QUALITY IN CONVENIENCE STORES

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ABSTRACT

Quality service is of great importance to customers and companies alike irrespective of whether they are in manufacturing or services. Several general scales have been created to measure service quality. One such scale is SERVQUAL. Other scales have been designed to measure service quality in particular types of industries. RSQS is for example intended to be used in retail companies. The measuring instrument is based on five dimensions, tangible and intangible, of service quality. Research, where the instrument has been used, indicates that the dimensions of service quality in retailing differ according to culture and type of retail. The aim of the authors' research was to find out which are the dimensions of service quality in one type of retail, namely convenience stores. The research was quantitative. The population of interest was customers of a convenience store retail chain in Iceland. The results were that the dimensions of service quality in the convenience stores in Iceland are not the same dimensions as in the original RSQS instrument. Three dimensions emerged, one of them new. The findings of earlier research, that the dimensions of service quality in retailing differ according to culture and type of retail, are confirmed.

Keywords: Service quality; SERVQUAL; RSQS; Convenience stores,

10. MARKETING TO LAGGARDS: ORGANIZATIONAL CHANGE AND DIFFUSION OF INNOVATION IN THE ADOPTION OF FACEBOOK TIMELINE

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ABSTRACT

In September 2011, Facebook announced a new feature called Timeline. Three months later, Timeline was released as a voluntary opt-in feature for those willing to adopt it, with the understanding that it would become mandatory for all users eventually. Vocal opposition and threats of account closures from many users resulted, potentially affecting Facebook's ability to sell and place ads on its site. This study examines the factors surrounding fears and anxieties of forced organizational change on a free, opt-in service. A predictive model of Timeline adoption was built, with Number of Facebook Friends and measures of Openness to Facebook Change and Facebook Routine being significant predictor variables in a logistic regression. Given the sheer size of Facebook and the possible perceived brand switching costs of deleting one's account and/or migrating to a different service provider, Facebook may be able to enact changes with impunity and without effect on advertising revenues. However, smaller competing social media platforms may not be able to make such sweeping decisions without fear of alienating users, and thus risk losing advertising revenues.

Keywords: Facebook, Timeline, Diffusion, Innovations, Change, Social Media

11. FACTORS AFFECTING EFFECTIVENESS OF SALESPERSON PRACTICES AND BUSINESS PERFORMANCE OF INSURANCE BUSINESSES IN THAILAND

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ABSTRACT

The purpose in this study is to investigate the relationships between salesperson practice effectiveness (sale planning focus, ability to adapt selling, use of technical knowledge & skills and customer-oriented selling) and business performance. Moreover, three antecedents such as sales experience, reward orientation and training & development orientation are examined. In addition, it also explores the moderating effects of goal achievement focus in the relationships of the model. Here, 206 insurance company branches in Thailand are chosen as the sample of the study. The OLS regression analysis indicates that three dimensions (ability to adapt selling, use of technical knowledge & skills and customer-oriented selling) have significant influence on business performance but sales planning is not. Likewise, sales experience and training & development affect salesperson practice effectiveness but reward orientation is not. For the moderating effects, goal achievement focus increases only some relationships. Thus, potential discussion is effectively implemented in the research. Theoretical and managerial contributions are explicitly provided. Conclusions, suggestions and directions for the future research are also presented.

Keywords: Effectiveness of Salesperson Practice, Sale Planning Focus, Ability to Adapt Selling, Use of Technical Knowledge and Skills, Customer-oriented Selling, Salesperson Experience, Reward Orientation, Training and Development Orientation, Goal Achievement Focus

**12. BULLWHIP EFFECT IN CONTRACT MANUFACTURING INDUSTRY:
CASE STUDIES OF SOLECTRON AND FLEXTRONICS**

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ABSTRACT

This paper studies on the bullwhip effect and its impacts on the contract manufacturing industry. Little research has been done to address the bullwhip effect as it is inevitable to this industry; hence, this paper is a step forward in filling this gap in literature. We review relevant literature and present two case studies that illustrate how the bullwhip effect can be managed. The first case is in regard to the now defunct company Solectron and how the bullwhip effect drastically impacted their profitability, and the second case pertains to how Flextronics, one of the current world leaders in contract manufacturing, uses modern supply chain and managerial strategies to mitigate and in some cases eliminate the bullwhip effect altogether. The implications of this study set the stage for the identification of specific data management and supplier management techniques that should become the worldwide standard for managing the bullwhip effect in the contract manufacturing industry. Further research is needed to specifically identify these best practices and in many cases will need to be supported with detailed firm-level data.

Keywords: *Bullwhip Effect, Contract Manufacturing, Inventory Management, Supplier Integration, Demand Management, Demand Data*

**13. HOW TO TRACK ENTERPRISE IT ACTIVITIES TO PROVIDE MORE ACCURATE COST AND
PROFITABILITY IN A SERVICE ORGANIZATION**

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ABSTRACT

As companies rely increasingly on new technologies such as email, shared document storage, Enterprise Resource Planning (ERP) and other large software systems, their costs for Enterprise Information Technology (EIT) resources to implement and maintain that infrastructure can be extensive and expensive. However, the budgeting and allocation of these costs between business units in a shared services model is often poorly considered, resulting in a poor understanding of the impact of those costs on the profitability of the company's business units, and by extension their products or services. We are going to use The QCM company as an example to illustrate the value of detailed cost accounting and allocations in an Enterprise IT Shared Services environment, and will try to highlight areas of improvement that QCM and other companies utilizing an EIT Shared Services model should consider adopting and implementing.

Finally, by breaking the costs down into activities using an Activity-Based Costing methodology, the EIT group can provide data that will help business unit and product managers more accurately identify, budget and apply for the costs they expect to incur with new headcount or with new product offerings. Although there is a labor cost associated with tracking and reporting, the benefits of accuracy and transparency make this an investment worth making.

Keywords: *Enterprise Resource Planning, Enterprise Information Technology, EIT Shared Services, Activity-Based Costing*

14. EFFECTIVE BUSINESS PROGRAMS IN AUSTRALIA

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ABSTRACT

The Macquarie Graduate School of Management (MGSM) is one of the leading management schools in the Asia Pacific region and is now in its 43rd year of operation. It is a provider of a range of postgraduate management programs, including its flagship MBA, as well as having a significant international presence. Their programs are highly sought after by the business community and at the moment they are undergoing a substantial review, making it timely to consider how the students feel about and their satisfaction with various aspects of the programs. From a total population of 960 students, a random sample of size 246 enrolled for a range of degrees was selected and surveyed on their personal attributes, how they viewed themselves, their fellow students and the program. Among some expected outcomes there were some surprising results that will require MGSM's close attention.

Keywords: MBA, customer satisfaction, management, Sydney, survey

15. USING PROBABILITY DISTRIBUTION AND SIMULATION TO APPLY FIXED CHARGE COVERAGE RATIO

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ABSTRACT

Banking analysts must judge the credit worthiness of new or existing clients based largely on a financial concept known as the Fixed Charge Coverage Ratio (FCCR). The ability to accurately predict a Fixed Charge Coverage Ratio depends on the ability to accurately predict underlying financial measures such as Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA), Cash Taxes Paid, Cash Dividends Paid, and Un-financed Capital Expenditures. In this paper by fitting appropriate probability distributions to relevant variables and conducting simulation experiments we have shown usefulness of incorporating stochastic modeling through simulation approach in loan analysis.

Keywords: Monte Carlo Simulation, Loan Analysis, Fixed Charge Coverage Ratio

16. CONSOLIDATED VERSUS PARENT COMPANY ACCOUNTS: WHICH SUIT BEST THE CORPORATE GOVERNANCE PRINCIPLE OF HIGH QUALITY DISCLOSURE OF FINANCIAL INFORMATION?

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ABSTRACT

One basic principle of Corporate Governance consists in the high quality disclosure and transparency of financial information. A main characteristic of financial information quality is relevance, which quantifies its capacity to influence the decision-making process of users in general and investors on the capital market in particular. Within the European Union, parent companies have to prepare and publish both consolidated and individual financial statements. Hence, the following question arises logically – which of the two sets is of higher quality, respectively which of the two sets is more relevant for investors? Of course, the possibility of both sets at the same time being more relevant for investors should not be ruled out. In our scientific endeavor we conducted an empirical association study on the problem of market value relevance of consolidated financial statements and of individual financial statements of the parent company, searching for an answer to the above question. In this sense, we analyze the absolute and

relative market value relevance of consolidated accounting information of listed companies on the Paris Stock Exchange between 2003 and 2008. Through this empirical study we intend to contribute to the relatively limited literature on this topic with a comparative analysis of the absolute and incremental relevance of financial information supplied by the two categories of financial statements (group and individual). The results obtained indicate from a statistical point of view a higher quality (relevance) of consolidated statements (in detriment of individual ones). In addition, we statistically proved a minor superiority in value relevance of information provided together by consolidated and parent company financial statements as opposed to consolidated information. On the one hand, these results prove the importance (usefulness) of consolidated financial statements especially for investors on the capital market, and on the other hand, they leave the question open concerning the necessity of publishing parent company financial statements.

Keywords: *Quality of Financial Information, Market Value Relevance, Consolidated Financial Statements, Parent Company Financial Statements*

17. MARKETING THE ENVIRONMENTAL AND SAFETY BENEFITS OF MOVING HAZARDOUS MATERIALS BY RAIL

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ABSTRACT

The vast majority of freight in this country moves by either rail or truck. Trucks are in fact critical to freight transportation movement. However, railroads are safer, more cost effective, more fuel efficient, and more environmentally sound than highway freight transportation. Numerous studies have shown that shifting goods from truck to rail can have a major environmental impact. Impacts include reducing traffic gridlock; better fuel consumption and energy intensity; lower greenhouse gas emissions; and, higher productivity. The conclusion can only be that the most environmentally-friendly, safe, and efficient way to transport hazard materials is by rail. Railroads should strive to effectively market these advantages to those parties involved in hazardous materials movement.

Keywords: *Railroad Environmental Impact, Rail Freight Transportation, Rail Fuel Consumption and Energy Intensity, Rail Fuel Efficiency, Rail Greenhouse Gas Emissions, Hazmat Transportation, Rail Safety*

18. DIVIDEND INITIATION DURING FINANCIAL TURMOIL

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ABSTRACT

This paper examines dividend initiation during the financial turmoil of 2008 and 2009. Significantly fewer companies choose to initiate dividend in this period. Comparing to firms that initiate dividends before the financial turmoil, these firms have slower growth, but more cash. In the years before dividend initiation, these firms already pay out a large amount to their shareholders in the form of repurchase. The new dividend appears to be a signal to the market to show that the management is confident about the future of the company and the market react positively to these dividend initiation announcements. Finally, the post-announcement half-year returns are positively correlated with the announcement returns for dividend initiating firms during the financial turmoil.

Keywords: *Financial Turmoil, Dividend Initiation, Financial Crisis, Dividend Announcement*
