1. CASH-BASED EXECUTIVE INCENTIVE COMPENSATION AND NET EARNINGS
   - ETHICAL ANALYSIS IN LIGHT OF THE FINANCIAL CRISIS AND NEWLY EMPOWERED
     SHAREHOLDER "SAY ON PAY"

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ABSTRACT

This article examines a particular form of executive compensation, to wit executive incentive
compensation paid in cash, a compensation practice susceptible to particular forms of moral hazard and
conflict of interest. In a given year a firm may show an accounting profit, pay out substantial cash
compensation, but in the following year that same firm may incur substantive losses as the estimates,
valuations and projections turn out to have been significantly wrong. Beginning in 2007 and continuing
throughout 2008 and 2009, many firms in the financial services industry incurred enormous losses while
in the years immediately preceding these losses many executives received substantial cash-based
compensation. This substantial divergence of economic outcome between shareholder and executive is
the focal point of the analysis. The analysis developed in this paper is particularly relevant given the
provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”)
which require shareholder vote on nonbinding resolutions to approve executive compensation plans.

Keywords: Financial Crisis, Executive Compensation, Cash-Based Compensation

2. THE 2013 AACSB BUSINESS ACCREDITATION STANDARDS AND ITS THREE THEMATIC
   AREAS OF INNOVATION, IMPACT, AND ENGAGEMENT – NEW INCENTIVES TO OBTAIN AND
   MAINTAIN ACCREDITATION

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ABSTRACT

At the International Conference and Annual Meeting (ICAM) in Chicago in April 2013, AACSB announced
the new accreditation standards for business schools that replace the 2003 standards. The 2013 and
2003 AACSB accreditation standards consist of 15 and 21 standards, respectively. All of the 2003
standards are incorporated into the 2013 standards; in addition, there are three specific areas of
emphasis in the new standards - namely: innovation, impact, and engagement. In this paper we review
and compare the 2013 and 2003 standards and specifically deliberate and give examples of ways that
institutions can pursue innovation, make impact, and create an engaging environment. We further
suggest that these thematic areas provide additional incentives to obtain and maintain accreditation.

Keywords: 2013 and 2003 AACSB Business Accreditation Standards, Innovation, Impact, and
Engagement.
3. INTEGRATING SAP INTO A BUSINESS SCHOOL CURRICULUM: STUDENTS’ PERSPECTIVE ON ERP’S USEFULNESS, EASE OF USE AND TRAINING

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ABSTRACT

One of the goals of our business school is to provide a culminating/integrative experience to our students. We believe that we can achieve that goal by using SAP software in our curriculum in the same manner it is used in the industry. Using SAP software, students can see the impact of an action or a decision within one business function as it affects other functions. In 2013, our school applied for and was accepted into the SAP University Alliance program, hosted by the SAP University Competence Center (UCC) of California State University, Chico. We began deploying the software and training materials soon after. This study was conducted in the fall semester of 2013 in four undergraduate sections of the Management Information System (MIS) course taught by three different faculty members. This resulted in 115 valid paired cases for analysis. We conducted a pre- and post-treatment survey to compare students’ perception on the value of the SAP ERP software before and after they received training and used the software. Findings indicate that participants have positive perceptions on the usefulness, ease of use, and intention to use the software. Also, the findings indicate that overall the training material and exercises they used helped them appreciate the functionality of the system, its usefulness, and its ease of use. Participants seemed to have a positive perception on their likelihood of using the system as part of the activities they would perform in their professional job. This represents an important finding given the widespread use of ERP systems in the business world and the need of employers to recruit newly graduates with the necessary skills to fulfil current and future needs.

Keywords: Technology Acceptance; SAP ERP; Business Administration Curriculum; Assessment of Learning

4. PROFESSIONAL CITIZENSHIP BEHAVIOR AND AUDIT SUCCESS

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ABSTRACT

This article is about conceptual that models show effects of professional citizenship behavior on audit success of certified public accountants (CPAs) in Thailand. Professional citizenship behavior includes professional conscientiousness orientation, regulation compliance focus, professional loyalty concern and voluntary self-development intention. This article applies the organization citizenship behavior concept examines professional citizenship behavior and includes the relationships among of professional citizenship behavior as audit ethics awareness, audit practice efficiency, audit enthusiasm commitment, audit quality, financial information reliability, audit excellence, and audit success. Moreover, the cognitive moral development theory of Kohlberg explains the relationship between professional citizenship behaviors and audit morality which have a moderate impact on audit ethics awareness, audit practice efficiency, audit enthusiasm commitment and audit excellence.
Keywords: Professional Citizenship Behavior, Professional Conscientiousness Orientation, Regulation Compliance Focus, Regulation Compliance Focus, Professional Loyalty Concern, Voluntary Self-Development Intention, Audit Ethics Awareness, Audit Practice Efficiency, Audit Enthusiasm Commitment, Audit Quality, Financial Information Reliability, Audit Excellence, Audit Success, Audit Morality

5. APPLICATION OF OPTIMIZATION TECHNIQUES IN DETERMINING THE EFFICIENT CONFIGURATION OF HEALTHCARE FACILITIES: A CASE STUDY

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ABSTRACT

The objective of this study is to determine an optimal configuration of healthcare facilities in the underserved rural counties of northeast North Carolina. We use the Geographic Information System (GIS) to estimate the distances between the proposed clinic locations and population clusters. Additional data was also collected from the Economic Development Intelligence System (EDIS), a North Carolina Department of Commerce portal (SAS Business Systems, 2007). For this study, ten contiguous distressed counties in northeast North Carolina are selected; each county is divided into three demand areas or population clusters. Then the optimization problem can be stated as follows: given a fixed number of clinics, where should they be located so that the number of patient-miles travelled is minimized? It belongs to the class of location-allocation problems in network-optimization theory, and can be formulated as a p-median problem. Using SITATION (2002) software, we solve the p-median problem generated from actual data, and identify the optimal locations of clinics, subject to a specified limit on the number of clinics, among the many potential locations. As the number of clinics increases, the total patient miles travelled decreases from 5.588 million miles to 1.512 million miles. From the point of view of healthcare economics, the model allows policymakers to do cost-benefit analyses and select the optimal number of clinics based on budget constraints.

Key Words: Optimal location models, distressed rural counties, healthcare economics, clinic location

6. GENERIC STRATEGY AND INTERNATIONALIZATION: THE ROLE OF TRANSACTION COST AND MANAGEMENT PHILOSOPHY

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ABSTRACT

Using transaction cost theory framework, this paper attempts to examine the influence of a domestic firm’s generic strategy on its internationalization decision. It is initially proposed in this paper that a firm’s vulnerability to opportunism is not uniform across all firms, but differs according to the firm’s management philosophy, which is embedded in its generic strategy. Because of the philosophical differences, the threat of opportunism, a central source of transaction cost, may not be perceived as the same for firms pursuing different types of generic strategies. Furthermore, the strategic emphasis that each firms place on their various functions can moderate the above relationship. In order to show the moderating effect, an open systems perspective is adopted to derive a set of propositions regarding a firm’s international entry mode.

Keywords: Generic Strategy, Internationalization, Transaction Cost
7. INDEPENDENT JOINT VENTURES VERSUS INDEPENDENT DIVISIONS

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ABSTRACT

Previous papers have considered divisionalization of firms as an entry deterring strategy. We show that setting up independent joint ventures is a more profitable way of deterring entry than is divisionalization.

Keywords: Joint Venture, Divisionalization, Entry Deterrence, Stackelberg-Cournot Game

8. INTERNATIONAL ETHICAL COMMERCIALIZATION OF MEDICINE IN HEALTHCARE, MEDICAL CARE, PAIN CARE, PALLIATIVE CARE, HOSPICE CARE, AND OSTEOPATHIC CARE SYSTEMS

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ABSTRACT

Within the contextual boundaries of survival, life, and death of human beings, physicians, clinicians, and nurses are faced with different types of issues and problems. Each of the above three domains is concerned about whyosophical questions of how and why causes, processes, and effects originated and may be ended. Internationally, in our contemporary societies to be healthy is not known as a natural human right. It is based on financial abilities of patients. Generally, we have two purposes in this article: (1) to tackle meta-ethical issues that can facilitate scientific thinking about problem solving in clinical interventions that physicians, clinicians, and nurses usually are faced with and (2) to rationalize commercialization of medicine based on sociocultural and econopolitical factors that patients and their relatives expect communities respect their human rights with affordable medical costs.

Keywords: International, medicine, healthcare

9. PERFORMANCE DECLINE AND CHANGES IN CORPORATE GOVERNANCE STRUCTURE: TESTING THE THEORY-PRACTICE LINKAGE FROM A HISTORICAL PERSPECTIVE

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ABSTRACT

Based on a longitudinal data set, the paper analyzes the effect of performance declines on governance mechanisms. We investigate the relationship as suggested by agency and stewardship theories. We provide arguments consistent with both theories of board roles. Consistent with agency theory–driven predictions, our results indicate that board monitoring intensity increases in the period following declines in performance. We find evidence that lower performance in firms is followed by greater board independence and lower CEO and top management power.

Keywords: corporate turnarounds, corporate governance, organizational decline, firm performance
10. MARKETING PROGRAMS AS REVENUE DRIVERS FOR RETAIL COMPANIES

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ABSTRACT

The subject of revenue drivers is an important topic in managerial accounting research. Retailers use many marketing programs to attract and retain customers, including discount systems and points programs. They use these programs flexibly, sometimes simultaneously, according to the demands of the situation, hence we believe that retailers use these programs as revenue drivers. Although marketing costs represent a significant component of cost structure, it is difficult to evaluate the cost-benefit of a promotion. In addition, the effects of marketing programs on retailer’s performance because of changes in customer behavior needs to be elucidated. To better understand these unapparent causal relationships, we examine how marketing programs drive customer behavior and whether the effects are different from those intended by retailers in a program’s design stage. Using a questionnaire survey of the Japanese retail industry, we demonstrate how points programs and discount systems, which are types of marketing promotions, increase customers’ spending and continuity of transactions with the retailer. We find that discount systems have a stronger effect on the sales of specific products. Second, we find that the characteristics of marketing promotions have a positive impact on both spending and the continuity of transactions: points programs improve the frequency of visits to stores and discount systems are useful for the promotions of sales of specific items. Our findings provide new insight into future research toward revenue drivers, which will play a significant part in research into the measurement of marketing strategy performance.

Keywords: revenue driver, discount systems, points programs, customer behavior

11. UNDERSTANDING THE COMPLEXITIES OF THE SUPPLY CHAIN’S LINKAGES: THE CASE OF ANTI-MALARIA DRUGS IN AFRICA

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ABSTRACT

Over the last decade there has been a substantial increase in the supply of counterfeit anti-malaria drugs in Africa. This phenomenon has become extremely difficult to detect not only because the counterfeit drugs are usually hidden inside other products but also because it has been associated with the supply of genuine anti-malaria drugs stolen from pharmacies and government warehouses. As a result the supply chain of anti-malaria drugs, as well as the policies to control this trafficking, has become extremely complicated with serious economic, social, political, and ethical implications. The literature on this topic, particularly the one drawn from the work of international organizations, seems unable to understand these phenomena in particular because the legal and illegal aspects of the supply chain still remain quite separated. The main scope of our investigation is to provide a more comprehensive representation of the complexity of the supply chain of counterfeit drugs, to reconstruct the main reasons behind these flows and suggest policies to address the challenges posed by this complex trade.

Keywords: Anti-malaria drugs, Africa, Supply chain.
12. PERSONAL PRIVACY ISSUES AS BARRIERS AGAINST RFID ADOPTION

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ABSTRACT

Radio Frequency Identification (RFID) technology has great potential to solve business problems, yet to date, there have been very few real successes reported. Social issues such as privacy concerns and threat of legislative oversight are the biggest barrier to RFID’s use in business. This study examines barriers against the adoption of RFID from the perspective of personal privacy. The traditional technology acceptance model (TAM) was modified to include factors to make the model better suited for evaluating the adoption of RFID. Analyzing different factors that impact the adoption of RFID will be beneficial to both developers as well as to potential users of this technology.

Keywords: RFID, TAM, personal privacy, perceived risk, perceived security.