ABSTRACTS

1. EFFECT OF THE STATISTICAL VOLATILITY IN THE WRITING OF COVERED CALL OPTIONS STRATEGY

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ABSTRACT
Writing covered call option of buy share is a strategy known by the money market agents of the whole world. It involves risks and has a crucial aspect for its success, which is choosing the best moment to do it, until the expiration of a certain stock. The aim of this work was to investigate whether the best moment for call options takes place when the statistical volatility of the returns offered by the variations of the object asset exchange rate quote reaches its highest level. In order to do so, data of the two best liquidity stocks of the Brazilian Market (PETR4 and VALE5), and the buy options referentialized in them, concerning the period from 2006 to 2011 were analyzed. The results of mock calls of buy options on the stocks, with varied prices at strike, were always analyzed at the moment of highest volatility in the period of the 20 working days immediately prior to its expiry date. The volatility was estimated by a GARCH model and the returns obtained with the strategy of covered calls were compared to those obtained by the buy and hold strategy. The results showed that the date in which the peak of the price volatility of the underlying asset, adopted as reference to indicate the best moment for the covered calls, does not guarantee that the performance of this strategy is better than the one obtained with just holding the stocks in the portfolio.

Key words: GARCH; Statistical Volatility; Option Covered Calls

2. EFFECTS OF STUDENT CLASSIFICATION AND ADVERTISEMENT ON ALCOHOL CONSUMPTION PATTERNS AND BEVERAGE PREFERENCES IN COLLEGE STUDENTS: A PILOT STUDY

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ABSTRACT
Efforts to reduce underage drinking and to curtail alcohol misuse/abuse among young adults has been an ongoing concern for many entities which include but is not limited to public health, parents, justice system and colleges/universities. African-American drinkers are more likely to experience long-term negative social and health effects subsequent to alcohol consumption. Hence, culturally competent early intervention strategies may be critical for reversing the deleterious consequences. The aim of this study was to catalog the drinking patterns to ascertain types of beverages consumed and to identify motivational factors, including alcohol advertisement which contributes to alcohol drinking behaviors in African-American college students.

Keywords: Alcohol Preference, Hard Liquor, Distilled Spirits, Mixed Drinks, Cocktails, African-Americans, College Students, College Classifications, Alcohol Advertisement
3. WHY THE SLOW U.S. ECONOMIC GROWTH?

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ABSTRACT

The slowness of the current U.S. economic expansion reflects the more progressive Federal taxation and transfer payment functions that have created disincentives for capital formation and new business formation. The combination of increasing transfer payments to households and higher tax rates leads to more demand for leisure, slowing the increase in labor supply. Likewise a more progression tax code discourages savings and encourages current consumption at the expense of future consumption.

Sixty percent of U.S. households receive more, on average, in the value of their transfer payments than they pay in terms of Federal taxes -- the combined Federal income tax, payroll tax and excise taxes, according to a Congressional Budget Office study. That leaves 40% of households effectively paying all net Federal taxes. In comparison, 30 years ago only 20% of households received more in the value of their transfer payments than what they paid in taxes, according to the CBO. Our argument is that the more progressive nature of the tax and spending functions during the last three decades reduced incentives for work, capital formation and business formation which has resulted in slower output growth.

Transfer payments have increased in inflation-adjusted terms by a factor of two to three over the past 30 years for all five household quintiles in this study. In the meantime, the Federal tax burden on the bottom 60% of households has declined after adjustment for inflation. This more progressive nature of the tax and transfer payment functions leads to an increasing demand for leisure and a slowing in the growth of labor supply.

Keywords: Slow Growth, Progressive Transfer Payments, Progressive Federal Taxation, Quintiles, Micro-Foundations, Supply Side, Labor Supply, Leisure

4. VALUATION AND OPTIMIZATION OF INTELLECTUAL CAPITAL: A MULTICRITERIA ANALYSIS

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ABSTRACT

The present competitive environment of the business world exerts a constant pressure on the valuation and measurement of the key organizational assets. These include Intellectual Capital, competitive intelligence and also knowledge management. This paper presents and applies a model to evaluate intangible assets employing a Multicriteria Decision Aiding method. The focus on Multicriteria Decision Aiding was adopted following a preliminary selection of multicriteria methods, opting to make use of the ELECTRE (Elimination and Choice Translating Reality) family of methods and, in particular, the multicriteria method ELECTRE TRI. This Valuation and optimization of intellectual capital: A multicriteria analysis method makes it possible not only to evaluate and measure intangible assets such as Intellectual Capital, but also to prescribe policies for optimizing intangible assets or, in other words, how and where the organization should invest, at a minimum effort, in order to improve its market value. The conclusions of the paper lead to a vision of new possibilities for the application of the analytical methodology for the valuation of Intellectual Capital. It is worth highlighting the fact that the analysis of the valuation and optimization of intangible assets transcends the ambit of one simple area of knowledge. It is to be found in various areas of knowledge, combining methods and concepts which transcend the ambit of the decision sciences, administration, accounting, financial theory, and operational research itself, relying on a multidisciplinary vision of the organization.

Keywords: Decision analysis – Intangible goods – Human resources – Management of organizations – Valuation
5. A PORTRAIT OF MEXICAN-AMERICANS AT WORK: DISCRIMINATION, IDENTITY AND JOB SATISFACTION IN FIRST AND SECOND GENERATION MEXICAN-AMERICANS

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INTRODUCTION

In the last three decades, the number of Mexican immigrants living in the United States has increased from less than 800,000 in 1970 to nearly 8 million in 2000 (Camarota, 2001). With an estimated average annual growth rate of 450,000 for the 2000 to 2010 decade, the Mexican immigrant population was estimated at 10.3 million in 2004 (Van Hook et al., 2005) and is most likely near 12 million today. 72.7 percent of Mexican immigrants reside in the U.S/Mexico border states of California (48.2 percent), Texas (18.4 percent), Arizona (5 percent) and New Mexico (1 percent) (Camarota, 2001), thus indicating that Mexican immigrants are a highly concentrated population. The concentration of immigrant populations can influence levels of assimilation and cultural identification, both of which are important factors for integration and social/economic mobility in the United States.

While the levels of assimilation and cultural identification of first-generation immigrants are important for understanding the perceptions and experiences of immigrants, it may be the subsequent assimilation and cultural identity of their children – second generation immigrants – that has the greatest impact on American society.

Examining progress over generations is important because it may provide some insight into how the children of today’s Mexican immigrants will do when they reach adulthood (Camarota, 2001). This study seeks to understand assimilation routes, cultural identity, and levels of perceived discrimination for both first- and second-generation Mexican immigrants in the border states of California, Arizona, Texas, and New Mexico.

We are particularly interested in the perceptions and experiences of Mexican immigrants in border states because of the higher concentration of Mexican immigrants and Hispanic communities found within these states. We also believe that there is a difference in the levels of perceived discrimination felt by first-generation versus second-generation Mexican immigrants. While first-generation Mexican immigrants may perceive some levels of discrimination, they are presumably less likely to perceive high levels of discrimination because of the perceived “better” opportunities that are available to them in the U.S. versus those available in Mexico.

However, we propose that second-generation Mexican immigrants will have much higher levels of perceived discrimination for a variety of reasons. Some of these reasons include the fact that they are U.S. citizens by birth and do not have the same perception of “land of opportunities” that their parents had upon entering the U.S. Additionally, second-generation Mexican immigrants in border states are likely to have high levels of cultural identification and in turn may attribute various situations to their ethnic identity. Research suggests that individuals who closely identify with their cultural/ethnic group may perceive ambiguous situations (e.g. being ignored by someone from the host society) as discriminatory (Schwartz et al., 2007).

Cultural identity and levels of perceived discrimination of second-generation immigrants is of primary interest because of the impact this generation will have on the labor market within the next decade. The second-generation is, for the most part, a relatively young population and thus currently has the greatest impact on public schools.

However, it will not be long before this generation eventually creates a large presence in the labor market. Understanding the culture and identity of second-generation immigrants is infinitely important for the success of diverse organizations. Organizations that do not make appropriate changes to more successfully retain and utilize persons from different cultural backgrounds can expect to suffer a significant competitive disadvantage compared to those that do (Cox, 1993). In order to fully understand the perceptions that influence the behaviors and attitudes of second-generation Mexican immigrants, we must first examine levels of assimilation and perceived
discrimination of first-generation immigrants. The ideas regarding assimilation and the levels of perceived discrimination felt by immigrant parents will impact the assimilation path and perceptions of the second-generation immigrants.

6. EXPLORING CORPORATE PROFITABILITY AND CORPORATE INCOME TAX SUBSIDIES: AN INVESTIGATION OF PUBLICLY-TRADED COMPANIES

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ABSTRACT

The purpose of this paper is to describe the findings from a large financial study of publicly-traded companies listed on the NASDAQ, NYSE, and the AMEX exchanges. Key financial data for all of the publicly-traded companies listed on these exchanges on April 25, 2011 was collected via the Securities and Exchange Commission’s 10-K filings through the EDGAR system. Data collected included revenue, pretax profit, and net profit for fiscal years 2006 through 2010. Industry and business sector classifications were also collected, allowing for the data to be examined in light of meaningful business groupings. The study revealed interesting results concerning the relationship between profitability and corporate income tax subsidies; the rate of income tax subsidization for companies that earn predatory profits as compared to companies that earn normal or supranormal profits is of particular interest. Public policy implications of the findings are considered.

Keywords: Corporate Profitability, Income Tax Subsidies, Publicly Traded Companies

7. ELECTRONIC WORD OF MOUTH: A DYNAMIC NEW FORCE IN CONSUMER DECISION-MAKING

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ABSTRACT

Media is in the midst of a digital revolution that allows consumers to connect to products and each other in a powerful way. A new type of WOM in marketing, coined E-WOM (electronic WOM), is developing. This phenomenon is thoroughly discussed using Wanelo’s social shopping e-commerce site as an example. The article explores why E-WOM is so attractive to consumers, describes how it works in connection with Wanelo’s free app inside of Facebook, and then ties together all the components in an updated marketing communications model. It ends with a brief discussion of e-commerce monetization.

Keywords: Word of Mouth, E-commerce Shopping, Marketing Communications Model, Consumer Co-production, Social Network Marketing
8. **THE IMPACT OF ISO 9000 CERTIFICATION ON SALES THE CASE OF MAURITIUS**

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**ABSTRACT**

Using an empirical approach, this research seeks to ascertain whether the mean sales of ISO certified companies is significantly greater than that of their non-certified counterparts and assesses the impact of ISO 9000 certification on sales of companies in Mauritius. The methodologies employed are an independent T-test and both static and dynamic panel regression analysis. Based on a sample of 39 ISO certified companies and 39 Non-ISO certified ones from 2000-2009, the findings report a significant difference between mean sales of the two groups (in favour of the certified companies) and a positive and significant relationship between ISO 9000 certification and sales. Also, the dynamic panel analysis confirms this positive relationship. Thus, it can be said that ISO certified companies in Mauritius, experience the benefits of certification through increased sales which also implies increased customer loyalty and confidence and a larger customer base.

**Keywords:** ISO, ISO 9000, Quality, Sales

9. **MULTIMARKET COMPETITION AND ORGANIZATION INNOVATION IN AN EMERGING ECONOMY**

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**ABSTRACT**

Multimarket competition is a variable between/among business organizations. While prior research on innovation pays much attention to variables within a given organization, we argue that between/among-organization variables, such as multimarket competition, can also influence organization innovation. Moreover, we also predict the societal culture can influence the relationship between multimarket competition and organization innovation. Hypotheses are proposed based on the predictions, and then tested with generalized least squares (GLS) models. The findings of our data analyses support the effect of multimarket competition on organization innovation. Moreover, there is a significant and negative effect of East Asian societal culture on the relationship between international firms’ multimarket competition and their innovations. The innovations, in term, have a positive effect on firm performance.

**Keywords:** Multimarket competition; East Asian societal culture; International firms’ innovation
10. COURSE SEQUENCING USING INTEGER PROGRAMMING

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ABSTRACT

This paper formulates a course scheduling problem using integer linear programming model for an MBA program. The model seeks to improve existing manual scheduling approaches that are often hard to accomplish and require all combinatorial tasks such as meeting prerequisites, and meeting graduate students work schedules as well as financial and personal requests. The paper begins with a brief review of literature followed by a zero-one integer model. Several scenarios are presented when a student desires to finish a program in two years or due to job related constraints takes a semester off or decides to take the courses in different sequence within the framework of prerequisites.

Keywords: Scheduling, Integer programming, Constraint programming

11. EMPIRICAL MODELING AND MEASUREMENT SCALE DEVELOPMENT OF CONSUMERS’ TRANSACTION COSTS IN THE SHOPPING ENVIRONMENT

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ABSTRACT

This research study works on the empirical process of designing and developing a measurement scale for the importantly recognized construct of consumers’ transaction costs in the shopping environment. It explicates two segregated categories of consumers’ transaction costs, namely individual costs and social costs, and implements a system of empirical measurement of these costs with regard to their efficacy in the online and the traditional shopping medium. The methodology and research design describes the varied pretests conducted to operationalize the variables and their measurement scales, and to validate the manipulation checks employed, along with the applicability of the survey instrument. The paper implements a systematic scale development procedure detailing the assessment of content and face validity, convergent and discriminant validity, and reliability of the constructs and their empirical measures, so as to lend credibility to our structures of individual costs and social costs for applied usage.

Keywords: Measurement Scale Development, Individual Costs, Social Costs, Goods, Shopping Medium

12. ONLINE COURSE DESIGN: BUSINESS STUDENT PREFERENCES FOR CONTENT DELIVERY, COMMUNICATION AND TESTING METHODOLOGIES

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ABSTRACT

Online courses require instructors to choose from numerous course design options. This paper analyzes student preferences for alternative online content delivery, student-to-professor communication, and testing methodologies to aid in the business course design decision process. The undergraduate students surveyed are enrolled in an undergraduate, online business degree program. Results indicate that student preferences vary considerably. Students who value convenience prefer content delivery methods using either assigned readings or pre-recorded audio presentations, while students who value university accreditation or reputation favor pre-recorded audio or video presentations. Students in more quantitative majors, including finance and supply chain management, prefer pre-recorded audio presentations while students in less quantitative
majors, including corporate management, prefer assigned readings. All students prefer the use of email followed by the use of discussion boards to interact with professors. To limit cheating during testing and to allow for schedule flexibility, students prefer the use of different questions for each student versus offering a single exam at one pre-arranged exam time.

Keywords: Business Education, Teaching of Business, Online Education, Teaching Online

13. CREDIBILITY QUESTIONS ABOUT THE NON-PERFORMING LOAN (NPL) VALUES REPORTED BY CHINESE BANKS

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ABSTRACT:

Domestic and international academics are concerned about the quality of the assets held by Chinese banks and other financial institutions. This article identifies and analyzes the number of non-performing loans (NPL) published by Chinese banks in 2012. This analysis is focused on both the actual number of non-performing loans and the non-performing loan ratio reported by China Banking Regulatory Commission. We conducted this analysis on the premise that there may be a relationship between these non-performing loans and the overall Chinese macro-economy, and thus these numbers may be indicators of the future direction of the Chinese economy. According to the "three-factor Corruption theory" (or the triangular fraud theory) an in-depth analysis of the Chinese banks’ financial disclosures seems to indicate the presence of possible deceptions in the number of non-performing loans that were reported in 2012. The results of our study indicate that the level of non-performing loans reported by Chinese banks in 2012 is contrary to the actual macro-economic performance and may indicate that a financial crises may occur unless the Chinese economy enters a period of high growth as before (i.e. greater than 9) or the Chinese central government again engages in monetary stimulation policies.

Keywords: non-performing loans, Chinese financial institutions, macroeconomic effects fraud factors

14. TWITTER USAGE IN ORGANIZATIONAL CONTEXT

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ABSTRACT

This study investigated whether cultural tradition can influence employee behavior in choosing an electronic medium including a Social Network Service (SNS), for intra-organizational communication. A survey questionnaire was conducted in a chosen South Korean company and 100 employees participated in this study. The results showed that most SNS users still hesitate to communicate with their boss within the SNS space because they feel the urge to add words of respect to their communications, which are limited in length. This indication supported the hypothesis that cultural tradition plays an important role in cyberspace communication, thus showing that cultural tradition does affect behavior in choosing SNSs for organizational communication.
15. CAMPUS DINING: WHAT QUALITY FACTORS AFFECT STUDENT SATISFACTION AND RETENTION?

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ABSTRACT

This study explores dimensions of quality with regards to campus food service and examines its link with overall satisfaction and retention of students. Based on findings of the survey conducted at a Midwestern university, food service quality consists of four dimensions: Service Satisfaction, Food Diversity, Value, and Facility Satisfaction. Results show that student satisfaction with campus dining services is affected by Food Diversity, Value and Facility Satisfaction while Retention is dependent on Service Satisfaction. Thus, Service Satisfaction comprised of speed of service, hours of service, and friendliness of staff is of paramount importance when it comes to campus dining services.

Keywords: Food Service, Quality, Satisfaction, Retention

16. AUSTERITY OR STIMULUS: WHICH IS THE BETTER CURE FOR RECESSION?

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ABSTRACT

Since the 1980s, neoclassical thinking on political economy has been vested with a sense of optimism and expectation. Neoclassical economists have been the principal proponents of the hypothesis that austerity in a severe recession will lead to bona fide economic prosperity. However, their critics have argued that economic growth via austerity measures promoted by neoclassical theorists is merely a mirage and does not lead the economy anywhere but into an abyss. Opponents, who most often are Keynesian economists, advocate tax and public spending actions (stimulus expenditures) in a quest to reverse the deep decline that has devastated the U.S. middleclass. Adversaries deem neoclassical ideas as mythical logic and point to its ideology of free market economics and corporatization as having been detrimental to the well-being of America’s middleclass. In this paper, we start with the Reinhart and Rogoff (2010) study “Growth in the Time of Debt” to present pro and con arguments, while drawing attention to the neoclassical advocacy of austerity versus the Keynesian proposition pertaining to increased taxes, public spending and economic growth.

Keywords: Stimulus, Austerity, Corporatization, Public Spending, Economic Growth

17. DOING BUSINESS IN THE UNITED ARAB EMIRATES - THE STRATEGIC BUSINESS ENVIRONMENT

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ABSTRACT

The United Arab Emirates (UAE) has the world's fourth-largest proven oil reserves. It is the leading regional commercial hub in the Middle East, with state-of-the-art infrastructure and a world-class business environment. For these reasons, international investors are migrating to the UAE, particularly Dubai and Abu Dhabi, in large numbers. But what information should investors and entrepreneurs know about the UAE in order to enter the country and organize their business well? This article reviews and presents essential information that every entrepreneur should know while doing business in the UAE. Starting with the economic condition and political structure of the nation the paper covers details regarding the business environment and investment climate within the country and the trade policy, customs and FDI procedures. The various forms of formal and indirect business presence within the country and the legal issues and tax matters are discussed. Finally
the paper provides practical advice to business people on how to enter the UAE markets and organize business effectively.

**Key words:** United Arab Emirates, Business Environment, Investment Climate, Free Zones, Trade Policy

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18. **EMPIRICAL EVIDENCE ON THE LONG-RUN NEUTRALITY HYPOTHESIS USING DIVISIA MONEY**

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**ABSTRACT**

By employing Fisher and Seater's (1993) long-run neutrality test, the researchers tested the monetary neutrality proposition in Singapore for the period of 1980-2009. Empirical findings show that monetary neutrality does not hold in Singapore when both the simple-sum money and Divisia money are employed. As both the simple-sum and Divisia monetary aggregates are non-neutral, monetary authorities may consider their use as a monetary policy tool affecting real economic activity.

**Keywords:** Monetary Neutrality, Divisia Money, ARIMA Model

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19. **WHAT DETERMINES ATTENDANCE AT WOMEN’S COLLEGE BASKETBALL GAMES? IS MEN’S BASKETBALL A SUBSTITUTE OR COMPLEMENT TO THE WOMEN’S PROGRAM?**

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**ABSTRACT**

Even while participation in women’s athletics has grown tremendously since the passage of Title IX in 1972, interest as demonstrated by attendance at women’s sporting contests has not grown at the same rate. Using data from the 2011-12 basketball season, the level of attendance at women’s basketball games is estimated using various measures of team quality and institutional characteristics. In general women’s programs with high levels of success in terms of wins and championships draw more fans, not surprisingly. Also examined is the impact of men’s college basketball attendance and quality on the women. While programs where men’s attendance is larger, women’s attendance is as well, where men are very successful, the women’s program suffers indicating that men’s basketball, if successful, is a substitute for the women’s game, not a complement.

**Keywords:** Title IX, Women’s sports, NCAA, College Basketball, attendance