

GLOBAL CONFERENCE ON
BUSINESS AND FINANCE
RESEARCH PROCEEDINGS

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The Institute for Business and Finance Research

*Sheraton Waikiki
Honolulu, Hawaii
January 9-12, 2008*

Global  bal

Welcome to Hawaii

On behalf of the Staff and the IBFR, I welcome you to Honolulu, Hawaii and the 2008 Global Conference on Business and Finance. We hope you have a productive conference and enjoy your time in Hawaii. If we can be of any assistance to you during your time in Hawaii please do not hesitate to contact us.

We all know that college professors must balance their teaching, research, and service obligations. Finding the right forum to share and obtain feedback on our research, new teaching techniques, and innovative administrative processes can be challenging at times. The Institute for Business and Finance Research was created to facilitate your work by providing an environment conducive to knowledge and experience sharing. We encourage the academic community to come and share their work at our conferences and Journals. We welcome articles which are of interest to scholars and practitioners in all fields of business, economics and related fields.

The 2008 Hawaii GCBF represents a long term commitment to bring individuals from around the world together to share their ideas and promote research on business and finance. The response to the conference has been outstanding. We wish to thank you for selecting the GCBF as your research outlet. We also wish to thank the many people that have contributed to making the conference a success. We are delighted to report that the conference is truly a global conference. We have participants from all corners of the globe at this academic conference. These individuals come from a variety of high quality institutions and will present work on a broad mix of academic issues.

We are proud to announce two upcoming conferences. Our fifth conference will be held May 28-31, 2008 as the Ramada Plaza Herradura Hotel and Conference Center in San Jose, Costa Rica. Our Winter 2009 conference will be held in the United States. We will be announcing the location and dates of this conference in the coming weeks. We hope that you are able to join us at these future conferences.

We hope you take the time to enjoy the hotel facilities as well as to take in the Island of Oahu and the other Hawaiian Islands. Hawaii is a wonderful destination with much to offer. We recognize that in addition to presenting research and participating in the conference activities, it is also important to relax and rejuvenate yourself. Have some fun! You deserve it! We hope that you will go home refreshed and with a sense of accomplishment.

Warmest Regards,

Mercedes Jalbert
Conference Chair

*Welcome
Bienvenidos
E komo mai*



Bienvenidos a Hawaii

El Instituto y su personal les da la bienvenida a Hawaii y el 2087 Winter Global Conference on Business and Finance. Esperamos que su participación sea productiva y que disfruten Hawaii.

Todo profesor de educación superior debe encontrar un balance entre su rol como educador, investigador y como servidor a su comunidad y su universidad. Encontrar un foro donde podamos compartir y obtener retroalimentación sobre nuestra investigación, nuevas técnicas de educación, procesos administrativos innovadores es retador. El Institute for Business and Finance Research (IBFR) fue creado para facilitar el trabajo del profesional en educación superior, profesional del sector públicos y profesional del sector privado al crear una plataforma global conducente al enriquecimiento de nuestro conocimiento a través de:

1. La exposición de trabajos investigativos en todas las áreas académicas de las ciencias administrativas, ciencias económicas, financieras, etc.;
2. La exploración de nuevos avances tecnológicos, teóricos, pedagógicos;
3. El intercambio de conocimiento en una plataforma verdaderamente global.

El Congreso 2008 Winter GCBF representa un compromiso a larga plazo para unir a nuestros colegas de todos los continentes en nuestros congresos y compartir nuestras ideas, investigación y cultura en una plataforma bilingüe. Deseamos agradecer su participación, la cual hace realidad nuestro objetivos; el realizar un Congreso realmente Global con participación de educadores y profesionales de todos partes del mundo.

Con gran alegría anunciamos nuestros próximos Congresos en el Hotel Ramada Plaza Herrda, San Jose, Costa Rica del 28 al 31 de mayo de 2008. Asi mismo, en el invierno del 2009 tendremos nuestro congreso den los Estados Unidos. El Estado, destino y fechas serán próximamente anunciadas. Será un placer el contar con su participación nuevamente.

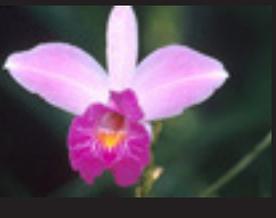
Deseamos que disfruten su estancia en el Hotel Sheraton Waikiki y que tenga la oportunidad de explorar las Islas de Hawaii. Sabemos que además de exponer sus trabajos, es también importante tomar tiempo para relajarse, rejuvenecerse y conocer sobre otras culturas, tradiciones, etc. Diviértase, disfrute, usted lo merece. Esperamos que al regresar a sus hogares e Instituciones se sientan rejuvenecidos y satisfechos con sus alcances y aprendizaje durante el Congreso. Deseamos que lleven consigo el "Spirit of Aloha." Estamos para asistir durante el congreso y el futuro.

Saludos Cordiales

Mercedes Jalbert

Conference Chair

*Welcome
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ENGLISH PROCEEDINGS

THE EFFICIENCY IN THAI FINANCIAL SECTOR AFTER THE FINANCIAL CRISIS

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ABSTRACT

This study investigates the efficiency in Thai financial sector after the financial crisis in 1997 by looking at the total factor productivity growth. Furthermore, the study also investigates the efficiency in banking sector, finance and securities sector and insurance sector, and the efficiency in domestic and foreign financial companies. Based on the sample of 12 commercial banks, 13 finance and securities companies and 20 insurance companies listed on the Stock Exchange of Thailand over the period 1998 – 2004, our finding reveals that the efficiencies in Thai financial sector, banking sector and finance and securities sector were diminishing over the period 1998 – 2004, while the efficiency in insurance sector remained unchanged over the same period. However, the sharp decrease in efficiencies in these three sectors occurred only over the period 1998 – 1999, while the efficiencies were decreasing very slightly over the period 1999 – 2004. The study also suggests that, in overall, domestic financial companies are more efficient than foreign ones. Domestic finance and securities companies are also more efficient than foreign ones, whereas domestic and foreign commercial banks are not different in efficiency. Moreover, domestic and foreign insurance companies are not different in efficiency as well.

INTRODUCTION

After the devaluation of Thai Baht in July 1997, the business environment for financial institutions severely deteriorated. The corporate borrowers' repayment burden on banks with foreign currency liabilities increased suddenly. Moreover, corporations also came under enormous financial pressure, since they had substantial foreign currency exposures without hedging against exchange rate. Many commercial banks and finance and securities companies faced huge loss and bankruptcy, since they lent inappropriately to real estate business (borrowing short but lending long), leading to enormous Non-Performing Loans (NPLs) in every commercial banks and the bankruptcy of 56 finance companies after the collapse. Now, eight years after the crisis, Thai economy as well as Thai financial sector has been said by the government and the authorities to be recovered. Still, people and investors have been questioning the performance of Thai financial sector, though. The efficiency in Thai financial sector after the crisis is one of the most interesting issues for both Thai and foreign investors. Consequently, this paper aims to investigate the efficiency in Thai financial sector after the financial crisis in 1997 (1998 – 2004) by looking at the total factor productivity growth. It also examines if commercial banks, finance and securities companies, and insurance companies in Thailand are different in efficiency.

DATA TO ANALYZE

Secondary time-series data in annual format for commercial banks, finance and securities companies and insurance companies were observed over the seven year period (1998 – 2004) which is the time period after the financial crisis (1997). Data analyzed in this study is composed of:

- 1) Amount of Output (Q): Amount of output is represented by total revenue in thousand Baht deflated by consumer price index (1998 = 100).
- 2) Amount of Capital Input (K): Amount of capital input is represented by current asset in thousand Baht deflated by consumer price index (1998 = 100).

3) Amount of Labour Input (L): Amount of labour input is represented by total expenditure on employees in thousand Baht deflated by consumer price index (1998 = 100).

Total revenue, current asset, and total expenditure on employees of each company are shown in the balance sheet and income statement as of December 31st of each year (1998 – 2004), obtained from the Stock Exchange of Thailand (SET), whereas consumer price index data was obtained from the Bank of Thailand. All commercial banks, finance and securities companies, and insurance companies selected for this study are the current members of the Stock Exchange of Thailand in the first quarter of 2005, listed in the SET in 1998 or prior to 1998. Consequently, there are totally 47 financial companies—12 commercial banks, 13 finance and securities companies and 20 insurance companies.

Commercial banks included in this study are Bank of Ayudhya, Bangkok Bank, The Bank of Asia, Bankthai, Kasikornbank, Krung Thai Bank, Thanachart Bank, The Siam Commercial Bank, Siam City Bank, Standard Chartered Nakornthon Bank, The Thai Military Bank and UOB Radanasin Bank.

Finance and securities companies included in this study are Asia Credit, Ayudhya Investment and Trust, Adkinson Securities, Asia Plus Securities, The Book Club Finance, Bangkok First Investment and Trust, Capital Nomura Securities, KGI Securities (Thailand), Kiatnakin Finance, MFC Asset Management, The Siam Industrial Credit, Tisco Finance and Seamico Securities.

Insurance companies included in this study are The Ayudhya Insurance, Bangkok Insurance, Bangkok Union Insurance, Charan Insurance, The Deves Insurance, Interlife John Hancock Assurance, Indara Insurance, The Navakij Insurance, Nam Seng Insurance, Phatra Insurance, The Safety Insurance, Siam Commercial New York Life Insurance, The Samaggi Insurance, Syn Mun Kong Insurance, The Thai Commercial Insurance, Thai Reinsurance, The Thai Insurance, Dhipaya Insurance, The Thai Setakij Insurance and Thaivivat Insurance.

Furthermore, among these 12 commercial banks, 13 finance and securities companies and 20 insurance companies, there are 3 foreign commercial banks, 3 foreign finance and securities companies and 2 foreign insurance companies categorized by their major shareholders.

3 foreign commercial banks are The Bank of Asia, Standard Chartered Nakornthon Bank and UOB Radanasin Bank. 3 foreign finance and securities companies are Asia Credit, Capital Nomura Securities and KGI Securities (Thailand). Finally, 2 foreign insurance companies are Interlife John Hancock Assurance and Siam Commercial New York Life Insurance.

ECONOMETRIC MODELS AND EMPIRICAL RESULTS

In this study, we assume the standard Cobb-Douglas production function defined as

$$Q_t = A_t K_t^\alpha L_t^\beta e^{\mu_t} \quad (1)$$

After taking the natural logarithms to make it linear, here we have

$$\ln Q_t = \ln A_t + \alpha \ln K_t + \beta \ln L_t + \mu_t \quad (2)$$

Note here that the variables Q, K and L in the equations above represent the amount of output, the amount of capital input and the amount of labor input, respectively. Moreover, A is the constant term represented the total factor productivity. The growth in total factor productivity implies the higher efficiency and level of technology, meaning that a production unit is able to produce more level of output from the same amount of inputs. It is thus reasonable to conclude that the higher total factor productivity also implies the higher efficiency. Therefore, this study utilizes total factor productivity growth which represents

growth in total output not accounted for by the growth in inputs to indicate the efficiency in Thai financial sector.

According to the study, we could estimate the efficiencies in term of total factor productivity growth of overall financial sector, banking sector, finance and securities sector and insurance sector over the period 1998 – 2004 as shown in Table 1.

Table 1: Efficiencies in Thai Financial Sector

Period	Sector			
	Overall	Banking	Finance and Securities	Insurance
1998 - 2004	Decreased 23.05% over 1998 - 2004	Decreased 48.94% over 1998 - 2004	Decreased 36.34% over 1998 - 2004	Remained Unchanged
	Decreased 4.27% per Annum	Decreased 10.60% per Annum	Decreased 7.25% per Annum	Remained Unchanged
1998 - 1999	Decreased 22.38%	Decreased 40.88%	Decreased 27.80%	Remained Unchanged
1999 - 2004	Decreased 0.87% over 1999 - 2004	Decreased 13.62% over 1999 - 2004	Decreased 11.83% over 1999 - 2004	Remained Unchanged
	Decreased 0.17% per Annum	Decreased 2.89% per Annum	Decreased 2.50% per Annum	Remained Unchanged

This table shows the efficiencies in overall financial sector, banking sector, finance and securities sector and insurance sector in Thailand over the period 1998 – 2004.

According to Table 1, the efficiency in Thai financial sector was diminishing over the period 1998 – 2004. The productivity growth is –23.05% over the period 1998 – 2004 and, in average, –4.27% per annum (using average annual compound rate of growth). But if we focus only on the period 1998 – 1999, the productivity growth rate is –22.38%. What happened in 1999?

After the Bank of Thailand switched from fixed exchange rate system to floating exchange rate system in July 1997, the Baht suddenly depreciated to reach fifty five Baht per one US Dollar within a few months later, and then has been remained at about forty Baht per one US Dollar, causing a dramatic increase in the financial institutions' repayment burden with foreign currency liabilities because they had substantial foreign currency denominated loans without hedging against exchange rate. Moreover, commercial banks and finance and securities companies lent inappropriately to real estate business (borrowing short but lending long), leading to enormous "Non-Performing Loans (NPLs)" in every financial institution. Throughout 1998, Thai financial sector had struggled with NPLs, and liquidity problems. This caused the sharp decrease in current assets of commercial banks and finance and securities companies and a number of employees to be laid off, of course, following by the reduction in total revenue of the companies. The sharp decrease in total revenue of every financial institution due to the decrease in current asset and a lay off had continued in 1999, leading to the dramatic decrease in efficiency in Thai financial sector as mentioned above.

Commercial bank sector is far less efficient than overall financial sector. During the period 1998 – 2004, the average productivity growth per annum is –10.60%. It seems that the efficiency in banking sector is very terrible. However, it is noticeable that the productivity growth of banking sector decreased by 40.88% within the period 1998 – 1999. Undoubtedly, this is because banking sector had struggled with the severe liquidity and NPLs problem during 1998 – 1999 as described above. Moreover, finance and securities sector is also less efficient than overall financial sector, but it is more efficient than banking sector. During 1998 – 2004, the productivity of finance and securities sector declined, in average, by 7.25% per annum. However, the sharp decrease in the productivity of this sector also occurred during 1998 – 1999 when the productivity declined by 27.8%. This is because finance and securities sector was severely affected by the financial crisis and was not able to adjust itself to the shift in economic condition. Finally, insurance sector is the most efficient sector in Thai financial sector. As shown above, the efficiency in insurance sector remained unchanged over the period 1998 – 2004.

According to Table 2, after considering the total factor productivity represented by the constant term “A” in the equations, it is reasonable to conclude that domestic financial companies are more efficient than foreign financial companies and domestic finance and securities companies are also more efficient than foreign finance and securities companies. Furthermore, since the production functions of domestic and foreign commercial banks are the same as shown in Table 2, domestic commercial banks and foreign commercial banks are not different in efficiency. Finally, since the production functions of domestic and foreign insurance companies are the same, domestic and foreign insurance companies are not either different in efficiency.

Table 2: Production Functions of Domestic and Foreign Financial Companies

		Sector			
		Overall	Banking	Finance and Securities	Insurance
Domestic	1998	$Q = 14.12K^{0.35}L^{0.52}$	$Q = K^{0.66}L^{0.34}$	$Q = 0.083K^{0.58}L^{0.62}$	$Q = 0.058K^{0.45}L^{0.86}$
	2004	$Q = 10.89K^{0.35}L^{0.52}$	$Q = 0.511K^{0.66}L^{0.34}$	$Q = 0.049K^{0.58}L^{0.62}$	$Q = 0.058K^{0.45}L^{0.86}$
Foreign	1998	$Q = 9.55K^{0.35}L^{0.52}$	$Q = K^{0.66}L^{0.34}$	$Q = 0.053K^{0.58}L^{0.62}$	$Q = 0.058K^{0.45}L^{0.86}$
	2004	$Q = 7.36K^{0.35}L^{0.52}$	$Q = 0.511K^{0.66}L^{0.34}$	$Q = 0.031K^{0.58}L^{0.62}$	$Q = 0.058K^{0.45}L^{0.86}$

This table shows the production functions of domestic and foreign financial companies, commercial banks, finance and securities companies and insurance companies.

CONCLUSION

In summary, it is not a good idea for one who wishes to earn high return from investments to keep his money in commercial banks due to a very low rate of interest. Moreover, investors may find more difficulty in borrowing funds from commercial banks since the terrible experience with NPLs problem makes commercial banks more cautious in approving loans. Nevertheless, despite a low efficiency, commercial banks are still considered as the most important financial institution in Thailand which dominate Thai financial sector in collecting deposit and lending. In addition, finance and securities companies are still fairly efficient for one who wishes to put his investment in capital market despite a slight decrease in efficiency during the period 1999 – 2004. As mentioned before, the brokerage services, the major business of finance and securities sector, heavily depends on the economic condition and investors' confidence. Thus, the efficiency in finance and securities sector and the expected return from investment in capital market should be higher as the economic condition get better. Finally, there is nothing to worry about for one who wished to buy insurance since insurance sector is the most efficient sector in Thai financial sector which is barely affected by the economic cycle.

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MODIFYING VAICTM APPROACH AND EXAMINING FIRMS' MARKET PERFORMANCE

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ABSTRACT

The study attempts to modify Pulic's (2000) intellectual capital approach, "Value Added Intellectual Coefficient (VAICTM)" for measuring the relationship between firms' value creating from potential offered by intellectual capital and market performance (including market value and profitability). Synthesizing the literature review, the paper adds two additional IC components, R&D expenditure and intellectual property, into the VAICTM approach. The data based on the 2005 annual reports from listed Taiwan IT companies on the Taiwan Stock Exchange Corporation (TZEC) and Market Observation Post System (MOPS). The findings support the hypotheses that firms' intellectual capital has a positive impact on firms' market value and profitability in the modified VAICTM method. Besides, the author found that R&D expenditure and intellectual property may capture additional information on value creation and R&D expenditure has a directly positive effect while intellectual property has indirectly influence. The results provide the understanding of R&D expenditure and intellectual property in creating firms' market performance and providing sustainable advantages for companies in knowledge-based economy, where companies create added value to products or services in the new economic reality.

BIOGRAPHY

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ASSET ALLOCATION STRATEGY FROM THE PERSPECTIVE OF AN OIL AND GAS COMPANY

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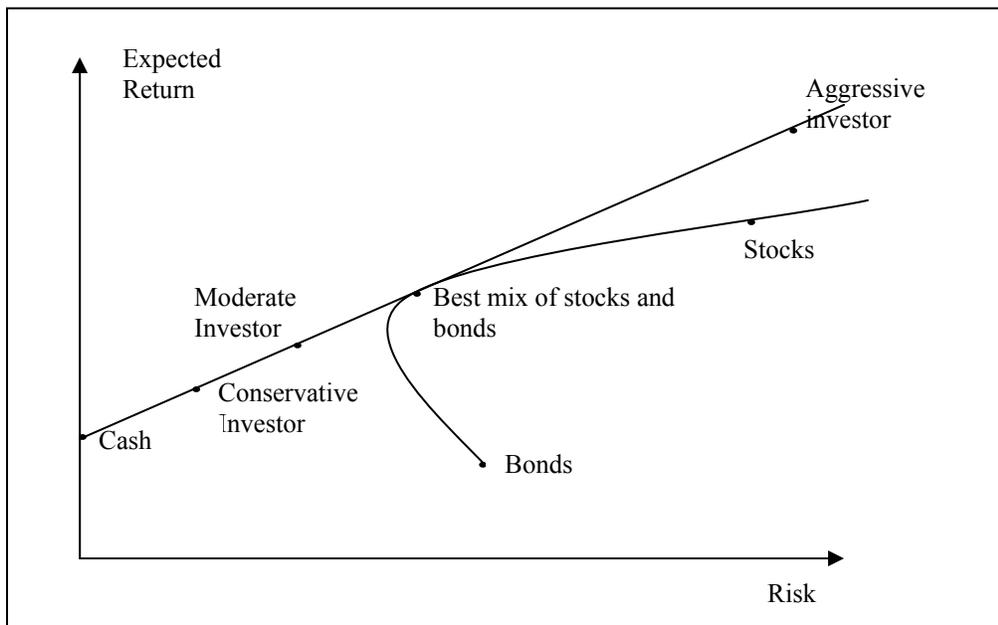
ABSTRACT

Allocating financial assets to maximize return within the allowable risk parameters is always a major challenge for many companies. The financial market has shown a tremendous growth both in term of depth and breadth. The low investment yields of traditional investment instruments such fixed income and money market have turned corporate treasurers to alternative investments in search for additional returns or alphas. The complexity of the alternative investments such as structured products and other derivatives-linked instruments have also increased and this pose another challenge for corporate treasurers in evaluating and valuing them before they are considered as approved investment products and included in the asset allocation process. There are many approaches to asset allocation process. This paper attempts to discuss two approaches in the asset allocation process namely the top down and the bottom up approach. It will also provide some perspectives from an oil and gas company on how the asset allocation process, and ultimately, the implementation of investment strategy are undertaken.

INTRODUCTION

Institutional investors face complex decisions when it comes to allocating financial assets to achieve optimal return. What does financial economics have to say about these investment decisions? Modern finance theory is often thought to have started with the mean-variance analysis of Markowitz (1952). Markowitz showed how investors should pick assets if they care only about the mean and variance – or equivalently the mean (expected return) and standard deviation (risk) of portfolio over a single period. The results of his analysis are shown in the classic mean-standard deviation diagram, Figure 1. For simplicity the figure considers three assets: stocks, bonds, and cash (money market instrument). The vertical axis shows expected return, and the horizontal axis shows risk measured by standard deviation. Stocks are shown as offering a high mean return and a high standard deviation, bonds a lower mean and lower standard deviation, Cash has a lower mean again, but is riskless over one period, so it is plotted on the vertical zero-risk axis (in the presence of inflation risk, nominal money market investments are not literally riskless in real term, but this short-term inflation risk is small enough that it is conventional to ignore it). The curved line in Figure 1 shows the set of means and standard deviations that can be achieved by combining stocks and bonds in a risky portfolio. When cash is added to a portfolio of risky assets, the set of means and standard deviations that be achieved is a straight line on the diagram connecting cash to the risky portfolio. An investor who cares only about the mean and standard deviation of his portfolio will choose a point on the line. This straight line, the mean-variance efficient frontier, offers the highest mean return for any given standard deviation. The point where the straight line touches the curved line is a ‘tangency portfolio’ of risky assets, marked in the figure as ‘Best mix of stocks and bonds’.

Figure 1: Mean-Standard Deviation Diagram



This Figure shows the efficient frontier in the context of mean and standard deviation.

The conclusion of this analysis is that all investors who care only about mean and standard deviation will hold the same portfolio of risky assets, the unique best mix of stocks and bonds. Conservative investors will combine this portfolio with cash to achieve a point on the mean-variance efficient frontier that is low down and to the left; moderate investors will reduce their cash holdings, moving up and to the right; aggressive investors may even borrow to leverage their holding of the tangency portfolio, reaching a point on the straight line that is even riskier than the tangency portfolio. But none of these investors should alter the relative proportions of risky assets in the tangency portfolio.

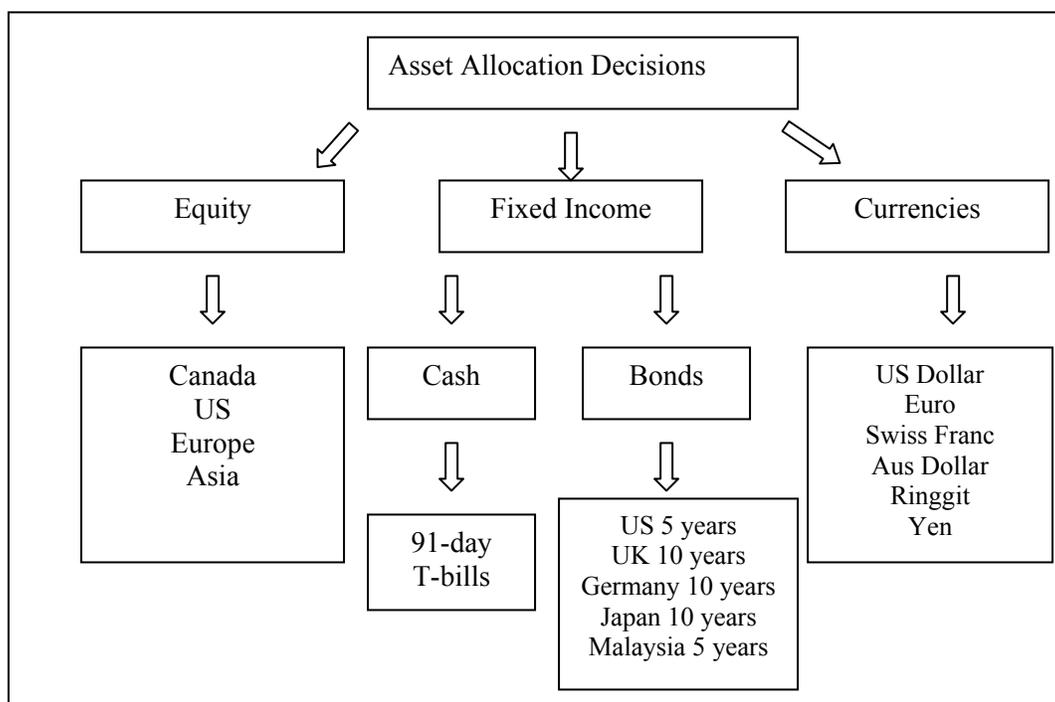
Fund managers and institutional investors have traditionally resisted the simple investment theory in Figure 1. Many feel that there is a need to build a portfolio reflecting the unique requirement of each institution or investor. There are many legitimate reasons for them to think that way. Some of the reasons are taking advantage of tax treatment, having different investment horizons; some may have relatively short-term objectives, others may be for long-term such as managing a retirement fund, having internal constraint such as limitation on investment in bonds and or stocks, and investing in emerging asset classes that do not have any correlation with the traditional cash, bond, and stocks such as structured products. In addition, some may also want to include commodity such as gold in the portfolio.

These reasons have resulted in investors to be more creative in their asset allocation strategy to achieve optimal return and look beyond the 'classical modern' portfolio theory of mean-variance analysis. Many investors also subscribe semi strong form of efficient market hypothesis theory which says that there are pockets of inefficiencies in the financial market that, through an extensive analysis of each asset class, some investors can react faster than others to benefit from the anomalies.

ASSET ALLOCATION APPROACHES

In undertaking the asset allocation strategy, institutional investors generally apply either the top-down approach or the bottom-up approach. The ultimate objective of these approaches is to achieve a well diversified portfolio that is able to achieve an optimal return within the allowable risk parameters. Top down investors start from the highest level decisions such as deciding how much to invest in different classes of investments (such as equities, bonds, cash, currencies, and commodities) and in which geographic regions (globally). Next, they look at which sectors to invest in. Picking individual securities is the last step. Top down investing tends to lead to good diversification. It tends to encourage investors to be conservative. More explanations on this approach will be presented in the later part of the paper. In undertaking its investment, PETRONAS applies the top-down approach. Figure 2 depicts an example of a typical top down asset allocation approach.

Figure 2: Top Down Asset Allocation Approach



This Figure shows an example of a top down approach to asset allocation.

Investors who look primarily at individual securities are using a bottom up approach. Approaching investment decisions by focusing on individual securities and picking those that are undervalued is a bottom-up approach. A bottom-up stock or bond picker would start by analyzing potentially interesting companies (preferably as many as possible) to find those that are undervalued. Using such an approach implies that an investor is attempting to outperform the market by picking shares (or other securities) that are undervalued, whether in absolute terms or relative to their sector. A bottom up approach does not mean neglecting diversification, but it does require discipline to ensure that a bottom up portfolio is well diversified. Figure 3 shows an example of a bottom up approach involving an equity investment.

Figure 3: Bottom Up Asset Allocation Approach

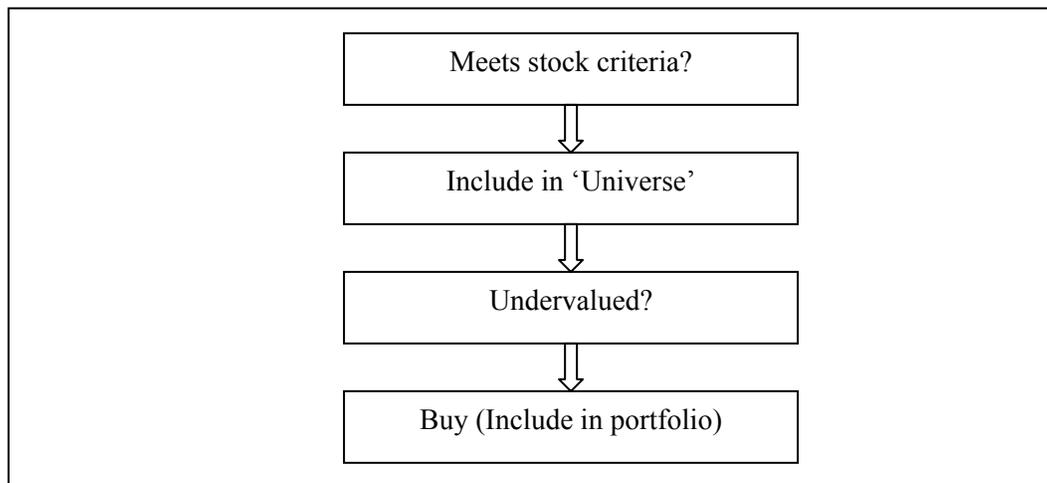


Figure 3 shows an example of a bottom up approach to asset allocation

This first step simply involves the identification of a potential investment opportunity. The analysts then conduct a quick review to decide whether the opportunity is worth further investigation. After a stock has been identified as a possible investment opportunity, it must then pass the 'stock selection criteria'. This is the most extensive and important step within the equity process. Every company will be subjected to the criteria. If any existing or potential company fails the criteria it is excluded from the portfolio. There are many criteria used in the investigation and analysis, among which are:

- Sound management - Searching for companies that are managed by experienced, clearly focused and prudent people.
- Conservative debt levels - Although companies with high debt levels are often favored during share market booms, they may be excluded to minimize risk as they are often the first to be adversely affected during economic slowdowns.
- Quality of Business - Assessing a company's ability to produce established products and services, the nature of the industry sector in which the company operates, market share and competitive factors such as barriers to entry.
- Recurring earnings streams (in the case of industrial companies) - Seeking to invest in companies which are likely to produce a recurring earnings stream given normal operating conditions.

If a company passes the stock selection criteria, it can then form part of a 'universe' of available stocks from which the portfolios are chosen. Once the stocks are included in the portfolio, the fund manager will undertake portfolio maintenance to ensure that all stocks in the portfolio are continually subjected to the disciplines of equity process. As it is an integral part of the process, it forms part of equity analysts' daily activities.

SUMMARY

In general, institutional investors apply the 2 approaches in allocating financial assets with some alterations to adjust for any constraints imposed on the portfolio. As it was mentioned earlier, PETRONAS applies the top-down approach, however, a bottom-up approach is also applied in the micro asset allocation process at the respective department in the selection of specific stocks and bonds. A detailed explanation of PETRONAS's approach is discussed in the full version of the paper.

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IS CAREER MANAGEMENT THE PANACEA TO RETAINING VITAL STAFF?

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ABSTRACT

A continuing organisational issue for the management of human resource has been the retention of vital employees. As organisations battle to get the most from their existing people in an environment characterised by skill shortages, the role of human resource practices in fostering employee engagement and commitment is paramount. As, firms and employees struggle to find a balance between career longevity and flexibility the traditional role of career management as an inducement for individuals to stay with the firm is questioned. This paper reports the findings of an Australian study, which examined the current relationship between human resource management practices and the retention of vital employees working in nine organisations. Although past research has pointed to career management as a retention strategy tool, this research specifically points out that selection practices, remuneration and recognition are key factors which influence employee commitment and thereby retention. The findings of the study have salient implications for human resource academics and practitioners.

BIOGRAPHY

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FINANCIAL REPORTING MODELS GAP: CASE STUDY IRAN

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ABSTRACT

This paper examines the financial reporting models (legal vs. actual) in Iran as there may be a gap between them. In this research fact documents is used to determine the legal financial reporting model in Iran. It explores the actual financial reporting model in Iran by using interviews through purposive sampling. The results indicate that there is a gap between the models. The gap is caused by the following factors: the insufficient disclosure of non-financial information in the financial statements, inability of the financial statements to provide on time information, advances in technology, media, financial analysts, and other providers of financial information.

Keywords: Financial reporting model, Actual model, Legal model, Financial reporting models gap, Fact documents, Survey, Purposive sampling.

INTRODUCTION

The central argument of this paper is to explain the existing gap between the legal and actual financial reporting models in Iran. The legal financial reporting model is the process of financial reporting required by rules and regulations. The actual financial reporting model can be defined as the transfer process of financial information to investors which actually happens in financial market.

Baker and Wallage (2000) found a gap between the legal and actual financial reporting model in Europe but there is not any research available about the gap between the Iranian financial reporting models. This research about Iran is more important because the Iranian education and accounting system is based on western countries' systems (Roudaki, 1996; Mirshekary, 1999; Baker and Wallage, 2000; Jamshidi Fard, 2001; Audit Organization of Iran, 2006). There are also special cultural factors which cause a further gap between the legal and actual financial reporting models in Iran. In this research, fact documents are used to determine the legal financial reporting model and interview based survey is used to explore the actual financial reporting model in Iran. The result of research shows that there is a gap between the legal and actual financial reporting models. In the following sections some main parts and steps in the research would be briefly explained.

FINANCIAL REPORTING MODELS

Contextual factors such as economic history, political and legal systems, culture, and traditional providers of capital affect the development of financial reporting in each country (Zeff, Wel, Camfferman, Limperg Instituut. and Raad voor de Jaarverslaggeving (Netherlands), 1992; Baker and Wallage, 2000; International Accounting Standards Committee Foundation., 2004). In Iran, the Iranian Commercial Code (section three), Direct Taxes Act, educational system, accounting standards, certain government authorities such as the Tehran Stock Exchange (TSE) and the Audit Organization of Iran all have played an important role in the development of the Iranian financial reporting model.

Although the development of the Iranian legal financial reporting model has been affected by different factors but it is expected some contextual factors such as history and culture are less considered in this development. Iran has its own unique social, political, and economical characteristics that have shaped the development of its specific regulatory framework for financial reporting. Consequently, it is expected that

there would be a gap between the legal and actual financial reporting model in Iran.

This may be partly related to advances in information technology, which enables investment decision-makings to become on-line and in real time (Baker and Wallage, 2000), and partly related to new players in financial market. Based on the above discussion, the purpose of this study is to examine whether there is any gap between the legal and actual financial reporting models in Iran. For this purpose, the reporting models are identified and then compared to determine the potential gap. In this research qualitative method is applied due to the stage to which knowledge about the research topic has advanced (Cavana, Sekaran and Delahaye, 2001). Although there is some research about financial reporting, there is not any research available about the gap between legal and actual financial reporting in Iran. As a result, this situation leads to the research being at a descriptive and exploratory stage.

Based on the research question and the stage of knowledge in this area, some parts of this research are exploratory and some parts are descriptive. Therefore, in this research the qualitative method is chosen as the most suitable to achieve the aims of this research. In this research, consistent with Denscombe (2003) and Yin (2003), fact documents and surveys are used as the research strategy of choice. Fact documents is used to determine the legal model of financial reporting in Iran. Survey is used to explore the actual financial reporting model in Iran. In survey, purposive sampling is applied as it allows the researcher to select the specific cases to collect related information. It also provides the opportunity for the researcher to make clear the research questions at hand (Denscombe, 2003).

ANALYSIS

The first aim of data analysis is to obtain relevant answers to the research question which is the reason for the study. The goal of this research was to determine the legal and actual models of financial reporting in Iran and identify any potential gap between them. Based on the collected data, the legal model of financial reporting is determined and the actual model of financial reporting is explored. Comparing these two models shows a gap between the legal and actual financial reporting process in Iran.

Based on Iranian Commercial Code, and TSE's rules and regulations, the Iranian legal financial reporting model for TSE listed companies is as shown in Figure 1.

CONCLUSION

Financial reports are the product of the financial accounting systems. Users of financial reports in general and particularly shareholders need the useful information for the investment purposes. The financial reporting model is affected by regulatory bodies in each country. Investors may need real time information for their investment decision making; however, financial statements are provided to users during several courses of time. This delay may not be accepted for the investment purposes. As a result, financial reporting process is affected by new players in financial market such as technology, financial analysts, and other information providers. Advances in technology made it possible for users to access to real time and on-line information. Therefore, the role of financial analysts and other information providers in capital market is becoming more important.

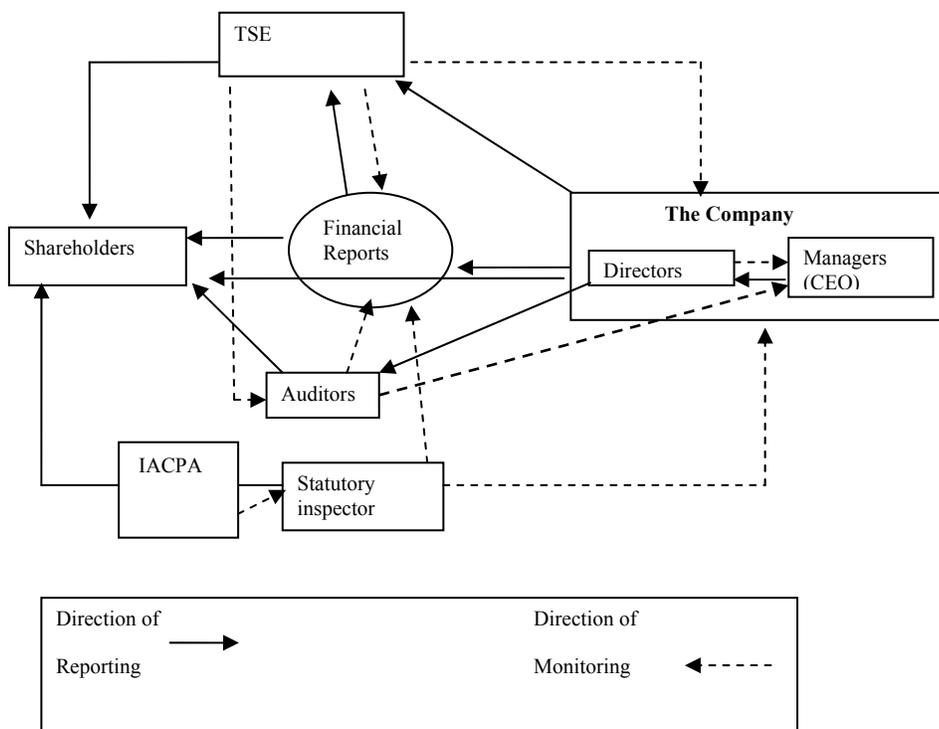
To decrease the gap between the legal and actual model of financial reporting the following suggestions are recommended:

1. The role of new players in financial market is serious and should be considered in establishing new regulations.
2. Although financial analysts play a very important role in monitoring companies, as well as providing information to stakeholders, especially investors they do not have a registered

association in Iran. The suggestion is to passing new rules to establish financial analysts association in Iran. The rule needs to include the criteria for membership, activity, and their responsibility regarding third parties.

3. passing new regulations by authority bodies for process of financial reports to make the legal and actual financial reporting models closer to each other. In these regulations, the relationship between different parties in the TSE should be considered.

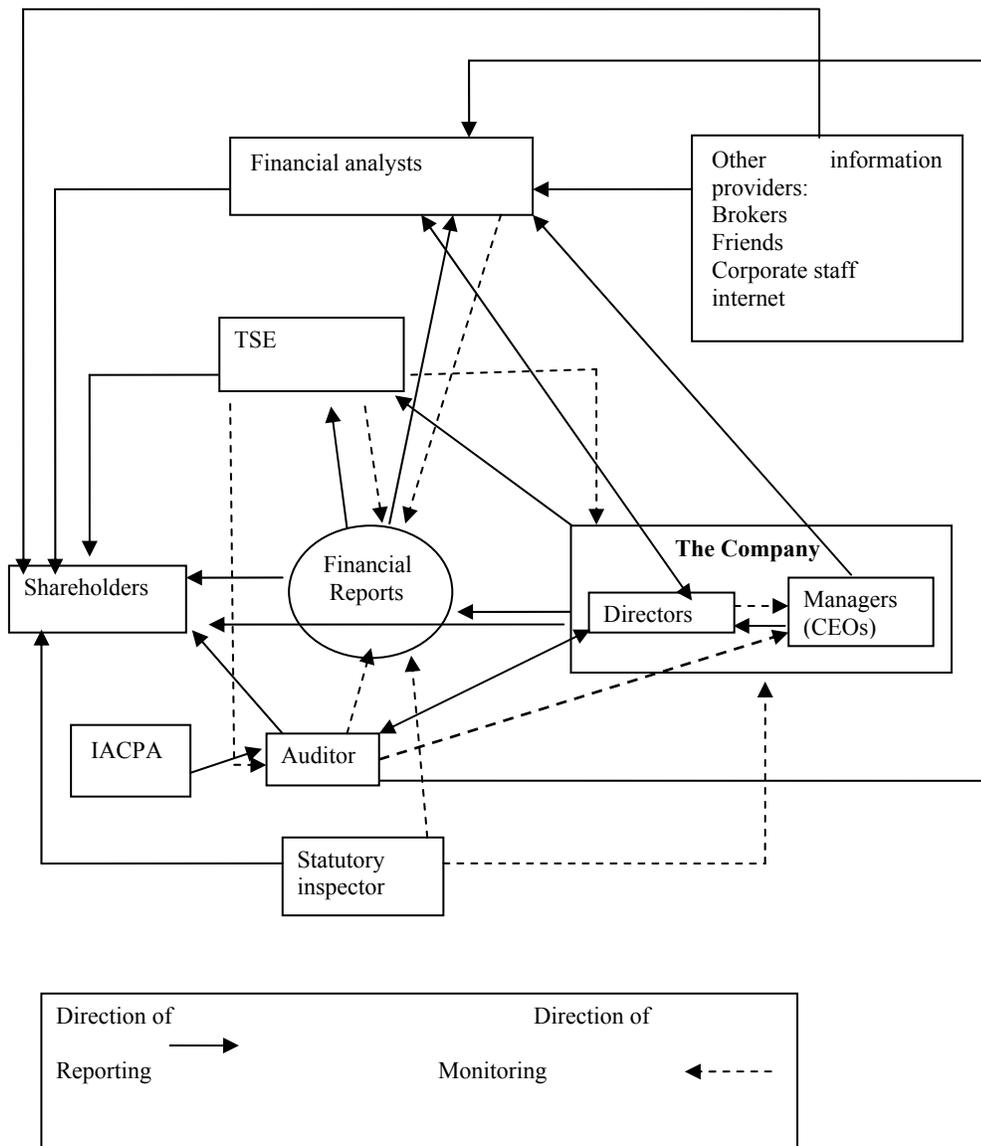
Figure 1: The Iranian Legal Financial Reporting Model for listed companies in TSE



Source: The Iranian Commercial Code and TSE's Rules and Regulations

Based on collected data, the actual model of the Iranian financial reporting is as shown in Figure 2.

Figure 2: The Iranian Actual Financial Reporting Model



Source: The Iranian Commercial Code and TSE's Rules and Regulations and Facts documents

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FRENCH LEGISLATION AND THE DEVELOPMENT OF CREDIT AVAILABILITY FOR MICROENTERPRISE

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The failures of the socialist model, evidenced by high unemployment, have led France to reorient itself towards more enterprise creation. These entrepreneurial ventures require financing. However, bankers do not want to assume the high risk of newly created enterprises. Moreover, small entrepreneurs who do manage to get financing may find themselves rationed at the margin if the rate of credit is capped by the legislature. Concurrently, the growth of microfinance in the world has shown that innovative techniques can increase credit availability, without unduly high risk. However, such increased credit availability may not materialize if credit rates are capped by usury laws, as it was in France.

This paper traces out a number of legislative changes which took place in France in the last five years, focusing especially on usury laws and other barriers to credit. It places these legislative changes in a perspective of Western Europe's socialist model, comparing legislation on credit and usury in a number of developed countries. It also examines if these legislative changes have been accompanied by the desired impact. Finally, it examines alternative future legislative evolution possibilities.

BIOGRAPHY

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MEDIA STRATEGIES FOR MARKETING PLACES IN CRISIS: TOWARD A NEW MODEL

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ABSTRACT

The terror attack over London's public transport system, the destruction of New Orleans by the Katrina Hurricane and the tsunami tidal wave over the peaceful beaches of Thailand illustrates that no place has immunity for crisis. As a direct result, the body of knowledge in the field of place marketing is constantly growing; enabling researchers to achieve a better understanding of image crisis and ways to overcome them. Following the analysis of dozens of case studies, this article outlines 5 media strategies used by destinations in order to improve place's image: Acknowledging Negative Image, Employing a Counter-Message, Spinning Liabilities into Assets, Hosting Spotlight Events and Geographic Isolation / Association.

INTRODUCTION

On the morning of 7th of July 2005, a series of coordinated bomb blasts struck London's public transport system: 52 people were murdered and about 700 were injured in what has been the deadliest bombing in London since the Second World War. In addition to the actual crisis caused by the terror attack, the city of London was now facing another kind of crisis – an image crisis. But London is only one out of many top tourism brands which were forced to face a sudden image crisis, threatening an image it was taken years to build. Only in recent years, popular destinations such as New York, Turkey and Spain suffered from terror attacks, the tsunami tidal wave swept the beaches of Thailand, India and Sri Lanka, and the epidemics of SARS and foot-and-mouth disease had a severe affect on tourism in the UK, China and Canada (Avraham and Ketter, 2008; 2006). Based over a quick look at the figures, it seems as if the number of terror attacks, natural disasters, epidemics and transportation accidents which affects tourist destinations is only growing (Glaesser, 2006). In such a reality, the occurrence of a crisis is no more a hypothetical matter but an everyday issue one must be prepared for.

In the global age, sudden crises breaking on the far corner of the globe can be immediately broadcasted on live television to the homes of millions, carried over international satellites and the World Wide Web. The impact being created by the world's attention can empty out hotels, cancel flights and leave tourist attractions deserted, causing an enormous economical damage. In addition, due to the globalization process, a crisis in tourism in one country affects other countries, such as the effect of the 9/11 terror attack on worldwide tourism (Avraham and Ketter, 2008; 2006).

On the other hand, in contrast to sudden unexpected crises, countries such as those of Africa, the former communist countries of Eastern Europe, Middle Eastern countries and many more, can gradually develop a negative image as the cumulative result of a problematic past. In both these cases, the gradual negative image and the sudden downturn in image resulting from a particular crisis, an unfavorable image is projected in the media and has a correspondingly negative effect on the international tourism industry and on a country's economics, investments and commerce (Avraham, 2003).

Whatever the cause of the negative image, many destinations suffer from being identified as frightening, dangerous, boring or gloomy; places a tourist would have no interest in visiting. Many decision-makers in the international tourism industry stand by helplessly, frustrated by their knowledge that in most cases, the negative image is not based on well-grounded facts. Given that stereotypes are not easily changed or dismissed, the challenge facing these decision-makers is great. Analyses of many tourist crises, however,

show that numerous countries throughout the world have managed to change a negative image into a positive one, thus bringing tourists back to visit. To achieve this worthwhile goal, a number of communications strategies were used. This article proposes to analyze public relations, advertising and promotion strategies in order present those most successful in altering an unflattering public image.

COMMUNICATING THROUGH CRISES

According to Glaesser (2006), a crisis is a critical change in an important variable that endanger or destroy either parts of or the entire system, and crisis management is the strategies, processes and measures which are planned and put into force to prevent and cope with crisis. When dealing with an image crisis, Parsons (1996 in: Ritchie 2004) suggests a method to distinguish among three types of crises: 1. Immediate crises, where little or no warning exists, as in the case of the tsunami tidal wave in South East Asia. 2. Emerging crises, which develop slowly, and may be stopped or limited, as in the outbreak of the foot-and-mouth disease epidemic. 3. Sustained crises that may last for weeks, months or even years, such as the ongoing conflict in the Middle East. In any of the three types of crisis listed, the media takes a significant role in handling the situation. Recovering from any kind of crisis takes much more than just crisis communications: the country has to take positive actions in order to change reality, or the new image will be labeled as a fake or fraud. It is important to distinguish between attempts to change a destination's image while changing its actual reality (Beriatos and Gospodini, 2004), and attempting to alter an image without making any concrete changes. In the case of Jamaica, for example, the country tried to recover from its negative image by launching a campaign stressing safety and friendliness. The expensive campaign instead actually caused damage, when many unsatisfied tourists went back home and told their friends about the unpleasant experiences they had on their Jamaican visit (Kotler, Haider and Rein, 1993).

Five Strategies for Improving the Image of a place Facing an Image Crisis

1. Acknowledging Negative Image - Concluding from the case study of Jamaica, a key factor for the success of a media strategy is to keep your message trustworthy. One strategy that is based over this principle is to acknowledge the place's negative image, in order to create a feeling of trust between the advertisers and the target audience. For Example, a recent campaign for the city of Philadelphia uses the slogan "Philly's more fun when you sleep over" (www.gophila.com). Using this slogan, the advertisers deliver the message they are aware of the destination's image as a place you just go through, and the destination's real image is different then what most people think. A similar example can be found in the case of the city of Akko. The city, which used to be a luxuries Crusader city, is now suffering from a severe neglect and poverty. Following the Acknowledging Negative Image strategy, the city had recently launched a new campaign with the slogan "A thousand years of history come to life". The slogan's subtext admits that the city has been asleep in the last decades, but it is also promising a change that is already happening.

2. Employing a Counter-Message - In the year 2006, only 10 month after Hong Kong was officially "SARS Free", a new campaign was launched to deliver the news. Using the slogan "Live it. Love it", the city tries to create the impression that it is alive again. The use of the new slogan actually contradicts two perceptions: one is that Hong Kong is not alive in the way of the deadly SARS epidemic. The other is that tourists don't visit Hong Kong anymore, and it is not alive in the dynamic and exciting meaning. By using the Counter-Message Strategy, the destination is trying to battle its old image by delivering an opposite one. Another example for this strategy is the case of Mozambique, which recently launched a new campaign under the slogan "Land of contrasts". The new slogan is aimed to create the impression that there is much more into Mozambique then the one-dimensioned stereotype. The word "contrasts" in the slogan implies that aside from the common knowledge of the place, there is a whole different side waiting to be discovered.

3. *Spinning Liabilities into Assets* – Another strategy can be used in the case of an image crisis is the one spinning liabilities into assets. The essence of this strategy is to acknowledge a negative factor responsible for the place negative image and turn it into a positive trait. One example is the case of South Korea, which had little tourism and a weak image for many years. In an interesting campaign, the marketers of South Korea tried to spin this liability into assets, by referring to itself as “South Korea – Asia’s Best Kept Secret”. A similar use for this strategy can be found in the case of the Czech Republic: A recent campaign using the slogan "The Czech Republic: come to slow down" is trying to turn the image of Eastern European countries as undeveloped places with a low number of tourist attractions, into a positive image of a great place to have a relaxing vacation.

An interesting case study for the use of the Spinning Liabilities Into Assets Strategy can be found in the case of the Negev Desert in south Israel, which is well known for its dry and warm climate and for its typical desert views. After many years in which local decision makers tried to create a counter image by delivering messages that the Negev Desert is green and blooming, a recent campaign tried to go along with the current stereotype. In the new campaign, the message being delivered is of local pride – the Negev is proud of what it is and beautiful in its brown desert colors. The slogan for the new campaign calls the visitors "get excited by different colors", meaning that the desert colors are just as exciting as any other landscape. According to a local spokesman, "the Negev doesn't need to hide beneath images of blooming flowers or extreme sport. The Negev is beautiful just the way it is and we should be proud of that. Everyone around us sells images of green grass and waterfalls; the desert is unique, it has its own caricature, it is magical, exciting and peace full" (Avraham and Ketter, 2008).

4. *Hosting Spotlight Events* – the year of 2006 has been a very good year for the marketers of Germany. Hosting the FIFA Soccer World Cup attracted a huge crowd of tourists to the 12 hosting cities in Germany, and millions of television viewers. In the last years, Germany has launched several campaigns in order to improve the image of its people as "humorless", "racist" and "over punctual", but hasn't gained much of a success (Ha'aretz 11.7.03). Having the World Cup enabled Germany to introduce the new face of the country to millions of people, the face of the smiling and friendly local sporting fans. Similarly, the city of Detroit is trying for a few years to get rid of its image as a polluted, heavy industry and crime ridden city. As part of Detroit's extreme makeover, the city is trying to reposition itself using a rare sequence of world class sports events. With the host of Ryder Cup golf tournament of 2005, the Major league Baseball All Star game in summer 2006 and the 2006 Super Bowl, Detroit has a real chance in getting the world's attention for the new face of the city. Based on past experience, the Super Bowl attracts Around 1,200 reporters, hundreds of thousands of visitors and 90 million television viewers (www.detnews.com). The new slogan chosen to support the Super Bowl games focuses on this chance for a change: "Super Bowl XL is not only an affirmation of what Detroit is but of what it is becoming" (www.sbx1.org).

5. *Geographic Isolation / Association* – One unpleasant characteristics of image crises caused by safety and security issues is the occurrence of the "Spillover Effect", the tendency of visitors to associate a security incident with an entire region (Santana, 2003). A great example for using the Geographic Isolation Strategy can be found in the case of the Israeli city of Eilat. In order to disconnect itself from the problematic image of Israel, the marketers of Eilat 're-located' the city, presenting it as “Eilat on the Red Sea” and ignoring the city's exact location. In a recent campaign aimed at the European market, the city of Eilat was presented in the middle of an illustrated map. The map, composed by yellow sun rays, details the distance between Eilat and other European capitals, ignoring its proximity to places being perceived as unsafe such as Jerusalem and Cairo (Avraham and Ketter, 2008).

The opposite use of the Isolation Strategy is the Geographical Association Strategy, aimed at linking the marketed destination with a place that has a favorable image. One place which chooses to follow this

strategy is Kansas City, which suffered from a negative image for many years. Trying to associate itself with world class cities such as New York, Los Angeles and Washington DC, Kansas City is now known as the initials "KC". According to Think-One-KC website's: "By making KC the recognized moniker for our region, we are putting ourselves in the same league as these world-class metros, showing a confidence and self-awareness that Kansas City is not traditionally known for." A graphical support for this statement can be found in one of the KC icons, carrying the following names written one on top of the other: "NY, LA, DC, KC" (www.thinkonekc.com).

CONCLUSIONS AND IMPLICATIONS

This article outlines five common media strategies being used by destinations in order to overcome image crises and improve place's image. The strategies mentioned above are only the tip of the iceberg and contemporary research has identified 20 different strategies used by countries, cities and other destinations (Avraham and Ketter, 2008). The choice of a proper strategy is a complex consideration which is based over many variables such as the characters of the target market, the characters of the crisis and the destination's character. Overcoming an image crisis is a very long mission which takes a lot of persistence. Many destinations which only changed their logo or slogan wasted a whole lot of precious time and money without achieving the appointed goal. On the other hand, destinations such as Spain, Turkey, and Japan have achieved enormous progress in the last decades with the old fashioned combination of hard work and total obligation to their goals. Whatever the case may be, the accumulated knowledge in the field of place marketing can become very beneficial when facing an image crisis one has to communicate his way through.

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BIOGRAPHY

Eli Avraham, Ph.D., Hebrew University, 1998, is a senior lecturer in the Department of Communication, University of Haifa, Israel. He has published articles on a variety of subjects in professional journals, including *Journal of Communication*; *Media, Culture & Society*; *Political Communication*; *Press/Politics*; and *Cities*. Dr. Avraham is also the author of several books, among them *The Media in Israel, Center and Periphery* (2000); *The Hidden Israel* (2001); *Campaigns for Promoting and Marketing Cities in Israel* (2003); *Behind Media Marginality: Coverage of Social Groups and Places in the Israeli Press* (2003, Lexington Books); *Media Strategies for Marketing Places in Crisis: Improving the Image of Cities, Countries and Tourist Destinations*" (2008, Butterworth-Heinemann). He is currently a Schusterman Visiting Professor of Israel Studies, at the University of North Texas (2007-2008).

BUSINESS PROCESS REENGINEERING (BPR) AS A TOOL FOR BUSINESS PROCESS IMPROVEMENT

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ABSTRACT

Since it was first presented in two articles published simultaneously by Michel Hammer (The Godfather of BPR) and Davenport & Short in 1990, Business process Reengineering has been an important topic in the world of business for the last fifteen years as organisations keep trying to optimise their operational efficiency, effectiveness and competitiveness. Such optimisation efforts are mainly followed by most organisations in order to compete with their rivals in a very dynamic and unpredictable business environment. Where organisations have recognised the need to move away from focusing on individual tasks and functions to focusing more on communicated, integrated and co-ordinated ways of work by looking at operations in terms of business processes which, should be designed and developed to satisfy customer needs and requirements.

Michel Hammer in his new book “The Agenda” has stated that processes are what create the results that a company delivers to its customers, he also added that process is technical term with a precise definition: “an organised group of related activities that together create a result of value to customers”. This in turns means that business process is the way in which the strategic goal of putting customers first gets turned into its practical consequences as the corporate strategy of the organisation. But in reality this was not the case where most of BPR initiatives have been viewed and applied the new business processes at an operational level rather than strategic level.

Studies of BPR projects implemented in the last few years also reveals that customers aren't at all interested in the activities toward which companies devote most to their managerial energies & funds to design new business process to achieve successful action plan and generate more profits or cut costs, etc. They more concerned about getting good results or value-added service from process-oriented organisation, where the new style of change that BPR offers requires the most of its new business processes to be identified, mapped and modelled.

A problem encountered with identifying and modelling business process is that many existing BPR methodologies, simply are unable to identify the overall objectives of the business process and frequently overlook the necessity of using BPR approach as a too for business performance improvement. However, this argument underlines the importance of relating process redesigning to performance improvement of the organisation where a new theoretical BPR framework is highly needed. Hence knowing what the purpose of BPR is, those factors that must be considered when assessing the potential for BPR, the principles that should be followed during design and implementation, and mistakes to avoid. The framework proposed in this research paper would consider the interdependence and nature of stages involved in BPR, and the important role the framework must play in supporting continuous performance improvement.

It should also consider the role to be played in helping to establish the new work environment where both management and process teams work together side by side to achieve the strategic objectives of the process-oriented organisations adopting BPR approaches.

INSURANCE AND REINSURANCE IN THE CZECH REPUBLIC

Jiřina Bokřova, University of Economics-Prague

ABSTRACT

The insurance system is an exceedingly important branch of every free market economy and its function is non-fungible in a modern state with a free market economy. All changes in the society directly reflect into the insurance industry as well. New risks appear hence new insurance products appear as well.

INTRODUCTION

Premium represents a pre-paid hire for assignment of negative financial implications of accidentality from the enterprise and other economic entities to the insurance company. The insurance payment represents by the insurance company compensated idemnifications on the insured property, compensations from the casualty, life, retirement income insurances or the insurance payment with the liability insurance.

Insurance companies can't be considered only as companies providing insurance protection for their clients but also as significant investors that as a result of their activity temporarily dispose with available financial assets of their clients. From the financial assets received for taken insurance premium, the insurance companies create so-called „monetary reserve“ (technical reserves that are financially placed) that in case the insured event occurs are used for payment of idemnification. Whereas one of insurance essential features is the time disagreement between the premium payment (with a financial service – premium purchasing) and Insurance payment providing (the insurance payment can occur many years after the premium payment) the insurance companies carry business with these assets.

The insurance system branch analogous to the banking system carry business with a relatively low operating of the fixed capital and manage financial assets of their clients. That is why banking and insurance systems belong among most regulated branches in the developed economies. The necessity of regulation comes out of the insurance service character. The goal of the state regulation is above all the protection of clients that have made an insurance contract, providing the insurance system branch stability, providing the transparency with running the insurance and covering activity.

The insurance market in the EU is a matchless world example of integrated insurance area. In the EU is from the second half of 90's exercised a system of one permission (one license - European passport) form insurance activity running. To the insurance company founded and registered in one of the EU member countries is provided to sell its products via offices in another EU country or sell them directly from its head office via borders in the whole EU area by virtue of this only license. In the host state is the license made up only by a notification procedure. A pertinent agency of the state authority is than responsible for the insurance company financial health monitoring and this authority is mutually accepted within the EU.

Basic classification of premium is for the **non-life insurance** – above all represented by property insurance, liability insurance, casualty insurance and private health insurance and for **life insurance** – above all represented by insurance of persons. Among basic differences in accounting of insurance companies and business entities belong:

- Different asset classification for financial placement and other property of the insurance company,

- Creating technical reserves,
- Valuating by the fair value at financial placement and technical reserves to the date of final accounts or to another moment when is the final accounts made,
-
- Separated monitoring of life and non-life insurance,
- Costs and revenues are divided in accordance with activities on a servicing account for the life insurance and a non-servicing account,
- Accounting about reinsurance,
- Insurance company solvency declaring.

The final accounts of commercial insurance companies consist of: balance, report of profits and losses, report of changes in owned capital, report of financial flows and enclosure. The most important item on the side of assets in the balance is the financial placement and accounts receivable from direct premium and assurance. On the side of accounts payable than technical reserves and accounts payable from direct premium and assurance. On catching and declaring of these items is concerned following entry:

The basic aspect in accordance with is necessary to differ the assets of insurance companies is the purpose they serve to. In accordance with the purpose are insurance companies assets monitored separately in the accounting. The property which the insurance company guarantees for its obligations resulting from insurance business and securing activity is monitored in an individual accounting class. – Financial placement. Other non-corporeal, corporeal and financial property that is owned by the insurance company and is made mainly for insurance company operating is caught in the account class – Non-corporeal, corporeal and financial property.

By financial placement are mentioned ways and forms of assets placing, their sources are technical reserves or own sources of the insurance company. In the Czech Republic, the configuration of the financial placement is controlled by law making, in accordance with this law making the insurance companies must keep certain principles.

- Assurance principle – economic return assurance of paid medium,
-
- Profit margin principle – assurance of profitability (shares on profit, competition),
-
- Liquidity principle – part of medium must be ready to use for payment of claims payment (managing ALM - Asset liability matching),
-
- Diversification principle – distribution of risks between a sufficient number of corporate entities.
-

Insurance companies try to invest into instruments that are characterized by a low risk, sufficient profit and satisfactory liquidity. Instruments of investment with high profit usually have high risks and low

liquidity. Financial placement is in the Czech Republic valued since 2002 in fair value. The fair value is by law making set down as a market value, if there is an active liquidity market for a set asset, appreciation by an authorized estimation or marketing expert certificate if the market value is not at disposal or a certificate in accordance with a special law regulation.

The law about insurance business embodies into the compilation of financial placement these kind of investments:

Estates and buildings – they are operational immovable assets that the insurance company use solely to insurance and securing activity and about non-operational immovable assets, revaluation of estates and buildings to the date of final accounts on a fair value is caught on valuation on balance items, buildings are not depreciated.

Shares, beneficial interest – overvaluing of this group of property is caught on balance items valuation.

Another financial placement – bonds, participation certificates, debit notes, derivatives, bank deposits are overvaluated to the fair value in a result way.

Financial placement of life insurances if the bearer of the investment risk is the policy holder – policy holders share in the profits from investment (e.g. unit linked), overvaluing of this group of property to the date of final accounts on the fair value is done by the result way.

The statutory framework of the Czech Republic sets down limits for the composition of financial placement, so to be kept higher mentioned principles of (assurance, liquidity etc.).

Composition of financial placement

- must not overreach pertinent % from all technical reserves,
-
- at chosen items in addition exists a limit for one subject.

The composition of financial placement should have been in accordance with composition of technical reserves (Asset liability matching) namely above all in term of time, in term of liquidity, in term of profit, in term of composition and financial placement limits. The insurance companies in the Czech Republic present twice a year to the insurance authority ČNB (Czech National Bank) „Report about production and value of technical reserves and composition of financial placement“ (always to 30.6 and 31. 12.). Main differences in assignment and declaration of investments in accordance with law giving of the Czech Republic and IFRS:

IFRS assigns on difference from ČR portfolio in accordance with the company intent,

IFRS has on difference from ČR clearly set down rules and conditions for enlistment into a pertinent portfolio and transfers between portfolios,

IFRS uses other methods of overvaluing and ways of declaration of differences from overvaluing.

The Czech Republic uses a difference to life and non-life insurance, IFRS uses a segment analysis. Technical reserves are used for obligations fulfillment arising from operated insuring or securing activity. Direction EU that secures comparability of final accounts and consolidated final accounts of insurance companies limits reserves of the non-life and life insurance that the member states were obliged to accept into their national settlements. Reserves are created to the debit of accounting item and their usage for the benefit of accounting item profit. With accounting about creation and usage of technical reserves is accounted in their gross value and about the share of reinsurers on them. In the declaration of

profits and losses are reserves declared as a differential value of profits and losses at appropriate reserve. Reserves are declared in the insurance company balance in gross value, in the correction are lowered of the share of reinsurer on reserves. In accordance with IFRS is the share of reinsurer on reserves on the contrary declared in the insurance company balance sheet as a claim behind the reinsurance company. Among the most important technical reserves belong:

- Unearned premium reserve
- Reserve for claims payment
- Reserve for bonuses and discounts
- Equalization reserve
- Life insurance premium reserve
- Financial placement reserve by the name of insured

Technical reserves are also estimated in the Czech Republic since 2002 on the „fair value“. First version of the „fair value“ is in accordance with the accounting act the market value. With regard to not existing trade on which we can find out the market value of technical reserves, this possibility is eliminated. The second possibility is a qualified estimation or expert's estimation. By that should become a statement of a responsible insurance mathematician if we could consider him as an expert that is responsible for a value of technical reserves. The third possibility is to set down the fair value of technical reserves in accordance with special legal regulations. Unfortunately by this legal regulation is an insurance business act which sets down that with calculation of technical reserves must be used the same statistical data and the same rate of interest as were used with calculation of the insurance premium rate.

In practice, the declaration of technical reserves in „fair value“ is a formal act that has at present time nothing to do with the fair value, it is understood in this way by international accounting standards. In 2004 the first standard for insurance agreements was issued – IFRS 4. Even this standard does not implement declaration of insurance obligations in „fair value“ so far. The reason is the uncertainty if the declaration of insurance obligations in „fair value“ would bring more relevant and more dependable estimation than is the current estimation in accordance with the technical reserves, above all at situation when the mathematical models for determination of fair value for insurance obligations have not been tested. Implementation of estimation in „fair value“ is expected in the II. standard stage for insurance agreements, i.e. around year 2010.

BIOGRAPHY

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INNOVATION DIFFUSION AND VIRAL MARKETING- INSURANCE INDUSTRY IN TAIWAN

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ABSTRACT

Technological advances in information technology have changed lifestyles around the globe and spawned new alternatives in controlling and providing information. Viral marketing as an unconventional promotional tool is one of such new alternatives in providing related information to target customers. The way information is spread via viral marketing, however, is greatly different from that of other traditional promotion tools. This study will explore the phenomenon of viral marketing based on the Diffusion of Innovation Theory and other related concepts. We collected data from Insurance industry in Taiwan and used Network analysis and other qualitative techniques to investigate the conditions under which viral marketing will be an effective tool in communicating with target customers. Further, the personal characteristics of early adopters (opinion leaders) will be discussed to provide insights in effective use of viral marketing. This study will conclude with the relationship between blog and viral marketing and how marketers can use blog to promote their products.

Keywords: Viral Marketing, Innovation diffusion, Opinion leaders, Network analysis

INTRODUCTION

Viral marketing, which boils down to one person's passing related information to others about a product or service, can be a powerful way to acquire new customers. The concept of viral marketing is not new. It has been treated as an unconventional promotional tool in communicating with target customers. The way information is spread via viral marketing, however, is greatly different from that of other traditional promotion tools. For one thing, it is very difficult to control the speed (rate of diffusion) and direction of information spreading. The nature of the information been carried may also be distorted. It is important, therefore, to explore the nature of viral marketing, includes information flow pattern and factors affecting effective communication, in order to take advantage of this relatively inexpensive marketing communication tool.

METHODOLOGY

A convenience sample of 129 people who have just brought life insurance from one established insurance company in Taiwan was studied due to the exploratory nature of this study. Network analysis and case study approach were used to investigate the information flow pattern and conditions under which viral marketing will be an effective tool in communicating with target customers.

A network analysis was used to identify the opinion leaders and to explore the information flow pattern. Further, Participants' demographic characteristics information was collected to pair with the results of network analysis to investigate the nature of opinion leaders or innovators. A case study approach was also used to further our understandings about the information flow pattern.

CONCLUSIONS AND IMPLICATIONS

Viral marketing as an unconventional promotional tool in providing related information to target customers is not easy controlled. In other words, it is a relatively inexpensive marketing communication tool that needs to be used with caution.

REPUTATION AND THE IPO ACTIVITIES

Yu-Fen Chen, Da-Yeh University
Su-Jane Chiang, Fu-Jen University
Victor W. Liu, National Sun Yat-Sen University

ABSTRACT

Many rigorous studies on IPO activities have been performed in the literature, yet few have discussed a firm's reputation effects. This paper performs a reputation model to analyze a firm's reputation effects on IPO activities, especially on the decision to go public. We find that a firm's reputation does affect its decision to go public. By listing equities publicly, good management quality firms with a good past anticipate enhancing their reputations and those with a poor past anticipate building up good names. They are respectively regarded as reputation-enhancing and reputation-building effects. Good reputation firms with bad management quality anticipate maintaining their reputations by going public and this is regarded as the reputation-maintaining effect. But on the other hand, we find that firms do take advantage of their good names to go public, resulting in over-going public. This paper provides a theoretical model for some investigative researchers, such as Brau and Fawcett (2006), etc. Moreover, the reputation effect offers a new interpretation to the phenomena of the IPO long-run underperformance and the sharp decline of IPO survival rate.

JEL: D82, G32

REFERENCE

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BEYOND REGULATIONS: REPUTATION EFFECTS ON OVERVALUED AND UNDERVALUED EQUITIES

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ABSTRACT

Jensen (2005) raised an agency problem –some firms' stocks were overvalued to the level where the company will not be able to deliver the performance to justify its value, and some firms were far below their intrinsic value. Though the market for corporate control solved the agency problems of the undervalued equity, regulations or the compensation/incentive systems were insufficient to prevent the damage from the overvaluation. We suggest that the boards go back to the core value of corporate governance – reputation concern so that the agency problems of overvalued and undervalued equities could be mitigated. In this paper a reputation model is constructed to prove that the degree how the market carry weights on the board's reputation as well as the degree how the board concerns her reputation will help to resolve the agency problems of overvalued and undervalued equities.

JEL Codes: D81, D82, G34

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GENDER DIFFERENCES IN RECREATIONAL FISHING MOTIVATIONS

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ABSTRACT

The objective of this study were to understand fishing motivations of anglers who fished in Louisiana's Red River area, to identify anglers' groups exhibiting common patterns of responses, and to test significant differences between the gender groups in terms of fishing motivations. The data (N = 1,452) used were extracted from the 2004 Louisiana Fishing Survey – The Red River. Included in the questionnaire was comprised of 19 statements regarding the reasons why people fish using a five-point Likert-type scale to discern patterns in individuals' preferences. Using the principal components analysis, these statements were condensed into three dimensions related to fishing motivations, named Relaxation, Experience and Skill. The three clusters of respondents, named Active, Competitive and Leisure, represented Red River anglers grouped on the similarity of their fishing motivations. A Series of Chi-square tests were conducted to identify significant differences among the gender segments. Angler clusters demonstrated significant differences in respondent gender composition.

JEL: M20, M31, Q20, Q26.

INTRODUCTION

Recreational fishing has been receiving much publicity as an economic development strategy for local communities (Ditton, et al., 2002). With abundant fisheries resources and habitats, recreational fishing is an important component of Louisiana's wildlife-based traditions. In 2001, for example, 970 thousand Louisiana residents (78%) and nonresidents (22%) 16 years old and older fished, and incurred \$703 million of fishing expenses in Louisiana (US Fish and Wildlife Service, 2002).

Understanding fishing motivations of Louisiana anglers could be critical in influencing their participation in recreational angling. Lacking information regarding the reasons of motives for angling between different angler segments, especially in the State of Louisiana, it is difficult to attract diverse angler markets with different motivations and interests.

The objectives of this study were to understand fishing motivations of anglers who fished in Louisiana's Red River area, to identify groups of anglers' who exhibit common patterns of responses, and to test significant differences between the gender groups in terms of fishing motivations.

METHODS

The data used in this study were extracted from the 2004 Louisiana Fishing Survey - The Red River (Kelso, et al., 2004). This survey was mailed to anglers in Louisiana parishes surrounding the Red River to elicit their participation, fishing preferences, preferred fishing locations, expenditures, and angler attitudes. Respondents were asked to indicate why people fish when fishing the Red River, using a scale that ranged from 1 (Not Important) through 5 (Extremely Important). This study examines the patterns of responses from the 1,452 who provided complete responses for all 19 statements.

Responses to the nineteen items were factor analyzed using a principal components approach and a varimax rotation to delineate the underlying dimensions associated with fishing motivations. Next, a

cluster analysis of respondents was conducted using the three identified factor scores. Using an SPSS K-means technique, three cluster groups were developed. A series of Chi-square tests were conducted to identify significant differences between the gender groups in terms of fishing motivations.

RESULTS

The Bartlett's test of Sphericity showed that nonzero correlations exist at the significance level of 0.001. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy of 0.91 met the fundamental requirements for factor analysis. The internal consistency coefficient score of nineteen fishing motivations showed Cronbach's alpha of 0.88 was acceptable. Each of these three factors had a satisfactory Cronbach's alpha of 0.83, 0.82 and 0.76, respectively, with explained a cumulative 53% of the variance in statement response.

An initial interpretation of these factors suggested that Factor 1 emphasized Relaxation comprised nine motivations (structure coefficients ranging from 0.72 to 0.54), explained 22.0% of the variance with an eigenvalue of 4.19. Factor 2 emphasized Experience comprised six motivations (structure coefficients ranging from 0.75 to 0.51), explained 16.4% of the variance with an eigenvalue of 3.12. Factor 3 emphasized Skill comprised four motivations (structure coefficients ranging from 0.80 to 0.55), explained 14.4% of the variance with an eigenvalue of 2.74.

The three clusters of respondents represent Red River anglers grouped on the similarity of their fishing motivations (Table 1). Cluster 1 which comprised 34.5% of the Red River angler sample was labeled Active anglers. The active angler cluster had a positive mean factor score for experience, but negative mean factor scores for relaxation and skill. Cluster 2 (named Competitive anglers) revealed positive mean factor scores for experience and skill, but a negative mean factor score for relaxation. The competitive angler cluster, containing 24.9% of the sample, was the smallest of the three clusters identified. Cluster 3, the largest group with 40.6% of the sample, was labeled Leisure anglers. The leisure angler cluster showed a positive mean factor score for relaxation, but negative mean factor scores for experience and skill.

Results of the cluster analysis were tested for accuracy using the multiple discriminant analysis. The null hypothesis of equal population covariance matrices was rejected significantly (the Box's M = 179.96; F = 14.95; P = 0.000), and the Wilk's Lambda scores were 0.15 ($\chi^2 = 2,729.40$; P = 0.000) and 0.44 ($\chi^2 = 1,187.94$; P = 0.000) for both discriminant functions, respectively, indicating that group means were significantly different. The canonical correlation results were both above 0.7, supporting that there were strong relationships between the discriminant score and the cluster membership.

Using the Chi-square test, angler clusters demonstrated significant differences in respondent gender composition ($\chi^2 = 8.36$; P = 0.015). Statistically, there were no significant differences in Relaxation factor (t = -1.62; P = 0.105), but significant differences in Experience factor (t = 3.34; P = 0.000) and Skill factor (t = 3.26; P = 0.001) in gender, respectively.

Table 1: Gender Composition among Angler Clusters

Cluster \ Gender	Male	Female	Total
Active Cluster	386	115	501
Competitive Cluster	290	72	362
Leisure Cluster	425	164	589
Total	1101	351	1452

A series of Chi-square tests were conducted to identify significant differences between the gender segments for all 19 fishing motivations. The Chi-square statistics were all significant at a 0.01 level. Responses to “for family recreation”, for example, varied significantly in gender ($\chi^2 = 34.37$; $P < 0.0001$). Responses to the other items showed the similar patterns: “to be close to the water” ($\chi^2 = 14.06$; $P = 0.0071$), “for the experience of the catch” ($\chi^2 = 19.47$; $P = 0.0006$), “to test equipment” ($\chi^2 = 20.59$; $P = 0.0004$), “to experience unpolluted natural surroundings” ($\chi^2 = 15.09$; $P = 0.0045$), “to develop fishing skills” ($\chi^2 = 15.60$; $P = 0.0036$), “for the challenge of the sport” ($\chi^2 = 43.45$; $P < 0.0001$), “to experience adventure and excitement” ($\chi^2 = 13.45$; $P = 0.0093$), and “competition with other anglers” ($\chi^2 = 28.93$; $P < 0.0001$).

CONCLUSIONS

This research suggests that the anglers’ motivations may be important in distinguishing different gender segments within the angling population. These results illustrate the diversity of anglers’ motivations and no such thing as an “average” angler. Fisheries managers in Louisiana’s red River and other locations should be aware of this diversity when considering management options and striving to serve the angling public.

ACKNOWLEDGEMENTS

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A NEED FOR ESTABLISHING GLOBAL STANDARDS IN RESEARCH METHODS APPLIED TO BUSINESS AND SOCIAL SCIENCES

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ABSTRACT

It is a necessity to prepare scholars and emerging Business and Social Science leaders to focus on a systematic Global Research Method. It is an absolute necessity to prepare advanced students and emerging Business and Social Science leaders focus on the needs of methodological and systematic research process with an interdisciplinary knowledge base.

INTRODUCTION

While there are some efforts in systematic preparation of researchers in methodological research process, it is recommended that these scholars:

- Be able to identify the basic principles of behavioral and social science systematic research methods and discuss possible applications within social and business settings.
- Be able to gather a basic understanding of qualitative and quantitative analysis, survey research methods, experimental design and simple statistical analysis techniques.
- Be able to understand basic Internet research standards, on-line search methods along with exposure to various Internet research resources.
- Be able to communicate research findings in descriptive, graphical and Dashboard summary formats and get exposure to Writing Research Reports.
- Be able to recognize ethical issues related to collecting data, Human Subject regulations, presenting research findings, oral communication as well as public distribution of data.

These criteria will serve as what I call a Global Research Method (GRM) Audience. While one can talk about many educational, commercial and business process reengineering aspects of any systematic Research Method learning, following are three major aspects that are on top of the list:

1. It is seldom that higher learning process has taken a strong ownership towards training students on foundations and scientific methodology of research through any formal course. My personal observation on reviewing over fifty institutions of higher education catalogues worldwide; I find hardly any course on research method at the undergraduate level and just a few on graduate level, even not in every discipline
2. With the advent and rapid progress in Information Systems and Content Management technology, there is a huge “Quantity” of information being circulated. However, the quality or validity aspects are getting lost by the impact of sheer volume
3. Last but not least, we the educators are constantly discussing the integral correlation between “Critical Thinking” process and Learning Outcome. It is beyond any doubt that the primary

ingredients of Critical Thinking include establishing Validity and Reliability of a premise, a set of constructs and the reasonable notions behind drawing a “logical conclusion”. All of these are subject matters within systematic research methodology

I sincerely believe that the above mentioned subject matter will not only influence the audience to reconsider learning practices, curriculum design and outcome objectives, but also contribute towards the global efforts to further improve intellects of the potential pupil at higher education and at executive level.

BIOGRAPHY

Dr. Sukhen Dey serves as Associate Professor of Computing Science and Informatics, and former Head of the Department at Indiana University Southeast in New Albany, Indiana. He holds a doctorate degree in Interdisciplinary Science, an Education Specialist degree in Higher Education and an MBA, all from the University of Louisville.

He has extensive experience in systems analysis and design, database development, customer and employee survey analysis, statistical analysis and continuous quality measurement systems. He has published numerous articles in his areas of expertise and presented at many national and international conferences. Dr. Dey has over twenty years of experience consulting with national and international corporations in information technology, market research, systems analysis, predictive modeling, customer satisfaction and human resources data systems. Dr. Dey has applied his continuous quality tracking models to Business and Social Science, insurance, banking and higher education. He is the founder of Deyta, Inc., (Deyta.com) a Louisville, Kentucky company specializing in performance measurement systems as well as President of Nalanda Solutions, LLC, specializing in Distance Learning, Systems analysis and Design, Data Mining and Predictive Analysis. Dr. Dey also serves as the honorary chair of the Republican Advisory Council in Kentucky and a Delegate for the Republican Congressional Committee

EVALUATING EFFECTIVE LEADERSHIP QUALITIES OF MANAGERS IN DAY-TO-DAY WORK OF BANKING SECTOR IN PAKISTAN

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ABSTRACT

This study has been conducted to identify and evaluate the effective leadership qualities in day-to-day working environment of banking sector in Pakistan. This study further enlightens its impact over the success factor in banks providing them an edge over competitors. The data has been gathered through primary and secondary research. Questionnaires and interviews from a random sample of 93 respondents provided the most relevant and up to date data. This study reveals that effective leadership qualities are the most critical differential factor in generating revenues for banks, in retaining and motivating employees and satisfying customers through high quality service standards thereby nurturing an effective and efficient day-to-day working environment in high contact service industries like banks. This result is also consistent with the literature that the managers should be focussed not only towards the tasks but also towards the people. This study further indicates that some of the leadership dimensions vary with respect to gender, experience, qualification and designation of managers.

Keywords: Effective leadership qualities, efficiency in day-to-day work, retaining employees, satisfying customers in banks.

JEL: M10

INTRODUCTION

Financial service in Pakistan has seen tremendous growth for the past few years. There is increasing investments in the financial services particularly banking sector, which has given rise to fierce competition in the market particularly in the consumer banking. This is also evident from increasing marketing budgets and cutthroat competition.

Currently banks are focussing on reaching out to customers rather than to attract customers to their far flung locations and that's why most of the banks are also competing on more number of branches at different locations thereby providing easy access to their valued customers. Banks have developed their own field sales teams and call centres in order to target their potential customers to promote their banking services including personal loans, car financing, home loans and running business finances etc. Increased number of sales teams for different products and for different locations has further augmented the search of effective leadership qualities particularly in team leaders and managers.

OBJECTIVE OF THE STUDY

The objective of this report is to identify the leader's common behaviours or skills in on-the-job situation, who are acting as managers in the banking sector and to highlight the areas of strengths and weaknesses of leaders. This study further aims to find out variation in leadership style, which vary with respect to gender, experience, qualification and designation of managers.

LITERATURE REVIEW

The literature indicates that leadership is a complex concept and despite extensive coverage in the literature, there is no single universally accepted definition of leadership. The literature also indicates that leadership is described as the ability to get others to do something that they would otherwise be reluctant to do, or to do it with greater commitment and confidence. Yukl (1994) and Lim (1997) also suggest that effective leadership is essential for the success of firms. As this study focuses on the effective leadership qualities, therefore more attention would be given on leadership as influencing, motivating, inspiring and coordinating others which are also the common themes of the definitions of leadership provided by Yukl (1989) and Wehrich and Koontz (1993). In a leadership process, the importance of motivating, inspiring and directing others at all levels can never be denied. Cialdini (1988) states that staff accepts influence from their leader because of their position or respect whereas Bennis and Nanus (1985) argue that the leaders inspire followers and make them feel that they are part of a successful enterprise.

In banks, particularly in sales and call centres departments, hiring new staff-in search of high performers and firing the bad performers is an on going process. In addition to this, most of the staff in these departments is appointed on short-term or temporary basis therefore switching jobs for better opportunities is also a norm in these departments. This requires that HR policies and practices should be carefully developed in order to attract, motivate and retain talented employees, which may have also become an asset for the organisation (Hippel et al., 1997). Where as Pfeffer and Veiga (1999) believe that downsizing or frequent appointment of temporary staff members for specific products also result in demoralising and de-motivating employees who work harder and honestly and therefore employment security is considered as the key to high performance management practices. In Pakistan particularly, most of the banks have their own call centres for inbound services as well as for outbound marketing calls thereby developing competencies of their own full time and part time staff members. This is also consistent with the findings of Ulrich (1997) which shows that outsourcing has increased costs and organisations lose the benefit of knowledge gained by long serving employees. Sales targets and nature of job forces the management to have different contracts with different employees at different times which also raises the issue of having different employment contracts within the same organisation Lepak and Snell (1999). This further enhances the problems for leaders in managing teams equally having different contracts. Accordingly, Smith and Kelly (1997) state that only high performing organisations having an image of high character, integrity and credibility are successful not only in recruiting and but also retaining the best talents.

Rapidly changing environment and ever-changing consumer needs and preferences constitute daily new challenges for these teams, which can be overcome only by leaders having effective leadership qualities. Thomsen and Hoest (2001) consider 'rewards' as "*the most powerful and visible management tools that can support changes*". Therefore many banks have developed fixed salary structures coupled with bonuses on achieving sales targets in order to keep employees motivated in constantly changing environment. Therefore, Horibe (1999) emphasizes that managers should learn the art of praising at the right time because recognition rewards have more impact. Therefore timely acknowledgment of effort and performance not only leaves long lasting positive impression but also motivates the employees as being a reward for their effort. Furthermore, Currie and Kerrin (2003) also advise HR practitioners that they should formally intervene in the development of performance management framework for more effective reward system.

Stodgill (1974) states that effective leadership results primarily from the traits of leaders or their practiced behavioural patterns. Whereas Wright (1996) introduces directive and participative styles of leadership, which caused a shift in thinking from leadership roles to behaviour types and is consistent with changes in the business environment. This also leads to a trend towards shared responsibilities and clear accountabilities. All the studies examined clearly acknowledge that personal characteristics can influence

the effectiveness of leadership and are also consistent with the work of Fiedler (1967) who contends that there are two main leadership styles 'relationship orientated' and 'task orientated'. Where 'relationship orientated' leadership focuses on the interpersonal relationships that leaders have with their subordinates and 'task orientated' leaders focus on ensuring that the task is completed to the required standard. Leaders who are highly task orientated and with little consideration for the feelings of the group could be termed 'autocratic', whereas leaders with a high concern for the feelings of the group and a low concern for the task could be termed 'human resource orientated' (Finlay, 2000). Bass (1990) concludes that transformational leadership has the greatest and most significant impact on performance followed by transactional leadership style. Furthermore, he also confirms that laissez faire (passive) has the least impact on performance. Bass (1985) states that transactional and transformational styles are two separate dimensions of leadership but often leaders adopt both styles at the same time depending upon the situation. He also refers transformational leadership as an extension of the transactional leadership style.

In order to achieve sustainable competitive advantage the banks should be innovative and adaptive to change in rapidly changing environment particularly in retail banking (Khandelwal, 2007). Accordingly, Oke (2007) states that incremental innovations are integral part of innovation strategies whereby product innovations are more emphasized in financial sectors and service innovations are more emphasized in the retail sector. Paradise-Tornow (1991) emphasizes that in order to differentiate one bank from other banks, new competitive strategies are required thereby meeting the challenges of new business environment. Like other organisations and products, banks also need to differentiate their banking services from other banks therefore focus towards the quality of service has become an important ingredient of differentiation strategy and requires that leaders should be vigilant enough to make their products and services – always a moving target for their competitors. Where as Jones and Kriflik (2006) state that effort for bringing change are generally focused towards bringing the movement in the existing system and structure rather than developing a completely new one. The literature clearly shows that leadership has a significant impact on performance (Hart and Quinn, 1993) and (Keller, 1992).

Marsh (2006) argues that through education and practice leadership attributes- particularly communication and adaptability competencies can be developed to meet the challenges in organizations particularly in service sectors therefore qualification and experience get more weighting during the selection process of bank managers. Whereas Lancaster and Van der Velden (2004) find that, there is hardly any implication of market orientation in banks in relation to business performance, leadership styles and employees. Furthermore Broussine and Miller (2005) state that leaders also have the responsibility to give priority to moral and ethical values in decision making process because systematic pressures may force them to work in less transparent ways.

PROBLEM STATEMENT

This study investigates the effective leadership qualities of managers in day-to-day work of banking sector in Pakistan. In order to identify areas of strength and development opportunities in day-to-day work life of managers thereby adapting an effective leadership profile thereby increasing overall efficiency in the banking sector of Pakistan, following hypothesis is developed for research.

- H₀₁: There is no significant difference between male and female respondents for the different leadership qualities.
- H₀₂: There is no significant difference between the undergraduate and master level respondents in the following leadership indicators:
- H₀₃: There is no significant difference in respondents with respect to experience.

H₀₄: There is no significant difference in respondents with respect to their designation.

METHODOLOGY

In order to obtain information about leaders' behaviour on day-to-day work, data has been collected through both secondary and primary research. Questionnaires, interviews, direct observation and participant observation were the most important tools in gathering primary data. In order to collect data for leadership qualities in day-to-day work life and efficiency, online databases were used. Furthermore, printed material including books and articles were also used for gathering related information and data.

LIMITATIONS OF THE STUDY

A number of limitations were noted during the study, which relate to methodological issues and the means by which the concepts were measured. Most important issues include relatively small sample size, length of questionnaire, time constraint, reliability and interpretation of data.

RESULT AND DISCUSSION

Descriptive statistics were computed for the different dimensions of leadership and measure of differences was calculated between gender, qualification, experience and designation of the respondents.

In order to check the reliability of the scale, Chronbach alpha was computed for the nine dimensions of the leadership and found to be 0.861 which shows that the items measuring leadership construct is reliable.

The descriptive statistics reveals that the mean value of all the measures of leadership is above 3.5 having minimum mean value of 3.58 for the variable "Business Acumen" and maximum mean value of 3.82 for the variable "Commitment" which shows that among the effective leadership qualities commitment is the most prominent attitude of leadership shown by the respondents.

Independent sample T-test for Gender indicates that the significance value of the statistic is greater than 0.05, it is therefore assumed that the groups have equal variances. There is significant difference between male and female respondents for the variable "Developing Others" ($p < .05$), null hypothesis is therefore rejected. Whereas the null hypothesis for all the other variables is accepted ($p > .05$) which means that there is no significant difference between male and female respondents for all other variables.

Independent sample T-Test for Graduate and Master level respondents shows that the significance value of the statistic is greater than 0.05, it is therefore assumed that the groups have equal variances and ignore the second test. There is significant difference between graduate and master level respondents for the variables "Pursuit for excellence" and "Accountability / Focus" ($p < .05$), null hypothesis is therefore rejected. Whereas the null hypothesis for all the other variables is accepted ($p > .05$) which means that there is no significant difference between graduate and master levels respondents for all other variables.

Analysis of Variance with respect to the work experience of respondents indicates that there is significant difference between the respondents having different work experience for the variables "Developing Others, Developing Self, Supporting Team work, Pursuit of excellence, Accountability/ Focus" ($p < .05$) as depicted in the table 4, null hypothesis is therefore rejected. Whereas the null hypothesis for all the other variables is accepted ($p > .05$) which means that there is no significant difference in the respondents with respect to their work experience.

Analysis of variance with respect to the designation of the respondents indicates that all the variables have their significance value greater than 0.05 therefore the null hypothesis for all the variables is accepted ($p > .05$) which means that there is no significant difference in the respondents with respect to their designation.

CONCLUSION

An analysis of literature identifies that a task-orientated leader is likely to focus on the formulation and deployment of the strategic plan and the co-ordination of corporate activities, whereas a human relations orientated leader is likely to focus on the attitudes, feelings and personal well-being of the people in the firm. Therefore, task and human relations orientated dimensions are used to derive the following leadership styles: transformational, transactional, human orientation and laissez faire.

Banking sector falls into the category of high contact service industry, therefore in order to meet the needs of challenging and changing environment, effective leadership could be the most important differential factor between an ordinary bank and a successful bank. Most of the findings reveal that the mean values are above 3.5 for all the variables of effective leadership qualities, which shows that the banking sector has generally employed managers who are in harmony with the recent development as well as having acquaintance about the importance of human resource thereby becoming an asset for their organisation. This result is also consistent with the literature that the managers should be focussed not only towards the tasks but also towards the people.

The research concludes that commitment is the key factor of leadership in banking sector of Pakistan. A significant difference between genders for employee development need focus by parishioners and policy makers. The study further reveals that qualification and experience may count for variation in leadership styles.

STOCK MARKET EFFICIENCY AND ECONOMIC GROWTH IN NIGERIA: AN EMPIRICAL RE-EXAMINATION

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ABSTRACT

The study set out to provide new empirical insights into two broad issues in the Nigerian stock market. First, it tests the weak-form efficient market hypothesis and secondly investigates the contribution of the stock exchange to the performance of the Nigerian economy. The study, in line with Olowe (1999) made use of end of month quoted stock prices of 50 randomly selected securities throughout the period January 1996 to December 2006. For the stock market – economic growth nexus, data series for the period were sourced from Statistical Bulletin publications of Central Bank of Nigeria and FactBook publications of the Nigerian Stock Exchange (NSE). The unit root tests were in broad harmony in supporting the hypothesis that the Nigerian stock markets are not weak form efficient. The ADF and PP t-statistics reject the null hypotheses of a unit root at the 10% level or lower, thereby indicating that all of the series examined are stationary. For the KPSS tests of the null hypothesis of no unit root, the LM-statistic fell below the asymptotic critical value at 10% level or below. Thus, as a necessary condition for a random walk, the ADF and PP unit root tests reject the requisite null hypothesis, while the KPSS unit root tests reject the required null of a unit root. The trace statistics show that the stock market and economic growth VAR has no cointegrating vectors. This implies that no long run relationship exists among the variables. Finally, causality test results indicated that causality runs in both directions with contemporaneous feedback effect from both variables. For policy, the study suggests that stock market operators and market regulators should work together to improve pricing and allocation efficiency of the market.

Keywords: Stock Market, Economic Growth, Cointegration

INTRODUCTION

The stock market is an economic institution, which promotes efficiency in capital formation and allocation. The stock market enables governments and industry to raise long-term capital for financing new projects, and expanding and modernizing industrial/commercial concerns. If capital resources are not provided to those economic areas, especially industries where demand is growing and which are capable of increasing production and productivity, the rate of expansion of the economy often suffers. A unique benefit of the stock market to corporate entities is the provision of long-term, non-debt financial capital. Through the issuance of equity securities, companies acquire perpetual capital for development. Through the provision of equity capital, the market also enables companies to avoid over-reliance on debt financing, thus improving corporate debt-to-equity ratio.

Since the introduction of structural adjustment programme (SAP) in Nigeria, the country's stock market has grown very significantly (Alile, 1996; Soyode, 1990). This is as a result of deregulation of the financial sector and the privatization exercises, which exposed investors and companies to the significance of the stock market. Equity financing became one of the cheapest and flexible sources of finance from the capital market and remain a critical element in the sustainable development of the economy (Okereke-Onyiuke, 2000). Though stock market is growing it is however characterized by complexities. The complexities arise from trends in globalization and increased variety of new instruments being traded: equity options, derivatives of various forms, index futures etc. However, the central objectives of the stock exchanges worldwide remain the maintenance of the efficient market with attendant benefit of economic growth (Alile, 1997).

The proposition that a well-regulated stock market renders a crucial package of economic services is now widely accepted in financial economics. The various important functions of stock exchange include provisions for liquidity of capital and continuous market for securities from the point of view of investors. From the point of view of economy in general, a healthy and efficient stock market has been considered indispensable for economic growth and is expected to contribute to improvement in productivity. Nigerian stock markets, which also fall under the emerging markets umbrella, are probably the least researched in finance studies. However, it is one of the top performers among emerging markets in Africa. Investigating the performance and efficiency of the stock markets is very important. This is because stock market efficiency is important in boosting investor confidence, is a necessary condition for the stock market to perform its developmental roles and makes equity funding available for a range of ventures. Consequently, this study set out to provide new empirical insights into two broad issues in the Nigerian stock market. First, it will test the weak-form efficient market hypothesis on the Nigerian stock market, and secondly investigate the contribution of the stock exchange to the performance of the Nigerian economy.

TECHNIQUES OF ANALYSIS, DATA AND SOURCES

We test for the weak form efficiency, which is based on the random walk hypothesis. The proposition of the random walk hypothesis is that share prices do not follow any systematic pattern over time but rather follow a random walk. This is to say that the direction of change as well as the size of change in market returns is random and cannot be predicted from past information about the share prices. The test for random walk is by examining whether market returns have historically followed a random walk. Following Chan and Lai (1993) and Chan et al. (1992), we examine the weak form efficiency hypothesis using unit root tests. Three different unit root tests were used to test the null hypothesis of a unit root: namely, the Augmented Dickey-Fuller (ADF) test, the Phillips-Peron (PP) test, and the Kwiatkowski, Phillips, Schmidt and Shin (KPSS) test.

To assess whether the Nigerian stock is importantly linked to economic growth, this study conducted a time series based analysis to provide evidence. We set out a simple model to test for the existence of any long-run relationship and potential causality between stock market indicators and GDP growth rate. The study specifies a simple model:

$$\text{LRGDP}_t = \alpha + \beta \text{MDEV}_t + U_t$$

Where LRGDP denotes the logarithm of real GDP as a measure of economic performance, α and β are estimated constants and MDEV is the logarithms of the variable chosen to capture stock market development. Theory does not suggest that there is one particular measure that uniquely points to stock market development. However it does suggest that stock market size, liquidity and integration with world capital markets may affect economic growth. This study utilized market capitalization (MKC) as stock market indicator. Market Capitalization measures the size of the stock markets. It is measured as the product of share price and the number of shares outstanding for all stocks traded on the stock exchange. Market capitalization reflects the importance of financing through equity issues in the capital mobilization and resource allocation processes (Rousseau and Wachtel, 2000). Although large markets do not necessarily function well, market capitalization is widely used as an indicator of stock market growth, provided that stock market size is positively correlated with the ability to mobilize capital and diversify risk.

For the weak form efficiency test, this study, in line with Olowe (1992) made use of end of month quoted stock prices of 50 randomly selected securities throughout the period January 1996 to December, 2006. There are 28 Stock exchange classifications of industry as at the end of 2006. To capture the industry

effect, at least one sample was selected from each of the classifications. GDP data series were sourced from the Statistical Bulletin publications of Central Bank of Nigeria. Finally, stock market data were sourced from FactBook publications of the Nigerian Stock Exchange (NSE)

EMPIRICAL ESTIMATION AND INTERPRETATION OF RESULTS

Tests of Weak Form Efficiency

We approached our first objective, which is the test of information efficiency of Nigeria stock market. The weak form of efficiency hypothesis was tested using unit roots that comprise the ADF and PP t-statistics and p-values and the KPSS Lm-statistic and asymptotic significance. In the case of the ADF and PP tests, the null hypothesis of a unit root is tested against the alternative of no unit root (stationary). For the KPSS, the null hypothesis of no unit root is tested against the alternative of a unit root (non-stationary).

The unit root tests were in broad agreement in supporting the hypothesis that the Nigerian stock markets are not weak form efficient. The ADF and PP t-statistics reject the null hypotheses of a unit root at the 10% level or lower, thereby indicating that all of the series examined are stationary. For the KPSS tests of the null hypothesis of no unit root, the LM-statistic fell below the asymptotic critical value at 10% level or below. Thus, as a necessary condition for a random walk, the ADF and PP unit root tests reject the requisite null hypothesis, while the KPSS unit root tests reject the required null of a unit root. This outcome contradicts existing evidence on efficiency of the Nigeria stock market. Such studies as Samuels and Yacout (1981), Ayadi (1983) and Olowe (1993) had declared the Nigeria stock market weakly efficient. This contradiction might be attributable to two factors. First, this study utilized most recent stock market data, which is clearly outside the data range of previous studies. Second, unlike existing studies, this study tests the weak form efficiency with the use of unit roots methodology.

Stock Market Development and Economic Growth

The tests of co-integration between economic growth and stock market development indices are based on a VAR approach initiated by Johansen (1988).

The trace statistics show that the VAR has no cointegrating vectors. This implies that no long run relationship exists among the variables. This finding, like the weak form efficiency test contradicts findings from existing studies. For instance, Nyong (1997) documented that capital market development is negatively and significantly correlated with long-run growth in Nigeria.

Notwithstanding the absence of long run relationship between economic performance and long run growth, we proceed to determine the causal relations between the variables. A test of causality between economic growth and stock market development is important in validating the choice of dependent and independent variable for the model specification. The test statistics rejected the null hypothesis for both economic growth and market capitalization equation, indicating that causality runs in both directions with contemporaneous feedback effect from both variables. This conforms to results from Nyong (1997) showed that there exists bi-directional causality between capital market development and economic growth in the Nigerian case.

SUMMARIES AND CONCLUSION

This study set out to provide new empirical insights into two broad issues in the Nigerian stock market. First, it tests the weak-form efficient market hypothesis on the Nigerian stock market, and secondly investigates the contribution of the stock exchange to the performance of the Nigerian economy.

For the weak form efficiency test, this study, in line with Olowe (1992) made use of end of month quoted stock prices of 50 randomly selected securities throughout the period January 1996 to December, 2006.

For the stock market – economic growth nexus, data series for the period were sourced from Statistical Bulletin publications of Central Bank of Nigeria and FactBook publications of the Nigerian Stock Exchange (NSE). The unit root tests were in broad harmony in supporting the hypothesis that the Nigerian stock markets are not weak form efficient. The ADF and PP t-statistics reject the null hypotheses of a unit root at the 10% level or lower, thereby indicating that all of the series examined are stationary. For the KPSS tests of the null hypothesis of no unit root, the LM-statistic fell below the asymptotic critical value at 10% level or below. Thus, as a necessary condition for a random walk, the ADF and PP unit root tests reject the requisite null hypothesis, while the KPSS unit root tests reject the required null of a unit root. The trace statistics show that the VAR has no cointegrating vectors. This implies that no long run relationship exists among the variables. Finally, causality test results indicated that causality runs in both directions with contemporaneous feedback effect from both variables. Finally, for policy, the study suggests that stock market operators and market regulators should work together to improve pricing and allocation efficiency of the market.

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BIOGRAPHY

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BANK FAILURE: EVIDENCE FROM THE COLOMBIAN FINANCIAL CRISIS

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ABSTRACT

During the late 1990s and early 2000s, Colombia's financial system experienced a period of financial stress, characterized by the failure of many banks and other financial institutions, as well as by the severe deterioration of the whole system's financial health. The capitalization ratio of the system fell dramatically, as did profitability and liquidity. As a consequence of the crisis, the number of institutions, 110 in June 1998, dropped to only 57 in December 2001, after failures, mergers and acquisitions. Total assets of the financial system experienced a real contraction of more than 20 percent during the same period, making that episode of financial stress the deepest financial crisis experienced by the country in the last century.

The literature on the financial crisis of Colombia has concentrated on explaining its causes and consequences. There have been no micro-level studies of the role of specific financial variables in determining failure and time to failure of banks. This paper uses duration models to characterize the failure rates of financial institutions in Colombia and to identify key financial variables associated with these failure rates. Duration models use hazard functions rather than densities to specify the distribution of observables (and thus the likelihood function). Although early economic applications of hazard functions or duration analysis were in labor economics, they have been applied to bank failures.

There are theoretical as well as practical reasons to consider that the capitalization ratio plays a special role for financial institutions. The literature on capital crunch shows that, under capital regulations, this ratio is important for financial institutions when they are making decisions on portfolio composition. In the practical world, following the Basel accord, financial institutions and supervisors now follow closely the capital ratio of the institutions they regulate and impose minimum requirements. Thus, capitalization plays a special role for financial institutions in determining their overall financial health and thus the degree of trouble that they might experience in episodes of financial stress. We focus on the capitalization variable and identify a nonlinear effect. As might be expected, increasing the capitalization ratio decreases the probability of default at a decreasing rate. Although capitalization is sometimes one of several significant variables, previous studies have not identified this nonlinearity, possibly due to the relative lack of data information in datasets with few failures. The data set used here is unusually rich, in two senses: First, survival is measured on a monthly scale, which helps identify more precisely the moment of failure of financial institutions. Most of the previous studies use quarterly data, which is the frequency in which financial institutions report their balances to the supervisors in many countries. Second, due to Colombia's financial crisis, there are enough failures to identify and measure significant effects of financial variables. We expect that our qualitative results are likely to be applicable to modern banking systems generally, though we would hesitate to extrapolate numerical values of coefficients outside of our application.

Regarding the literature on the financial crisis of Colombia, this paper contributes by providing microeconomic evidence on the main variables determining bank failure. It also provides a model that can be used as an early warning tool and an alternative to the costly on-site visits made by supervisors to institutions considered at risk. It also provides the supervisors a basic guideline about which financial variables are important to follow during moments of stress.

COMPETENCES, PERCEIVED VALUE AND RELATIONSHIPS – A VALUE-CREATING NETWORK ANALYSIS FROM SOFTWARE BUSINESS

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ABSTRACT

Increasing global competition is a driving force pushing toward a networked way of doing business, as companies are forced to search for efficiency through co-operation with other companies. The underlying question is that of how well the companies combine and co-ordinate their value activities with other companies in order to together create an entity that is able to produce value for the end customer. These kinds of entities – namely, value-creating networks – are the focus of the present study.

We explore value-creating networks empirically in a specific, dynamic industry setting. Software business is chosen as the empirical context as it represents a dynamic and contemporary industry. The paper presents a single-case study of a focal net consisted of three types of actors: a focal company building complex software systems to its industrial customers; the focal company's suppliers; and the focal company's customers. In gathering and analysing the empirical data qualitative research methods are followed.

The empirical findings are reversed to theoretical debate on networks and as an outcome of the study, an empirically-grounded model for value-creating network analysis is presented. Additionally, the paper contributes to literature by increasing our understanding of software business characteristics from network point of view.

BRAIN DRAIN IN THE MAQUILA INDUSTRY OF JUAREZ, MEXICO

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Patricia Jiménez Terrazas, Universidad Autónoma de Ciudad Juárez

ABSTRACT

This research study investigated the relationships between brain drain and driving forces of skilled migration in the maquila industry in Juarez, Mexico. The maquila in Juarez offers the 20% of the total employment of the maquila industry in the country. The forces evaluation were analyzed using focus group and individual interviews also a demographic questionnaire asked to the participants their education level, age, gender and professional career. The results suggest that there is not relationship between the brain drain and the age of the surveyed people. Additionally, the results of the analysis provide significant statistical support to establish the lack of relationship between brain drain and professional career. Furthermore, a statistical difference between brain drain and gender result in this study. The final considerations and suggestions in this research have theoretical and methodological value for the specialists who have the responsibility of teaching and research about organizational issues. The industry implications of the results are outlined, along with the limitations of the study and recommendations for future research.

PROBLEMS OF STRATEGIC FINANCIAL MANAGEMENT AND MANAGERIAL ACCOUNTING OF THE FIRMS IN THE CZECH REPUBLIC

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ABSTRACT

Strategic financial management and managerial accounting represents a very important part of the management of the firm. It is necessary for the going-concern principle and for the survival of the companies under very complicated economic conditions. Strategic financial management includes putting forth the firm's goals to motivate the organization and provide benchmarks. The organization structure of the firm must be well organized and also support the strategic financial management. The failures in strategic financial management or its missing could lead to the bankruptcy of the firm. For that reason we have organized the questionnaire to find out the real situation of the strategic financial management in the Czech Republic. The questionnaire had four parts and was sent to 400 medium firms in the Czech Republic and 290 questionnaires returned. The first part of questionnaire is about the strategic management principles, the second about investment decisions and capital structure. The third part solves the system of financial plans and budgets and the fourth the information system. The last part of questionnaire tax policy and strategic financial management. The results were relatively surprising, because a large amount of companies consider the strategic financial management and understand its basic principles. On the other hand there is a few specific areas where are application problems and it is necessary to inform companies about them and help with their solutions.

JEL: G30

INTRODUCTION

Strategic financial management establishes the blueprint for a change in a firm. It is necessary because it includes putting forth the firm's goals to motivate the organization and provide benchmarks for performance measurement, the firm's organizational, financing and investment decisions are not independent and their interactions must be identified and the firm must anticipate changing conditions and surprises. The system of strategic financial management must be well organized and the organizational structure and the company's rules must support the strategic financial management of the firm. This system must also specify authority and responsibility for determination and achievement of strategic targets. From the financial point of view, it is financial planning who plays the clue part of the strategic financial management. Long-term financial planning incorporate decisions such as capital budgeting, capital structure and dividend policy. The short-term financial planning involves the size of the firm's investment in current assets, such as cash, account receivable, and inventory and how to finance short term assets. Also the system of budgeting is very important thing. Also the concept of sustainable growth, which shows that a firm's growth rate depends on its characteristics such as profit margin and assets turnover, is important part of the strategic financial management.

So the strategic financial management establishes guidelines for a change in the firm. These guidelines should include an identification of the firm's financial goals, an analysis of the differences between these goals and the current financial status of the firm, and a statement of the actions needed for the firm to achieve financial goals. Strategic financial management is a process that at best helps the firm avoid stumbling into the future backwards. A lot of researchs confirm that bad organized or missing strategic financial management can lead to the bankruptcy of the company. And this was the most important reason for doing our research. Strategic financial management makes up a very important part of the

management of the firm. The financial manager must know the basic theoretical principles and also he must analyze the conditions under which he takes his decisions.

For that reason it is necessary to find out the experience with the financial management of the concrete firms and its application problems. For that reason we have prepared the questionnaire concerning the strategic financial management in the Czech Republic under the conditions of the European Union.

QUESTIONNAIRE ANALYSIS

The questionnaire is the following:

Strategic management

1. *Specialists recently discuss increasing importance of company's strategic management. Have you supported this trend in any particular area of management by any specific decision that would extend time horizon of your company management? If yes, could you please describe them briefly.*
2. *By which means organizational structure and rules support strategic management of your company? Do your organizational rules specify authority and responsibility for determination and achievement of strategic targets?*
3. *Which from the following criteria of performance measurement:*
 - a) *do you measure in your company*
 - b) *do you view as the most important for quantification of benefit for company's targets?*

a	b	
		<i>EBIT</i>
		<i>profit after tax for period</i>
		<i>ROA</i>
		<i>ROE</i>
		<i>Residual Income</i>
		<i>EVA</i>
		<i>MVA</i>
		<i>other</i> _____

4. *Are strategic criteria of your company as a whole transformed to middle and lower management level? If they are, could you specify these criteria and the way of their integration to employees' stimulation system.*
5. *Do you applicate risk management in your company? If yes, please specify in which areas and which methods are used*

Investment decision and capital structure

1. *Could you specify the basis and information support that you use for investment decision in your company?*
 - a) *we do not use financial criteria for assessment of investments, we prefer order of necessity.*
 - b) *yes, we use following criteria (tick when appropriate)*
 - net present value*
 - internal rate of return*

- index of rentability*
- payback period*
- average costs per year*

2. *Does your company monitor real effects of your investment decisions?*
3. *Do you struggle for optimizing of capital structure?*
- a) *no, we do not*
- b) *yes, we suppose costs of capital by definite decisions, but we do not concern with long-term regulation of capital structure, because*
- c) *yes, we struggle for long-term and complex optimization of capital structure, especially by means of:*
- _____
- _____

System of plans and budgets

1. *With which time horizon do you process system of plans and budgets?*
- monthly*
 - quarterly*
 - yearly*
 - 1-3 years*
 - long-term (more than 3 years)*
2. *Do you applicate rolling budgets?*
- Yes*
- No*
- Please specify reason.*
3. *Do you prepare flexible budgets in your company (for example optimistic and pesimistic version)?*
- Yes*
- No*
- Please specify reason.*
4. *Do you transform strategic and tactic plans and budgets to operative plans and budgets? If you do, could you specify the way of this transformation?*
5. *Do you monitor how strategic plans and budgets are achieved? If you do, could you specify by which way.*

Information system

1. *In which way do you orientate your management accounting system?*
- for costing of final products (orders)*
- for control of economy (for variance analysis of factual and budgeted costs)*
- for measurement of contribution of*
- products*
- customers*

- distribution channels*
- sales representatives*
- regions of sales*

to total results (margin, profit)

2. *Do you incorporate any items that are not included in financial accounting into management accounting?*

- calculation interests*
- calculation depreciations*
- calculation hire*
- statement of leased assets*
- valuation variances concerning stocks*
- fixed assets*
- statement of any intangible assets (R&D, strategic marketing) in balance sheet*
- other* _____

Could you specify them in detail?

3. *Which of the following method of strategic management:*

- a) do you applicate in your company*
- b) do you consider application in your company*
- c) do you think the application benefits your company*

<i>a</i>	<i>b</i>	<i>c</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Balanced Scorecard</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Life Cycle Costing</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Target Costing</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Activity Based Costing</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Activity Based Management</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Activity Based Budgeting, Zero Based Budgeting</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Value Based Management</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Value Chain Analysis</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Customer Profitability Management, Customer Profitability Analysis</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Time Based Management</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Total Quality Management</i>

4. *To which extent are in your view all implemented functions of your information systems used (given as ratio used functions / all functions)?*

- < 35 %*
- 36 - 70 %*
- > 70 %*

5. *What is total investment to information systems divided by turnover*

- 0-1 %*
- 1-3 %*
- > 3*

Tax policy

1. Do you consider tax develop in your strategic decision?

- | | |
|--------------------------|---------------------------------------|
| <input type="checkbox"/> | <i>income tax rate</i> |
| <input type="checkbox"/> | <i>depreciation method and period</i> |
| <input type="checkbox"/> | <i>social insurance rate</i> |
| <input type="checkbox"/> | <i>VAT rate</i> |
| <input type="checkbox"/> | <i>invest policy</i> |

2. Do you prepare income tax budgets?

The questionnaire was send approximately to the 400 medium firms in the Czech Republic and about 290 was returned. Our contribution is about the results from the questionnaire, their analysis and the recommendations for the financial managers in the Czech Republic. The results of these questionnaires are the following:

STRATEGIC MANAGEMENT

Strategic Management of a Company

YES – 72.2%

NO – 26.7%

1.1% of the enquired companies did not answer this question.

The most frequent steps:

- Defining strategic goals including the methods how to achieve them (then check up of the achieved goals) – long-term strategic goals are set either by the owner or the process is wholly in the hands of the parent company
- Carrying out and adopting the company strategy
→ *These two first points were stated by most companies in their questionnaires.*
- Long-term plans for a five year period were stated by 15.4% of the companies supporting strategic management
- Long-term plans in the sector of investment – 6.2% of the companies
- Applying strategic management in the personnel sector (changes of organisation and personnel that are meant to increase the productivity of the individual activities, restructuring and optimization of staff) – stated by 7.7% of the companies
- Monitoring the market development, improvement in management and the coverage of the market, market growth, plans for company expansion
- Strategy for improving quality control

Does Your Organization Order Specify the Powers and Responsibilities for the Formulation and Fulfilment of the Strategic Goals?

YES – 67.8%

NO – 23.3%

8.9% of the participating companies did not answer this question.

The most frequent steps:

- Top management is responsible for the formulation and fulfilment of the strategic goals – 46% (out of the number of the companies whose answer was yes)
- Strategic goals are formulated by the company owners – 14.8% of the companies
- Each economic centre is responsible for the fulfilment of their own goals – 8.2%

- Managers of the individual divisions are responsible for the fulfilment of the planned goals
- Each department is responsible for the fulfilment – 5%
- A foreign parent company sets the job description

The Criteria of Measuring Performance of the Business Activities Which The Companies

- monitor
- consider the most significant ones as far as the contribution to the company goals is concerned

Table 1: The Criteria of Measuring Performance of the Business Activities

Indicator	a	b
Accountable profit before interest and tax	86,7 %	37,8 %
Accountable profit after tax	88,9 %	48,9 %
ROA	53,3 %	25,6 %
ROE	56,7 %	33,3 %
RI	28,9 %	14,4 %
EVA	35,6 %	31,1 %
Added market value	25,6 %	20,0 %
Other criteria (ROI, ROCE, EPS)	18,9 %	7,8 %

This table shows the criteria of measuring performance of the business activities.

The Transformation of Strategic Goals and Tasks at the Medium and Lower Management Level Is

CARRIED OUT – by 75.6% of the companies

NOT CARRIED OUT – by 6.5% of the companies.

The question was left unanswered by 17.9% of the companies.

The most frequent methods:

- Management meetings – stated by 35.3% of the companies carrying out transformation
- Delegating tasks – 13.2% of the companies
- Motivating staff (wage funds + benefits, participation in the goals formulation) – 16.2% of the companies
- Specific tasks for individual workers – 8.8%
- Problem solving team formation
- Getting to know strategic goals by the individual division managers, specification of sectional tasks for the individual divisions (departments) + determining who is responsible for the fulfilment
- If the goals are set by a parent company, the responsibilities in individual countries are borne by the local management

Do You Deal with Risk Management Consistently?

YES – 56.3%

NO – 41.1%

The question was left unanswered by 5.6% of the companies.

The companies dealing with the risk management most often worry about the following risks:

Exchange rate risk – 29.2% of the companies

Financial risk – 16.7%

Production risk – 12.5%
 Market risk – 6.25%
 Liquidity risk – 6.25%
 Operating risk – 6.25%
 Investment risk - 6.25%
 Credit risk – 4.2%
 Loss of employee risk – 4.2%

The most frequently stated steps in the risk management:

- Insurance
- Risk management
- Crisis management bodies
- Cost controlling, liquidity management
- Receivables monitoring
- With risk customers – payment in advance
- Drafting contract documentation
- Concluding long-term contracts
- Risk plans

INVESTMENT DECISION MAKING AND THE CAPITAL STRUCTURE

Investment Evaluation Criteria

NOT USED (the criterion of the necessity of investment preferred) – by 32.2% out of the enquired companies

USED – by 65.6% of the companies

The question was left unanswered by 2.2% of the enquired companies.

The most frequent methods used for the investment project evaluation:

Out of the number of the companies using the investment evaluation criteria

- PBP – 95%
- NPV – 49.2%
- IRR – 44%
- Average annual cost – 44%
- PI – 39%

Do You Monitor the Actual Effects From the Investment Decisions?

YES – 54.4% of the companies

NO – 41.1% of the companies

The question was left unanswered by 4.5% of the total number of companies.

The most frequent methods:

- Comparing the reality with the plan (projection)
- Comparing the return and the individual investment yields
- Monitoring the actual investment costs
- Continuous assessment of the economic contributions
- Comparing the economic centres before and after investment
- Share of investment in increasing profits, turnover . . .

Do You Attempt to Optimize the Capital Structure of Your company?

NO – 22.2% of the companies

YES, when taking the individual decisions we consider the capital costs, we do not pay attention to the long-term optimisation of the capital structure – 55.6%

YES, we attempt to optimise the capital structure on a long-term complex basis – 20%

The above is done mainly in the following way:

- Minimisation of the outside sources, maximisation of profits, almost non-existing indebtedness
- Effort put in reaching minimum indebtedness
- Keeping the determined ratio of the company's own capital and outside capital
- Company purchasing, buying shares from big and small shareholders with the aim to strengthen the overall influence
- Mostly making use of the internal sources and credits for bigger investment actions

The question was left unanswered by 2.2% of the companies.

THE SYSTEM OF PLANS AND BUDGETS

The Time Horizon of Processing the System of Plans and Budgets in the Companies

Table 2: The Time Horizon of Processing

Monthly	37,8 % of the companies
Quarterly	42,2 %
Annual	78,9 %
Medium-term	37,8 %
Long-term	22,2 %
Other	6,7 %

This table shows the time horizon of processing.

3.2 The System of Rolling Budgets Is Used for The Company Management

YES – 24.4% of the companies

NO – 73.3%

The question was not answered by 2.3% of the companies.

The most frequent reasons:

NO

- Not suitable for the given sector
- Not considered to be significant
- Not known by the management
- No methodology has been worked out

YES

- Development of the external factors taken into account
- Response to changing market conditions
- Necessity to update the budget, funds management
- Optimization of cash flow, making use of an advantageous currency exchange rate

In Your Company, Do You Follow Any Alternative Plans and Budgets?

YES – 44.4% of the companies

NO – 55.6% of the companies

The most frequent reasons:

NO

- It is not considered necessary
- Only 1 plan drawn up

YES

- Uncertainty of the future development, a possibility of responding to changes quickly
- Effort to take external factors into account
- Risk minimisation

The Transformation of Strategic and Tactical Plans and Budgets (with the Time Horizon of Over 1 Year) into Operational Plans and Budgets Is Carried Out

YES – by 46.7% of the companies

NO – by 51.1%

The question was not answered by 2.2% of the companies.

The most frequent methods:

- Tactical plans are prepared by the head office
- Projections of the plans into monthly plans and daily tasks down to individual employees
- Breakdown of the plans according to the internal mechanism from the strategic plans downwards by means of the Balanced Scorecard method, two way planning: setting strategic goals and breaking them down to lower levels, while they are corrected by a bottom up approach
- Long-term plan drawn up – a good starting point for annual, quarterly and weekly plans

The Fulfilment of The Strategic and Tactical Plans and Budgets

MONITORED – by 76.7% of the companies

NOT MONITORED – by 51.1%

The question was not answered by 2.2% of the companies.

The most frequent methods:

- Comparing the plan with the projection – once a month, once a year
- Each plan is monitored and assessed in regular intervals; if there is any deviation, corrective measures are taken
- Continuous monitoring of the trading income
- Annual assessment of the defined indicators (ROE, ROA, NWC, etc.)
- Internal audits

THE INFORMATION SYSTEM

In The Companies, The System of Managerial Accounting Is Focused on The Following Indicators:

Table 3: Indicators of Managerial Accounting

Final calculation of performance	62,2 % of the companies
Economic efficiency management	52,2 %
Output contribution	40,0 %
Customer contribution	40,0 %
Distribution channels	12,2 %
Sales team	16,7 %
Sales territories	22,2 %

This table shows the indicators of managerial accounting.

The Value Quantities That The Companies Monitor in Managerial Accounting and The Ones That Go Beyond The Information for The External Users

Table 4: Items That Are Incorporated into Management Accounting

Theoretical interest expense	35,6 % of the companies
Costing depreciation	53,3 %
Calculated rent	22,2 %
Differences in presenting rented assets	11,1 %
Making use of different levels of evaluation	7,8 %
Activation of some expenses	22,2 %
Others	6,7 %

This table shows the items that are incorporated into management accounting.

Not monitored by 5,6 % of the companies.

The Following Tools of Strategic Management Are Perceived as Follows

- A) they are used by the companies
- B) application of their intellectual benefits is being considered by the companies
- C) their possible application is thought to be a contribution for the company

Table 5: Tools of Strategic Management

	A (%)	B (%)	C (%)
Balanced Scorecard	18,9	14,4	22,2
Life Cycle Costing	61,1	8,9	8,9
Target Costing	41,1	11,1	10,0
Activity Based Costing	38,9	13,3	8,9
Activity Based Management	26,7	10,0	8,9
Activity Based Budgeting	13,3	6,7	6,7
Value Based Management	17,8	6,7	16,7
Value Chain Analysis	7,8	10,0	10,0
Customer Profitability	35,6	15,6	11,1
Time Based Management	20,0	12,2	16,7
TQM	50,0	17,8	16,7

This table shows the tools of strategic management.

To What Extent Are All The Implemented Functions of The Information System Really Used (Ratio of The Really Used Functions to All The Functions)?

- up to 35% - 28.9% of the companies
- 36 – 70% - 55.6% of the companies
- more than 70% - 14.4% of the companies

The question was not answered by 1.1% of the companies enquired.

The Overall Investment Expenditure in The Information System in Regard to The Sales Yields

- up to 1% - 42.2% of the companies
- 1 – 3% - 40% of the companies
- more than 3% - 13.3% of the companies

The question was not answered by 4.5% of the companies enquired.

THE TAX ASPECTS**In Strategic Company Management, Do You Consider The Tax Aspects?**

YES - 86.7% of the companies

NO – 11.1% of the companies

The question was not answered by 2.2% of the companies.

Table 6: Tax Aspects Considered in Strategic Management

Development of income tax rate	84,6 %
Depreciation method	73 %
Social and health insurance	50 %
VAT rates	59 %
Tax allowances (investment incentives)	30,8 %

This table shows the tax aspects considered in strategic management.

Do You Process Budgets For Income Tax?

YES – 45.6% of the companies

NO – 51.1% of the companies

The question was not answered by 3.3% of the companies.

The most frequent time horizon:

1 year – 44% of the companies processing budgets

quarterly – 9.75%

5 years – 9.75%

3 years – 7.3%

CONCLUSION

The results of this questionnaire are very interesting, but they are not so bad as it could be expected. Most of the firms being asked consider the strategic financial management as a very important part of the management of the firm. Some problems could be with the internal organization system of the strategic financial management and also with the system of the rolling budgets.

The first part of the questionnaire confirms that approximately two third of companies being asked consider strategic financial management of the firm as an important part of the management of the firm. More that one half of companies work with the formulating and fulfillment of the financial goals of the company and also consider criterions measuring performance. Some problems could be with the long-term risk management where only 56% of the firms deals with the risk management consistently.

The second part of the questionnaire shows that companies are able to use different types of investments criteria, but a lot of companies don't consider the actual effects of investments. The problem is also with optimizing of the capital structure of the company.

The third part of the questionnaire confirms that most of companies don't consider rolling budget principles and don't follow any alternatives plans and budgets. The fourth part demonstrates that the informational system of companies concerning the strategic financial management is relatively well organized. The only negative thing is that the most important tool Balanced Scorecard is not used in so large extent. The fifth part of the questionnaire confirms that companies consider taxes in their financial plans, but don't process budget for income tax.

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SMALL AND MEDIUM ENTERPRISES THEIR SUPPORT AND ITS INFLUENCE ON THE ECONOMIC AND SOCIAL DEVELOPMENT OF REGIONS UNDER THE CONDITIONS OF EU

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ABSTRACT

This paper is about support of small and medium enterprises and its influence on the development of the region in the Czech republic. The data are based on the information from the years 2005 -2006. The most important question is if this support is import and bring some macroeconomics effects. The sector of SME's plays a very important role in the process of overcoming the social suspension caused by the relatively quick transfer of some industrial programs into the countries with a lower wages' cost. There is a relatively good organized system of support of small and medium enterprises in the Czech republic and this article describe it briefly. It was proved that this support has the concrete consequences for the development of the regions and it is necessary to continue in it.

JEL: H23

INTRODUCTION

SME's plays a very important role in the economic and social development of the czech economy. They enables the new working places which influence the development of the regions with a relatively higher rate of unemployment. The sector of SME's plays a very important role in the proces of overcoming the social suspension caused by the relatively quick transfer of some industrial programs into the countries with a lower wages' cost. Small and medium-sized enterprises (SMEs) are an important component of the Czech Republic's economy. They account for 61.79% of employment and 53.43% of total value added; they promote competition within the economy and encourage large enterprises to enhance their efficiency and make innovations. Having a competitive sector of small and medium-sized enterprises is a prerequisite for the full-scale integration of the Czech economy into the European Economic Area.

The SME sector is also important in overcoming social tension brought about by the globalization tendencies connected with the rapid transfer of certain industrial programs to countries with lower wage costs and with a high intensity of global competition. SMEs are of particular significance for the development of the national economy, for job creation, and for the development of individual municipalities and regions. They help to create a healthy business environment and increase market dynamism. SME development is generally considered to be a principal factor of economic development, irrespective of how economically advanced a country is. SMEs play a decisive role in the creation of new jobs and, in general, operate as a factor contributing to social stability and economic development. However, their development may be limited by objectively existing trends in the operation of the market. More often than large businesses, they face difficulties in the financing of their current activities, especially development plans, due to fears connected with the increased risk of investing in these companies and the limited possibilities of securing loans. Also, SME access to information, in particular information on new technologies, potential markets and changes in legislation, is more difficult.

Business development is directly influenced by the quality of the business environment. The business environment is formed by a wide range of conditions for business in the fields of legislation, institutional

infrastructure and the functioning of the market. State authorities, represented by legislative bodies, ministries and state administration authorities on the same footing, institutions and agencies set up or sponsored by the government, courts and public autonomous bodies, including other private entities operating in this field, make a particular contribution to the creation of the business environment.

The global objective of SME support is to enhance the competitiveness of businesses, maintain the attractiveness of the Czech Republic, its regions and towns for investors, promote innovation, stimulate demand for research and development results, foster a spirit of entrepreneurship and encourage the growth of the knowledge-based economy by means of capacities for the implementation of new technologies and innovated products, including new information and communication technologies. These all factors leads to the very important social role and social responsibility of SME, mainly in the regions with economic problems (North-WestBohemia and North Moravia).

The principal measures aimed at the direct support of SMEs include the SME support programmes for 2005-2006, approved by the Czech government on 24 November 2004 under Resolution No 1159, the Support programme for small and medium-sized enterprises actively participating in the European Union's Sixth Framework Programme for Research and Technological Development, approved under Government Resolution No 739/2005, and the Industry and Enterprise Operational Programme, approved under Government Resolution No 81 of 22 January 2003. The participation of business entities in these programmes must comply with the State aid rules in force in the EU. Further, the EU's horizontal policies (including the safeguarding of sustainable development, compliance with environmental protection conditions, the promotion of equal opportunities, the promotion of the information society and balanced regional development) must be respected and observed.

THE DEVELOPMENT OF SMES IN THE CZECH REPUBLIC AND DEVELOPMENT IN EMPLOYMENT

In all, 3,751,000 trade authorizations had been issued in the Czech Republic as at 31 December 2005. Compared to 2004, the total number of trade authorizations issued increased by 3.13%, i.e. 114,000. As at 31 December 2005, trade authorizations were held by 2,006,000 enterprises, including 254,000 legal persons. Compared to 2004, the total number of enterprises holding trade authorizations increased by 23,000, i.e. by 1.16%. In 2005, there were 72,000 start-up enterprises; 49,000 enterprises holding a trade authorization discontinued their operations. Not all enterprises holding trade authorizations report consistent activities pursued in order to make profit. According to figures from the Czech Statistical Office, 993,712 SMEs were actively engaged in business activities in the Czech Republic as at 31 December 2005. This is a year-on-year increase by 1,580 enterprises, i.e. 0.16%. Compared to 2004, there was a rise in SME numbers in industry, construction and services. The largest increase in absolute terms (by 38,031 SMEs) was registered in services. The share of the number of SMEs in the total number of businesses in 2005 was 99.85%. In 2005, the share of SME employees in the total number of employees in the Czech Republic increased by 0.29 percentage points year on year. In 2005, the total number of SME employees went up by 35,000 (1.84%) year on year to 1,934,000. In absolute terms, there was a drop in the number of employees in the financial sector in 2005. An increase in the employment rate in absolute terms was reported in industry, trade and services.

Regional Aspects of SME

SME support is primarily intended for SME development, SME access to information and research and development results, which is reflected in the creation of jobs and the technical and cultural development of the regions. More intensive project support was provided in the PROGRESS [PROGRES] programme where, in the cadastral districts of municipalities with up to 5,000 inhabitants, subordinated loans of CZK 2-15 million, with a fixed interest rate of 1% p.a., were made available; the same loans were available for

other municipalities with an interest rate of 3% p.a. Given the limited resources and surging demand for these loans, interest rates in the PROGRESS programme were changed to 4% p.a. at the end of the year.

SME Support Programmes Approved by Government Resolution No 1159/2004 and Resolution No 739/2005

In 2005, seven programmes were implemented which had been approved under Czech Government Resolution No 1159/2004, and under Resolution No 739/2005, i.e. the Programme for the support of small and medium-sized enterprises which actively participate in the Sixth Framework Programme for Research and Technological Development Programmes implemented by Českomoravská záruční a rozvojová banka, a.s.(ČMZRB). In 2005, under the programmes run by ČMZRB 2,532 SME projects received support totalling CZK 2,302.1 million (of which CZK 1,270.3 million was from the national budget, CZK 1.8 million from the Phare Turnover Fund and CZK 1,030.0 million from financial market funds). Most support was channelled in to small enterprises with 10-49 employees (i.e. 43% of the total number of aids); most support funding (41.0%) was granted to medium-sized enterprises with 50-249 employees.

The upside of this programme support was the improvement in access to capital and the reduced financial burden placed on businesses connected with their start-up and development, as well as the maintenance or improvement of their competitiveness; the support also pushed up the total number of employees by 1,950 through the implementation of supported projects. In 2005, ČMZRB granted support in the form of guarantees and contributions covering the payment of interest, in particular on loans from Komerční banka, a.s., Česká spořitelna, a.s., Československá obchodní banka, a.s., eBanka, a.s. and Raiffeisenbank, a.s. in close collaboration with these lenders. A total of 2,108 projects were supported from the national budget with an aggregate sum of CZK 1,270 million, of which CZK 521 million was from the MIT budget heading, i.e. the 2005 budget, CZK 516 million was from repayments of loans granted in previous years, CZK 156 million was from disposable resources, CZK 53 million was from interest and income from bank deposits, and the resources from 2005 loan instalments were overdrawn by CZK 24 million in accordance with an Agreement on Programme Implementation. Besides funds from the national budget, ČMZRB supported a further 163 projects with financial market resources totalling CZK 1,030 million, and another two projects with Phare Turnover Fund resources within the START programme, totalling CZK 1.8 million. The admission of applications of support for certification within the MARKET programme was suspended in April 2005 due to a lack of funding. Disposable resources for the implementation of SME support programmes were unable to satisfy fully the interest among SMEs in this type of support. The ALLIANCE programme was run by the Czech agency for the promotion of trade (CzechTrade), an organization of the Ministry of Industry and Trade partly financed from the public purse.

The chief mission of the agency is to develop international trade and mutual cooperation between Czech and foreign businesses. The programme objective was to enhance the competitiveness of SMEs on foreign markets by promoting the international marketing activities of alliances, i.e. groups of at least three SMEs, and to foster the idea of reinforcing cooperation among SMEs abroad. Support from the national budget under the ALLIANCE programme in 2005 was provided to 63 applicants (18 alliances) and totalled CZK 8 million. The CONSULTING programme was run in 2005 by the agency for the promotion of business and investment, CzechInvest, an organization of the Ministry of Industry and Trade partly financed from the public purse, in collaboration with the network of regional consulting and information centres (RPIC) and business innovation centres (BIC). The objective of this programme is to enable people preparing to start-up their own business and small and medium-sized enterprises in the Czech Republic to obtain special-rate general training and special-rate consulting services provided by external consultants involved in the RPIC and BIC network. In 2005, CzechInvest issued 176 decisions on subsidies from the national budget for services rendered.

The total sum used on programme implementation at 31 December 2005 was CZK 26 million. Of this, 1,698 subsidies were granted for professional consultancy services, 518 subsidies for business training and 119 subsidies to cover the cost of publicity and administration. In 2005, the Design programme was implemented by the Design Centre of the Czech Republic. The Design Centre of the Czech Republic is a government organizational unit in the competence of the Ministry of Industry and Trade; its main mission is to mobilize production, trade and the consumer public with a view to promoting design as a lifestyle component and increasing the competitiveness of the Czech economy's output. The aim of the programme was to provide methodological assistance to SMEs in the integration of design into their business strategies, to help them select appropriate designers, to foster conditions for effective cooperation between designers and the enterprises, to contribute to the financial expense of creating a copyrighted work, and to promote new products of quality design. Support was provided to 114 enterprises totalling CZK 8 million.

Programme for the support of small and medium-sized enterprises which actively participate in the European Union's Sixth Framework Programme for Research and Technological Development. This programme was approved under Government Resolution No 739 of 15 June 2005. The programme focuses on the support of SMEs that actively contribute to the 6FP, i.e. that are members of a consortium submitting a project within a 6FP call as project participants or coordinators. The aim is to motivate SMEs to have an active approach and to work on other projects by covering part of the costs connected with the preparation of the project. Six projects received support totalling CZK 0.9 million under this programme. The implementation of the Industry and Enterprise Operational Programme, approved under Government Resolution No 81/2003, was launched in July 2004. The operational programme includes a total of 12 programmes financed 25% from the national budget of the Czech Republic and 75% from EU Structural Funds. In 2005, support was drawn under two loan (credit) programmes for SMEs, i.e. the CREDIT and START programmes, and grants were drawn from four programmes.

In 2005, 767 loans and 48 grants were made under these programmes, i.e. 815 aid cases were approved for small and medium-sized enterprises involving the drawdown of CZK 207 million from the national budget and CZK 622 million from the EU Structural Funds. The implementation of the IEOP to date has shown that the programme is an effective source of business support and that it was a suitable complement to the SME National Support Programmes in 2005. Support for small and medium-sized enterprises was also provided through programmes set up some commercial banks.

EFFECTIVENESS OF SUPPORT OF SME

State aid provided under SME programmes is beneficial for both the establishment and development of SMEs and the economy of the Czech Republic in general. In 2005, CZK 6.4 billion (CZK 4.3 billion from the national budget) was used as assistance for 7,956 enterprises in industry, trade and services, including 191 information points for enterprises run by the Economic Chamber of the Czech Republic. Of the available resources earmarked for business support under programmes approved by Government Resolution No 1159/2004 and 739/2005, support was made possible for approximately 86.5% of SMEs which applied for support and whose projects complied with the programme conditions (2,532 support cases out of 2,927 applications for support submitted). The benefit of some of the projects will also be annual energy savings of 93.9 TJ, which will be achieved by implementation of supported measures aimed at increasing energy efficiency and reducing CO₂ exhalation by 3,700 tonnes annually. CZK 4.4 billion was spent on the active employment policy, which has a favourable effect on business.

Under the active employment policy pursued by employment offices, 52,996 persons were retrained, and 24,140 public utility jobs and 1,137 new jobs in sheltered workshops and workplaces were created. In addition, 207 places for graduate work experience were supported with grants. Checks on the use of funds

from the national budget for programme support are performed in compliance with generally applicable regulations, conditions of the approved programmes and support contracts by an autonomous internal audit unit at ČMZRB and other organizations entrusted with the implementation of the programmes, the control and internal audit department of the MIT, the SME support department of the MIT, financial authorities and the Supreme Audit Office.

Future Support of SME Development

SME support in the next programming period, i.e. 2007-2013, will be based on the Policy adopted by the government on 12 April 2006. With a view to fostering a positive business environment necessary for the development of entrepreneurship and for the sharper competitiveness of SMEs, measures in the following areas will gradually be implemented. Simplification of tax legislation and a reduction in administration as factors helping to foster a more favourable business environment, with the support of the administrative registers of public support (a basic economic register, a basic register of area identification and properties, a basic population register). An assessment of the impact of proposed legislative changes on SMEs as an integral part of the legislative process, reflection of the requirements of EU legislation in the field of ecology.

VAT and excise duty on fuel in national legislation to the necessary extent, the publication of legal regulations prior to their effective date, in good time, a reduction in the tax and other financial burdens on enterprises in a manner acceptable for the system of public finances, and simplification of tax legislation. The introduction of a general editing obligation for tax authorities, i.e. the policy of a binding interpretation of the relevant legal provisions for business entities, supplied free of charge or for a minimal administrative fee. The introduction of the obligation to gauge the administrative burden placed on enterprises, based on a Standard Cost Model for all legislation in preparation.

A reduction in the administrative burden placed on enterprises due to regulation in the form of notification obligations, with the application of information sharing in databases managed by state administration authorities. The elimination of unnecessary notification obligations, a reduction in the frequency of the need for such obligations and a restriction in the group of liable entities to the absolute minimum. Reinforcement of creditors' rights and the creation of conditions for constructive processes in tackling the insolvency of enterprises and persons, thorough monitoring of the conduct of large enterprises, including multinational corporations, especially as regards respect for the rules of competition.

Adherence to a regime for the import of goods and to customs, tax, technical and health regulations through the consistent activities of Customs Administration bodies. The stimulation of enterprises and employees to develop their skills, including tax allowances, the promotion of the development of standardization, metrology and testing in keeping with the requirements of the market and society, with the aim of enhancing the competitiveness of SMEs.

Direct financial assistance for the projects of small and medium-sized enterprises will be based on the following principles, for example on preservation of an expedient level of continuity with programmes whose functioning proved its worth in the 2004-2006 period. An increase in the application of instruments ensuring the access of SMEs to capital, especially private capital, based on the principle of full or partial return and the principle of risk distribution. The focus of grants on the development of the knowledge economy and the promotion of consulting, information and training services, the integration of the blanket oriented support of business projects increasing the competitiveness of small and medium-sized enterprises with regional aid, facilitating the necessary differentiation of aid intensity and increased support for projects with high benefits for the economy and development of the regions (e.g. job creation in selected regions, especially areas with intensive State aid, energy conservation, the development of

selected branches), on support for the development of products with higher finality and better enhancement of inputs and a more favourable environmental impact.

The Role of Faculty of Economics of West Bohemian University

At our faculty we are doing the research in the sphere of SME from the foundation of the Faculty in 1990. The faculty is situated in the WestBohemian region where mainly in the area of Karlovy Vary (Karlsbad) SME plays a very important role for the economic and social development. The teachers of the faculty and the representatives of municipalities realize the importance of SME for the social and economic development for the whole region. Some teachers from the faculty are the lecturers of structural funds of the European Union and offer their help to SME representatives. Also our grant activities are intended to SME problems and this contribution was prepared with the help of grant of the Czech Grant Agency Nr. 402/06/0340 – The complex solution of the SME problems in the Czech Republic under the conditions of the EU.

CONCLUSION

SME's plays a very important role in the economic and social development of the Czech economy. They enable the new working places which influence the development of the regions with a relatively higher rate of unemployment. The sector of SME's plays a very important role in the process of overcoming the social suspension caused by the relatively quick transfer of some industrial programmes into the countries with a lower wages' cost. The social responsibility of SME is very important, so the state support is necessary and clear. State aid for SMEs is an important part of the business environment which has a positive effect on the development of business and the increasing competitiveness of SMEs. It helps to reinforce stability and to develop the SME sector, compensating for the lack of own capital, the limited availability of bank loans and limited possibilities to secure loans over SMEs' own assets. In 2005, CZK 6.4 billion was used in support of almost 8,000 small and medium-sized enterprises.

The implementation of the supported projects is beneficial to the national economy and to the reduction of unemployment in the Czech Republic. Total support from the national budget (CZK 4,263 million) increased 8.9% year on year. In 2005, business support also benefited from a significant contribution of CZK 757 million from EU funds, i.e. Phare and the Structural Funds, and CZK 1,398 million from financial market resources. A certain portion of the support (31.2%) is returnable, i.e. these are not direct subsidies but soft loans. To make support accessible and to keep enterprises informed, the Ministry of Industry and Trade, the Ministry of Regional Development and institutions that support business publish materials on business support and post publish information on their websites, and the staff of these institutions attend seminars for SMEs.

The information campaign also involves business associations and the Economic Chamber of the Czech Republic. Information, especially for small and medium-sized enterprises, on the obligations, possibilities and conditions for business in the European Union is increased by the project 'Information Points for Enterprises'. The effectiveness of support, measured by economic indicators, shows that every crown spent on support produces a multiple value of a business project and after its completion significant increments in book value added. Apart from newly-created jobs, it is feasible to anticipate increased tax collection, increased demand for services and products and the increased economic and social development of the regions. Another aim of the support will be to reinforce the role of SMEs as sources of new jobs contributing to narrower differences in the economic development of the regions and making a significant contribution to safeguarding the needs of local markets, especially in services, training, health care, construction and retail.

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MODELS OF FINANCIAL IMMUNIZATION: BEHAVIOR ON THE SPANISH PUBLIC DEBT MARKET

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ABSTRACT

Financial immunization is a passive management strategy for portfolios comprising fixed income financial assets that aims to eliminate from such portfolios any risk arising from uncertainty concerning the future performance of interest rates. The initial basis for such strategies was the measure of duration introduced by F. Macaulay in 1938. In view of the limitations of the immunization model based on this measure, and in a bid to achieve greater interest risk coverage, a number of approaches have led to a good many models being proposed, which may be classified into three groups unifactorial models, models based on dispersal measures and multifactorial models based on the simultaneous use of a set of immunizing measures of duration.

The purpose of the paper is to simulate the behavior of different models of financial immunization, based on information concerning the Spanish public debt market, with a view to conducting a comparative analysis.

INTRODUCTION

As regards unifactorial models we simulated the performance of three models based respectively on shifts in the temporal structure of additive, multiplicative and maturity-related multiplicative interest rates. To verify the importance of cash flow dispersal in bond portfolios in relation to the investment horizon, we composed three types of portfolios: bullet, barbell and ladder. In view of the importance some authors give to the inclusion in portfolios of the bond maturing closest to the investment horizon, we tested the additive duration model including in the portfolios the two bonds with a duration longer and shorter than the investment horizon, but with maturity closest to it.

The second group of models tested was based on the use of measures of dispersal, which aims, out of all the possible portfolios with a specific duration, calculated on the basis of an additive shift in the term structure of interest rates, to find the one with the lowest cash flow dispersal in relation to the investment horizon, measured by the M^2 variable.

Finally, we formed immunized portfolios by applying one of the multifactorial models proposed. We replaced the single measure of duration with a set of durations, each of which quantifies the risk of bond prices in the event of a specific shift of the term structure of interest rates. To define such shifts we analyzed the movements in the term structure of interest rates in Spain between January 1991 and August 1997, applying the principal component analysis; we also defined the immunization measures of duration on the basis of the results obtained.

For the models mentioned so far, simulation was conducted without considering the possibility of taking short-term positions in spot trading on Spanish Public Treasury bonds and securities. To analyze this possibility, we simulated the performance of two groups of multifactorial immunization models on the assumption that it is possible to take up short-term positions on the spot market. These models were: the first of the multifactorial models seen above and the polynomial duration model, which, starting from the

possibility of defining the term structure of interest rates from a polynomial, defines the immunization duration factors. We formed immunized portfolios following this model with 3, 4 and up to 5 durations respectively following the criterion of maximum diversification in forming portfolios. Table 1 shows the most important characteristics of the models tested.

Table 1: Immunization strategies tested

Terms tested	Immunization models	Portfolio structure
2 years	Unifactorial immunization models	- Bullet: 2 bonds, the ones with durations closest to investment horizon. (BUL) - Barbell: 2 bonds, the ones with greatest and least duration of those available. (BAR) - Ladder: maximum diversification. (LAD)
	Additive duration (ADI)	
	Multiplicative duration (MUL)	
	Mat.-related multiplicative duration (MULVT)	
	Multifactorial models: main components	Maximum diversification
	1 Factor (ACP 1)	
	2 Factors (ACP 2)	
	3 Factors (ACP 3)	
	Model M ²	2 bonds with minimum M ²
	Additive duration and minimum M ² (M ²)	
Unifactorial model with bond maturity	2 bonds with maturity closest to investment horizon	
Additive duration (BONOVTO)		
3 years	Multifactorial models: main components	Maximum diversification
	1 Factor (ACP CORT 1)	
	2 Factors (ACP CORT 2)	
5 years	3 Factors (ACP CORT 3)	Maximum diversification
	Multifactorial models: polynomial	
	2 Factors (MULTICORT 2)	
	3 Factors (MULTICORT 3)	
	4 Factors (MULTICORT 4)	
	5 Factors (MULTICORT 5)	

As regards maturity terms, we compared the performance of these models for investment horizons of 2, 3 and 5 years. Establishing financial immunization strategies entails regularly restructuring portfolios to attempt to comply at all times with the conditions necessary to obtain the expected results. We applied the criterion of restructuring portfolios once a week.

INFORMATION USED

To run the simulation we used data published by the Bank of Spain on simple spot transactions between January 1993 and March 2004 of bonds issued by the Spanish Public Treasury. The simulation used average daily trading prices for these operations. Rather than use all the assets available in the simulation, we only employed those with a reasonable level of liquidity.

To ensure we had a sufficiently large number of portfolios for each strategy, portfolio investment periods overlapped, except in periods of a semester. As a result, we analyzed the results of 19 portfolios

considering an investment horizon of 2 years, 17 with a three-year horizon and 13 with a term of 5 years. For the multifactorial model based on the main component analysis to quantify shifts in the term structure of interest rates, our analysis covered 10 portfolios at 2 years, 8 at 3 years and 4 at 5 years. This was because the model was applied on the basis of shifts in the term structure of interest rates in Spain between January 1991 and August 1997, as we began to form portfolios from the latter date.

Target portfolio yield was calculated using the Svensson model for establishing spot interest rates, based on quotations of public debt securities issued by the Spanish Treasury.

RESULTS

We analyzed the efficiency of the coverage on the basis of the degree of proximity between achieved yield and the yield initially expected for the portfolios. For this we used the following statistics:

- 1.- Corrected Euclidean distance.
- 2.- The correlation coefficient between target yields and achieved yields.
- 3.- The standard deviation between the yield of the immunized portfolios and the target portfolios.

In all we did 63 analyses: 21 models and 3 different maturity terms for each one. Table 2 shows the results. All values refer to the measurement of precision or scattering of the yield series calculated as per the immunization model shown in the first column with respect to the yield of the target portfolio.

The most revealing results are:

First, with regard to unifactorial models, it should be noted that:

- 1.- Addressing bond portfolio structure, exclusively, the best performers were bullet or concentrated portfolios, independently of the immunization model chosen and of the portfolio maturity or time horizon.
- 2.- Limiting ourselves exclusively to bullet portfolios, the model of financial immunization based on shifts in the term structure of multiplicative-type interest rates according to term of maturity was by far the worst in adjusting. There were very few differences between the additive duration and multiplicative duration models.
- 3.- Considering the models analyzed as a whole, portfolio maturity-related results were more satisfactory the greater the investment horizon considered. However, if one concentrates exclusively on the best performers, i.e. bullet portfolios and additive and multiplicative durations, it becomes clear that the time factor did not play a significant role in the decision to choose one immunization model or another.

In the second place, two important facts need underscoring with regard to the model based on the minimization of portfolio cash flows in relation to investment horizon, M^2 :

- 1.- Portfolios constructed using this model achieved very high adjustment levels, comparable to the levels of the best portfolios achieved under the unifactorial model.
- 2.- As occurred in the unifactorial models, portfolio maturity was not particularly representative.

In the third place, the inclusion of the bond maturing closest to the investment horizon did not, in the cases analyzed, guarantee yields closer to those initially forecast.

Table 2: Summarizing Statistical Results

Immunization model	Portfolios maturing at 2 years			Portfolios maturing at 3 years			Portfolios maturing at 5 years		
	Corr ^b	DEC ^c	E(dif) ^d	Corr ^b	DEC ^c	E(dif) ^d	Corr ^b	DEC ^c	E(dif) ^d
BULADI	0.9975**	0.0023	0.109%	0.9927**	0.0040	0.206%	0.9942**	0.0030	0.161%
LADADI	0.9420**	0.0096	-0.125%	0.9822**	0.0051	-0.050%	0.9916**	0.0055	-0.274%
BARADI	0.6602**	0.0242	0.507%	0.8892**	0.0137	0.571%	0.9579**	0.0079	0.153%
BULMUL	0.9975**	0.0023	0.115%	0.9914**	0.0043	0.219%	0.9943**	0.0030	0.158%
LADMUL	0.9661**	0.0073	0.073%	0.9896**	0.0045	0.029%	0.9889**	0.0051	-0.240%
BARMUL	0.6625**	0.0241	0.500%	0.8903**	0.0136	0.559%	0.9582**	0.0079	0.134%
BULMULVT	0.9874**	0.0050	0.227%	0.9856**	0.0058	0.363%	0.9924**	0.0041	0.320%
LADMULVT	0.9709**	0.0069	0.167%	0.9834**	0.0052	0.113%	0.9863**	0.0051	-0.059%
BARMULVT	0.4713*	0.0322	1.360%	0.7659**	0.0235	1.586%	0.9007**	0.0155	1.271%
M ²	0.9975**	0.0023	0.127%	0.9917**	0.0040	0.194%	0.9936**	0.0031	0.155%
BONOVTO	0.9873**	0.0049	0.210%	0.9886**	0.0050	0.277%	0.9909**	0.0041	0.236%
ACP 1	0.7195*	0.0085	0.603%	0.7718*	0.0112	0.599%	0.9274	0.0142	0.586%
ACP 2	0.7898**	0.0082	0.570%	0.1475	0.0122	0.668%	0.9950**	0.0149	0.406%
ACP 3	0.8229**	0.0065	0.413%	0.2264	0.0118	0.569%	0.9954**	0.0141	0.669%
ACP CORT 1	0.8082**	0.0086	0.606%	0.8575**	0.0655	-2.034%	0.9702*	0.0683	-2.941%
ACP CORT 2	0.4297	0.0136	0.814%	0.3026	0.0657	-1.911%	0.8243	0.0683	-3.001%
ACP CORT 3	0.1756	0.0135	0.194%	-0.1843	0.0661	-2.103%	0.3408	0.0686	-3.373%
MULTICORT 2	0.9933**	0.0043	0.135%	0.9966**	0.0035	0.146%	0.9949**	0.0031	0.293%
MULTICORT 3	0.9933**	0.0033	0.085%	0.9966**	0.0024	0.048%	0.9939**	0.0021	0.120%
MULTICORT 4	0.9851**	0.0050	0.131%	0.9900**	0.0045	0.122%	0.9944**	0.0036	0.256%
MULTICORT 5	0.9861**	0.0048	0.129%	0.9912**	0.0040	0.113%	0.9894**	0.0043	0.157%

* Significant at level 0.05 (bilateral)

** Significant at level 0.01 (bilateral)

Fourth, the following may be said about multifactorial models:

1.- The results obtained using the model with durations defined on the basis of the historic shifts in the term structure of interest rates, our ACP models, were at best very discreet, and were even worse if the possibility of taking short-term positions on the spot market was taken into account. These results were comfortably surpassed by portfolios based on unifactorial models, when portfolios were “bullet-shaped”, by portfolios based on M² minimization and even by the portfolio including the maturity bond.

2.-Results for polynomial model, the ones we named MULTISHORT models, were similar to those achieved with the best unifactorial models and the M² model. For a maturity of 2 years, regardless of the number of factors considered, the results did not exceed those of the models mentioned. However, in some cases such results were improved on with three- or five-year maturities.

3.- Immunization as opposed to a larger number of factors did not necessarily mean an improvement in results. Focusing on the polynomial durations model, results were more satisfactory when 3 factors were taken into consideration, the portfolios being less well immunized when 4 or 5 factors were involved. Furthermore, for investment horizons of 3 and 5 years, the portfolios best immunized were obtained using this model and taking 3 factors into consideration.

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A CASE-STUDY OF BUSINESS EDUCATION IN THE CONTEXT OF THE STATE-CONTROLLED ECONOMY

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ABSTRACT

The purpose of this exploratory study is two-fold. The first objective is to analyze the environment and opportunities for capitalist-oriented business education in Belarus, the former Soviet country that has chosen the reestablishment of state control and political dictatorship as a viable platform for its transition economy (Aslund, 2002). Second, successful business instruction in a unique setting such as Belarus helps educators world-wide understand the means of tailoring business education to each programs' individual needs. These unique needs can be determined by a variety of factors including location, population, economic orientation, and local belief systems.

The paper presents a case study of the Institute for Privatization and Management (IPM) that has existed and successfully operated in Belarus for more than ten years, providing capitalism-oriented business education for practicing managers. Process tracing and controllable comparison are the methods of inquire. The paper presents a historical overview of IPM development, its curricular, teaching methodology, implications of the IPM experience for any education program that is addressing the needs of the non-traditional businessman.

INTRODUCTION

The purpose of this exploratory study is two-fold. The first, and most obvious objective is to analyze the environment and opportunities for capitalist-oriented business education in Belarus, the former Soviet country that has chosen the reestablishment of state control and political dictatorship as a viable platform for its transition economy (Aslund, 2002). The study's second objective, however, is equally constructive: Successful business instruction in a unique setting such as Belarus helps educators world-wide understand the importance of tailoring business education to each programs' individual needs. These unique needs can be determined by a variety of factors including location, population, economic orientation, and local belief systems. The educational practices discussed in this study can be universally applied to business education programs world-wide to help instructors successfully address the specific, unique needs of each program. The application of these instructional techniques provides business students with an education that is more relevant and productive than the typical textbook education utilized in many business programs.

The first important step toward developing a non-traditional business curriculum is complete understanding of the unique characteristics of the program's target population. In Belarus, the relevant consideration is the country's state controlled economy and to what extent capitalistic assumptions in business education are even allowed and welcomed. On one hand, the very ideas of free competition, strategic management, and transition leadership contradict the nature of a state-controlled economy. On the other hand, if private businesses do exist, then their managers need education. If one assumes that capitalist-oriented business education is welcome, then the second question is who can provide this education. When one continues this line of questioning, the next obvious considerations are: who can own this type of school in a state-controlled economy, who this school will target for its programs, how this school will be structured, how it will position itself within this specific business environment, and whether it will change its positioning, target groups and programs following changes in state policies. The final questions relate to the management programs' design and curriculum: what programs, what combination of courses, what textbooks, business experience, and case studies should be offered.

Post-Soviet Belarus as an Environment for Business Education

Belarus, a “show case” of the Soviet Union (Karbalevich, 2002), inherited one of the highest standards of education in Eastern Europe (Economic Overview, 2003). According to the specialization of the Soviet republics, Belarus was supposed to be, and was in reality, the intellectual center and assembly shop of the Soviet Union. The most advanced enterprises were established here; the most modern, imported equipment was sent here first (Karbalevich, 2002). Math, electronics, physics, chemistry, engineering, technology, and construction were all priorities of the Belarusian soviet economy and educational system. Aslund (2002) claims that “comprehensive education was the pride of communism, which could boast of real achievements” (323).

After gaining independence in 1991, Belarus, like the other post-Soviet republics, started the development of a new system of education: private universities were allowed, the Belarusian language started replacing Russian as the primary language of schools and universities, soviet textbooks were criticized, and new textbooks were implemented. However, beginning in 1995, the new president of Belarus, Alexander Lukashenka, changed the country’s developmental trend and started movement toward “market socialism” (Belarus. CIAbook, 2004). In fact, this was Lukashenka’s route back to a command economy (Nuti, 2000), back to the former Soviet Union (Ivanova & Mitchell, 2004) with its state’s right of intervention in any organization or enterprise (Belarus. CIAbook, 2004). The press has become controlled (Nuti, 2001), the election results are falsified (Burger, 2003), and both of these are expected to create a picture of nation-wide support for the existing power. The Soviet style of decision making, values, priorities, and economy have become legitimate and acceptable again in Belarus. The policy toward independent universities have changed from total support to total suppression. “Following a rapid expansion of private institutions of higher education in the early 1990s, a state accreditation committee forced most of them to close in 1997 on quality ground” (Pleskovic et. al, 2000: 93).

Since 1995, Belarusian private businesses also have become targets of state suppression. A summary of different forums in Belarus - including government, business associations, and academic conferences - conclude that “...civil servants frequently apply collective punishment tactics in response to the misdeeds of individual firms. One method of accomplishing this was by halting registration or re-registration of all new or existing businesses” (Istomina, 2005: 47). Ivanova’s study extends this summary: “Content analysis of expert viewpoints on the business-government relationship showed that the statement, ‘If the state were able to, we would all have been jailed or closed’ is the most frequent one...” (Ivanova, 2004: 39). In spite of the public, official position of small business support (AFN, 2003), representatives of private companies sense a hostile atmosphere that included purposeful allegations based on shaky facts and statements which are intended to discredit private business (Manaev, 2002), a taxation system that is increasingly more unbearable and unjustified (Balikin, 2003), and random harassments such as audits, secondary registrations, and exclusion from profitable, low-priced offices and trade facilities (Denisenko, 2003). In summary, “war [has] been declared on the private sector” (Karbalevich, 2002: 19).

At the same time, as Ivanova’s (2004) study demonstrates, entrepreneurs continue to build their businesses using the very possibility of private initiative. In long-term business development, Belarusian businessmen are oriented toward building their businesses in accordance with the world standards of strategic management. However, in everyday business activities, they are forced to waste their time fulfilling capricious government requirements and inventing techniques to avoid pressure and administrative measures from the state.

These anomalous, time-consuming and senseless activities necessarily become one of the businessmen’s priorities. All activities are top management initiated for a number of reasons: first, many issues are semi-legal and confidential, and, second, the environment is unpredictable and a majority of managerial

decisions are non-programmed. Belarusian businessmen turn to the experience of businesses in other transition economies to learn how to avoid mistakes, develop their businesses, and become ready for the next stage of their country's transition.

In spite of this mercurial governmental involvement, Belarusian private businesses demonstrate an amazing ability to survive and develop their operations. They do this intuitively, through trial and error. A series of focus groups conducted with top managers and business owners in Belarus, reveals that first, they need to analyze their own Belarusian experience in the light of universally recognized business theory. They realize the uniqueness of the Belarusian business environment, but they want to know which behaviors and decisions are consistent with the best business practices. They are concerned about the criteria used to determine quality. They are especially concerned about making this determination on the basis of systematic knowledge and global experience. Regarding international business, they want to be sure that they have been taught in the "right" way. Second, they want to learn from instructors familiar with the real business environment. They are not interested in education that would simply reiterate translated or obsolete textbooks. They are also interested in solving existing company problems such as consulting projects, cases, and discussions based on Belarusian specifics. A basic and important concern is the quality of instructors. These instructors must have real consulting or business experience. Third, they expect to get additional opportunities to join business people with similar business views, experiences, and values (Ivanova & Mitchell, 2004).

METHODOLOGY

Case selection

Economics and management education in countries with transition economies (Belarus included) have been thoroughly studied (for review, Pleskovic et. al, 2000; Kovsik & Watts, 2001). In Belarus, such education is provided by the Belarusian State Economic University, by management/economic departments in various state universities and institutes, and by state-run continuing education agencies. They offer programs in marketing, management, accounting, finance, and even MBAs. Unfortunately, it seems that "the faculty of scientific communism is now called politology. Same people, old ideas..." (Kaminski, 1994); "faculty continue to believe deeply that it is more important for students to know why the economy has exactly a particular structure than to know how the economy works" (Kovsik & Watts, 2001: 60). Existing under the constant shadow of the politically mandated "market socialism," state institutions are expected to promote the current economic system in Belarus as the most appropriate for the country. The target group for these institutions is traditional business students with no actual "hands-on" business experience who are willing to get their state-approved diplomas or state managers who have little need to master competitive business fundamentals. Practicing business managers, however, are aware of the discrepancies between these programs and business realities.

The case selection for this study is based on contrasting, dependent variables, following the Mill's joint method of argument and difference (Copi & Cohen, 2001). According to this method, the pivotal case is supposed to be similar in many aspects to the known cases (i.e., the same environment of a state-controlled economy and similar themes in education), but be different in outcome -- a successful capitalist-oriented business education for practicing managers. The Institute for Privatization and Management (IPM) is a non-state, independent business school that has successfully operated in Belarus for more than ten years. While its curriculum is similar to the state institution's programs, its educational outcomes are strikingly different. The Institute for Privatization and Management is recognized by private businesses as a leading provider of market-oriented business education, and as a source of valuable information regarding market economy operations in Belarus.

Study design

The main method of the study is process tracing, which “explore[s] the chain of events by which initial case conditions translate into case outcomes” (Van Evera, 1997). The study focuses, first, on IPM’s role in Belarusian business education, and second, on the design and methodology of its business education programs. Evaluation of the IPM activities are based on interviews, document analysis, direct questioning, participant observation, and professional communications with IPM staff, clients, and faculty. Ten years’ worth of curricula, course syllabi, student projects, and student evaluations have been analyzed.

FINDINGS

IPM in the Business Education Market (Historical overview)

IPM was established within the framework of George Soros’s initiatives in the 1993 post-Soviet era. In the beginning, the mission of the IPM was to provide educational support to the Belarusian officials and managers of state enterprises and their transition reform efforts. Because of the slowing down and then halting of reforms in Belarus, the IPM was forced to change the focus of its educational support. The target group for IPM’s more recent activity is the new private sector (Daneyko, 2004).

In creating their curriculum, IPM went through the following stages:

1993 to 1997 - The main priorities were programs devoted to privatization and the stock market, as well as introductory courses in marketing and finance. The school operated in close cooperation with the Ministry of Privatization of the Republic of Belarus. The target groups were (a) managers of Belarusian state enterprises intending to privatize and develop market-oriented enterprises; (b) Belarusian officials who were supposed to support the market-oriented reforms; and (c) individuals who were about to obtain new professions (generally in the stock market). The curriculum included short-term courses and conferences devoted to successful post-Soviet transitions in Central and Eastern European countries. IPM operations were funded by international organizations (i.e. TACIS) and the Belarusian government (Ministry of Privatization).

1997 to 1999 - Following the President of Belarus’ decrees, state enterprises were faced with the need to contribute to market socialism while still operating like free enterprises. The state enterprises were told to avoid middleman companies, build their own marketing departments, and compete at the international level. Price regulations and constant state intervention made this competition even more challenging. Managers lacked relevant education but were expected to run marketing and finance departments. At this point IPM tailored their curriculum by creating multi-module, long-term programs such as: Marketing Director, Finance Director, and Client-Oriented Management for Sales Directors, etc. Short-term programs also existed; they were aimed at promoting long-term programs and answering “hot” issues in the Belarusian market. These short-term programs would explain the President’s most recent directive and clarify the requisite steps each enterprise would have to take to fulfill these mandates. State and privatized enterprises were still the important target groups; however, private businesses started to participate in these courses as well. In 1998 the Institute for Privatization and Management became an independent and financially self-supporting organization.

1999 to 2002 - IPM shifted its target group primarily toward private businesses. In 1999, 60% of IPM’s students were affiliated with private businesses; by 2002 this same group made up 80% of IPM’s student body. The primary focus became the adaptation of generally accepted business practices to the realities of the Belarusian business environment. International diplomas up to the level of executive manager were introduced.

2002 to present - IPM has changed its focus from a business school for the individual to a business school for the entire firm. The school has positioned itself as a provider of interrelated business programs for the different needs of private business in Belarus.

Curriculum and School Design

Currently, IPM provides four types of programs that cover the entire gamut from the purely “Western” to the purely “Belarusian” style of business and from executive to entry level employee business education. These include (1) international programs for business owners and executive managers, (2) long-term programs which form a bridge between international benchmarks and local specifics for top and middle managers, (3) multi-level, short-term courses designed to answer the “hot” issues of the local market; and (4) customized programs tightly connected with the specifics of particular Belarusian firms and focused on development marketing or management skills.

The *international programs* (professional certification and diploma programs, and the Executive MBA) are developed in collaboration with the UK, US, Poland, and Sweden. Despite differences in curricula, these programs have the same goal – the preparation of Belarusian executives for success in the global market. The case studies and discussions are based on successful businesses world-wide. These programs employ the cohort system.

The *long-term, open-enrollment* and locally-based programs are primarily geared toward adapting internationally accepted business practices to Belarusian reality. Each program exists as a cohort system, lasts from two to five months, and includes several modules (three days each). Case studies and discussions are based on the specifics of the business environment in Belarus and in Russia (a traditional trade partner for Belarusian businesses).

The *short-term courses* correspond to the most current topics of Belarusian reality. The topics vary from “Logistics of a Warehouse” for supervisors to “Social Capital” and “Problems of Fast-Growing Companies” for executives. These programs also help to promote long-term and graduate programs. Around 80% of IPM students choose to attend the graduate programs after participation in the short-term courses.

Customized programs are usually prepared for entire firms in which top managers, veterans of the graduate or long-term programs, want their employees to adopt the same business approaches that they have learned. IPM has three departments: a business school, a research center, and a consulting center. The business school implements all short-term, long-term, and international programs. The consulting center focuses on development projects for Belarusian businesses. The research center conducts studies on the problems of private business development in Belarus, analysis of the Belarusian economy on macro and micro levels, forecasting, and elaboration of recommendations for the implementation of economic reforms in Belarus. The research center also publishes a bulletin *Belarusian Economy: Trends, Analysis, Forecasts*, the only Belarusian independent economic journal *ECOWEST*, statistical information (over 100 indicators), and monographs and policy papers devoted to Belarusian market development.

DISCUSSION AND IMPLICATIONS

The following lessons can be gleaned from the experiences of the Institute for Privatization and Management. These lessons clearly demonstrate how a business education program can be tailored to succeed, even in an environment such as Belarus where open competition, democracy, and mutual trust between business and state are lacking.

Clear Positioning of a Business School Toward the State Policy

In spite of the changes in the official state policy, IPM initially adhered to the concept of workforce development in a free market. When the state originally supported the idea of free competition and an open market, the school was a part of this movement. Later, when the state shifted its policy toward a state-controlled economy, the school adhered to its fundamental ideas, while its targeted groups and portfolio of programs changed.

In a country where a state-controlled economy has replaced the initial market-oriented reforms, a business school should clearly adhere to one of three roles: a financially independent and neutral policy; a state dependent and state-supportive policy; or a third party (church, political parties, or funding organizations) dependent and third party supportive policy. After its initial phase, IPM deliberately distinguished itself from, on the one hand, the state economic institutions with their lack of freedom in teaching real world business practices, and, on the other hand, partisan institutions (which have since closed in Belarus). This independent position limits the IPM's opportunities for funding and protection, but secures its autonomy as it earns trust from the business community and tolerance from the state.

Must Have its own Trustful Sources of Data

As in any totalitarian state, the Belarusian government has complete control (media and statistic data included) (Nutti, 2001; Rich, 1996). To provide up-to-date business education, a business school must have its own access to valuable data (a) regarding business development in a free market, (b) regarding transitions from a state-controlled economy to a free market economy, and (c) regarding business trends in a state-controlled economy. There are many sources of information about doing business in free market economies. There are some sources of information about doing business in transition economies, but there is a definite lack of relevant information about the state-controlled economy of Belarus.

The IPM Research Center and IPM Consulting Center provide faculty and local businesses with reliable, first-hand information regarding the statistics, trends, analyses, and forecasts of the economic situation in Belarus and neighboring counties. This information contributes significantly to IPM's credibility among businessmen.

A Circle of Trust Within a Cohort

IPM is aware of a specific, low level of resilient trust that exists in Belarus between the business community and the state. Business executives and business owners need to reflect their experiences and ask for advice. However, they are not ready to collaborate (participate in discussions, or complete group projects based on their own companies) with classmates if the classmates are not involved in the same level of risks and decision making as they are. They want to extend their networks, but they are only willing to network with equals.

When recruiting the participants for business programs in a country with a state-controlled economy, it's necessary to be selective, follow distinctive target groups, and help students to establish a network of entrepreneurs that Fukuyama calls a "circle of trust" (Fukuyama, 2001). Several months of studying in the same carefully selected cohort creates a network of market-oriented managers who can continue interacting outside the school and after course completion.

Program Portfolio Covers Business Education Needs of an Entire Company

A program's portfolio should include a broad spectrum of products: from elite executive education programs to skills-based sales training, and from two-year Executive MBAs to three-day, open-enrollment courses. Entrepreneurs in a state-controlled economy are excessively cautious regarding the

source of information. Usually the entrepreneurs reject the very possibility of learning from anybody or trusting anybody. When they choose the trusted source of information (a business school or a particular instructor), they want every member of their team, from the board of directors to the sales representatives, to use this source. That is why effective curriculum management programs must offer education for every level of the organization.

Unlike traditional business schools that provide business education based on fundamental knowledge in economics, management, marketing, and finance, IPM significantly adapts its products to its client groups' geographical area of interest. Executive manager programs are based on the decision making experiences of global companies and companies with market-oriented transition economies. Middle manager programs focus on local specifics and the experiences of neighboring countries (mostly, Russia). Supervisory programs focus on the local market.

Instructors with an Understanding of the Local Specifics and Trends of Transition Economy Development

Environmental disadvantages stimulate a proactive position for business people. They are extremely active (even aggressive) in managing their lives, and they transfer this style of acting and communicating to their education. They constantly question an instructors' understanding of local specifics and are not patient in general discussions. Their main question is "Why should I learn this if it doesn't work in real life?" When recruiting the faculty for this type of educational climate, it is important to emphasize the need for authentic business or consulting experience within actual transition economies. Faculty members with experience in successful transition economies (i.e., Poland or the Baltic countries), or with experience in large market operations (i.e., Russia) are in special demand, because they can provide realistic insight into the next stage of development for Belarusian businesses. Instructors with pure "western" experience, instructors with pure local experience, or instructors with pure academic backgrounds are not able to satisfy the Belarusian businessmen's expectations.

Pedagogy Based on Students' Experience

IPM students become co-authors of the courses and bring real-life situations into the classroom. This practice reinforces Strauss and Corbin's theory that data gathered within a classroom and used in the same classroom as a case study or a theme for a discussion, "can be used to explore substantive areas about which little is known or about which much is known to gain novel understanding" (Strauss & Corbin, 1998: 11).

Qualitative methods such as process tracing, historical contexting, and within-case analyses (George & Bennett, 2005) are vital for productive idea exchanges in courses composed of experienced businesspeople. Based on their own experiences and locally available information, participants of management courses provide "relevant, verifiable causal stories resting in differing chains of cause-effect relations whose efficacy can be demonstrated independently in those stories" (Tilly, 1997 in George & Bennett, 2005: 205).

Strauss and Corbin write that "[qualitative] research itself is a process about which our ex-students are likely to be self-reflective.... Yes, they are skeptical of established theories, however enticing they might seem, unless these eventually are grounded through active interplay with the data" (1998: 6). Students can investigate the causal paths of the current phenomena and together with their instructors conduct a procedure of controlled comparison. During the author's experience teaching executive and continuing business management courses in Belarus, several owners and top-managers offered material from their own companies for analyses within the course framework and appreciated a chance to share their experiences in a secure environment. These are examples of constructive case-studies that were discussed in the classroom:

Ethics in an Unethical Environment or Absence of Ethics? The pivotal actor of this case is a financial company, “Destinator,” that provided technically illegal international financial transactions for Belarusian private from 1993-1997. On the one hand, “Destinator” supported the black market and helped Belarusian businesses hide a taxable income. On the other hand, companies like “Destinator” behaved much more fairly than the official financial institutions and the Belarusian government. They were actually the only real force that helped entrepreneurs survive and develop their businesses. The legality of “Destinator” operations was a gray area because of the flawed legal environment in 1993-1997 Belarus. The owners of the company had disagreements about the future of their business: should they close this business; or should they continue current and highly profitable operations as long as possible, which would help Belarusian entrepreneurs survive (Ivanova, 2007)?

Production of pollution-safe fuel in a small Belarusian city. This business was three years old. It had started with significant investments and rapidly gathered momentum. The primary customers of this company were enterprises in EU countries; the price was significantly lower than competitors’ prices, and the quality was up to EU standards. Therefore, the business seemed to be on its way to growth and success. However, if it continued growing, it would become more visible to local and central authorities. The local authorities would consider the business as a “milk cow” for their local needs and would only give their permission for operation in exchange for endless compensations. By growing rapidly, the business would become visible to the central authorities and might be perceived as a threat to the existing power. The owner had to find an appropriate strategy for the business’ growth.

A middleman firm as an intermediate party between a state-owned enterprise and Russian customers. This firm had served as an outsource sales department for a large, state-owned production enterprise in Belarus since 1993. Both the state-owned enterprise and the Russian customers benefited from this cooperation; the sales volume of the state enterprise doubled. After 1995, President Lukashenka decided that businesses like this were not fair: they usurped society’s money because they bought low, sold high, and did nothing for the country’s enrichment. The middleman firm became a target of a powerful State Control Committee investigation; its connections within the state enterprises became suspicious. The owner of the middleman company faced the ethical dilemma of losing his business or putting his friends and partners from the state enterprise at risk for prosecution (Ivanova, n.d.).

It is not surprising that Belarusian businessmen are extremely careful in sharing information about their operations and striving to avoid state attention. That is why there are only a few companies willing to be the object of case studies and non-anonymous research, in spite of the public relations (PR) benefits for their marketing. In an unfriendly business environment, any PR measure has a double-edged result: the positive marketing benefits are counterbalanced by the negative “no-status-quo-shift-behavior” of the authorities (Ivanova, 2004).

Following the requirements of the Institutional Research Board, the author asked the participants for their permission to publish the course-generated case-studies and invited the students to be co-authors. The students refused point-blank to include their names as authors and agreed to allow their data to be published only with the guarantee of company and participant anonymity. At the same time, they supported the concept of using their findings as teaching material for future students within the same business community. In combination with western textbooks, these “born in the classroom” case-studies, decision-making exercises, and topics for discussion provide teaching material that is credible as well as valuable for local specifics.

Short-term, Open-enrolment Courses as a Primary Promotion Tool

Participation in short-term, open-enrollment and non-credit courses is important for both the students and the faculty. The participants of the short-term courses can evaluate the level and relevance of business education programs as well as the efficacy of the business network. They can establish trust with a particular school, with particular instructors, and with particular students. The instructors (even from graduate programs) should offer short-term courses to learn about the participants and their needs, adjust textbook materials to the realities of the existing economy, and gather relevant data for their case-studies.

CONCLUSION AND FUTURE RESEARCH

Implementation of capitalist-oriented business education programs that address local issues (even in an environment of recovering socialism) plays several roles: It establishes a foundation for future democratic development and gives the local businessmen a sense of belonging to a worldwide business community. It provides solutions for specific local business management situations that are not covered within the business mainstream, and establishes circles of trust for local entrepreneurs. Finally, it contributes to the internationally accepted approach to business education by benchmarking examples of entrepreneurial proactivity, strength, flexibility, and intuition.

Belarus and its local business school, the Institute for Privatization and Management, provide unique opportunities to demonstrate how capitalist-oriented business education is able to exist and succeed in the state-controlled economy of a totalitarian government. While maximizing leverage and cross-case analysis are important components of good research (King et. al, 1994), the within-case analysis provided by IPM allows researchers to evaluate causal relationships, cover atypical cases, and avoid overgeneralization (Brady & Collier, 2004). Most importantly, the application of IPM's flexible educational techniques will benefit any education program that is addressing the needs of the non-traditional businessmen:

1. A lack of relevant curriculum is not exclusive to state-controlled economies; all non-traditional business settings experience this same deficiency which leaves educational business programs grasping for relevant instructional materials.
2. Many non-traditional businessmen have strong pride in their locale and their heritage; they are not interested in studying from a book that discusses business in London or New York City when they are located in Belarus, Alaska, or a remote Caribbean island.
3. Non-traditional businessmen have gone through numerous, inconceivable business complications and have managed to survive on their own inherent intelligence, creativity and logic. They take considerable pride in their business acumen and want the study refers to this experience.

This study of Belarusian business education provides insight and solutions for the shortcomings existent in many business education programs. It clarifies the need to incorporate local specifics into business programs and to address student biases and local attitudes as well as other area-specific concerns. A close look at IPM's educational practices provides significant insight into how any business program can tailor its curriculum to better serve its non-traditional business students.

A comparative study of business education in several countries with transition economies is a subject for future research. A World Bank study of twenty-two Eastern European and post-Soviet countries (Aslund, 2002) demonstrates that a transition economy has many stratifications of development; different approaches to transition determine different business environments which, in turn, result in an assortment of approaches to business education. The first course of transition is radical market-oriented reforms; countries such as Hungary, Poland (Fogel & Zapalska, 2001), Estonia (Liuhto, 1996), Czech Republic,

Slovakia, Lithuania, and Latvia (Europe of 25, 2004) prefer this method and have achieved significant results. The second step, as identified by Aslund, is a rent-seeking transition that is neither a competitive market orientation nor a state-controlled economy. The dominant interest here is state redistribution “of available resources through its budget and regulation to enrich a few privileged” (Aslund, 2002: 3). The most outstanding examples of rent-seeking states are oligarchic regimes in Ukraine, Russia, Moldova, Romania, and Bulgaria. The third course of development is a state-controlled economy. Besides Belarus, countries such as Cuba and Turkmenistan have chosen this total state control of economic development (Aslund, 2002; Economist, 2004). Comparing business education in market-oriented transition economies, rent-seeking states, and state-controlled economies will provide meaningful protocol for tailoring generally accepted practices and insuring that these practices address local specifics.

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BIOGRAPHY

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LONG-RUN INVESTMENT DECISION IN THE TAIWAN EXCHANGE MARKET

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ABSTRACT

Whether an investor should hold more risky assets in the long run is an issue of allocation. However, the comparison of performance between different investment horizons is not a context of allocation, but timing. Therefore, we employ Markovian moving block bootstrap to compare the performances between risky portfolios with diversified portfolio over different investment horizons. The results show that Sharpe ratios of all of the stock portfolios increase firstly and then decline as the investment horizon lengthens. Second, size effect only holds in the short run, but not in the long run. Third, the performances of some examined portfolios outperform that of the market in the long run, indicating an investor may be better off to hold some risky assets over longer investment horizon. Fourth, balanced- and bond-fund portfolios outperform market portfolio when the investment horizons are over 11 and 14 years respectively, suggesting that investors can benefit from investing into these types of mutual fund in the long run.

JEL: G11

SOCIAL CAPITAL, IMPACT ON THE MUTUAL FINANCIAL INSTITUTION'S LENDING TO SMEs

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ABSTRACT

This paper is part of a comparative study, investigating the impact of Social capital on the lending to SMEs in Japan, Europe and Bulgaria. Based on the theory observation as well as on personal interviews and questionnaire survey conducted among SMEs, credit cooperatives and banks' officials, a theoretical model was constructed in an attempt to evaluate the importance of the social capital for SMEs financing. Banks are still considered to be the main provider of external finance to SMEs although the asymmetric information imposes difficulties in their business relations. Social capital can solve some of these failures of the market, correcting the information through relationship banking.

Social capital's essences – trust, reciprocity, norms, communication, cooperation and networking predetermine mutual benefits exchange between all participants involved, thus improving the efficiency of the system. It was found that its presence, characteristics and principles affect the vertical network relationships (bank official-customer/member) in the form of relationship banking and the horizontal network relationships (member-member) in the form of inter-members cooperation. My analysis further suggests that the relationship banking on its behalf results in a stable provision of finance to SMEs and thus fills up the existing financial market gap. Although the small scale of the members businesses prevents mutual financial institutions from achieving economy of scale and cost efficiency related to higher interest rates, the conclusion is that working social capital provides alternative financial source for SMEs.

Keywords: SMEs financing, social capital, relationship banking

INTRODUCTION

In their mutual business relations, both SMEs and banks act rationally. Banks pursue profit-maximization as a way to meet the expectations and requirements of their stakeholders and usually evaluate loans on the basis of their economic merit and profitability potential. Thus when granting loans, an investigation of the entities' ability to repay the debt and profitability is held, based on the official SMEs' accounting statements. SMEs on their behalf try to protect their proprietary information or/and pay as less as possible income tax, creating for the purpose distort financial statements. For example in 2004 in Japan 54.1% of the SMEs with personnel up to 20 people didn't take steps to improve reliability of their financial statements and only 49% of them were actively disclosing accurate information to financial institutions. The result is that the "perfect market" situation, where all information is available for both parties is destroyed. As the asymmetric information or the lack of information may lead to adverse lending selection, banks try to protect themselves by harsher lending conditions for SMEs and a specific market gap arises.

Purpose of this study is to prove that an alternative for filling up the existing market gap by correcting the asymmetry of information can be provided by the social capital available in the structures of the mutual financial institutions and exercised through relationship banking. Another issue is to reveal the utilization of social capital in the financial institutions' structures of well performing world economies such as Japan and EU. So far, the available evidences for social capital's beneficial influence on the SMEs lending are mainly extracted from poor economies practices.

THEORY REVIEW

Correcting the Imperfect Information

According to Binks and Ennew (1995) information asymmetries cannot be fully eliminated, while they can be reduced and the nature of the relationship between a financial institution and a business is significant in this context. A closer relationship can enhance the flow of information and ensure more efficient decision-making. The quality of this relationship is influenced by a range of characteristics, one of which is the structure and the policy of the financial institution itself.

Relationship Banking

Relationship banking is often defined as a banking mode that entails the lender's investment in proprietary or soft information acquisition about a customer's creditworthiness through sequential or multiple transactions. The bank-borrower relationship is in many ways a mutual commitment based in trust and respect. (Boot, 2000)

Social Capital and Mutual Financial Institutions

Putnam (1993), describes social capital as "features of social life – networks, norms, and trust – that enable participants to act together more effectively to pursue shared interests". In "Making Democracy Work", he states that "...an instructive illustration of this principle is a type of informal savings institution found on every continent called a rotating credit association. Different forms of voluntary cooperation are fed by underlying stock of social capital. In many cases members must trust in the trust of others to complete their obligations, and thus mutual trust is lent. Social networks allow trust to become transitive and spread "(I trust you because my friend trusts you). The dilemma of collective action is overcome by using pre-existing social connections between individuals and problems of imperfect information and enforceability are corrected. Like conventional capital, social capital serves as a kind of collateral, but is available only to those who are members of the network. Thus social capital is leveraged to expand the credit facilities available in those communities and to improve the efficiency with which market operates there.

Trust

Obviously, trust is in the base for both relationship banking and social capital (mutual financial institutions' operations). As Saparito (2002) state there are three distinct dimensions of trust in bank-small firm relationships: calculus-based trust (CBT), knowledge-based trust (KBT), and identification-based trust (IBT). They are positively related, effecting customer satisfaction with the bank.

METHODOLOGY

Four hypotheses were tested, using the social capital's elements as variables for estimation the validity. A sample design of SMEs and respective mutual financial institution's officials in Japan, EU and Bulgaria was employed.

Hypotheses

- H1 Corrected asymmetric information results in more granted loans to SMEs
- H2 Different types of trust are presented in the relationship banking of trade banks and cooperative banks
- H3 Social capital is maintained by mutual interest
- H4 Social capital is destroyed :
Generally: by dictatorship

Horizontally: by the scale

Vertically: by the profit orientation of the participants in the network

DATA

Japan

25 interviews with credit inspectors at Shinkin Banks (cooperative financial institutions) and 7 SMEs

EU

4 interviews with credit inspectors at Rabobank Netherlands, Oko Bank Finland, Raiffeisen Bank Luxembourg, Raiffeisen Bank Austria

Bulgaria

6 interviews with credit officials at Agricultural Credit Cooperatives and 13 members of those cooperatives

FINDINGS AND CONCLUSIONS

Social capital is an accumulated stock from which a stream of benefits flows. When controlled, this steam can be used for lessening imperfections or failures of the market, providing alternative financial source for SMEs. While (CBT) and (KBT) are presented in the relationship banking, all of them including (IBT) are available in the mutual financial institutions' operations.

Although it was expected social capital to be missing in Bulgaria, as a post communist country, the hypothesis was rejected at the level of credit cooperative. Different kind of obstacles are met. In EU and Japan the most powerful manifestation of the social capital's impact on the SMEs lending is to be seen in the vertical networks of mutual financial institutions, in the form of relationship banking. Keeping permanent close relationship borrower-lender, sincere mutual exchange of information is promoted and asymmetries of information are corrected.

Small companies, companies with low equity ratio, companies in the early stage of their growth and companies facing difficulties in funding are more likely to choose cooperative financial institution as their main bank. The strict asset assessment policy of the commercial banks made them prefer the higher interest rate and relationship banking of the cooperative banks. Actually although expensive this is a chance for them to get access to external financing. So the role of social capita in the microfinance is increasing.

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POVERTY BEFORE AND AFTER 1997 CRISIS INDONESIA, THAILAND, PHILIPPINES AND MALAYSIA

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ABSTRACT

This paper aims to address the other face of Asian economic crisis especially focusing on its effects on income distribution and poverty. It focuses on four large countries of Southeast Asia, all of which have been severely affected by the economic crisis: Thailand, the first to succumb; Indonesia, which has proven to be the worstly affected; Malaysia where the crises had produced the most radical macroeconomic policy responses; the Philippines, where the pre-crisis boom had been least significant but where the crisis itself was nevertheless a serious event. This study tries to bring to light the heterogeneity of the socioeconomic impacts of crises in these countries in terms of who have been affected, dimensions of well being that have changed and in the ways people have responded. The analyses is clustered around the following questions to be answered. How and why did the Asian crises affect different countries in different ways? What do the poverty and distributional indices reveal about the heterogeneity in the region? What poverty alleviation measures were tailored to each country? The social impact of the crisis appears to have been much less homogeneous and universal than initially forecasted. The most vulnerable households seem to be the urban households that depend on a fixed income in sectors closely linked to the financial formal economy. Rural households are better protected to the extent that the impact is cushioned by their agricultural activities. In terms of poverty alleviation measures, social safety net measures supported by the IMF and World Bank, micro finance measures and food subsidies have been extensively used by the four countries in question.

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NEOCLASSICAL AND POST KEYNESIAN COMPONENTS OF SLOVENIAN TRANSITION

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ABSTRACT

Slovenia's economic transition is compared with three theoretical models: neoclassical shock neoclassical gradualist and Post Keynesian. The analysis is focused on Type I reforms, which are closely connected with economic performance. Slovenia followed the neoclassical shock therapy with monetary reform and trade liberalization, while the gradual inflation reduction had many Post Keynesian elements. The overall economic performance was favorable all the time and inflation was finally eliminated immediately before entering the EU and ERM2.

INTRODUCTION

In this paper we intend to analyze the crucial conditions of transition in which macroeconomic stabilization with simultaneous growth was performed. The transition in Slovenia is compared with the theoretical models explained by Marangos (2003, 2004 and 2005a) and thus analytically deepened and linked with the discussion in evolutionary economics. Besides some work and analyses that have already been published on this matter (among the recent publications evaluating Slovenian development we should mention Mrak, Rojec and Silva-Jauregui – eds. 2004), one of the sources for the ideas explained in this paper was also the author's personal experience in the government. Some more details supporting the idea of this paper can be found in Kračun 2006, p. 307-322.

THE TRANSITION MODELS AND POLICY MIX

At the start of the transition processes in Central and Eastern European countries, the dominant model was shock therapy. The idea of hurried changes and immediate implementation of the necessary reforms to establish a free market economy was attractive to governments and international financial institutions. Poland was the first to start it, soon followed by some other countries. Marangos (2003, p. 943) explains the shock therapy model as a neoclassical model of transition. But the necessary institutional changes require time. Even the main supporters of shock therapy argued that real shock therapy was never implemented. As Marangos (2003, p. 963) stated, that economic actors would normally require time to experiment and make mistakes to bring about an efficient institutional structure; thus the transition process required gradualism.

There is no doubt that the transition in Slovenia tended to the same goal as in other Central and Eastern European countries – to establish a normally functioning free market economy in a framework of a democratic state. So also the inspiration for the means stemmed from the same sources, e.g. the Washington Consensus. But the characteristics of the Slovenian economy in the beginning of the transition period were in many respects different from those in most other transitional countries. Those particularities had to be addressed with corresponding policies. The initial economic and political conditions differentiating Slovenia were:

1. The initial level of development was relatively high;
2. The majority of exports were oriented towards Western Europe;
3. The initial economic system already had many market elements;
4. At the same time new institutions of an independent country had to be established;
5. Absence of IMF and other international institutions;

6. Political turmoil in the region;
7. Relatively fast success in the first phase of macroeconomic stabilization.

An ex-post view of the actual process of transition uncovers the presence of all three theoretical models. The relation among them and transition policies in Slovenia is shown in Table 1. Marangos' (2004, p. 445) analysis of the alternative transition policies is applied, where each policy (price liberalization, stabilization, privatization, property relations, institutions, monetary policy and financial system, international trade and foreign aid, social policy) is characterized through shock therapy, neoclassical gradualism and Post Keynesian models. Similarly, Marangos presented in the form of tables the formulation and implementation of the shock therapy (2003, p. 952), the neoclassical gradualist (2005a, p. 286) and the Post Keynesian approaches (2004, p. 448) to processes of transition.

Table 1: The Mix of Policies and Theoretical Models in Slovenian Transition

Policy	Applied in Slovenia	Theoretical model
Institutional changes	<ol style="list-style-type: none"> 1. Immediate changes concerning establishing a new state, democracy and a full fledged market economy 2. Building up legislation according to democratic procedures (1991-1996) 3. Adjusting to the rules of the EU (Acquis Communautaire) 	<ol style="list-style-type: none"> 1. Neoclassical shock 2. Neoclassical gradualist 3. Neoclassical gradualist
Privatization	Gradual process starting with the ownership transformation which included free vouchers and state financial intermediaries, long procedures	Post Keynesian
Price Liberalization	Immediate	Neoclassical shock
Stabilization	Gradual inflation reduction	Post Keynesian
Monetary Policy and the Financial System	<ol style="list-style-type: none"> 1. Immediate monetary reform with an independent central bank, flexible exchange rate and convertibility 2. State bank rehabilitation process (1992-1996), immediate competition with private banks 	<ol style="list-style-type: none"> 1. Neoclassical shock 2. Prevailing neoclassical gradualism
Fiscal Policy	Balanced budget	Neoclassical shock
International Trade and Foreign Aid	<ol style="list-style-type: none"> 1. Immediate liberalization 2. Immediate floating exchange rate 3. No foreign aid 	<ol style="list-style-type: none"> 1. Neoclassical shock 2. Neoclassical shock 3. Neoclassical shock
Social Policy	Minimum income, safety net	Post Keynesian and Neoclassical gradualism

The most interesting part of the Slovenian transition process is a rather smooth overcoming of transformation recession followed by steady growth and macroeconomic stabilization. There was a mixed policy approach combining neoclassical and Post Keynesian models. While monetary reform and import liberalization followed the neoclassical pattern, wage policy and tolerance to inflation contributed many Post Keynesian elements. We can agree with Marangos (2004, p. 442) that the latter contributed to better performance and fewer transition costs.

THE ELEMENTS OF NEOCLASSICAL SHOCK THERAPY

The majority of analysts evaluated Slovenia in the framework of a gradualist approach (see Mencinger in Chapter 5 of Mrak, Rojec and Silva-Jauregui - eds. 2004, p. 67-83). Also Marangos (2005a, p. 287), examining transition indicators, placed Slovenia among the gradualist transition economies. But in comparing the Slovenian transition with the theoretical basis of shock therapy (presented by Marangos 2003, p. 947-948), we can find many elements of the dominant neoclassical model:

- *Institutional structure, formal institutions*: Establishing a market economy and parliamentary democracy was a part of the political program connected with establishing an independent state. In rather dramatic circumstances the new institutional system started immediately. But as soon as the basis of the free democratic system was adopted, other changes had to follow the democratic

procedure. Also the European integration processes serve here as an anchor helping the domestic government to introduce the institutions of a market economy. (Ovin 2001, p.143)

- *Price liberalization, price-wage deregulation*: Due to the semi-command nature of the former system, the price-wage determination was rather liberal within the initial conditions. In monopolized sectors, some price control remained in order to protect consumers.
- *An independent central bank* was established in the very beginning of the reforms of the newly independent state, also in order to achieve monetary sovereignty.
- *Balanced budget*: This goal was successfully pursued from the start.
- *A flexible convertible exchange rate* followed the establishment of an independent central bank in a few months
- *Free trade*: As “Convertibility and external liberalization are natural bedfellows” (Sutela 1992, p. 89; Marangos 2003, p. 959), the majority of import restrictions were abolished within a year after monetary reform.

THE POST KEYNESIAN ELEMENTS

The Post Keynesians argued against rapid, radical and far-reaching reforms in transition economies (Marangos 2004, p. 441). The transition process in the “most advanced” transition economies, where Slovenia is included, contained elements of the Post-Keynesian approach to transition, which contributed to their better performance and reduced transition costs (Marangos 2004, p. 442).

We have already explained that in the cases of monetary reform and trade liberalization Slovenia performed shock therapy measures. But privatization with restitution, free vouchers and state financial intermediaries combined corresponds mostly to the description of Post Keynesian transition policy (Marangos 2004, p. 445). Rather close was the banking sector reform as well: a long lasting process of state bank rehabilitation kept state banks on the market where they were competing with the newly established private banks. The central bank was independent, but it coordinated its exchange rate policy with the government to maintain export competitiveness in spite of inflation.

To assure a stable aggregate demand was far beyond the scope of neoclassical reform recommendations. But failure in the attempt to control wages contributed to sufficient domestic demand, while floating exchange rates with partial adjustments to moderate inflation assured sufficient export competitiveness. There was perhaps no intentional demand-oriented economic policy; however, within other circumstances there might have been some demand-driven effect contributing to economic performance in transition. The unsuccessful attempt to control wages and its contribution to recovery, the tolerance to inflation and how finally Slovenia fulfilled the Maastricht criteria is described in Kračun 2006, p. 316-321.

CONCLUSIONS

The transition processes took place in conditions of uncertainty and in the absence of historical paradigms. The dominant model was shock therapy, but it was not applied consistently anywhere. The transition in Slovenia also deviated from that pattern. Slovenia’s model was mostly considered as gradualist, where we can find many elements of the Post-Keynesian model. That particular model of transition is interesting because the transitional recession was rather short followed by steady economic growth. It seems that the transition model mix with significant elements of Keynesian and Post Keynesian approach had a favorable influence on economic performance and social integrity.

Type I reforms, which are closely connected with economic performance, pursued the neoclassical shock therapy with monetary reform and trade liberalization, while the gradual inflation reduction had many Post-Keynesian elements. After initial institutional changes establishing a new independent state with a market economy and a parliamentary democracy, later measures were less a part of a deliberately chosen model and more pragmatic answers to the actual challenges. But the time distance and the sequence of recorded results made the policy mix visible as a model in a theoretical framework.

Keynesian or Post Keynesian model has never been cited as important source of reformists' ideas for the European transition. But as we see from the Slovenian experience, pragmatic reasons drove responsible politicians and economists into the solutions that have later been characterized as Keynesian or Post Keynesian. Furthermore, that slight deviation from the prevailing neoclassical model seemed to perform suitable results.

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BIOGRAPHY

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ORGANIZATIONAL CHANGE AND KNOWLEDGE MANAGEMENT CHALLENGES: AN ANALYSIS FROM MANAGEMENT VIEWPOINT

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ABSTRACT

Renewal of processes is one way for modern organizations to seek competitiveness. From knowledge management (KM) perspective this kind of change creates a challenge: it should be made sure that knowledge leakages will not occur, instead knowledge should flow even better than before the change. This kind of knowledge sharing problematic is in the centre of this paper. From KM perspective, we will analyze a change process of a big software company renewing its product development process. The paper is a part of a larger qualitative case study in which the phenomenon is analyzed from the viewpoints of different organisational levels (management, middle-management and operative level) in order to ensure a rich description of the case. This paper focuses on the management viewpoint. The aim of this paper is to provide theoretical insights and managerial implications about what kinds of KM challenges exist in a change process and what are the possible solutions. We acknowledge that as we deal with a case study, the results are highly context bound. As such, we do not try to create a common theory or model, but to highlight the phenomenon from the perspective of one organization.

ANALYTIC APPROXIMATION SOLUTION FOR MINIMUM RATE OF RETURN GUARANTEES UNDER STOCHASTIC VOLATILITY

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ABSTRACT

Equity-linked insurance policy with a minimum rate of return guarantee (ELIMG) has become one of the most popular instruments in the life insurance industry. However, as the stochastic volatility features inherent in the linked financial asset prices are extensively witnessed, few academic works pay attention to the pricing and hedging of stochastic volatility ELIMG. This paper extends the study of Hull and White (1987) and integrates the Taylor series expansion for deriving analytic solution of ELIMG with stochastic volatility. Numerical experiments show that our analytic solution performs very well and is computationally efficient as benchmarked with large sample Monte Carlo simulations. Our analytic formula can also be treated as a practical tool for pricing and hedging stochastic volatility ELIMG, since it is easy to implement and is more desirable as the computing speed is an important consideration.

JEL: G13

INTRODUCTION

An equity-linked insurance (ELI) is a fixed insurance that offers a minimum guarantee interest rate and earns a potential return that is linked to the performance of an equity index. The net premium of an ELI is based on the choice of the policyholder. Common practice is to let the policyholder choose between selected investment funds. Some insurers even give the possibility to invest in individual stocks. A typical ELI guarantees a minimum return (normally 3%) on a portion of the initial amount invested. It also provides a limited participation in the appreciation of a predetermined equity index (e.g. S&P 500) while guaranteeing a minimum rate of return. The indexing feature extends over a fixed term, typically ranging from one to 10 years.

Since many insurance policies have a minimum guaranteed rate of return included, the uncertain return on the investment portfolio exposed the insurers to financial risk. To reduce the risk, companies have to hedge the financial risk inherent in the minimum rate of return guarantees. The hedging cost depends on the length of the term and the indexing method, and it also can be reduced by using averaging methods. If the profit of some company is strongly depending on one commodity price, an Asian option can be used to hedge against substantial price movements. The ELI we introduced in this paper is with point-to-point design. We derive general pricing formulas for the ELI with constant volatility and stochastic volatility, respectively. It turns out the guarantee can be expressed as a call option on growth rates of the stock price.

Black and Scholes (1973) made a major breakthrough in the pricing of derivative securities by deriving a call option when the underlying asset follows geometric Brownian motion. Geometric Brownian motion implies that the stock price has a lognormal distribution and therefore the rate of return is normally distributed. The Black-Scholes model assumes that volatility is constant; however, volatility varies stochastically through time in practice. Hull and White (1987) first solve the pricing of a European call on an asset that has a stochastic volatility. The option price is determined in series form for the situation in which the stochastic volatility is independent of the stock price. Numerical solutions are provided for the case in which the volatility is correlated with the stock price.

Brennan and Schwartz (1976) showed that a single premium equity-linked contract with maturity guarantees can be viewed as a stock along with an option on that stock. They considered the equilibrium pricing of equity-linked life insurance policies with an asset value guarantee, such policies provide for benefits that depend upon the performance of a reference portfolio subject to a minimum guaranteed benefit. The benefit is decomposed into a sure amount and an immediately exercisable call option on the reference portfolio. Schrager and Plessner (2004) mentioned that many insurance companies have given guarantees on equity-linked contracts. The payment of multiple premiums makes the option payoff dependent on the stock price at different time points, which leads to an analogy with Asian options. The paper derives a general pricing formula for the guarantee. It turns out the guarantee can be expressed as a put option on a stochastically weighted average of the stock price at maturity.

There have been many researches on hedging strategies. In Møller (1998, 2001a) risk-minimizing hedging strategies were determined for equity-linked life insurance contracts in a generalized Black-Scholes framework. In that framework, the financial market consisted of two basic assets, a stock and a savings account, which could be traded dynamically in continuous time, and the development of the price of the stock were modeled by a diffusion. Møller (2001b) discussed various approaches for determining optimal trading strategies, and he applies the criterion of risk-minimization to suggest investment strategies for the contracts. Portfolio insurance is implemented either by buying call or put options, or by executing a dynamic trading strategy in risky and riskless assets. Zimmermann (1996) showed the simplest example is a protective put strategy, where an index portfolio is protected by an index put option. The effect of the option is like an insurance policy; the exercise price of the option determines the insurance level, and the maturity of the option the coverage period.

ANALYTIC APPROXIMATELY FORMULAE

We assume the an ELI matures at a known date, T , and that the yield then payable consists of the greater of the value of the reference portfolio's total return rate multiplies participation rate and the minimum guarantee rate. The reference portfolio is typically a portfolio formed by investing some pre-determined common stocks.

The price of the underlying asset is assumed to follow a geometric Brownian motion under a risk neutral world, is given by

$$\frac{dS}{S} = (r - d)dt + \sigma_s dW \quad (1)$$

where r represents the annualized riskless interest rate, d is the continuous dividend rate, σ_s denotes the instantaneous volatility of the underlying asset, and W is a standard Wiener process, respectively.

Let M be the maturity value at time 0 of an ELI, which is given by,

$$M = Ae^{-rT} [1 + \max(R_T P_a, G)] \quad (2)$$

where A is the amount of investment, R_T measures the appreciation of the index up to time T , P_a is the participation rate, G is the minimum annualized guarantee rate for the entire term of the contract.

Eq. (2) implies an option feature, we can evaluate this the contingent claim $C(T)$ at time T for one monetary unit investment in an ELI is given by,

$$C(T) = \max(R_T P_a, G) \quad (3)$$

For point-to-point ELI design, Eq. (3) can be written as

$$C_p(T) = \max \left(\sum_{t=1}^N \frac{S_t - S_{t-1}}{S_{t-1}} P_a, G \right) \quad (4)$$

where S_t is the price of the underlying asset at time t .

Eq. (4) can be written as

$$C_p(T) = G + (\mu_p - G) \cdot N \left(-\frac{G - \mu_p}{\sigma_p} \right) + \frac{\sigma_p}{\sqrt{2\pi}} \cdot e^{-\frac{z_p^2}{2}} \quad (5)$$

The maturity value at of an ELI with point-to-point design at time 0 is given by

$$M_p = e^{-rT} A \left[1 + G + (\mu_p - G) \cdot N \left(-\frac{G - \mu_p}{\sigma_p} \right) + \frac{\sigma_p}{\sqrt{2\pi}} \cdot e^{-\frac{z_p^2}{2}} \right] \quad (6)$$

Considering stochastic volatility, the maturity value with point-to-point design at time 0 is given by

$$\tilde{M}_p = e^{-rT} A \left[1 + C_p(T, \bar{V}) + \frac{1}{2} \frac{\partial^2 C_p(T, \bar{V})}{\partial \bar{V}^2} \Big|_{\bar{V}} Var(\bar{V}) + \frac{1}{6} \frac{\partial^3 C_p(T, \bar{V})}{\partial \bar{V}^3} \Big|_{\bar{V}} Skew(\bar{V}) \right] \quad (7)$$

where

$$Var(\bar{V}) = \frac{2\sigma^4(e^k - k - 1)}{k^2} - \sigma^4, \quad Skew(\bar{V}) = \sigma^6 \left[\frac{e^{3k} - (9 + 18k)e^k + (8 + 24k + 18k^2 + 6k^3)}{3k^3} \right], \quad k = \xi^2(T - t). \quad (7)$$

NUMERICAL ANALYSIS

In this section, we represent that the maturity values of the proposed model by considering two types of ELIs. The maturity value with Monte Carlo approach was regarded as a benchmark. We compare the values of a benchmark with the value derived by us. In all cases, we assume that $A = 100$, $S_0 = 100$, $r = 0.1$, $d = 0$, $\sigma_0 = 0.3$, $\alpha = 0$, $\xi = 0.4$, $G = 0.06$, $Pa = 0.8$, $T = 5$ years (assuming 252 trading days per year).

Next, we consider the effects of different factors on the value of the ELIs with point-to-point design. Table 1 shows the maturity values for different mature times, different returns and different volatilities of volatility. With the mature time (T) increasing, the return of the volatility of underlying asset (α) increasing or the volatility of the volatility of underlying asset (ξ) increases, maturity values decreasing. As the mature time and the return of volatility increasing, the difference between the maturity values with constant volatility and with stochastic volatility increases. The embedded guarantees associated with ELIs have maturities ranging from one to 10 years. It is, therefore, unreasonable to assume that the volatility would remain level for such a long duration.

Table 2 compares the values given by Monte Carlo procedure with the values give by Eq. (7) for particular cases. We take the values derived by Monte Carlo method as the benchmark. Column (3) shows that the pricing error between the value derived by Monte Carlo method and the analytic form (i.e. Eq. (7)) is very small (less than 1%). In addition, the computer time of the analytic solution is much faster than Monte Carlo method. Therefore, our analytic solution is accurate and much more efficient.

Table 1: Comparisons the Values between Point-to-point ELIs with Stochastic and Constant Volatility

T (in years)	α	ξ	Maturity value with stochastic volatility (1)	Maturity value with constant volatility (2)	Relative error $(3) = \frac{(2)-(1)}{(1)}$
1	0.00	0.2	105.4765 (0.1071)	105.4907 (0.1083)	0.0135%
		0.4	105.4338 (0.1064)		0.0540%
		0.6	105.3633 (0.1066)		0.1209%
	0.20	0.2	105.9240 (0.1135)		-0.4090%
		0.4	105.8769 (0.1130)		-0.3647%
		0.6	105.7990 (0.1133)		-0.2914%
3	0.00	0.2	98.5324 (0.1943)	98.5803 (0.1883)	0.0486%
		0.4	98.3957 (0.1997)		0.1877%
		0.6	98.1754 (0.1998)		0.4124%
	0.20	0.2	100.4435 (0.2272)		-1.8550%
		0.4	100.2460 (0.2354)		-1.6616%
		0.6	99.9300 (0.2382)		-1.3506%
5	0.00	0.2	90.0292 (0.2114)	90.0893 (0.2103)	0.0668%
		0.4	89.8702 (0.2175)		0.2439%
		0.6	89.6246 (0.2276)		0.5186%
	0.20	0.2	93.4067 (0.2601)		-3.5516%
		0.4	93.0533 (0.2674)		-3.1853%
		0.6	92.5185 (0.2785)		-2.6256%

Maturity values in columns (1) and (2) are derived by applying Monte Carlo simulation with 10,000 paths repeating 20 times. The standard error is in parenthesis. Column (3) indicates the relative error between the maturity values with constant volatility and the benchmark stochastic volatility maturity values.

Table 2: Comparisons the Values of Point-to-point ELIs between Analytic Solution and Monte Carlo Method

T	G	Simulation value (1)	Analytic solution value (2)	Relative error $(3) = \frac{(2)-(1)}{(1)}$	Simulation CPU time (in seconds) (4)	Analytic solution (in CPU seconds) (5)	Efficiency of ASO over simulation (6) = (4)/(5)
1	0.03	104.2322(0.1162)	104.2604	0.0270%	2.0992	4.844E-06	4.334E+05
	0.06	105.4338(0.1064)	105.4577	0.0227%	2.0961	4.844E-06	4.327E+05
	0.09	106.7727(0.0983)	106.7921	0.0181%	2.0961	4.688E-06	4.471E+05
	0.12	108.2485(0.0916)	108.2638	0.0141%	2.0961	4.531E-06	4.626E+05
3	0.03	97.7030(0.2049)	97.7669	0.0654%	6.2742	4.844E-06	1.295E+06
	0.06	98.3957(0.1997)	98.4668	0.0723%	6.2734	4.844E-06	1.295E+06
	0.09	99.1484(0.1935)	99.2263	0.0786%	6.2758	4.844E-06	1.296E+06
	0.12	99.9631(0.1859)	100.0472	0.0841%	6.2750	4.688E-06	1.339E+06
5	0.03	89.4369(0.2210)	89.4655	0.0320%	10.4555	4.844E-06	2.158E+06
	0.06	89.8702(0.2175)	89.9289	0.0654%	10.4555	4.531E-06	2.308E+06
	0.09	90.3372(0.2147)	90.4268	0.0992%	10.4531	4.844E-06	2.158E+06
	0.12	90.8397(0.2119)	90.9601	0.1325%	10.4547	4.844E-06	2.158E+06

Maturity values in column (1) are derived by applying Monte Carlo simulation method with 10,000 paths repeating 20 times, the standard error is in parenthesis. Maturity values in column (2) are derived by applying the analytic stochastic volatility solution of equation (7). Column (3) indicates the relative error between the maturity values of analytic solution and benchmark simulation. Columns (4) and (5) report the CPU time of simulation and analytic solution for pricing maturity values respectively. Column (6) shows the efficiency of analytic solution over simulation.

CONCLUSIONS

Equity-linked insurance policy with a minimum rate of return guarantee (ELIMG) has become one of the most popular instruments in the life insurance industry. It is of great interest for the insurance policy issuer and buyer about pricing guarantees in these products. By extending the study of Hull and White (1987) and integrates the Taylor series expansion, we have successfully derived a general analytic pricing formula for Minimum Rate of Return Guarantees in Equity-Linked Insurances under stochastic volatility. Numerical experiments show that our analytic solution performs very well and is computationally efficient as benchmarked with large sample Monte Carlo simulations. This paper contributes to the literature and the practical insurance guarantee pricing in the following ways. First, we provide an analytic solution for ELIMG that considers the stochastic volatility features inherent in the underlying assets. Second, our analytic solution is very efficient and accurate compared with the alternative simulation solutions.

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MORTGAGE STRENGTH TRAINING FOR PERSONAL FINANCE STUDENTS: AN ARM EXERCISE

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ABSTRACT

Adjustable-rate mortgages are increasingly important to consumers, but most personal finance textbooks offer students only cursory introductions to these complex instruments. In this paper, I present a relatively comprehensive example that forces students to become familiar with common features and dangers of ARMs. The amortization table-based format of the example makes it easily adaptable to ARMs of almost any level of complexity.

INTRODUCTION

If home ownership is the American dream, then mortgage financing is the American reality. In the olden days, a “mortgage” was a conventional, fixed-rate, 30-year, fully amortizing loan. These days, however, it is often a significantly more complex type of contract, an adjustable rate mortgage (ARM). This is especially true if the loan is in the riskier, “subprime” market, where up to 80% of the mortgages are adjustables, and where borrowers are often “younger, poorer, less well-educated... [and] much less aware of the interest rate risks.” Of course, this is exactly the market currently experiencing the most pain from the housing downturn: as of late 2006, 13% of the subprime market was in default. Some consumer groups are so concerned that complex loan terms and aggressive marketing are leading to default that they are advocating, and Congress is currently considering, requiring lenders to apply a “suitability standard,” verifying that a particular loan type is appropriate for a given borrower.

Regardless of any future requirements for lenders, it is incumbent upon borrowers to be able to assess suitability for themselves. However, the future borrowers who think far enough ahead to take personal finance courses in college are not being adequately prepared to ask the right questions about their adjustable-rate options. Despite the increasing popularity of ARMs and the serious economic ramifications from their misuse, many personal finance textbooks continue the twenty year-old practice of devoting at most two pages to discussing them. Teachers of personal finance are on their own if they want to present the subject more substantively.

In this paper, I present an adjustable-rate mortgage assignment that I use in my personal finance elective. Many of my students tell me that they are highly math-phobic; however, they also report (sometimes years later) that, despite the math, the mortgage section of the course was the most useful for them. I therefore have no qualms about requiring this assignment for all of my students. To prepare, we first discuss the basic features of ARMs, distinguishing between those features that apply to the rate and those that apply to the payment amount. We then do a basic example together in class, after which they tackle the full assignment. (Occasionally I allow them to work in pairs, which reduces any residual stress.) After negotiating the assignment’s amortization table, they are very familiar with the basic variables of an adjustable rate mortgage, and should be prepared to evaluate more exotic, real-world examples (such as option ARMs).

THE ARM ASSIGNMENT

Table 1 summarizes the features of the loan used in the assignment. Using this table as a roadmap, I provide students with detailed descriptions of all of the loan features, as well as background notes and illustrations of how these features are described in actual disclosure documents.

Table 1: Features of the Example Loan

basics	
loan amount	\$425,000
term (years)	30
payments required	monthly
index	COFI
margin	0.75% (75 basis points)
rate information	
initial rate	5.35%
term for initial rate (months)	8
rate reset frequency (after initial rate period)	monthly
lifetime cap	9.5%
lifetime floor (after initial rate period)	4.5%
payment information	
payment reset frequency	semiannually (first at t=7)
frequency for fully amortizing resets	every 18 months (first at t=19)
payment increase cap for other resets	9%
special notes	
extra principal payment made	\$500 at t=12

This table provides the basic inputs for the ARM assignment.

Figure 1 presents an excerpt of the amortization table (the full table considers the first 36 loan payments).

Figure 1. Excerpt from Amortization Table

<u>index value</u>	<u>rate for loan</u>	<u>payment number</u>	<u>payment amount</u>	<u>amount to interest</u>	<u>amount to principal</u>	<u>principal balance</u>
						(a)
5.85%		1	(b)	(c)	(d)	(e)
6.26%		2		\$1,892.66		\$424,040.93
6.75%		3			\$482.74	
6.50%		4		\$1,888.36		\$423,073.29
6.80%		5				(h)
7.21%		6	(f)	\$1,884.03	(g)	\$422,097.00
7.50%		7	(i)			

This figure presents the first few lines of the amortization table for the ARM assignment.

Most of the missing values in the table can be found using some form of one of the following equations:

$$PV_{t-1} = PMT_t * \left\{ \frac{1}{i} * [1 - 1/(1+i)^{360-t+1}] \right\} \tag{1}$$

$$\text{amount to interest at time } t = (i_t) * (\text{principal balance}_{t-1}) \tag{2}$$

$$\text{amount to principal at time } t = PMT_t - (\text{amount to interest at time } t) \tag{3}$$

where PMT_t is the periodic payment required at time t ; PV_{t-1} is the balance remaining on the loan after PMT_{t-1} ; the exponent on the last term of equation (1) is the number of periods remaining in the loan term as of time t (or $[360 - t + 1]$ for a 30-year, monthly loan like ours); and i_t is the effective periodic rate as of time t , which is calculated as:

$$i_t = (\text{index}_t + \text{margin})/m, \tag{4}$$

where m is the number of compounding intervals per year. The paper provides detailed answers for each of the missing values in the amortization table, noting important features such as rate collars. It also highlights critical results, paying special attention to negative amortization.

CONCLUSIONS

The reason 30-year, fixed-rate mortgages are “conventional” is that, conventionally, borrowers had no need for, and did not want, long-term debt contracts whose rates floated. However, after interest rates rose during the late 1970s and early 1980s, ARMs became useful for both lenders and borrowers. However, the economic conditions in which ARMS could be seen as a “win-win” no longer apply. ARMs are hard to justify when rates are low and the yield curve is normal. They continue to exist because lenders like them, not because they are good for borrowers. Borrowers need to be educated about the potential pitfalls of these complex mortgages, so that they can decide for themselves if these hypothetical situations apply to them.

When ARMs were more of a novelty, textbook discussions of them were brief, but often highlighted their potential dangers. Given the current prevalence of ARMs, more recent personal finance textbooks stick to innocuous-sounding positive statements such as “...a payment limit that is less than the amount of interest you owe for the period results in negative amortization.” Textbook discussions of ARMs, however, are still brief, and instructors of personal finance courses should supplement them with more in-depth examples. Students who work through an exercises like the one described in this paper not only learn the nuts-and-bolts of adjustable-rate mortgages, but they discover for themselves the caveats about their use that textbooks may omit.

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A “MODULAR” TAX PROJECT FOR PERSONAL FINANCE COURSES

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ABSTRACT

Students of personal finance expect to learn the basics of the U.S. income tax system. However, most textbooks do not give them the opportunity to practice completing a return in all its glory. In this paper, I present a tax project whose basic framework can be easily extended to include many aspects of personal financial planning. Instructors can include topical “modules” to suit their students’ preferences. They can also readily update elements to adjust to changes in the tax code. Students benefit from working through a relatively thorough simulation of a real-world tax situation.

INTRODUCTION

Students who choose personal finance courses are usually anxious to learn the basics of the federal tax system. However, despite the critical importance of the topic and students’ interest in it, personal finance textbooks seem hard-pressed to offer comprehensive examples. Perhaps this is because the tax code changes too fast, everyone’s situation is unique, or the necessary documentation requires too much valuable space; whatever the reason, many books are content to describe the basic inputs to a tax return, without requiring students to actually complete one.

In this paper, I present a realistic tax project that is both comprehensive and easy to adapt. I use this project as a case study to illustrate the tax implications of topics we cover throughout a sophomore-level open elective in personal finance. Early on, as we discuss the basic framework of the tax system, students concentrate on the big-picture aspects of the project: choosing a form, identifying dependents, and itemizing. As we continue with other topics, students evaluate the tax implications through the project. For example, as we discuss retirement planning, they decide how the family should handle its IRA contributions; as we consider managing college expenses, they weigh the relative benefits of the education credits and the tuition and fees deduction. By the end of the project, they have completed a comprehensive case study demonstrating the tax implications and interactions of a host of personal finance decisions.

Integrating the project into a financial planning course is straightforward. Instructors can easily update the inputs to account for annual changes in the code, and they can add or delete elements of the project according to their needs or time constraints. No matter how basic a version an instructor chooses to use, her students will benefit: completing this project will give them a much deeper appreciation for the tax implications of personal financial decisions than they can gain from a brief textbook problem.

AN EXAMPLE OF A “MODULE”: INVESTMENT RETURNS

In our class, discussion of tax issues relating to course topics boils down to answering these questions: What lines of the 1040 relate to this topic? Are any additional forms or schedules required? How do tax consequences affect my decisions about this aspect of personal financial planning? We consider the first two of these questions here, using investment income as an example.

The 1040 addresses investment gains and losses in the “Income” section, on lines 8 (interest), 9 (dividends), and 13 (capital gains or losses). Each of these lines has a supporting schedule that may be required: Schedule B for interest and dividends, and Schedule D for capital gains. Schedule B is perfectly

straightforward, so I always require students to handle taxable interest. This is a practical emphasis, too, since many student have time deposits that generate taxable income. However, it is less likely that students will have returns from stock investments, so handling these is the project add-on. Not only may considering stocks require Schedule D, it may also lead to the dreaded “Qualified Dividends and Capital Gains Tax Worksheet,” a relatively complex extra step that accounts for the majority of the difficulty of this module.

When describing the tax implications of stock investments, I first start with an overview. After covering the basics, we work through an example. Using information from a 1099-DIV, students complete Schedule D and the worksheet. It greatly helps if students understand the purpose of these forms. Schedule D has three jobs: first, to identify and net all short term gain and losses (part I); second, to do the same for long-term gains and losses (part II); and third, to direct people to the qualified dividend worksheet (and to allow for net overall losses of up to \$3,000 to be offset against ordinary income). The worksheet’s job is to separate investment gains from ordinary income, so that the former can enjoy their low 15% (or 5%) rate. Discussing the missions of these forms is meant to be motivational: for example, filling out the worksheet may be painful, but its goal is to save you money!

One example is usually sufficient to prepare students for the basic investment situation of the tax project. A similar approach works well for other common modules that can be added. For example, when discussing retirement planning, we briefly work through form 8606, “Nondeductible IRAs”; when covering college planning, we consider form 8863, “Education Credits (Hope and Lifetime Learning Credits).” None of these forms is very difficult. However, having to deal with all of them at once can be a challenge. If students have completed a comprehensive project, they will be much better prepared to handle these complex interactions when they must file their own returns.

CONCLUSIONS

Personal finance students want to learn about taxes. However, examples in most personal finance texts are too simplistic to give students an adequate appreciation for our system. Some texts go no farther than asking students to decide whether someone should itemize, given certain expense items (see, for example, Bajtelsmit and Rastelli [2008], who give four expense items; Richards, Cooper, and Fraser [1984], who give ten; and Miller and Stafford [1997], who also give ten). Some books give short tax return templates, with blanks to be filled in from a list of items (for example, Block, Peavy, and Thornton [1988], who use a fifteen-line template and eight expense items). The best coverage that I have seen, in Keown (1998), uses a twelve-item “discussion case” with five associated questions. This is much better than problems based on a simple laundry list, but still does not give students a realistic simulation of the process of completing a tax return.

Another problem with most textbook questions is their avoidance of real-world forms and schedules. Of the books mentioned above, only two show real forms: Keown, who presents the 1040 and Schedule A, and Richards, *et al.*, who show all three returns. However, once printed, these are doomed to be obsolete almost by the time the first students see them (which is probably why more books do not include them). Adding a classroom project that forces students to use actual forms is an important extension of textbook material; it is also easy, since the IRS’s excellent website makes everything immediately accessible.

Given the drawbacks of most textbooks’ coverage of taxes, instructors have a real opportunity to enrich their students’ appreciation of this critical personal finance topic. In this paper, I present a “modular” approach to building a realistic personal tax project. Once students have a fundamental knowledge of the structure of the tax return, information about additional schedules and forms can be incorporated into course discussions about associated topics. This way, the course does not become all taxes, all the time. Arranging the project in sections also makes it easy for instructors to include only the topical modules

that are relevant, and to update the project as rules or students' interests change. Regardless of the level of complexity an instructor chooses, her students will be better off for having actually completed a tax return.

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IS THREE A CROWD? CONSIDERING THE VALUE OF MANAGER DIVERSIFICATION FOR ADDING ALPHA

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ABSTRACT

Creating a portfolio that consistently generates alpha—market-adjusted abnormal returns—is the holy grail of active management. Given that excess returns can come both from manager skill and from luck, some advocates of active management suggest that active funds should be combined into diversified portfolios, eliminating all but “pure” active risk and thereby optimizing the risk-return trade-off. In this paper, we present a simple model of such a diversified portfolio, and show that under certain conditions a portfolio manager actually would be better off by not diversifying.

INTRODUCTION

Active fund managers are paid to deliver excess returns. However, even when they succeed, it is difficult for the portfolio manager who employs them to determine whether these returns were borne of luck or skill. The goal of a portfolio manager who pursues an active strategy is to identify the active fund managers who earn their fees through skill, consistently delivering “pure alpha.” This paper investigates the contention that it is easier to deliver pure alpha by diversifying the active portfolio, reducing active risk without necessarily reducing active excess return.

We present a model of the tradeoff between a diversified portfolio of active managers and a concentrated one. Using the information ratio (the ratio of alpha to active risk) as the evaluation criterion, we find that a portfolio manager’s choice between a concentrated and a diversified portfolio depends upon the proportion of truly skillful managers in the active pool, the correlations among active managers’ returns, and the number of fund managers chosen for the portfolio. If there are too few skilled fund managers or if correlations among the merely lucky are too high, a portfolio manager is better off by not diversifying her portfolio.

THE MODEL

Assume that there are three types of fund managers: passive managers (P), active managers who have no special skill (U), and active managers who are skilled (S). Thus, denoting the type of fund manager by T, we have $T \in (U, P, S)$. The proportions of the three types of fund managers in the market, w_T , must sum to 1. We will assume that, among active managers, there are fewer who are skilled, so that $w_U > w_S$.

Regardless of the return model we adopt, the average risk-adjusted abnormal performance, $\bar{\alpha}$, must equal zero across the full market. Thus, we must have:

$$\bar{\alpha} = w_S \bar{\alpha}_S + w_U \bar{\alpha}_U + w_P \bar{\alpha}_P = 0 \quad (1)$$

For the diversified portfolio, a portfolio manager’s expected alpha and variance will depend upon the proportion of unskilled managers she chooses. Calling this proportion w , and calling the total number of managers used n , we can describe the portfolio characteristics as:

$$\alpha_p = w^*(-w_S/w_U) \bar{\alpha}_S + (1-w) \bar{\alpha}_S \quad (2)$$

$$\sigma_p^2 = n*(1/n)^2*\sigma^2 + n*w*(n*w - 1)*(1/n)^2*\sigma^2*\rho_{UU} \quad (3)$$

The key to the choice between a concentrated portfolio and a diversified portfolio lies in a portfolio manager's expectation about her realization of w , our proxy for her ability to identify skillful fund managers. By evaluating our model's implications about w , we can consider the market factors that imply a payoff to this identification.

We will begin our characterization of w by finding its break-even value, the value of w at which we are indifferent between a diversified portfolio and a concentrated one. This is most easily accomplished by equating the squares of the two strategies' information ratios. Solving for w , we find the following unwieldy expression for w_U^{max} , the break-even proportion:

$$w_U^{max} = \{\rho - 2*n*r + \{\rho^2 - 4*n*[\rho*(r + 1 - n) - r^2]\}^{1/2}\} / 2*n*(\rho - r^2), \quad (4)$$

where r equals $(w_U + w_S)/w_U$, or the inverse of the proportion of active managers who are unskilled. By evaluating the comparative statics of this expression, we can investigate the environmental factors that influence the relative payoff to a diversified portfolio of fund managers. If these factors result in a break-even w that is too low, the portfolio manager may conclude that her skill level is insufficient to expect success in creating a superior, diversified portfolio.

The factors that are most important are r , n , and ρ . We therefore review the effects on w_U^{max} of these three variables. Simplifying equation (4) by defining z as $\{\rho^2 - 4*n*[\rho*(r + 1 - n) - r^2]\}$ and substituting, we find the following results:

$$\begin{aligned} \delta w_U^{max} / \delta r &= [.5*z^{1/2}*(\delta z / \delta r) - 2*n] / (2*n*\rho - 2*n*r^2) \\ &+ (\rho - 2*n*r + z^{1/2}) * 4*(n*r) / (2*n*\rho - 2*n*r^2)^2 < 0 \end{aligned} \quad (5)$$

$$\begin{aligned} \delta w_U^{max} / \delta n &= \\ &\{[-2*r + .5*z^{-1/2}*(\delta z / \delta n)] * (2*n*\rho - 2*n*r^2) - (\rho - 2*n*\rho + z^{1/2}) * (2*\rho - 2*r^2)\} / (2*n*\rho - 2*n*r^2)^2 \\ &> 0 \end{aligned} \quad (6)$$

The partial of w_U^{max} with respect to ρ is quite convoluted, but we can show that $\delta w_U^{max} / \delta \rho$ is negative over the relevant range.

Figure 1 summarizes the major points of this section by plotting w_U^{max} against both ρ and r . The portfolio manager should diversify if she can keep her realized w , the proportion of unskilled managers she chooses, below the "ceiling" defined by the figure in the graph. If her realized w lies above this barrier, she would have been better off with a concentrated portfolio. Diversification is potentially most fruitful when the proportion of skillful managers in the active pool is relatively large, and when the returns of the unskilled managers are correlated less closely.

CONCLUSION

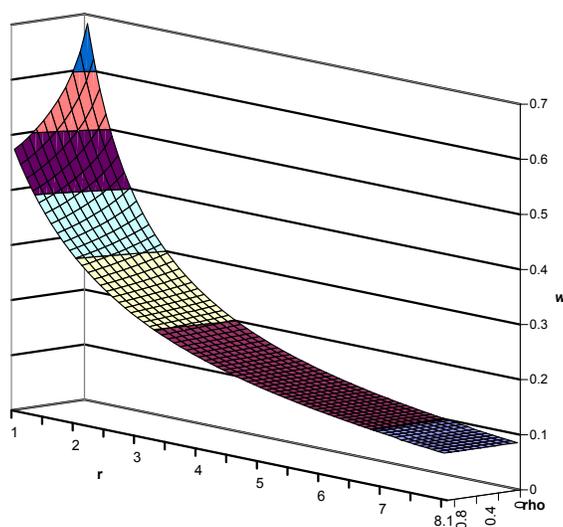
Alpha is an enticing concept. Portfolio managers want to believe that they can add "juice" to their portfolios by adding active managers, just as active managers want to believe they can deliver it. However, the average excess return in the market must be zero. If there are fund managers who can add juice, there must also be those who drain it.

The job of the portfolio manager, should she chose to leave behind the relative safety of indexing, is to identify those fund managers who can deliver alpha because they are skillful, while avoiding those who may simply get lucky. Only the skillful fund managers will be worth what they cost. If a portfolio manager cannot distinguish luck from skill, she should stick with a passive portfolio.

However, even if she does believe that she can identify skillful fund managers, she may not be able to diversify profitably. Waring and Siegel (2003) prescribe that active fund managers should “[b]ias toward diversified portfolios, away from concentration,” and that active portfolio managers should do the same: portfolio managers should “build efficient, or optimized, portfolios of managers just as they should of asset classes.” However, these authors also assume that manager skill levels are “generally equal.” What if they aren’t?

According to Bonafede *et al.* (2004), the “Fundamental Law of Active Management” states that the information ratio is “approximately equal to skill times the square root of breadth.” That is, current institutional practice suggests that we should be able to add breadth through diversification. However, if by doing so we sacrifice skill for size, we lose: skill, not size, is the input that enters the performance expression at full strength.

Figure 1. Effects of Both ρ and r on w_U^{max}



This figure shows that w_U^{max} falls as r and ρ rise.

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BIOGRAPHY

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THE EXPORT POTENTIAL AND THE DISPOSITION TO ASSOCIATION OF THE SMALL AND MEDIUM ENTERPRISES OF THE FOOD AND METAL MECHANIC INDUSTRIAL SECTORS OF THE STATE OF BAJA CALIFORNIA, MÉXICO: AN EXPLORATORY AND RELATIONAL APPROACH

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ABSTRACT

This report presents results derived from an exploratory study, which allows to determine the exportation potential and the disposition to associate encountered in the MSME (Micro, Small and Medium Enterprises) located in three cities of the state of Baja California, México.

The data was gathered from a sample of 157 enterprises established in the food and metal mechanic industrial sectors. The enterprises selected for the study, are distributed among the cities of Ensenada, Mexicali and Tijuana, B. C. The instrument used to obtain the information was a survey designed with items grouped in eight, previously determined, areas identified as essential to accomplish the objectives and interests established in the study. The validation of the instrument, as well as the integration of the database, was done through the SPSS software program.

Among the main results obtained, is the identification of the direct association between the knowledge of the issues related to the exportation process and the size of the company. On the other hand, in reference to the disposition to associate, the results encountered indicates, a low disposition to associate, in the three types of companies (MSME) included in both of the industrial sectors of the study; these findings, establishes the evidences of how important it is, that the organisms responsible for the economic development of the state, design alternatives that, in the promotion of commercial relations, contemplates the cultural factors involved.

Keywords: *Export Potential, Commercial Alliances; Intercultural Collaboration*

THE TWENTY PROFESSIONAL SKILLS FOR THE PRACTICE OF TEACHING

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ABSTRACT

The report presented by Tuning Latin America (Tuning LA), a European Commission Project, in Mexico 2007, points to 27 specific skills in the field of pedagogic training. 78% of these skills belong to the area of didactics, the principles of teaching or the principles of education or the discipline, and there is practically absolute absence of reference to a group of skills that the authors of this paper frame into an area related to production or relevant activities. They are skills that must be taken into account so that future teachers may possess a set of tools to face the uncertainty of the markets where they will spend their working life. But not only teachers but their students, because after graduation they must be prepared for the vicissitudes of the competitive, deregulated, globalized world. The contribution of this paper is to put forward a set of twenty professional skills that all teachers or professors should master so as to successfully perform their teaching-learning process. These skills are closely related to the ISO 9001 standards, educative indicators, scientific research methods at work, new educative models, project planning, curriculum design, TIC application, new assessment systems, social responsibility, teaching coordination activities and integral theoretical-practical training.

ANALYSIS OF THE DIRECTION TO THE MARKET AND THE CULTURE ORGANIZATIONAL OF THE SMALL COMPANIES OF THE GRAPHICS ARTS INDUSTRY

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ABSTRACT

The analysis of the relationship between the direction to the market and the cultural organization of small companies in the graphics arts industry is developed on defined conceptual base, the Values Model Rivals proposed by Quinn and Rohrbaugh (1983). The study has as objective to identify the type of culture that characterizes to industry under analysis. The study the test Kruskal Walli's was used in order to determine that not all the strata register an equal behavior with respect to the median required in the one which each stratum is guided to a form of culture organizational specific. The statistical analysis required the use of tools the procedure of correspondence analysis and the variance analysis (ANOVA) to determine the existence of relationship between market orientation and organizational culture of the arts graphics industry.

The analysis threw that the companies that present a greater direction to the market are guided to the culture organizational enterprising, while in those that register a smaller direction to the market prevails the culture organizational bureaucratic.

Keywords: Culture organizational, direction to the market, competitive advantage, enterprising, competitive, market, bureaucratic and consensus.

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BENEFITS AND POTENTIAL OF ICT ADOPTION AMONG HOTELS AND RESORTS IN LABUAN

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ABSTRACT

The usage of ICT facilities these days seems to be necessary to any organization including hoteliers in Federal Territory of Labuan. ICT adoption can be a choice however, implementation is up to the hoteliers to decide. This paper will scrutinize to the fact whether ICT adoption has indeed proven to be worthwhile and beneficial among hotels and resorts in Labuan. The benefits and potential of ICT were categorizes into broad categories which are customer related benefits, firm related benefits and marketing related benefits. The result indicates that most hotels and resorts in Labuan regardless of their status were aware of the benefits of implementing ICT into their organization and had improved much of the effectiveness and efficiencies of its daily operation. Somehow, these hoteliers are not that confident in adopting advance level of ICT. Therefore, acceptance towards adoption of advanced application among hotels and resorts seems to have a long way to go in this Pearl Island of South China Sea.

DIFFERENCES IN FASHION ORIENTATION BETWEEN U.S. AND AUSTRIAN CONSUMERS

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ABSTRACT

This paper describes the results of a study of fashion behavior of U.S. and Austrian consumers. Subjects from Austria and the U.S. were administered a questionnaire measuring attitudes and purchase intentions concerning fashion apparel. Comparison of the responses from 187 U.S. subjects and 173 Austrian subjects indicated differences in fashion consciousness and decision criteria between the two groups of consumers. However, fashion innovators were found to be similar in both nations. Implications for promotional programs are discussed.

INTRODUCTION

For retail fashion marketers it is essential to understand the shopping behavior of consumers in international markets in order to tailor marketing strategies to their needs before expanding into these new markets. With a market share of 30.8 percent of the global apparel retail industry, the second largest share behind the U.S., which accounts for 33.80 percent of the global apparel retail industry, Europe is an important market for U.S. apparel manufacturers (Apparel Retail in Europe, 2005).

Cross-cultural research on apparel purchase behavior has focused mainly on comparison of consumers from countries of eastern cultures with the U.S. Little research has been done to examine differences between consumers of Western Cultures, especially between the U.S. and European consumers, concerning fashion involvement and apparel purchase behavior. Research that has been conducted in Western Europe has compared fashion involvement and apparel purchase behavior between consumers from the U.S. and the U.K. Due to a common language and similar culture; it is likely that U.K. consumers are more similar in their behavior to U.S. consumers than consumers from other Western European countries. This research begins to fill this void by examining cultural differences in behavior concerning fashion and apparel purchases between consumers from the U.S. and consumers from Austria.

RESEARCH OBJECTIVES

Cross-cultural research suggests that differences exist in fashion consciousness of consumers in different cultures (Phau and Lo 2004, Goldsmith, More, and Beaudoin 1999, Goldsmith and Kilsheimer 1993). Tigert, et.al. (1990) compared U.S. fashion consumers to Danish counterparts and found that U.S. consumers were less fashion conscious and placed more importance on price and convenience. Previous research also indicates that differences exist between fashion innovators and fashion followers. However, there has been little research to indicate if the differences are similar across cultures. The questions this research attempts to answer are:

- Is there a difference between U.S. fashion consumers and European fashion consumers?
- Are fashion innovators in the U.S. different than fashion innovators in Europe?
- Are fashion followers in the U.S. different than fashion followers in Europe?

To accomplish the objectives of this study, a questionnaire was developed to measure antecedents of fashion purchase behavior, behavioral intention toward fashion and apparel purchases, and demographic

characteristics of fashion consumers in the U.S. and in Europe. Fashion leadership was measured using Goldsmith's and Hofacker's (1991) Domain Specific Innovativeness Scale (DSI) consisting of six items. A self evaluation question was included as a manipulation check for the DSI measure. Multiple item scales were also developed to measure fashion consciousness, fashion opinion seeking, purchase motivation, and individuality in fashion. Media usage, purchasing attributes, sources of fashion information, and demographic characteristics were also obtained. The questionnaire was distributed in the form of self-administered print version and an internet-based version to subjects at institutions of higher education in Austria and the United States. Completed questionnaires were received from 360 subjects, 187 subjects from the U.S. and 173 subjects from Europe. The 173 usable returns from European subjects all were from Austria.

STUDY FINDINGS

Using Goodness of Fit tests and Multivariate Analysis of Variance, U.S. subjects were compared to their Austrian counterparts across demographic, attitudinal, and behavioral measures. The study found evidence indicating Austrian consumers are more fashion conscious than U.S. consumers, they use traditional advertising channels more often to be informed about the latest fashion trends, and they use different attributes in their decision process. Attributes of Style, Comfort, Fit, Suits My Personality, and Quality are considered important to one or to both sets of national consumers (assigned 4 or greater on a 5 point importance scale). However, for these criteria rated as most important, significant difference between Austrian and U.S. consumers was found for only comfort. Fiber, Design, and Country were significantly more important for Austrian than for U.S. consumers. Comfort, Durability, Store Image, Price and Brand Name were significantly more important for U.S. consumers.

The study found fashion innovators to be similar in both countries. Innovators and fashion followers were identified using Goldsmith's and Hofacker's Domain Specific Innovativeness Scale. However, fashion innovators differed significantly from fashion followers in both countries. The magnitude of difference was greater between U.S. innovators and followers than between Austrian innovators and followers. Fashion innovators were found to be more fashion conscious, had a higher motivation to go shopping for new clothes and wanted to differentiate themselves in their clothing style from other people. Fashion innovators also spent more money on clothes and went shopping more frequently than fashion followers. Innovators also used media as a fashion information source more often than followers.

No significant relationship was found between age or gender and the two groups of fashion consumers, innovators and fashion followers. This supports findings from empirical studies that found that demographic characteristics did a poor job of distinguishing the fashion innovators from the other fashion consumer groups (Goldsmith et al., 1999).

MANAGERIAL IMPLICATIONS

Findings which indicate no significant relationship between gender, age, and fashion leadership suggest that marketers need to develop advertising strategies that are appealing to both female and male fashion innovators that span multiple age segments. Findings also indicate that innovators can be reached through mass media. Differences between fashion innovators and fashion followers suggest that unique advertising campaigns are necessary to give this segment the feeling of uniqueness in terms of clothing style. The design of unique fashion styles customized for these fashion consumers is critical.

Study findings also imply the use of mass media as advertising channels to target U.S. fashion consumers will be less successful than in Austria and U.S. fashion marketers need to pursue different, more effective ways to market fashionable clothing such as buzz marketing, which has gained importance for a variety of consumer products in the last few years. The differences in the importance of specific decision criteria

for consumers of both countries indicate that it is important for fashion marketers to incorporate different criteria when advertising fashion apparel in the U.S. and in Austria. Store image, price and brand name can be significant competitive advantages for U.S. retailers. However, the findings also indicate that the successful fashion marketer must emphasize style, fit, and quality as these criteria are important to both sets of consumers.

Future research should extend the findings by comparing more consumers across cultures in Western Europe using Goldsmith's and Hofacker's Domain Specific Innovativeness Scale. Also, Eastern European countries offer a great opportunity for European and U.S. apparel retailers to expand their business. Little is known about the differences between Western European consumers, U.S. consumers and Eastern European consumers. Eastern Europe has gained significant importance since a variety of Eastern European countries have joined the European Union. Poland for example has been one of Europe's strongest performing apparel retail industries over the last few years during the run up to the country's entry to the European Union in 2004 (Apparel Retail in Poland: Industry Profile, 2005).

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CORPORATE GOVERNANCE IN TAIWAN

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ABSTRACT

A nation competitiveness and wealth depend on the competitive nature of its corporations. Corporate Governance plays an important role in good corporations. Good corporate governance attracts more local and foreign investors. In contrast, bad corporate governance makes investors back off. Last year there are some scandals and corruptions happened in Taiwan, which make corporate governance under a spotlight again. It is common in Taiwan for control by dominant shareholder. Control is also frequently enhanced through the use of pyramids and multiple control chains. It is important to avoid wrong doing of the manager that embezzles corporate assets for personal use. Is controlling shareholder system bad for corporate governance? Maybe not. According to the examples made by Ronald J. Gilson, Mexico and Sweden are both controlling shareholder system, but they experience different level of private benefit, because the quality of law makes the difference. In order to improve the ranking of Taiwan's corporate governance, Taiwan government did something to emphasize the importance of advocating corporate governance especially in related regulations. This Article will start with the main issues of corporate governance, then focus on the regulations of corporate governance in Taiwan legal system and what are the problems that we still have. I hope those will make our government rethink it.

Key Words: corporate governance, independent director, supervisor

JEL Codes: K22, G34

INTRODUCTION

A nation competitiveness and wealth depend on the competitive nature of its corporations. Corporate Governance plays an important role in good corporations. Globalization is forcing many corporations to tap into international markets and to face greater competition. It reflects the issue of the major topic in the global financial market and the importance for corporation to raise capital. Good corporate governance attracts more local and foreign investors. In contrast, bad corporate governance makes investors back off.

Why is corporate governance so important? It is from the separation of ownership and control of corporate insiders and outsiders. The interest of those control over a firm can differ from the interest of those invest it. Generally, it is hard for the investors to get enough information to monitor the management. Therefore, if there is no proper governance supplies, asymmetries of information and difficulties of monitoring mean that the investors who lack control over the corporation will find it risky and costly to protect themselves from the misconduct of managers or controlling shareholders. (Iskander and Chamlou, 2000)

Generally, corporate governance is divided by shareholders distribution – a high level of ownership (is termed as an insider system) and widely dispersed ownership (is termed as an outsider system) (Berndt, 2000) The U.S. is always treated as the widely distributed ownership. Sweden is in the opposite side. (Becht, 2003) But there is report showing that in the U.S. 34 percent of the S&P 500 companies with founder family equity ownership, whose holding average 18 percent. (Anderson, Mansi and Reeb, 2003) Therefore, Ronald J. Gilson has different point of views. He divides it into functionally good laws and functionally bad laws. Good laws (both widely-held and efficient controlling shareholder system) limit the level of private benefits of control, proper monitoring and protect minority shareholders. Then the U.S. and Sweden are in the same side, but Mexico and Sweden are both controlling shareholder system,

but they experience different level of private benefit, because the quality of law makes the difference. They are in different side. (Gilson, 2006) Therefore, law is important for corporate governance.

CORPORATE GOVERNANCE IN TAIWAN

Cross shareholding is a big problem in Taiwan, because most business started from a primary and gradually diversified into other segments. Diversification would bring business expansion, efficiency, strategic alliance, and risk segregation for the controlling shareholders. Subsidiary companies are set up as investment companies to buy their parent companies. When subsidiary companies are elected as the directors or supervisors of the parent companies, the individual directors or supervisor will sell their shares but remain on the Board and participate in decision making as representatives of the subsidiary companies. This is unfair for the non-controlling shareholders. Before 2001, it is not prohibited for cross shareholding between parent and subsidiary companies in Taiwan. In 2001, the Company law did some amendments about cross shareholding. The subsidiary company shall not purchase the shares of the parent company. (Article 167III of Company Law) and the voting power is limited if the shares of a holding company that are held by its subsidiary company. (Article 179 of Company Law) But there is still the other problems. Since the limitations are applying to those holding more than one half of the total number of voting shares or the total shares equity of such a subsidiary company. According to a research made by Y.H.Yeh, one can get the control of one company by only 20% of voting shares in Taiwan(Yeh,2003; Yeh and Woitdke 2005).

Besides, why it is so popular for the controlling shareholder likes to invest by incorporation. Since governmental or institutional investors may have more than one representative and Company Law does not restrict different representatives of the same institutional shareholders from being elected as directors and supervisor irrespectively. (Article 27 II). But having the same institutional shareholder acting concurrently as director and supervisor greatly affects the fundamental function of supervisors.

Now it has been changed the second part. According to the new provisions—Article 26-3 of Securities& Exchange Act, where institutional investor acts as a shareholder, governmental or institutional investors may not assign representative be elected as a director or supervisor at the same time. But it is still unfair for a natural person to invest, since a natural person just has one representative be elected. In fact, it was asked to amend many times, but it didn't succeed, since the enterprise has great power over the Legislature Yuan. The big crisis like Enron happening in Taiwan is Rebar Group – the Wang family. The Wang family use a lot of the loopholes to get what it wants .

Independent Directors

Small- and medium- sized corporations are the majority corporation style in Taiwan. Most of the boards members of those corporation are family-related or business association. Because they have substantial control in shareholders meeting. Even when the company goes public, it is still controlled by family member. As what I mentioned before, the family get control right by cross shareholding. If the family member commits moral hazard to take advantage of the company, minority shareholders will be very difficult to prevent it from happening.

In the U.S., the most prominent governance mechanism is the board of directors, whose duty is to represent the shareholder. The board characteristics affect the board's effectiveness and that include board size, independent and composition.(John and Senbet 1998) The independence of directors was considered important in determining the monitoring capabilities of a board. (Borokhovich, Parrino and Trapani,1996) The legal basis of corporate governance in Taiwan arises from the Company Law. The basic regulatory model of corporation in Taiwan is two-tier structure that consists of Board of directors, Supervisors and Shareholders Meeting. Shareholders elect directors and supervisor(s) by shareholders meeting. Supervisor(s) is the important organ designed to monitor the board accountable to capital providers for

the misuse of firm assets. But in order to meet the international standard, independent directors are asked to put into the board.

Independent directors first appeared in Taiwan in 2002. Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings asked every public company applying for listing should have at least 2 independent directors and one of the independent directors must be an accounting or finance expert. In 2006, independent directors were asked in Securities and Exchange Act. According Section I of Article 14-2 of Securities and Exchange Act, "A company that has issued stock in accordance with this Act may appoint independent directors in accordance with its articles of incorporation." The Competent Authority - Financial Supervisory Commission, Executive Yuan has asked some companies those must have 2 independent directors, including: financial holding companies, banks, insurance companies, securities companies of financial holding company's subsidiary, and listing companies of non- financial industry whose actual capital up to NT\$500 hundred million.

Actually there are a lot of arguments about whether independent director is suitable for Taiwan's companies or not. From the view points of those propose independent directors, the major concerns include:

Independent directors are different from supervisor. Independent directors are member of the board, they can provide their opinions and participate the decisions that the board made.(Lin, 2006)

Since most corporations in Taiwan are controlling-minority structured. It is necessary to have independent directors to represent the other shareholders.(Yeh, 2003)

Now the accountant and manager are appointed by the board. If there are committees composed by independent directors to decide the nomination and remuneration of accountant and manager will be much better.

For those oppose the independent directors, the reasons are:

Taiwan is two-tier structure and it is different from one-tier structure of the U.S.. Therefore , we should focus on how to let supervisor do its job properly.

Supervisor is supposed to be independent. It shouldn't have other independent person do supervisor's job.(tseng,2003)

Even though there are different opinions, there are something that is the government need to rethink. The independent directors might help shareholder to monitor the management. Whether they can do their job independently is a big question. Now we do have "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" ,but the nomination system for the directors are all the same, which means the independent directors still need controlling shareholder's support to be elected. In practice, a lot of companies' independent directors are the board member's or manager's friends. Besides in our Securities and Exchange Act just ask having the audit committee, no nomination and remuneration committees. It is hard for independent directors to function well enough.

CONCLUSION

Corporate governance is an urgent need for countries and corporations. Good laws provide a base for good corporate governance. These years Taiwan government did amend regulations to meet international standards. But there are still a lot of loopholes which needed be corrected. We can't just copy one idea – independent directors, and left others. After Having independent directors, Committees are important in

the board. Now only audit committee is required, but nomination and remuneration committees are also important. Governmental or institutional investors may have more than one representative is also a big problem. In order to let Taiwan enter into the World Trade Organization, having a good law and catching up international practical standard are Taiwan government priority job.

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HOW WOULD A POSSIBLE U.N. SANCTION AFFECT THE IRANIAN ECONOMY?

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ABSTRACT

Though Iran's economy has experienced various types of sanctions during the post revolution era and in the recent war with Iraq, the latest series of economic sanctions by the U.N. Security Council, based on Resolutions 1737 and 1747, seems to have adversely affected the Iranian economy in a multi-faceted manner. These sanctions have led to a higher inflation rate, rationing of gasoline, lower non-oil exports, and less foreign direct investment. A major difference between the current sanctions imposed by the U.N. Security Council and those imposed during the war is that recent sanctions are in some ways supported by the international community, which places greater pressure on the Iranian economy, effectively tying the hands of policymakers and encouraging them to react in a more accurate way. However, Iranian authorities believe that since economic sanctions have already been imposed on Iran and the country has weathered these hardships in the past, it is able to minimize any negative outcome of new sanctions. For example, sanctions have increased the country's self-sufficiency, and have led to reallocation of resources into development projects. Nonetheless, certain opportunity costs are associated with these positive aspects. The sanctions affect Iranian economy through different transmission mechanism channels. The most important ones that we emphasize in this paper are inflationary expectations, exchange rate volatility, financing surcharges, real estate prices, foreign direct investment, total factor productivity, and economic growth.

Keywords: Economic sanction, monetary transmission mechanism, inflationary expectation, financing surcharges, total factor productivity (TFP), and foreign direct investment (FDI).

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WORK VALUE AND ITS IMPACT ON ORGANIZATIONAL COMMITMENT AND SATISFACTION: A COMPARISON AMONG MALAYSIA, PHILIPPINES AND MEXICO

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ABSTRACT

This study focuses on the comparison of work values among employees at Korean electronics companies in Malaysia, Mexico, and Philippines to empirically test the 'convergence or divergence' hypothesis in international human resource management. It compares ten Hofstede work values in three countries using MANCOVA and subsequently ANCOVA analyses. In general, the employees in each country tend to evaluate those work values quite differently from the other samples. Findings show that there are not only interregional (ASEAN vs. Latin) differences but also intraregional (Malaysia vs. Philippines) differences for most work values. The results clearly support the divergence argument in international human resource management. The paper also investigates the relationship between Hofstede work values and affective commitment, continuance commitment, and satisfaction of local employees. Multiple regression analyses suggest various dynamic relationships between work values and commitment and satisfaction depending on value type. The study confirms that the relationship between work values and commitment and satisfaction is quite different among the three countries, which again supports the 'divergence' argument. Analyses also indicate that subsidiary managers in those countries need to better address to such specific issues as improving working environment, promotion, and job diversity to improve the commitment and satisfaction of local employees.

THE RISK-RETURN RELATIONS IN THE SHANGHAI AND SHENZHEN STOCK MARKETS

Wai-cheong Shum, The Open University of Hong Kong

ABSTRACT

This paper examines the risk-return relations in the Shanghai and Shenzhen stock markets using a conditional model based on up and down markets. Beta is found significantly and positively (negatively) related to realized returns conditional on up-market (down-market) periods. Unsystematic risk is significantly and positively priced in up markets in the above two stock markets and is significantly and negatively related to realized returns in down markets of Shanghai stock market, indicating that investors in China, particularly in up markets, take an aggressive investment approach or do not hold diversified portfolios, and so not diversified enough. Furthermore, total risk (kurtosis) plays a significant role in pricing Shanghai (Shenzhen) stock returns during up-market periods. Skewness, however, is found not to be related to realized returns in both stock markets, implying that investors may have a poor concept of skewness and/or they are too aggressive during bullish markets and so they do not recognize the benefit of positive skewness.

JEL: G12/G15

AN EXAMINATION OF THE INTERNATIONAL RISK- RETURN RELATIONS IN DEVELOPED AND EMERGING STOCK MARKETS

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ABSTRACT

This paper examines the risk-return relations in developed and emerging stock markets conditional on up and down markets periods. Beta is found significantly and positively (negatively) related to realized returns in up (down) markets in both developed and emerging markets. The same results are found for unsystematic risk and total risk during up and down markets of developed countries, providing evidence that investors in developed markets do not hold well-diversified portfolios. Unsystematic risk is also priced when world market excess returns are positive in emerging markets. However, there is no evidence that international investors prefer positive skewness but dislike kurtosis. Subsidiary results highlight that there is no seasonal effect in the conditional relation between beta/ unsystematic risk/ total risk and returns.

JEL: G12/G15

WATER RELATED FINANCIAL BUSINESS AND BUDGET ALLOCATION BASED ON COMBINED USE OF SINGLE AND MULTI CRITERIA METHODS

Bojan Srdjevic, University of Novi Sad-Serbia
Zorica Srdjevic, University of Novi Sad-Serbia
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ABSTRACT

A possible model for aggregating two different optimization techniques in search for positive synergy between multiple participants in water related decision-making business is presented. The first is standard Linear Programming (LP) which belongs to single criteria optimization tool, and the other is Analytic Hierarchy Process (AHP), a supporting tool to the decision-making process for hierarchically structured problems. The later can be considered as an optimization method in wide multicriteria sense. The role of AHP is to generate weights in criteria functions of the LP models, while LP models are created for each individual participant involved in water related business and decision-making process. By combining two different approaches, allocation of efforts as qualitative resource, and associated financial budgets as quantitative resource are optimized for each participant taking into consideration their a priori preferences in allocating financial budgets for technical and managerial human resources.

The final relative LP model is created and optimized after scalarization of criteria functions and re-composition of constraints in initial individual LP models is completed. This way the positive synergy is searched for, regarding (optimal) allocation of both joint efforts and financial budgets. A case study example in Serbia is used to demonstrate possible approach in motivating three key players in vital issues related to operation and long life of small scale water system. Allocation segments considered are: (1) increase of system's attractiveness for national and international investments; (2) establishment of stable development and operation of the system; and (3) cost reduction by merging technical and managerial human resources.

Keywords: water business, financial budget, LP, AHP, synergy.

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REPORTING BASES IN THE CZECH REPUBLIC: COMPARISON OF IFRS AND CZECH GAAP REQUIREMENTS

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The globalization and the expansion of markets, as well as the general progress in the technologies available have brought new problems to the compilation of financial reports and to the ascertainment of trading income of supranational corporations and groups in accordance with statutory regulations of countries involved. From the year 2005 should public listed companies in the Czech Republic report under IFRS framework, while the non-listed companies still report under Czech accounting principles. This duality may lead to discrepancies with respect to the identification of free cash flow, which is considered the basic information required for the income-based business valuation. The subsequent text therefore deals with the basic difference in the identification and valuation of assets and liabilities in listed companies (which report under IFRS) and non-listed companies (which report under Czech regulations).

Without common accounting standards, there could be 27 different national methods of accounting, in addition to the use of IFRS and of US GAAP which is permitted by some EU countries (Whittington, 2005, p. 129). Brown and Tarca (2005, p. 201) warn that “the future of the IASB is tied to the successful introduction of IFRS in Europe”. The EU motivates the regulation by referring to the enhanced international comparability and transparency of financial statements and improved access to the international capital markets resulting from IFRS usage (Cuijpers and Buijink, 2005, p. 519).

In the year 2002 the Council issued Regulation 1606/2002 whereby it stipulated certain duties on the part of companies listed on European stock exchanges to compile their consolidated accounting statements in accordance with IFRS. Therefore beginning in 2005, a large number of listed enterprises, exhibiting significant heterogeneity in size, capital structure, ownership structure and accounting sophistication, started to apply international standards for the first time. The demand for detailed application guidance will increase substantially, as will the demand for uniform financial reporting enforcement throughout the European Union. Schipper (2005, p. 122) states “if the IASB declines to provide detailed implementation guidance for IFRS, I predict that preparers and auditors will turn elsewhere, perhaps to US GAAP or perhaps to jurisdiction-specific European GAAP, for that guidance”.

In addition to the use of IFRS by listed companies, many countries adopt international standards for unlisted companies or model their domestic standards on international standards. The Australian government has decided to adopt international standards for the statutory accounts of all domestic companies from 2005, and New Zealand has indicated the year 2007. A recent survey by Deloitte and Touche (2003) suggests that more than 90 countries will either require or permit IFRS for listed companies by 2005. This provides an interesting example for those who argue that accounting standards should be left to competition in the marketplace (e.g. Watts and Zimmerman, 1986).

The requirements for group listed enterprises to prepare IFRS reports from 2005 is established in most transitional economies, but it is still unclear to what extent other enterprises will prepare IFRS financial statements. Concerns about the lack of suitably trained accountants and auditors and the lack of efficient markets to ensure reliable fair values for the IFRS financial statements, have already been expressed (Eccher and Healy, 2000; Sucher and Alexander, 2002). This may cast doubt on whether the financial statements issued under IFRS will be reliable. Indications are that in most of the transitional economies of Eastern and Central Europe, other non-listed enterprises will not have to prepare financial statements according to IFRS (Sucher et al., 2005, p. 574).

In the Czech Republic, values are usually measured through historical prices, while donated or gratuitously procured assets are measured by reproduction acquisition price which is the approximate equivalent of the reproduction cost as defined by IFRS. Under certain circumstances, also the realizable value and the fair value also may be used as the measurement bases for financial accounting. At the same time, Czech regulations virtually ignore measurement methods based on present value (Strouhal, Židlická, 2007, p. 46).

Firms with international stock exchange listings face additional capital market pressures (Meek et al, 1995) and stock exchange requirements (Cooke, 1992) that may lead them to increase their level of disclosure. Investors demand information about the domestic operating environment and domestic accounting regulations of foreign listed firms (Nobes and Parker, 2002). Many stock exchanges around the world allow foreign registrants to prepare their financial statements according to IFRS or US GAAP. Prior studies show that the level of disclosure (Cooke, 1992; Meek et al., 1995) and the probability of using non-local GAAP (El-Gazzar et al., 1999; Murphy, 1999; Ashbaugh, 2001; Dumontier and Raffournier, 1998; Leuz and Verrecchia, 2000; Leuz, 2003) are positively associated with the number of foreign stock exchange listings of a firm. The impact on financial reporting of cultural differences has been well documented (Nobes and Parker, 2002, pp. 18-19; Radebaugh and Gray, 2002, pp. 42-48). There may be more disclosure by UK or US companies that have a culture of disclosure of information than by companies that have not traditionally aimed to produce especially transparent financial statements (e.g. companies from transitional economies such as Czech Republic).

The most significant problem of financial statements and items shown is the complete inconsistency of measurement bases and the application of the historic (acquisition) cost, fair value and the present value (Buus, Strouhal, Brabenec, 2007, p. 36). At present, the principle of measurement based on the historical cost fades out as it is being gradually replaced by the IFRS trend of reporting fair values, which are, however, difficult to measure in less transparent markets. At the same time, the reporting based on fair value includes a hidden danger of future volatility of such values and the consequent impact of the changes on financial statements.

Jindřichovská & McLeay (2005) states that “the Czech market is similar to more developed markets, at least in one respect: There is statistically significant evidence of different market effects of profits and losses, in that profits are more persistent than losses. However, contrary to the findings in more developed markets, there is no statistically significant evidence of earnings conservatism in the Czech market” (p. 635). These results are most probably due to the continuing influence of restrictive tax regulations that mitigate any tendency towards conservatism, as well as the transitional nature of the economy. In conclusion, if changes in market prices signal good news and bad news about future risky outcomes, there is no evidence of asymmetry in the Czech market in accounting for such risks.

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CAUSALITY BETWEEN TAX REVENUE AND GOVERNMENT SPENDING IN MALAYSIA

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ABSTRACT

The trend of tax collection in Malaysia is inconsistent dependent on the situation for that particular year. However, for the duration of 30 years, the total collection shows an increment trend except for where there is an irregular of economic and political condition in the world. It is true that total tax revenue has always become a major contribution to the sources of Malaysia's federal government revenue. Other than that income tax is one of the surest way to make sure the government fund is available for spending. Government revenue has been classified to tax revenue, non tax revenue and non-revenue receipts. Basically, in Malaysia, tax revenues include both direct and indirect taxes. Therefore, the main objective of this study is empirically tests the causality between tax revenues and government spending in Malaysia for the past 36 years by applying an econometrics modeling. Finally, the results provide evidence for the existence of long-run relationship between tax revenues and government spending with unidirectional and bidirectional causality in VAR models for the sample period 1970-2006.

Keyword: tax revenue, government spending, Granger-causality tests.

INTRODUCTION

Taxes in the region have been, and still are an important source of government revenue and become the most dependable fund to the government spending. Despite of uncertainty in world economy, revenue collection during the Plan period projected a growth with cumulative for five years collection around RM470,000 million. As revenue collection increasing, government spending also shows an increasing amount. However unexpected results shows where an overall deficit has dropped from a high of 5.8% of GDP in 2000 to 3.8% by the end of 2005 (Economic Report, 2005/2006). Again, it is expected that in 2007 economic growth is remain strong with GDP estimated to grow again to 5.8%. The encouraging of this economic performance has been accompanied by an improved collection in revenue especially from petroleum related revenue. Table 1 draws public sector accounts to illustrate the financial position of Malaysia government over a period of 2001 to 2007.

Table 1: Federal Government Finances, 2001-2007 (in billions)

	2001	2002	2003	2004	2005	2006	2007 ^a
Total Revenue	79.5	83.5	92.6	99.4	106.3	123.5	134.8
Current Expenditure	63.7	68.6	75.2	91.3	97.7	107.7	113.0
Development Expenditure	34.2	35.0	93.4	28.9	30.5	35.8	44.5
Overall	-18.4	-20.2	-21.0	-19.4	-18.7	-19.1	-20.2

Note: ^a Forecast

Source: Department of Statistics Malaysia, 2007

LITERATURE REVIEWS

Discussions and studies on the determination of growth have remains one of the most significant and popular topics for economists and policy makers. One tenet of taxation is its distorting effect on economic behavior either directly or indirectly. The discussion concerning relationship of tax with growth in either the short run or long run has been widely discussed by economist and the researcher where study shows that there is significant relationship between tax revenue and spending growth in the long run. Loganathan

and Taha (2007) findings have approved this where there is a consistent relation between revenue and spending.

While discussing on revenue view, Wang (2007), Padovano and Galli (2002), and Brown (2002) agreed that tax has significant impact on economic growth. In fact Padovano and Galli has verify the robustness of the correlation between tax variables and growth by progressively include additional policy and control variables in the growth regression. Erbil (2001) has proved it where result from his study shows that trade tax has become a significant source of government revenue.

The determination of the causal ordering between these two macroeconomic aggregates has important implications for fiscal policy and the concomitant determination of budgetary balances. This is particularly true for the countries that participate in the euro zone and thus fall under the provisions of the stability and growth pact (Kollias and Paleologou, 2006). Besides an increase in monetary growth associated with an increase in government consumption results in crowding out both private consumption and private investment, and this in turn reduces the growth rate of the economy (Ghosh and Mourmouras, 2001).

THE DATA AND MODEL SPECIFICATIONS

This study utilizes yearly direct tax revenues, indirect tax revenues, non-tax revenues and government spending of Malaysia, covering the sample period of 1970 to 2006, with 36 observations each of the variables. The data are obtained from Malaysia's Department of Statistics (DOS) and World Development Indicators Database by the International Monetary Funds (IMF).

Unit Root Tests

It is important to determine the characteristics of the individual series before conducting the cointegration analysis. Many studies have shown that most macroeconomics time series are not stationary, rather stationary with a deterministic trend. This creates a problem for econometricians since in the conditions of non-stationary data the normal properties t-statistics and Durbin Watson statistics (DW) and measures such as R-squares break results. To test the order of integrations, we used Augmented Dickey-Fuller test (ADF), Phillip-Perron test (PP) and Kwiatkowski et al. test (KPSS). It is widely acknowledged that ADF and PP tests are not very important in distinguishing between a unit root and a near unit root case. To complement ADF and PP tests, we employ the KPSS test proposed by Kwiatkowski et al. (1992). KPSS test assumes that the null is stationary against the alternative that the variable does have a unit root.

Johansen and Juselius Cointegration Test

Granger (1969) proposes the concept of cointegration and, Engel and Granger (1987) make further discussion in depth. The components of the vector X_t are said to be cointegrated of order d , b , and denoted by $X_t \sim CI(d,b)$ if (i) X_t is $I(d)$ and (ii) there exists a non-zero vector α such that $\alpha' X_t \sim I(d-b)$, $d \geq b \geq 0$. The vector α is called the cointegrating vector. Cointegration suggests that there exists the long-run equilibrium relationship linking these variables, or they tend to move together over time. Therefore, cointegration reveals long-run effects between time series variables. In this study, we employ Johansen and Juselius (JJ) cointegration test. The JJ cointegration approach suggests an alternative method to perform the cointegration test. This JJ method is presently widely used and takes the form of following equation:

$$\Delta Y_t = \prod Y_{t-1} + \sum_{i=1}^{p-1} \Gamma_i \Delta Y_{t-i} + B X_t + \varepsilon_t \quad (1)$$

Where, $\prod = \sum_{i=1}^p A_i - I, \Gamma_i = -\sum_{j=i+1}^p A_j$, Y_t is a k -vector of non-stationary $I(1)$ variables, X_t is a d -vector of deterministic variables, and ε_t is vector of white noises with zero mean and finite variance. The number of cointegrating vectors is represented by the rank of the coefficient matrix Π . Johansen’s method is to estimate the Π matrix in an unrestricted form, then test whether one can reject the restrictions implied by the reduced rank of Π . The likelihood ratio (LR) test for the hypothesis that there are at most r cointegration vectors is called the trace test statistic. It is to be noted that the variables under consideration should have identical orders, and in particular are integrated of order one (Engle and Granger, 1987). Testing for cointegration of the type $CI(d,b)$ for $b < d$ are not of primary interest, since for $b < d$ the cointegrating vector is not stationary and does not have a straightforward economic interpretation (Charemza and Deadman, 1997).

Granger Causality Tests (VAR Approaches)

When in a regression equation we say that the explanatory variable X_t affects the dependent variable Y_t we indirectly accept that variable X_t causes variable Y_t , in the sense that changes in variable X_t induce changes in variable Y_t . In most cases, the direction of causality is not known and various tests have been suggested to identify the direction. The most well-known test is the one proposed by Granger (1969). This test being based on the premise that the future cannot cause the present or the past utilizes the concept of the Vector Autoregressive model (VAR). Let us therefore consider the two variables, X_t and Y_t VAR(k) model:

$$Y_t = \alpha_{10} + \sum_{j=1}^k \alpha_{1j} X_{t-j} + \sum_{j=1}^k \beta_{1j} Y_{t-j} + \varepsilon_{1t} \tag{2}$$

$$X_t = \alpha_{20} + \sum_{j=1}^k \alpha_{2j} X_{t-j} + \sum_{j=1}^k \beta_{2j} Y_{t-j} + \varepsilon_{2t} \tag{3}$$

With respect to this model we can distinguish the following cases:

- a) If $\{\alpha_{11}, \alpha_{12}, \dots, \alpha_{1k}\} \neq 0$ and $\{\beta_{21}, \beta_{22}, \dots, \beta_{2k}\} = 0$, there exists a unidirectional causality from X_t to Y_t , denoted as $X \rightarrow Y$.
- b) If $\{\alpha_{11}, \alpha_{12}, \dots, \alpha_{1k}\} = 0$ and $\{\beta_{21}, \beta_{22}, \dots, \beta_{2k}\} \neq 0$, there exists a unidirectional causality from Y_t to X_t , denoted as $Y \rightarrow X$.
- c) If $\{\alpha_{11}, \alpha_{12}, \dots, \alpha_{1k}\} \neq 0$ and $\{\beta_{21}, \beta_{22}, \dots, \beta_{2k}\} \neq 0$, there exists a bidirectional causality between X_t to Y_t , denoted as $X \rightleftarrows Y$.

In order to test the hypotheses referring to the significance or not of the sets of the coefficients of the VAR model equations (2) and (3) the usual Wald F-statistics could be utilized.

EMPIRICAL RESULTS AND DISCUSSIONS

Table 2 summarizes the outcome of the ADF, PP and KPSS tests on all four variables in this study. The null hypothesis tested is that the variable under investigation has a unit root against the alternative that it does not. In each case, the lag-length is chosen using the Akaike Information Criteria (AIC) and Kwiatkowski et al. (1992) after testing for first and higher order serial correlation in the residuals. In the first half of Table 2, the null hypothesis that each variable has a unit root cannot be rejected by both ADF and PP tests, but the KPSS test rejected the unit root hypothesis:

Table 2: Unit Root Tests

Variables	ADF Test (τ)		PP Test (Z_t)		KPSS Test (η)	
	Level	First Differences	Level	First Differences	Level	First Differences
GS	-1.53(2)	-3.77(1)*	-2.27[0]	-4.22[0]*	0.14[4]	0.11[1]
DTR	-1.68(0)	-4.78(0)*	-1.64[2]	-4.79[1]*	0.13[4]	0.06[1]
IDTR	-2.18(0)	-5.43(0)*	-2.34[3]	-5.43[1]*	0.15[4]**	0.05[3]
NTR	-1.38(1)	-8.50(0)*	-0.82[2]	-8.47[1]*	0.15[5]**	0.08[2]

Note: Figures in parentheses indicate the lag length. Asterisks (*) and (**) denote statistically significant at 1% and 5% significance levels, respectively.

However, after applying the first difference, both ADF and PP tests reject the null hypothesis, but the KPSS test does not. Since the data appear to be stationary by applying the ADF and PP tests in first differences, no further tests are performed. We, therefore, maintain the null hypothesis that each variable is integrated of order one $I(1)$. Given the results of unit roots, we now apply the Johansen techniques to test for cointegration between the variables within a VAR model specification. The results of testing for the number of cointegrating vectors are reported in Table 3, which presents both the maximum eigenvalue ($\lambda_{\text{Max-Eigen}}$) and the trace statistics (λ_{Trace}).

Table 3: Johansen's Cointegration Tests

Null Hypotheses	Maximum Eigenvalue	$\lambda_{\text{Max-Eigen}}$ [k=1,r=0]	Critical Value (5%)	Critical Value (1%)
R=0	0.45	21.36	27.07	32.24
R≤1	0.29	12.35	20.97	25.52
R≤2	0.18	7.11	14.07	18.63
R≤3	0.09	3.38	3.76	6.65
Null Hypotheses	Maximum Eigenvalue	λ_{Trace} [k=1,r=0]	Critical Value (5%)	Critical Value (1%)
R=0	0.45	44.21	47.21	54.46
R≤1	0.29	22.84	29.68	35.65
R≤2	0.18	10.49	15.41	20.04
R≤3	0.09	3.38	3.76	6.65

Note: Asterisks (*) and (**) denote statistically significant at 1% and 5% significance levels, respectively.

The cointegration results in Table 3 are obtained using a VAR specification where the variables and the cointegration space contain linear trends and the results does not indicates any cointegrating vectors. Therefore, the results in Table 3 indicate that the results is now completely identified a long-run relation equilibrium relationship and, indicating the speed of adjustment of each variable to the long-run equilibrium states. In order to examine the long-run causal relationship, we test for Granger-causality using block exogeneity Wald tests as been reported in Table 4:

Table 4: VAR Granger-Causality (Block Exogeneity Wald Tests)

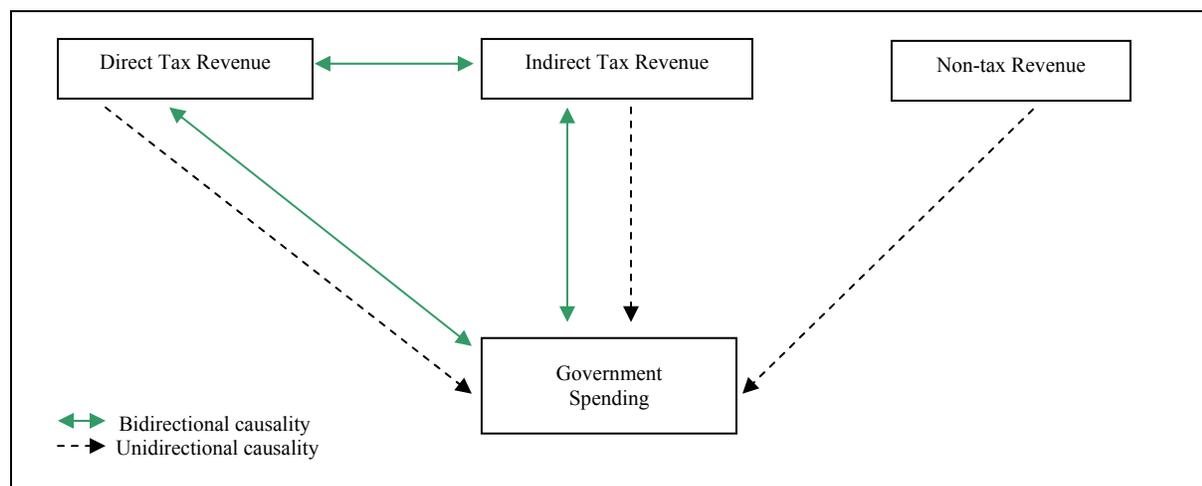
	GS	DTR	IDTR	NTR
GS	–	0.51 [0.47]	4.77* [0.02]	1.52 [0.21]
DTR	8.83* [0.00]	–	38.53* [0.00]	1.64 [0.20]
IDTR	0.24 [0.62]	0.45 [0.50]	–	0.69 [0.40]
NTR	1.57 [0.21]	0.00 [0.98]	0.05 [0.81]	–

Note: *(**) indicates statistical significance at the 1%,(5%). Figure in [] stands for probability value.

The Granger-causality tests conducted above are conducted using a joint F-statistic for the exclusion of variable from one equation as illustrated above in a simple matrix form. The results of these tests indicate that Granger-causality is running in both directions between government spending and tax revenues.

Thus, in contrast with the neo-classical argument that tax revenues is neutral to growth, our results for Malaysia are consistent with the view that direct and indirect tax revenues does have a causal impact on government spending. Our results are also in line with findings by Cunat and Maffezzoli (2007), Creedy and Gemmell (2004), Koch et al. (2005), and Sinha (1998) who obtained similar results on other countries. Figure 1 clearly shows the Granger-causality directions between government spending and tax revenues in Malaysia (Figure 1):

Figure 1: Granger-Causality Effects



CONCLUSIONS REMARKS

This study finds that there was bidirectional Granger-causality running from direct tax revenues, indirect tax revenues to government spending, but no unidirectional Granger-causality running between non-tax revenues and government spending. This supported the results of financial analysis in Malaysia where direct tax has become the major portion of government revenue followed by indirect and non-direct tax revenue. These results indicate that reducing direct and indirect tax rates may lead to a fall in government spending in the future, but as these results may suffer from the omission of other relevant variables. In addition non-tax revenues seem less important contributor to the successfulness of country's growth rather than direct and indirect tax. Therefore, future research should attempt to incorporate more relevant variables in the analysis.

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BIOGRAPHY

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EFFECT OF DIVIDEND ANNOUNCEMENT ON SHAREHOLDERS' VALUE: EVIDENCE FROM SAUDI ARABIAN STOCK EXCHANGE

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ABSTRACT

Literature suggests that dividend payments have no impact on shareholders' value in the absence of taxes and market imperfections. Hence, companies should invest excess funds in positive net present value projects instead of paying out them as dividends. Literature also suggests that market valuation of stocks depends on the expected future dividends. If company pays out all of the earnings, funds for future investment will decrease and dividend may not increase in the future. Moreover, when dividend is taxable, paying out more cash would increase the shareholders tax liability. Despite, companies often pay cash dividends to the shareholders possibly to signal any information about the future earnings prospects. Our empirical results based on 178 announcements of dividends between 2001 and 2005 in Saudi Arabia, a non-tax economy, showed that investors lost about 2.20 percent of market value after the dividend announcement, although the lost value is recovered from the cash dividend received, and they earned about 7 percent of net cash return after recovering the loss of market value. Sub-sample analyses showed that announcement of dividend increase may not signal any good information, while the announcements of dividend decrease and dividend initiation (first-time dividend) may contain information, although the information signal of the dividend initiation is somewhat weaker.

THE REALITY OF THE “VIRTUAL WORLD”!

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Online communities are altering the dimensions of the world as we know it. The internet has given us a parallel existence where entire cities and organizations exist virtually and life goes on as it would in the real world. Basically, the concept of e-living or e-existence has become the mantra of the day! Sometimes, it doesn't feel impossible that the virtual world may take over our real existence with maybe greater intensity and reach. It's a scary thought but it has amazing potential for doing a lot of good, too. However, this whole fantastic idea has one real drawback. There is no proof of identification and hence there exist very real, not “virtual” security issues! We thereby study the implications in the futuristic society of the emergence of such virtual worlds through the model of “secondlife”.

INTRODUCTION

Second life is an online virtual world which has been designed and developed by Linden Research Incorporated also known as Linden Labs. It is a very recent entrant into the internet mainstream and started to gain popularity only in late 2006 and early 2007. Once a user creates an account he becomes a citizen of second life and gets virtual “land” for his business and personal ventures. That becomes his home, his space on this world. He then creates an “avatar”, a word taken from Hindu mythology, which denotes an alter ego or a clone of the real entity. The gods of the Hindu religion are known to take human “avatars” from time to time to rid the world of any evil, wherein they descend from the heavens and live like us mortals. These avatars can buy server space in the form of “land” and can set up their offices at that address. They can also buy larger land and set up virtual universities as educational island wherein real professors in their “avatars” can teach the students. Virtual shopping malls can be created and live events can be broadcast as means of entertainment.

Some of the sites that are its competitors are There, Red Light Centre and Active World. However, these sites have very low popularity and membership numbers and function at a limited scope.

FEATURES OF THE VIRTUAL WORLD – “SECOND LIFE”

Residents and Avatars

The users of secondlife exist in the form of “residents”. These residents create their “avtaars”, a word taken from Hindu mythology which means an alterego. An individual can have multiple avtaars and these “avtaars” can be made to look like the individual or can exist in any tailor-made form.

Economy and Real Estate

Secondlife has a full fledged economy and its currency is known as the Linden Dollar. Residents can open their own shops and factories which they use to manufacture goods and services. The exchange rate of the virtual Linden \$ keeps fluctuating as it exists in the open markets and it is now pegged at around 266 L\$ to one US \$.

Creation and Copyright

The copyright of all the creations of content by the “residents” remain with the residents and not Linden Labs. Right from the creation of the “avtaar” to the creation of virtual objects, buildings, vehicles,

landscapes, furniture or machines, remains the property of the “resident”. This can be then used for trade or just for entertainment.

Arts and Creativity in Second Life

Secondlife has a large virtual community of artists and designers. These artists not only demonstrate their art from real life, but also to express themselves and create new (virtual) art. The 3D modeling tools allow the artists to create new forms of art, that may not be possible in real life due to physical constraints or high costs. A vivid example of this is the Secondlife *Louvre* Museum.

Businesses and Organizations in Second Life

The fact that “residents” can own “land” and are issued currency, set the pace for online businesses and organizations. The modelling tools and LSL then provide these “residents” the technology that they need to create virtual goods and services and embark on trade. The issue of copyright lying with the content creator gives them the much needed legal proprietorship that they need over their creations.

Education in Second Life

Secondlife has immense potential as being the global hub of world class education for the entire world. Most of the world’s major colleges and universities, including Princeton, Rice University, University of Derby (UK), Vassar, the Open University (UK), Harvard, INSEAD, Stanford, Delft University of Technology and AFEKA Tel-Aviv Academic College of Engineering, have their virtual classrooms on Secondlife. This has a huge potential in ensuring that the entire world community finally arrives at the same level of skill and educational competence.

Pricing at Second Life

Initially, there was a traditional subscription fee of \$14.95 per month for an account, which was decided by the Linden Labs. However, they changes this model when they realised that the subscription at these rates was low. Pricing keeps changing to take care of the currently prevalent situation in Second Life’s markets.

FUTURISTIC VISION AS AN IMPLICATION OF SUCH VIRTUAL WORLDS

1. *The Man Versus Machine Dilemma* - Companies in technologically advanced countries like US and Japan have started manufacturing humanoid robots and are using them extensively in fully automated factories. The issue that arises is, as to how far these machines can be trusted with higher and more critical tasks. The high destructive impact of modern machines needs a balanced human mind to control them from wrecking havoc on humanity.
2. *Futility Of Man’s Quest To Become God* – such kind of models will trigger the race of power beckoning the quest for more power which shall finally lead to the annihilation of the humankind, as we know it.
3. *Emergence Of E-Power* – some individuals with high end technology and a twisted mind may begin to control and manipulate the virtual world to suit their own nefarious needs.

CONCLUSION

Online communities like secondlife.com are altering the dimensions of the world as we know it. The internet has given us a parallel existence where entire cities and organizations exist virtually and life goes

on as it would in the real world.... With virtual class rooms, virtual dating, virtual business models, virtual concerts etc....

Sometimes, it doesn't feel impossible that the virtual world may take over our real existence with maybe greater intensity and reach. It's a scary thought but it has amazing potential for doing a lot of good, too.

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BIOGRAPHY

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BUSINESS TRAINING, REASONING SKILLS, AND PHILOSOPHICAL ORIENTATION: CORRELATES OF ETHICAL DECISION-MAKING

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ABSTRACT

In today's business world it is essential that managers/employees engage in ethical thinking and behavior in making the decisions that are part-and-parcel of operating a successful business. Therefore, it would behoove businesses to understand, as much as possible, the various characteristics, influences, or factors which induce or predict ethical decision-making. This paper describes a study in which students at a mid-south USA university were used as proxies for "business-trained" persons versus "non-business-trained" persons, to explore the issue of whether a business background, i.e., training, makes a difference in the ethical decision-making of persons engaged in business situations. Reasoning skills and philosophical orientation were also examined as co-variates. Among the primary findings was that business-trained people performed with greater proficiency on reasoning skills. Business training and philosophical-orientation were found to be independent of each other; but there was a mild statistically significant relationship found to exist between philosophical-orientation and reasoning skills. The major finding of the study was that "yes", in some instances, business-trained versus non-business trained persons do render statistically-significant different decisions in business-oriented scenarios. Although the statistical evidence was not as strong, results indicated that reasoning skills and philosophical orientation also explain some of the variation observed in ethical decisions/judgments in business-oriented scenarios.

A PORTFOLIO APPROACH TO ECONOMIC DEVELOPMENT

Tam Bang Vu, University of Hawaii-Hilo
Terrance Jalbert, University of Hawaii-Hilo
David L. Hammes, University of Hawaii-Hilo

ABSTRACT

In this paper we introduce and empirically demonstrate a new model of economic development that we call Portfolio Economic Development. As the name suggests our approach borrows from portfolio theory in finance and focuses on the risk-return nature of development projects. The paper examines how the loss of a dominant industry group from an island economy causes significant economic problems and how those problems might be mitigated by developing the economy in a portfolio context. The approach can help planners select optimal mixes of projects for development of any economy experiencing a transitional period. Planners can also use the results to prepare and respond to the loss of a dominant industry group.

Keywords: portfolio theory, economic development, output, employment.

GENERALIST, SPECIALIST, WHO GETS TO THE TOP

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ABSTRACT

This paper aims to identify the optimal hierarchy of a firm. In this paper, the hierarchy form is determined by three aspects: (1) generalists and specialists, who should get to the top; (2) how many should get to the top; (3) do they want to get to the top. The paper studies hierarchy form in terms of authority as in Aghion and Tirole (1997) and Hart and Moore (2005). Its novel feature is involving incentives in the hierarchy design. There is hidden information problem because of the unobservability of agents' types at the time of hiring, and there is hidden action problem because of the unobservability of agents' effort levels. In the T-period model, the incentive mechanism in the first period is promotion, and in the later period is payment based on performance evaluation. The results about the three aspects of hierarchy are as follows. Because specialist can accumulate specialty in working with individual asset and generalist has potential of coordinating multiple assets, specialist should have authority over single asset and generalist should have authority over multiple assets. Two hierarchy forms are considered, pyramid form and inverted pyramid form. Which form is optimal depends on the externality of coordinating multiple assets by generalist. If the externality is large, generalist at the top is desirable; otherwise, specialist should be at the top. How many agents at the top depends on the elasticity of the externality of working with multiple assets. Given pyramid form, if the externality of working with multiple assets is very sensitive to the number of the assets; that is, if the elasticity of the externality is large, then the span of control of generalist should be larger, and there should be fewer generalists at the top. Finally, the two-period model with promotion can give agents who should at the top more incentive to exert effort and thus more likely to get promoted to the top.

Keywords: hierarchy, incentive, promotion

JEL: D23, D01, L23, M51

THE VALUE RELEVANCE OF OHLSON VALUATION MODEL ON AUDIT PARTNER TENURE AND AUDIT QUALITY

Mao-Chang Wang, National Taipei University

ABSTRACT

Recent studies provide valuable insights into the debate surrounding audit partner tenure by examining the association between tenure and one of the following: (1) earnings response coefficients (2) abnormal accruals (3) issuing a going-concern audit opinion for distressed companies (4) restatements. They focused on the preparer's view, but do not discuss the firm's value evaluation that is the core problem for participants of capital market. This study is motivated by the view of investor decision usefulness and measures, and extends Ohlson's model to investigate the existence and the direction of relevance among audit partner tenure, audit quality and firm's value on larger firms listed on Taiwan Stock Exchange. The empirical results find that, relevance exists among audit partner tenure, audit quality and firm's value, and the direction of relevance is positive. In other words, audit quality does not deteriorate over time as the audit partner tenure lengthens.

Keywords: Audit Partner Tenure, Audit Quality, Value Relevance.

BIOGRAPHY

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THE INFORMATION EFFECTS OF ANNUAL REPORT RELEASES AND INVESTORS' LIMITED ATTENTION

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Chinshun Wu, National Sun Yat-sen University-Taiwan
Victor W. Liu National Sun Yat-sen University-Taiwan

ABSTRACT

This paper examines the informedness and consensus effects that occur during the release periods of annual reports, and explains how the investors' limited attention may affect price and volume of market reaction. The informedness effect indicates the degree to which investors become more knowledgeable, and this effect increases investors' demands causing increases in price changes and volume. The consensus effect, on the other hand, measures the extent of agreement among investors. Investors with limited attention may solely pay attention on specific financial information that yields different beliefs. Accordingly, an agreement in market consensus results in an increase in prices changes but a decrease in trading volume. The empirical results show that price changes present significant positive reaction as the informedness effect strengthens when the information search cost is decreasing. The market is fully reflected at announcement date under efficient market hypothesis, but when investors have limited attention, the market still shows significant reaction in the days following the announcement. Moreover, investors with limited attention may have an incomplete understanding in the annual report contents, in which present significant positive and negative reaction of trading volume at different years. We also find that there are different market reactions for different annual report released periods due to investors' limited attention.

PAYOUT POLICY AND CEO OVERCONFIDENCE

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ABSTRACT

This paper examines the impact of CEO overconfidence on corporate payout policy. Signaling models argue that dividend changes signal managerial confidence about the prospects for future earnings. However, when CEOs miscalibrate the assessment of the permanent and transitory component of earnings, then they tend to pay out a higher dividend than rational CEOs. This paper predicts that a CEO's overconfidence increases the value of a firm in an expanding economy and successfully sends a signal if the firm has good investment opportunities. Furthermore, we find that an overconfident CEO might depart from the rational payout policy if the behavioral costs are high enough to ignore investors' dissipative costs.

THE RELEASE TIMING OF ANNUAL REPORTS AND BOARD CHARACTERISTICS

Chen-Hui Wu, I-Shou University and National Sun Yat-sen University-Taiwan
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ABSTRACT

This paper posits that the release timing of an annual report has no systematic relation with earnings news in Taiwan. Since the board of directors has the ultimate responsibility for the implementation of corporate governance, we argue that board characteristics are important determinants for the timeliness of a firm's annual report. The empirical results show no behavioral evidence of good news early and bad news late. Although the magnitude of board size has no significant impact, a board with ultimate owners and a board with independent directors have a positive influence on the reporting lag. Other firm characteristics and technological changes are also found to be related with the reporting lag.

LONG-RUN INVESTMENT DECISION IN THE TAIWAN EXCHANGE MARKET

Yin-Ching Jan, National Chin-Yi University of Technology
Su-Ling Chiu, National Chin-Yi University of Technology

ABSTRACT

Whether an investor should hold more risky assets in the long run is an issue of allocation. However, the comparison of performance between different investment horizons is not a context of allocation, but timing. Therefore, we employ Markovian moving block bootstrap to compare the performances between risky portfolios with diversified portfolio over different investment horizons. The results show that Sharpe ratios of all of the stock portfolios increase firstly and then decline as the investment horizon lengthens. Secondly, size effect only holds in the short run, but not in the long run. Thirdly, the performances of some examined portfolios outperform that of the market in the long run, indicating an investor may be better off to hold some risky assets over longer investment horizon. Fourth, balanced- and bond-fund portfolios outperform market portfolio when the investment horizons are over 11 and 14 years respectively, suggesting that investors can benefit from investing into these types of mutual fund in the long run.

Keywords: Time Diversification, Investment Horizon Effect, Shortfall Risk, Sharpe Ratio, Markovian Moving Block Bootstrap

JEL: G11

BIOGRAPHY

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AN ANALYSIS OF VALUE-AT-RISK IN PORTFOLIOS

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ABSTRACT

Value-at-risk (VaR) is one of the risk-sensitive criteria based on percentiles, and it is used widely in real finance to estimate the risk of worst-scenarios in the asset management. VaR implies a kind of risk values regarding the asset prices at a specified risk-level probability when we optimize portfolios to avoid risky scenarios in investment. Many researchers and financial traders use VaR by numerical approximations since it is not easy to analyze the VaR portfolio mathematically. The difficulty of the analysis comes from the properties of the criteria since VaR criterion in portfolio is neither linear nor quadratic. In this talk, we analyze the VaR portfolio problem not only to optimize VaR but also to maximize the expected rate of return. We present a method to calculate the optimal portfolio for the problem, by extending Markowitz's model. In the figures, which are computed based on the proposed model, we observe the relations among VaR, the rate of return, the probability of falling and the falling rate at the optimal portfolios.

INTRODUCTION

The portfolio is one of the most important tools to avoid the high risk of asset management in finance. In classical portfolio theory, Markowitz's mean-variance model is studied by many researchers and has brought us fruitful results with mathematical programming (Meucci(2005), Pliska(1997), Ross(1999)). The variance-minimizing is a dual problem of Markowitz's mean-variance model and it is important to control the risk in portfolio. Recently, a value-at-risk, short for VaR, is used widely in real finance to estimate the risk of worst-scenarios. VaR is one of the risk-sensitive criteria based on percentiles, and it is one of the standard criteria in the asset management. VaR implies a kind of risk values of the asset prices at a specified risk-level probability, and it is used for the portfolio allocation to avoid risky scenarios in investment. Many researchers and financial traders use VaR by numerical approximations since it is not easy to analyze the VaR portfolio mathematically. The difficulty of the analysis comes from the properties of the criteria, because Markowitz's mean-variance criterion and variance-minimizing criterion are represented by linear programming or quadratic programming but VaR criterion in portfolio is neither linear nor quadratic. In this paper, we propose a VaR portfolio problem not only to optimize VaR but also to maximize the expected rate of return. In the proposed portfolio model, owing to VaR we can maximize the expected rate of return after due consideration of the worst-scenarios. This paper derives a condition for the optimal solutions of the VaR portfolio problem. VaR is also strongly related to the bankruptcy and the falling in the asset prices (Kumar and Ravi(2007)). One of the main purposes in this paper is to derive the explicit relations among the following important parameters in financial risk: VaR, the expected rate of return, the risk probability of falling and bankruptcy, and the falling rate in the asset prices which may occur in future.

A PORTFOLIO MODEL

In this paper, we consider a portfolio model with n stocks as risky assets, where n is a positive integer. We assume small investors hypothesis such that an investor's actions do not have any impact on the stock market. Let a positive integer T denote an expiration date. Let (Ω, P) be a probability space, where P is a non-atomic probability measure on a sample space Ω . For an asset $i = 1, 2, \dots, n$, a stock price process $\{S_t^i\}_{t=0}^T$ is given by rates of return R_t^i at time t as follows. Let a stock price $S_t^i = S_{t-1}^i(1 + R_t^i)$ for time $t = 1, 2, \dots, T$, where $\{R_t^i\}_{t=1}^T$ is assumed to be a sequence of integrable real random variables. Then we have

$$S_t^i = S_0^i \prod_{s=1}^t (1 + R_s^i) \tag{1}$$

for $t = 1, 2, \dots, T$. Hence, we deal with a portfolio with trading strategies given by portfolio weight vectors $w = (w^1, w^2, \dots, w^n)$ such that $w^1 + w^2 + \dots + w^n = 1$ and $w^i \geq 0$ ($i = 1, 2, \dots, n$). The rate of return for the portfolio $w = (w^1, w^2, \dots, w^n)$ is given by

$$R_t = w^1 R_t^1 + w^2 R_t^2 + \dots + w^n R_t^n. \quad (2)$$

Then, VaR of the rate of return at a probability p is given by a real number v satisfying $P(R_t \leq p) = p$ if P is non-atomic. The VaR v is the upper bound of the rate of return R_t at the worst-scenarios under a given risk probability p . We assume that each rate of return R_t^i has a normal distribution (Meucci(2005)). Then we deal with a portfolio problem to maximize VaR v when v satisfies the following equation:

$$(\text{VaR } v) = (\text{the mean}) - (\text{a positive constant } \kappa) \times (\text{the standard deviation}), \quad (3)$$

where the positive constant κ is given corresponding to the probability p . Let X be an integrable real random variable on Ω with a continuous distribution function $x \rightarrow F_X(x) = P(X < x)$. Then, the value-at-risk (VaR) at a risk probability p is given by the p -quantile/100 p -percentile of the distribution function F_X .

$$\text{VaR}_p(X) = \sup\{x \mid F_X(x) \leq p\} \text{ if } 0 < p < 1. \quad (4)$$

A VALUE-AT-RISK PORTFOLIO MODEL

In this section, we discuss a VaR-portfolio problem under some regularity condition. The mean of the rate of return R_t^i ($i = 1, 2, \dots, n$) is denoted by μ_t^i , the variance is denoted by $(\sigma_t^i)^2$ and the covariance is denoted by σ_t^{ij} . We assume that the determinant of the variance-covariance matrix is not zero and there exists its inverse matrix. This assumption is natural and it can be realized easily by taking care of the combinations of assets. For a portfolio $w = (w^1, w^2, \dots, w^n)$ such that $w^1 + w^2 + \dots + w^n = 1$ and $w^i \geq 0$ ($i = 1, 2, \dots, n$), we calculate the expectation and the variance regarding the rate of return $R_t = w^1 R_t^1 + w^2 R_t^2 + \dots + w^n R_t^n$. We consider a risk-sensitive model, which is not of mean-variance types but must be of mean-standard deviation types to deal with a VaR portfolio problem. Hence, we discuss the following VaR portfolio without allowance for short selling. The following form (5) comes from the value-at-risk $\text{VaR}_p(R_t)$ given by (3).

VaR-portfolio problem (P): Maximize the value-at-risk

$$\text{VaR}_p(R_t) = \sum_i w^i \mu_t^i - \kappa \sqrt{\sum_i \sum_j w^i w^j \sigma_t^{ij}} \quad (5)$$

with respect to expected rates of return γ and portfolios $w = (w^1, w^2, \dots, w^n)$ such that $w^1 + w^2 + \dots + w^n = 1$ and $w^i \geq 0$ ($i = 1, 2, \dots, n$).

Let Σ be the variance-covariance matrix with the elements σ_t^{ij} ($i, j = 1, 2, \dots, n$), let μ be the mean vector with elements μ_t^i ($i = 1, 2, \dots, n$), let $\mathbf{1}$ be the vector where every element is 1. Put $A = \mathbf{1}^T \Sigma^{-1} \mathbf{1}$, $B = \mathbf{1}^T \Sigma^{-1} \mu$, $C = \mu^T \Sigma^{-1} \mu$, $\Delta = AC - B^2$. Then we arrive at the following optimal solutions regarding VaR-portfolio problem (P).

Theorem 1. *Let A and Δ be positive, and let κ satisfy $\kappa^2 > C$. Then there exists an optimal portfolio of VaR-portfolio problem (P). Further, if $\Sigma^{-1}\mathbf{1} \geq \mathbf{0}$ and $\Sigma^{-1}\mu \geq \mathbf{0}$, the optimal portfolio w satisfies $w \geq \mathbf{0}$, i.e. the optimal portfolio w is a portfolio without allowance for short selling. Here, $\mathbf{0}$ denotes the zero vector.*

VaR is used to estimate the amount of loss at a probability p specified as a risk level. Next we discuss about the bankruptcy and the falling in asset prices by calculating the VaR at the optimal portfolios in the proposed model. In this model, the bankruptcy of the portfolio occurs on the events $\{\omega \in \Omega \mid 1 + R_t(\omega) \leq 0\} = \{\omega \in \Omega \mid R_t(\omega) \leq -1\}$ from the definition (1). Let δ be a constant satisfying $0 < \delta < 1$. Then, $p = P(R_t \leq -\delta)$ implies the probability that the asset price will fall lower than $100(1 - \delta)\%$ of the current price. The parameter δ is called the falling rate and we can say that the asset is $100\delta\%$ -falling. For example, $\delta = 0$ implies the falling below par value, and $\delta = 1$ indicates the bankruptcy and then the asset will be completely worthless. For the optimal portfolio w in Theorem 1, the VaR is $v = \text{VaR}_p(R_t) = -\delta$. The risk probability of falling p can be obtained by calculating a constant κ since the risk probability p is corresponding to the constant κ in the equation (3). Further, κ is calculated from $v(\delta) = -\delta$. From this point of view, we obtain the following result.

Theorem 2. *Let A and Δ be positive. Let δ satisfy $\delta > -2B/A$. Then, the assumptions in Theorem 1 are satisfied, and the followings hold for the optimal portfolio in Theorem 1. For a falling rate δ , the corresponding constant κ and the expected rate of return γ are given by*

$$\kappa = \sqrt{A\delta^2 + 2B\delta + C} \text{ and } \gamma = (B\delta + C)/(A\delta + B). \tag{6}$$

Then the risk probability p is given by $p = \Phi(-\kappa)$, where κ is defined by (3) and Φ is the cumulative normal distribution function.

From the equations (6) in Theorem 2, in the next section we observe the relations among the expected rate of return γ , the falling rate δ and the risk probability p . Since the equations (6) are analytic, the relations can be easily calculated with the fundamental parameters A , B and C .

A NUMERICAL EXAMPLE

In this session, we give a simple example to illustrate our idea. The method can be applied easily to more complicated actual cases because the results are given in the mathematical formulae in the previous sessions. Let $n = 4$ be the number of assets. Take the expected rate of return and a variance-covariance matrix as Table 1. We assume that the rate of return R_t has the normal distributions.

Table 1. An expected rate of return and a variance-covariance matrix

μ_t^i			σ_t^{ij}				
			Asset j				
			1	2	3	4	
Asset i	1	0.04	1	0.31	0.04	0.05	-0.07
	2	0.06	2	0.04	0.23	-0.08	0.06
	3	0.07	3	0.05	-0.08	0.34	-0.03
	4	0.05	4	-0.07	0.06	-0.03	0.27

First we discuss a risk probability 1% in the normal distribution, and then the corresponding constant κ is $\kappa = 2.326$, which is given in (3) for the VaR. Then, the conditions in Theorems 1 and 2 are satisfied and we easily obtain the optimal portfolio:

$w = (w^1, w^2, w^3, w^4) = (0.190559, 0.284015, 0.263806, 0.261619)$ for VaR-portfolio problem (P) by mathematical programming, and then the corresponding VaR is -0.546383 and the expected rate of return is $\gamma = 0.0558927$. Owing to the equations (6), we can easily observe the explicit relations among the expected rate of return γ , the falling rate δ and the risk probability p . For example, for a falling rate $\delta = 0.2$, which implies that the asset price will fall lower than 80%, its risk probability is $p = 0.161225$, however we have the expected rate of return $\gamma = 0.0566332$ with $\kappa = 0.0566332$, which are calculated easily from Theorem 2. We can also compute the cases of the falling below par value and the complete bankruptcy, taking $\delta = 0$ and $\delta = 1$ respectively. The probability of falling below par value is $p = 0.412071$ and then the expected rate of return is $\gamma = 0.0592615$ with $\kappa = 0.222221$, and the probability of complete bankruptcy is $p = 0.0000227955$ and then the expected rate of return is $\gamma = 0.0560766$ with $\kappa = 4.07715$.

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ACCOUNTING INFORMATION FOR ANTICRISIS BUSINESS DECISIONS

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ABSTRACT

The bankruptcy influence on methodological accounting principles has been under research. The study has resulted in elaborated theoretical background and practical recommendations for corporate accounting in company readjustment and liquidation, as well as in protective immunity operation and amicable agreement execution. We have introduced new methods of assets accounting, accounts payable, incomes and expenses, as well as financial reporting at different stages of corporate bankruptcy. The study practical importance is in increased information quality for anticrisis management at micro-level and efficiency of legal, organizational and economic decision-making of top priority for the company good standing.

JEL: M41

INTRODUCTION

Creation of the accounting system to handle adequately the anticrisis management problems would provide most stable and successful corporate development, based on modern situational assessment, crisis-control strategy development and efficient restructurization measures implementation.

When applying anticrisis management, the objective of accounting represents primarily the proper decision-making information support at different stages of anticrisis management, being focused on business efficiency increase and insolvency avoidance. The accounting problem-setting depends on the anticrisis management stage being implemented.

THE BANKRUPTCY INFLUENCE ON METHODOLOGICAL PRINCIPLES

When implementing bankruptcy procedures, accounting principles of general practice are violated.

The continuity principle is generally abandoned due to limited life of business under bankruptcy. Pursuant to Art. 89 of the Belarusian Law on Insolvency (Bankruptcy), the overall period of competitive production shall in no case exceed sixteen months. In this connection, classification of assets into current and non-current and of liabilities into long-term and short-term makes no reasonable sense.

Bankruptcy initiation generally results in altering such accounting methods as records keeping organization and filing, order of assets value write-off, etc. Evidently, this leads to breaking the principle of accounting continuous and successive application.

During the bankruptcy proceedings the major objective is to collect facilities and receivable and to satisfy the creditors' claims. Income and expenses recognition issues turn minor and collateral. At final liquidation stages the debtors incurs expenses with no major-business-related income being received, that is why the income / expenses correlation principle is breaking.

The competitive production implies sales of the debtor's property to pay the debts off. In such conditions, the balance items "historical" evaluation, as being applied for cost-related accounting principles, is considered impracticable.

The general accounting principles violation in bankruptcy proceedings leads to the necessity of changing the methods of valuation and recording assets, liabilities, own capital / equity, income and expenses.

ACCOUNTING OF PAYABLES CLAIMED

For timely pay-off of the payables due and outstanding, the reliable information on any and all liabilities claimed is particularly required.

When establishing the order and amounts of such liabilities, the statutory regulations and standards on bankruptcy shall be taken into consideration.

Pursuant to the Belarusian Law on Insolvency (Bankruptcy), any legal costs and anticrisis manager's remunerations shall be repaid off-turn, followed by debtor's current municipal and operational expenses, as well as any payables due by the competitive production period.

The creditors may issue their claims within two months following the bankruptcy proceedings announcement, or afterwards. For settlement order purposes, the claims issued shall be arranged for the time of presentation, as all timely claims shall take precedence over the expired claims.

The accounting may include liabilities failed to be recognized by an economic court. Such unrecognized debts shall not be practically taken to non-operational costs before the intermediate liquidation balance has been approved, as such economic court decision might be appealed, as stipulated by law. Should any court decision of such liabilities recognition be put into force, they shall be satisfied.

In conclusion to the aforesaid, the following sub-accounts should be additionally opened to operate the payables, i.e.:

1. Priority settlement sub-account;
2. Sub-account to settle timely and duly recognized claims and liabilities;
3. Sub-account to settle expired, but duly recognized claims and liabilities;
4. Sub-account to settle unrecognized claims;
5. Miscellaneous. This sub-account may record, for example, unclaimed liabilities, if any.

The aforementioned sub-accounts should be controlled and analyzed on multi-level principle of analysis. If applied, the recommended accounting system of accounts and sub-accounts might provide timely information of priority-related debts and, thus, benefit to most complete and successful settlement of all payables claimed.

ACCOUNTING OF BANKRUPTCY-RELATED EXPENSES

Bankruptcy-related expenses are inhomogeneous; they can be paid out from different sources and subject to different order.

Any legal costs and anticrisis manager's remuneration shall be repaid off-turn from the debtor's property. In case of bankruptcy proceeding abatement by court due to unreasonable initiation, all legal costs and anticrisis manager's remuneration, as may be applicable, shall be paid by the creditors proportionate to their amounts claimed accordingly. In case of absent debtor, any legal costs and anticrisis manager's remuneration, as may be applicable during the bankruptcy proceedings, shall be repaid through the special-purpose fund of the appropriate governmental bankruptcy-control authority.

Should any bankruptcy-related expenses be emerged, the repayment procedure may not be possibly established due to economic court unexpected decisions at a later date. In this connection, it is practicable to accumulate the expenses records separately and start repayment in accordance with corresponding facilities being credited. Thus, such expenses shall be analyzed and recorded in separate sheets, depending on the type of expenses incurred. This would provide timely and complete information on expenses actually incurred and proper control for repayment order and performance.

LIQUIDATION BALANCE EXECUTION

The liquidation proceedings constitute a part of bankruptcy proceedings being applied for debtor's liquidation, exemption from liabilities, sales of the bankrupt's property and balanced settlement of claims.

Pursuant to the Belarusian Law on insolvency (bankruptcy), the liquidation process can be schematically divided into four stages. At the first stage the economic court takes a decision to open a competitive production. At the second stage inventory and valuation of debtor's property are drawn up and then debts are recovered from debtors. At the third stage the bankrupt's property is sold and creditors' claims are satisfied. At the fourth stage the economic court takes a decision to liquidate an enterprise.

Each bankruptcy stage outcomes should be reasonably and properly reported due to their importance for managerial and judicial decision-making. The information of the debtor's property and liabilities, being collected at the first stage, serves the informational background for subsequent property inventory and evaluation measures, collection of receivables, establishment of total liabilities claimed, etc. Value-related indexes of the debtor's property and liabilities, being made at the second stage, are used to arrange the auction sales prices for the property and further satisfaction of creditors' claims. The third-stage information is generally required for managerial decision-making in property distribution, as may be left after repayment to all creditors.

For the purposes to provide each stage outcomes during the liquidation procedure, the author suggests several liquidation balances to be made as follows: opening balance; intermediate balance; closing balance; final balance.

The opening balance shall be executed as of the date of bankruptcy initiation decision, passed by an economic court, similarly to intermediate accounting balance. However, the opening liquidation balance may be executed at a date different from the reporting period closing. The balance items are given at book value.

The intermediate balance shall be executed upon expiration of the creditors claiming period. The intermediate balance reflects the debtor's property info, the list of liabilities claimed and considered.

Prior to the intermediate liquidation balance execution, the debtor's property and financial liabilities shall be completely checked and revaluated. The property qualified for bankruptcy proceedings is expedient to be recorded at a market value. Due to limited life during the liquidation, some part of the debtor's assets can be recognized as inexpedient (future income and expenses, etc.) or valueless (for example, trademark).

The assets lines of the intermediate liquidation balance shall reflect the bankruptcy-related property info input and output, and the liabilities lines shall provide own funds and debtor's liabilities. The assets lines shall be arranged as to increasing liquidity, and the liabilities lines – as to satisfaction priority, thus providing easy comparison features between the property in hand and liabilities claimed.

In this connection, the intermediate liquidation balance makes pointless the long-term / short-term liabilities distribution, because all the liabilities become due and payable upon bankruptcy initiation decision, passed by an economic court. For the purposes of priority-related arrangement of all liabilities, the author recommends the following subsections to be introduced in the “Liabilities” Section of the intermediate liquidation balance, i.e.: “Priority claims”; “Timely claims and liabilities”; “Expired claims and liabilities”; “Claims and liabilities unrecognized by court”.

Following the auction sales and all settlements having been completed, the closing liquidation balance shall be executed to determine the company’s liquidation value. The author considers two variants of this liquidation balance to be practicable.

The first balance is made to demonstrate complete settlement with all creditors. In such case the assets lines reflect the remaining property (less claims satisfied), and the liabilities lines – the equity / own funds and payables to founders.

The second variant shall be made due to debtor’s property insufficiency to settle the liabilities claimed. The assets lines are valued at zero, and the liabilities lines reflect payables due and outstanding losses. In such case the closing liquidation balance shall be zero-valued.

The final liquidation balance shall be made upon the liquidation completion decision, passed by the economic court. The balance reflects the legal consequences of the debtor’s liquidation: property exclusion from business transactions, legal entity abolishment without succession, creditors’ claims to be recognized as paid-off. All balance lines shall be valued at zero. When executing the final liquidation balance, the appropriate accounting records shall be made depending on the closing balance variant taken.

All settlements and compulsory payments having been completed, the remaining property shall be given to the property owner and/or debtor’s founders (members). In case the value of the property being distributed exceeds the authorized capital paid-up, the extra value shall be considered profits subject to distribution and payable to the liquidating entity’s founders.

In case the second variant of the closing liquidation balance is applicable, any claims failed to be satisfied due to debtor’s property insufficiency shall be considered paid-off and included as non-operating income to the balance.

Thus, we can point out the following peculiarities of the suggested liquidation balance: inventory-followed execution of the balance, no compulsory allocations and/or budget payables included in the balance due to the entity’s limited life, change of lines/items evaluation and grouping. Opening, intermediate, closing and final liquidation balances differ in balance tables’ formation, lines/items evaluation, date of execution. Proper execution of the aforementioned liquidation balances would contribute to increased quality information for managerial decision-making in debtor’s liquidation conditions.

CONCLUSION

The study has resulted in elaborated theoretical background and practical recommendations for corporate accounting in the system of anticrisis management. We have introduced new methods of assets accounting, accounts payable, income and expenses, as well as financial reporting at liquidation proceedings.

The debtor's accounting and financial reporting information is used for reasonable and grounded anticrisis decision-making, which, consequently, provides for coordination of creditors', investors' and debtor's interests, for capital transfer from unprofitable businesses to efficient economic sectors.

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BIOGRAPHY

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THE DYNAMIC RELATIONSHIP BETWEEN US AND CHINA BOND MARKET

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ABSTRACT

The economy reform of China recent years have engendered the rapid economic growth and much success. And the raise Chinese fund entered US financial markets especially the US Treasury bond holding make China a major funder of US debt. This paper aims to examine the dynamic linkage between bond markets from United States and China by using GJR-GARCH Model. We model the return and volatility to analysis the lead-lag relations, volatility transmission mechanism, and dynamic correlation on selected bond markets allows for a dynamic correlation structure. The empirical results indicate the return and volatility spillover effect is significant from US to China's bond market. China bond market is more affected by local market factors than by world factors. The results also indicate that the trading and portfolio holding play an important role to explain the return and volatility spillover between US and China bond market through macroeconomic effect. In particular, China is the most important trading partner for the US and has the highest portfolio holding of US investor, the increasing trade dependency may enhance the relationship of markets between US and China. The squared volatility shock from US bond market to China shows that the rising volatility in US markets increases the volatility in the bond market of China.

JEL: G11,G15,H63

DEPOSIT MONEY BANKS INTERMEDIATION AND ECONOMIC GROWTH: EVIDENCE FROM NIGERIA (1970-2004)

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ABSTRACT

The study examined the macroeconomic determinants of bank intermediation and explored its contribution to the growth of the Nigerian economy, using secondarily sourced time series data spanning from 1970 to 2004. From the available literature reviewed, it was explicit that the results obtained from cross-country studies are not able to address this issue satisfactorily and highlight the importance of country-specific studies. The time series study based on the Distributed Lag Method of Co-integration (DL-ECM) and Regression Analysis finds firm and colossal evidence suggesting that some form of financial determinants like ratio of Liquid liabilities to GDP, Domestic Credit to the Private Sector relative to GDP, Branch expansion of deposit money banks (DMBs) and Interest Rate Spread as well as macroeconomic variables such as inflation, investment and trade openness has indeed contributed to bank intermediation and economic growth. This study drew the conclusion that better bank intermediation has a distinct significant positive impact on economic growth. In the context of the empirical findings above, the researcher advanced several recommendations for policy.

INTRODUCTION

The contributions of bank intermediation to sustainable growth of the economy cannot be over-emphasized. Bank intermediation facilitates the mobilization of financial resources from the surplus units of the economy and channeling such funds to the deficit sectors through the extension of credits, thus influencing savings and investment and facilitating the achievement of the growth objective of economic policy. It is simply an increase in the supply of financial assets in the economy. In the past four decades in Nigeria, it is incontrovertible that economic growth and poverty reduction have been very high on the development agenda of successive administrations. But bank intermediation in Nigeria is very insignificant, subtle and complex. Over the years, the Nigerian financial sector has recorded appreciable achievements in terms of its institutional growth. Despite these improvements, they are still punctuated with cases of under-performance of their roles coupled with other challenges. Based on the forgoing discussion, this study is designed to investigate the factors determining the bank intermediation in Nigeria as well as to evaluate the impacts of bank intermediation and other growth related factors on growth in Nigerian economy.

The link between bank intermediation and economic growth is not a recent discovery. Its debate has a long pedigree and is marked with conflicting conclusions. The difference in conclusions is due not only to differences in theoretical perspectives, but also to the way in which the link between them is taken into account. There is sizeable empirical evidence, which has linked economic growth to the ebb and flow of the financial system. In particular, the rate of output growth is said to be determined by the accumulation of capital, the efficiency of resource utilization and the ability to acquire and adopt modern technology Nnanna (2004). The degree of financial system development is therefore regarded as crucial for attracting and sustaining capital flows, savings mobilization and utilization. A very good attempt was made by Levine et al (1997), to establish empirically, a relationship between financial sector deepening and economic growth, using cross-country data on financial system developments. The authors found that financial sector deepening exerts a statistically significant influence on economic growth. Accordingly,

the authors found that a developed and efficient financial system would, *ceteris-paribus*, ensure a long-run high growth rate, by minimizing macroeconomic shocks that truncate output growth. Beck and Levine (2001) analyzed the interactions between stock markets, banks and output performance using panel data involving 40 countries.

METHODOLOGY

A Distributed Lag to Cointegration (DL-ECM) estimation technique is used to estimate the determinants of bank intermediation and its impact on economic growth. Following Aziakpono (2004), the functional form specification of the determinants of bank intermediation is as follows:

$$BI = f(GY, NBB, IRS, INF, EXR) \quad (1)$$

where; BI=Bank Intermediation (Liquid Liabilities to GDP, i.e., [M2Y] or Private Sector Credit relative to GDP, [PCY]); GY = Real Gross Domestic Product ; NBB = Number of Branches of DMBs; IRS = Interest Rate Spread; INF = Inflation Rate; EXR = Exchange Rate. To make equation (1) amenable for empirical verification, it transforms to Model A below:

$$\Delta BI = \delta_0 + \delta_1(GY_{t-i}) + \delta_2(\Delta NBB_{t-j}) + \delta_3(\Delta IRS_{t-k}) + \delta_4(\Delta INF_{t-l}) + \delta_5(\Delta EXR_{t-m}) + \mu_t \quad (2)$$

Where Δ is the difference operation; δ is the estimated coefficient; $t-i, t-j, t-k, t-l, t-m, t-1$ are the unknown lags to be determined while μ is the error term.

Equation (2) is Model A for our objective one. It assumes that all the variables are well behaved, which implies that the variables are stationary at order zero. Otherwise, equation (2) translates to:

$$\Delta^{z_0} M2Y_t = \delta_0 + \sum \delta_1(\Delta^{z_1} GY_{t-i}) + \sum \delta_2(\Delta^{z_2} NBB_{t-j}) + \sum \delta_3(\Delta^{z_3} IRS_{t-k}) + \sum \delta_4(\Delta^{z_4} INF_{t-l}) + \sum \delta_5(\Delta^{z_5} EXR_{t-m}) + \mu_t \quad (3)$$

Where z_0, z_1, \dots, z_8 is the order of integration. Equation 3 assumes that $z_0 \neq z_1, z_2, z_3, z_4, z_5$.

Else, if z_0 is equal to any of z_0, z_1, \dots, z_8 , then, investigation of the presence of a cointegration amongst the variables will be tested. If the residual are stationary and a long run relationship is established, then the error correction estimates can be obtained from Equation (3). On that note, if the unit root test indicates evidence of cointegration, then, equation (3) translates to an Error Correction Model (ECM) as shown below:

$$\Delta^{z_0} M2Y_t = \delta_0 + \sum \delta_1(\Delta^{z_1} GY_{t-i}) + \sum \delta_2(\Delta^{z_2} NBB_{t-j}) + \sum \delta_3(\Delta^{z_3} IRS_{t-k}) + \sum \delta_4(\Delta^{z_4} INF_{t-l}) + \sum \delta_5(\Delta^{z_5} EXR_{t-m}) + \delta_6(ECM_{t-1}) + \mu_t \quad (4)$$

Where ECM_{t-1} is the residual or error correction mechanism of the previous year while δ_6 is the speed of adjustment parameter.

In order to ensure the parsimonious nature of the model, equation (4) translates to a Auto-regressive Distributed Lag (ADL) model as stated below:

$$\Delta^{z_0} BI_t = \delta_0 + \delta_i^{z_0} (BI_{t-i}) + \sum \delta_i(\Delta X_{t-k}) + \delta_6(ECM_{t-1}) + \mu_t \quad (5)$$

where: BI_t = Indicator of bank intermediation (i.e., M2Y or PRCY)
 X_t = All other explanatory variables (NBB, PCY, IRS, PSC, INV, FDI OPN,).
 Equation (5) translates to only Distributed Lag (DL) model as stated thus:

$$\Delta^z \text{BI}_t = \delta_0 + \sum \delta_i (\Delta X_{t-k}) + \delta_6 (\text{ECM}_{t-1}) + \mu_t \quad (6)$$

Thus, the functional relationship between growth, bank intermediation and other growth related factors irrespective of whether they are stationary or stochastic is expressed as follows:

$$\text{GY} = f(\text{M2Y}, \text{PCY}, \text{NBB}, \text{IRS}, \text{PSC}, \text{INV}, \text{FDI}, \text{OPN}) \quad (7)$$

Assuming a linear relationship between our dependent variable and the independent variables and using the theoretical expected signs, the econometric equation of the above function becomes:

$$\text{GY} = \lambda_0 + \sum \lambda_1 (\Delta \text{M2Y}_{t-i}) + \sum \lambda_2 (\Delta \text{PCY}_{t-i}) + \sum \lambda_3 (\Delta \text{NBB}_{t-i}) + \sum \lambda_4 (\Delta \text{IRS}_{t-i}) + \sum \lambda_5 (\Delta \text{PSC}_{t-i}) + \sum \lambda_6 (\Delta \text{INV}_{t-i}) + \sum \lambda_7 (\Delta \text{FDI}_{t-i}) + \sum \lambda_8 (\Delta \text{OPN}_{t-i}) + \mu_t \quad (8)$$

where; PCY = Private Credit relative to GDP; PSC = level of Total Domestic Credit
INV = Investment; FDI = Foreign Direct Investment; OPN = Trade openness.

The order of integration is tested for each variable using the Augmented Dickey - Fuller Unit Root (ADF) test. The bank intermediation variable (liquid liabilities to GDP, (M2Y)), interest rate spread (IRS), inflation rate (INF) and exchange rate (EXR) are found to be stationary at first differencing as shown in Table.1 and 2, while Real GDP (GY) is found to be I(0) and number of branches of Deposits Money Banks (NBB) is found to be I(2).

Table 1: Augmented Dickey Fuller Unit Root Test Results

Variable	Level Form	1 st Difference	2 nd Difference
M2Y	-0.0084027	-3.4349**	-6.7750**
GY	-2.2119*	-6.1154**	-7.9012**
NBB	1.7055	-0.71965	-2.7612**
IRS	-0.026110	-6.8232**	-9.8326**
INF	-1.7714	-5.4061**	-7.0409**
EXR	0.67504	-2.8441**	-4.7462**

** Indicates Significance at the 1% level; * Indicates Significance at 5% level.

In Model A, an error-correction term (ECM₁) is estimated alongside the stationary variables. Specifically, about 18% of the discrepancy of the bank intermediation is corrected during each period.

CONCLUSION

The study concludes, therefore, that bank intermediation spurs economic in Nigeria, although financial liberalization may negatively affect economic growth through its influence on interest rates, it does affect the form in which growth take place through its influence on financial sector. Other results indicate that: 1) the growth of real GDP and financial liberalization has a positive effect on bank intermediation in Nigeria; 2) current interest rate spread, previous inflation rate and current exchange rate depends on the current bank intermediation. Specifically, the policy implication is that the pursuit of financial liberalization and banking sector development represents an appropriate strategy to achieve higher economic growth. In conclusion, the banking sector remains an important component of the Nigerian economy, as it plays a crucial role in the process of financial intermediation when public confidence in the sector is sufficiently in place. Efforts should therefore be made to ensure its viability to further enhance its contribution to the overall development of the economy.

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INTERNET AS THE POTENTIAL INFRASTRUCTURE FOR E-COMMERCE IN AFRICA: A CASE STUDY OF GHANA

James Rad Anaman, Mälardalen University

This is a research aimed to examine, analyze and evaluate the extent to which selected firms in consumer goods have implemented electronic commerce utilizing the Internet. This includes the impact of the e-commerce on their revenue, marketing and customer relations. This paper also evaluates the effectiveness of this medium of communication, impact on the customer, internal and external marketing and also the shortcomings of internet in the African business cycle.

Keywords: consumer, internet, infrastructure, marketing, revenue

BIOGRAPHY

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DOES MALAYSIA ECONOMIC SYSTEM IMMUNE TO U.S MONETARY POLICY?

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ABSTRACT

Given the increased integration of global markets, changes in monetary policy of leading economies usually affect developing and emerging countries through the effect on the cost and availability of funds. This paper looks at the impact of changes in U.S monetary policy on small emerging economy of Malaysia. The analysis uses a monthly data from January 1996 to September 2006 and employs econometric techniques of cointegration test, impulse response analysis and variance decomposition. The results show there exist a long-run relationship between stock prices, futures prices, macroeconomic variables (money supply, productivity level, foreign exchange rate), Tokyo stock prices and U.S Federal Funds rate. Generally, the analysis shows that the U.S funds rate does not have a significant impact on Malaysian economic system in the long run. Variance decomposition reveals that variations in Malaysian stock prices are mainly attributed to its own variations and variations in Tokyo stock prices. Innovations in the U.S funds rate explain less than ten percent of variations in all the variables related to Malaysian economic system. Over a shorter period, the analysis reveals that the U.S funds rate has a slightly bigger influence on the Malaysian economy during the 97-98 Asian Financial Crisis period.

Keywords: monetary policy, cointegrating equation, VAR model, variance decomposition

UNDERSTANDING THE DYNAMIC OF TOURISM DEMAND BY AMERICAN AND ARAB TOURISTS TO MALAYSIA: THE IMPACT OF NON-ECONOMIC FACTORS ON TOURIST ARRIVALS

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ABSTRACT

Natural beauty and variety of racial culture, among others, has made Malaysia as an attractive international tourist destination. This paper estimates and compares the dynamic of tourism demand model for tourists from the North America and Arab countries to Malaysia. In particular, the study looks at the impact of non-economic factors such as outbreak of SARS, NY911, political instability in neighbouring Indonesia and temperature at country of origin on the number of tourist arrivals from the two countries. Using monthly data from January 1999 to September 2006, the study employs cointegration and Granger causality tests. The estimated cointegration equation suggests that an increase in the price level in the North America would increase the number of tourist arrivals to Malaysia. Meanwhile, weaker Malaysian Ringgit would increase the inflow of Arab tourists to Malaysia. Although the event of NY911 has a negative impact on the tourist arrivals from both regions, the outbreak of SARS exerts larger impact on the number of American tourists. In addition to NY911, the bombings in Indonesia also deter Arab tourists from visiting Malaysia. Interestingly, the study finds significant effect of temperature on the inflow of Arab tourists; an increase in temperature in the region would encourage Arabs to leave the country and visiting Malaysia.

Keywords: country of origin, unit root test, cointegration test, Granger causality

CONFLICTS IN DEVELOPING NATIONS WITH DEMOCRATIZATION AND SPREAD OF MARKET PRINCIPLES

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ABSTRACT

This paper examines the source of conflicts in a set-up in which democratic principles and market ethos are introduced in a traditional and developing economy / society. Due to historical reasons, the society is composed of dual sectors – agricultural and industrial sectors – and governments also wield significant control over the allocation of capital across these sectors. Governments typically influence the terms of trade between these sectors. The forces of democratization instill an electoral motive for an incumbent government that drives the determination of an optimal (intersectoral) terms of trade and an optimal capital allocation for a government. The political equilibrium constitutes the optimal allocation of capital and the associated terms of trade. We argue that the political equilibrium creates economic crises and social conflicts if there is an entitlement failure: resultant incomes of agents in any sector are less than an absolute minimum that is necessary for survival. We characterize the equilibrium entitlement failure and various sources of crises and conflicts in this prototype society. In the light of the above we also explain how these conflicts can be avoided.

PROMOTING BUSINESS ETHICS AND CORPORATE SOCIAL RESPONSIBILITY AMONG AFRICAN MANAGERS: TOWARDS A FRAMEWORK FOR DECISION-MAKING

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ABSTRACT

Questions regarding ethics and social integrity have always surfaced in discussions pertaining to the activities of corporations in emerging markets regions such as India and Brazil. Given the enormous potential offered by major African economies such as Nigeria and South Africa, it has become increasingly necessary to promote higher ethical standards among leaders of major African corporations. As the global awareness of ethical and corporate responsibility issues is continually increasing the conduct of business transactions efficiently and effectively in a mere technocratic sense is no longer sufficient to preserve the acceptability of African managers in the global marketplace. While there is yet no universal morality standard, ethical and corporate integrity considerations must become an integral part of the decision-making process of African managers. These decision-making must include every aspect of managing the business including marketing, production, financial, legal and human resources. This paper has two main objectives: first, to examine the current paradigms of business ethics and second, to identify the challenges that confront African managers on matters concerning ethics and integrity in an increasingly global business environment. Recognizing that corporate ethical standards remain devoid of any universals, the intent here is to enhance awareness among managers rather than the imposition of ethical prescriptions.

THE DELTA CHANGE PROCESS MODEL

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ABSTRACT

The Delta Change Process© is an integrated, multi-system approach which embeds a new culture within an organization. It takes into consideration that change is complex and often viewed with skepticism, and that there are many stakeholders to be considered in any organizational modification. This model integrates Hope Theory, cultural antecedents, Idealized User design, Generative capacity, Appreciative inquiry, and systems thinking. This model articulates a system-wide change process within organizations.

For example, under cultural antecedents, the ancient Hawaiians' concept of ho'omanamana is utilized as an example. When the community (Ohana) was at peace with itself, it functioned at this high level. However, if there was any ill-feeling or dysfunction from the chiefs (ali'i), wise elders (kapuna), or experts (kahuna), there would be health, or aloha. If there are any problems with the executives (the ali'i), the people with seniority (kapuna) or bad advice from the consultants (kahuna), much damage could occur. The gap between ho'omanamana and disharmony is harmony, balance, and forgiveness (kala). This gap is bridged by the change process. Each one of these six components will be described in an organizational case study, and its practical implications will be explicated.

BIOGRAPHY

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EXAMINING EXECUTIVE DEVELOPMENT FACTORS AS THEY RELATE TO WOMEN LEADERS: APPLICATIONS DERIVED FROM A GROUNDED THEORY APPROACH

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Julie Mangrello-Jennings, Chapman University/University College
Tina Figueroa, Chapman University/University College
Linda Hobrock, Chapman University/University College

ABSTRACT

This article examines female executive development factors within the ACE Leadership Development Model, as based on a grounded theory study. Nine domain areas that impact female leadership development are identified: (1) Three success factors, (2) Three areas of responsibility, and (3) three key constituencies. This multi-level approach critiques the salient components which must be present to advance women from the middle management to the executive levels.

Twenty-Eight female executives in technical, service, and healthcare fields were participants in this survey, and provided perspectives on role congruity, organizational cultural factors, interactions with other women associates, and key success factors in bridging the leadership gap from middle to upper level leadership. Multiple interviews were then conducted as a follow up to the survey, providing clarification. In this theoretical sampling approach, established female executives were recruited for this study. Best practices, reasons for derailment, requisite skills, etc. will be described and explicated.

Open coding is utilized initially, and then axial coding within the ACE Leadership Development model is presented. Causal conditions are listed, strategies are presented, and context and intervening conditions with their effect on outcomes are given (Strauss & Corbin, 1990). Finally, a conditional matrix is superimposed on the ACE Leadership Development model.

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BIOGRAPHY

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ORGANIZATIONAL CITIZENSHIP BEHAVIOR, MOTIVATION, AND PRODUCTIVITY AND ITS IMPACT ON THE SALES FORCE OF A GLOBAL ELECTRONIC RETAIL CHAIN: A CASE STUDY

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ABSTRACT

Six Western regional sales managers in the U.S. participated in this study on organizational citizenship behavior and its effect on morale and productivity at a Fortune 500 electronics retail company. In this case study methodology, a leadership survey questionnaire was administered, telephone and face-to-face interviews were conducted, and e-mail follow-up interviews were utilized. The overall productivity of a Management-by-Exception style of transactional leadership is examined (Bass & Avolio, 1994).

In this bounded case study, a within-site methodology was conducted. Multiple sources of information were gathered as listed above, including direct observations by the researcher. A context of the case including social, historical, and relational is provided. The researchers believe that this intrinsic case study, while dedicated to one company, has leadership application to other companies with similar transactional styles. From the detailed description of the case antecedents, an analysis of themes and assertions are presented (Stake, 1995; Yin, 1989).

BIOGRAPHY

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ESTIMATING S&P FUNDAMENTAL VALUE USING STAR MODELS

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ABSTRACT

This paper develops a new empirical measure of S&P fundamental value under the rational expectations hypothesis. Thus, while using linearization of Campbell and Shiller (1988) and referring to Challe (2002), we extend the Dividend Discount Model (DDM) by introducing nonlinearity in estimating expected future dividends and the discounted rate. Among many nonlinear models, we retained the STAR (Smooth Transition Autoregressive) Process.

Keywords : Fundamental Value, DDM, STAR model.

JEL : C2, C5.

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TECHNOLOGICAL STANDARDS AND PUBLIC POLICY: THE CASE OF TD-SCDMA IN CHINA

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ABSTRACT

Technological standards have become increasingly important due to competitive advantages often gained through market dominance. Standards have been used by multinationals of developed countries to secure their market control. Existing literature focuses on western technologies and little is known about indigenous technologies in developing countries. China, because of its potential market size and growth rate, enjoys advantages in implementing standard-setting policy which is designed to decrease dependence on foreign know-how and reduces burdensome royalty payments. We propose the framework of standards-setting in developing countries by using of the strategies of Gallagher and Park (2002) and adding the perspective of government. Based on TD-SCDMA case in China, we conclude that the standardization process in developing countries is affected by four types of factors: R&D capabilities, entry timing, installed base and public policy. Data were first collected from publicly available resources on the Internet which gave us outlines of TD-SCDMA standardization process, in turn, alerted us to the major technological and institutional factors driving this process.

IDENTIFYING CUSTOMER-ORIENTED SERVICE QUALITY IN HEALTH CARE INDUSTRIES

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ABSTRACT

Traditionally, the assessment of health services quality has long been described by clinicians in terms of technical standards. The service marketing approach is different from the traditional health care research in that it looks at quality from the customer's perspective rather than from the service provider's viewpoint. Support for customer-oriented health services is based on a variety of arguments such as the desire to involve patients more in decisions that concern them and to better meet their needs, or to achieve higher performance. In Taiwan, unfortunately, the patient's opinion gets very little attention, if any. Thus, patients' inputs have little or no bearing on health policy and health service delivery. This study represents a preliminary effort at helping delineate the factors of patients' perceptions of service quality in the context of Taiwan health care system. We conduct qualitative approach—focus groups discussions, which attempt to ascertain the general underlying features. Based on discussions results, thematic pattern were identified to draw conclusions. Four main themes emerged: (1) the interaction between medical staff and patients, (2) the assurance from medical staff, (3) the speed of the responsiveness to patients' demands, and (4) tangible facilities.

A CUSTOMER PERSPECTIVE OF ONLINE RETAILING SERVICES

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ABSTRACT

Motivated by the growing interest in online commerce, we develop a research model examining the relationships among online service quality, customer satisfaction, perceived value and behavioral outcomes toward online retailing services. The results of our empirical study validate our hypotheses and confirm five of the six hypotheses. One hypothesis that tested the relationship between perceived value and behavioral outcomes was not confirmed. However, we found that service quality and perceived value are significant factors affecting consumers' satisfaction level, which in turn affects behavioral outcomes. The result expands existing theory because it provides insights into the basic understanding of online service quality and the role of perceived value within in online retailing context—an important concept in marketing but under researched. In order to provide better services for users, companies need to invest in online service quality design and evaluation, and at the same time, enhance the perceived value associated with online services.

AN APPLICATION OF COINTEGRATION TEST TO VERIFY THE HOUSING BUBBLE

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ABSTRACT

Housing prices in the US rose rapidly from 2000-2005Q2. Starting in 2006 housing prices stopped advancing and began to fall. On the basis of this evidence the financial and general press concluded the US experienced a housing bubble. The efficient market theory denies the possibility of a bubble. This paper applies the statistical technique of cointegration to substantiate the presence of a housing bubble. The paper finds the statistical evidence consistent with the presence of a housing bubble in the period 2000-2005Q2 and not the underlying economic conditions.

INTRODUCTION

Recently housing prices in the US have risen substantially. Figure 1 shows the trend in US Housing index from 1975 to 2005. Clearly from 2001 the US has experienced several years of strong home price increases. This sort of evidence has led the financial and the general press to conclude the US housing market has experienced a bubble. Today the press speculates that this bubble has recently deflated and may soon pop if it has not already popped. Nevertheless prolonged rapid increases in prices do not imply the presence of a bubble. Nor does an ensuing sharp price decline following a price run-up necessarily imply a bursting bubble. The former event may simply reflect the changes in the fundamental economic factors, such as the low level of mortgage rates in the case of housing prices (Lowenstein (2007) explores this possibility in the general press). The latter event may be a result of a sudden reversal in the underlying fundamental economic factors. In fact, financial theorists are skeptical about the possibility of bubbles.

The bursting of a real estate bubble has important implications for the US economy. Residential real estate is an important component of householder wealth. In 1996 it represented 39% of household wealth; today it represents 49% (Roubini (2006)). Householder wealth is supporting the high current level of consumption. If a significant portion of real estate wealth disappears it is likely that consumption will be reduced considerably. It is important to remember that the housing boom was strongly encouraged by the low interest rates in the 90s. Many mortgages are adjustable rate. In today's environment of higher interest rates the higher mortgage payments coupled with lower home values will discourage consumer spending particularly on consumer durables. Further the employment effects of the housing industry are considerable. In the last three years 30% of the job growth was due directly or indirectly to housing (Roubini (2006)). The construction and real estate mortgage job losses could be considerable if housing prices drop substantially. In sum a real estate collapse could tip the economy into a recession.

The widely accepted efficient market theory claims that financial asset prices reflect all the publicly available information at all times. As such the possibility of a bubble is precluded. While some may believe prices are too high relative to fundamental factors, according to the theory they are wrong. Because if the price of anything is too high (or too low) investors will quickly recognize it and sell (or purchase) the asset until the over-(under) pricing is eliminated. This view is supported by a mountainous body of academic research (see Fama (1970) for a sampling).

Nevertheless, the efficient market theory has been subject to much serious criticism (Shiller (2004)). Furthermore, much of the research focused on financial assets. The efficient market theory assumes that

investors can sell an asset short to eliminate overpricing. Real estate is a real and illiquid asset. During the period of the housing price run-up there was no mechanism known to us for shorting a residential home. A futures market for housing is a relatively recent innovation² and it is still not well developed enough to fulfill the assumptions of the efficient market theory. Thus the possibility of a housing bubble can not be dismissed out of hand.

The first step in supporting the presence of a bubble is to provide a clear definition of the term. Case and Shiller (2003) define it as

...a situation in which excessive public expectations of future price increases cause prices to be temporarily elevated

According to Case and Shiller's definition, a bubble is a psychological construct, so it is natural to survey investors' minds for the presence of a bubble. They surveyed recent homebuyers in three cities that apparently experienced a rapid price increases along with those in one city that has not. They find that homebuyers in 2003 expect home prices to increase in both the long and short run. Unlike their 1988 survey this was even true for the city with the slow housing price increases. This clearly supports the presence of a bubble as defined by Case and Shiller (2003). They also found a strong belief that prices are sticky downward. Furthermore, they found buyers in the glamour cities inclined to support simplistic theories that might translate into behavior that supports a bubble. For example, buyers in the glamour cities were more likely to believe "that desirable real estate just naturally appreciates." (p.325). This is naïve because economic theory suggests desirable real estate will have a high price but says nothing about how that price will change. Yet the prevalence of this belief might explain how a bubble continues without the participants recognizing it. The survey data leave the reader with the strong impression of the presence of a housing market bubble.

As Case and Shiller (2003) recognize many economists oppose drawing conclusions on economic behavior based upon consumer's thought processes. Economists prefer to focus on consumer actions. Thus, they also reinforce their case by presenting some statistical evidence. They find that regressions including income and other fundamentals explain housing prices in all but the eight glamour states. In those states the regressions underestimate home prices during the 2000-2002 period.

In this paper we will present additional statistical evidence in favor of the plausibility of a bubble in the real estate market. This should shed more light on the subject for those both sympathetic and unsympathetic to survey research. The cointegration methodology developed by Granger and Engle (1987) provides a method of testing for the existence of a bubble. Diba and Grossman (1988) and Campbell and Shiller (1987) apply this methodology to test for the presence of a bubble in the equity market. We use this methodology to check for a bubble in the housing market.

To explore the existence of a housing bubble it is useful to examine the stability of the underlying relationship of home prices and the economic forces that determine them. If the relationship suddenly becomes unstable during a period of rising home prices, this would be consistent with the presence of a bubble. Cointegration is well suited to test for this. Cointegration tests for the long run relationship among variables. Two variables are cointegrated when they share a common stochastic trend. A common stochastic trend does not simply mean that they move upward or downward together, but rather that the variables may share both prolonged upward and prolonged downward movements.

Suppose housing prices were cointegrated with an economic variable and if a bubble develops in the housing market then housing prices rise without a corresponding rise in the variable. This implies the severing of a long-term relationship between housing prices and the variable. In other words, the cointegration should cease. In summary if there was a bubble in the housing market from 2001-2005,

then we should be able to find variables which were cointegrated with housing prices before 2001, and no longer remain cointegrated.

DATA

Quarterly data is used and the study covers the period 1975Q1 -2005Q2. The study stopped at 2005 because housing market weakened in 2005-2006. Some hypothesize that the bubble may have ended. We do not believe there are currently enough data points to test this possibility. Therefore, we restrict our study to the period of rising home prices.

We employ the U.S. Office of Federal Housing Enterprise Oversight (OFHEO) Home Price quarterly index to measure housing prices. The index is not seasonally adjusted. A difficulty faced in the construction of a housing index is the extreme lack of uniformity of the commodity. To control for this OFHEO adopts the Case-Shiller geometric-weighted repeat sales procedure. The details of the procedure are described in Calhoun (1996).

Next we consider a series of seven variables, which reflect the fundamental economic forces determining housing prices. We employ two separate measures of income. The first is the mean of the middle quintile of the income distribution, denoted as the Middle Fifth. Second we use the mean of the highest quintile of the income distribution denoted as Top Fifth. The U.S. Census Bureau, Historical Income Tables-Families (all races), and the National Association of Realtors provided this data.

The mortgage rate represents a strong influence on consumer demand for housing. We obtained 30-year conventional mortgage rate (fixed rate, first mortgages from the Board of Governors of the US Federal Reserve System). The civilian unemployment rate measures the state of the economy. The U.S. Bureau of Labor Statistics provided the seasonally adjusted percent of civilian unemployment. The monthly data for both variables was converted to quarterly data by a simple mean. The Homebuilders stock index provides an indication of the state of the housing market. Merrill Lynch supplied a capitalization-weighted, price level index of homebuilding stocks based on stocks included in the S&P 500 stock index.

The final variable measures the ability of consumers to handle mortgage debt. The household debt ratio is the ratio of household credit market debt outstanding to annualized personal disposable income. This data also came from the Board of Governors of the US Federal Reserve System. The Housing Affordability Index (HAI) measures whether or not a typical family could qualify for a mortgage loan on a typical home, assuming a 20% down payment. The data is provided by National Association of Realtors (NAR). In this research, the monthly HAI values are sampled quarterly. For more details on the exact calculation, go to www.realtor.org.

PRELIMINARY ANALYSIS

Table 1 shows the simple correlation among the variables during the period before rapidly escalating home prices (1975Q1 – 2000Q4). During this period the fundamental variables exhibited a strong association. More importantly, all the variables displayed strong correlation with home prices and the signs were as expected. Table 2 shows similar results for the whole period (1975Q1 – 2005Q2).

EMPIRICAL RESULTS

Before testing for cointegration, the stationarity of the variables must be determined. Tests for stationarity are performed using the augmented Dickey-Fuller (ADF) tests and the Phillips-Perron statistic. The results of these stationarity tests are shown in Table 3. For all of the variables, except the income variables, both the ADF test and the Phillips-Perron statistic support nonstationarity at a five per

cent level of significance. Based on the Phillips-Perron statistic and the informal autocorrelation function results we conclude that the income variables are non stationary.

Next we examine whether home prices and the seven fundamental variables are cointegrated. This is accomplished by examining a cointegrating regression for each of the seven variables with home prices. Table 4 presents the results of these cointegration tests for the 1975Q1-2000Q4 period. We may reject the null hypothesis of no cointegration at the 10% level of statistical significance for one additional variable the Homebuilders stock index. Thus for the period preceding the run up in home prices there appears to have been a strong link between home prices and both the income variables and the unemployment rate and a marginal link with the home builders stock index.

Table 5 presents the results of these cointegration tests for the period 1975 -2005Q2. Thus, none of our fundamental variables are cointegrated with home prices at a 5% level of statistical significance. This result suggests that the linkage between home prices and the fundamental variables has been substantially reduced during the period of rapid home price increases from 2001 through 2005Q2. The statistical evidence is consistent with the presence of a real estate bubble.

CONCLUSION

The statistical evidence we presented supports the Case and Shiller (2003) survey conclusions of the presence of a real estate bubble in the housing market. Our study uses a national housing index. Case and Shiller (2003) use local housing indices. They find the bubble limited to a few cities. They find that income has the strongest influence on housing prices. We also find a strong relationship between income and housing prices during the pre-bubble period. This relationship severed during the bubble. Case and Shiller (2003) speculate that unemployment rates are a key precipitating factor of the housing bubble. Thus upward (downward) movements in the unemployment rate will decelerate (accelerate) home prices. In contrast, we find a link between home prices and unemployment during the pre-bubble phase. During the bubble phase the linkage has disappeared. We were somewhat surprised to find the lack of a cointegration relationship between housing prices and mortgage rates.

Tables and bibliography available upon request.

BUDGETING AND ITS ROLE IN MODERN CORPORATE GOVERNANCE: EMPIRICAL STUDY IN THE CZECH REPUBLIC

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ABSTRACT

The differing opinions of both experts and managers on the application of budgets in the dynamic changing business environment were inspiration for the empirical study that is oriented on the importance of budgets to performance management. The paper results from the empirical research based on comprehensive questionnaires of the actual situation in companies operating in the Czech Republic. The questionnaire was addressed to 350 managers and 72 answers were included in the research. Analyses and conclusions presented in this paper cover the following issue:

The first part analyses changes in the application of budgets in recent years and the indicators of these changes.

The second part is oriented on the opinions of managers of budgets and explores whether managers consider budgets a “necessary evil” or an important management tool and consequently whether managers use budgets more for decision making (planning) than for control. Analyses concentrate also on differences between the attitudes of financial and non-financial managers and between middle level and top managers.

The last part of the project focuses on recognition of factors that have an influence on budget consideration such as methods of budget preparation, manager participation in budgeting process, level of power and responsibility managers, relation to incentive scheme, and the personal characteristics of managers.

JEL: M41

INTRODUCTION

Budgets are one of the most widely used tools for planning and controlling organizations. But during the last ten years or so attitudes that companies should go “beyond budgeting” and abandon budgeting in practice have been presented by experts in both literature and in discussion meetings. The aim of the research was to discover whether industrial and commercial companies in the Czech Republic still need and use budgets and whether they have changed their budgeting practices in recent years. The research was conducted in two phases with a questionnaire survey and direct interviews with managers.

LITERATURE REVIEW

It was implicitly assumed that budgets serve as an important managerial need and textbooks such as Drury (2007), Kral (2006), Fibírova and Soljakova (2005), Fibírová and Soljakova and Wagner (2007) rehearse the importance of budgets in: planning, co-ordinating, communicating, motivating, controlling and evaluating operations; Horngreen (2006): “Budgets are a major feature of most management control systems, they can compel planning including the implementation of plans, provide performance criteria, promote communication and coordination within organization, affect behavior and organizational processes“. The researchers wished to establish the conditions in which different forms of budgeting were appropriate, not to challenge the usefulness of budgeting itself (Lorino (1996), Kaplan and Norton (1996), Eschenbach (2000). However, this changed in the 1990s as Hope and Fraser (1997, 1998, 1999, 2003) mounted a wide-ranging critique of the manner in which budgeting systems are typically implemented.

They observed and described budgeting systems highlighting “the often bureaucratic and expensive nature of the budgeting process, the failure of budgeting to meet the needs of managers in uncertain and competitive environments and the likelihood that budget systems would lead to managerial “gaming” of the numbers.”

METHODOLOGY

The research is based on direct investigation of the actual situation in the Czech Republic. The questionnaire was developed and then sent to 350 random screen of industrial and commercial companies in the Czech Republic. Seventy-two responses are included in this research. The companies included in the research operate in various areas of business (see Figure 1). Then several top managers (Chief Executive Officers and Chief Financial Officers) were interviewed directly. The analyses are based on basic statistical methods.

HYPOTHESIS

The empirical research assured the following main hypothesis:

- A. The application of budgets has changed in recent years.
- B. Managers consider budgets a “necessary evil” or an important management tool. Managers use budgets more for decision making (planning) than for control. The attitudes of financial and non-financial managers toward budgets differ.
- C. Methods of preparing budgets and budgetary control as well as the relation of budgets to incentives have an influence on budget consideration.

Hypothesis A - The application of budgets has changed in recent years.

According to the empirical research most companies (52 %) consider budgets as a **traditional significant tool useful for decision making and control**. Budgets have to be continually improved in order to adapt to changes in the business environment and to encourage the successful development of companies.

11 % of companies use budgets in a traditional manner but budgets are **only a formal tool** required, for example, by banks, financial institutions, and owners. They are not used as active management tools. The reasons could be:

- management has no interest; they prefer intuitive and interactive management methods;
- the business activity is fixed and developed continually;
- the business activity is too variable to predict using budgets.

Only 5 % of the companies have eliminated or reduced the application of budgets in recent years because:

- budgets do not encourage the business development and performance.
- budgets are only **bureaucratic and administratively complicated tools**; expenses regarding budget preparation and control have been higher than the benefit obtained from budgets.
- the budgets were only a formal tool.

32 % of companies have intensified application of budgets in recent years and this change was evoked by:

- the owner in connection with a change of ownership (25 %);
- managers in connection with the development of companies (44 %);
- new managers in connection with their arrival in the post (31 %).

Budgeting practice has changed in recent years but, according to this research, little of it was driven by the “beyond budgeting” movement. Instead there has been an intensification of the budgeting processes application.

Hypothesis B - Managers consider budgets a “necessary evil” or an important management tool. The attitudes of financial and non-financial managers toward budgets differ.

The following alternatives of budget consideration were tested for the purpose of proving this hypothesis:

- Budgets are only **bureaucratic and administratively complicated tools**. They limit and formally measure business activities of the companies and their business units without any careful analyses of the actual conditions and development possibilities. Budgets also support irrational manager behavior in order to meet the budgets. They, for example, move the sales or cost on purpose from period to period.
- Budgets represent an **important management control tool** that serves a number of useful purposes:
 - ⇒ coordinating the activities of various parts of the organization and ensuring that the parts are in harmony with each other;
 - ⇒ motivating managers to strive to achieve the goals set;
 - ⇒ controlling activities.
- Budgets provide **important information for decision making**, for setting standards, costs, margin, profit of products and customers. They contribute to product volume and structure optimizing and the increase of performance.

Managers were to use a scale from 1 to 5 to value their acceptance of the budget. (1 – absolute disapproval, 5 absolute acceptance). The answers were analyzed in relation to financial and non-financial managers and in relation to the level of power and responsibility. Table 1 shows the average value according to the manager groups

Outcomes show the positive budget consideration by all top managers – both financial and non-financial. Research did not confirm the different attitudes of financial and non-financial top managers toward budgets. In our opinion the relatively small variances in outcome for financial and non-financial managers’ is more the result of the different priorities of managers than from attitudes toward budgets themselves. The decreasing level of power and responsibility means the low positive attitude toward budgets. Middle and lower level managers with a low level of power and responsibility consider budgets as a bureaucratic, non-flexible and administratively complicated tool that neither supports management control nor decision making.

Managers prefer the role of budgets in decision making to management control but the difference is not significant enough to make a distinct conclusion.

An analysis of budget consideration according to company size confirms a relation of the company’s size to their consideration of the budget. For example a negative attitude toward budgets increases in relation to the size of the companies. Non-financial managers of large companies refuse budgets more than managers in small companies – see table 2.

Negative budget consideration by middle and low level managers in large companies is caused above all by:

- the limited possibilities of these managers to take part in the budget process
- the incompatibility between company goals and the goals of these managers,

- the poor ability of top managers and owners to explain all the circumstances and contexts of the budgets
- the lower flexibility of management systems in large companies

On the other hand the small companies are able to involve the middle and low-level managers in the process of budget preparation and budgetary control, to ensure easier communication and clearer contribution analysis.

The positive budget consideration increases in relation to the size of the company above all in case of budgets as a management control tool. No relation was confirmed in the case of budgets being used as information for decision making.

Large companies have to decentralize the power and responsibility more widely, and consequently the importance of the budget is greater. On the other hand small and middle-sized companies with a simple organizational structure could be controlled more informally and “communication and coordination” through budgets seem to be pointless according to some managers.

Budget consideration differs also according to the owner structure. Analysis shows that companies belonging to multinational corporations and domestic concerns attach more importance to budgets than company owned by sole investors (both foreign and domestic).

Hypothesis C - Methods of preparing budgets and budgetary control as well as the relation of budgets to incentive scheme have an influence on budget consideration.

Managers should evaluate the influence of the following factors on budget consideration: methods of budgets preparing, manager participation in budgeting process, level of power and responsibility managers, relation to incentive scheme, personal features of managers. The responses were scaled from 1 to 5 (1- no significant, 5 – most significant). The figure 5 shows the average valuation.

The relation to incentive scheme is the most important factor according to the study. This factor absolutely supports budget consideration as a tool for motivation and control. The managers addressed are consistent with the opinion that the budget is only a formal tool without closed relation to employee remuneration. On the other hand the positive variance from budget could not be the single measure.

The second most important factor referring to the previous point is manager participation in the budgeting process. In the case that managers have the opportunity to take part in budget preparation and control and they accept the budget as a personal task, budget efficiency increases. If the budget is only a directive and managers do not accept them or they consider them as unmeetable, managers have no motivation to meet the budget goals.

This opinion supports the importance of the third factor – the level of manager power and responsibility.

The lower the importance was found in respect of methods of budget preparation. Most companies use traditional methods based on the actual outcome in the previous year adjusted by supposed changes in volume and structure of activities.

The personal characteristics of managers carry the least importance. The research does not confirm that today there is no possibility to control a lot of managers (above all the creative characteristic) through budgets or similar “hard” measures.

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IMPACT OF PIRACY AND DRM ON COMPETITION OF DIGITAL MUSIC DISTRIBUTION

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ABSTRACT

This study models competition of online music industry in Korea and identifies what factors affect choice probabilities of online music stores. Especially, effect of unauthorized file sharing (piracy) and application of Digital Right Management (DRM) on digital music files are examined which are controversial issues in music industry recently. Monthly data is constructed from internet traffic information, statistic of copyright infringement, and characteristics of individual music sites during research period. Aggregate demand function is derived from discrete choice model with a proper assumption. As a result, both piracy and DRM have negative effect on choice probabilities of music sites. This result extends evidences of effect of piracy from offline market to online.

Keywords: Digital Music, Piracy, DRM

INTRODUCTION

The development of Internet technology gives great effect on economic aspects of human society. Especially, the advent of new distribution channels results in weakening or falling down of old ones, and music industry seems to be one of the most suffered from it. Traditional sales of music records are showing sharp decrease worldwide and the mp3 technology and internet file sharing technologies are pointed out as major reasons of the decreasing (Liebowitz, 2006). Mp3 technology achieves very small file size without losing music quality and enables many music listeners to share music files through diverse channels such as portable disks, file sharing sites including peer-to-peer networks, or legitimate way like online music stores. Accordingly, online music market becomes larger contrary to record sales decreasing. If digital music files can substitute traditional music records, online music stores will become more important.

Crucial issues on online digital music are piracy and digital right management (DRM) problems. These can be seen as common problems on digital products including movie, music, and video games. Piracy is similar word to unauthorized file-sharing in online environment and DRM is a kind of copyright protection technique which enables copyright holders to control the value of digital products to be limited to a certain point.

Accordingly, the scope of this study can be ranged between distribution of digital products and music industry. There are some studies in related fields. On piracy issue, Peitz and Waelbrock (2006a; 2006b) consider possibility of positive effect of sharing digital music files such as network effect and sampling effect. Bhattacharjee et al. (2006) also present empirical evidence of pre-purchase sampling effect. However, Zentner (2003) and Oberholzer-Gee et al. (2007) empirically analyze the relationship and assert that piracy has negative effect on offline record sales. Liebowitz (2006) reviews these previous studies and concludes that piracy or sharing cannot grow music sales in offline stores. On DRM issue, Peitz and Waelbrock (2006b) mention that DRM is a tool for copyright protection and price discrimination, but technically useless. Waterman et al. (Forthcoming) point out that members (publishers, equipment

manufacturers, software developers, consumers, and so on) in the movie industry have a conflict of interests around application of DRM technology. Music industry also faces a dilemma which comes from piracy and DRM. Although piracy gives an adverse effect on profitability of online music stores, there is controversy about the usefulness of DRM which gives inconvenience to consumers. Apple's iTunes removed DRM for songs of EMI music in 30th May 2007. In Korea, Bugs removed DRM in February 2007 but returned it two months later.

The goal of this study is to empirically analyze two issues that are representative regarding online music industry. First, we identify whether online unauthorized file sharing directly affects online music industry or not. Second, we identify whether application of DRM on digital music files directly affects online music industry. We derive demand function of online music sites on the assumption that in the online music market there is competition among differentiated products, and then we study empirically applying related data into the model.

This paper is composed as follows. The demand function derived from consumer choice model is introduced in the section II, and data for empirical analysis is explained in the section III. Results are showed and discussed in the section IV and we conclude in the section V.

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A STUDY ON THE RISK TAKING PERCEPTION OF ADVERTISING AGENCY'S EXECUTIVES IN KOREA

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ABSTRACT

Multi departments and teams exist within a advertising agency functioning as producer, and if the staffs there do not conduct business properly, censurable personnel changes are generated. Especially, creative team which is involved in production of advertising agency is often replaced because of a sponsor's creative dissatisfaction toward the advertisement. It has been a main factor that to protect severance and replacement caused of creative problem proposal between the sponsor and manager of advertising agency. The responsibility is attributed to the staffs as preliminary step. Thus, extent of perception of risk for the work is likely to be large. Accordingly, whether it is one's own will or not, transferences to other firm or other occupation are frequent and the costs of a scout for new staff or training are larger than the costs of retainment for current staff in the view of advertising agency.

The concept of risk-taking that in spite of the risk estimates propensity carrying out a business is suggested risk and creative are closely connected each other and defined as "Personal creative advertising risk is a subjective construct and decision involving uncertainty about whether potentially significant and/or disappointing outcomes will be realized from the created work".

Risk-taking of advertising agency can be generated through all business area from the start to the end of advertising campaign which has an intrinsic attribute as one process from situation analysis to segmentation, creative strategy, medium choice and evaluation of advertising effect, and risk-taking of advertising staffs is influenced by philosophy of the advertising agency, relationship with sponsor and characteristic of agency business.

In substance, his study suggested that before response result of advertising production according to the creative philosophy in the market, perception of risk-taking has always been existed although extents have been different depend on the staffs. Similarly, risk-taking created all advertising agency area is influenced by environmental factors, and environmental factors of advertising agency influence various decision making of it such as creative challenge or level of advertisement. Study of risk-taking, therefore, that staff of advertising agency feels it is important.

Hence, this study is likely to analyze the risk-taking of staff in the advertising agency and investigate the differences according to businesses, sponsor contact frequency, etc. Through this study, we would like to find the dimensions and situations that risk-taking is vigorous.

BIOGRAPHY

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THE USE OF METAPHORICAL EXPRESSIONS IN THE PRINT ADVERTISEMENT

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Min-Sook Park, Pusan National University
Min-Kyung Moon, Pusan National University

ABSTRACT

It has long been argued that the simpler and clearer advertising message of advertising copy is the more effective it will be. More recently, however, some scholars began to report that rather abstract and ambiguous message of advertising copy in the print advertisement can be as or more, but any other can't compare advertising copy of metaphorical and direct expressions, two kinds of advertising copies have different influence and effects. Thus, the purpose of this study is to examine the effects of metaphorical copy in the print advertisement, focusing on the features of product (experience/search goods). This study investigated how different type of expressions (direct/metaphorical expression) in the print advertisement influence on attitude toward the advertising and product qualities' perceive and purchasing intention.

The four advertising copies were sampled for this study in consideration of their product characteristics and difficulties of ad expressions: (1) Direct expressional copy in a cosmetic ad, (2) Metaphor expressional copy in a cosmetic ad, (3) Direct expressional copy in an ad of electronic dictionary, (4) Metaphor expressional copy in an ad of electronic dictionary. For this study, questionnaire surveys were asked to respond to each two advertising copies whose product characteristics and brand reputations did not overlap with each other. Thus, a total of 188 copies of questionnaire were distributed to the subjects.

RESULTS

The results of this study can be summarized as follows:

- 1) There were main effects by metaphor expressional copy on attitude toward advertising. Consumers' attitude toward advertising in a well-comprehensive group of metaphor expressional copy is higher than a non-comprehensive group of metaphor expressional copy.
- 2) Since the effects of the metaphor expressional copy in the print advertisement on consumers' attitude toward advertising, product qualities' perceive and purchasing intention were significant for experience goods.

Such a result suggests that in case of the experience goods for which consumers recognize the benefits and qualities of goods after purchasing them, consumers tend to be more engaged in affection and familiarity of the metaphorical messages in the print advertisement and therefore, that the metaphor expressional copy may be very effective.

Nevertheless, this study is limited in several ways. Hence, it is hoped that this study will be followed up by future studies which will effectively analyze the effects of the metaphor expressional copy in the print advertising using more developed methods.

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AN INVESTIGATION OF INTRA-ARB CAPITAL FLOWS AND THEIR ROLE IN ARAB ECONOMIC INTEGRATION

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ABSTRACT

The dismantling of restrictions and the elimination of economic obstacles has become a common feature in the economic integration across global economies. Although many countries in several regions in the world have increased their intra-capital flows, the investment among Arab countries has been a relatively small portions of total their foreign direct investment (FDI). The reasons for the weakness of intra-Arab FDI are divided into two parts; the economic and political. Based on fundamental of the gravity model, using panel data set fixed effects regression this paper analyzes the determinants of intra-Arab FDI during the 1985-2005 period. Despite of potential existence of the intra-Arab FDI expanding, the paper argues that the possibility of this expanding needs - in addition to other factors – a harmonization of the economic policies and procedures for investment implementations among Sub-regional Unions of Arab countries. Furthermore, diminishing the gap between per capita GDPs of the Arab countries is important for enhancing the intra-Arab FDI; the real desire is also required to attain the increasing of intra-Arab FDI and then obtain the economic integration amongst the Arab countries.

Keywords: Economic Integration; Capital Flows; Intra-Arab FDI; Gravity Model.

REVENUE MAXIMIZATION IN WEB BANNER SCHEDULING

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ABSTRACT

As the population of the Internet users increases dramatically, the influence of the Internet Media cannot be overemphasized. One of the important commercial applications of the Internet is banner advertisement, which is also the key source of income of most portal websites. In this paper, we thereby formulate a mathematical model of banner advertisement scheduling to better select and arrange advertisement orders so as to maximize revenues. In the proposed model, each order has a proposed feasible time window within which its advertisements should appear. Because web-pages available for advertisements may provide different sizes/types of ad space, each order will also specify the frequency of each different type of banner space. We develop an integer programming model to mathematically describe the problem. Due to the computational complexity, we develop a three-phase solution algorithm to produce an approximate solution within a reasonable time frame. A theoretical upper bound is also derived. Computational experiments are conducted to study the efficiency and effectiveness of the proposed algorithm. The statistics show that the algorithm can fill up to 97 % of the ad spaces.

ACKNOWLEDGMENT

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THE DETERMINANTS OF SOVEREIGN BOND YIELD IN EMERGING MARKET

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ABSTRACT

This study investigates bond yield in the emerging government bond markets including China, South Korea, Malaysia, Philippine, and Thailand to determine the factors that affect the bond yield spread. We use two sets of instruments including world and local factors to forecast emerging bond yield. In addition to investigate the impact of specific country's macroeconomic factor to its bond yield, we also separate local factors into macroeconomic and financial factors. Furthermore, the financial liberalization is significantly reformed after the Asian Crisis, thus the impact of international capital flows to bond yield from the region after the liberalization process are considered as well. The information variable approach allows us to predict excess bond returns by world and local factor on excess bond return as well as to understand to what extent emerging bond markets are integrated to developed bond markets. The results suggest that local financial and macroeconomic information variables can forecast around 25% to 66% of emerging bond yield. Especially, the macroeconomic variables appear significant in explaining the bond yield.

JEL:F30; F37; G15.

THE RECOVERY PROCESS OF SMALL ENTERPRISES AFTER THE EARTHQUAKE: CASE BANTUL REGENCY, YOGYAKARTA PROVINCE, INDONESIA

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ABSTRACT

This paper describes the recovery process of the Small and Medium Enterprises (SME's) in Bantul regency after the 27th of May earthquake that hit Yogyakarta and Central Java. We based our report by using survey on 500 Small-Medium enterprises in Bantul and case study of GEMI association (a Grameen Bank type of activities). We argue that the process and the impact to each enterprise are specific. What the key factor speed up the recovery process will be differ from one product to another. We note that there is uniqueness of recovery process to each business and the various degree of the impact of the disaster on business. First, market and demand for the product is the key factor that the business can recover and restart very fast. This demand will guarantee that the business can run automatically and last longer. Then, the capital to replace the broken utensils and machines are starters. In this case we note that the amount of money needed to restart the business is vary depend upon what utensil/machines need to be replace.

INTRODUCTION

Saturday morning on the 27th of May 2006, an earthquake with 6.3 Richter Scale hit Yogyakarta and Central Java. Due to the length of the shaking and the position that close to the residential caused more than 5,700 of people passed away and other hundred thousands loss their place to live. In addition, more than 60,000 are injured due to the building debris and other. The damage also robbed the livelihoods of the people. The Bappenas Joint team (2006) estimated that the livings of more than half the people in Yogyakarta s (2.471.168) are affected by the disaster.

Bantul, one of the regencies in Yogyakarta, is the most severely hit by the earthquake. The Bappenas Joint team estimated 4121 out of 4659 casualty and 12026 out of 19401 injured were in Bantul. Bantul was the most affected district with 246% total damage and losses compared to its gross domestic regional product (Klaten, Central Java has a ratio of 201%. The districts of Kulonprogo and Gunung Kidul also have relatively high ratios ranging between 50% and 75%). The productive sectors, the Small and Medium Enterprises (SME's) which dominate the economy of Bantul also suffered. The Bappenas Joint team accounted that from 21,306 SME's in Bantul, 14,628 were seem completely destroyed.

Many studies attempted to underline what key factors that speed up the recovery process, Dalheimer et. al. (1996), Webb (1999), Becker (2001), United Nation (2005), Kauffman (2006), among others. These works pointed out that the key factors, the speed, and the sequence of the recovery process differ from one firm to another. Albeit the psychological reason, this may be because of the number of labour injured, lack of capital replacement, lack of materials and in adequate market demand. This paper describes factors and recovery process of the small informal enterprises in Bantul by using the Gemi member as a study case. We argue that the informal sector has a great contribution to the economy of Bantul. In addition, lesser amount of published information is available for this sector. Underlining these factors and the stages that the enterprises will follow can shed some light on what the best response the government could have on the disaster. To support the argument, we based our report by using survey on 500 Small-Medium enterprises in Bantul and case study of GEMI association (a Grameen Bank type of activities).

FINDINGS

The informal sector is comprised the business without legal license from the government. In 2003, there were 24,588 units of micro, small and medium¹ business in Bantul (BI and CEPPS, 2005)². There is no information about the split between the number of formal and informal business units and their size. By assuming the distribution of size similar to that of the province, then the number of micro enterprise is 7,573 units (about 31 percent)³. The types of commodity produced in the SME sectors in Bantul are Foodstuffs (40%), Clothing and Leathery (3%), Chemical and Construction materials (14.9%), Metal (4.7%), and Craft (34.8%). As the Bappenas Joint team estimated, the number of affected unit in the informal sector was 5,040 out of the total 14,628 business units affected (both formal and informal sector) in Bantul. As the Bappenas Joint team noted the small and medium enterprises dominated the affected areas. It is likely that most of the micro business affected by the disaster.

As reported in Sugiyanto and Resosudarmo (2007) there are 67 % of SMEs in Bantul district suffered from contracted sales due to physical damage, incapacitated staff, power cuts electricity and other factors as a result of the earthquake. Within seven months, however, affected SMEs had been able to recover an average 82 % of their losses, with approximately 54% of SMEs already fully recovered. Factors determining the speed of SME recovery are:

1. The higher the level of damage caused by the earthquake, the faster the recovery rate of these SMEs;
2. The smaller the SME, the faster it was able to recover;
3. Capital-intensive SMEs tended to recover faster than those with lower technology;
4. SMEs relying on the local market recovered faster than those relying on markets outside Yogyakarta.

Gemi (Gerakan Ekonomi Kaum Ibu, the Mothers Economic Association) was founded in 2004 by YP2SU⁴. The purpose is to increase the level of living of the poor by helping them through their economic/business activities. Gemi has 300 business women/housewife as members. Most of them are micro in size. They are located in the Kecamatans (sub districts) of Sewon, Banguntapan, and Pleret. There are various activities engaged by the members including tailor, restaurant, food vendor, junk appliances, fried potatoes, rice seller, lamb grower, fuel oil, ice, and vegetables. The earthquake collapsed about 90 percent of the Gemi members business and houses. The Gemi have done several activities to recover its members' business.

to the old members, The Gemi offers postponement of payment. The longest is 6 months and the shortest is 2 months. The new members are given 1 months delay. As long as the business has not start, the member does not have to pay any contribution. In addition, the Gemi distributed new loans to the groups such that members can borrow from the group. Having this loans enable the members to restart the business.

The Gemi trained the worker whose job place collapsed. The crafts workers for example were trained with materials similar to that of the workers previous job. The products then are marketed by the Gemi in association with the office of the Ministry of Youth and Sport (Menpora). Many other workers were trained to process the debris (brakes) fro building materials.

The result is great 3 days after the earthquake many of the Gemi members have started their business. Two weeks after the disaster, about 20 percent of the member started their business. The number increase to 40 percent after 1 month and up to 70 percent after 2 months. However, many of the members still keep their business are closed, especially those whose husband has permanent job such as become a security in the government office or in store at the city. This may be because the wife has to take care of their belongings. Around 10 percent of the members change their object of business.

The Gemi manager reported that the speed of the recovery process depend upon the ease to obtain loan, the type of product, the economic of scale, and the fact that there is no alternative of activities or source of income to the members. As mentioned, most of the Gemi members are food vendors. The large number of people who can not because of their broken kitchen utensils and others, and the visitors increase the demand for prepared food. In addition, many of the Gemi members are micro in scale that does not need a permanent kiosk. Even if the market building collapse, the can sell around the market building. More importantly, most of the Gemi members do not have much saving such that starting the business is a must for living.

CONCLUSION

We note that there is uniqueness of recovery process to each business and the various degree of the impact of the disaster on business. First, market and demand for the product is the key factor that the business can recover and restart very fast. This demand will guarantee that the business can run automatically and last longer. Then, the capital to replace the broken utensils and machines are starters. In this case we note that the amount of money needed to restart the business is vary depend upon what utensil/machines need to be replace. A quick assessment of the business need can speed up the recovery process. The worker, which usually the owner of the micro and small business, is of course the main reason whether we should take care of the people or the business first. Namely, the health of the worker and the time available for the business become the first selection/choice factor.

We also experienced that a close relationship between the business and the government or donors, NGO and other institutions who are willing to help the business increase the information revelation.

ENDNOTES

1. Definition:Ministry of finance Decree No. 40/KMK.06/2003 dated 29 January 2003 about Credit Financing for Micro and Small Scale Business: Kecil Micro: Sales < 100 million Rupiah per year; Small: Sales : 101 m -1 billion Rupiah year Medium: Sales: 1 – 10 billion Rupiah per year)
2. This is difference from that of the Bappenas Joint estimate (21,306 unit of SME compare to 24,588 units of MSME according to BI and CEPPS, 2005). The difference may represent the number of Micro units business.
3. Most of the businesses in the D.I.Yogyakarta are Micro (34,688), Small and Medium (77,932) Size (BI and CEPPS, 2005)
4. Yayasan Peningkatan dan Pengembangan Sumber Daya Ummat, the Human Resource Development Institute) based in Yogyakarta, <http://yp2su.org>

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Tiar Mutiara Shantiuli’s main research interest is Business and Information technology. She is currently a graduate student at the Faculty of Economics and Business, Gadjah Mada University. She worked on many researches including the Challenge of Tourism Development after decentralization in Lombok Island, West Nusatenggara, Indonesia and the Recovery process of SME in Bantul after the earthquake.

EDI IN DEVELOPING COUNTRIES-LESSONS FROM SOUTH AFRICA

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ABSTRACT

Electronic Data Interchange plays an important role in improving organizational competitiveness. Information Technology has been instrumental in integrating functional areas within and outside firms. This research uses empirical evidence to evaluate the state of EDI in the willingness of SME's to connect electronically to a large distribution centre in South Africa. Furthermore, it investigates the EDI adoption rate from the viewpoint of a small business. Many such businesses feel coerced by larger trade partners to adopt EDI or lose the customer.

Most practitioners of EDI are aware of the necessity for high penetration levels, to make EDI successful. However, penetration may be hindered by the refusal of small firms to accept EDI. Based on prior research this model incorporates 4 factors that are hypothesized to have an influence on EDI Adoption. The survey was concerned about four potential strategies for achieving business objectives namely: organizational readiness, external pressure, perceived benefits and security. Data was collected from 105 firms who responded to an e-mail survey.

EDI security was analysed and examined. The findings reveal that external pressure was the strongest positive factor associated with the intent to adopt EDI. No support was found for security. In addition, it suggests that there is a general need for more managerial support as well as compatibility with systems among small firms. Finally, these findings add support to the importance of diffusion of Innovation theories, Interorganizational Systems and Technology Acceptance Models.

TECHNOLOGY INDUSTRIAL CHAIN BETWEEN THE UNITED STATES, TAIWAN AND JAPAN

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ABSTRACT

This is the first paper that used time series methods to investigate “lead-lag” relationships between Japan and Taiwan high-tech industries caused by U.S. High-tech industrial stock in the financial markets. Three daily stock indices markets from July 1, 2003 to June 30, 2006 were used. Using a co-integration analysis and VAR models, no long-term equilibrium relationship was found among these markets, but stock indexes did influence each other in the short-term, especially the United States index. The United States and Japan affected the Taiwanese market, as found by impulse response analysis and variance decompositions.

Keywords: Co-intergration, High-tech Industrial, Interrelationships, Impulse response, Variance decompositions

BIOGRAPHY

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THE CHALLENGE OF TOURISM DEVELOPMENT AFTER DECENTRALIZATION IN LOMBOK ISLAND, WEST NUSATENGARA, INDONESIA

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Catur Sugiyanto, Universitas Gadjah Mada

ABSTRACT

This paper examines the challenge faced by the Provincial government of West Nusatenggara to develop its tourism sector. We identify such context may be external factors such as world political situation and tourist income. They also come from internal factors such as the quality of the object, the services of the local people and the quality of access to the tourist sites. In this paper we report the strength and weaknesses of the internal factors based on the survey at the sites, the key players in the tourist business and the local tourist operators formulate correct policy to raise the sectors. In addition we identify the change in the policy making process in relation to the decentralization policy implemented in 2001. This policy had some positive impacts on the practice of local government in providing services including the tourist sector. However, the need to increase the local government revenue could bring the development policy oriented towards short-listed policy of the local government. Such policy endangers the growth of the tourist sector in the future.

INTRODUCTION

West nusatenggara province consists of two main islands, named Lombok and Sumbawa. Central Lombok possesses some of Lombok's most impressive tourism attraction. Its pristine white sandy beaches that face Indian Ocean and surf breaks are very good. Three Gili islands are the perfect coral islands, fringed with white sands and swaying palm trees, lay in the sparkling ocean. The Gilis provide an opportunities for visitors to swim, sunbathe, snorkel, or scuba dive. There is an interesting array of fish to see in the waters directly off the beaches. Sekotong, 45kms southwest of Mataram, have a sparkling white sands, crystal clear blue waters and green mountains as a backdrop, that area is still relatively undeveloped and natural landscape. Senggigi beach is a large bay that forms the centre of senggigi with the road running parallel of the beach. The beach provides picturesque views of Bali's Gunung Agung mountain and also has good coral for snorkling.

Visitors can enjoy the traditional way of life of the ethnic Sasaks. Rembitan and Sade are villages provide a glimpse of Sasak village life and excellent examples of the traditional construction of the houses and the bonnet-shaped rice barns called lumbung. Traditional crafts such as weaving and pottery are practiced in many of the villages it's of no surprise to come upon traditional ceremonies being enacted by the side of the many roads and lanes that traverse the beautiful countryside. Sukarara (South Lombok), the weaving village could be an interesting place to shop golden-thread weaving called Songket; while Beleka known as a source of antique and handicrafts. For 25 years Beleka has been supplying main markets, Bali with its predominantly artistic products.

Indonesia's tourism development connected to World Tourism Organization (WTO) tourism 2020 vision. WTO estimate world international tourism visitor around 1.006,4 million in year 2010 and 1.561,1 million in year 2020. East Asia and Pacific region will have development of 6,5%, so that many countries straighten out their tourism attraction.

This paper attempts to identify positive impacts on the practice of local government in providing services including the tourist sector using survey methods. However, the need to increase the local government revenue could bring the development policy oriented towards short-listed policy of the local government. Such policy endangers the growth of the tourist sector in the future.

FINDING

The decentralization policy implemented in 2001 gave larger opportunity for the local government to plan and implement development policy for its region. The planning process begins from the village level up to the provincial level. As a result the development strategy will reflect the need of the local people. However, the local government has to raise local income for its development activities. Such financial need pressure the local government to obtain many sources of income that may have negative impact on the local economy.

We observed that the local government put charges on many activities that do not have a correct economic base such as raising the charge to enter the tourist areas, charges on transfer goods across the region, and charges on the use of airport facilities.

The budget oriented to gain public support in the next election, such having freed the use of health facilities and tuition and other fees to students up to high school. The lower the price to enjoy such facilities raise the demand for them such that increase the budget that has to be allocated to these health and education sectors. Such increase reduced the budget allocated to the improvement of tourism sector. The expenditure on tourist advertisement, flyers, web site, tourist expos were limited.

The list of the finding includes:

1. Lack of investment in the tourist sector
2. Limited of promotion budget
3. Mismanagement in promoting tourist areas
4. Limited information to the international potential visitors
5. Local security
6. Inefficient transportation network: limited international connection

CONCLUSION

Lombok, West Nusatenggara is a very good place to visit and see the wonderful resources. Tropical island and coastlines with pristine beaches and fabulous waters for swimming, sunbathing, sailing, surfing, fishing and underwater activities, while the countryside is ideal for trekking and for those who have an adventure spirit. Local government has already set tourism sector to be a second priority development after agricultural sector. Therefore reliance on increase in tourism sector income can lead to prosperous community.

Undeveloped attraction tourist area constrain mainly by promotion effort, as a result of lack of budget promotions. Government initiatives in investment law are expected.

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THE IMPACT OF THE ICT SYSTEM ADOPTION ON THE FIRMS' PERFORMANCE: A STUDY OF ERP AND CRM IN KOREA

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ABSTRACT

Due to the rapidly changing business and ICT environments, firm-level adoption of ICT is shifted from in-house development to purchasing ICT system software. This paper analyzes the effects of enterprise computerization system (especially ERP and CRM) adoption on firms' productivity. This study is done based on the survey about ICT adoption for being information-oriented firms, which is annually carried out by National Computerization Agency (NCA). All of the business areas are covered in the survey, about 600 firms in 2005 are taken into account in this analysis. The distinct feature of this paper is that we combine a "productivity" and an "adoption" approach, while including a search for factors of the firm's strategy that affect adoption and performance. There are 2 analysis stages in this research. First, we investigate factors which affect firms' adoption of ERP and CRM and then we analyze the adoption effect on firms' performance. The empirical results show that capital and ICT resources raise the firms' productivity, and the adoption has partially effects on firm's performance. The results for influence on the firms' performance depending on the enterprise computerization system selection are significant and this study has the following features. Firstly, the ICT system adoption and performance are investigated simultaneously. Secondly, the sample selection bias, which may be neglected in measuring the performance in other studies, is considered and corrected. Lastly, this study used several variables which are ICT stock, ICT labour, R&D, and security and considered various sectors. As a result, significant results were obtained.

JEL: D24, O33, O40, O53

Keywords: ERP, CRM, adoption, performance, sample selection bias

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FOREIGN INVESTMENT VIS-À-VIS DOMESTIC INVESTMENT AND ECONOMIC GROWTH IN INDIA

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ABSTRACT

The average economic growth rate of India touched a historic height of 9.2% in the last financial year. Adding to this is the consistency in the augmentation of this economic indicator through the last few years. This immense growth rate is mainly triggered by the foreign inflow of funds. The figures appear to be improving by the day.

During April-July 2007-08, FDI inflows amounted to US\$ 5,614 million as against US\$ 2,848 million during the corresponding period last year, recording a growth rate of 97 per cent. India has displaced the US to become the second-most favoured destination for foreign direct investment after China. The Corporate India is flexing its muscles too. The increasing investments of the country and the rising trend in the domestic investment speak of growing investment capacity of the nation. Corporate India spent close to US\$ 7 billion in 2006 on cross border acquisitions.

INTRODUCTION

According to a report by Economist Intelligence Unit, compiled in cooperation with Columbia Program on International Investment (CPII), India is likely to receive FDI of US\$ 20.4 billion every year during 2007-11. In fact, buoyed by the increasing foreign investors' interest in India, the Government has fixed an ambitious target to attract US\$ 30 billion during 2007-08. Also, according to UNCTAD's world investment report, India has emerged as the second most-attractive location after China, ahead of the US and Russia, for global FDI in 2007.

The prospect for domestic investment has never been so good. While the growth of the economy at over 9 per cent along with increasing consumer expenditure has made the domestic market a very attractive proposition, the increasing integration of Indian economy has enlarged the market size for domestic entrepreneurs. This is also reflected in the rising share of India in the global trade. Accordingly, many firms are making large investments in order to increase their production capacity and to reap economies of scale. The growth in investment has been across varied sectors – tourism, retail, automobile, telecommunications and real estate among others. Besides, a number of policy changes have added further impetus to the investment scenario. For example, the notification of SEZ rules has been followed by a phenomenal rise in SEZs and the amount of funds being set aside for them. The government has formally approved 26 SEZs (in June 2007) with the prominent ones being Reliance Haryana SEZ, Indiabulls Industrial Infrastructure, GMR Infrastructure and Satyavedu Reserve Infracity.

Looking at the current Indian economic scenario, a positive line of association emerges between foreign investments, domestic investment and economic growth. However, it is possible that the relationship between these three is not necessarily unequivocal. This paper makes an attempt to qualitatively analyze the relationship between these three variables.

IS THE RELATIONSHIP BETWEEN FOREIGN INVESTMENT AND DOMESTIC INVESTMENT IN INDIA ESSENTIALLY POSITIVE?

It is believed that Foreign Direct Investment (FDI) plays an important role in the long term economic development of the country, not only as a source of capital but also for enhancing competitiveness of the domestic economy through transfer of technology, strengthening infrastructure, raising productivity and generating new employment opportunities. FDI inflows could contribute to growth rate of the host economy by augmenting the capital stock as well as with infusion of new technology. However, high growth rates may also lead to more FDI inflows by enhancing the investment climate in the country. Therefore, the FDI-growth relationship is subject to causality bias given the possibility of two-way relationship. What is the nature of the relationship in India? A recent study has examined the direction of causation between FDI and growth empirically for a sample of 107 countries for the 1980-1999 period (Study by Kumar and Pradhan, 2002). In the case of India, the study finds a rather neutral relationship as the direction of causation was not pronounced. Neither is there a statistically significant effect of FDI on domestic investment in the case of India. It appears, therefore, that FDI inflows received by India have been of mixed type combining some inflows crowding in domestic investments while others crowding them out, with no predominant pattern emerging in the case of India.

The empirical studies on the nature of relationship between FDI and domestic investments suggest that the effect of FDI on domestic investment depends on host government policies. Governments have extensively employed selective policies, imposed various performance requirements such as local content requirements (LCRs) to deepen the commitment of MNEs with the host economy.

The Indian government has imposed condition of phased manufacturing programs (or local content requirements) in the auto industry to promote vertical inter-firm linkages and encourage development of auto component industry (and crowding-in of domestic investments) [Nagesh Kumar, *Liberalization, Foreign Direct Investment Flows and Economic Development: The Indian Experience in the 1990s*, available at www.ris.org.in].

With respect to contribution of FDI to local technological capability and technology diffusion, there is mixed evidence. On the knowledge spillovers from foreign to domestic enterprises, the evidence suggests that they are positive when the technology gap between foreign and local enterprises is not wide. When the technology gap is wide, the entry of foreign enterprises may affect the productivity of domestic enterprise adversely i.e., there could be negative spillovers.

The rise of the IT software and services industry (henceforth software industry) over the 1990s represents one of the most spectacular achievements for the Indian economy. The industry has grown at an incredible rate of 50 per cent per annum over the past few years, is highly export oriented, has established India as an exporter of knowledge intensive services in the world, and has brought in a number of other spillover benefits such as of creating employment and new pool of entrepreneurship. The evolution of India as an exporter of these knowledge intensive services has also created much interest in the development community worldwide. The Indian software industry has grown at a phenomenal compound annual rate of over 50 per cent over the 1990s from a modest export revenue of US\$ 100 million in 1989/90 to evolve into nearly \$ 10 billion export earning by 2002. The industry has set itself a target of \$ 50 billion of exports by 2008 and is confident of achieving it despite recent slow down in technology spending in some of the key markets such as the US.

The Indian export success in the software industry is primarily driven by local enterprise, resources and talent. The role played by MNCs in software development in India is quite limited. Despite the entry of all major IT MNCs into the country and the forming of subsidiaries and joint ventures for software development, the FDI inflow has not been substantial. Total subscribed capital of 79 foreign subsidiaries

that have been set up in the country by 1999 is Rs 4713 million (or US\$ 115 million at the Rs 41 to a \$ exchange rate). So the total inflow of FDI by the MNE subsidiaries over the past one and a half decade of development of industry is no more than \$115 million, not a considerable amount in comparison of the annual inflow of about \$3 billion worth of FDI that India has received in the past few years.

FDI in manufacturing generally has more favorable spillovers, such as employment generation and backward linkages for the domestic economy than in services. For this reason governments have generally been more restrictive to FDI in services. In China, the bulk of FDI is directed to manufacturing. Thus, quality is as important a consideration for FDI inflows as magnitude, if not more. In particular, India has not been able to exploit the potential of FDI for building export-oriented manufacturing capability. The challenge for India is to effectively leverage the attraction of a large and expanding market for new entrants to push them to use India as an export base, as some MNCs like Hyundai have begun to do for compact cars.

ON AUTOMATIC MANAGEMENT TECHNOLOGY

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ABSTRACT

The automatic management technology comprises two types of technique: one is the accurate calculation methods for answer the quantify problems and another is the factors exhausted methods to reply the qualitative problems. These two types of methods can be changed into computer software and be used to automatically answer the management problems. With the help of software updating, human being's ability to resolve the problems will be improved and perfected rapidly and unceasingly.

INTRODUCTION

No matter various, numerous and sophistic that business decision or management problems are there, to differentiate the problems into two types is always feasible: one is the Quantify problems, another is the Qualitative problems. The method to resolve the former type of problems is called the accurate calculation method, and the another method to reply the latter type of problem is called the factor Exhausted method. Let's take two examples to demonstrate two methods, and then explain the automatic management technology.

ACCURATE CALCULATION METHOD: SOLVENCY AS AN EXAMPLE

traditional method of evaluating a enterprise solvency by ratios like debt ratio, current ratio and acid ratio with comparison to industrial ratio, historic experience, or composite score of ratios would probably get a wrong conclusion even in some condition get the contrary conclusion to its reality. The basic reason is that: at first, the scale of assets and liabilities of a firm is not static, is in change anytime according to its operations result; second, the relationship among assets and liabilities amount, asset turnover and its profitability is not an "add relation" or "weighted add relation" but is a "plus and multiple relation" as so as the above formula described.

The correct method of estimating a firm solvency is to find a formula and to calculate the amounts of current assets available to pay at the debt expired date then compare this amounts with the debts needed to be paid, in this case we can get directly the accurate answer of a firm solvency or liquidity.

The important thing is to do our best to find formulas and to answer any quantify questions by formula calculation. But in many case, as our cognition limited, we haven't found the formula, we couldn't answer the question by quantify calculation, in these cases we can use the factor Exhausted method to answer them accurately or approximate accurately.

FACTOR EXHAUSTED METHOD: PERFORMANCE EVALUATION AS AN EXAMPLE

Traditional performance evaluation methods use several key-indicators such as sales, net income and net asset earning ratio, etc. But in business actuality, the indicators tendencies aren't in conformity in many cases such that sales increasing rapidly bur profit decreasing slowly. Even if the increasing trends of sales and profit are in the same direction, can we get a conclusion that this firm performance is outstanding?

When traditional performance indicators can't give us enough information to arrive at a correct conclusion, what should we do? if we leap to a conclusion just by looking at key indicators such as profit,

earning rate, we will get a wrong answer; if we arrived at a conclusion using weigh-score of several important index from different aspects, we will also fall into an error.

The correct answer is: beginning from an important performance indicator, and then justifying it by another indicator, going forward one by one until you can reach a conclusion without doubt, if you have any doubt about your conclusion, you should go deep into it, and find out the factor or indicator that can cancel your doubt. This method is called the factor exhausted method.

AUTOMATIC MANAGEMENT TECHNOLOGY

If our various business management problems are able to be resolved by accurate calculation method or factors exhausted method and equally reaching correctly or approaching correctly conclusion, by the fact that the business administration mistake, the enterprise decision-making fault, will be more and more few. With the advance of that more and more accurate calculation methods discovers, more and more various determinant factors discovers, our decision-making level and management level will rise up step by step.

If this train of thought continues developing down, as long as we take notes down the correct thinking methods, the correct judgment methods and the correct analyzing conclusion of various business problems, and then set all of these methods into computer software, we can directly apply these correct methods of resolving the business problems with the aid of software. As long as all of us take notes down our experience and lessons in process of business management practice, and add it into the computer software and then let the software automatically analyze the problems, judge the cases and give the conclusions. To the accompaniment of the software update, our decision-making level and business control level will be improved greatly.

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WILL THE CYBERBULLY EVER GROW UP? HOW TO PREVENT ONLINE HARASSMENT IN SCHOOLS, UNIVERSITIES, AND THE WORKPLACE?

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ABSTRACT

Technology has led to a new form of bullying in the 21st century called cyberbullying. Cyberbullying is using the Internet or a cell phone to harass a victim with pictures and text. Several strategies have been suggested in the literature for preventing cyberbullying of adolescents. Unfortunately cyberbullies have graduated from high school to college and the workplace. This paper reviews research that has been conducted about online harassment of adolescents, college students, and adults in educational and workplace settings. Schools, colleges, and universities need to educate students about ethical use of technology. Employers need to establish and enforce policies to protect themselves from lawsuits arising from online harassment. Ongoing employee training is recommended for compliance with employer policies and proper electronic communication.

INTRODUCTION

Technology has led to a new form of bullying in the 21st century called cyberbullying. Cyberbullying is using the Internet or a cell phone to harass a victim with pictures and text. This paper reviews research that has been conducted about online harassment of adolescents, college students, and adults in educational and workplace settings.

DEFINITION OF CYBERBULLYING

Cyberbullying is using the Internet or a cell phone to repeatedly and deliberately harass another person with text and pictures. Electronic communication methods used for cyberbullying include e-mail, instant messaging (IM), text messaging (SMS) by mobile phones, chat, websites, online web logs, online personal polling sites, and pagers.

PREVALENCE OF CYBERBULLYING OF ADOLESCENTS IN THE UNITED STATES

According to a July 2006 national poll of 1000 students, one-third of adolescents and one-sixth of children reported that they have been victims of cyberbullying (Opinion Research Corporation, 2006). During January 2005, Hinduja and Patchin studied 1,500 adolescents and found that 33% of the respondents were victims of cyberbullying (Patchin, J & Hindura, 2006). A University of New Hampshire study showed an increase in the prevalence of cyberbullying in 2005 from 2000 (Ybarra & Mitchell, 2007).

There have been several strategies suggested for preventing cyberbullying in adolescence. These strategies include anti-bullying programs, acceptable use policies, Internet safety programs, parental education, parental monitoring of Internet usage, reporting serious incidents to law enforcement, legislation to criminalize cyberbullying, showing students how messages can be traced, and anonymous technological reporting of incidents for preventing cyberbullying. However, no research exists about the effectiveness of these strategies.

CYBERBULLYING AT COLLEGES AND UNIVERSITIES

There is limited empirical research about cyberbullying at colleges and universities. However, there have been many incidents documented in the literature. Early cases were being documented in the mid 1990's when students were gaining access to the Internet. The problem of online harassment has progressed since the mid 1990's with the primary complaint from students and faculty being harassing e-mail messages. Other complaints include cyberstalking, hacking, mail bombs, viruses, and hijacking (Rogerson, 2002, Dickerson, 2005). Students attack other students, faculty, and administrators on web sites and in chat rooms based on physical appearance, perceived sexual orientation, intellectual capabilities, and dress (Dickerson, 2005). They "brag about drug and alcohol use" (Dickerson, 2005), make sexually explicit statements, and post inappropriate pictures taken on campus.

Technology has been used to disrupt class with students surfing the Internet, sending e-mails and instant messages, making calls on their cell phone, playing video games, and participating in chat room discussions. Students have planned class disruptions in advance using chat rooms. A Dean of a law school received printouts of discussions in chat rooms where students had planned to disrupt classes by "making noises on cue" (Dickerson, 2005).

The high cost of tuition has been used as a justification for a sense of entitlement that students believe that they have paid for a course and they expect to receive a high grade (Dechter, 2007). Students dissatisfied with their grades send professors e-mails demanding that their grades be changed. The rise of incidents of classroom incivility and e-mail harassment have been attributed a lack of understanding of educational expectations, a consumerist attitude towards education, and lack of knowledge about manners (Dechter, 2007). Involving students in creating rules for classroom conduct has been effective in decreasing classroom disruptions and e-mail harassment (Dechter, 2007). Promoting civil communication in person or electronically has been argued to be a more effective technique than imposing speech codes that have often been difficult to enforce legally due to the protection of First Amendment free speech rights (Heinemann, 1996).

CYBERBULLYING IN ONLINE CLASSES

Online classes require that students have extensive electronic communication with classmates and the professor. Having a cyberbully in an online class will disrupt the class. Students will be reluctant to post to the discussion group fearing the hostile comments from a cyberbully (Summerville, 2005). "Flame wars", which are repeated exchanges of escalating angry e-mail, can ensue in an online class where there is a cyberbully.

The course policy and netiquette rules should be posted on the course web site along with the course documents. An online discussion about netiquette and online harassment would be instructive in setting expectations in the online classroom just as it is in the traditional classroom.

CYBERSTALKING AT COLLEGES AND UNIVERSITIES

Cyberstalking is a repeated harassment through electronic communication that causes the victim to fear for their safety (U.S. Department of Justice, 2000). Victims of cyberstalking are at risk of physical harm or homicide and stalking in the physical world (United States Department of Justice, 2000). The intensity of the fear and anxiety of cyberstalking is similar to that of stalking in the physical world (Finn, 2004).

Examples of cyberstalking include repeated unwanted e-mails or instant messages, monitoring the victim's computer activity with a Trojan Horse or keylogger programs (Bocij, 2003), damaging a victim's computer by e-mailing them a virus (Bocij, 2003), stealing the victim's identity by electronic means

(Finn, 2004), flooding a victim's e-mail account (Finn, 2004), posting the victim's personal information in a on a website, in a chat room, on a message board, listserv, or Usenet group (Finn, 2004), and harassing the victim in a chat room.

Cyberstalking is becoming an increasing problem at American colleges and universities (Boyer, 2006). According to a National Institute of Justice study of female students at 223 colleges and universities, 24.7% of the victims of stalking reported that e-mail was part of the stalking experience (Fisher, 2000). Reasons cited for the rise in cyberstalking are increased use of social networking sites such Facebook.com and MySpace.com, trying to make new friends online, and revealing too much personal information online (Boyer, 2006).

COLLEGE'S RESPONSE TO THE PROBLEM

College campuses have responded to the problems of cyberbullying and cyberstalking by creating policies to address the problems and provide support services for students. Colleges and Universities have specially defined terms such as e-mail harassment and cyberstalking in their acceptable use policies. The University of Maryland at College Park has a NETHics program that has a central office that is responsible for handling violations of the universities acceptable use policy such as cyberstalking, online threats, hacking, viewing pornography, or copyright infringement (Carlson, 2002). The staff provides information about computer use policies as well as contacts for helping victims of harassment.

Massachusetts Institute of Technology has a program called "stop it". Students who are suspected of committing a violation of the acceptable use policy receive a letter warning them about the violation. The reasons why the offense is a violation of the policy are explained. Although many recipients of the letter claim that someone else has compromised their account when evidence suggests otherwise, it is rare that they are repeat offenders (Rogerson, 2000).

ONLINE HARASSMENT IN THE WORKPLACE

Research by the American Management Association reported that 31% of the 1000 human resource managers surveyed had received notification about employee e-mail harassment (Stiefer, 2000). Data from a survey by the Institute of Management and Administration uncovered that 68% of harassment claims involved e-mail. E-mail messages sent with explicit content, pornography, jokes, politically incorrect statements, racial slurs, and requests for sexual favors can be considered grounds for lawsuits. Chevron Corporation paid a \$2.2 million settlement to four female employees based on an e-mail. Corporations have established policies about harassment, but most employees do not know whether these policies cover e-mail and the Internet (Borstorff, 2007).

CONCLUSIONS

Universities need to establish acceptable use policies to enforce rules. Educational institutions need to incorporate ethical use of technology into the curriculum to promote civil electronic communication. Employers need to establish and enforce policies to protect themselves from lawsuits arising from online harassment. Ongoing employee training is recommended for compliance with employer policies and proper electronic communication. E-mail filters can reduce the likelihood of having harassing messages received in the first place in both educational and workplace settings. Institutions of Higher Educational institutions could monitor student e-mail and Internet use similar to employee Internet monitoring in the workplace.

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AN APPLICATION OF GENETIC ALGORITHM TECHNIQUE TO SELECT OPTIMAL GARCH STRUCTURES FOR DOW JONES (DJI), S&P500 (GSPC), NASDAQ (IXIC) Y NYSE COMPOSITE (NYA) INDEX FORECASTING.

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ABSTRACT

This work deals with the problem of mathematical optimization for non-linear estimation. Genetic Algorithm technique is applied to select an optimum GARCH model intended to forecast the returns of Dow Jones (DJI), S&P500 (GSPC), Nasdaq (IXIC) y NYSE Composite (NYA) indexes. Minimum square error measure calculated over actual and estimated returns was used as selection criteria for optimal model searching. The GARCH model was specified in a five time lags basis for both the error and the conditional variance arising for a great number of structures as each of the ten parameters may be considered or eliminated. The genetic algorithm based method was applied to find the optimal structure. All possible models were calculated employing a sample of weekly closing prices for each index over the 01/04/1980 to 12/31/2005 time period. The outcomes are favorable to employ Genetic Algorithms as the models founded by this technique reach better results than a Garch(1,1) model, a random parameters selection model and near to the best case or intensive optimized model. This is an important implication as it may lead to develop trading strategies to support real time decisions.

Keywords: Genetic Algorithms, Stochastic Volatility, non-linear optimization, Percentage of Sign Prediction PPS.

INTELLECTUAL PROPERTY PROTECTION FOR THE ENTREPRENEUR -TRADEMARKS

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ABSTRACT

One of the most important assets that a business may possess is its intellectual property. Therefore, every business, from the smallest start-up company to the largest corporation, should at least consider acquiring some form of protection for the products and services that it makes available to the public at large. The costs that are involved in acquiring the protection are more than offset by the short-term and long-term benefits to the business.

For many entrepreneurs, their first interaction with the field of intellectual property comes in the form of a question. “What can I do to make sure that no one steals the name or logo that I have chosen for my business?” “How do I prevent others from copying the book or the song that I have written and making money from my work?” “What can I do to ensure that no one steals my idea for a new product or device after I reveal it to them?”

These three questions highlight the three distinct areas into which intellectual property is typically subdivided: trademarks, copyrights, and patents. The purpose of this paper – the first in a series of three – is to provide business people and entrepreneurs with a basic overview of the most important aspects of trademark law. Accordingly, this paper will discuss the purpose of trademark law and its source within the Constitution. It will explore the scope of protection for a trademark or name that has been registered with the United States Patent and Trademark Office, as well as the consequences of failing to register. It will review the steps to be taken to register a trademark in the United States with the Patent and Trademark Office and the basic fees involved. It will also highlight the elements of an action for trademark infringement and some of the standard defenses that can be raised.

Finally, this paper will discuss the importance of trademarks in the international context as a vital component of operating a successful business in the global economy of the twenty-first century. In this regard, reference will be made to the Madrid Protocol, to which the United States has become a party and which currently governs applications for international registrations of trademarks.

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SURVIVAL-ABILITY OF FIRM: EMPIRICAL EVIDENCE FROM FIRM'S FINANCING DECISION

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ABSTRACT

Malaysian like many countries in the Asian region was also the victim of the 1997 Financial Crisis. Many companies succumbed to the crisis. Pomerleano (1998) found that leverage of the companies if unchecked can be detrimental to the health of the company. He concluded that excess leverage at the micro level and also poor profitability resulted in the East Asian crisis in 1997. The aim of the study is to analyse the survival-ability of a sample of Malaysian public listed companies (PLCs) by focusing at the financing decision of the firms. Through both financing and operating leverage, the performance of the companies is evaluated. This is achieved by analysing the utilisation of the financing instruments. The study adopts a non-parametric approach to the measurement of the company's survival-ability in terms of their financing decision in the production process. In order to achieve this main objective, the study attempts (i) to identify, using Data Envelopment Analysis (DEA), the survivors among the PLCs based on their financing decisions and (ii) to analyse the effects of leverages on the survival of the PLCs. This article contributes to current literature in two aspects, namely; in areas of evaluation of the survival-ability of the PLCs via their financing decisions. Secondly, the use of financial leverage and operating liability leverage in the evaluating survival-ability of the companies.

JEL: Survival-Ability, Financing Decision, Financing Instruments, Data Envelopment, Efficiency

INTRODUCTION

Like many countries in the Asian region, Malaysia was also the victim of the 1997 Financial Crisis. Those times witnessed the fall of many corporations. Many large companies listed on the Malaysia Exchange were put under the PN4 category¹, and they are then required to regularise their financial condition. Hence, the motivation of the study is to find out what has caused some of the public listed companies (PLCs) to succumb to the crisis while others survived. However, some of those companies that had managed to overcome the crisis finally succumbed too when the global crisis hit the world in 2001. This is evident by the increasing number of PLCs that were put under the PN4 category and the exiting or merging with other companies.

According to Pomerleano (1998), leverage if unchecked can be detrimental to a firm's health. He concluded that excess leverage at the micro level and also poor profitability has resulted in the East Asian crisis in 1997. With respect to this, the main aim of the study is to analyse the survival-ability of a sample of Malaysian public listed companies (PLCs) involved in the manufacturing sector, by focusing at the financing decision that is influenced by both financial and operating leverage of the firms. The Malaysian economy has undergone significant changes ever since the mid 1980s whereby the government has turned the direction of the economy towards a manufacturing-based industrial economy. Manufactured products contribute to about half of export revenues, oil about 30%, and other commodities about 20%. Of the manufactured exports, electronics represent the largest component, which is about 15%. Overall the manufacturing sector in Malaysia contributes approximately 35% of the country's gross domestic product, accounting for 80% of total exports (Economic Report, 2001). Over time total factor productivity of the manufacturing sector has increased. Specifically, over the period 1996 to 2000, the Malaysian economy has witnessed positive total factor productivity growth at a rate of 5.7% to 6.1%. Of this overall

growth, the manufacturing sector continued to be the major contributor, registering an increase in growth rate from 5.8% in 1998 to 11.1% in 2000. This indicates that there was an efficient utilisation and management of resources, materials and inputs necessary for the production of goods and services (NPC, 1998)².

This article contributes to current literature in three aspects, namely; in areas of evaluation of the survival-ability of the PLCs via their financing decisions. Secondly, the use of financial leverage and operating liability leverage in the evaluating survival-ability of the companies. The remaining part of the paper is structured as follows. Section 2 review relevant literature. The following section 3 describes the methodology used. The empirical analyses and results will be presented in section 4. Section 5 concludes the discussion.

LITERATURE REVIEW

Efficiency is a crucial factor for the survival of firms. According to Bain (1969), survival is the only test of a firm's ability to cope with problems such as buying inputs, finding customers, introducing new products and techniques and so on. Hence, efficiency is defined as survival-ability.

Literatures on firm's survival has its basis in the earlier work of Schumpeter (1934) in which his creative destruction theory expounded the idea that inefficient firms will not be able to survive in a competitive environment. Hence, it is important to stress the importance of efficiency in order to ensure firm's survival-ability. Nevertheless, Zingales (1998) in his assessment of the effects of financing choices on the survival of firms, concluded that if leverage affects the firm's performance, then the firm's financing decision will have to be taken into account. According to him not only the fitness of the firm in the form of economic efficiency of the firm, but also the fitness of the firm in the form of the financial resources. Both are important ingredients for the survival of firms.

According to Carlson (1975), these three major financial decisions help determine the firm's efficiency of operations. The investment decision focuses on (i) working capital management, which determines the cash, inventory, and receivable levels, and (ii) allocation of capital to long-term purposes. The financing decision focuses on (i) long-term funds such as term loans, conditional sales contracts, and leases, and (ii) short-term funds such as trade credit, commercial paper, receivables and inventories. The dividend decision focuses on (i) active and (ii) passive or residual dividend. Debt financing has been considered as less expensive by firms because of the interest expense. However, in equity financing, the dividend is tax deductible. Stiglitz (1974) includes both the investment and dividend decisions as financing decisions. This study, however, considers both the investment and financing decisions as one financing decision, since both require financing instruments in order to finance them. This will give rise to both financial and operating liability leverage.

These financing decisions are found to be related to the leverage of the firm, which in the past has been viewed as arising from funding activities. That is, a firm borrows in order to obtain funds for its operations. According to Nissim and Penman (2003), there are two sources of a firm's leverage, one that arises from its funding activities and another from its operating activities. Both of these activities determine the sources of leverage namely, financial leverage and operating liability leverage. Leverage is measured by dividing total liabilities by equity. The sources of liabilities come from both funding activities, such as bank loans and bonds issued, and operating activities such as trade payables, deferred revenues and pension.

Ramanathan (2003) uses Data Envelopment Analysis (DEA) to measure efficiency. He tried to evaluate how well a decision making unit (DMU) performs when compared with its peers. Hence, the efficiency of each firm is computed in the relative sense and not absolute. It is relative to the best performing DMU (or DMUs if there are more than one best-performing DMUs). The best-performing DMU is assigned an efficiency score of unity or 100 per cent, and the performance of other DMUs varies between 0 and 100 per cent relative to this best performance. Hence, the performance of firm could be used as an indicator of efficiency.

METHODOLOGY

The sample in this study comprises the PLCs that are registered in the states of Selangor and Kuala Lumpur. These companies are mainly involved in the manufacturing sectors and have been in operation for 10 or more years. The study uses financial data, which is drawn from the companies balance sheets and income statements collected from the Annual Companies handbook for the period between 1996 to 2000. Due to the unavailability of data, this study divides the analysis into 3 phases, which are 1996, 1998 and 1999–2000. This time frame is sufficient to analyse the efficiency of the financial decision-making of the companies, which then allows the evaluation of the performance of survivors before the crisis of 1997 and in the post-crisis period. Survivors are defined as those companies that are efficient and hence are able to survive the crisis, while the inefficient companies are the non-survivors.

Since the literature of DEA does not propose any specific criteria for the selection of inputs and outputs, no specific rule is made in determining the procedure for selection of inputs and outputs. Due to the nature of the study, which is focused on the survival-ability of PLCs via the financing decision, the variables are selected based on their relevance to the study.

The independent variables selected would be the efficiency yardstick of the financing decisions made in the company. They are the ones that affect the financing decisions that the companies made. Following Nissim and Penman (2003), financing decisions include both financial leverage and operating liabilities leverage. Since the focus of this study is on the effects of the financing decisions on firms' survival-ability, other factors are assumed to be constant. Therefore, in this study, the variables that affect the financing decision of firms are namely; one, financial leverage, which measures the degree to which debt is used in financing a company's production activity. Hence it measures the degree to which a company depends on debt financing. Two, operating liability leverage³ which according to Nissim and Penman (2003), measures the degree to which other liabilities such as trade payables, deferred revenues, and pension liabilities are used in running the production operations of the company.

In order to evaluate the survival-ability of the company, a DEA model is used to rank the companies in terms of their financial performance. The DEA model used is based on the BCC model in ratio form with variable returns to scale, and the radial input-oriented approach where the inputs are minimised while the outputs are kept at their current level. By considering o PLCs of which each is producing s different outputs using m different inputs, each of the PLCs becomes a focal PLC when its survival-ability score is computed. The survival-ability of the PLC can be measured by calculating an index of survival-ability, where it represents the performance index for a group of peer PLCs, called a survival-ability Index (SI).

$$SI_o = \frac{\sum_{r=1}^s u_r y_{ro} + u_o}{\sum_{i=1}^m v_i x_{io}} \quad (1)$$

where,

y_{ro} = the quantity of the r th output produced by the o th PLC during the period under observation.

- x_{io} = the quantity of the i th input used by the o th PLC during the period under observation.
 u_r = the output weight which will be determined by solving the model.
 v_i = the input weight which will be determined by the solving the model.
 u_o = variable that efficiently allows for variable returns to scale in the PLC under evaluation and is determined from solving the model.
 i = unit for the input from 1 to m .
 r = unit for output from 1 to s .
 o = a focal PLC that take a value from 1, ..., n

The SI_o ratio is maximised subject to the following:

$$\frac{\sum_{r=1}^s u_r y_{ro} + u_o}{\sum_{i=1}^m v_i x_{io}} \leq 1,$$

$$\frac{u_r}{\sum_{i=1}^m v_i x_{io}} \geq \varepsilon$$

$$\frac{v_i}{\sum_{i=1}^m v_i x_{io}} \geq \varepsilon$$

The input and output values as well as all inputs are assumed to be greater than or equal to 1. The weights u_r for each PLC maximise the PLC's survival-ability indices. The DEA program identifies a group of optimally performing PLCs that are defined as DMUs with perfect SI, and assigns them a score of one. These perfect SI PLCs are then used to create a frontier, against which all other PLCs are compared. If a PLC is classified as a non-frontier PLC, it means that one or more ratios of that PLC might be deficient or survival-inable with respect to the PLCs on the frontier⁴.

For this study, various models are designed by varying the variables and sample size in order to come up with a suitable model. An survival-ability rate of one will indicate that the company is on the survival-ability frontier and those that achieve less than one indicate that they lie below the survival-ability frontier. Software called the Efficiency Measurement System (EMS)⁵ is used to calculate the survival-ability of the financing resources. This is because the efficiency of a particular company will result in its being able to survive a crisis when it comes.

ANALYSIS

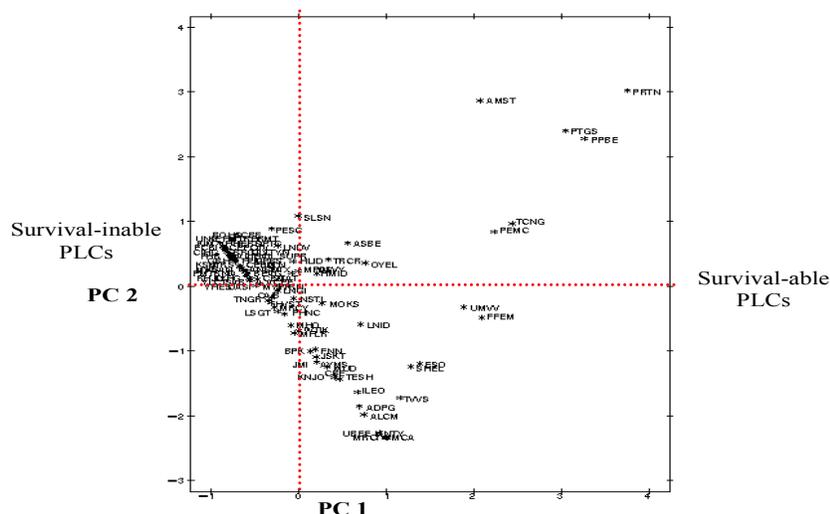
Table 1 shows the descriptive statistics for the 96 PLCs in the sample. The leverages in terms of long-term, short-term and trade payables that these PLCs have acquired and utilised ranges from a minimum of 0 to a maximum of RM3,188,490 a minimum of 0 to a maximum of RM7,216,780 and a minimum of RM680 to a maximum of RM2,413,339 respectively. On the average PLCs acquired and utilised RM123,164; RM775,414 and RM167,681 of long-term debt, short-term debt and trade payables respectively.

Table 1: Descriptive Statistics for PLCs

Variable	Mean	Std Dev	Minimum	Maximum
Long-Term Debt	123164	381843	0	3188490
Short-Term Debt	217337	775415	0	7216780
Trade Payables	167681	384873	680	2413339
Sales	725085	1292030	15589	6496724
Equity	377817	669834	7559	5062161
Total Assets	1020410	1962626	34297	13272057

In order for the financing decisions to be implemented, the PLCs have utilised on average previous assets and previous equity amounting to RM11,057,945 and RM409,581 respectively. In terms of output generated from these financing processes are sales, equity and total assets on average amounting to RM725,085; RM377,817 and RM1,020,410 respectively.

Figure 1: PCA Analysis on the Survival-Ability of PLCs based on Financing Decisions



The process of utilizing the financial and operating leverages in the figure below has shown that PRTN, PPBE, AMST and PTGS are found to be on top of the upper right-hand side of the graph. This indicates that in these PLCs have some similarities. It relates also to the similarity in term of the ability to survive of these companies. It means that they share some similar features in terms of the mixture of leverages that were used in the production process. In term of analysis of the survival-ability of the PLCs via their financing decisions, this study will not discuss all the 96 PLCs, only the 25 selected PLCs. This number 25 is taken in order to maintain consistent with earlier analysis on performance of 25 selected PLCs. The 25 PLCs is also viewed as representative of the 96 PLCs. The selected PLCs comprise survival-abled PLCs that achieved 100% in most of the models under study, survival-inable PLCs that obtained the lowest level of survival-ability rate of less than 10%, and those that obtained more than 10% but less than 100% survival-ability rate. In reference to the table below, there are two PLCs, namely PRTN and PTGS, that achieved an average survival-ability rate of 100% for the year 2000, and two, that is CIHG and YLCT that achieved less than 10% survival-ability rate. The rest of the PLCs lie in between.

CONCLUSION

In this study it is found that the survival-ability of PLCs depends on the combination of financing leverage and operating leverages used by the PLCs used. This reflects the financing decision of the PLCs. The issue of dimensionality was resolved by creating dimensions of model that were used to

evaluate the survival-ability of the companies based on the financing decisions, while the issue of the sensitivity of the models was resolved by performing sensitivity tests⁶ on the models. The result shows that PLCs that are already on the frontier do not exhibit changes when the test is performed. This goes to show that the models used are stable in evaluating the survival-ability of the PLCs. The PLCs remained stable when sensitivity test are performed on all the models used in the computation of the efficiency of the financing process.

A test of significance was undertaken on the effect of both the financial and operating liability leverage on the survival-ability of PLCs. It was found that there is significant difference between the two types of leverage in their impact on the PLCs' survival-ability. In stage one of financing process, the assets/liabilities ratio was found to have no significant overall effect on the performance of PLCs. While the sales/trade payables ratio has a significant overall effect on the performance of PLCs. This thus proved that there are significant differences between the financing decisions that are utilised in order to obtain the outputs in the form of sales, assets and trade credits. Therefore, since the effect of the financing decisions on PLCs survival-ability is significantly different, PLCs need to be cautious in their choice of financing and operating leverages incurred, if they want to continue to survive in the face of financial crisis.

Future research may need to cover a wider range of PLCs across industries and not to limit the study only to the manufacturing sector. Even though this study has some limitations, its contributions to the current literature are in terms of (i) the evaluation of survival-ability of PLCs in Malaysia via the financial leverage and operating liability leverage. Highly leveraged PLCs may be unable to finance large investments. They may not be able to compete, it forces the survival-inable PLCs to liquidate.

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END NOTES

1. Following the 1997 crisis, the Bursa Malaysi issued the Practice Note in 2001. According to the note, companies that are categorised as PN4 will no longer continue to form part of the original sector, that is companies which used to appear in a particular business sectors, for example the "consumer sector shall be removed from its original business sector and be placed in the new "PN4 condition" sector. However, once the PN4 companies that have implemented their regularisation plan and no longer trigger the criteria will be removed from the "PN4 condition" sector and be placed back in their appropriate business sectors.
2. Productivity Report 1996-2001. National Productivity Corporation (NPC), Malaysia. www.npc.org.my.
3. It is different from operating leverage, which measures the degree to which fixed assets are used in the running the production activity of the company. In term of its fixed cost and variable costs, it relates to the cost structure of the companies.
4. Perfect SI PLCs are identified by their ability to utilise the same level of inputs and produce the same level or higher outputs. In economics, these PLCs define the revealed best-practice frontier. DEA then uses a mathematical method to calculate a performance measure for each PLC relative to all other PLCs, based on the requirement that all observations lie on or below the frontier (Ramanathan, 2000).
5. The software is free for academic users. It can be found at the following web address. <http://www.wiso.uni-dortmund.de/lsg/or/scheel/ems/#feat>.

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A STUDY ON THE BEHAVIOR OF THE INFORMATION SYSTEM ADOPTION USING BAYESIAN MULTIVARIATE PROBIT MODEL

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ABSTRACT

As the ICT industry continues to grow, firms worldwide continue to adopt and use enterprise information systems. While there is some existing research on the behaviors and determinants of the firm's information system adoption, most of such studies do not reflect firm's multiple adoption of information systems. Moreover the previous empirical studies regarding the determinants or behavior of the firm's information system adoption have difficulty in gaining strongly reliable results due to the small size of samples.

Using a Bayesian multivariate probit approach, this study examines a sample of 438 Korean companies covering a variety of business areas, including manufacturing, to investigate the determinants of firms' adoption of (and the substitutionary patterns among) four major information systems: enterprise resource planning (ERP), customer relationship management (CRM), e-buy, and groupware.

As a result, the epidemic effect generally outweighs the size effect and putting more effort into the intensity of information strategy planning is very influential on the adoption of information systems. And a relatively strong complementary relationship exists between ERP adoption and CRM adoption, and between e-buy adoption and groupware adoption

Keywords: information system adoption, Bayesian multivariate probit, ERP, CRM, e-buy, groupware

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EXTERNALITIES' EXCHANGE FOR DEVELOPING FAMILY BUSINESS

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ABSTRACT

Our study is in line with those studies concerning family firms, European in origin (Saporta, 2002), that have suggested integrating the family dimension with the social world the enterprise lives by (Filion, 1991) and in particular it aims at investigating how family enterprises may on one hand take advantage from the social capital expressed by the contexts they live by and, on the other one, serve as the principal source of social capital (Boutillier & Uzinidis, 1999).

In particular, we have developed a technological platform by which a consortium of 60 Italian enterprises may exchange externalities (otherwise origin of waste) within a European funded project called Avanzare, Developing. The idea has been that one of observing how family enterprises exchange not only material externalities but also technological and knowledge externalities, verifying the Marshall vs Jacobs' model for economic development supported by externalities.

INTRODUCTION

Family business is gaining new and great attention by the organization of practices around professional communities (the Henokiens, ASMEP, etc.) as well as by publications in the academic context, such as the Family Business Review. However, many questions remain about family firms and researchers from diverse disciplines (Bird et al., 2002; Sharma, 2004) are not short of questions and prospects for research. In particular, even if the transgenerational exchange of values has been widely studied (among others, Habbershon, 2005), it remains to be explored alternative ways by which family business may develop. In other words, we are still trying to answer the question: how are family firms able to maintain their family status and performance over time (and we may add that they outperform their nonfamily counterparts), given the obvious difficulties involved in doing family business (think for example about intrafamily conflicts)?

The present paper tries to answer such a question, starting from the hypothesis that the hidden weapon of family firms lie in the community-level social capital they live by when they are able to structure a network of family firms (Lester & Canella, 2006). In particular we will focus on a specific hypothesis according to which interorganizational networks become more and more effective when family firms reflect on their environment and context (meant both in naturalistic and social terms), developing incorporate social responsibility.

When we talk about social capital we make reference, actually, to the community-level social capital, meaning that we anchor our theoretical speculation to authors such as Bourdieu (1983) or Putnam (1993) rather than Burt (1980; 1992) or Nahapiet and Ghoshal (1998). The difference lies in the stress upon network position made by these latter we consider not important in terms of benefits derived from the mere fact of belonging to a social network (besides the position one has).

The above mentioned benefits derive from shared values, trust, reciprocity and social support, which, through a sort of interorganizational learning, allow family firms to outperform nonfamily business, an evidence founded worldwide (Morris, Williams & Nel, 1996; Miller et al., 2005; Villalonga & Amit, 2006).

In particular, we propose to test the hypothesis according to which best performance and wellbeing of family firms are linked to positive externalities' exchanges as a key factor in promoting intercorporate social responsibility.

EXTERNALITIES' EXCHANGE AS FACTOR OF CORPORATE DEVELOPMENT

Externality comes from the latin *externum*, derived from *exter*, "out-there-ness", "extern" and stresses the fact of being extern. Conceived in economic terms, the word externality makes reference to non voluntary effects of production and consumption; effects for which nobody pays (when they are positive) or nobody is payed for (when they are negative). In other words, an externality occurs when a decision or an act causes costs or benefits to third party stakeholders (Pigou, 1954).

The most part of the International literature concerning externalities have melt such a concept with that one of external diseconomies, underlining the negative character usually associated to externalities which someone calls market failures since there is not a market for externalities. Such a last characteristic derives from the fact that externalities do not have a link with core business or core activity of their producer; to give an example, think about industrial pollution in some sense necessary to produce cement, pollution which is not on the market, nor the positive effects of bees' for some agriculture farmers.

In addition, externalities are always evaluated on a subjective basis, so that what represents a negative externality for someone may be a positive externality for someone else (Hey, 2003); to give an example, the high volume music of the gymnasium located in front of my house may represent a negative externality for me, since I work at home and my works, being cognitive, requires concentration, while it may represent a positive externality for my husband who loves listening to the music while painting.

Even if externalities are not pursued by the producer nor the receiver, they may be nevertheless so deep as to generate political issues and efforts of correction (Hey, 2003).

At the Origin of Externalities: Specialization or Homologation?

Even if it is well clear that it is the physical proximity to let externalities's exchanges be possible, it is still under question what are the externalities' causes, especially when we talk about human and social capital externalities (Cortini, 2007). For some scholars (among others, Glaeser et al. 1992; Henderson, 1992; Jaffe et al. 1993; Henderson et al., 1995), the cause of spill over externalities is always production specialization; in other words, the conglomeration of similar firms in a given geographical area, namely a Marshall industrial district, allows human and social capital externalities which, in turn, support corporate development. Some other scholars, on the other hand, following Jacobs (1969), state that mutual development based on human and social capital externalities is guaranteed by the diversity of business and activity of the implied social actors, like it happens for the city growth. Finally, some other scholars (Fu, 2007) believe that the two ways of externalities exchange may exist at a time.

We may classify externalities among positive and negative externalities and production (To production externality goes most of the research interest and political policy standing that it may rise deep effects for potential victims (Hey, 2003) and consumption externalities (Gali, 1994; Liu & Turnovsky, 2005; Turnovsky & Monteiro, 2007). There are, in addition mutual positive externalities (Matveenko, 1995; Lucas, 1988) where producer and receiver of externalities change exchange their status, transforming respectively in receiver and shiftable externalities, meaning that an externality receiver is able to re-send back the negative effects towards the producer herself or towards someone else.

Technology Externalities and Endogenous Growth

Among human and social externalities there are technology externalities which have been introduced by Arrow (1962) following Marshall. Technology externalities refer to the economic development and welfare that rises beyond the social actors who have introduced the technological innovation.

In particular, Carlaw and Lipsey (2003) distinguish between static and dynamic technological externalities; the first ones being effects which remain linked to the receiver world, while the latter are able to create, in turn, a series of externalities, generally positive, on some other receivers.

Such as a phenomenon may be explained making reference to the so called endogenous growth model (Romer, 1986; Lucas, 1988) which stresses the importance of spillover effects in guaranteeing a long-term growth.

SOLUTIONS TO EXTERNALITIES

Since externalities violate Pareto optimum, they need to find some social solutions, at least when one of the social actors involved becomes conscious of the role externalities may play.

The different solutions include:

- Transforming external effects in something internal
- Developing a private negotiation between the parties (Coase Theorema)
- Pigovian taxes.
-

Actually, since we live by a specialization economy, it is pretty rare to solve externalities by transforming them in something internal; generally they are solved by private negotiations or by State interventions.

A Pigovian tax is a tax levied to correct the negative externalities of a market activity; for example, a Pigovian tax may be levied on producers who pollute the environment to encourage them to reduce pollution, and to provide revenue which may be used to counteract the negative effects of the pollution.

Beside the intervention by the State, we may think about a private negotiation between the parts having as an aim to reach a social equilibrium; the final scope of the Coase theorem is to maximize use efficiency of a given resource, on the basis of market bargaining, in turn developed thanks to the property rights. The sole conditions to let the model work lies in the null cost of transactions and in a perfect competitive market (far from scenarios of monopoly).

Classical solutions to externalities have been criticized; first of all the inglobation of external effects implies being able to manage at least two different competencies, a condition not often expressed by contemporary markets, devoted to specialization. Pigovian corrections, standing their basis on the Pareto model, need an a priori property right and are pretty ingenuous in believing to distinguish always and in a clear way between who produces and who receives externalities (Vatn & Bromley, 1997). In addition, their efficacy is ex post, because of the novelty they represent (think about the fact that an externality is always found out) so that it is pretty impossible to prevent them. In other words, it is difficult to image all the laws replying to all the possible externalities, standing that externalities are hidden very often also to the people who produce or receive them.

The critics moved against Coase model refer the poor realism which defines null costs of transactions and the confusion that may arise between property rights and private uses of specific resources.

The exchange of Externalities as a New Solution

The project we propose can be seen as a new way to find a solution to the externalities. The idea is to exchange externalities, or, in other terms, to recycle them. In our model the externalities are the rest of production and are offered to some other firms which may be interested in such a rest. Let's make an example. Image that a firm needs to travel from San Diego to Los Angeles monthly to let the human resource manager of San Diego talk with the counterpart in Los Angeles and image that this corporation organizes this travel by car; image a second firm which may need occasionally to travel from Los Angeles to San Diego; image to put on a network these two firms letting them know what are the other's needs and rests; as an output we will have the possibility for the second firm to take advantage, if flexible in terms

of time travel of course, of the first firm's travel without additional costs. Imagine that this second firm could in some sense reciprocate by, for example, giving to the first the possibility to use a photocopy machine when it is not used. If we obtain that the two firms travel together we will have not only some money saving but also a minor impact on the environment. This last note is worthy at our attention, since a lot of times externalities represent some risks for the environment and having the possibility to offer someone else own externalities may mean transform them from rest to something useful. We have translated such a meaning by the Italian word *Avanzare*, the name of the project, which means at a time to develop and to rest; a rest, when well recycled, is transformed in money saving and richness.

The real problem we have faced concerns the easiness of being in touch and knowing immediately about an externality, about an opportunity and, on reverse, concerns the easiness in saying what rests at the moment and may be offered; of course if there huge costs, both in economic terms and in time, in letting the others know about own externalities and knowing what others' externalities rest the projects could not work. For the above reason we have developed an electronic platform by which a consortium of SMEs may exchange information on rests and externalities.

Externalities' Exchange As a Factor of Intercorporate Social Responsibility

A huge amount of externalities studies have been devoted to effects of production and consumption on the environment; a prototypical research subject, in this sense, is represented by pollution, perhaps the most cited externality (Cortini, 2007), which has been the occasion for the pigouvian modelization concerning tax and, more recently, for the Kyoto protocol. In this sense, the theme of externalities' exchange is deeply linked to that one of corporate social responsibility, an ethical way of production which preserves the environment made up by both the naturalistic and social contexts the firms live by; a sustainable firm acts so that it becomes conscious of the externalities it may produce in doing its core activity and, in addition, it is able to correct negative externalities and to develop positive ones. We underline that this is possible thanks to the subjectivity of externalities, standing that what is negative for an actor may be positive for a second one.

In this sense, the consortium of family firms we have put together acts developing a sort of intercorporate social responsibility, since the sustainability is guarantee by the fact of being on a network. *Avanzare* would like to give value back to all the energies family firms use for their core business, developing virtuous intercorporate behaviors and supporting externalities' exchanges so as to impact in a less invasive way on the environment and to create corporate wellbeing, since the project have proved to support psychological wellbeing of employees (Tinelli, Pagano, Cortini, 2007) and to promote organizational commitment. The gain corresponds to the single firm environmental and social sustainability and in addition to the gain derived by externalities' exchanges; in other terms, we will have less production costs, more product quality, less environmental impact for each singular corporate social responsibility act and in addition for each externalities' exchange.

On such a basis we propose the project *Avanzare*, Developing, proposed by the Consortium Costellazione Apulia (For further information <http://www.costellazioneepulia.net/>). Consortium Costellazione Apulia was born in december 2001 and collect about 50 family firms with the shared interest in cooperation and innovation. In particular, with *Avanzare*, the Consortium Costellazione Apulia has meant to test a new way, beside the traditional economics, based on externalities' exchanges so as to make the Puglia context more competitive and sustainable. *Avanzare* is a project co-funded by the European Union (793.000 euro) under the 6.2 del POR Puglia 2000-2006 and realized by Consortium Costellazione Apulia with the aid of the University of Bari and Politecnico of Bari, having as main aim to promote the first portal to support interorganizational externalities' exchanges.

When family firms belong to the same industrial sector we will have and endogenous growth in Marshallian terms; in this circumstance, family firms will exchange human and social capital externalities, information and knowledge, beside technological externalities exchanges which, in turn, will represent dynamic externalities. Viceversa, when family firms of the Consortium will belong to different industrial sectors, we will have a development similar of that one described by Jacobs for urban areas (1969), with exchanges primarily concerning the material dimension. The gain of such an exchanges' project will be not only on a singular firm level (more profit, more credibility) but also at a social level in terms of economic growth, as some researches have well shown (Matveenko, 1995 on Russian endogenous growth; de Lucio, Hecce, Goicolea, 2002 on Spanish context).

IC TECHNOLOGIES TO SUPPORT INTERCORPORATE EXTERNALITIES' EXCHANGES

Talking about solutions to externalities we have underlined that the condition for the Coase Theorema lies in the null cost of transactions; the exchanges' model expressed by Consortium Apulia is derived from this assumption we have guaranteed thanks to new IC technologies. IC technologies, first of all, allow a rapid transfer of information. When and if the externality is represented by some information, we will have in the meantime the externality exchange; when the externality is represented by something material we will have the consciousness of such an availability which is fundamental for the exchange itself. It is important to underline that in this case what allows externalities' exchange is once more the proximity between two firms (the idea of the Consortium), otherwise the costs related to exchange will outperform the benefits.

We have chosen as mass media supporting the externalities' exchange the Internet and the mobile phone, thanks to the easiness in sending and receiving messages concerning the different availabilities, artefacts' price, usability and mobility. Our idea has been that of letting externalities be recognized rapidly (some externalities may be used best before).

A second reason why in favour of the Internet and mobile phone concerns the diffusion tax of these mass media, easy to be used for both code and decode messages. In this sense, traditional mass media, tv and radio, even if are quite easy to use in order to receive messages, do not express usability in terms of messages coding. In other words, what we look for was an IC technology small as to be mobile, easy to use, shared (think about the problem of net externalities we have no time to discuss here). Which one do we prefer? Both of them.

The mobile phone brings into the Internet and thanks to its size is portable everywhere with easiness, representing a sort of last appendix of the human hand (Augè, 1993). On the other side, the Internet allows data mining, which is pretty impossible with the mobile phone use alone. It is obvious that when we make reference to the Internet we have in mind the blog framework (and not the old-fashion websites), a democratic and easy way of expression (it is permitted also to someone who does not know the html language).

Putting in a network a certain numbers of social actors, namely family firms, would have a gain proportional and corresponding to the number of social actors implied, who would give an exponential numbers of externalities in favour of the network community, as suggested by Metcalfe law (1995). Since generally third millennium economic agents have both a Pc with Internet access and at least one mobile phone, we would have, without additional costs (so that the condition of Coase Theorema will be respected), economic gain and growth and environmental and social sustainability.

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FOR LOVE OR FOR MONEY?

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ABSTRACT

Unpaid overtime is a problem of international proportions, with countries such as Australia reporting as many as 50% of white collar workers in some sectors contributing at least five hours unpaid overtime per week¹; Canada reporting at least 20% of employees contributing at least nine hours per week² and the United States of America reporting an average of 4.6 hours overtime (Mizunoya, 2002) weekly. In most developed countries, middle and senior management are not entitled to overtime payments. In Spring 2006, the European Commission took a successful case against the UK Government to the European Court of Justice, which resulted in the previous UK position of unmeasured overtime by white collar employees being determined as contributing to working time, as long as the employee is required to work extra hours as part of their job. Senior managers and executives who have genuine control over their own working time are still exempt from the ruling. Since the late 1990s, Japan has undergone a working revolution resulting in the Japanese lagging behind the United States in terms of unpaid overtime (Mizunoya, 2002). This is blamed largely on work overload and the rise of Generation Y³. This paper discusses the juxtaposition of work, life values, the retirement of the baby boomers, the rise of Generation Y and global profitability.

END NOTES

1. www.smh.com.au/articles/2002/12/15/1039656300833.html
2. www.jobquality.ca/indicator_e/dem003.stm
3. www.usatoday.com/money/workplace/2005-11-06-gen-y_x.htm

LABOUR RELATIONS AND EMERGENT TRADE UNIONS

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A comparative analysis of emergent trade union activities and their effects on organisational and national economic development and growth. comparing the UK and USA against new trade union movements in a developing nation like Nigeria. This research paper aims to show the effect, which the emergence and subsequent development of the labour and trade unions in the UK and USA have had on their various economies at both the business and national levels. It also aims to show if and how this can be harnessed in an emerging and developing nation like Nigeria, which is seeing a new and vibrant trade union movement, developing and growing in strength as a political power.

While trade union organizers in the two Western countries have been through various obstacles and situations, their approaches to influencing decision making affecting economic development have varied as well. This paper aims to proffer answers to questions arising thereof, with a view to showing what differences, similarities or effects trade unions can have on the decision making process of business organisations and national development. This is by critically analysing the history, characteristics, economic and political effects of trade unions and government power play (whether positive or negative as experienced in the UK and the USA labour unions). This paper will involve extensive study of these three national labour unions vis-à-vis economic development and business growth in these countries.

EXCLUSIVE TERRITORIAL RESTRAINTS IN THE SPORTS INDUSTRY

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ABSTRACT

Almost all professional sports leagues engage in joint sale of broadcast rights and often maintain exclusive rights to broadcast rights. In this paper, we explore whether these exclusive broadcast rights may be an attempt to gain or exploit market power. We review the economics literature on exclusive territorial restraints and examine the empirical evidence on whether exclusive territorial restraints are likely to be efficient. We find that the empirical evidence is inconclusive as to the efficiency of exclusive restraints that limit intra-brand competition. Next, we ask whether exclusive territorial restraints are necessary in the sports industry. Specifically, we compare the organizational structure of the European soccer leagues to the major American sports leagues and conclude that the specific form of exclusive contracts entered into by some leagues are an exploitation of market power.

THE EFFECT OF FEDERAL GOVERNMENT POLICY ON NIGERIAN EXPORTERS

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C.G. Okpala, Nnamdi Azikiwe University-Awka

ABSTRACT

Nigeria is one of the most populous country in sub-Saharan Africa, with a current population of well over 140 million people. The country like most countries in the sub-region had her independence in 1960 from Britain. Her vibrant economy then was mainly agrarian and that economy survived through the export of cash crops. However the discovery of oil immediately after independence changed all that and Nigerian became a major exporter of crude oil and abandoned the development of the export of the above mentioned primary products. At a time Nigerians were importing tooth picks and currently over 70% of her refined petroleum products are imported. Efforts to drive her non-oil exports have proved unsuccessful due to her weak macro-economic environment which is not industry based. Our manufactured products cannot effectively compete in the world market. It is expected that government should make effective use of the vast oil resources to kick start the economy, develop the private sector which, actually should be driving the economy for total quality management of the economy and especially the non-oil exports. So the country's weak macro-economic environment has stalled industrialization and hence our export potentials since our export products and packaging cannot compete in today's international market.

INTRODUCTION/HISTORICAL DEVELOPMENT OF THE NIGERIAN ECONOMY

Nigerian started experiencing oil boom in the 1960's. However before this oil boom, the Nigeria economy was relatively balanced with each principal economic sector, namely agriculture, manufacturing, and services, contributing its fair share of development to the total national effort and Gross Domestic Product (GDP). It should also be noted that before the 1960's the dominant role of agriculture in Nigeria's economy was such that with very little support from government, agriculture was able to grow at sufficient rate to provide adequate food for an increasing population, raw materials for newly emerging industrial sector, increasing public revenue for government, foreign exchange from exports which provided for the growing external needs and employment opportunities for an expanding labour force. Then, the little support given by the government to agricultural development was concentrated on export crops like cocoa, groundnuts, palm produce, rubber and cotton, since food self-sufficiency did not seem to pose any problem worthy of attention.

It is a common knowledge that pre-independence (1960), the economies of the three major regions were sustained by the export of agricultural products. The North then had the popular groundnut pyramids from where they exported the cash crop. The West their cocoa from which the government earned revenue to sustain their free education programme. The "Cocoa House" still standing at Ibadan to date is the symbol of the impact of that crop to the economic development of that region. The East prided herself with the export of palm produce. The palm tree is a symbolic agricultural product that all the waste by-products can be recycled into another useful cash earning product. Other agricultural crops and natural resources with which the country was generally endowed were timber, livestock, cereals, pulses, citrus, soya, cassava, yam etc. Invariably, Nigeria had a vibrant rural economy, while wealth and development were relatively evenly spread, and people were rather contented to live in their villages.

Then, apart from oil and gas, the country had vast deposits of solid minerals such as iron ore, coal, lead, zinc, tin, columbite, kaolin, gypsum, barite, bitumen, etc. which were not sufficiently developed.

THE ROLE OF OIL IN NIGERIA'S ECONOMY AND EXPORT DEVELOPMENT

According to Schatzl (1964) the first indication that Nigeria might be rich in petroleum was early last century, when soil seepages were seen at Aroromi in the present Ondo State. The exploration of this find was started by a German company, the Nigerian Bitumen Corporation in 1908. However this pioneering effort was terminated by the outbreak of the first World War in 1914. Continuing, Schatzl said that in two decades after the above effort, an Anglo-Dutch consortium, came to Nigeria as Shell D' Arch (the forerunner of the present Shell Petroleum Development Company SPDC of Nigeria) to start exploration activities in 1937 after being awarded the sole concession rights covering the whole territory of Nigeria. After many years of searching with investment of millions of Naira, (the British Pound Sterling) a commercial discovery of crude petroleum was recorded at Oloibiri in the Niger Delta in 1956. In 1956, Shell started oil production and export from the Oloibiri oil field in the present Rivers State at a rate of 5,100 barrels per day. Production doubled the following year.

Pearson (1978), said, in 1959 the sole concession rights over the whole country granted to Shell was reviewed and exclusive exploration rights were extended to companies of other nationalities in line with the policy of increasing the pace of exploration while at the same time ensuring that the country was not too dependent on one company or nation. Shell encouraged other companies to join in the exploration and by 1961, Mobil, (now Exxon Mobil), Gulf (now Chevron Texaco), Agip, Safrap, etc had joined the explorers for oil in the onshore and offshore areas of Nigerian. These new entrants made significant discoveries of oil in the Nigeria Niger Delta Region, thereby giving a quantum boost to our oil reserves, daily production and export, and consequently petro-dollars from the export. Like the popular SWOT analysis in Marketing, the strength of the oil find, became strengths and weakness which affected the other export commodities and the new found opportunities in the upstream oil industry became threats to other sectors of a formerly vibrant and balanced economy.

All the crude oil, produced then, was initially wholly exported unrefined, while our needs for petroleum products locally were satisfied through importation. In 1965, a refinery with a processing capacity of 35,000 barrels per day was commissioned in Port Harcourt. The supply of white or refined petroleum products from this refinery was enough to meet domestic demand and the excess fuel oil was largely exported due to our low level of industrialization since we do not have manufacturing concerns to use the fuel oil.

According to Aghara (1985), surprisingly, since 1965 we have built four additional refineries, but today Nigeria, about the 6th producer-member of Organization of Petroleum Exporting Countries (OPEC) exports about 3.0 billion barrels of crude oil per day and imports well over 60% of her refined petroleum products. This is sad since one had expected that 40 years after our first refinery was built that export of refined petroleum product should be leading the non-oil export sector of our economy, including meeting the requirements of the West African sub region and even other African Countries. The initial indications of problems in the agricultural sector started in the first decade of the country's post independence (1960-69), which rapidly worsened in the second decade during (1970-79). The situation was further compounded by the oil boom that created serious distortions in the economy and exacerbated mass labour migration from the agricultural sector of the rural communities to the cities. Since then agricultural activity has steadily declined, resulting in the sector reducing its status as the mainstay of the Nigerian economy.

According to Edordu (2003), presently, Nigeria displays the characteristics of a dual economy, a modern sector heavily dependent on oil revenues against a relatively poor traditional agrarian economy. The capital intensive nature of the oil sub-sector and its very low employment capacity coupled with the consequent lopsided development of the economy in general, have become a source of grave concern to the Federal Government of Nigeria (FGN). Continuing, Edordu said for instance that in the year 2001,

the oil sector accounted for 76.5% of federal governments revenue, 94.5% of export earning and 10.6% of GDP at factor cost, while non-oil exports accounted for just 5.5% of total earnings. With crude oil price well above USD\$60 per barrel since 2005, the contributions of non-oil exports to the nations export earnings have continued to decline. What the above scenario shows is that Nigeria is a mono-export economy fully dependent on oil. If this background is viewed from the fact that oil is a wasting asset with specific life span, we cannot wait to develop or diversify other revenue generation potentials or sources. This will guarantee a balanced and sustained economic growth, especially when our crude oil reserves must have declined to levels that cannot sustain the current over 90% contributions to our export earnings and economic growth.

PROBLEMS OF FORMULATING EXPORT POLICY STRATEGY FOR NIGERIA

Export Policy strategy formulation is not new in Nigeria. As a matter of fact, many attempts have been made since independence in this direction, though with mixed results. In some instances, such efforts were more or less Export Promotion Document lacking in content and actual strategy for effective export drive. Very important is the mode of change of government since independence which were non-democratic with the succeeding regime coming in to correct the ills of the past government thereby rubbing out all efforts of the past government, whether good or bad. In one instance, an inter-ministerial committee was set up to formulate an export strategy, and the work of this committee was in an advanced stage but not completed before a new government took over office and, of course, the strategy formulation was discontinued, and dumped in the dustbin of history.

From the part of government, officials given the task of export strategy formulation, apart from having other equally important official assignments, may not be very technically competent to deliver on the assignment hence the delays and poor output. Another issue is the proper articulation of what an “export strategy” should include. For effect, an export strategy should encompass the key roles of all stakeholders in the export process. So an export strategy should include the following, (Markham, 2003).

The contribution of export to the overall national development plan.

- A clearly defined objective framework.
- An unambiguous policy direction to achieve the above set objectives.
- Well defined areas of emphasis for likely policy and institutional intervention to pre-empt unforeseen implementation problems or difficulties.
- It should include performance indicators to facilitate monitoring and evaluation of export performance.
- There must be set targets and time frame for achieving these targets.

NIGERIAN NATIONAL DEVELOPMENT POLICY AND EXPORT STRATEGY OBJECTIVES

In realizing the very urgent need to jump start her economy, the Federal Government in 2004, launched the National Economic Empowerment and Development Strategy (NEEDS) in response to the development challenges of Nigeria, (NEEDS Policy 2004). One of “NEEDS” four pillars of policy thrusts is to promote exports and equally diversify exports away from oil. It also seeks the transformation of Nigeria into an economy that is robust, stable, dynamic, competitive and export-driven. NEEDS which is the main policy thrust of Obasanjo administration partly draws on ‘Vision 2010’ which preceded NEEDS as the official national development policy of Nigeria. It therefore envisages, inter alia, economic reforms which are designed to generate sustainable economic growth rate of 6-10% per annum in real terms between 1998-2010.

The development policy recognizes that the envisaged economic performance requires government intervention in specific areas which include orientation of the economy towards a diversified export-

oriented development based on national comparative advantage. This initiative is apparently informed by official recognition that trade, more specially export, plays the role of an 'engine of economic growth' under certain conditions. The challenge is, therefore, to defined a national export strategy, the Implementation of which will enable the non-oil sector play its rightful role in the national development agenda and to achieve a more balanced export-led development of the economy.

The export development strategy objective of NEEDS document over the next five years (2005-2009) include the following:

To provide a strategic framework and guide for national consensus building to mobilize the following core institutions:

- (i) Export-stakeholder public institutions and policy making bodies.
- (ii) Trade support service providers.
- (iii) Organizations, institutions and associations that represent non-oil private sector exporters
- (iv) Export companies.

For needed substantial support services to promote export oriented cross sectoral development of Nigeria's human and non-oil natural resources and production capacity building. To realize the non-oil export potential of Nigeria, and stimulate on a broad front export-led or driven balanced development of the economy. To manage in a manner that permits mass participation in the activities and consequent economic rewards of export by the greater majority of the Nigeria population.

Table 1: Consequent upon the above, the NEEDS document envisages non-oil earnings growth as follows:

2005	2006	2007
20%	25%	30%

These growth rates are even projected to about 50% by the year 2010. In view of the above policy objectives this paper will now take a critical look at the problems of the export sector of the economy and how these problems impact on the government realization of the lofty ideals of the NEEDS document.

PROBLEMS OF THE EXPORT SECTOR AND IMPEDIMENTS TO EXPORT EXPANSION AND MARKETING

From the foregoing, strategy formulation goes beyond the scope of problem solving, it is important to have in focus problems of the export sector and factors that discourage export activities, as identified through our economic development, experience as a nation, and even by stakeholders, and to ensure that appropriate provisions are made in the strategy to address them. These problems and factors include and are not limited to be following.

Economic Development Problems

We can understand our export problems better when we look at the stages of economic development and how far we have fared as a nation. We will look at it from three stages: the primary (extractive) or pre-industrial society; the secondary or industrial society; and the tertiary or post-industrial society. According to Bell (1973) the primary (extractive) or pre-industrial society is one of subsistence. The labour force is engaged in agriculture, mining and other activities which require a lot of physical exertion and strength. Productivity is low due to lack of technology. Low productivity leads undevelopment of the large populations. Export activities here if practiced at all are limited to primary products.

In their contribution, Fitzsimmons and Fitzsimmons (2001) said that, the secondary or industrial society which is the goods producing stage, is characterized by energy and machines which in turn multiply output per labour hour and also restructure the nature of work. Work is generally accomplished in the rather

artificial environment of the factory, where people tend to work with machines. The rhythm of life is machine-paced and dominated by rigid working hours, world of schedules and acute awareness of the value of time to ensure quality. The improvement of production creates room for the distribution and marketing of goods. There will be improved employment level and income which is expected to be followed by the development of infrastructure and other economic activities, including the development and export of these manufactured goods. This leads to improved employment level, income-created space and the need for the service industry.

The tertiary or postindustrial society is concerned with the quality of life as measured by services such as health, education, recreation and total quality economic development. The central figure is the professional person rather than physical strength while performance is the key resource. Bell (1973) further suggests that the transformation from an industrial to a postindustrial society occurs in many ways which include: total development of infrastructure like roads, transportation, utilities, education and manpower to support industrial development; and there will be growth in quality population, trade and other services like export, banking, insurance, etc. Bovee and Thill (1992), gave further reasons for growth of tertiary or postindustrial society, which include: economic prosperity and growth in dual income family all of which enhance disposable income which invariably induce purchase of quality goods and continued and sustained total quality economic production development and export of goods.

Going further, it will be noted that development experience has shown that countries that have witnessed long periods of export growth, achieved sustained gross domestic product (GDP) growth and transformation (Edordu, 2003). He went further to say that these countries include many South East Asian countries such as South Korea, Taiwan, Malaysia, Indonesia, etc, which are generally seen as export success stories that achieved significant growth and transformation. He continued, that exports are also credited with ensuring stable growth and enhancement of an economy's capacity to contain external shocks that would otherwise create disruptive setbacks. So the strong correlation between export performance and stable growth experience in Asia would lead any observer of current events to suggest that an export-led or driven development strategy should be followed by other countries seeking growth especially oil producing third world countries like Nigeria.

Incidentally, since independence in 1960, Nigeria has followed essentially an import substitution development strategy and current conventional wisdom is that it did not bring the desired level of GDP growth at least on a sustained basis. Since the mid-1980's Nigeria has reversed and reformed its policies with somewhat of mixed results. Why has the Asia experience not repeated itself in Nigeria after over twenty years of reform? The fact remains that as long as we cannot fully develop and sustain the secondary or industrial stage of our economic development and move to the third stage of tertiary and the postindustrial or services sector of our economic development, any discussion on how to transform ours into an export-driven economy will surely fail, the current NEEDS document notwithstanding. The result will be that Nigeria will continue the export of primary and semi processed agricultural products. Edordu (2003) went further to clarify the above by saying that while GDP growth is a necessary condition of development, it is not sufficient since it is essentially a quantitative change. Economic transformation involves changes, in the composition of output and exports, as well as in the structure of resource use. In this regard, transformation of an economy requires a growing GDP accompanied by shifts in the share of primary output (agriculture and natural resources) towards secondary output (manufacturing) and tertiary output (services). The distribution of labour employed among the sectors is also expected to shift away from agriculture towards manufacturing and services. Even the income and wages structure of the average Nigerian worker is so low and at the exchange rate of USD 1 to NGN130, the average Nigerian worker cannot earn enough income to reflate the economy and move it into the industrial and tertiary stages of economic development.

High Cost of Doing Business

The high cost of doing business generally in Nigeria including export business is a well known development. This has the tendency of making Nigerian products expensive in the export market and therefore uncompetitive generally. This will then discourage Nigeria exporters from entering the export business.

Some of the factors that account for the high cost of doing business in Nigeria include:

It is common knowledge that it is cheaper to transact business at the Cotonou port in Benin Republic than at the Apapa and Tin Can Island ports in Lagos, Nigeria. Our port charges are relatively higher.

The number of security checks at the Nigeria side for cross-border trade discourages Nigerian Exporters, since all the multiple security points are just avenues to collect/extort money from exporters. The Federal Government has had cause to request the inspector General of Police and other security agencies to reduce the number of checkpoints both at the ports and trans border trade routes. Difficulty and high cost of access to land for export production. Most times two communities lay claim to one landed property and most times payment is made to both communities. Again government documentation process and payment for such land can be frustrating, before one can get title to such land.

Export Financing

Financing business generally and export in particular is a major problem area. While some level of financing is expected from some international institutions like the Eximbanks, Nigerian banks should effectively kickstart or finance export business. This has not really been so since our banks are more interested in short-term trade lending than the long term export development financing, due to their weak capital base. In fact that was one of the reasons given by the apex bank The Central Bank of Nigeria (CBN), for the recent N25bn capitalization of banks which will encourage the emergence of mega banks to handle all types of business including long-term export financing. This issue of poor export financing by banks was highlighted by exporters who are members of Manufacturers Association of Nigeria Export Promotion Group (MANEG). They have held that the Nigerian Export-Import Bank (NEXIM) and other financial institutions responsible for what they called the poor export of Nigerian non-oil products (Vanguard Newspapers, May 12, 2006). Members of the association said that NEXIM had made little or no impact on export financing, while the capitalized banks that are supposed to provide loans to manufacturers at low interest are only interested in profiteering, and financing imports.

At an interactive forum of the Special Adviser to the president (SAP) on export programme and Chief Executive Officer (CEO) of Nigerian Export Promotion Council (NEPC), Mrs Modupe Sasore with captains of the banking industry on Export Financing and the challenges, in Lagos recently, the National Chairman of MANEG, Mr. Romeo Barberopoulos (Vanguard May, 12, 2006), said that, it has become a matter of concern to Nigerian Exporters that interest on loan which appears low on the surface is not so in reality. He also said, that additional monies or charges imposed on exporters have made Nigerian Exports uncompetitive in the international market. Continuing, he told the NEPC boss that bank policies in Nigeria are anti-export and therefore negatively affecting the organized private sector, as regards financing. He further said that interest on loans which hovers around 17 percent, jumps to 22 percent and more by the time the banks add contract renewal and other fees and charges, which are not included in the original interest charged on loans. He continued that there was also a problem of poor networking of Nigerian banks outside the nation's shores. Nigerian Exporters find it difficult to make money transfers expect they route such transfers through branches of indigenous banks in the United States or Europe as such service inadequacies of Nigerian banks had in the past led to stoppage of product exports from Nigeria. He therefore hoped that the N25 billion capitalization of banks would go a long way in making our banks to embrace internationally accepted banking standards.

However, in her contribution at the forum, the Assistant General Manager, Trade Finance at NEXIM, Mrs. Adewodu Abiodun said that NEXIM was prepared to guarantee and provide insurance for the credit of banks that would want to lend money to exporters. She however, added that the local banks were not keen on taking such facilities, but will rather take enough collateral from exporters to cover their risk. She said that most of the people who use NEXIM's guarantee and insurance are actually overseas stakeholders, who are equipment suppliers to our local manufacturers. She also confirmed that NEXIM is being capitalized in line with the banking industry and this will help to position the institution better to serve the interest of exports. In her contribution, Mrs. Sasore of NEPC confirmed the problem of export financing, saying that the forum was put together to highlight problems that exporters faced in the bid to access funds, delay in notification and release of export recoverable, introduction and use of e-commerce and regular interface with the banks to remove obstacles on export financing.

May be Nigeria should borrow from the Credit Guarantee Insurance Corporation (CGIC) of South Africa. According to Coles (2002) CGIC, is an amalgam of South Africa's export community, and its banking and insurance corporations. After its formation, the Re-Insurance Act was passed through parliament which gave the South African Government scope to re-insure Political Risk. Continuing, Coles said that under Commercial Risk, the buyer is responsible for his actions in meeting his payment commitments etc. Under Political Risk the buyer has no control over the actions of his own or another government. In South Africa CGIC takes Commercial Risks i.e. insolvency, repudiation, or protracted default for its own account, etc. and re-insures this through the international market. Political Risk is slightly more complicated, since it is more difficult to predict whether countries will go to war or not with the attendant economic and foreign exchange problems which is a big drawback on export activities.

This articulate export policy strategy by South African government must have impacted positively, for the gains and development of export and export financing in South Africa. No wonder, since the end of Apartheid in South Africa, we have witnessed in Nigeria the influx of South African products from manufactured and industrial raw materials and parts to communication technology and services.

Poor State of Infrastructure

It is common knowledge that the poor level of infrastructural development does not encourage business to thrive. Export manufacturers have to provide their own power generation and water-supply. Road network is still poor making transportation of goods an arduous task. Communication where available is rather expensive our mobile phone tariff is higher than that of most countries in the West Africa sub-region.

Repatriation of Export Proceeds

Exporters are required to repatriate their proceeds through the bank, unless they want to finance some imports with them. However, the difference between the black market currency exchange rate and that of official export proceeds encourage exporters to avoid official documentation so that they can earn foreign currency in cash, which is higher than the rate of export proceeds through the bank. For the past one or two years, the gap between the parallel and official exchange rate of the Naira to the US dollars is so significant that some importers will rather export unofficially so as to earn higher exchange rate. This will also add to the denial of export financing by most banks.

Delay in Processing Export Grants

Documentation delays make this bold effort of the Federal Government uninteresting. Export Expansion Grant (EEG), which provides for cash inducement to exporters, was recently increased from 20% to 40% since February 2003, by the Federal Ministry of Finance (Akobundu 2003). This incentive is available to

exporters who have exported a minimum of NGN500,000.00 (about USD \$4000 = 00) worth of products. However MANEG is apprehensive and uncertain of the fate of the new incentive in view of a number of very unclear issues appearing in the general statement of the budget on the EEG which may hinder and frustrate implementation. These issues which require clarification include: determination of eligible exporters; determination of eligible products, and role of MANEG and the duration of the new EEG regime which MANEG suggested should last for at least a 10 year period, to be of effect for a sustainable export development.

CONCLUSIONS AND RECOMMENDATIONS

Again quoting from Edordu (2003), successful export marketing should balance the attention currently given to market access with an equally vigorous support for export production. The Asian (Tigers) States which were at comparable levels of development some three decades ago with Nigeria have experienced significant output transformation and export expansion. The main drivers were suitable macro-economic environment support with industry-oriented Direct Foreign Investments (DFIs) and appropriate financing. Recent as well as past policies in Nigeria did not infuse sizable industry-oriented DFI, suitable financing and strong entrepreneurship into the export sector. These can be brought into a new exporting regime to support export-led economic development in Nigeria. According to Edordu, African Export-Import Bank (Afreximbank) for which he is the President, has introduced such a programme to assist its member states in the African sub-region to use exports as a potent instrument of transformation for a stable and sustainable development. From all the above, we are emboldened to make the following recommendations.

Our current level of economic and industrial development cannot support effective export of manufactured product. All DFIs should be directed towards strengthening the macro-economic environment, based on industry-orientation. This will change the quality of our export products and packaging and equally make them more competitive in the international export market. The excess crude oil fund should equally help to fast track this. It does not make any economic sense to accumulate foreign reserves when our economic development is at the primary stage. Infact, the money paid the Paris Club and other Foreign Creditors should have been deferred and used to strengthen our macro-economic environment for an export-driven economy. We should rather be exporting refined petroleum products to most of the African sub-region instead of importing same.

Development of infrastructural facilities should be pursued vigorously. There cannot be any alternative to good road network. The Federal Government of Nigeria should differentiate between politices and economic developments. Once State Governments build strategic federal roads in their states, they should be refunded since such roads if regleted may hinder transportation of exportable goods. The issue of poor power generation should not be contemplated at all. No serious investor will want to come to Nigerian and start investing in power generation for his manufacturing business.

Communication network is rather very expensive especially the GSM when compared with rates in the West African sub-region. Most small and Medium Enterprises (SMES) cannot cope effectively with its current pricing. Now that NITEL (the official government telecommunication company) has collapsed, the second National carrier should be made to take off and provide cheaper communications network with more data to cope with overall business and export communication, and transaction.

NEXIM should partner with Afeximbank and the local banks to ensure that all interested and genuine exports are not discouraged by proper funding. Documentation should be minimized for effect. The success of the South African Credit Guarantee Insurance Corporation (CGIC) should be replicated in Nigeria with NEXIM providing the enabling environment through the Central Bank of Nigeria (CBN) and the Federal Government.

NEPC should ensure that all bottlenecks in respect of documentation should be minimized and all export grants due exporters are not unduly delayed.

The wide gap between the black market Naira exchange rate and the Bank's Export Proceeds rate should be narrowed down or closed to prevent exporters from avoiding official documentation and exports. In the alternative, banks can pay export proceeds in dollars just like the banks that are part of the Western Union Money Transfer that now pay customers in foreign currency. This will be another strategic export incentive.

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CORPORATE GOVERNANCE IN U.S. IPO FIRMS

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ABSTRACTS

This study uses a sample of IPO firms from 2000 to 2002 to investigate the relationship between board quality, venture capitalists, and firm performance. The result shows that there is a positive relationship between board quality and firm performance. However, there is no evidence that venture capitalist directors are positively associated with firm performance.

Keywords: corporate governance, board quality, venture capitalists

INFORMATION TRADING IN OPTIONS MARKETS AND IMPLICATION FOR SPOT PRICE DISCOVERY

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ABSTRACT

The role of information in the spot price discovery process is well documented. Studies have emphasized how information asymmetry among the players in the market has consequences for efficiency of spot markets and price discovery process itself. The option markets have many implications for spot price discovery. Information based trading in the option market is studied by Cao, Chen and Griffin (2000) and found that such trades had registered abnormal trading volumes before takeover announcements. It is also studied that traders migrate from spot to options markets and vice versa depending on option margin requirements (Mayhew, Sarin and Shastri, 1995). Information in the option market undoubtedly helps market makers to hedge. It also may indicate the future price movement and thereby help the regulators to see signals of inappropriate price movements. Therefore the option market trading may contribute for efficient spot markets. The present study takes up the issue in the context of Indian stock markets and option markets. The study covers the high frequency data of 12 popular companies in India where option are traded. The study covers a period of year 2000 to 2006 and investigates the empirical properties of the price series and attempts to find answers for information content and implication for spot market efficiency.

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SPANISH PROCEEDINGS

ANALISIS DE LA ORIENTACION AL MERCADO Y LA CULTURA ORGANIZACIONAL DE LAS PEQUEÑAS EMPRESAS DE LA INDUSTRIA DE ARTES GRAFICAS LOCAL

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RESUMEN

El análisis de la relación entre la orientación al mercado y la cultura organizacional de las pequeñas empresas de la industria de artes gráficas, se desarrollo sobre una base conceptual definida, el Modelo de Valores Rivales propuesto por Quinn y Rohrbaugh (1983). El estudio tiene como objetivo identificar el tipo de cultura que caracteriza a la industria bajo análisis. El estudio requirió de utilizar la prueba Kruskall Walli's a fin de determinar que no todos los estratos registran un comportamiento igual respecto a la mediana requerida en la que cada estrato se orienta a un tipo de cultura organizacional específica. El análisis estadístico requirió de utilizar como herramientas el procedimiento de análisis de correspondencias y el análisis de varianza (ANOVA) para determinar la existencia de relación entre las variables orientación al mercado y cultura organizacional de la industria de artes gráficas local. El análisis arrojó que las empresas que presentan una mayor orientación al mercado se orientan a la cultura organizacional emprendedora, mientras que en aquellas que registran una menor orientación al mercado prevalece la cultura organizacional burocrática.

Palabras clave: Cultura organizacional, orientación al mercado, ventaja competitiva, emprendedora, competitiva, mercado, burocrática y consenso.

FUSIONES Y ADQUISICIONES

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ABSTRACT

El propósito de este trabajo es mostrar un panorama general sobre las Fusiones y las Adquisiciones (F/A), sin llegar a la demostración teórica y empírica como lo han hecho otros estudios. Lo único que se pretende es presentar una evolución de las F/A, ¿Desde cuándo se tienen antecedentes de ellas?, ¿Quiénes son los beneficiarios o afectados?, ¿Qué tipo de problemas se presenta?, ¿Qué se persigue con la F/A?, dejando a un lado las alianzas para otro estudio.

INTRODUCCIÓN

En el trabajo de Weston (1952) se hace mención histórica desde cuando se tienen antecedentes sobre las fusiones, pero cita algunos datos de existen precedentes de las fusiones desde 1897 (ver Weston,1952). En el trabajo de Andrade, et. al. (2001) muestra empíricamente de acuerdo a una muestra obtenida de la universidad de Chicago, del New York Stock Exchange, American Stock Exchange y del Nasdaq las fusiones que se han llevado a cabo desde 1962 hasta 1998. El trabajo es basado en estadística descriptiva, observado una caída en las fusiones en 1975. Para ver más sobre la metodología ver el trabajo citado de Schwert (2000) citado en Andrade (2001).. En un estudio realizado por la empresa KPMG a nivel mundial, la consultora con sede en Reino Unido, ubica a México con 8,261 millones de dólares desembolsados en este tipo de transacciones. Después de México en la región le sigue Brasil con 6,818 millones de dólares, Chile con 2,417 millones, Argentina con 929 millones y Venezuela con 905 millones de dólares (noticiasdot.com, 2004).

Las fusiones ocurren cuando una firma adquiere a otra firma con el único objetivo de combinar sus aspectos legales ya establecidos y formar una sola firma. Con lo anterior los accionistas no ofrecen sus acciones al mercado sino se mantienen a la expectativa de adquirir las acciones propiedad de la otra firma, luego entonces la adquisición en un sentido genérico se refiere a cualquier absorción de acciones entre firmas (Harpern, 1983).

Cuando se da realmente una fusión es aquella que integra las mejores estrategias financieras y administrativas de ambas firmas para integrarlas en una única firma. En cambio en la adquisición, el socio dominante de una de las firmas es quien maneja los procesos de integración financiera y administrativa (Greenwood, et. al. 1994). Una vez visto el punto de vista de que se entiende por una fusión y/o adquisición, en la siguiente parte se explicará que tipos de fusiones y adquisiciones existen.

Tipos de Fusiones y Adquisiciones

Existen cuatro tipos de fusiones que se citan en el trabajo de Walter y Barney (1990). La primera es la fusión vertical, la segunda es horizontal, tercera la fusión concentrada y finalmente la fusión conglomerada. Las anteriores definiciones también se pueden encontrar en la ley de la Federal Trade Commission (FTC) (Federal Trade Commission, 2005).

Tipos de Relaciones Que Hay en las Fusiones y Adquisiciones

Existen trabajos teóricos sobre la relación que se da entre las fusiones y adquisiciones, más que nada psicológicos (Fulmmer y Emory, 1990). Por ejemplo, existe una relación de ansiedad e incertidumbre en

los trabajadores, específicamente hacia lo que depara el futuro, cuando se ha consumado la fusión y/o adquisición. También los trabajadores dejan de ser leales hacia la única firma en la que han laborado durante cierto tiempo; ahora existen nuevas relaciones con una nueva autoridad; tendrán que adaptarse al proceso posterior a la fusión.

Motivos De Las Fusiones y Adquisiciones

Los motivos que llevan a fusionarse es una combinación de objetivos para controlar el mercado, aunque esto puede causar problemas de monopolio en el mercado. Según la FTC (2005) los motivos de los vendedores para fusionarse es que quieren evitar altos impuestos en las empresas grandes que las empresas pequeñas. Sin embargo, los dueños de las empresas pequeñas tienen el motivo a fusionarse por retiro, la pérdida de su administrador, no poder pagar su deuda que tiene, no poder competir con su competencia, afianzarse con otras grandes compañías, miedo a que vaya a bajar el precio de las acciones, aumentar su capitalización de su empresa a coste de la participación activa de otros dueños, deseo a diversificarse en el mercado.

Regulación de las Fusiones y Adquisiciones

Las fusiones y adquisiciones en los Estados Unidos de Norte América son reguladas por la Federal Trade Commission (FTC), quien es la que dictamina las condiciones que se deben dar para las fusiones y adquisiciones, para que no cometan monopolios, por tal motivo creo la ley antitrust, que es la ley antimonopolios. Sin embargo, ha presentado muchos problemas para regularlos por incumplimientos de contrato por lo tanto de acuerdo al trabajo de Andrade, et, al.(2001) presenta evidencia de que de todas las fusiones que se dieron en la década de los noventas sólo el dos por ciento tuvieron éxito, un ochenta y cuatro por ciento fracaso y el resto se encuentra en procesos legales.

Factores Que Afectan las Fusiones y Adquisiciones

Existen factores que afectan las fusiones y las adquisiciones que específicamente tienen que ver con cuestiones culturales. Uno de los factores que afectan las Fusiones y Adquisiciones son la construcción de una nueva cultura utilizando figuras claves de liderazgo, medios de comunicación y todas formas de comunicación disponibles. Debe hacerse utilización de la educación y formación de la dirección para difundir información, adaptarse al medio social y cultural (Fulmer y Emory, 1990).

Un factor que afecta las F/A es el nivel de stress que enfrentan los trabajadores y administrativos pre y post fusión. Este tipo de stress se ha identificado que ocurre a nivel de los individuos, a nivel de grupo y a nivel de la propia dirección (Schein, 1990). En el estudio de Kusewitt (1985), menciona que el proceso de F/A afecta el stock del mercado y el flujo de efectivo de las firmas donde se da la fusión, ya que es lo que limitará la F/A lo cual lleva a entrar en stress y cuestiones culturales en las estrategias de organización, específicamente a los directivos de la empresa a adquirir.

CONCLUSIONES

Existe una infinidad de trabajos tanto teóricos como empíricos basados en fusiones y adquisiciones que se han realizado tanto en Europa, Asia y Estados Unidos de Norte América. Sin embargo, no existen un abundante tipo de trabajos científicos para los casos de México, son escasos. La comisión federal de competencia quien es quien regula la actividad de F/A en México, no ofrece este tipo de trabajos ni datos estadísticos. Por lo cual se deja abierto el interés por hacer más estudios tanto teóricos como empíricos sobre este tema para el caso de México; ya que es un tema bastante común en nuestros días.

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FACTORES QUE INCIDEN LA PROPENSIÓN DEL EMPLEO INFORMAL EN MÉXICO EN LA ÚLTIMA DÉCADA

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ABSTRACT

El sector informal ha ido en aumento a nivel internacional (Giles, 1999), aunque en mayor escala en América Latina (Rosales, 2002). Caracterizado por su naturaleza familiar, escaso capital, mano de obra intensiva, gerencia rudimentaria, ausencia de formalidad jurídica (Ramales y Díaz, 2005), entre otros tantos elementos —que más bien parecieran desventajas—

Esto debido, particularmente, a la discrepancia de intereses que tienen las diferentes regiones del mundo, pues, mientras en los países desarrollados la intención es evadir impuestos (Feinstein, 1999), en América Latina es sobrevivir como resultado del desempleo (Guerra, 2005), aunque recientemente esta distinción parece aproximarse.

En el caso particular de México se tiene una extraña mixtura de formalidad e informalidad, ya que se pueden tener empresas formales con empleados informales y viceversa (Tokman, 1987; Ramales y Díaz, 2005), teniendo así un país donde las razones para entrar o no a la economía informal varían según el giro, tamaño e intenciones de la empresa; pero también tienen que ver mucho con un elección de los individuos que no es del todo voluntaria.

El descubrimiento de los “pobres que trabajan” a principios de 1970 por la Oficina Internacional del Trabajo (OIT), demostró la capacidad de la sociedad para desarrollar sistemas flexibles de autoempleo cuando el sistema del mercado laboral capitalista no funcionó. Esto es, las personas se convirtieron en unidades económicas individuales, empresas.

En este sentido, parece ser que el consenso general admite que la primera definición de la informalidad se sitúa a principios de la década de los setenta, con el informe de Kenia de la OIT. Ya Tokman (1987) y Roubaud (1995) trataron de clasificar y definir una secuencia cronológica de la informalidad en una dimensión puramente conceptual y se reconoce un esfuerzo considerable de Bangasser (2000), más recientemente, con su relación a la OIT. Sin embargo, mucho se ha escrito en épocas que bien se pueden citar como esnobismos del pensamiento social.

Y es, precisamente, una dimensión social la que se le ha conferido a lo largo de los años al fenómeno de la informalidad, por lo que la argumentación cuantitativa al respecto no es muy concreta. Actualmente, la concepción de la informalidad se ha delegado a sólo sectores por los académicos e, incluso, se ha negado su existencia, mostrándose más como una simple posibilidad, limitándose a una simplificación de causa y efecto que ha minimizado las dimensiones del problema, con base en someras revisiones estadísticas.

Empero, este es un buen punto de partida, es decir, las “posibilidades”. Está claro que no se abordará el tema a un nivel conceptual-teórico para debatir su existencia o no existencia, su tamaño o efectos, de esto mucho se ha escrito y discutido. En el presente documento estas son cosas que pueden darse por sentadas, hasta cierto momento y bajo cierto punto de vista; he aquí la relatividad agonizante ante la evidencia empírica.

EL FINANCIAMIENTO DE LAS PYMES MEXICANAS ¿FACTOR DE DESARROLLO?

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ABSTRACT

El objetivo del presente trabajo consiste en analizar el papel que juega el financiamiento para el desarrollo de las pymes. En México la micro, pequeña y mediana empresa presentan gran importancia al constituir el 95% del total de las empresas, pero uno de los principales problemas a los que se enfrenta es la falta de financiamiento. Sumándose la falta de integración o articulación a las grandes empresas debido, entre otras cuestiones, a la inadecuada organización administrativa y falta de planeación por parte del Estado. Entre los impedimentos para acceder al financiamiento, están: el difícil (o imposible) acceso a la Banca de Desarrollo e Instituciones Financieras, y la poca diversificación de fuentes alternativas; el limitado acceso a la información por parte de los interesados; la resistencia al cambio en su organización de tipo familiar; y la dependencia que generan con los proveedores. Siendo altamente vulnerables y dependiendo, paradójicamente, del apoyo que reciben por parte del Estado y sin que los apoyos estén disponibles para todas las empresas.

INTRODUCCION

En México la micro, pequeña y mediana empresa revisten gran importancia como generadoras de empleo. Sin embargo, a pesar de que constituyen el 99.2% del total de las empresas (véase nota 1) uno de los principales problemas a los que se enfrentan es la falta de financiamiento, a lo que se suele sumar la falta de integración o articulación, debido a la inadecuada organización y planeación, así como la falta de competitividad.

Sucesos como los de 1982, 1988, 1994-1995 y de manera importante, la apertura del mercado interno a partir de 1986 y del 2004, así como el adelgazamiento del Estado debido a la crisis de 1982, demuestran que la mayoría de las empresas de México son altamente vulnerables. Carecen de líneas de innovación tecnológica no implantan nuevos modelos administrativos al carecer de divisiones gerenciales y administrativos alternativos a la composición y dirección familiar.

El objetivo de este documento consiste en analizar las principales fuentes de financiamiento de las pequeñas y medianas empresas en México. La hipótesis se centra en el hecho de que a pesar de existir alternativas de financiamiento para este tipo de establecimiento, no se accede fácilmente. El documento se encuentra dividido en dos partes en la primera se presenta un diagnóstico del estado que guardan las PyMES frente a la apertura de los mercados y que además enfrentan la falta de fuentes de financiamiento por parte de la banca comercial, enseguida, se analiza el mercado crediticio para las pequeñas y medianas empresas, y fuentes alternativas de crecimiento, por último las conclusiones.

Diagnóstico de las PyMEs y los Programas para PyMEs

A pesar de que existen diversos criterios para clasificar a las empresas como PyMES, la OCDE determina que las empresas que emplean menos de 100 trabajadores son consideradas como pequeñas, mientras las que se encuentren entre 101 y 250, sean consideradas como medianas. Sin embargo, cada país miembro de la OCDE establece sus propios criterios de clasificación. Pero sin olvidar, además, que existen otros criterios de tipo cualitativo como son: la estructura organizacional, los procesos administrativos, las características financieras y el posicionamiento del mercado. Tabla 1 muestra la clasificación en México

Tabla 1: Clasificación de las Empresas en México, por Número de Empleados

Tamaño de la empresa	Industria	Comercio	Servicios
Micro	0-10	0-10	0-10
Pequeña	11-50	11-30	11-50
Mediana	51-250	31-100	51-100

Fuente: Ley para el Desarrollo de la Competitividad de la Micro, Pequeña y Mediana Empresa (DOF 30/12/2002, última reforma 06/06/2006).

Tradicionalmente dependieron del Estado Benefactor a través de los subsidios indirectos al salario (el apoyo al consumo popular); de servicios públicos subsidiados, apoyos financieros sin objetivos concretos y viables, y proteccionismo comercial, entre otros. Apoyos que ya no están disponibles para todos los empresarios por los cambios operados hacia el interior del Estado (el neoliberalismo). De aquí, entre otras cuestiones, el requerimiento de una visión y trato global e integral hacia la empresa, pero que considere, entre otras cosas, las diferentes ramas económicas y hacia su interior, para que se diseñen estrategias acordes a las necesidades de desarrollo de las diversas regiones del país (ver Tabla 2).

Tabla 2. Diagnóstico de las PyMEs en México

Principales características
Poco competitivas en el ámbito global
Negocios familiares e informales
Importantes generadoras de empleo
Lazos estrechos entre los desafíos, el personal y los beneficios potenciales
Dirigentes poco preparados (capacitados)
Tendencia a la improvisación
Obsoletas en cuanto a tecnología y procesos
Limitada participación en el mercado de exportación
Dedicadas principalmente a las actividades artesanales
Bajos estándares de calidad y productividad
Problemas de financiamiento e inversión
Ineficiente manejo del capital
Poca permanencia en el mercado
Dirigen su oferta a un mercado general y no a un nicho en específico
Falta de un enfoque en el cliente

El Mercado Crediticio para las MiPyMEs y Fuentes Alternativas de Crecimiento.

Autores como Gómez (2006), López (2003), Pedroza y Sánchez (2005) consideran que en lo concerniente al crédito a las PyMES, enfrentan importantes desventajas internas y externas a la hora del financiamiento. Entre los impedimentos para acceder al financiamiento, están: el difícil acceso a la Banca Comercial y de Desarrollo y demás instituciones Financieras; el poco o nulo acceso a la información; la resistencia al cambio en su organización de tipo familiar; y la poca diversificación de fuentes de financiamiento alternativas que las convierte, en su gran mayoría, en grandes dependientes de los proveedores (Seijal, 1999; Secretaria de Economía 2003 y 2006). No conforme con ello, a partir de 1994-95 se da el rompimiento entre el crédito bancario y las PyMES y se recurre al sistema de garantías para poder acceder al financiamiento.

No obstante, a partir del año 2000 cuando se anuncia el Programa Nacional de Desarrollo Empresarial 2002-2006, para establecer el Fondo de Apoyo para la Micro, Pequeña y Mediana Empresa (FAMPYME) que inicia con programas de capacitación y 250 proyectos para todo el país, que se estacionan en la promoción empresarial y de competitividad. Y de ahí hacia otros tantos proyectos para vincular a la banca comercial con las PyMEs, pero sin lograr la compenetración de la banca comercial. Por lo que Nafinsa opta por apalancar a las Uniones de Crédito que sin mayor explicación se declaran en quiebra (Garrido, 2005: 272 y 274, notas 7 y 8).

Hoy sabemos que los movimientos de la Inversión Extranjera Directa corresponden a operaciones entre las transnacionales de origen extranjero y sus filiales en México, y que la expansión internacional de las transnacionales mexicanas ha obedecido, en buena medida, a los créditos fiscales que se auto-otorgaron al retener hasta el año 2012 el correspondiente pago de sus impuestos para con el Estado y la sociedad mexicana.

Por su parte las pequeñas y mediana empresas sobreviven gracias a los créditos en especial de los proveedores. Mientras los particulares recurren a los créditos que les ofrecen las cadenas comerciales a través de poco más de 60 millones de tarjetas de plástico y sin que la más de las cadenas comerciales sean bancos apalancados por las letras que emitió el Estado. De acuerdo a datos proporcionados por Banxico (Resultados Encuesta de Evaluación Coyuntural del Mercado Crediticio) en el tercer trimestre de 2007, el comportamiento del mercado crediticio para las chicas y medianas empresas ha sido una mayor dependencia con los proveedores.

A pesar de que según datos de la Secretaría de Economía, en coordinación con la banca de desarrollo y las instituciones financieras, se han diseñado 37 productos de crédito para PyMEs a través de 16 entidades: 11 bancos (banca comercial y banca de desarrollo), 1 unión de crédito y 4 sofoles, no se muestra poco interés en apoyarlas tecnológicamente (ver Tabla 3).

En el tercer trimestre de 2007, las principales fuentes de financiamiento de las PyMEs son los proveedores, recursos propios y la banca comercial. Las micro obtuvieron el 72.80 % y las medianas el 60.20 % de su financiamiento de los proveedores; el 11.90 % y el 18.60 % de la banca comercial; y el 11.10 % y 14.70 % de recursos propios; (Banxico: www.banxico.org.mx, 3/12/2007) (ver Figure 1).

En ese mismo periodo las medianas empresas destinaron en promedio un 67.90 % de los recursos obtenidos a capital de trabajo, 18.90 % a gastos de inversión, 1.90 % a operaciones de comercio exterior, y 7.50 % a reestructuración de pasivos. Con respecto a las pequeñas empresas encontramos que destinaron un porcentaje menor de recursos a capital de trabajo (64.40 %) y a gastos de inversión (11.90 %), pero un porcentaje mayor a reestructuración de pasivos (11.90 %), en comparación con las medianas empresas. (Banxico: www.banxico.org.mx, 26/10/2007).

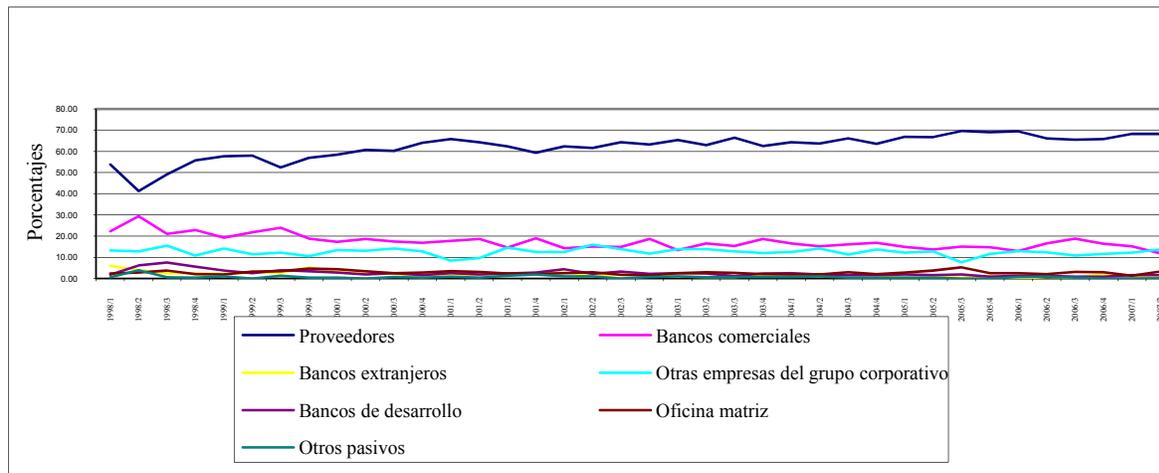
Actualmente existe un marcado interés por parte de la banca comercial ofertándose un total de 25 tipos de financiamiento especializado para las MiPyMEs (1ra. Feria de Crédito, Guadalajara, Jalisco, 8 y 9 de junio de 2007).

No obstante, cabe destacar que los créditos de la banca comercial y a pesar de que manejan capital garantizado por el Estado, no cubren las necesidades de todos los microempresarios. Toda vez, que los créditos nuevos y viejos excluyen a las nuevas empresas o “incubadoras”, e incluye sólo aquellas que tienen más de 2 años operando sin pérdidas ni reteniendo adeudos crediticios con la banca ni con el Estado. Exigiéndose que cuenten con una planeación estratégica, organización y diseñando esquemas de crecimiento a corto y largo plazo. Estas empresas recurren también a fuentes de financiamiento alternativas, como lo son las cajas de ahorro y SOFOLES (véase nota 2).

Tabla 3: Productos de Crédito PyME

Banca de desarrollo / institución financiera	Producto	Destino
GRUPO FINANCIERO BANORTE	a) CREDIACTIVO (BANORTE). b) CREDIACTIVO PARAGUAS (BANORTE).	a- activo fijo. b- capital de trabajo y activo fijo
BBVA Bancomer	a) TARJETA A NEGOCIOS (BBVA).	a- Insumos, inventarios, enseres, etc.
HSBC	a) CRÉDITO A NEGOCIOS (HSBC). b) CRÉDITO A NEGOCIOS EQUIPAMIENTO MILLON (HSBC). c) CRÉDITO NEGOCIOS MILLON (HSBC). d) CRÉDITO A NEGOCIOS EQUIPAMIENTO. e) CRÉDITO A NEGOCIOS PARA REPECO.	a- capital de trabajo b- autos nuevos, flotillas pyme, transporte pesado. c- capital de trabajo. d- maquinaria y equipo. e- capital de trabajo y equipamiento
SANTANDER SERFIN	a) CRÉDITO AGIL (SANTANDER-SERFIN). b) CRÉDITO PYME EMPRESAS EN MARCHA (SANTANDER-SERFIN). c) CRÉDITO PYME EMPRESAS EN MARCHA (SANTANDER-SERFIN).	a- abierto. b- capital de trabajo. c- activo fijo.
BANREGIO (Banco Nacional de Monterrey, A.C.)	a) REGIO PYME. b) REGIO PYME.	a- activo fijo (maq. y eq.) b- capital de trabajo
BANCO DEL BAJO (Institución de Banca Múltiple)	a) PYME BAJIO. b) MIPYME-BAJIO..	a- activo fijo b- capital de trabajo
UNICRECE (Fideicomiso)	a) CREDI PYME UNICRESE. b) CREDI PYME UNICRESE. c) CREDI PYME UNICRESE. d) CREDI PYME UNICRESE.	a- capital de trabajo (empresas en marcha) b- activo fijo (empresas nuevas) c- capital de trabajo (empresas nuevas) d- activo fijo (empresas en marcha)
HIR (PYME SOFOL)	a) FINANCIAMIENTO MAQUINARIA Y EQUIPO HIR PYME. b) FINANCIAMIENTO DE PEDIDOS Y DE LAS VENTAS A CRÉDITO HIR PYME.	a- maquinaria y equipo. b- pedidos y de ventas a créditos, de acuerdo a su ciclo productivo.
GRUPO FINANCIERO MIFEL	a) CRÉDITO PYME MIFEL. b) CRÉDITO PYME MIFEL. c) CRÉDITO PYME MIFEL.	a- capital de trabajo. b- activo fijo. c- adquisición y remodelación de inmuebles.
AFIRME	a) TRANSPORTE PUBLICO (AFIRME). b) CRÉDITO PYME (AFIRME). c) CRÉDITO PYME (AFIRME).	a- compra de equipo de transporte. b- activo fijo. c- capital de trabajo.
BANSI	a) REFACCIONARIO / CRÉDITO SIMPLE (BANSI). b) ARRENDAMIENTO (BANSI). c) CRÉDITO SIMPLE (BANSI).	a- construcción o remodelación y adquisición de activos fijos. b- maquinaria de construcción y equipo de transporte. c- capital de trabajo.
MERCURIO	a) CRÉDITO PYME (FINANCIERA MERCURIO). b) CRÉDITO PYME (FINANCIERA MERCURIO).	a- capital de trabajo. b- activo fijo.
FICEN	a) CRÉDITO PYME (FICEN). b) CRÉDITO PYME (FICEN). c) CRÉDITO PYME (FICEN).	a- capital de trabajo. b- financiamiento a largo plazo. c- proveedores y clientes.
BANAMEX	a) CRÉDITO REVOLVENTE (BANAMEX).	a- capital de trabajo.
CRÉDITO PRONEGOCIOS	a) CRÉDITO PRONEGOCIOS (SOFOL).	a- capital de trabajo y activo fijo.
GRUPO SCOTIABANK	a) SCOTIA PYME.	a- capital de trabajo.

Figura 1: Fuentes de Financiamiento de Empresas Chicas 1998-2007 (porcentajes)



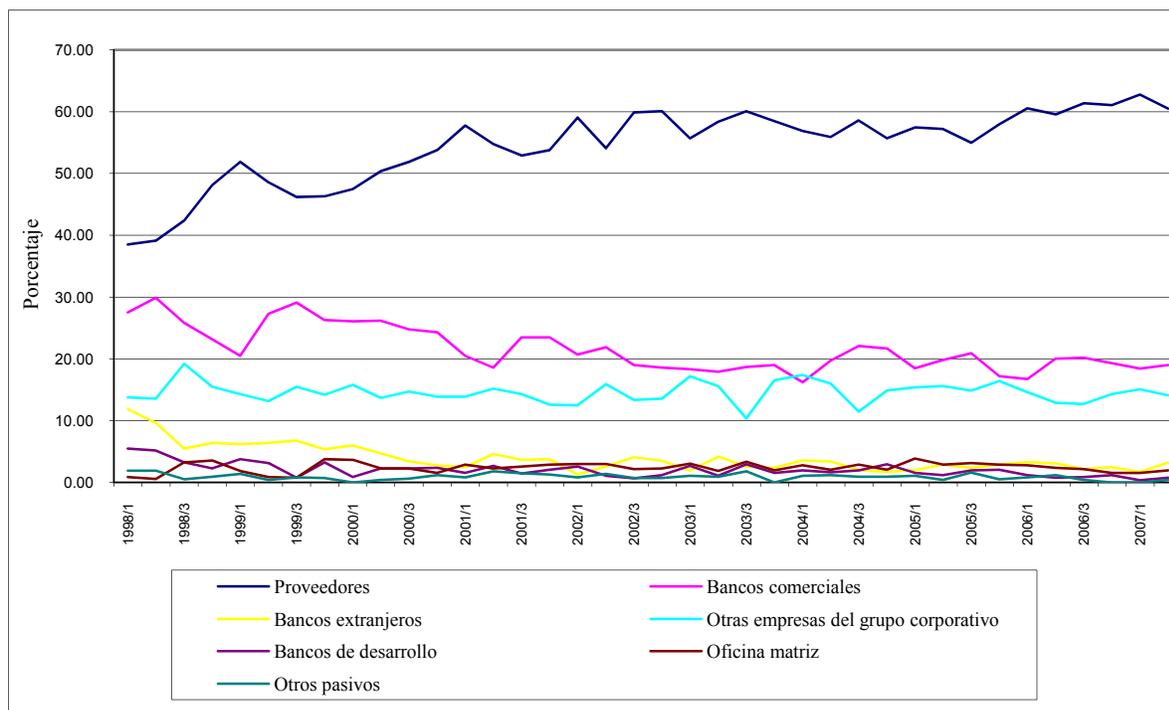
1/

Muestra con cobertura nacional de por lo menos 500 empresas.

2/ El tamaño de las empresas se determinó por el valor de ventas de 1997: Chicas = 1-100 millones de pesos, Medianas = 101-500 millones de pesos, Grandes = 501-5000 millones de pesos, AAA = Más de 5000 millones de pesos.

FUENTE: Elaboración propia con datos del Banco de México, www.banxico.org.mx. Fecha de consulta: 3/12/07.

Figura 2: Fuentes de Financiamiento de Empresas Medianas 1998-2007 (porcentajes)



1/

Muestra con cobertura nacional de por lo menos 500 empresas.

2/ El tamaño de las empresas se determinó por el valor de ventas de 1997: Chicas = 1-100 millones de pesos, Medianas = 101-500 millones de pesos, Grandes = 501-5000 millones de pesos, AAA = Más de 5000 millones de pesos.

FUENTE: Elaboración propia con datos del Banco de México, www.banxico.org.mx. Fecha de consulta: 3/12/07.

Según Garrido (2005: 190-201) durante el periodo 1990-2002 el comportamiento del financiamiento por parte de la banca comercial en México refleja el mínimo apoyo que reciben las pymes. La banca

comercial ha abandonado particularmente al desarrollo al dirigir un 3% de sus fondos a la vivienda y al resto de los sectores, en especial, a la agricultura que le atribuye, en promedio, poco menos del 1%.

Con respecto a la Bolsa tampoco otorga apoyo a las pymes, al solo dirigir el 2.5% de sus recursos a las empresas medianas pues éstas requieren de certificación para calificar y que sus títulos de deuda puedan participar en la bolsa (Garrido, 2005: 203).

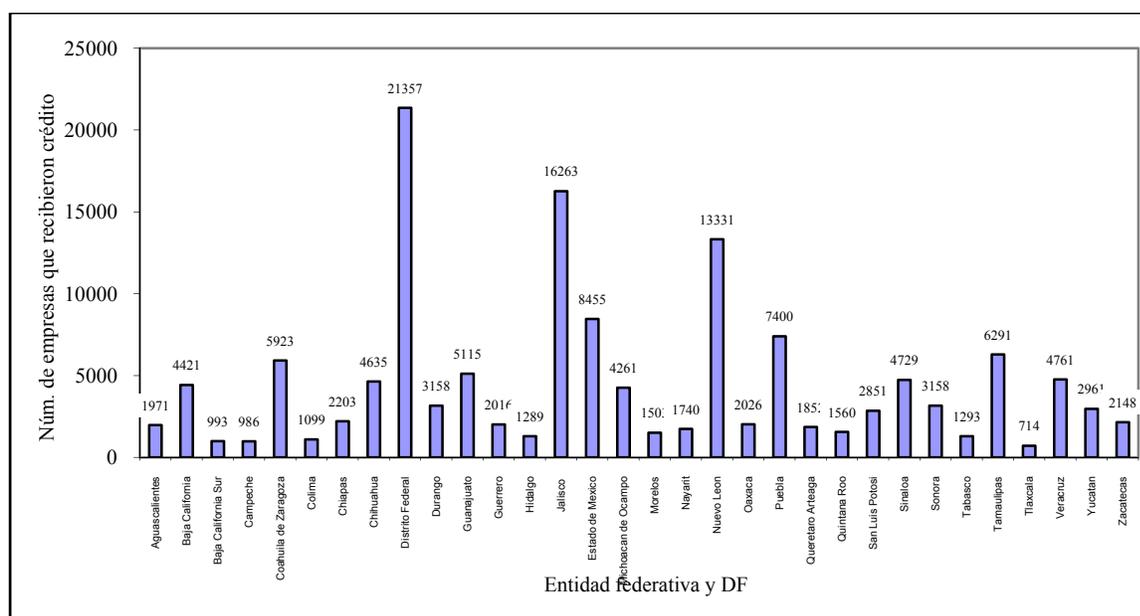
Ante este panorama las PyMEs buscan otras fuentes de financiamiento no-bancarios, como a) las Sofoles (Sociedades Financieras de Objeto Limitado), b) las “Sincas” (Sociedades de Inversión de Capital), c) las “Sociedades de Inversión en instrumentos de Deuda”, d) las “Siefores” que administran los fondos de retiro (Afores), e) Las remesas.

Las PyMEs como factor de desarrollo

De acuerdo a datos de la Secretaría de Economía (fondopyme.gob.mx: 1/12/2007) del total de las 677,234 empresas registradas en el Sistema de Información Empresarial Mexicano (SIEM), el 92.74 % de ellas son micro, el 5.10 % pequeñas, el 1.40 % medianas y solo un 0.76 % son grandes. De este total, 142,463 son PyMEs. De los diez estados que recibieron mayor número de créditos en el 2006, fueron: el Distrito Federal, Jalisco, Nuevo León, Estado de México, Puebla, Tamaulipas, Coahuila, Veracruz, Sinaloa y Chihuahua, que concentraron el 66% de dichos créditos. Con una distribución del 14.99%, 11.42%, 9.36%, 5.93%, 5.19%, 4.42%, 4.16%, 3.59%, 3.34%, 3.32%, respectivamente.

En tanto que los primeros 10 estados que concentran el mayor número de PyMEs registradas son: Distrito Federal (con 8,211), Jalisco (con 5,375), Estado de México (con 4,055), Guanajuato (con 2,480), Veracruz (con 2,026), Puebla (con 1,875), Nuevo León (con 1,945), Tamaulipas (con 1,496), Yucatán (con 1,242) y Querétaro (con 1,100 empresas).

Figura 3: Créditos a PyMEs por Entidad Federativa 2006

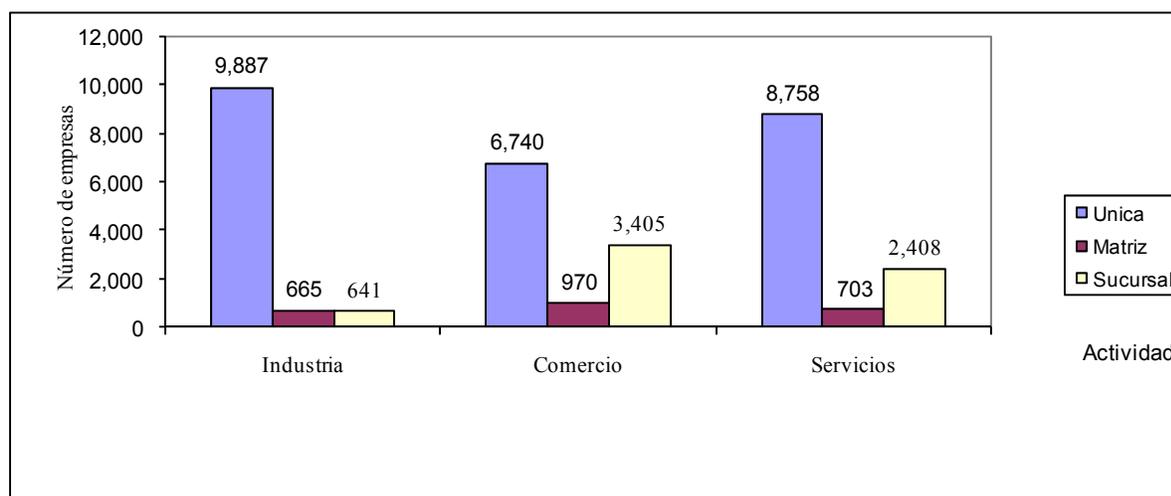


Fuente: Elaboración propia con base en datos de la Secretaría de Economía: www.fondopyme.gob.mx, f. de c. 23/10/2007

Sin embargo, se debe considerar el número de habitantes en cada estado federativo así como cuál es la importancia económica que tiene cada uno, para estar en condiciones de valorar si efectivamente las PyMEs cuentan con una política económica que impulse su desarrollo y que las vincule con la actividad industrial en el país.

Por ejemplo: Jalisco ocupa el tercer lugar en cuanto a estado más poblado, y por sus actividades económicas, comerciales y culturales funge como motor económico del occidente del país, y ocupa el segundo lugar en cuanto a población. México, D.F. aporta la quinta parte del PIB Nacional y es la ciudad más poblada del país. A Nuevo León se le conoce como el estado más rico económicamente en los últimos años, al concentrar 213 grupos industriales (Cervecería Cuauhtemoc Moctezuma, Cemex, FEMSA, Banorte, Alfa). Puebla ocupa el quinto lugar en población y es considerada la novena economía del país. Guanajuato es el sexto estado más poblado del país, y se destaca por su actividad turística. Chihuahua, el estado más extenso del país, ocupa el 11º lugar en cuanto al número de habitantes, el quinto lugar en la economía nacional, segundo lugar en cuanto a recepción de inversión extranjera, primer lugar como exportador manufacturero y segundo lugar en establecimientos maquiladores.

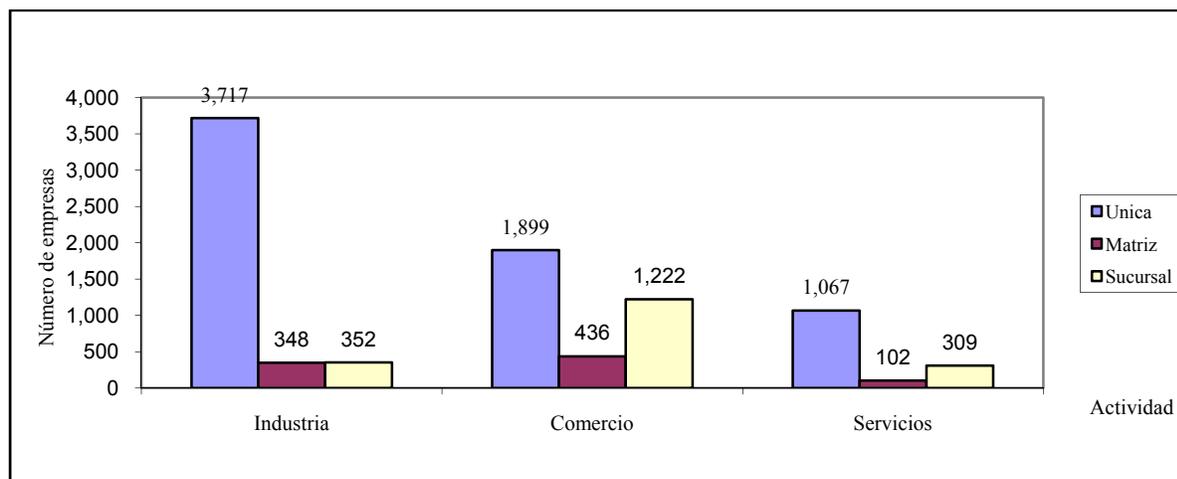
Figura 4: Clasificación de Empresas Pequeñas por Actividad Económica México, 2007



Empresas registradas en el SIEM

Fuente: Elaboración propia con base en el Sistema de Información Empresarial Mexicano (SIEM). Fecha de consulta: 23/10/2007

Figura 5: Clasificación de Empresas Medianas por Actividad Económica México, 2007



Empresas registradas en el SIEM

Fuente: Elaboración propia con base en el Sistema de Información Empresarial Mexicano (SIEM). Fecha de consulta: 23/10/2007

Conclusiones

Después de 25 años de haber abandonado a las pequeñas y medianas empresas, existe una importante campaña de origen político y hasta electoral por financiarlas y por que se vinculen a las transnacionales de origen extranjero. Pero como simples talleres o subarmadoras de los productos extranjeros.

Mientras que a nivel interno la actual administración federal promete créditos frescos (por medio de la banca comercial) a las pequeñas y medianas empresas para que se vinculen a partir de sí mismo y como puedan a las transnacionales, incluidas las de origen nacional, pero ignorando que las PyMES son el eslabón más débil de la cadena productiva. Basta con que las maquilas se trasladen a otra parte para dar traste a los créditos que pudieran solicitar las medianas y pequeñas empresas al no existir, de momento, vinculación industrial alguna. Y sin que las transnacionales nacionales estén operando en el país al contratar la tecnología, los insumos, las materias primas y hasta los obreros que requieren para su producción a partir de lo que ofrecen otros mercados y naciones.

Por el contrario se requiere de una política industrial basada en la orquestación de nuevos nichos e innovaciones tecnológicas que impulsen la vinculación de las PyMES desde su propio origen y empleando insumos, materias primas y de origen nacional. Requiriéndose, además, la vinculación tecnológica de éstas con las Universidades públicas y privadas del país, encaminadas, no simplemente, a la sustitución de importaciones sino con la finalidad de innovar. Por un lado, a) financiando a las empresas en condiciones de crecimiento pero a condición de que sus proveedores sean nacionales, y que éstos a su vez, b) sean financiados por el Estado pero a condición de que el mismo les dé la oportunidad de vincularse a las empresas en condiciones de crecer y exportar. Y, c) buscando la posibilidad de que los apoyos a la producción y hasta las excepciones fiscales de las grandes empresas, se acepten únicamente a partir del número de medianas y pequeñas empresas que estén en condiciones de hacer partícipes en la producción más que a través de la simple adquisición de materias primas.

Mientras que el CONACYT por medio de las universidades públicas y privadas, deberá apoyar a las pequeñas y medianas empresas que estén en condiciones de realizar las innovaciones tecnológicas y de servicios mercantiles y administrativos que proyecten las Universidades y sus Centros de Investigación para con las medianas y pequeñas empresas y para que éstas se vinculen no solamente a las transnacionales de origen mexicanos. Por el contrario, debe ser una exigencia válida y hasta obligatoria para con las transnacionales de origen extranjero que operan en nuestro país. Antes que el simple derroche de los escasos recursos financieros del Estado. Por el contrario, se debe perseguir el restablecimiento de las cadenas productivas que hicieron posible el crecimiento y hasta la internacionalización de las empresas nacionales que están incursionando en el extranjero.

Finalmente, no debemos olvidar la posibilidad de que éstas cubran sus respectivos créditos fiscales adquiriendo determinados porcentajes de entre lo que producirán las medianas y pequeñas empresas y a través del restablecimiento de los insumos nacionales que requieran para su producción imponiéndose impuestos para aquellos que importen tecnología e insumos existentes en el país.

El problema de las PyMEs no solo es de falta de financiamientos adecuados, falta de organización, gestión y competitividad. Entre los principales retos que afrontan están los concernientes a: 1. falta de vinculación entre las empresas de distinto tamaño; 2. necesidad de asociación para la consolidación de sistemas productivos regionales; 3. capacitación de los dueños-empresarios; 4. producir productos diferenciados de acuerdo al mercado; 5. planeación a largo plazo; 6. Otorgar mayor prioridad al marketing en su enfoque global del negocio que a las otras funciones empresariales; 7. Diferenciar su oferta de forma sostenida; 8. Modernización de sus sistemas productivos; 9. Destinar (mayores) recursos a investigación y desarrollo; 10. Vinculación por parte de las universidades; 11. Apertura y flexibilidad ante el cambio; 12. Diseñar una agenda estratégica coherente para alcanzar un elevado nivel de flexibilidad para ajustarse a escenarios previstos; 13. Explotación eficiente recursos humanos, naturales y financieros;

y, 14. Exportación de bienes intermedios y de capital no de materias primas. Lo que representa un gran reto para este tipo de empresas.

NOTAS

1) Del total de empresas registradas en el Sistema de Información Empresarial Mexicano, SIEM, de las 607,181 empresas registradas: 92.36% son micro, 5.34% pequeñas, 1.5% medianas y .8% grandes.

FUENTE: www.siem.gob.mx/portadsiem/estadisticas/repsector.asp?gpo=1 (fecha de consulta: 28/05/2007)

2) En el país existen 12 organismos de integración del Sector Ahorro y Crédito Popular, de los cuales solo 5 de ellos están autorizados por la CNBV. La Ley de Ahorro y Crédito Popular de 2001 fue posteriormente modificada en 2005, persigue incorporar a las diferentes entidades para que se inserten en forma regulada u ordenada a un esquema financiero.

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REFLEXIONES SOBRE LA COMPETITIVIDAD DEL SECTOR MAQUILADOR MEXICANO ANTE LA GLOBALIZACIÓN Y SU IMPACTO SOCIAL.

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RESUMEN

En el mundo globalizado de hoy, la capacidad de competir lo es todo, de la competencia deriva la creación de la riqueza, el crecimiento económico y, por consecuencia la mejoría en los niveles de vida de la población. En México la maquila es el motor del desarrollo económico del país, de ahí la importancia de detonar su competitividad, a fin de mantener y atraer inversión extranjera directa generadora de suficientes y mejores fuentes de empleo (Carrillo, 2000).

Este trabajo presenta una reflexión acerca de las prácticas de la maquila mexicana, sus retos de competitividad ante el surgimiento de nuevos polos en el mundo para el desarrollo de la maquila, las ventajas de operar en el país, los beneficios del programa y los cuestionamientos del mismo debido al deterioro de la salud de sus obreros. Para terminar, se plantea la urgente necesidad de reformar el actual modelo maquilador.

MEDICIÓN DE LA CALIDAD Y TRANSPARENCIA EN LOS PROCEDIMIENTOS DE CONTRATACIÓN DE BIENES Y SERVICIOS REALIZADOS POR LAS INSTITUCIONES DE EDUCACIÓN SUPERIOR MEXICANAS

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RESUMEN

Esta investigación es un estudio descriptivo en la modalidad de encuesta, examina la percepción de los licitantes respecto al manejo de los procedimientos de contratación de bienes y servicios que se llevaron a cabo en Instituciones de Educación Superior mexicanas durante el periodo de enero a mayo de 2007. Este estudio tiene como objetivo evaluar la calidad y transparencia de los procedimientos de contratación de bienes y servicios convocados por el Departamento de Servicios Administrativos (DSA) del campus Ensenada de la Universidad Autónoma de Baja California. En relación a los hallazgos de la investigación se puede concluir que los aspectos con los que los licitantes estarían menos satisfechos son por un lado las instalaciones de la institución, específicamente lo relacionado con la señalización interna del campus y por otro lado, el tiempo de espera para entrar a los eventos de los procedimientos de contratación de bienes y servicios.

INTRODUCCIÓN

Desde una perspectiva de ciencia política, el estudio del tema de la rendición de cuentas es muy reciente en México. Sin embargo, históricamente, la necesidad de acotar y supervisar el poder ha sido un problema planteado por cerca de doscientos años en el Congreso constituyente, pero no fue sino hasta 1977 cuando el derecho a la información se incorporó en la Constitución.

Así, ya incorporado, transcurrieron casi tres décadas hasta que se elaboró la Ley reglamentaria correspondiente: la Ley Federal de Transparencia y Acceso a la Información Pública Gubernamental (LFTAIPG), fue publicada en el DOF en junio del 2002, su finalidad consiste en proveer lo necesario para garantizar el acceso de toda persona a la información en posesión de entidad federal. (LFTAIPG, art. 1). En términos generales, los objetivos más importantes de esta Ley consisten en transparentar la gestión pública, favorecer la rendición de cuentas de los ciudadanos y contribuir con la democratización de la sociedad mexicana (LFTAIPG, art. 5).

Esta Ley establece los mecanismos de acceso a la información a través de las unidades de enlace y los comités de información. Por su propia importancia, destaca el Instituto Federal de Acceso a la Información Pública (IFAI), un órgano de la Administración Pública Federal, con autonomía de operaciones, presupuesto y decisión, que se encargará de promover y difundir el ejercicio del derecho de acceso a la información pública (LFTAIPG, art. 33). Así el, IFAIP empezó a operar en el 2003 y es el encargado de hacer cumplir al Ley.

Con relación a las Instituciones de Educación Superior (IES), comentan Alcántar y Guillén (2006), en la citada Ley sólo están obligadas a cumplirla aquellas IES de carácter federal; sin embargo, aquellas IES de carácter estatal cuyas entidades federativas ya emitieron una Ley estatal semejante, también tienen la obligatoriedad de cumplirla.

Precisamente en el supuesto anterior se encuentra la Universidad Autónoma de Baja California (UABC) e independientemente de la obligatoriedad de dar cumplimiento a la Ley, esta organización ha mostrado una buena disposición para transparentar sus operaciones y la gestión de sus recursos; la muestra de ello es que en el 2003, el Rector en funciones, emitió el Acuerdo que fija las bases para la transparencia a la información relacionada con la administración de los recursos económicos y los indicadores de calidad institucional, Unidades Académicas y Programas Educativos de la UABC

En este Acuerdo se menciona que la UABC hará pública información relativa a la contratación de obra y adquisición de bienes y servicios, en concordancia a lo señalado en la cláusula Primera, fracción VII de dicho documento (Mungaray, 2003).

Además de este acuerdo y con la intención de contribuir a crear una cultura de la transparencia y rendición de cuentas, en el 2005, la UABC emite el Reglamento para la Transparencia y Acceso a la Información de la UABC. Alcántar y Guillén (2006), indican que dentro de los objetivos de este documento se resalta: proveer lo necesario para que cualquier persona pueda tener acceso a la información de la Universidad y transparentar la gestión universitaria a través de la difusión de esta información.

Estas acciones, además de otras que fueron implementadas, ponen de manifiesto el compromiso de la UABC con la comunidad universitaria y con la sociedad en general, respecto al manejo de los recursos y el desempeño responsable de las autoridades y dependencias de la organización.

PLANTEAMIENTO DEL PROBLEMA

Indudablemente el acceso a la información navegó durante treinta años al arbitrio de las autoridades, otorgando discrecionalidad a quien la controlaba y, consecuentemente generando abuso de poder y corrupción.

Desde la aparición de la LFTAIPG en el año de 2002, se empezaron a abrir los canales de comunicación entre las Dependencias públicas y los diversos usuarios. No obstante, la difusión y aceptación de la Ley implican una transformación cultural en la concepción y práctica del servicio público (Valverde, 2005).

Esta transformación cultural se ha venido dando paulatinamente y existen antecedentes de algunas Dependencias públicas, las cuales en su afán de dar transparencia a sus procesos, se encuentran evaluando la gestión de los procesos de contratación de bienes y servicios. A pesar de todos los esfuerzos de la UABC en materia de rendición de cuentas y transparencia, a la fecha, no ha evaluado si sus funcionarios conducen los procesos de contratación de bienes y servicios con calidad y transparencia.

Por esta razón y con el objeto de dar certidumbre del buen manejo de los recursos, consideramos relevante conocer cómo es el desempeño de los funcionarios que manejan los procedimientos de Licitación e Invitación a cuando menos tres personas; es decir, si el manejo de los procesos se lleva a cabo con calidad y transparencia.

Obtener una medida fiable y válida de la calidad percibida de un servicio o de la satisfacción de sus usuarios no es una tarea fácil (Varela y col. 2003). Antes de poder medirla, es necesario tener claro algunos términos; por ello, en la siguiente sección se definen conceptos.

FUNDAMENTOS TEÓRICOS

La Calidad en el Servicio y su Medición

Evaluar la calidad de un producto resulta ser un proceso sumamente sencillo debido a que cada producto suele tener especificaciones definidas con respecto a qué factores determinan su calidad; en el caso de un servicio, este proceso es complicado por motivo de su naturaleza intangible.

Por ello, la definición de la calidad en el servicio al igual que su medición resultan conceptos sumamente polémicos (Varela y Col., 2003). No obstante lo polémico del tema, varios investigadores han desarrollado un concepto operativo de la calidad de servicio que permite la elaboración de escalas para su medición.

De acuerdo a Caetano (2003), inicialmente el concepto se centraba en la calidad objetiva y técnica, próxima al concepto de calidad basado en la fabricación, para posteriormente aproximarse a la noción de calidad percibida, realizada desde la óptica del usuario. La evolución del concepto no se produce sin la introducción del concepto de percepción, caracterizado con la definición a ojos del cliente.

Según, Parasuraman y col (1985) citado por Rodríguez (2000) explican que la calidad en el servicio desde la perspectiva del cliente, se define como la amplitud de la discrepancia o la diferencia que existe entre las expectativas o deseos de los clientes y sus percepciones.

La cuantificación sistemática de la calidad que el cliente percibe de un servicio no es tarea fácil. Se requiere de herramientas que ayuden a las organizaciones a comprender mejor el significado de valor para el cliente, así como el grado en que sus esfuerzos están cumpliendo con las necesidades y expectativas de los mismos (Gabriel, 2003).

De ahí que, la satisfacción del cliente es uno de los principales indicadores de la calidad de un servicio, y según Gabriel (2003), surge de la diferencia entre lo que el cliente percibe del mismo, una vez que la experiencia ha tenido lugar, y las expectativas que se genera antes de contratarlo.

De acuerdo con la literatura existen diversos métodos para evaluar la calidad de un servicio, los más renombrados son los instrumentos SERVQUAL (1985) y SERPERF (1992). Ambos representan una gran contribución de la investigación sobre la calidad del servicio (Caetano, 2003).

De ellos, el modelo más conocido y relevante para esta evaluación es el denominado SERVQUAL propuesto en 1985 por Parasuraman, Zeithaml y Berry, el cual fue modificado por ellos mismos en 1988 y 1994. Este modelo se basa en la diferencia entre las expectativas de los clientes en relación a un servicio y la percepción que ellos tenían de éste. Esta medición se realiza a través de una encuesta de 22 ítems que representan las cinco dimensiones de un servicio: Tangibilidad, Fiabilidad, Capacidad de respuesta, Seguridad y Empatía. La escala del modelo consta de tres partes: la primera evalúa las expectativas, la segunda evalúa las percepciones y la tercera, mide el peso de cada uno de los factores de la escala (Ramírez y col, 2005).

A pesar de su amplia difusión y gran popularidad este modelo ha sido objeto de críticas por múltiples autores, quienes cuestionan su validez y plantean problemas durante su aplicación (Capelleras, 2001).

Precisamente ante esa circunstancia, Cronin y Taylor, en 1992, proponen una medida sólo basada en las percepciones surgiendo así la escala SERPERF; ésta es más corta, presenta menores problemas de validez (Ídem). Este modelo se compone de los 22 ítems de la escala SERVQUAL pero utilizado exclusivamente para medir las percepciones del servicio; Según Teas, 1993 citado por Montaña y Col. 2000, el nuevo

modelo es más recomendable porque existe poca evidencia que los clientes valoren la calidad percibida de un servicio en términos de las diferencias entre expectativas-percepciones porque las estadísticas indican que hay una tendencia generalizada a valorar altas las expectativas, siendo las percepciones las que más contribuyen en la medición de la calidad del servicio.

Las Dimensiones de los Servicios

El estudio inicial de Parasuraman y col. realizado en 1988 respecto a las dimensiones del SERVQUAL descubrió cinco dimensiones consideradas importantes por los usuarios de los servicios que eran analizados (Caetano, 2003), éstas se definen a continuación:

Tangibilidad: representa las características físicas y apariencia del proveedor, es decir, de las instalaciones, equipos, personal y otros elementos con los que el cliente está en contacto al contratar el servicio.

Fiabilidad: implica la habilidad que tiene la organización para ejecutar el servicio prometido de forma adecuada y constante.

Capacidad de respuesta: representa la disposición de ayudar a los clientes y proveerlos de un servicio rápido.

Seguridad (Garantía): son los conocimientos y atención mostrados por los empleados respecto al servicio que están brindando, además de la habilidad de los mismos para inspirar confianza y credibilidad. En ciertos servicios, la seguridad representa el sentimiento de que el cliente está protegido en sus actividades y/o en las transacciones que realiza mediante el servicio.

Empatía: es el grado de atención personalizada que ofrecen las empresas a sus clientes.

El nivel de importancia de cada una de estas dimensiones depende tanto del tipo de servicio que ofrece la organización como del valor que cada una implica para el cliente, lo cual se verá reflejado directamente en los resultados de las encuestas aplicadas a los clientes (Ídem).

Rendición de Cuentas y Transparencia

La rendición de cuentas, la transparencia y el derecho a la información son elementos esenciales de un Estado Constitucional de Derecho, de ahí que sean considerados como pilares de cualquier gobierno que se precie de ser democrático.

El término de rendición de cuentas tiene muchas aristas; Ugalde (2002) comenta que este término es, en realidad, una traducción inexacta de la palabra inglesa *accountability*, la cual hace referencia al acto de dar cuentas y cuyo significado es “ser sujeto a obligación de reportar, explicar, justificar algo.

Para fines de este trabajo, se define como la obligación de organizaciones, públicas o privadas, de informar sobre sus decisiones y de justificarlas en público, so pena de sanción en caso de haber violado sus deberes. De acuerdo a M. Valverde (2005) esto significa que “cualquier organización tiene la obligación de explicar a la sociedad sus acciones y aceptar responsabilidad sobre las mismas”.

El propósito fundamental de la rendición de cuentas consiste en reducir las incertidumbres del poder, limitar sus arbitrariedades y mantenerlo dentro de lineamientos establecidos. La rendición de cuentas, en su dimensión de responsabilidad, apunta hacia la transparencia (Schedler, 2004).

O'Donnell, citado por L.C.Ugalde (2002) clasificó la rendición de cuentas en horizontal y vertical. La primera se da entre instituciones del mismo nivel jerárquico, pero independientes entre sí; mientras que, la segunda se refiere aquella que se da entre niveles jerárquicos distinto o desiguales. En el caso de la rendición de cuentas horizontal, la fiscalización tiene sanciones vinculante o administrativa; mientras que en la vertical, sólo se cuenta con sanciones morales o simbólicas.

El concepto de transparencia se refiere a la apertura y flujo de información de las organizaciones políticas al dominio público mediante un sistema de difusión adecuado. Lo anterior no implica rendir cuentas a un destinatario específico, esto solo significa, poner la información disponible para que todo aquel que se interese, pueda analizarla revisarla y, cuando así lo considere, utilizarla para denunciar cualquier anomalía (Ugalde, 2002).

Es deseable que la transparencia cumpla con ciertos atributos, tales como: que la información este asequible a cualquier persona, que sea comprensible al incluir todos los elementos relevantes, que sea confiable y de calidad (Velarde, 2005). Esto significa que si se restringe el acceso a la información o ésta se distorsiona, o bien, no es comprensible entonces no habrá transparencia.

Respecto al derecho a la información, este término se encuentra estrechamente relacionado al concepto de acceso a la información. Para E. Villanueva (2000) el derecho a la información es el conjunto de normas jurídicas que regulan el acceso ciudadano a la información de interés público, en especial la que se genera en los órganos del Estado. Esta es la garantía fundamental que tiene cualquier persona para obtener información, informar o ser informada de forma compatible con los otros derechos humanos.

De manera que el derecho al acceso de la información, de acuerdo a E. Villanueva (2004) es la prerrogativa de toda persona para acceder y examinar datos y registros públicos en poder de los sujetos obligados.

Procedimientos de Contratación de Bienes y Servicios en IES

Las IES mexicanas que utilizan recursos públicos para realizar sus operaciones, al contrario de los particulares, no pueden comprar, vender, arrendar o ejecutar obra por cuenta propia. Para realizar los actos referidos necesitan adoptar un procedimiento preliminar determinado y preestablecido en la Legislación específicamente en la Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público (LAAySSP) (López-Elías, 1999).

De acuerdo al artículo 26 de la Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público (LAAySSP), estos procedimientos son: Licitación Pública, Invitación a cuando menos tres personas y Adjudicación directa.

La Licitación Pública y la Invitación a cuando menos tres personas, consisten en una invitación a los interesados, para que sujetándose a lineamientos preestablecidos formulen propuestas, las cuales analiza un Comité seleccionando aquella que considera la más idónea de acuerdo con criterios técnicos y económicos. Ambos procedimientos se encuentran regulados por la LAAySSP y su Reglamento. La elección del procedimiento adecuado se basa en el monto estimado de la contratación, esto es dependiendo del monto a contratar, es el procedimiento que se elige.

OBJETIVO Y ALCANCE DEL ESTUDIO

Este estudio tiene como objetivo evaluar la calidad y transparencia de los procedimientos de contratación de bienes y servicios convocados por el Departamento de Servicios Administrativos (DSA) del campus Ensenada de la Universidad Autónoma de Baja California.

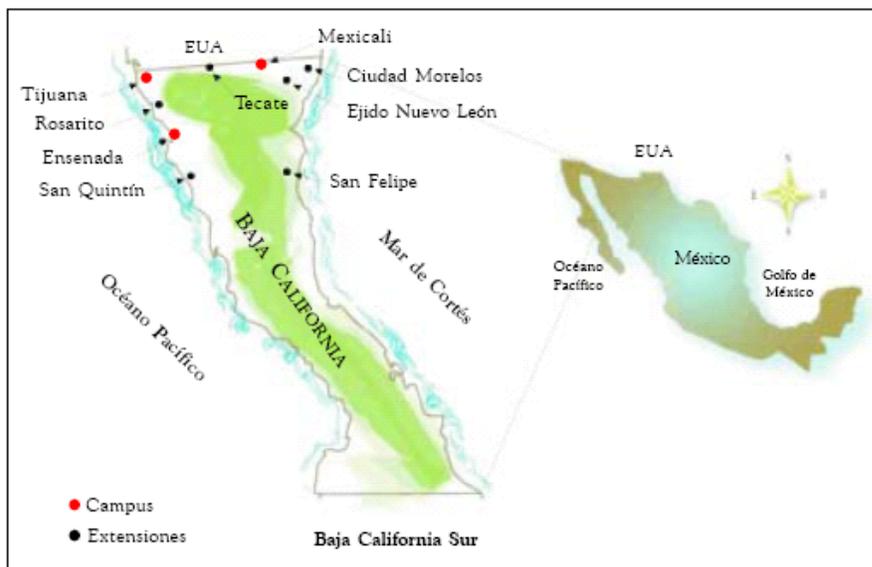
El alcance de esta investigación consiste en evaluar únicamente la percepción del cliente respecto al manejo de los procedimientos de contratación que lleva a cabo la UABC. Se eligió este parámetro debido a que son precisamente las percepciones las que más contribuyen en la medición de la calidad del servicio.

METODOLOGÍA Y DISEÑO DE LA INVESTIGACIÓN

Área de Estudio

De acuerdo con la tipología de la ANUIES, la UABC se clasifica como una institución multicampus que realiza actividades de docencia e investigación. Se encuentra distribuida en tres campus universitarios que cubren los municipios de Ensenada, Mexicali y Tijuana, y cuenta con extensiones en los municipios de Tecate y Playas de Rosarito, y en las localidades de Guadalupe Victoria, ejido Nuevo León, San Felipe y San Quintín (ver figura 1).

Figura 1. Ubicación de los campus de la UABC



Fuente: UABC (2006)

Tipo de Estudio

El estudio de esta investigación es de tipo descriptivo, se define en función de los trabajos de Hernández, Fernández y Batista (2003) se busca especificar la calidad de los procedimientos de contratación de bienes y servicios realizados por el DSA del campus Ensenada de la UABC.

Instrumento de Medición Seleccionado

El instrumento de medición utilizado durante esta investigación es un cuestionario de 18 preguntas adaptado del modelo alternativo SERPERF, de Cronin y Taylor (1992) que se compone de los 22 ítems de la escala SERVQUAL pero utilizado exclusivamente para medir las percepciones del servicio (Montaña y col, 2002). En la Tabla 1 enlistan los ítems para medir la calidad en el servicio.

Tabla 1. Escala de Medición de la Calidad Percibida

1.	Instalaciones bien situadas (Goza de fácil acceso)
2.	Equipamiento moderno
3.	Los eventos del proceso iniciaron conforme lo programado
4.	Los miembros del Comité poseen un aspecto cuidado
5.	Documentación del proceso accesible en tiempo y forma
6.	Personal discreto y confiable respecto a asuntos del procedimiento
7.	Los eventos transcurrieron con prontitud respecto a la documentación presentada
8.	En el fallo se especifican motivos y fundamentos de la decisión
9.	Confianza en la integridad de los miembros del Comité
10.	Confianza en que los requerimientos se encuentran dentro de estándares
11.	Trato cordial y amable de los miembros del Comité
12.	Procedimiento de recepción de propuestas apegado a normatividad
13.	Miembros del Comité con empeño para solucionar problemas de los licitantes
14.	Miembros del Comité dispuestos a ayudar a los licitantes
15.	Atención cortes de los miembros del Comité
16.	Ausencia de errores en las bases del proceso de licitación
17.	Miembros del Comité con conocimientos para atender preguntas de licitantes
18.	Recurrencia en la participación de los licitantes

Fuente: *Elaboración propia*

El cuestionario se diseñó con base en las dimensiones señaladas en el modelo SERVQUAL que identifica cinco dimensiones básicas son: tangibilidad, fiabilidad, capacidad de respuesta, seguridad, empatía. Sobre ellas los participantes han de expresar su grado de satisfacción en escalas tipo Likert (de 1 a 5). Los datos obtenidos de dicha fuente permiten identificar y cuantificar las 5 brechas más importantes que determinan el grado de satisfacción en los proveedores, y por lo tanto, la calidad de un servicio (Ídem).

Además, el instrumento de medición, se complementa con una sección con preguntas cuya intención es constatar el grado de comunicación que existe entre el personal del Comité o Subcomité y el proveedor; asimismo, incluye datos demográficos de cada proveedor para poder identificar tendencias en las respuestas.

Muestra

La aplicación de los cuestionarios se llevo a cabo durante los meses de enero a mayo del 2007, periodo en el cual se realizaron 6 procedimientos de contratación con un total de 18 participantes. La descripción técnica del estudio se describe en la Tabla 2.

Tabla 2. Ficha Técnica de Estudio

Características	Encuesta
Universo	Proveedores que participaron en procesos contratación de bienes y servicios
Ámbito Geográfico	UABC, campus Ensenada
Método de recogida de información	Cuestionario
Tipo de muestra	No probabilística
Tamaño muestra	18
Porcentaje de repuesta	55.5%
Tratamiento de datos	SPSS
Fecha del trabajo de campo	Enero a mayo de 2007

Fuente: *Elaboración propia*

ANÁLISIS Y DISCUSIÓN DE LOS RESULTADOS

La encuesta diseñada se envió para su aplicación a todos los licitantes que participaron en las convocatorias de licitación emitidas durante el primer semestre del año 2007. Pero sólo el 55.5% de dicha

población entregó el instrumento llenado. Por lo que en términos estadísticos se considera que la muestra es representativa.

Asimismo, el instrumento se validó por medio de Alpha de Cronbach, cuyo resultado es 0.70, el cual de acuerdo con Nunnally (1978) citado por Santos (1999) es un coeficiente aceptable de la confiabilidad, aunque a veces umbrales más bajos se dan como válidos en la literatura.

Caracterización de la Muestra

En cuanto a la descripción de los participantes en el estudio, respecto a los procedimientos de contratación de bienes y servicios; se tiene que 72.7% son empresas que participaron en una licitación pública, mientras que el porcentaje restante participó en un procedimiento de invitación a cuando menos tres personas.

Un 27.2% se trata de empresas dedicadas a la seguridad, es decir, proveedoras de guardias de seguridad para mantener la vigilancia de las instalaciones. Otro 27.2% de la muestra representa a empresas que venden libros. Un 18.1% se tipifican como proveedores de equipo de laboratorio; asimismo un 18.1% empresas que expenden equipo de computo. Por último, un 9.09% para empresas que prestan el servicio de recolección de basura.

Como puede verse, en el estudio participaron proveedores de diversos servicios que demanda la IES, por lo mismo se considera que desde la óptica de los estratos, la muestra es representativa.

Resultados

Como ya se ha mencionado, el objetivo de la investigación es evaluar el desarrollo del procedimiento de adquisición, prestación de servicio o contratación de obra, el instrumento está dividido en siete secciones, en la primera sección se busca conocer la percepción de los participantes en cuanto a infraestructura y desempeño del personal de la universidad. Encontrándose que 81.8% manifestó que el sitio en donde se llevaron a cabo los eventos cuenta con equipo aparentemente moderno. Esto es indicativo de que se elige el sitio adecuado a fin de que el desarrollo de las “audiencias” se dé con la mayor efectividad y eficiencia posibles.

Por otra parte un 72.7% señaló que tuvo fácil acceso a las instalaciones en donde se desarrollaron los eventos. Este porcentaje refleja que se debe mejorar al realizar las indicaciones y/o los mapas con los señalamientos de acceso a los distintos edificios e instalaciones. También con un 72.7% se indicó que todos los eventos dieron inicio en el tiempo establecido, es decir se refleja la cultura del respeto por el tiempo y la planeación, empero también cerca de un 30% es indicativo de una oportunidad de mejora. Y un 100% de los participantes indicó que los miembros del Subcomité tienen una apariencia limpia y correcta. Señalamiento importante, dado que este personal es imagen de la IES.

La segunda sección pretende recabar la percepción respecto a la relación entre los empresarios y el personal de la universidad involucrado. Los resultados permiten conocer que un 100% comentó que las actas de los eventos le fueron proporcionadas en el tiempo prometido, lo que refleja un buen desempeño del personal. En adición un igual porcentaje de 81.2% aseveró que el personal del Subcomité mantiene confiabilidad sobre los asuntos de procedimiento de contratación. Al respecto, es importante diseñar estrategias para que en este punto se obtenga un 100%, puesto que la universidad busca dar certidumbre a todos los interesados en proveerles servicios.

En la tercera sección, en un primer plano se pide la opinión respecto al evento de presentación y apertura de propuestas, respecto si se desarrolló con prontitud en razón de la cantidad de documentos que presentaron los licitantes. A lo que un 81.2% señaló estar muy de acuerdo. Un segundo punto, se destino a saber acerca del fallo, particularmente si se especificaron los motivos y fundamentos que sustentan la determinación de los proveedores adjudicados y los que no resultaron adjudicados, donde nuevamente un 81.2% estuvo muy de acuerdo. En este particular, también es importante llevar el porcentaje a 100%, dada la importancia de que todos los participantes estén enterados y les quede claro cómo se determinan las adjudicaciones, ya que también es parte de la certidumbre que la IES debe dar a sus proveedores.

La cuarta sección del instrumento, se explora el sentir respecto a la confianza en la integridad de las personas que forman parte del Subcomité; el resultado indica que el 90.9% se confía, porcentaje importante, pero de igual forma es trascendente diseñar estrategias para llevar este porcentaje al 100%.

Mientras un 81.8% señal confiar en que las especificaciones técnicas y requerimientos de los bienes y/o servicios se encuentran dentro de los estándares que maneja el mercado. Y un 72.7% indicó que el procedimiento de recepción de propuestas se desarrolló en total apego a la Normatividad. Este grupo de hallazgos en conjunto, representan una importante oportunidad de mejora en pro de la calidad y transparencia del procedimiento.

Asimismo, en la sección se recaba la percepción respecto a si los miembros del Subcomité otorgan un trato amable y respetuoso cuando los participantes dan una recomendación o sugerencia, donde el 90.9% estuvo muy de acuerdo en señalar que el trato es el adecuado.

La quinta sección revela interesantes datos en relación al desempeño del personal que conforma al subcomité, dado que el 100% indicó que los miembros del Subcomité usualmente están atentos a responder cualquier pregunta de los licitantes, se encuentran dispuestos a prestar ayuda a los licitantes y los tratan con cortesía.

La sexta sección está orientada a saber si el contenido de las bases es simple, claro y de fácil entendimiento para la adquisición de bienes y/o contratación de servicios que se pretende realizar, al respecto sólo el 72.7% estuvo muy de acuerdo, por lo que es relevante diseñar estrategias de redacción que permitan dar claridad a las convocatorias. Aunque, es destacable citar que se realiza una junta para precisamente aclarar las dudas respecto a las convocatorias, en este sentido, un 90.9% señaló que los miembros del Subcomité responden con claridad a cada una de las preguntas formuladas en la Junta de Aclaraciones.

Por último, el 100% de los licitantes indicó su interés en volver a participar en futuras convocatorias emitidas por la UABC.

Discusión

La mayoría de los trabajos realizados sobre la medición de la calidad de los servicios en las IES, van encaminados a medir los procesos educativos (académicos) más que los administrativos. De hecho no existen evidencias de estudios sobre la calidad y transparencia de los procesos administrativos, la cual es fundamental para determinar el adecuado destino de los recursos invertidos en la educación superior.

En este trabajo, conscientes de la importancia de dar certidumbre al buen manejo de los recursos, consideramos relevante conocer cómo es el desempeño de los funcionarios que conducen los procedimientos de Licitación e Invitación a cuando menos tres personas por ello, se ha tratado de establecer una escala que permita a los gestores disponer de una retroalimentación necesaria para orientar

adecuadamente sus acciones, ya que muy a menudo, la imagen de las IES así como su prestigio terminan demeritadas porque no consideran el punto de vista del usuario del servicio.

Los resultados aquí obtenidos presentan una escala de 18 ítems con una fiabilidad aceptable la cual pudiera mejorarse, pero lo relevante de éstos es que resalta la importancia de introducir proyectos de mejora para dignificar la imagen de la Institución frente a los licitantes; además ponen de manifiesto la apertura de las IES para crear una cultura de la transparencia y rendición de cuentas.

CONCLUSIONES

De acuerdo a los hallazgos del estudio, en definitiva, los aspectos con los que los licitantes estarían menos satisfechos son por un lado las instalaciones de la institución, específicamente lo relacionado con la señalización interna del campus y por otro lado, el tiempo de espera para entrar a los eventos de los procedimientos de contratación de bienes y servicios.

Los elementos relacionados con la habilidad de los miembros del Subcomité para ejecutar el servicio, su capacidad de respuesta así como el grado de atención personalizada generan un nivel de satisfacción mayor, en el sentido de que resulta mucho más fácil encontrar personas con conocimientos, atentas y con disposición para solucionar cualquier problema que pudiera presentarse durante los eventos señalados.

Este análisis nos permite concluir que la percepción de los licitantes respecto a la calidad y transparencia con que se desarrollan los procesos de contratación de bienes y servicios es positiva y se sientan los suficientemente satisfechos con la actuación de los miembros del Subcomité como para continuar participando en los multicitados procedimientos.

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PRACTICA EN LA FORMACION BASADA EN COMPETENCIAS EN LA CONTADURIA PÚBLICA

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ABSTRACT

Desde hace más de diez años, el Contador Público (CP) se enfrenta a nuevos retos que lo obligan a poseer formación integral, estar certificado, capacitado en la toma de decisiones y la solución de problemas, con capacidad innovadora y enfoque a la demanda social, exigiéndosele poseer un campo de acción más amplio. Para mejorar la aceptación de sus graduados, a inicios del 2000, en la Facultad de Contaduría y Administración de la UAdeC, se inició un proceso de renovación en los sistemas educativos. Para ello, se tomó como base experimental la carrera de Contaduría y se inició un proyecto de Formación Basado en Competencias (FBC), con participación de la totalidad de los alumnos, los maestros, la representación empresarial y la sociedad. Con una generación ya graduada bajo este modelo, se valoran como experiencias positivas las relacionadas con la formación centrada en pares, incorporación de empresarios a la elaboración de contenidos de programas, el diseño, implantación y aplicación de un currículo flexible, con formación holística, una mejor vinculación laboral a través de la formación continua, la combinación del estudio con el trabajo y un nuevo sistema de evaluación tanto del alumno como del maestro.

LAS 20 COMPETENCIAS PROFESIONALES PARA LA PRÁCTICA DOCENTE

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RESUMEN

En el informe final presentado por Tuning Al en México 2007, se señalan 27 competencias específicas en el campo de la formación pedagógica. El 78% de estas competencias están dentro del campo de la didáctica, los fundamentos de la educación o el área disciplinar y prácticamente hay ausencia de un grupo de competencias que los autores de esta ponencia enmarcan en un área relacionada con la actividad productiva o pertinente. Son competencias que de tenerse en cuenta pondrían a los futuros maestros en posesión de un grupo de herramientas para poder enfrentar la incertidumbre del mercado donde desarrollarán su vida laboral, no sólo ellos como maestros sino sus propios pupilos que una vez que se gradúen tendrán que estar preparados para los avatares del mundo globalizado, competitivo y desregularizado. Se exponen por vez primera veinte competencias profesionales que todo docente debe dominar para conducir exitosamente el proceso de enseñanza aprendizaje; estas se relacionan, entre otras con las normas de calidad ISO 9001, indicadores educativos, métodos científico-investigativos de trabajo, nuevos modelos educativos, planeación de proyectos, diseño de currícula, manejo de TIC, nuevos sistemas de evaluación, responsabilidad social, trabajos de coordinación docente y formación integral y teórico-práctica.

ANÁLISIS DE LAS CAUSAS Y CONSECUENCIAS DE LA EXCLUSIÓN FINANCIERA

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ABSTRACT

La exclusión financiera de las personas es una realidad derivada de los obstáculos con los que se encuentran al acceder y/o utilizar los servicios financieros. Esta realidad adquiere una importancia relevante dentro de un entorno en el que las relaciones sociales se han “financiarizado”, es decir, cada vez existe una mayor obligación social de recurrir a los servicios financieros para llevar una vida social normal.

INTRODUCCIÓN

El proceso de globalización y desregularización junto a la aceleración de la difusión de las innovaciones acontecidos durante los últimos años han dado lugar a una intensificación de la competencia en todos los ámbitos del sector financiero.

Una consecuencia de este proceso es el desarrollo de unos planes de actuación atendiendo al perfil rentabilidad-riesgo de la clientela, discriminando positivamente los segmentos capaces de generar mayor valor añadido y dejando de lado, en cierta medida, aquellos colectivos que no responden a las exigencias mínimas impuestas por el mercado. En este entorno surge la denominada “exclusión financiera”, problema que cada vez afecta a un mayor porcentaje de la población. Teniendo en cuenta esta realidad, en este trabajo describiremos, por un lado, el problema de la exclusión financiera y posteriormente analizaremos las posibles causas y consecuencias de la misma.

LA EXCLUSIÓN FINANCIERA

Respecto a la conceptualización de la exclusión financiera, observamos la ausencia de una definición comúnmente aceptada. No obstante, el estudio de las definiciones aportadas por los trabajos pioneros en este campo muestra que, además de las dificultades de acceso a los servicios financieros, es imprescindible completarlo con el análisis de las dificultades de utilización.

En el seno del Centro Walras, la exclusión financiera se define de la siguiente manera: “Una persona se encuentra en situación de exclusión bancaria y financiera en el momento en que soporta un impedimento para las prácticas bancarias y financieras que ya no le permiten llevar a cabo una vida social normal en una sociedad que es la suya”. Las principales implicaciones de esta definición son tres:

- Las normas en materia de necesidades financieras son relativas a una sociedad determinada en un momento concreto, es decir, dependen del grado de difusión de los productos y servicios financieros en el seno de una sociedad.
- Los problemas con los que se puede encontrar una persona en las actividades financieras incluye, las dificultades de utilización. Por ejemplo, el no entender la terminología utilizada en los diferentes productos/servicios financieros limita su utilización.
- Por último y sobre todo, la exclusión financiera no es solamente un resultado de la exclusión social, también es una causa: participa en este proceso, además de ser un resultado.

En cuanto a algunas de las formas más relevantes de la exclusión financiera podemos enumerar las siguientes:

- Exclusión geográfica: hace referencia a la exclusión financiera debido a la falta de proximidad de una entidad financiera en el territorio.

- Exclusión en el acceso: determinadas personas son excluidas como consecuencia de las restricciones en el proceso de gestión de riesgo y de rentabilidad por parte de las entidades bancarias.

- Exclusión por las condiciones: se produce cuando las condiciones de los productos financieros las convierten en inadecuadas para las necesidades de ciertos individuos. Por ejemplo, mediante la determinación de un precio por encima de un determinado umbral, siendo inalcanzable para la base de la cartera de clientes.

- Exclusión comercial: en determinados casos los individuos se ven apartados en la práctica de las estrategias de venta y marketing.

- Exclusión por falta de estatus administrativo: algunas personas no tienen acceso a los productos y servicios financieros debido a su estatus administrativo de “sin papeles” o “no regularizado”, porque no pueden asegurar su identidad, por ejemplo.

- Autoexclusión: existen diferentes motivos que pueden explicar esta práctica de exclusión voluntaria: razones morales o religiosas; suponer que serán rechazados por la entidad bancaria; complejidad de los servicios bancarios; el vocabulario técnico; la desmaterialización de determinados productos financieros; las experiencias pasadas negativas; etc.

Una vez delimitado el concepto y las posibles formas de la exclusión financiera, a continuación analizaremos las posibles causas y consecuencias de la misma.

CAUSAS Y CONSECUENCIAS DE LA EXCLUSIÓN FINANCIERA

Los obstáculos al acceso y/o utilización de los servicios financieros son múltiples y, basándonos en Rojas-Suárez (2005), se clasifican en cuatro categorías. La primera agrupa aquellos elementos de naturaleza social y económica que frenan la demanda de los servicios financieros por parte de grandes estratos de la población. La segunda identifica problemas en la forma de operar del sector bancario, que impiden una mayor profundización financiera. La tercera agrupa las deficiencias institucionales, sobre todo en la calidad del marco legal y la “governabilidad” de las regiones. La cuarta y última identifica las regulaciones que tienden a distorsionar la provisión de servicios bancarios.

A nivel individual, según un estudio de Bayot (2002), se ha observado que las tres principales causas de la exclusión financiera son: los ingresos considerados como insuficientes por parte de la entidad bancaria, una cuenta con saldo negativo durante un plazo demasiado largo y la existencia de otras deudas del cliente. Como se puede observar, estas causas están relacionadas con la solvencia del cliente.

Con respecto a los obstáculos por las dificultades de utilización de los servicios financieros, existen dos tipos de prácticas que suponen la imposibilidad de acceder a todos o a una parte de los productos bancarios: la selección directa o indirecta por parte de las entidades bancarias y la autoexclusión por parte de los clientes. En estos dos casos, estas prácticas se explican por la anticipación que hacen las partes de los costes y riesgos relacionados con la utilización de estos productos, es decir, las partes anticipan las dificultades de utilización (Gloukoviezoff y Lazarus, 2006).

Así, por un lado las entidades bancarias evitan los clientes con ingresos modestos porque sus formas de consumo bancario son más costosas (sobre todo en cuanto a los consumos de los servicios en ventanilla) y su nivel de riesgo es más elevado. Son clientes en general menos rentables. Por otro lado, ciertos clientes temen exponerse a numerosos gastos bancarios si recurren por ejemplo a tarjetas de débito, de pago diferido o a los créditos revolving y por ello deciden no tenerlos. Por último, algunas de las causas tienen relación con el nivel de conocimientos básicos y aptitudes financieras de las personas. En este sentido, un estudio llevado a cabo en Canadá (Clermont y otros; 2005) muestra que una parte importante de la

población no posee los conocimientos necesarios y las aptitudes que les permita satisfacer las exigencias de su sociedad y de su economía.

Consecuencias de la Exclusión Financiera

A nivel individual, en base a las manifestaciones de la exclusión financiera recogidas en Corr (2006) se pueden enumerar las siguientes consecuencias de la misma:

- Gestión del dinero. El hecho de tener cobros semanales, mensuales, trimestrales y/o anuales, en función de los diferentes orígenes hace que la gestión del dinero sea más complicada, particularmente si no se posee una cuenta bancaria.

- Pago de facturas. En el caso de hogares con ingresos modestos, normalmente se da prioridad (una vez cubiertas las necesidades básicas) al pago de facturas con el objetivo de evitar el corte del suministro de algún servicio o atrasarse en los pagos (Daly y Leynard, 2002).

- Sobreendeudamiento. Es debido sobre todo a que las personas enfrentadas a una necesidad urgente que no encuentran respuestas adecuadas, se dirigen hacia productos de crédito que no dominan o que son demasiado costosos, o que se venden con insuficientes consejos.

Otra aportación se recoge en Bayot (2002) y concluye que las consecuencias más frecuentes de la exclusión financiera son los problemas administrativos y los problemas psicológicos. Los problemas relacionados con la vida profesional también lo son, pero en menor medida. En el mismo estudio se mencionan otras consecuencias: problemas financieros, problemas en la vida cotidiana y problemas sociales.

Por último mencionar que las personas en situación de exclusión financiera pueden ser excluidas o autoexcluirse. Por un lado, el entorno en el que surge la exclusión financiera se caracteriza por la existencia de una relación jerárquica dominada por las entidades bancarias, que empujan a los clientes más desprotegidos en caso de dificultades económicas a buscar estrategias para salvar la situación. Estas estrategias muestran un margen de maniobra donde los clientes, incluso a veces obligados, tienen un papel activo. Pero en general estas estrategias tienen consecuencias agravantes, tal y como se mencionó en el apartado anterior.

CONCLUSIONES

La amplitud de los problemas sociales derivados de la exclusión financiera no se comprende sin tener en cuenta la importancia de los productos bancarios en la vida cotidiana contemporánea: recurrir a los productos bancarios es una necesidad social. Llevar una vida social “normal” consiste en mantener relaciones sociales con sus prójimos, conocidos y la sociedad en su conjunto a través del empleo, el consumo y la relación política (el voto, las prestaciones sociales, etc.). Estas diferentes relaciones se expresan, entre otros, en términos monetarios y necesitan la posesión de diferentes soportes bancarios.

La obligación social de la tenencia de cuentas y medios de pago escriturados es igualmente cierta para las diferentes formas de crédito. La evolución a nivel macro-social (modificación de la naturaleza de las solidaridades debido a un proceso de individualización, la desestabilización del empleo y de las estructuras familiares, el replanteamiento del Estado, etc.) ha promovido, por ejemplo, recurrir al crédito como un instrumento indispensable para la gestión de la insuficiente estructura de los presupuestos de las familias (Gloukoviezoff y Lazarus, 2006). Esta obligación social de recurrir a los servicios bancarios para llevar una vida social normal ha sido descrita como la “financiarización de las relaciones sociales”.

En resumen, la carencia de servicios bancarios básicos es especialmente problemática dentro de un entorno donde se efectúan pagos a través de las cuentas bancarias. Además, quienes no tengan acceso a las principales líneas de crédito se ven impulsados a acudir a “prestamistas sin estatus”, que les cobran un precio muy elevado. Por otro lado, la exclusión por parte de los seguros se vuelve más problemática por ser más vulnerables. Si además existe una ausencia e inadecuada provisión de pensiones, existe una

mayor tendencia a la pobreza o a la precariedad. Así, la exclusión financiera puede llevar a la exclusión en otros niveles, llegando incluso a la exclusión social. Es decir, la exclusión financiera no es la principal causa de las dificultades socio-económicas (la pobreza y la precariedad son evidentemente las variables explicativas esenciales), pero al igual que el paro, participa en la degradación del vínculo social.

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GESTIÓN DE CONOCIMIENTO, ASOCIATIVIDAD Y PLANEACIÓN ESTRATÉGICA DE LA TECNOLOGÍA PARA LA CADENA PISCÍCOLA DEL CAUCA

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ABSTRACT

El presente artículo integra y describe avances, resultados y procesos de reflexión que se han llevado a cabo al interior de la cadena piscícola, en el marco del proyecto de investigación - acción: "Uso de enfoques y herramientas de inteligencia competitiva para la articulación al mercado de redes de agroempresas rurales en el Cauca.", con relación a la importancia de contar con la articulación de estrategias de gestión de conocimiento, de asociatividad y de gestión tecnológica como elementos fundamentales para que los actores de la cadena incursionen en el mercado del mundo global.

Para comprender el enfoque, aquí se estudia el caso de la Cadena Piscícola en el Cauca, Colombia, donde la concepción de la cadena productiva como una Red Social ha permitido generar sinergias que han redundado en su competitividad como cadena y en la apropiación del proceso por parte de sus integrantes. Esta iniciativa es financiada por Colciencias y Sen, su ejecución fortalece la articulación de las redes de agroempresas rurales del Cauca-Piscícola y Biocomercio- con mercados diferenciados mediante la apropiación de herramientas y enfoques de Inteligencia Competitiva.

Palabras Claves: Asociatividad, gestión de conocimiento, Planeación Tecnológica, redes sociales.

INTRODUCCION

La actividad piscícola en el Departamento del Cauca se explota hace aproximadamente 20 años, procesos de organización comunitaria y estrategias de extensión rural, han sido adelantadas por diferentes instituciones a lo largo de estos años, permitiendo que esta actividad se haya extendido prácticamente en todo el departamento mediante el cultivo de diversas especies tanto nativas como introducidas. En esta actividad se destaca la conformación pluriétnica de los actores de la cadena, la subregión Salvajina: productores afrocolombianos, indígenas Paeces y campesinos, en la subregión Meseta de Popayán: campesinos y la subregión Silvia: campesinos e indígenas Guambianos y Paeces.

En el caso de Silvia más de 300 familias se dedican y benefician directamente de esta actividad (120 unidades productivas de trucha) y en Suárez (3 asociaciones piscícolas con 200 jaulas flotantes) ocurre una situación similar, con tendencia a aumentar, pues la explotación del embalse "salvajina"- 4.300.000 m² de espejo de agua- se trabaja por darle un viraje a la producción piscícola; pasar de la seguridad alimentaria a la industrialización. Aunque no se tiene registros y estadísticas confiables del volumen de productores dedicados a esta actividad no se desconoce que en este departamento se posee una gran inversión en infraestructura y apropiación de tecnología para la producción de pescado, fundamentalmente en lo relacionado a las especies de tilapia roja y trucha. Es de anotar que uno de los mayores exportadores de trucha en el país tiene sus instalaciones ubicadas en este departamento.

REFERENTE TEÓRICO

A diferencia de otras intervenciones en cadenas productivas regionales, la cadena piscícola se ha orientado por una lógica diferente fundamentada en procesos de gestión de conocimiento y de asociatividad como base esencial en la consolidación de la cadena, esto ha permeado hacia el aspecto tecnológico. A continuación se mencionan algunos elementos teóricos relevantes:

Gestión de Conocimiento para Agrocadenas

En los proyectos desarrollados en el Cauca, se ha dado especial importancia a la gestión de conocimiento como el medio que genera espacios para compartir y construir conocimiento colectivo; partiendo de esta premisa se diseñó un modelo de gestión de conocimiento que considera la importancia de los saberes tradicionales de la población caucana y los percibe como elementos valiosos que merecen reconocimiento formal y que, bajo ningún supuesto pueden ser menos relevantes que los conocimientos científicos desarrollados por los grupos de investigación de la región.

En este sentido, el entorno juega un papel muy importante en el modelo, pues es el espacio donde se permite la interacción entre actores para favorecer el aprendizaje y la innovación hacia el interior y el exterior de las agrocadenas, así mismo el modelo busca sustentar los flujos de información y conocimiento desde el aprendizaje individual al aprendizaje grupal como el factor diferenciador de la competitividad y la productividad de las organizaciones y de las regiones. Así los piscicultores crean ambientes de confianza y comparten lecciones aprendidas de experiencias pasadas; como una forma de hacer gestión de conocimiento a través de sus mejores prácticas.

El aprendizaje individual y colectivo son elementos centrales para generar innovación, y comprender la combinación de diversos conocimientos científicos o codificados y de conocimientos ancestrales o no codificados, de los aportes tecnológicos, de los organizacionales y del mercado. La cuestión es que el aprendizaje colectivo, que es el producto de interrelaciones personales y de formas de asociatividad claras y definidas como la conformación de redes sociales de conocimiento, requiere además de una base cognitiva para el aprendizaje colectivo y la adaptación, una fuerte dosis de capital social

Articulación de Cadenas Productivas

Las redes promueven el capital social, regulando la convivencia a través de normas que garantizan una cultura de confianza (Putnam, 1994), sin embargo, una red social no es una entidad aislada, sino una variedad de entidades que tienen dos características en común: coinciden en algún aspecto de la estructura social, y facilitan a los individuos que están dentro realizar ciertas acciones (Coleman, 1990), el identificar puntos de encuentro y trabajar mancomunadamente por ellos generando pertenencia por un grupo que brinda a cada uno de los miembros el respaldo del capital socialmente adquirido, una credencial que les permite acreditarse, en los diferentes sentidos de la palabra (Bourdieu, 1980).

Estudiar la cadena productiva como una red social, la red social como una organización, la filosofía y los principios del direccionamiento estratégico, permiten pensar que para llegar a acuerdos entre comunidades heterogéneas en el tema empresarial es pertinente buscar puntos de conexión. El enfoque de red, permite también elevar la importancia de las relaciones personales entre los actores que representan a una organización sobre la transacción del bien o el servicio. Es así como una cadena productiva trabajando bajo el enfoque de red social es una organización en la cual, adelantar actividades y proyectos de alta complejidad, racionalizar el uso de los recursos, ampliar la cobertura de servicios y profundizar el impacto de las acciones, se va a generar con mayor fluidez debido a las relaciones construidas en el transcurso del proceso. (Rebolledo y Sánchez, 2007).

Finalmente es importante determinar los ámbitos de acción en los que una cadena productiva y una red social centran sus esfuerzos: La cadena de valor debe trabajar por alcanzar un entorno favorable para la competitividad en el nivel meso, por lo tanto debe procurar la planificación estratégica para orientar su trabajo en el mediano y largo plazo, teniendo siempre presente el entorno cambiante que la afecta y la creación y sostenimiento de relaciones entre los productores y la institucionalidad de apoyo. Por otra parte, las redes empresariales y sociales se enfocan más en la obtención de logros de corto plazo, los cuales surgen del establecimiento de relaciones para la implementación de acciones empresariales específicas, por ejemplo la conformación de redes para negocios, la adquisición conjunta de insumos, el compartir canales de comercialización, el acceso a servicios especializados, formulación de proyectos, entre otros. En estas los esfuerzos se focalizan y alcanzan impactos para el fortalecimiento competitividad en el nivel micro, es decir en las organizaciones empresariales que conforman la cadena (Rebolledo y Sánchez, 2007).

Planeación Tecnológica

La planeación tecnológica es un proceso en el cual se analizan los componentes tecnológicos de un sistema y se genera una estrategia tecnológica que determina los lineamientos bajo los cuales se diseñarán perfiles de proyectos de I+D. El fin de realizar planeación tecnológica es condensar en proyectos concretos las políticas propuestas en la planeación estratégica. En la planeación tecnológica se realiza un análisis exhaustivo de la tecnología tanto al interior de la organización como en el entorno (CINDA, 1990) (ACOLTEC, 1998) (Sánchez, 2003). De acuerdo con las estrategias adoptadas por la compañía se evalúa la pertinencia de orientar dicha estrategia a la adquisición, mejoramiento y/o desarrollo de diversas tecnologías. Este proceso requiere un enfoque prospectivo que genere ventajas competitivas para la organización que se encuentra en este proceso.

Alves (1991) define que la formulación y la puesta en práctica de una estrategia tecnológica, incluyen del estudio del ambiente y de las condiciones internas de la compañía, a la determinación de las direcciones y los objetivos y también las actividades que serán desarrolladas para la amplificación de la capacidad tecnológica para mejorar de cambios técnicos.

La estrategia tecnológica debe exponer con claridad las siguientes categorías de decisiones (Díaz, 2001):

- La distribución del presupuesto destinado a la tecnología entre los diversos programas, clasificados por líneas de productos ó de negocios.
- Las modalidades de acceso a las tecnologías (I+D) interna, compra de tecnología externa, etc., con sus correspondientes presupuestos.
- La elección de la posición competitiva en las diversas tecnologías (líder, seguidor, búsqueda de nichos).
- El grado de intensidad en el esfuerzo tecnológico, que varía desde una investigación exploratoria hasta la plena aplicación industrial.
- El grado de dificultad y de riesgo que varía desde la aplicación o mejora de tecnologías existentes hasta el desarrollo de otras completamente nuevas.

A continuación se presentan algunas tipologías de estrategia tecnológica propuestas por algunos autores (tabla 1).

Tabla 1: Tipos de Estrategia Tecnológica

Freeman (1982)	Arthur D. Little (1981)	Urban – Hauser (Saren 1990)
Estrategia ofensiva	Liderazgo tecnológico	Sensible a los clientes
Estrategia defensiva	Seguidor	Segunda pero mejor
Estrategia imitativa	Adquisición de tecnología	Imitativa
Estrategia dependiente	Nicho tecnológico	Defensiva
Estrategia tradicional	Empresa mixta	
Estrategia oportunista	Reconversión	

Fuente: Deycy Sánchez

La selección de una estrategia tecnológica puede obedecer al análisis de las funciones asociadas a la gestión tecnológica, la tabla 2 se muestra la clasificación que hizo (Morin, 1985) para sistematizar el tratamiento de la tecnología.

Tabla 2: Funciones Asociadas a la Gestión Tecnológica

Función	Descripción
Inventariar	Conocer las tecnologías que se dominan
Vigilar	Alertar sobre la evolución de nuevas tecnologías Vigilar la tecnología de los competidores
Evaluar	Determinar la competitividad y el potencial tecnológico propio. Estudiar posibles estrategias.
Enriquecer	Diseñar estrategias de I+D. Priorizar tecnologías clave e incipientes. Comprar tecnología.
Optimizar	Gestionar los recursos de forma eficiente.
Proteger	Política de propiedad industrial: patentes, marcas

Fuente: Fidel Castro Díaz, *Ciencia, Innovación y Futuro 1999*

Todo plan tecnológico culmina con el diseño e implantación de una cartera de proyectos de I+D, que es un abanico de proyectos de distinta naturaleza que en conjunto permiten llegar a un objetivo común y pueden desarrollarse a corto, mediano y largo plazo. Cada perfil de proyecto es denominado también plan de negocios. Los tipos de planes de negocios varían dependiendo del criterio que se adopte para este efecto, algunos criterios son: área de influencia (locales, regionales, nacionales y multinacionales), inversión pública (de infraestructura, en desarrollo industrial, en desarrollo social), inversión privada (en modernización, en ensanche), investigación (básica, aplicada y desarrollo experimental).

METODOLOGÍA

El tipo de investigación apropiado en este caso es la investigación –acción o investigación Modo 2, donde la comunidad además de ser el objeto de investigación, participa e incide en los resultados de acuerdo a sus necesidades y conveniencias; en contraposición en el Modo 1 o tradicional que usa ambientes de laboratorio para mantener bajo control los agentes externos (Gibbons, 1994). A continuación se describen los proyectos y aportes de los mismos en el diseño de un plan tecnológico para la cadena piscícola del Cauca:

Fortalecimiento de la Asociatividad: El proceso de la Cadena Piscícola del Cauca inició con la cooperación técnica y económica del PCGU-(Programa Colombia de la Universidad de Georgetown, co-financiación US\$ 41.944), auspiciado por USAID, el apoyo durante dos años (2003-2004) brindado por este organismo se enfocó hacia el fortalecimiento de la gobernabilidad, alrededor de una actividad productiva de impacto, en los municipios identificados, de tal modo que se iniciaron una serie de acciones participativas en las cuales, los actores de la cadena iniciaron un reconocimiento mutuo que les permitió identificar sus fortalezas y oportunidades y, la posibilidad de resolver sus debilidades de manera

conjunta, todo esto consignado en el Plan estratégico de la Cadena, teniendo como soporte para su ejecución las gestiones realizadas por la secretaría técnica de cadena ejercida por el CREPIC, con el acompañamiento del comité interinstitucional de apoyo.

El Programa de Producción Más Limpia y Gestión Ambiental para el Sector Piscícola del Departamento del Cauca, que con la cooperación técnica y económica de la CRC -(Corporación Autónoma Regional del Cauca, co-financiación US\$ 16.646), representó un instrumento de concertación para la implementación de acciones en el corto, mediano y largo plazo, encaminadas a prevenir, corregir, compensar y mitigar los impactos ambientales que se generan con el desarrollo actividad productiva piscícola. Sus resultados principales: i) sensibilización de los actores de la cadena sobre la importancia de la gestión ambiental en la actividad piscícola y su aporte a la competitividad de la misma, ii) Diagnóstico de Impactos Ambientales de la Actividad Piscícola, iii) Plan de Manejo Ambiental, iv) Gestión de proyectos con énfasis ambiental, v) Consolidación de espacios de encuentro de los actores de la cadena. Adicionalmente el proyecto Fortalecimiento de la Productividad del Eslabón Primario de la Minicadena Piscícola del Cauca -(Co-financiado por el Fomipyme US\$ 36.353), que con el propósito de mejorar la competitividad del eslabón primario de la cadena, logró la conformación de redes para la producción y comercialización de trucha que permitieron disminución de costos e incremento y sostenibilidad de la producción para un nuevo mercado de mayor volumen y mejores condiciones.

En el ámbito de la gestión de conocimiento, la realización de giras técnicas permitió el conocimiento de experiencias, en lo organizacional y productivo, de otras zonas del país, que teniendo en cuenta su pertinencia fueron implementadas en las estaciones de la cadena. Actualmente se encuentra en gestión un programa, -(Programa Fortalecimiento Integral de la Red Piscícola de Silvia, Cauca, Co-financiado por ADAM-USAID US\$ US \$360.660), de fortalecimiento integral para una de las asociaciones de la cadena ubicada en Silvia, Cauca, dicho proyecto contempla los componentes planteados en la estrategia integral que soportados en la gestión de conocimiento busca generar capacidades para la autogestión tanto de cada estación piscícola vinculada como de la asociación que las agrupa.

Por último en la línea de los proyectos de investigación la cadena junto con grupos de investigación, pertenecientes al Sistema Regional de C y T, han gestionado proyectos cuyos resultados buscan lograr una actividad piscícola amigable con el ambiente, ordenada, coordinada y consecuente con los recursos hídricos disponibles. Los proyectos en este sentido son: i) Determinación de la capacidad de carga embalse la salvajina, ii) Monitoreo y seguimiento de la calidad del agua del embalse la salvajina con miras al establecimiento de proyectos piscícolas productivos, iii) Modelamiento ecológico del embalse la salvajina con miras a la formulación de planes de ordenamiento y gestión del ecosistema, iv) Diseño estanques piscícolas para la producción de trucha, entre otras propuestas que estudiantes vinculados, están realizando como trabajo de grado y que hacen un aporte a los requerimientos de la cadena.

Crecimiento Integral para la Cadena Productiva: la iniciativa “Estrategia Integral para Mejorar la Competitividad de Agrocadenas de Productores Rurales de Pequeña Escala en el Cauca (2006 - 2007)”, financiado por Colciencias, permitió elementos para analizar y proyectar la evolución de la cadena piscícola, hacia una cadena de valor capaz de ser innovadora en aspectos como: inteligencia competitiva, gestión de conocimiento, uso de tecnologías de información y comunicaciones, gestión de la comunicación y la información, relacionamiento con el entorno, gestión tecnológica y gestión ambiental.

Orientación Hacia el Mercado: actualmente el proyecto “Uso de Enfoques y Herramientas de Inteligencia Competitiva para la Articulación al Mercado de Redes de Agroempresas Rurales en el Cauca”, financiado por Colciencias, desarrolla una guía metodológica de articulación de redes agroempresariales rurales con el mercado soportada en enfoques de inteligencia competitiva. Considerando el enfoque de cadena-red, el proyecto busca dotar a la red piscícola de mecanismos innovadores de articulación al mercado, como

estrategia para el fortalecimiento socio-empresarial, mediante la apropiación de prácticas de vigilancia y monitoreo permanente de información para la toma de decisiones.

HALLAZGOS Y SU INTERPRETACIÓN

La Gestión de Conocimiento en la Cadena: Un factor Importante para Fortalecer la Asociatividad

La Cadena Piscícola es un ejemplo exitoso de articulación que se evidencia en el nivel de cohesión entre sus actores y la presencia de algunos fundamentos estratégicos entre los que se destacan: visión compartida de cadena, relaciones de confianza entre productores e instituciones de apoyo, apropiación de dinámicas de trabajo conjunto, adaptación de servicios de la instituciones y gobiernos locales a sus requerimientos, acercamiento entre el sistema territorial de innovación y las necesidades de investigación de la cadena, negocios de mayor escala con responsabilidad conjunta en mercados mejor remunerados y asistencia técnica pertinente a sus necesidades.

La estrategia de asociatividad ha consistido en involucrar a los distintos actores de la cadena, desde proveedores, comercializadores, organizaciones empresariales hasta prestadores de servicios de desarrollo con la participación de instituciones gubernamentales y no gubernamentales, en un espacio de encuentro y discusión institucionalizado desde el 2003 llamado *Comité de Cadena*. En este sentido, la dinámica de gestión de conocimiento en la cadena piscícola se puede evidenciar en las cuatro siguientes cuatro fases, ver figura 1.

Generación de Conocimiento: esta fase explicita el conocimiento que surge de la interacción de los datos y la información contextualizada por el capital humano; ya sea a través de: i) la investigación científica, ii) por el desarrollo de prácticas empíricas o, iii) por el acompañamiento, asesoría y en algunos casos asistencia técnica de las organizaciones interfaz. Con relación al conocimiento generado por los productores de la cadena Piscícola se cuenta con procesos de incubación acordes con las condiciones ambientales y recursos económicos, lo que facilita el mantenimiento y control de los alevinos, igualmente se cuenta con un nuevo alimento concentrado, para dar coloración a la carne de las truchas; el trabajo fue desarrollado por Itacol para mejorar la presentación de esta especie. La cadena ha procurado por adelantar un trabajo colectivo sustentado en la fortaleza y la unión familiar.

Transferencia de Conocimiento: es un proceso de doble vía, que moviliza conocimientos de una fuente a un receptor para hacer investigación y generar aprendizajes, puede ser de manera formal o informal, en el caso de los productores piscícolas, ellos cuentan con la voluntad y la palabra para sustentar la viabilidad de esta fase. i) Para la transferencia formal, los piscicultores del Cauca han contado con el apoyo y el conocimiento de la Universidad de Georgetown y del CREPIC para adelantar un conjunto de acciones, métodos y la implementación de mejores prácticas para consolidarse como cadena productiva. ii) La práctica de transferencia informal se da más a través de charlas y encuentros casuales de los mismos productores, donde ellos intercambian sus experiencias y actividades exitosas y no exitosas.

Combinación de Conocimiento: este proceso se da en la particularidad de cada productor de acuerdo al contexto, situación y necesidad de ellos y sus roles. Básicamente consiste en la integración de nuevos conocimientos con los adquiridos anteriormente, mediante procesos de transferencia formal o informal, o de integrar conocimientos adquiridos por sus experiencias propias. Por ejemplo, los piscicultores de salvajina, han implementado las técnicas de producción en estanques para producir peces en jaulas en el embalse, esta práctica demuestra que el capital humano combina y adapta los conocimientos de acuerdo a sus necesidades y a las condiciones del medio en que se encuentre.

Apropiación de conocimiento: cada uno de los procesos revisados -generación, transferencia y combinación de conocimientos- tienen una fase de apropiación para garantizar que ese nuevo

conocimiento sea integrado, inicialmente, como conocimiento tácito y mediante metáforas, comparaciones y modelos, posteriormente, los individuos lo convierten en conocimiento explícito para que tenga validez y utilidad en las actividades que desarrollan tanto individual como colectivamente.

Figura 1: Procesos de Gestión de Conocimiento en Agrocadenas



Fuente: Pemberthy G. luz Stella

Estrategia Tecnológica y Cartera de Proyectos para la Cadena

Los proyectos citados han permitido realizar un diagnóstico de la situación e importancia de la tecnología en la cadena productiva, mejorando sus oportunidades y sostenibilidad, sin embargo, todavía no se realizan como parte de un plan tecnológico formal, sino como resultado de la oferta de fuentes de financiación que han priorizado esta actividad productiva por encontrarse en el marco de la Agenda Interna y de las políticas del Ministerio de Agricultura, entre otras. A continuación se presentan algunos proyectos de corto plazo que pueden ser el punto de partida para la estructuración de un plan tecnológico formal y construido en consenso con los actores de la cadena (Tabla 3)

Estos proyectos son predominantemente de inversión pública, con área de influencia local y de investigación aplicada. Las necesidades más apremiantes para la cadena están orientadas hacia: el mejoramiento de la capacidad instalada, la calidad en el proceso productivo, introducción de la gestión ambiental para mitigar el impacto al medio ambiente, micro finanzas, entre otros. Se percibe pertinencia en la solución de los problemas, no obstante, su concentración en el corto plazo hace poco evidente una estrategia tecnológica que perfile proyectos y acciones en el mediano y largo plazo, esto es indispensable para generar capacidad de innovación.

Una posible estrategia tecnológica en el estado actual de la cadena productiva desde el punto de vista tecnológico puede ser la estrategia de nicho tecnológico que se focaliza en un espectro de acción muy pequeño favoreciendo un impacto más rápido, esto considerando i) la dependencia en gran parte de los paquetes tecnológicos utilizados y que son de dominio de empresas multinacionales, ii) la poca trayectoria en los grupos de investigación locales para resolver problemas de la cadena, iii) la limitada capacidad instalada para satisfacer los mercados más cercanos, iv) escasa capacidad de diferenciación de producto vía innovación, entre otros.

Tabla 3: Cartera de Proyectos para la Cadena Piscícola

Proyecto	Aporte Tecnológico	Característica
Fortalecimiento Integral de la Red Piscícola del Municipio de Silvia Cauca	Asociatividad y autogestión. Plan socio empresarial. Infraestructura de procesos productivos y de transformación. Prácticas de gestión ambiental. Estrategias de comercialización.	Cofinanciación ADAM por US \$360.660 Investigación Aplicada.
Proyecto Alianza Piscícola Para la Reactivación Económica del Embalse de la Salvajina, Municipio de Morales	Asociatividad de productores rurales de pequeña escala. Mejoramiento de estructura de costos de producción. Posicionamiento de producto en un mercado específico.	cofinanciación Ministerio de Agricultura por US \$53.350 Investigación Aplicada.
Fortalecimiento productivo de las Asociaciones de Productores Piscícolas (ASPROINCA, APISMO, ASOPIM) asentados en la represa de la Salvajina, municipios de Morales y Suárez, Departamento del Cauca	Tecnificación de prácticas productivas. Microfinanzas a través de conformación de un fondo rotatorio. Mejoramiento infraestructura productiva. Capacidades de autogestión.	cofinanciación ADAM por US \$113.842 Investigación Aplicada.
Desarrollo de alternativas agroindustriales para el cultivo en jaulas flotantes de Tilapia roja (<i>Oreochromis spp</i>), en la represa de “La Salvajina”, municipio de Suárez, Departamento del Cauca	Valoración técnica económica de los subproductos obtenidos de la transformación agroindustrial de la Tilapia roja. Aprovechamiento Agroindustrial de la Tilapia Roja.	cofinanciación Ministerio de Agricultura por US \$193.009 Desarrollo Experimental
Caracterización física, química y biológica, hídrica del Embalse de la Salvajina para la determinación de la capacidad de carga y calidad de las aguas para uso en proyectos piscícolas ambientalmente saludables	Determinación de la capacidad de carga para la producción piscícola. Monitoreo, Seguimiento y Modelación ecológico de la calidad del agua del embalse de la salvajina Planes de ordenamiento y gestión del ecosistema.	Formulado y en espera de cofinanciación del Ministerio de Agricultura por US \$341.857 Investigación Aplicada.
Programa: Una producción Piscícola Ambientalmente Sostenible	Desarrollo y adaptación de tecnología para el tratamiento de efluentes piscícolas. Estudio, Diseño y Evaluación de un Prototipo de Estanque Piscícola.	cofinanciación Ministerio de Agricultura por US \$205.543 Investigación Aplicada.
Mejoramiento de la infraestructura productiva para el cultivo en jaula de tilapia roja, para tres asociaciones de pequeños productores en la represa la Salvajina	Mantenimiento y reparación de jaulas flotantes. Asistencia técnica en producción. Sistematización de la experiencia mediante una cartilla.	cofinanciación INCODER por US \$40.909 Investigación Aplicada.

Fuente: Deycy Sánchez, Luz Stella Pemberthy, Adolfo Plazas

CONCLUSIONES

El desarrollo de un esquema asociativo sólido en la cadena piscícola ha propiciado una gestión tecnológica más lenta pero concertada y pertinente a las condiciones de la región. Este desarrollo organizado ha sido eficaz y eficiente para las expectativas de los actores que hacen parte de la cadena.

La institucionalidad local que hace parte de los proyectos formulados por la cadena da cuenta de una buen relacionamiento con el entorno entre sus actores, su diversidad garantiza la continuidad en el trabajo iniciado porque no genera lazos de exclusividad que pueden resultar nocivos en el largo plazo.

Algunos actores de la cadena han hecho aportes al proceso en cuanto a: desarrollo de técnicas para disminución de mortalidad, implementación de planta piloto para procesamiento de trucha en Silvia, uso de alarmas para controlar el nivel de agua en los estanques, entre otros. Esto sugiere un potencial importante en el aspecto técnico que puede brindar asistencia técnica y coadyuvar en procesos de innovación.

El acercamiento entre el Sistema Regional de CyT y el proceso de la cadena piscícola, se evidencia en la gestión y ejecución de proyectos de investigación que se desarrollan en diferentes zonas del

Departamento, iniciativas que buscan contribuir con el ordenamiento, reglamentación y sostenibilidad ambiental de la actividad piscícola. Se sigue trabajando en este acercamiento para hacer de estas iniciativas cada vez más pertinentes.

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LA INTELIGENCIA COMPETITIVA, LA GESTION TECNOLÓGICA Y LA GESTION AMBIENTAL, EJES FUNDAMENTALES EN LA IMPLEMENTACIÓN DE UNA ESTRATEGIA INTEGRAL PARA MEJORAR LA COMPETITIVIDAD DE AGROCADENAS DE PRODUCTORES RURALES DE PEQUEÑA ESCALA EN EL DEPARTAMENTO DEL CAUCA

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ABSTRACT

Los proyectos “Estrategia Integral para Mejorar la competitividad de Agrocadenas de Productores Rurales de pequeña escala del Departamento del Cauca” y “Uso de Enfoques y Herramientas de Inteligencia Competitiva Para la Articulación al Mercado de Redes de Agroempresas Rurales en el Cauca”, cofinanciados por COLCIENCIAS, pretenden aportar en el diseño e implantación de una estrategia de intervención integral que propenda la evolución de cadenas productivas hacia cadenas de valor.

En este artículo se presenta uno de los hallazgos mas relevantes del proyecto: la evidente interacción de los componentes propuestos en la metodología de intervención: Vigilancia e Inteligencia Competitiva, Gestión tecnológica y Gestión ambiental, que a pesar de aplicarse en un entorno social, diferente al campo empresarial típico de implementación de estas tecnologías, arrojan resultados positivos como la adaptación adecuada y sostenible de la producción y una eficiente articulación con la demanda.

INTRODUCCIÓN

La emergencia de la economía globalizada tiene grandes implicaciones para la sostenibilidad de las empresas y productores rurales de pequeña escala en Colombia. La redefinición de la posición competitiva del país para hacer frente a los procesos de globalización se ha focalizado en diferentes sectores de la economía, que dejan de lado a una gran mayoría de redes empresariales rurales dando como resultado una combinación de factores que afectan severamente sus niveles de competitividad.

El Departamento del Cauca, es un territorio de 30.000 Km² situado en el sur-occidente colombiano; su población es mayoritariamente rural (60%), multiétnica y multicultural (1.367.000 habitantes). El sector productivo predominante son las cadenas agroalimentarias de pequeña escala, –en consecuencia con la mega-diversidad del territorio-, con escaso nivel de tecnificación y responsables de la generación del sustento de más de 150.000 familias. Esta población se caracteriza por un grado importante de organización social en respuesta a su marginalidad y aunque hay interés en la asociatividad productiva, se observan notables deficiencias en la gestión organizacional, la comercialización y una casi nula cultura empresarial. En estas dinámicas productivas priman los esfuerzos aislados y el exiguo apoyo institucional y gubernamental es puntual, disperso y asistencialista, lo que se traduce en dificultades competitivas

frente a los desafíos de la economía globalizada. La inserción adecuada del Cauca en los procesos de globalización requiere del fortalecimiento de procesos de asociatividad empresarial y la conversión de las agrocadenas productivas en Cadenas de Valor.

El proyecto “Estrategia Integral para Mejorar la Competitividad de Agrocadenas de Productores Rurales de Pequeña Escala en el Departamento del Cauca”, recoge la experiencia de cadenas productivas como la Serícola (Seda), con el fin de elaborar una metodología de intervención integral que opere bajo el principio de asociatividad como enfoque principal, además promueve la gestión del conocimiento, buscando contribuir en la conversión de las agrocadenas rurales del departamento del Cauca a cadenas de valor.

Los resultados de este proyecto se validan en la iniciativa: Uso de Enfoques y Herramientas de Inteligencia Competitiva Para la Articulación al Mercado de Redes de Agroempresas Rurales en el Cauca, cofinanciado también por COLCIENCIAS – Sena, cuyo objetivo es dotar a las redes de agroempresas rurales del Cauca de mecanismos innovadores de articulación al mercado basados en los principios y enfoques de inteligencia competitiva.

El artículo completo describe la propuesta de trabajo para implantar la estrategia integral en dos redes empresariales rurales: i) red horizontal piscícola y ii) red de nicho de mercados verdes – biocomercio (Flores exóticas Heliconias y Bromelias, Productos deshidratados de Plantas Aromáticas, Medicinales y Condimentarias, Productos Cosméticos Derivados de la miel, aprovechamiento de la fruta de Chachafruto, Mariposas, Caracol Comestible, Agroindustrialización de la Guadua, y Aceites Esenciales). Las dos redes citadas están conformadas por productores rurales de pequeña escala, situación que hace indispensable el uso de herramientas al alcance de estos actores, que sean pertinentes y posibles de emplear exitosamente y de acuerdo a la región en donde esperan operar. Este artículo hace énfasis en la integración de tres componentes de la estrategia integral, a saber: gestión tecnológica, gestión ambiental e inteligencia competitiva y la experiencia del análisis de estos aspectos en las cadenas productivas serícola y piscícola.

ESTRATEGIA INTEGRAL

La innovación presente en los proyectos en mención se focaliza en la estrategia de intervención competitiva de las cadenas productivas que facilita su conversión en cadenas de valor mediante: (i) la apropiación de esquemas de integración y articulación productiva basados en la asociatividad de los productores con soporte en inteligencia competitiva y gestión tecnológica para alcanzar los exigentes requerimientos de las demandas actuales, (ii) la generación de enfoques de articulación entre productores rurales y las entidades de apoyo que desarrollen la capacidad de autogestión en las organizaciones rurales y (iii) el desarrollo de una guía metodológica que facilite la difusión y apropiación entre las comunidades de productores rurales y entre las instituciones de apoyo locales.

Cada uno de los siete (7) componentes de la Estrategia Integral han sido formulados con el fin de llevar a las agrocadenas productivas a convertirse en cadenas de valor, sin embargo solo uno de los componentes es el directamente responsable de realizar las acciones necesarias para orientar y conducir la toma adecuada de decisiones para una cadena. Es el componente de vigilancia e inteligencia competitiva, el cual actuando como brújula contribuye a definir el enfoque al que cada agrocadena debe apostarle para lograr dicho fin, los demás componentes por su parte deben adaptar sus aplicaciones de acuerdo a dicho enfoque como es el caso de la gestión ambiental y la gestión Tecnológica

La metodología considera una fase de investigación seguida de una interacción social, como es inherente a los proyectos de investigación – acción; esto permite que la dirección que se tome luego de esta

interacción esté determinada por los actores y no por el equipo ejecutor del proyecto. Se han utilizado: estudios de caso, talleres, entrevistas, entre otras.

El proyecto asume que las cadenas productivas cuentan con amplia experiencia en las áreas estratégicas señaladas, no obstante carecen de procesos que puedan sistematizar y generar una replicabilidad que permita su aplicación en las demás cadenas productivas locales.

CONCLUSIONES

Una cadena productiva puede adoptar diferentes estrategias tecnológicas para las funciones asociadas a la gestión tecnológica, esto depende del nivel de evolución de la cadena productiva en cuanto a inventario, vigilancia, evaluación, enriquecimiento, optimización y protección tecnológica.

Las tecnologías empleadas para fomentar la asociatividad evolucionan en forma distinta en cada cadena productiva, es complejo replicar experiencias en virtud a las particularidades de las agrocadenas regionales, cada una es en sí misma un espacio nuevo para comprender.

Los grupos de investigación y centros de desarrollo tecnológico son responsables de brindar soporte a las agrocadenas en la actividad productiva, este es un aspecto vital para abordar problemas que no son de la competencia de los productores o artesanos debido a que son inconvenientes técnicos que requieren procesos de investigación en las tecnologías inherentes al proceso productivo.

Existe un esfuerzo desde lo ambiental en los encadenamientos considerados, las estrategias presentes son producción limpia y orgánica, sin embargo estas se encuentran en diferentes estadios de implementación y atienden los intereses particulares de cada encadenamiento. Los productores en general poseen una conciencia ambiental y reconocen las implicaciones de las intervenciones sobre el medio; sin embargo esto se relaciona más con un sentido filantrópico y de responsabilidad generacional que con las ventajas o mejoras que pueda traer la gestión ambiental al sistema productivo.

CUOTA ÓPTIMA DE CONTAMINACIÓN BAJO CONDICIONES DE DUMPING RECÍPROCO

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ABSTRACT

Este trabajo determina la cuota óptima de contaminación para la industria de un bien homogéneo exportable bajo condiciones de competencia oligopólica. Asimismo analiza cuáles son las consecuencias de las variaciones de tal cuota óptima bajo la utilización de ciertas políticas medioambientales y los efectos de su aplicación tanto para los consumidores de los países involucrados, las empresas productoras y el medioambiente en general; incluidas tales variables en una función de bienestar social.

INTRODUCCIÓN

El objetivo del presente trabajo es determinar la cuota de contaminación para la industria de un bien homogéneo entre dos países de similar tamaño, en la que una parte de la producción se consume localmente y otra se destina a la exportación, bajo condiciones de competencia oligopólica. Explica además cuales son las política ambientales derivadas de la obtención de la cuota óptima y las consecuencias de la implementación de tales políticas tanto para los consumidores, los productores y el medio ambiente de los países afectados.

Las consecuencias del cambio climático global como resultado, en su mayor parte, del consumo de combustibles fósiles ha incrementado los niveles de anhídrido carbónico en más del 18% comparado con los existentes en 1960, y según cálculos más conservadores en más del 31% a los existentes antes de la Revolución Industrial en 1750. Tales concentraciones de gases en la atmósfera está relacionada directa o indirectamente con el efecto de invernadero, el aumento de la temperatura global, las oscilaciones extremas de la temperatura en el mundo, el incremento en el nivel medio de los océanos, así como el aumento e intensidad de las tormentas, entre otros efectos adversos al medio ambiente, (ONU, 2004).

Por otra parte los efectos en la salud de la contaminación ambiental son muy notorios, tan sólo en las grandes ciudades se han incrementado los padecimientos respiratorios un 200%, las enfermedades intestinales un 110%, y los daños auditivos un 75%, de acuerdo al reporte de la Organización Mundial de la Salud 1997. Por otro lado, los desastres naturales debidos a los cambios climáticos han representado costos anuales promedio de 11,370 millones de dólares tan sólo en Estados Unidos, en el período comprendido de 1995 a 1999, cifra que se incrementó un 170% en el período 1999-2004 (Pielke y Klein, 2005).

No obstante, los gobiernos se muestran reticentes a aplicar políticas de control de emisión de contaminantes, o en instaurar medidas restrictivas al uso de recursos naturales ya que estas pueden generar aumentos significativos en los costos de producción y, como consecuencia provocar reducción en la competitividad de las empresas nacionales, así como la atracción de capital foráneo.

De esta forma el modelo desarrollado en este trabajo pretende determinar la cuota óptima de contaminación para el comercio entre dos países de similar tamaño para la industria de un bien homogéneo, situación frecuente en el comercio de bienes entre países en vías de desarrollo que no se identifican en los trabajos clásicos que hacen distinción entre países grandes y países pequeños. En tal

categorización podemos incluir buena parte de los países de Latinoamérica, además el estudio se refiere a bienes homogéneos por lo que podemos incluir una gran cantidad de bienes agrícolas e industriales, de esta forma el estudio hace particularmente aplicable los resultados obtenidos en la implementación de políticas medioambientales apropiadas, en países en vías de desarrollo que comercian entre sí. Políticas encaminadas a maximizar el bienestar tanto de consumidores y productores, así como el mantenimiento y protección del medioambiente.

EL MODELO

Consideremos el comercio de un bien homogéneo entre dos países A y B, en competencia oligopólica. El país A produce el bien tanto para consumo local, como para exportar al país B. Suponemos además que existen, n empresas en el país A, y m empresas en el país B; de tal suerte que la demanda en el país A, es igual a la producción para consumo local combinada de sus n empresas, más la producción destinada a la exportación combinada de las m empresas del país B.

Suponemos, también que ambos países poseen la tecnología adecuada para regular sus emisiones de contaminación. Sea z_A la cuota de contaminación por unidad producida del bien homogéneo en el país A y sea z_B la cuota de contaminación por unidad producida del bien en el país B.

Así, la cantidad total de emisiones contaminantes en el país A, es igual a la producción total del bien homogéneo en el país A, que está dado por la producción por empresa doméstica, multiplicado por el número de empresas participantes en el mercado del país A, por la cuota de contaminación permitida por unidad de producto.

Sea r la desutilidad marginal causada por la contaminación. El bienestar nacional en el país A, W_A , estará constituido por el excedente del consumidor del país A, el excedente del productor en el país A; menos la desutilidad total por emisión de contaminantes en el país A.

Si consideramos los costos marginales de producción del bien tanto del país A, s_A ; como del país B, s_B suponemos pues diferencias en las estructuras de costos entre los dos países. Tales costos son constantes, y por lo tanto, equivalentes a los costos variables promedio. Los precios del bien en cada uno de los países son respectivamente p_A y p_B .

Además el precio del bien homogéneo en el país A, es una función del nivel de producción de dicho bien en las industrias domésticas para el consumo local, y el nivel de producción del bien importado desde el país extranjero, de esta forma por simplicidad y sin pérdida de generalidad podemos considerar la función inversa de la demanda como lineal.

Sea además g es el costo marginal de abatir una unidad de contaminación, v_A y v_B , representan las cantidades de contaminación emitida antes de implementar la política ambiental.

Bajo las condiciones anteriores, y asumiendo cada empresa decide que proporción del bien se consume localmente, y que proporción se exporta. Bajo los supuestos de Cournot-Nash, tenemos la cuota óptima de contaminación óptima z^*_A . Además para que la función sea cóncava debemos tener que $r > g$.

Proposición 1. *En equilibrio no cooperativo, las restricciones óptimas son $z^*_A=0$ y $z^*_B=0$ si $r > g$*

Intuitivamente cuando el costo por abatimiento, r , es muy pequeño, la aplicación de la política ambiental lejos tener costos sólo tiene beneficios; porque aunque el costo por abatimiento afecta el costo marginal, este no es significativo; y por lo tanto, la disminución del excedente del consumidor, así como los beneficios de las empresas no disminuyen de manera importante. De esta manera, el gobierno impone la restricción máxima privilegiando el efecto positivo de tal política en la disminución sustancial de la contaminación, es decir, en la reducción del costo social por contaminar.

Proposition 2. *En equilibrio no cooperativo, las restricciones óptimas son $z^*_A > 0$ y $z^*_B > 0$ si $r \sim g$*

En este caso, g crece de manera significativa. Por lo tanto, dicho costo de abatimiento no resulta barato en términos económicos, por lo cual el gobierno permitiría cierta cuota de contaminación, que permita a las empresas locales seguir siendo competitivas al no representar un costo adicional significativo al costo marginal de producción. Además, los consumidores no serían muy dañados porque el precio no sería incrementado de forma sustancial. En tal caso, el gobierno autoriza a las empresas una cantidad de contaminación positiva; aunque esto implique una cantidad mayor de contaminación. Luego, la política ambiental favorece los efectos positivos en el beneficio de las empresas y del consumidor, aunque esto implique mayores índices de polución.

Proposition 3. *En equilibrio no cooperativo si $r \sim 2g$ entonces z^*_A y z^*_B dependen del tamaño de mercado.*

Dada esta situación, el signo de z^*_A es ambiguo, y depende del tamaño de mercado, si el tamaño de las importaciones es muy grande en comparación con la producción local, entonces es permisible cierta cuota de contaminación, en este caso la política ambiental favorecerá la productividad de la empresa local al permitir cierta cantidad de contaminación, actuando de manera proteccionista, al mismo tiempo que favorece el bienestar de los consumidores al no verse considerablemente afectado el precio de los bienes; no obstante el aumento inevitable de la contaminación. Pero si el tamaño de las importaciones no es lo suficientemente grande para contrarrestar el efecto del tamaño de la producción local, la mejor política ambiental es la restricción máxima, y en este caso el gobierno opta por proteger el medio ambiente, pues la disminución del costo social por contaminar tiene mayor peso que los beneficios esperados tanto de las empresas como de los consumidores.

CONCLUSIONES

Desarrollamos aquí un modelo oligopólico de Cournot, de equilibrio parcial, bajo condiciones de dumping recíproco entre dos países de similar tamaño, considerando únicamente empresas domésticas que destinan parte de su producción al consumo local y parte al mercado de exportación. Las empresas

generan contaminación en sus procesos productivos, pero a su vez, poseen tecnología apropiada para abatirla. Calculamos la cuota óptima de contaminación que maximice el bienestar en cada uno de los países. Asimismo, tales cuotas óptimas determinan la aplicación de políticas estratégicas bajo condiciones específicas que se relacionan con la estructura de costos de las empresas, particularmente el monto del costo de abatimiento por unidad de contaminación y su relación con la desutilidad por contaminar. Tales políticas tienen implicaciones importantes en la función de bienestar social en ambos países, que involucra el excedente del consumidor, el beneficio de las empresas y el costo social por contaminar.

Si el costo por abatimiento es muy pequeño en comparación con la desutilidad por contaminar, la política óptima consiste en imponer la cuota más restrictiva, en tal caso el gobierno privilegia el cuidado del medio ambiente, aunque eso implique un aumento el precio final del bien producido reduciendo al mismo tiempo, el beneficio de los consumidores y la ganancia de las empresas. Si el costo por abatimiento es muy grande comparado con la desutilidad por contaminar, entonces el gobierno permite cierta emisión de contaminantes, con lo cual se reducen los costos de producción lo cual incide favorablemente en las utilidades de las empresas y en el bolsillo de los consumidores, si bien la emisión de contaminantes aumenta significativamente incrementándose a su vez el costo social por contaminar.

El caso intermedio cuando el costo por abatimiento no es ni relativamente alto ni bajo, la política ambiental depende del tamaño del mercado de los países involucrados, si el tamaño de mercado de un país es comparativamente mayor al otro, entonces la regulación óptima consiste en imponer la cuota máxima a sus empresas, con lo cual incentiva las importaciones al provocar el incremento en los precios del bien producido por la empresa doméstica al aumentar los costos de producción. En caso contrario, cuando el tamaño de mercado de un país es comparativamente menos al otro, entonces la política óptima es consiste en permitir cierta cantidad de contaminación a las empresas locales, pues esto traería consigo, la reducción de los costos de producción de las empresas favoreciendo su competitividad, y eventualmente le exportación del bien producido.

De esta forma el modelo propuesto enfatiza la importancia del establecimiento racional de políticas ambientales estratégicas para actuar en dos sentidos; por un lado fortalecer la competitividad de las empresas y los beneficios esperados de los consumidores, y al mismo tiempo seleccionar las regulaciones que conduzcan al desarrollo sostenible de la economía; elementos integrados armónicamente en la función de bienestar de los países.

UN MODELO DE INTEGRACIÓN TEÓRICA: EL DODECÁGONO DE LA INTERNACIONALIZACIÓN

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ABSTRACT

La internacionalización, como fenómeno económico y empresarial, se caracteriza por una elevada complejidad conceptual y por una variada perspectiva analítica. Su estudio desde diferentes enfoques ha generado una extensa literatura sobre el tema en cuestión, que, sin duda, ha enriquecido el debate científico. Sin embargo, este fenómeno también ha adolecido de una cierta ambigüedad causal y explicativa ante las múltiples acepciones existentes y los distintos puntos de vista planteados. La revisión teórica efectuada nos muestra que los diferentes enfoques existentes han condicionado una cierta divergencia y contraposición en la determinación de los factores clave que explican la internacionalización de la empresa y su multinacionalización. Por ello, el principal objetivo de este trabajo es realizar una propuesta representativa de un planteamiento ecléctico, en aras a establecer una base sólida, sintética y complementaria. Para ello presentamos el dodecágono de la internacionalización como herramienta y, a su vez, prueba y señal de la factibilidad de integración teórica en esta temática.

INTRODUCCIÓN

La naturaleza verdaderamente compleja, dinámica y multidimensional del comportamiento internacional de la empresa (Dichtl et al., 1984) queda suficientemente plasmada en las múltiples acepciones, definiciones, métodos y escalas de medida de la actividad internacional de la empresa utilizadas en la literatura especializada en el tema en cuestión (Villarreal, 2005, 2007).

La complejidad de la internacionalización de la empresa y, especialmente su heterogeneidad justifica que hayan surgido numerosas teorías que intenten explicar este fenómeno. Sin embargo, cabe decir que no existe una única teoría que responda satisfactoriamente y de forma integrada a los distintos aspectos de la internacionalización, es decir, cada teoría se centra en uno o varios aspectos parciales del fenómeno (López, 2004).

Debido a la complejidad de la estrategia internacional no puede configurarse un único modelo válido, sino respuestas concretas a cuestiones particulares, aunque cada una de ellas puede ayudar a comprender y completar el “puzzle” del conocimiento de la actividad internacional de la empresa (Dunning, 1992; Pla y Suárez, 2001). Así, autores como Holmlund y Kock (1998), Coviello y McAuley (1999), Rialp (1999), Andersson (2000), Guisado (2003), Pla y León (2004) y López (2004) reconocen que para comprender la internacionalización es necesario tener en cuenta la contribución de distintas teorías.

La gran variedad de teorías que abordan la internacionalización han sido planteadas, como no podía ser de otra manera dada su complejidad, desde diferentes enfoques y perspectivas que permiten establecer ciertas agrupaciones y clasificaciones de las teorías en función de dichos enfoques y perspectivas.

FACTIBILIDAD DE INTEGRACIÓN TEÓRICA

Tratando de progresar en la consecución del marco teórico general ecléctico que integre y complemente las distintas perspectivas y enfoques teóricos sobre la internacionalización, hemos generado y diseñado una figura de geometría dodecágona que nos permita un avance científico relevante al respecto de la factibilidad real de un enfoque de complementariedad que permita un acercamiento entre las distintas teorías.

De esta manera, entendemos que las diferentes posturas teóricas explicativas del fenómeno de la internacionalización están relacionadas y se complementan entre sí, permitiendo avanzar a partir de la integración de sus propuestas hacia un marco teórico general ecléctico. El Dodecágono de la Internacionalización, mostrado en la figura 1, constituye una representación gráfica simplificada de dicho marco integrado, asimilando el planteamiento de complementariedad que perseguimos.

Figura 1: Dodecágono de la Internacionalización. Modelo de Marco Teórico Integrado



Fuente: Villarreal (2007).

CONCLUSIONES

El estudio pormenorizado de las diferentes teorías sobre la internacionalización nos ha permitido entender las distintas perspectivas utilizadas y, a través de éstas, comprender la heterogeneidad temática de las cuestiones a resolver en lo concerniente a este fenómeno empresarial. Si a lo largo de la literatura hemos encontrado, fundamentalmente, esquemas contrapuestos de argumentación, nosotros hemos pretendido fijarnos en aquello que acercaba las diferentes posturas teóricas para lograr un marco teórico integrador. Creemos que la configuración del dodecágono de la internacionalización representa una herramienta y, a su vez, una prueba y una señal de la factibilidad de integración teórica en este objeto de estudio.

No obstante, somos conscientes de algunas limitaciones en nuestras investigaciones. Así, respecto de la revisión teórica y la búsqueda de un marco teórico integrado, reconocemos haber realizado una discriminación factorial, justificada en la exhaustiva revisión bibliográfica efectuada. En cualquier caso, la base multifactorial propuesta a partir de aquélla parece incluso demasiado extensa para una modelización manejable. Este es uno de los riesgos percibidos ante la verdadera complejidad del fenómeno analizado. Adicionalmente, aunque se hayan presentado avances en la consecución del marco

teórico general en esta investigación, no podemos sino considerarlos muy humildes. Somos conscientes de que para la verdadera integración de teorías, relacionarlas no es suficiente.

Por otro lado, la búsqueda del marco teórico integrado debe seguir a partir del punto en el que aquí lo hemos dejado. Contrastando, en primer lugar, los avances logrados y retomando la tarea de construir puentes entre teorías. Persistiremos, por tanto, en nuestro planteamiento ecléctico que permita establecer una base más sólida y sintética que posibilite una ulterior integración y complementación de las distintas teorías existentes. En este sentido, seguiremos promoviendo la utilización del estudio de casos como metodología de investigación de esta temática al considerarla adecuada para aproximarse a ese modelo teórico ecléctico y unificado del que actualmente no se dispone, según la mayoría de los expertos y estudiosos de la materia.

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LA ADMINISTRACIÓN DEL CONOCIMIENTO DENTRO DE LAS ORGANIZACIONES: CASO DE UNA EMPRESA FABRICANTE DE MUEBLES

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RESUMEN

La gestión del capital humano es una opción que se abre a las empresas para concentrar sus esfuerzos y considerarla como una nueva herramienta a través de la cual se pueden ofrecer nuevas expectativas, utilizando para esto un modelo de escalera del saber que puede estar alineada a los planes futuros de la empresa. Con mayor frecuencia en las empresas se escucha que las personas que dejan el centro de trabajo por alguna circunstancia se llevan la experiencia y los conocimientos que empleaba en el desarrollo de sus tareas (Expertos); a raíz de ésta separación comienzan a surgir problemas debido a que nadie sabe cómo hacer de manera correcta de las tareas en el puesto correspondiente. En la empresa objeto de estudio cada empleado realiza actividades diferentes por ejemplo: medir, cortar o pintar el material, utilizar las diferentes máquinas y herramientas, tipo de clavos o tornillos utilizar dependiendo del material que se manipule, por esta razón cuando se ausenta un miembro surgen dificultades debido a que no se tenía previsto esa salida, y por consiguiente no hubo una persona que se hubiese capacitado para tomar el puesto del experto, generando con esto pérdidas de tiempo y por consiguiente mermas en las utilidades de la organización. Para conseguir la transición del conocimiento en la empresa se utilizó el instrumento escalera del saber de North y Rivas, ubicando el grado de conocimiento que la empresa tiene de sus procesos,. Con la practica de la presenta investigación se obtuvo como resultado respuestas mas rápidas y eficaces a problemas planteados, cumpliendo en tiempos especificados para entrega de pedidos.

ANTECEDENTES

LYR es una empresa que se dedica a la fabricación de todo tipo de mobiliario escolar y de oficina, como son sillas, sillones o bancos utilizados para sala de espera, mesa para computadora, librerías, archiveros, por mencionar algunos ejemplos. Tuvo sus inicios en Torreón Coahuila en el año de 1989, sin embargo por el año de 1994 y debido a la crisis que se suscito se vieron forzados a cerrar sus instalaciones, mas tarde en 1996 los dueños se trasladan a la Ciudad de Orizaba, Veracruz y por el año de 1998 se forma LYR, logrando con ello posicionarla por el diseño, funcionalidad e innovación; utilizando materiales resistentes pero tomando en cuenta la economía, lo que hace que se encuentren delante de sus competidores, siendo una de las mejores opciones dentro del ramo de muebles para oficina y escuelas con relación a calidad-precio; adaptándose además a las necesidades del cliente ya que se trabaja de forma personalizada y cuenta con gente altamente creativa en el diseño ergonómico en cada uno de sus productos.

Esta empresa cuenta con 3 departamentos; carpintería, estructuras metálicas y tapicería, esta empresa se encuentra inmersa en las operaciones de producción y tratando de satisfacer los requerimientos y necesidades de cada cliente, que no se percata de aquellos factores que pueden estar afectando directamente cada una de las áreas que la componen.

PROBLEMÁTICA OBSERVADA

Los trabajadores desconocen los objetivos, misión, visión y valores, y por ende no están comprometidos con los mismos, ya que no se encuentran plasmados en lugares visibles y tampoco se realizó ninguna inducción a la historia de la empresa, hasta el momento de la investigación se observa que el dueño no tenía interés por difundir el conocimiento de estos aspectos. Se detectan diversas carencias dentro de las que se encuentran; falta de estructura organizacional, no se contaba con ningún tipo de manuales que describan las funciones y responsabilidades de cada puesto y funciones, no tenían ningún sistema de evaluación, ningún sistema de información para la toma de decisiones, esto ocasionaba centralización del conocimiento y del poder en el dueño de la empresa.

Falta de un sistema que mejore la comunicación de las diferentes áreas de la empresa; lo ideal es contar con una base de conocimiento dentro de la empresa, esta debe contener información primordial, la cual guardará el historial de la empresa; registrando por ejemplo, las experiencias adquiridas por situaciones que se resolvieron y se aprendieron, las bitácoras de los proyectos realizados, los portafolios de clientes, el historial del desempeño de los proveedores, etc., en general toda la información que agregue valor a la empresa. Los trabajadores no han desarrollado un método de trabajo propio en el que puedan hacer con mayor rapidez, facilidad y eficiencia su trabajo, adicional a esto no existe ningún plan que los incentive económica o moralmente que los lleve a proponer mejoras a los procesos.

En repetidas ocasiones la entrega de la mercancía no se realiza en el tiempo y la forma especificados, provocando con esta situación que el cliente quede insatisfecho, esto puede ser por una débil administración de su capital humano, ya que se puede ver que el personal no cuenta con la experiencia y conocimientos suficientes para llevar a cabo ciertas tareas, y solo algunos trabajadores tienen mayores conocimientos y son los que se dedican a realizar esas tareas en específicas. En general dentro de la organización y en todas sus áreas no existe una buena distribución de los espacios con los que cuenta, se pudo notar que el área utilizada para la venta al público, es el mismo espacio para recibir la materia prima por lo que cada vez que llega algún pedido, todos los muebles ahí exhibidos tienen que ser movidos de lugar, y una vez que terminan de descargar los vuelven a acomodar en su lugar lo que provoca pérdida de tiempo, otra situación observada es que la materia prima no está organizada lo que puede generar la realización de pedidos innecesarios ya que en ocasiones se tiene en existencia y a causa de esta desorganización; en la producción existe tardanza al momento de suministrar dicho material a los trabajadores, también se pudo detectar una mala iluminación en la empresa, así como una deficiente estructura organizacional donde se definen las responsabilidades y el perfil de puestos para el personal que labora dentro de la misma.

La problemática expuesta anteriormente provoca que el empresario no plantee y evalúe los posibles beneficios y ventajas que obtendría si se implementará un modelo (escalera del saber) con la finalidad de tener una gestión de los conocimientos que son necesarios para la organización provenientes de su capital humano; de tal manera que se obtengan los mejores resultados, para que una vez implementada dicha herramienta esta pueda ser utilizada cada vez que se requiera por todo el personal que ahí labora, obteniendo así una mejora continua en toda la empresa en general.

LA GESTIÓN DEL CONOCIMIENTO

El conocimiento se puede decir que es una mezcla fluida de información contextual, valores, experiencias y reglas. El conocimiento se presenta de muchas maneras, incluyendo: conocimiento del proceso, conocimiento clasificado, y conocimiento derivado de la experiencia. Como ejemplo del manejo de los tres tipos de conocimiento se puede citar a los jugadores de ajedrez que necesitan utilizar todos los tipos de conocimiento:

- Tener representaciones mentales de los posibles movimientos de las piezas.
- Analizar jugadas estratégicas aprendidas de la experiencia de otros.

- Manipular los procesos de sus propias representaciones y experiencias.(www.gestiopolis.com/canales5/emp/pymecommx/65.htm, Abril 2006)

Consultando en el Internet existen diversas páginas que hablan de la gestión del conocimiento sin embargo se puede consultar específicamente la página:

(<http://www.mailxmail.com/curso/empresa/capitalhumano/capitulo5.htm>, Mayo 2006), se puede apreciar que hay tres pasos para encontrar y administrar el conocimiento:

1. Definición y elaboración de rutas de transferencia.
2. Equilibrar las necesidades de conocimiento con el plan estratégico de la empresa.
3. Capturar, capitalizar y homogeneizar el conocimiento.

Integrar apropiadamente el conocimiento en los procesos y las herramientas de trabajo ofrece una ventaja competitiva importante. Es importante que durante la implantación la dirección tenga que orientar su interés hacia la innovación y el desempeño, sobre todo si se requiere de conocimiento específico. No debe perderse de vista que los usuarios siempre proveen información importante para integrarla durante el diseño. Como complemento se puede observar que una empresa es una comunidad de personas organizadas para producir algo, su capacidad de producción depende de lo que habitualmente saben y del conocimiento que han adquirido en sus rutinas y en el engranaje de producción, y esto pone de manifiesto que los activos materiales de una empresa tienen un valor limitado a menos que las personas sepan que hacer con ellos.

El capital humano generalmente aceptado en el medio empresarial como la mano de obra dentro de una organización, y es el recurso más importante puesto que son los que desarrollan el trabajo en la producción de bienes o servicios para satisfacer necesidades de la sociedad y ubicarse en un sector del mercado para obtener utilidades. Es importante decir que los medios materiales sólo se convierten en un producto terminado cuando pasan por el proceso de producción realizado por la fuerza de trabajo de los obreros, éstos pueden hacer uso de herramientas de alta tecnología que dan soporte en la producción, o también pueden realizar el proceso en forma manual, o semi-automatizado.

Generalmente la Gestión del conocimiento inicia con una auditoria de “Activos Intelectuales” que resalta las fuentes, funciones críticas y potenciales cuellos de botella que obstaculizan el flujo de conocimiento desde la fuente hasta el punto de uso, de la misma manera busca proteger a los “Activos Intelectuales” del decaimiento, olvido o desactualización; busca oportunidades para mejorar los procesos de toma de decisiones, los servicios y los productos agregando inteligencia e incrementando el valor agregado.

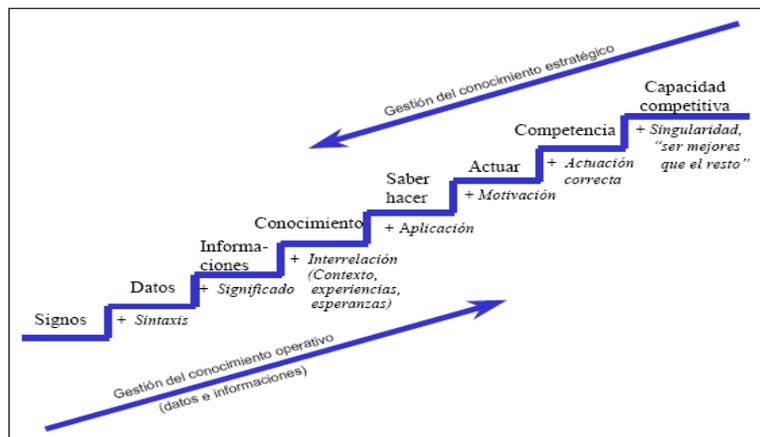
La era del conocimiento es una realidad patente. Hoy en día la economía basada en el conocimiento es más rentable que la de industria de productos y servicios. Las empresas más valiosas son aquellas que pueden administrar el conocimiento y orientarlo hacia el cliente para ofrecerle productos y servicios cada vez más valiosos. A continuación se mencionan una serie de ideas que han generado en base a la experiencia y el conocimiento adquirido para trabajar y capacitar a las personas y de esta manera adecuar un esquema de administración del conocimiento.

Empresas Orientadas al Conocimiento

El objetivo de las empresas orientadas al conocimiento es generar saberes o conocimientos a partir de las informaciones y convertir a éstos en ventajas competitivas sostenibles y mensurables como éxitos comerciales. Bayer AG ha formulado la relación entre conocimientos y negocio de la siguiente manera: “Investigación es la transformación de dinero en conocimientos. Innovación es la transformación de conocimientos en dinero”(North, Klaus y Roque R. Rivas, 2004). La empresa orientada al conocimiento significa ubicarse en una escala creciente haciendo una analogía con una escalera que North y Rivas llamaron la escalera del saber, en este instrumento ubicaron peldaños como se muestra en la figura 1, si un peldaño de la escalera no se establece, debido a la ausencia de compatibilidad de los datos,

información incompleta, motivación ausente del hacer, “se da un traspié” en el recorrido hacia una empresa inteligente, esto impide la puesta en marcha de estrategias comerciales o de negociación operativa.

Figura 1: Escalera del Saber



Fuente: North, Klaus y Roque R. Rivas, 2004

Básicamente la gestión del conocimiento tiene como objetivo aprovechar de forma óptima los conocimientos existentes, desarrollando y transformando los mismos en nuevos productos, procesos y campos de actividad económica, análogamente al capital financiero el capital de conocimientos debe aumentar, y de este modo elevar permanentemente el valor de la empresa. La gestión del conocimiento usando la escalera del saber presentan los siguientes beneficios:

- Las personas con menor experiencia pueden llevar a cabo tareas que antes solo estaban reservadas a las personas con experiencia de varios años.
- Los trabajadores con mayor experiencia pueden hacer mejoras a los procesos logrando con esto que la empresa sea más productiva.
- Si se diera el caso de reubicaciones o renuncias de los trabajadores, la sustitución es más sencilla.
- Si se cuenta con varias sucursales es posible intercambiar bases de conocimiento.

Como se puede observar los beneficios que se pueden obtener con esta herramienta son muy útiles y se puede aplicar en cualquier área de la empresa, no existe límite en el registro de los conocimientos que son requeridos para el buen funcionamiento de la organización.

Estudio de la Empresa

Con la observación de los procesos, se integro una matriz de conocimientos mostrada en la figura 2, la cual muestra el personal que labora en la empresa, quién y qué saben hacer en las tareas; identificando los conocimientos existentes; obteniéndose información desde quien es el experto hasta el trabajador que solo tiene los conocimientos básicos de lo que ahí se trabaja. por ejemplo en donde, para el doblado de metal los expertos son el Sr. Gabino y el Ing. Gregorio representados por la estrella color azul, aquellos que tienen un buen manejo representado por la estrella amarilla para este proceso son José Luís y Sr. Raúl; y finalmente representado por una estrella roja, aquellos que tienen conocimientos básicos son Mario, Sra. Lidia, Ing. José, Flemón y Leticia, a continuación se presenta el concentrado de los procesos dentro de la matriz de conocimientos.

Posteriormente a esta actividad se diseño para a los empleados un cuestionario que busca obtener la información necesaria en la metodología utilizando el modelo de la escalera del saber, así en cada preguntas los trabajadores

podieran identificar en que posición o nivel se encontraba la empresa involucrada y sensibilizada respecto a la gestión de conocimientos y a la vez, en que medida ellos sentían que estaban involucrados en esta nueva forma de trabajar y el compartir los conocimientos.

Figura 2: Matriz de Conocimientos

Procesos	San Luis	Arg.	Buenos Aires	Mendoza	Salta	La Plata	San Carlos	San Martín	San Nicolás	San Rafael	San Vicente	Rosario	Salta	San Juan	San Luis	San Martín
Debitos de metal	★			★		★		★	★	★				★	★	★
Hidrar	★			★		★	★	★	★	★				★		★
Corte de metal	★			★		★	★	★	★	★				★	★	★
Aplicado de pagamento	★	★	★	★	★	★	★	★	★	★		★	★	★	★	★
Empaque	★				★			★						★		★
Cocer en máquina	★							★						★		★
Tramado y corte de tablones	★	★	★	★	★			★						★		★
Pegado de PVC	★	★	★	★	★			★						★		★
Plata en aerosol	★	★	★	★		★	★	★						★		★
Plata por inyección	★	★	★	★		★	★	★	★	★				★		★
Pegado de aluminio	★	★	★	★	★	★	★	★	★	★		★	★	★	★	★
Debitos de Trilby	★			★		★	★	★	★	★				★	★	★
Cocer en horno chato	★			★		★	★	★	★	★				★		★
Cocer en horno circular	★					★	★	★	★	★				★		★

★ Experto
 ★ Muy bien
 ★ Conocimientos básicos

Se hizo una reunión para aplicar el cuestionario y resolver aquellas preguntas en donde se tuvieran dudas al contestarlo, y así de esta manera se concibieran respuestas claras en cada pregunta, con una escala para calificar a la empresa del número 1 (deficiente) hasta el número 5 (excelente). Se clasificara a la empresa, departamento o competidor en comparación con la media de las empresas del sector de actividad. Escalas:

- 1: deficiente, mucho peor que la media;
- 2: insuficiente, poco peor que la media;
- 3: satisfactorio, en comparación con la media;
- 4: bueno, mejor que la media;
- 5: excelente, mejor que la media.

Ahora bien, a través de la aplicación del cuestionario se busca identificar hasta que punto la empresa en cuestión se identifica y orienta hacia la transmisión de conocimientos. Dicho cuestionario representa solo una parte y se maneja una escala tipo Likert con valores del 1 al 5:

- 1: Deficiente, mucho menos que la media;
- 2: Insuficiente, poco menos que la media;
- 3: Satisfactorio, en comparación con la media;
- 4: Bueno, mas que la media;

5: Excelente, mucho mas que la media.

En la figura 3 se puede apreciar la estructura del cuestionario donde se reflejan dos aspectos del conocimiento; la sensibilización y la orientación hacia el conocimiento. En él se incluye información desde su mercados, inversionistas, con respecto al saber y aprender de cada individuo, si cuenta o no con una tecnología de información, entre otros factores, de esta forma se obtuvo la información necesaria y se pudo desarrollar los pasos de la metodología utilizando como herramienta el modelo de la escalera del saber, así en cada una de las preguntas, los trabajadores pudieron identificar en que posición o nivel se encontraba la empresa involucrada y sensibilizada respecto a la gestión de conocimientos y a la vez, en que medida ellos sentían que estaban involucrados en esta nueva forma de trabajar y el compartir los conocimientos.

Figura 3: Extracto de cuestionario orientado a los conocimientos (Gestión empresarial orientada al conocimiento, 2004)

Empresa insensible respecto a los conocimientos	1	2	3	4	5	Empresa orientada a los conocimientos
Nuestros mercados						
Mercados poco diferenciados						Las necesidades de los clientes son muy diferenciadas
Baja velocidad de innovación y largos ciclos de vida del producto						Alta velocidad de innovación y cortos ciclos de vida
Nuestras soluciones para los problemas de los clientes						
Trabajo y capital intensivos						Conocimiento intensivo
Fácilmente imitable						Difícilmente imitable
Sustituible						Actualmente no sustituible
Nuestros inversores						
Existe interés en la rentabilidad a corto plazo						Existe interés en un aumento continuo del valor de la empresa
Saber y aprender						
Se trata a la información como conocimientos						Los conocimientos se desarrollan a partir de las informaciones
Se aprende lentamente de otras empresas						Se aprende rápidamente de otras empresas
Se transfieren escasos o inefectivos conocimientos en la organización						El conocimiento es transferido en forma efectiva en la organización
No existe la transparencia del conocimiento						Se crea transparencia por medio de las páginas amarillas, mapas de conocimientos, destrezas y perfiles
Tecnología de la información y la comunicación						
El sistema no está a disposición de todos los trabajadores						El sistema conecta a todos los miembros de la organización
El sistema se orienta solo para uso interno.						El sistema pone en contacto a clientes relevantes, proveedores y otros soportes externos del conocimiento

Como un trabajo paralelo a la investigación con la aprobación del dueño de la empresa se desarrollaron las siguientes actividades que fueron un factor importante para el vance de la investigación.

- Se elaboró la base de conocimientos en un documento porque la mayoría de los trabajadores no tienen el conocimiento ni la experiencia para manejar una computadora.

- Se documentaron las medidas de seguridad que se deben tomar en cuenta en la manipulación de la maquinaria y herramienta que ahí se manejan, incluyendo las normas oficiales de seguridad de acuerdo al giro de la empresa.
- Se describió dentro de un proceso la operación y funcionamiento de la maquinaria y herramienta al elaborar un determinado mobiliario, señalizando paso a paso el manejo de la misma, desde que se prende la máquina hasta la velocidad y tipo de brocas dependiendo del material a utilizar por mencionar un ejemplo. Esto se realizó por cada uno de los procedimientos que se incluyeron dentro del proyecto.
- Se desarrolló un diagrama de operación correspondiente a cada procedimiento en donde se explica de manera gráfica la sucesión de pasos para un determinado mobiliario, mostrando los puntos principales para elaborar el mobiliario.
- Se elaboraron procedimientos en los cuales se explica en forma detallada la elaboración del mobiliario, a su vez incluye que personal y departamentos están involucrados, función de los responsables y autoridades de su inspección y aprobación, un glosario de términos que ahí manejan y en que documentos queda registrado todo lo anterior. Para cada proceso se hizo un diagrama de flujo especificando cuales son sus correspondientes de cada uno de ellos.

RESULTADOS

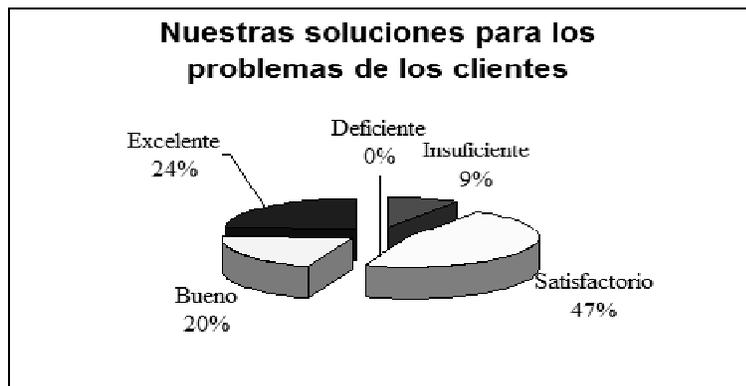
Los resultados se presentan en forma gráfica a continuación, se refieren a la segunda aplicación del cuestionario y se observó incremento en los porcentajes de conocimiento de cada factor comparativamente con la primera aplicación.

Figura 4: Resultados del Manejo de Mercados



En la figura 4 se muestra el conocimiento de los mercados a los que se dirige los productos de la empresa; aumentaron los porcentajes excelente y bueno con un 6% y 36% respectivamente; tomando en cuenta que las necesidades de los clientes varían, debido a que el mobiliario se realiza dependiendo de las necesidades de espacio en donde se colocan o requieren algún mueble con determinadas características, siguen contando con productos estándar y el grado de innovación que se realiza al mobiliario ahí fabricado tiene un grado intermedio, ya que no se le hacen modificaciones tan constantes, observándose un decremento favorable en la escala insuficiente.

Figura 5: Resultados de Soluciones para los Problemas de los Clientes



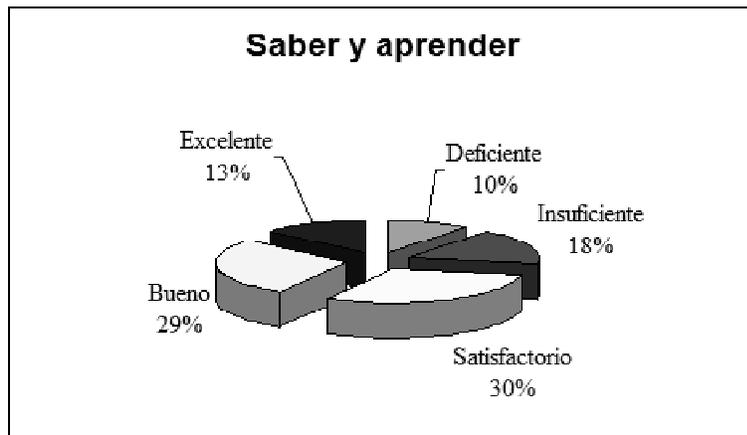
La Figura 5 muestra el porcentaje de satisfacción con las soluciones de la problemática presentada por los clientes; el nivel satisfactorio con un 47%, aun cuando este disminuyo respecto al cuestionario inicial se observa un incremento con respecto a la escala excelente subiendo a un 24% y disminuyendo el nivel insuficiente por lo cual se logro dar mayor respuesta a situaciones que se presentaron con los clientes. Se están haciendo mejoras a productos solicitados por los clientes y tratando de mejorar procesos reduciendo tiempo y costos.

Figura 6: Resultados de Nuestros Inversores



La Figura 6 muestra el grado de satisfacción de los inversionistas y como se observa hay un mayor porcentaje en satisfactorio, sin embargo se debe trabajar mas en esta parte para que funcione de manera optima. Actualmente se busca tener una mayor cobertura dándose a conocer por Internet en su página www.lyrmobiliario.com.mx e independientemente de esto, se esta participando en licitaciones, de esta manera los empleados pueden sentir que existe seguridad en su trabajo y por consiguiente continuar en él, sintiendo permanencia dentro de dicha empresa.

Figura 7: Saber y Aprender



La Figura 7 es la muestra mas representativa en cuanto a la base de conocimientos que se realizo (Saber y aprender), y por consiguiente se obtienen resultados bastante favorables debido a que se concientizo al personal para lograr transmitir los conocimientos entre los miembros de la organización, lográndose optimizar los procesos, se cuenta además con grupos de intercambio de información, se da la transparencia al transmitir los conocimientos, cuenta además con la base de conocimientos la cual respalda todo el conocimiento requerido por la empresa y sus trabajadores.

Figura 8: Resultado de Condiciones Organizacionales



La Figura 8 muestra que los empleados tienen mas conocimiento del lugar de trabajo donde desempeñan sus labores sin embargo hace falta un plan que involucre a los empleados con la misión, la visión, y los valores de la compañía.

Figura 9: Tecnología de Información y Comunicación



En la Figura 9 se puede observar que no existen las tecnologías dirigidas a concentrar los conocimientos, sin embargo ahora cuentan con información actualizada y el acceso es permitido, existiendo una administración de conocimientos entre los empleados. La base de conocimientos que se desarrollo cuenta con información fundamental, la cual tiene como objetivo guardar el historial de la empresa; registrando información acerca de conocimientos y experiencias acumuladas de aspectos a los que se les dio solución y se aprendieron de los errores para no volver a cometerlos, se lleva una bitácora de los proyectos realizados, si alguien se tiene que ausentar del trabajo por motivos ajenos a la empresa alguien más podrá realizar su trabajo, ya que se identifico plenamente quien o quienes pueden realizarlo debido a que tienen los conocimientos adecuados para llevarlo a cabo, se realiza un seguimiento de la cartera de clientes, disminuyeron las mermas, el personal con menor experiencia ahora puede realizar trabajos que estaban destinados a los expertos y estos a su vez pueden trabajar y desarrollar mejoras a los procesos; en general toda la información que agregue valor a la empresa. Los trabajadores han desarrollado sus métodos de trabajo propios en los que adquirieron mayor rapidez, facilidad y eficiencia su trabajo, definiendo así una nueva forma de trabajar.

Elaborar esta base de conocimientos, actualizarla, dar seguimiento a la resolución de problemas cotidianos, analizar las ventajas y desventajas de los proyectos realizados, mayor retroalimentación de las tareas que se desempeñan respecto a situaciones similares evitando cometer los mismos errores en el futuro y teniendo esta información disponible a todos los empleados, ha representado un medio de retroalimentar y contribuir entre ellos mismos, y les ha permitido proponer mejoras o innovaciones a los productos con lo que se cierra el ciclo de transmisión de conocimientos.

CONCLUSIONES

Al implementar la administración de conocimiento se encontró que el capital intelectual de la organización incrementó sus conocimientos de los procesos, logrando con esto que la empresa redujera sus desperdicios e incrementara el tiempo efectivo de trabajo.

Se creo una base de conocimientos para cada proceso en un manual y ahora es posible encontrar la forma de compartir sus bases de datos para eliminar la mayoría de situaciones problemáticas, desde luego que se debe cambiar el modo de pensar de las personas de tal forma que estén dispuestas a compartir sus conocimientos sin pensar que en algún momento dejaran de ser necesarios sino que al contrario, aumenten su capacidad intelectual y puedan resolver problemas que antes no podían.

Desarrollada la base de conocimientos de la empresa, se puede observar que las consultas son más fáciles y entendibles, además de que se encuentra a disposición de toda la empresa para cuando algún trabajador o directivo lo requiera o necesite consultar.

Entre las ventajas que se presentaron esta que las tareas destinadas a personal experto ahora pueden ser realizadas por personas con conocimientos básicos. Si la empresa cuenta con varias sucursales y posee intranet podrá resolver problemas similares de una sucursal a otra.

Hace falta cambiar la cultura o forma de pensar, ya que se cree que si una persona comparte sus conocimientos perderá valor dentro de la empresa y por consiguiente dejara de ser indispensable, por lo que esta es la parte mas difícil de cambiar. La empresa solo cuenta con una computadora y no esta accesible para todos los empleados, esto limita la obtención de los beneficios esperados por el empresario.

RECOMENDACIONES

Continuar implementando la gestión del conocimiento en la estructura organizacional, administrativa y en los procesos operativos, para obtener fluidez, rapidez y excelentes resultados si se aplica en toda la organización, de esta manera los empleados tienen la oportunidad de elaborar o mejorar los procesos que ellos desarrollan. a medida que la compañía vaya aplicando la administración del conocimiento en todos sus niveles para desarrollar nuevos productos, mejorar procesos y explotar el potencial humano, incrementará el valor de este conocimiento a nivel organizacional.

Apoyar y dar seguimiento a las mejores prácticas agregando valor a la empresa, incentivando a los empleados para que participen en ellas. Es necesario documentar en detalle las mejores practicas de cada empleado, debido a que el conocimiento que tiene cada uno es de vital importancia y que este conocimiento a su vez sea plasmado en un documento o base de datos que pueda ser consultado por toda la organización, ya que en la mayoría de las veces los conocimientos se transmiten de manera informal, generándose con esto un conocimiento tácito entre las personas, esto es un buen inicio para la transmisión de conocimientos

Replantear la misión, visión y valores se propone involucrar al personal de la empresa de tal manera que estos se comprometan en el cumplimiento de los mismos, y al momento de contratar a nuevo personal compartíselos; teniendo así, información del lugar donde trabajan, y a los empleados actuales en una próxima reunión pasarles un documental que actualmente existe en la empresa.

Colocar el organigrama de la empresa en donde todos puedan verlo, además se debe incluir un manual de descripción de cada puesto, para la parte administrativa y para la parte operativa, una vez terminado este manual, hacer del conocimiento de cada uno de los empleados y tener una sesión de retroalimentación para lograr un manual productivo y eficiente.

Considerar que la tecnología es un arma esencial para que las empresas puedan documentar su conocimiento, y poder hacer uso de él, así como también el tenerlo a disposición de todos sus empleados que lo requieran, sobre todo en el área operativa. La manera de documentar y usar este conocimiento hará que la empresa genere una ventaja en cuanto a la organización pueda aprender a resolver sus problemas de rutina y los complejos de igual manera.

Se puede implementar estrategias dirigidas a mejorar los ambientes de trabajo y crear hábitos de calidad en las personas, centrándose en la eliminación de perdidas de espacio, tiempo, movimientos, entre otros, creando ambientes seguros, saludables, agradables y productivos.

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LOS PUERTOS DE AMÉRICA LATINA EN EL NUEVO MILENIO

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ABSTRACT

América Latina, en la última década, se ha visto en la necesidad de transformar la infraestructura portuaria con el fin de satisfacer las necesidades del transporte marítimo y el incremento del intercambio comercial; sin embargo, estas transformaciones no se encuentran acordes del sector transporte y portuario a nivel mundial. Es por ello, que el presente trabajo de investigación se centra en analizar los cambios sufridos por los principales puertos latinoamericanos en el nuevo milenio. Metodológicamente, esta investigación se insertó dentro de la modalidad documental, utilizando un diseño de tipo bibliográfico a través de la técnica de análisis cualitativo-cuantitativo documental. Como resultado del estudio se concluye que los puertos latinoamericanos se estén inclinando hacia el desarrollo de una nueva estrategia que los convierta en centros nodulares de la cadena logística, a través de la eliminación total del monopolio estatal, el acceso al capital privado y el fomento a la sana competencia. Por otro lado, este sector se encuentra en la promoción del uso de las tecnologías de información y comunicación como elemento clave en el intercambio comercial porque así reduce la intermediación, aumenta la productividad, integra la cadena logística e incrementa las posibilidades de los entornos móviles.

LOS PRINCIPALES PUERTOS LATINOAMERICANOS EN EL NUEVO MILENIO

Durante la década de los setenta, las actividades portuarias se vieron afectadas por la rápida adopción de las modalidades de carga contenedorizada y la aparición de grandes naves portacontenedores y buques petroleros, que demandaron transformaciones tanto en las instalaciones como en la infraestructura portuaria

En los años ochenta, los países de América Latina y el Caribe, observaron que la calidad de los servicios portuarios estatales, el equipamiento y las instalaciones, no correspondían a los estándares internacionales, particularmente, porque se observaban reformas sustanciales en el modelo de organización portuaria.

Para ese momento, el sistema portuario de la región se caracterizaba por tener puertos regulados y centralizados, en los cuales el Estado era responsable de la construcción, mantenimiento, administración y operación, lo cual limitaba la competencia portuaria y el desarrollo de actividades de inversión, mantenimiento y operaciones. El presupuesto del puerto dependía de los aportes del gobierno central así como del ingreso producto de las tarifas y gravámenes aplicados a los usuarios privados y no privados del puerto, lo que trajo como consecuencia que la inyección de capital financiero fuera disminuyendo y las tarifas portuarias alcanzaran niveles extremadamente elevados con relación al deber ser.

Ante esta situación, en la década de los 90 la industria portuaria en América Latina inició sus primeros intentos de modernización, que para algunos expertos fue definido como el nuevo Modelo Latinoamericano, en el cual los puertos públicos eran del tipo Landlord y las concesiones se otorgaban con una duración de doce a treinta años, con el objeto de promover la inversión privada para la modernización tanto de la infraestructura como de la superestructura del puerto. (Hoffman J., 2000).

Estas reformas portuarias se dieron en países como Argentina (1992), Brasil (1993), Colombia (1991), Chile (1981), México (1992), Panamá (1994), Uruguay (1992) y Venezuela (1991), lo que provocó:

aumento de la oferta de infraestructura y equipamiento, mediante una fuerte reinversión portuaria por parte de concesionarios y operadores privados, consolidación de la prestación permanente de servicios suministrados por los operadores privados, incremento de movimiento de contenedores, reducción de costos de operaciones, disminución del tiempo de estadía de los buques en puerto, oportunidades para el desarrollo regional, entre otros. Sin embargo, este impacto ha sido inferior si se compara con el impacto obtenido en países desarrollados. (Gallegos C., 2003).

En América Latina, según la Asociación Latinoamericana de Integración. (2002), predomina el modelo de gestión Landlord Port, en el cual la mayoría de los puertos son propiedad del Estado y la participación del sector privado se realiza mediante procesos que van desde la transferencia de la gestión mediante concesiones, hasta la privatización parcial o total.

Ahora bien, todas estas reformas portuarias que se dieron en Latinoamérica y que han dado paso a nuevas formas de gestión con la presencia de operadores privados y regímenes regionales o municipales, se han llevado cabo con el fin de elevar la productividad del sector y mejorar la competitividad, resaltando el liderazgo de Argentina, así como los avances y el progreso observados en Colombia, México, Brasil, Uruguay, Chile, Panamá y Venezuela, entre otros. Sin embargo, ante los retos portuarios que impone la nueva era, en el cual la globalización de la economía mundial, el modelo de desarrollo de apertura económica y liberalización comercial, impactan directamente a la industria marítima portuaria global, los puertos de América Latina deben centrarse en el desarrollo de una nueva estrategia que los convierta en centros nodulares de la cadena logística, a través de la eliminación total del monopolio estatal, el acceso al capital privado y el fomento a la sana competencia.

Para ello, deben introducirse cambios que no sólo garanticen la privatización a nivel operativo sino también a nivel gerencial, de manera que los esfuerzos se dirijan hacia el ofrecimiento de puertos modernos y eficientes, a través de infraestructuras portuarias especializadas en transbordo, que exhorten a las adquisiciones y desarrollo de la tecnología portuaria, así como el desarrollo coordinado del puerto con la ciudad, la facilitación de la actividad portuaria, incluyendo el mejoramiento de las aduanas, el desarrollo de los recursos humanos y la cooperación internacional, entre otros.

Los países de América Latina y el Caribe dependen más del comercio de bienes que la mayoría de los países desarrollados. Una reducción en los costos de transporte internacional redundaría favorablemente sobre el comercio de los países de esta región y podrían lograrlo, mejorando la productividad portuaria. En el transporte marítimo y en las transferencias de carga en los puertos, los rendimientos y costos están estrechamente relacionados con la economía de escala, es decir que los puertos que atraen más carga contenedorizada por año, son aquellos que ofrecen menor estadía en el muelle por cada TEU (menores rendimientos y costos). Sin embargo, puede darse el caso, de puertos con mayor rendimiento, capaces de atraer más carga por año debido a que los mismos se encuentran ubicados en sitios estratégicos que permiten compensar el elevado costo con la reducción de distancia, o por el contrario, el país o la región demanda grandes cantidades de bienes, que la frecuencia de viajes compensa el alto costo por rendimiento.

Se hace necesario que la región brinde instalaciones portuarias modernas y eficientes, ofreciendo puertos especializados de transbordo de carga contenedorizada. Actualmente, los puertos de Latinoamérica que están operando como centros de transbordo, porque muchas empresas navieras están concentrando sus cargas en ellos, son: Freeport (Bahamas), Buenos Aires (Argentina), Kingston (Jamaica), Colón (Panamá) y Santos (Brasil).

El Puerto de Santos ubicado en Brasil, para el 2005 ocupó el primer lugar en el manejo de contenedores a nivel de América Latina y el Caribe con un total de 2.268.000 TEU's/año, seguido por Puerto Colón (Panamá) con 2.054.000; Puerto de Kingston (Jamaica) con 1.671.000 y Puerto de Buenos Aires

(Argentina), que manejó 1.370.000 contenedores/año, lo que indica, que estos puertos están sirviendo de concentradores de carga que luego es distribuida a otros puertos de la región y adicionalmente, cuentan con modernos recursos técnicos para la movilización de mercancías y terminales especializados que permiten que se incremente la eficiencia de los mismos. (CEPAL, 2006).

Ahora bien, la tendencia en el sector portuario está dirigida a que el Estado adopte un nuevo papel, que lo convierta en un ente que crea regulaciones y normas, pero que deja en manos de las autoridades regionales su operación. Estas autoridades otorgan en concesión, algunos o todos los servicios portuarios a empresas privadas, sean éstas nacionales o internacionales, con el objeto de lograr mejoras tecnológicas, modernización portuaria, reducción de mano de obra, reducción de tiempo de estadía de las embarcaciones en puerto, reducción de costos y tarifas, y por último, aumento de la competitividad y el tráfico.

Otra tendencia para los puertos de América Latina está dirigida a que adopten el modelo de gestión pública de titularidad estatal, autónoma y descentralizada, conocido como Landlord, en el cual el Estado mantiene la propiedad de la infraestructura y la gestión en materia estratégica, de operación e inversión reposa en el sector privado. Así mismo, el actual milenio abre nuevas posibilidades en las áreas de operaciones y sistemas portuarios. En cuanto a los tipos de carga, la unitización de la carga sobre la base de los contenedores ha revolucionado al sector marítimo, lo que ha provocado la construcción de nuevos terminales, conocidos como superpuertos de transbordo, que ofrecen servicios especializados y automatizados, y mayor capacidad para albergar contenedores.

No obstante, América Latina no presenta los mismos niveles de comercio que tiene Europa, Asia y Estados Unidos; sin embargo, el Ing. Souza Adalmir, en la Conferencia sobre Administración Ejecutiva para América Latina y el Caribe (2005), opinó que los países de la región, deben llegar a un acuerdo que permita crear un puerto de transbordo que enlace con los océanos Pacífico y Atlántico, que ofrezca modernización en las áreas de operaciones y sistemas portuarios y que satisfaga los intereses de todos los países participantes (MERCOSUR, CARICOM y el PACTO ANDINO), con el objeto de lograr economías de escalas y costos competitivos.

Otra propensión para este sector, se encuentra en la promoción del uso de las tecnologías de información y comunicación (TIC), elemento clave en el intercambio comercial; las redes de transporte e información están cada vez más vinculadas. Los centros de transbordo, las alianzas en servicios, la contenedorización y los portales de información, contribuyen a introducir a los países de América Latina y el Caribe en las redes mundiales, lo que trae como consecuencia nuevos riesgos y oportunidades para los operadores logísticos y sus clientes.

Muchos gobiernos latinoamericanos están formulando estrategias y planes de acción para el desarrollo de la sociedad de la información en general y del comercio electrónico en particular. Al mismo tiempo, se han puesto en marcha diversas iniciativas regionales e internacionales que contribuyan con el desarrollo de las TIC's, a fin de facilitar en cada uno de los países y entre fronteras y puertos, las operaciones de intercambio comercial.

REFLEXIONES FINALES

El panorama de los puertos latinoamericanos se está inclinando hacia el desarrollo de una nueva estrategia que los convierta en centros nodulares de la cadena logística, a través de la eliminación total del monopolio estatal, el acceso al capital privado y el fomento a la sana competencia.

Los países de América Latina y el Caribe deberían buscar una reducción en los costos de transporte internacional, lo que redundaría favorablemente sobre el comercio de los países de esa región y podrían lograrlo, mejorando la productividad portuaria mediante la reducción de tiempo del buque en los puertos, mejores equipos y disminuyendo los costos portuarios.

Otra propensión para este sector se encuentra en la promoción del uso de las tecnologías de información y comunicación (TIC), elemento clave en el intercambio comercial porque reduce la intermediación, aumenta la productividad, integra la cadena logística e incrementa las posibilidades de los entornos móviles.

Las autoridades portuarias deberían adoptar el modelo de gestión que incentive la participación privada, lo que provocaría una mayor contribución en los procesos de concentración de servicios y por ende, mayor cantidad de inversiones en tecnologías, técnicas, recursos humanos, entre otros.

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TENDENCIAS MUNDIALES DE LA EDUCACIÓN SUPERIOR EN AMÉRICA LATINA Y EL CARIBE Y EL PAPEL DE LOS ORGANISMOS MULTILATERALES EN EL PROCESO DE TRANSFORMACIÓN UNIVERSITARIA

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ABSTRACT

El presente artículo tiene como objetivo mostrar a través del análisis global de varios documentos, las tendencias mundiales de la educación superior en América Latina y el Caribe y el papel de los organismos multilaterales en el proceso de transformación universitaria. Los documentos seleccionados tienen diversos alcances: mundial, los de la Organización de las Naciones Unidas para la Educación, la Ciencia y la Cultura (UNESCO) y los del Banco Mundial (BM); regional, los del Banco Interamericano de Desarrollo (BID). En ellos se examinaron la situación que guarda la educación superior en el mundo actual, así como los retos que enfrenta ante las nuevas realidades de la sociedad del conocimiento y la globalización. La investigación se desarrolló en dos momentos, en un primer momento, se revisaron las tendencias que están siguiendo los cambios en los sistemas de educación superior a nivel de latinoamericana y el Caribe, y en un segundo momento, se analizan las consideraciones de la UNESCO, el BM y el BID sobre los principales problemas que aquejan a la educación superior en el mundo contemporáneo y la región latinoamericana y Caribeña. A manera de conclusión, se puede decir que el debate de la reforma universitaria en América Latina y el Caribe se centra en propuestas orientadas: a) establecer relaciones con el sector productivo (ciencia y tecnología), b) buscar fuentes alternativas de financiamiento para responder a la crisis fiscal de los estados, c) incorporar sistemas de información para responder a los desafíos académicos derivados de la globalización e integración, d) responder a las necesidades de integración económica y e) incorporar nuevos sistemas de gerencia que lleven adelante los procesos de evaluación, acreditación y reforma institucional.

INTRODUCCIÓN.

Entre los signos de la contemporaneidad se encuentra la interconectividad planetaria que se refleja en la simultaneidad con que las transformaciones globales impactan a las instituciones y organizaciones de la sociedad. En el caso de las instituciones de educación superior, este impacto es apreciable en la medida en que se consideren a estas corporaciones del conocimiento como instituciones abiertas al saber universal, cuya dinámica de producción y difusión han alcanzado niveles de mucha rapidez e intensidad.

Este fenómeno determina que las transformaciones de las instituciones universitarias sean de una gran complejidad, ya no sólo son productos de influencias derivadas de factores nacionales y locales, sino son fuertemente marcadas por tendencias mundiales, que derivan en la pérdida creciente de autonomía institucional interna en la gestión y la dinámica de esas transformaciones. En consecuencia, esta investigación tiene como objetivo mostrar a través del análisis global de varios documentos recientes, tanto de algunos investigadores expertos en la materia como de los organismos multilaterales, las tendencias actuales de la educación superior en Latinoamérica y el Caribe.

A partir de estos documentos, en primer lugar, se revisan de un modo amplio, las tendencias que están siguiendo los cambios en los sistemas de educación superior a nivel de latinoamericana, mediante el estudio y análisis de documentos de investigadores en el área de la educación superior y en segundo lugar,

se analizan las consideraciones de la UNESCO, el BM y el BID sobre los principales problemas que aquejan a la educación superior en la región latinoamericana y caribeña.

TENDENCIAS DE LA TRANSFORMACIÓN DE LA EDUCACIÓN SUPERIOR EN AMÉRICA LATINA

En lo que corresponde al contexto latinoamericano, Delgado (2004) citando a Yarzabal (1998) destaca, que las principales tendencias a que están sometidas las universidades de América Latina y que influyen, de manera categórica y determinante, sobre el cambio institucional, se pueden sintetizar de la siguiente forma:

a) *Primera tendencia: expansión cuantitativa.* Esta tendencia está relacionada con el crecimiento, tanto del número de estudiantes y docentes como de instituciones de educación superior y está vinculada con la implantación de lo que se ha denominado la política educativa de puertas abiertas, donde la meta fundamental ha sido el desarrollo de la posibilidad de ofertar cupos a una gran mayoría de la población estudiantil con el propósito de superar la desigualdad en el acceso a estas instituciones y diversificar ampliamente el espectro de las ofertas y oportunidades de estudio. Esta tendencia incide de manera contundente en la calidad del proceso educativo y constituye una de las mayores restricciones para asumir las grandes transformaciones que demanda la universidad.

b) *Segunda tendencia: multiplicación y diversidad de las instituciones de educación superior.* Este proceso de crecimiento cuantitativo del subsistema de educación superior estuvo también vinculado con las políticas de modernización y diversificación del subsistema, lo cual derivó en un crecimiento muy importante en el número de instituciones de educación superior. *En América Latina, las instituciones de educación superior aumentaron de 75 en 1950 a 4 mil en 1992* (Yarzabal, 1998: 19). Estas instituciones de educación superior mantienen una creciente diversidad y complejidad de acuerdo con las áreas de su competencia. Sobre todo, hubo un crecimiento muy significativo de instituciones no universitarias como institutos tecnológicos, escuelas politécnicas, institutos para formación docente y de postgrados y colegios universitarios.

c) *Tercera tendencia: crecientes restricciones financieras:* El financiamiento público limitado ha sido una de las restricciones principales que se oponen al proceso de cambio y desarrollo del sistema de educación superior, imponiendo una tensión creciente en las universidades para recuperar costos, a encontrar otros fondos y a interpretar con estrechez la necesidad de autonomía, sobre todo, a partir de la década de los ochenta cuando la situación económica sufrió una crisis sin precedentes que estremeció las bases de los modelos de desarrollo de estos países y disminuyó considerablemente el gasto público derivando en un deterioro de las instituciones públicas, particularmente, de las de educación superior.

Identificadas las tendencias a que están sometidas las universidades de América Latina, el análisis se orienta a presentar un panorama general de las propuestas de los organismos multilaterales acerca de los problemas de la educación superior que han sido señalados hasta aquí para el ámbito latinoamericano. Desde esta perspectiva, conviene tener en mente la naturaleza y los alcances de las propuestas de política que los organismos mencionados promueven en los distintos países, sobre todo, en los que forman parte de los llamados países en desarrollo.

LA POSICIÓN DE LA UNESCO CON RESPECTO A LA TRANSFORMACIÓN DE LA EDUCACIÓN SUPERIOR.

Para este organismo internacional, la educación es su principal actividad y prioridad, en este sentido, sus fines están dirigidos a lograr la educación básica para todos adaptada a las necesidades del mundo actual, así como el pleno desarrollo de la educación superior. En el Informe de la Metamorfosis de la Educación

Superior, la UNESCO (2006) se reconoce la necesidad de desarrollar y poner a la disposición de todos los interesados la más amplia base posible de conocimientos sobre los sistemas de educación superior de América Latina y el Caribe, en función de mejorar las condiciones para la cooperación y contribuir efectivamente al mejoramiento y transformación de la educación superior, bajo criterios de calidad, equidad y pertinencia.

El documento en cuestión identifica seis principales tendencias comunes a los sistemas y las instituciones de educación superior en el nivel mundial: en primer lugar, la autonomización, en segundo lugar, la privatización, un alto porcentaje de la educación superior es privada y la tendencia parece ser hacia el aumento de esta proporción, el proceso parece ser el producto del vaciamiento de la responsabilidad política y social del Estado, en tercer lugar, el papel en la sociedad, hay una creciente exigencia de pertinencia social, los productos de la docencia y la investigación no parecen ser del todo “útiles” para enfrentar los problemas sociales, económicos y políticos de la sociedad actual, la universidad latinoamericana y caribeña no parece soportar una auditoria académica y un análisis de relación costo/beneficio, en cuarto lugar, la modernización-virtualización, la educación a distancia/virtual gana cuerpo en el ámbito privado, mientras que encuentra resistencia en el ámbito público, especialmente profesoral. El uso de la Internet plantea retos epistémicos, didácticos y operativos que la universidad latinoamericana y caribeña no discute, en quinto lugar, los cambio de paradigmas: el formato positivista de la investigación universitaria, el predominio de modelos pedagógicos/andragógicos fracasados, la estructura disciplinaria, simplificadora, reduccionista del saber y su traducción en “carreras”, Escuelas y Facultades y en sexto lugar, el gremialismo representado por la dominancia de la lógica de los intereses de grupos y gremios.

Antes de pasar a la revisión de los documentos del Banco Mundial, conviene resaltar que los análisis y propuestas de la UNESCO representan la culminación de largos y elaborados procesos de construcción de consensos en los que participan grupos de expertos de muchos países afiliados a dicha organización. Hay que apuntar la repercusión que habrá de tener, para bien o para mal, la creciente colaboración de la UNESCO y el Banco Mundial, pertenecientes ambos al sistema de las Naciones Unidas.

LA POSICIÓN DEL BANCO MUNDIAL ANTE EL DESARROLLO DE LA EDUCACIÓN SUPERIOR.

La propuesta del Banco Mundial (2000) contenida en el documento 'Educación Superior en países en vía de desarrollo: retos y desafíos', encargado a un grupo de expertos (*task force*) de 13 países, los cuales no forman parte del staff regular del Banco, llegaron a la conclusión de que sin más y mejor educación superior, será cada vez más difícil que los países en desarrollo alcancen los beneficios de la economía global basada en el conocimiento.

El grupo de expertos que elaboró este documento cree firmemente que una acción urgente para expandir la cantidad y mejorar la calidad de la educación superior debe ser una de las prioridades en el desarrollo de un país. En consecuencia, señalan la necesidad de tomar acciones en cuatro grandes áreas, a saber: primero, *el financiamiento*, en el que se sugiere un modelo mixto para maximizar las contribuciones del sector privado, los individuos e instituciones filantrópicas y los estudiantes. Se exhorta a contar también con mecanismos de financiamiento público más consistentes y productivos, segundo, un uso *más efectivo de los recursos* (capital físico y humano), incluyendo el acceso urgente a las nuevas tecnologías necesarias para conectar a los países en desarrollo con las principales corrientes intelectuales en el nivel global, tercero, *el gobierno de las instituciones universitarias*, se proponen una serie de principios de buen gobierno y se discuten las herramientas para promover su puesta en marcha; se postula que una mejor administración conducirá aun despliegue más efectivo de los recursos y cuarto, *el desarrollo curricular*, especialmente en dos campos contrapuestos: ciencia y tecnología y educación general. para que continúen aprendiendo conforme se desarrolla su entorno.

Entre las nuevas realidades que contiene el documento, vale la pena destacar que el cambio demográfico, el aumento en los ingresos, la urbanización y la creciente importancia del conocimiento y las habilidades se han combinado para asegurar que, en la mayor parte de las naciones en desarrollo, la educación superior haya dejado de ser una empresa cultural sólo para la élite. Sin embargo, la expansión, tanto pública como privada ha sido desenfrenada, sin planeación y con frecuencia, caótica. Lo anterior ha dado como resultado un deterioro en la calidad y una continua inequidad entre regiones y países, así como un aumento en la oferta de educación superior con fines de lucro. Por tanto, la tarea más formidable que los países en desarrollo están enfrentando es expandir sus sistemas de educación superior y mejorar su calidad en medio de continuas restricciones presupuestarias.

LA ESTRATEGIA DEL BANCO INTERAMERICANO DE DESARROLLO PARA REFORMAR LA EDUCACIÓN SUPERIOR EN AMÉRICA LATINA Y EL CARIBE

El documento titulado 'Educación Superior en América Latina y el Caribe: Papel Estratégico', expresa la posición del Banco Interamericano de Desarrollo (1997) acerca de la enseñanza superior en la región, así como la estrategia para promover su mejoramiento. Se pretende, asimismo, tomar en cuenta lo que hay más allá de las universidades y las tareas sociales con las que se les asocia. Uno de los argumentos centrales del documento es que el desempeño de la educación superior en América Latina y el Caribe varía sustancialmente entre los diferentes países y sectores, así como entre instituciones y unidades internas de las propias instituciones. Dicha variabilidad se debe a lo diverso de las funciones de los establecimientos universitarios.

En otra parte del documento se revisan tres aspectos cruciales de la política para el sector: equidad y subsidios públicos; incentivos, financiamiento y gobierno, y mejoramiento de la calidad y el control. Por último, se señala que el BID apoyará las solicitudes que tengan como meta favorecer amplias reformas que razonablemente busquen mejorar la calidad y la eficiencia. Otro objetivo es apoyar programas cuyos resultados excedan los beneficios que puedan obtener los estudiantes en forma individual. También se favorecerán las solicitudes que promuevan la igualdad, como por ejemplo, becas a estudiantes con carencias económicas y ayuda a instituciones de países y regiones depauperadas.

Se considera, en consecuencia, que un proyecto típico contendría una partida presupuestaria para la reforma organizacional que sería administrada por las autoridades educativas y un fondo competitivo para apoyar las iniciativas de instituciones individuales o a programas dentro de las instituciones. Por lo que se observa en esta apretada síntesis de la propuesta del BID, su enfoque guarda algunas semejanzas con las del BM, en cuanto a la búsqueda de eficiencia y calidad a través de reformas en la estructura académica y administrativa de las instituciones.

CONCLUSIÓN

A manera de conclusión, se puede decir que el debate de la reforma universitaria en América Latina y el Caribe se centra en propuestas orientadas: a) establecer relaciones con el sector productivo (ciencia y tecnología), b) buscar fuentes alternativas de financiamiento para responder a la crisis fiscal de los estados, c) incorporar sistemas de información para responder a los desafíos académicos derivados de la globalización e integración, d) responder a las necesidades de integración económica y e) incorporar nuevos sistemas de gerencia que lleven adelante los procesos de evaluación, acreditación y reforma institucional.

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DISERTACION DE LOS RESCATES BANCARIOS EN MEXICO

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ABSTRACT

INTRODUCCION

El presente artículo tiene como centro de estudio los procesos de rescate bancario en México, llevados a cabo desde 1994 a la fecha, para asegurar que las decisiones tomadas en sus órganos de gobierno sean con estricto apego a la legislación vigente. Se pretende conocer y comprender el criterio de compra y venta de los bancos ya que de acuerdo a información publicada por el mismo instituto el precio de compra es mucho más elevado que el de venta con el objeto de prever el daño político, social y económico en la escala financiera futura del país con estricto apego a la ley.

El 19 de Diciembre de 1994, el mandatario mexicano Dr. Ernesto Zedillo Ponce de León, fue advertido por parte del Banco de México, que las reservas en dólares estaban por agotarse pues habían sido utilizadas en un intento desesperado por mantener el peso a flote, entonces el presidente de la república tuvo que tomar una decisión trascendental, devaluar la moneda un 15% esta medida resulto inútil pues el peso fue rebasado por el cambiante mercado libre. Poco después el pueblo mexicano se enteró del gran saqueo financiero del que México fue víctima, ya que grandes cantidades de dinero fueron cambiadas a dólares provocando con ello lo que hoy se conoce como el llamado *error de diciembre de 1994*, el cual inició la mañana del 22 de diciembre del mismo año. *En 1994, la crisis financiera provocada por un grupo de banqueros mexicanos en connivencia con diversas autoridades y funcionarios corruptos, ocasionó la ruina de miles de inversores y acreedores. De repente, perdieron sus bienes, sus empresas. Sobre todos cayó la bancarrota y la miseria. Un año después, el Gobierno aprobó el Fondo Bancario de Protección al Ahorro (FOBAPROA) para rescatar de la quiebra a los bancos causantes de la crisis. Cientos de miles de millones de pesos invertidos en avales, compra de valores mobiliarios y subvenciones a fondo perdido (ZAVALA, 1998)*

Quedó entonces a la vista del pueblo mexicano, una grave crisis financiera que fue provocada por la salida masiva de capitales hacia el extranjero, se considera que fueron alrededor de 24,000 millones de dólares lo que puso al peso en tal situación, a finales de 1994 la moneda mexicana había perdido aproximadamente el 60% de su valor, por lo que los mercados internacionales se convulsionaron, a este fenómeno se le conoce como *"Efecto Tequila"* (CÁRDENAS CUTIÑO, 2004) lo cual situó al sistema financiero mexicano al borde de la quiebra.

ANTECEDENTES

Ante la sola posibilidad de que los bancos no puedan cumplir con sus obligaciones, depositantes y acreedores entran en un estado de ansiedad y nerviosismo que puede dar lugar a reacciones de pánico fácilmente generalizables. Frente al riesgo inminente de la pérdida de su patrimonio, los ahorradores se presentan en forma masiva a reclamar sus depósitos. Los bancos, imposibilitados de pagar de golpe el dinero que recibieron -dado que a su vez ellos lo prestaron a mayor plazo- se ven en la necesidad de cerrar. A este fenómeno se le conoce como *"corrida bancaria"* o *"corrida financiera"*. Frecuentemente se da el caso de que, iniciada en un banco, la corrida se extienda a los demás. Los retiros masivos, entonces, se presentan en la totalidad del sistema financiero.

La posibilidad de que esto suceda es mayor cuando, los problemas afectan a la gran mayoría de las instituciones y no sólo a un banco en particular. Es precisamente esta tendencia al contagio lo que hace tan extremadamente peligrosa una corrida bancaria. Además, los bancos diariamente se pagan entre sí grandes cantidades para compensar las operaciones que celebran entre ellos (por ejemplo, cheques a cargo de un banco depositados en otro o transferencias de fondos), así como sus transacciones en los mercados de dinero y de cambios, la quiebra de una sola institución repercutiría sin remedio en todas las demás, ocasionando graves consecuencias para el sistema productivo de cualquier país. De haberse presentado la quiebra en el sistema financiero mexicano este hubiera tenido graves consecuencias sobre el sistema productivo como:

- A los bancos se les exige hacer frente a sus obligación sin otorgamiento de plazos lo cual llevaría a la recuperación de prestamos sin otorgar a su vez facilidades a sus clientes perjudicando a empresas y familias.
- Las empresas al verse presionadas en una situación como la existente en México cayeron en lo que se conoce como cartera vencida.
- Los bancos, se verían urgidos de liquidez, por lo que acudirían al mercado financiero en busca de préstamos, pero al actuar todo igual ocasionarían un alza significativa en las tasas de interés.
- Sucedería lo mismo con los créditos acordados en moneda extranjera.
- Un proceso de quiebra en los bancos, desencadenaría: elevación en las tasas de interés; alza en el tipo de cambio por lo tanto más deudores morosos. A esto habría que agregar las condiciones precarias del país que ya se habían presentado a inicios de 1995, lo que hubiera hecho caer a la economía en un círculo vicioso: Proyectos de inversión detenidos por largo tiempo, cierre de bancos, quiebra de empresas, cancelación de millones de empleos y pérdida de patrimonio. (LATTER, 1998)

La depresión durante 1995 afectó la recuperación de los créditos otorgados por la banca y los flujos de efectivo de empresarios por lo que no han podido redimir los empréstitos, originando que una cantidad considerable de empresas cerraran, otras redujeran sustancialmente sus operaciones y solamente las ligadas al sector exportador presentaran en menos escala este tipo de problemas. Ante la situación de colapso las autoridades financieras tuvieron que intervenir en distintas ocasiones, primeramente a nivel macroeconómico contrayendo brutalmente los niveles de liquidez y del crédito y en relación a la situación de insolvencia bancaria y empresarial han transferido recursos del Fondo de Protección al Ahorro y así como cuantiosos fondos públicos que como subsidios de nuevo tipo se han canalizado al sector financiero.

Una de las operaciones que se realizaron a principios de diciembre a través del FOBAPROA fue la del Banco Inverlat por un monto de alrededor de \$1,500 millones de pesos, con el propósito de llevar a cabo su saneamiento financiero previo a la fusión con algún grupo financiero internacional como el Banco de Nova Scotia o algún canadiense. Hasta fines de noviembre de 1995 el gobierno federal canalizó \$27,583 millones de pesos a través del FOBAPROA.

Modificación a la estructura legal de los Bancos

Las distintas reformas a la legislación bancaria realizadas durante 1995 están totalmente vinculadas también al salvamento bancario, ya que en esencia van enfocados a lograr una mayor capitalización a través de ampliar los márgenes de participación del capital extranjero. Igualmente la fusión de las Comisiones Nacionales de Valores y la Bancaria otorga mayores facultades de supervisar y regular a la

nueva Comisión a fin de evitar en lo futuro problemas de crecimiento de cartera vencida y de insolvencia bancaria.

Planteamiento del Problema

Con la aprobación para la creación del instituto de protección al ahorro bancario (IPAB), dio inicio lo que hasta hoy es objeto de incongruencias y dudas y es que al haberse presentados situaciones que se dieron a conocer en los medios de comunicación por diferentes organismos fue una mala noticia para los mexicanos por lo que se considero que este organismo no es otra cosa que el nuevo nombre y el nuevo rostro que se le dio al FOBAPROA, aquel fondo por el cual el erario publico absorbió una astronómica cantidad que los bancos perdieron por mecanismos que dejaban mucho en que pensar. (Y que al momento no se han aclarado). Las últimas cifras hablan de 900 mil millones de pesos.

ORIGEN DEL IPAB

Cuando el Lic. Vicente Fox llega como presidente de los Estados Unidos Mexicanos en el año 2000, el gobierno de la república ya había llevado a cabo varios rescates bancarios con un costo país de alrededor de 80 mil 500 millones de dólares, de los cuales solo ha obtenido como ganancia 15 mil millones de dólares. Por ejemplo por Bancrecer pago por el rescate 102 mil 200 millones de pesos y por su venta obtuvo mil 650 millones de pesos este fue adquirido por Banorte, y adquiere un pagare con cargo al FOBAPROA-IPAB con un valor de 46, millones de pesos los intereses que se generen serán pagados a Banorte, se considera que por año recibirá 5, mil 428 millones de pesos tan solo por este concepto. Pudiera asegurarse que por esta circunstancia a los bancos no les interesa ofertar créditos pues es el IPAB vía impuestos del pueblo quien le genera sus ganancias a estas instituciones “Al mes de Agosto de 2001, el IPAB ha vendido o cedido en administración de cartera un valor de 58 mil 978.9 millones de pesos por la cual le han pagado 10 mil 120.9 millones de pesos. Es decir por cada peso de la cartera que subasto el IPAB, recibió al venderla solo recupero 17 centavos” (CABRERA, 2002)

Después de algunos años de enfrentar una lucha contra la inflación, el incremento en la deuda externa del país, la disminución de reservas internacionales, el retiro masivo de capital por la desconfianza generalizada hacia los bancos, estos se declararon insolventes. Se pone en marcha un instrumento utilizado para el rescate bancario llamado Fobaproa para que absorbiera las deudas contraídas por las instituciones de crédito, este vendría a ser un instituto contingente el cual enfrentaría las probables crisis extraordinarias de tipo bancario, en apariencia la operación sería sencilla, las carteras vencidas de las instituciones de crédito serían adquiridas por éste. Hasta febrero de 1996, el FOBAPROA había adquirido más de 350,000 millones de pesos en activos tanto empresariales como inmobiliarios. En el mes de Febrero de este mismo año la Secretaria de Hacienda, autorizó al FOBAPROA una compra de 17,300 millones de pesos a Banamex, Bancreser, Bital y Atlántico, el apoyo que hasta entonces se había dado a los bancos fue en el orden de los 212,300 millones de pesos el cual era equiparable en un 85% del PIB según información de la Comisión Nacional Bancaria y de Valores.

Alfonso Ramírez Cuellar, diputado federal y presidente de la comisión legislativa que investigaba las operaciones del Fobaproa, en el año 2004 realizo declaraciones en el sentido de que el fideicomiso en cuestión dejaría de ser jurídicamente investigable al transferirse las obligaciones al IPAB su dicho lo fundamenta en los artículos quinto y séptimo transitorios de la LPAB que establece que la extensión del antiguo Fobaproa solo se dará una vez que se lleven a cabo las auditorias al Programa de Capitalización y Compra de Cartera y se finquen responsabilidades por los ilícitos cometidos. Por mandato de la Ley el IPAB asumió las obligaciones que el Fobaproa había contraído, una de sus principales atribuciones fue diseñar estratégicamente las condiciones para mejorar los términos de la deuda, a este efecto el Congreso fue claro y autorizo al IPAB a contratar créditos y a un refinanciamiento de los pasivos heredados, esto se estipula en la Ley de Ingresos (LI) artículo 2do., para los ejercicios fiscales del 2000, 2001 y 2002.

La Ley de Instituciones de Crédito, señala que el servicio de banca y crédito solo podrá ser prestado por Instituciones Financieras y que éstas pueden ser de banca múltiple o de desarrollo (EDUARDO VILLEGAS, 2002). De igual forma esta ley define las características principales, los mecanismos de la manera como deberán organizarse para la protección de la sociedad ahorradora. Tenemos también que referirnos al artículo 3ro., de la LIC, en donde especifica el tipo de instituciones que conforman el sistema bancario mexicano. En esta misma legislación se limita a la banca internacional y amplía las posibilidades de que estos pudieran llevar a cabo operaciones activas y operaciones pasivas. (CÁRDENAS CUTIÑO, 2004)

A finales de 1997 el gobierno había adquirido más de 360 millones de pesos a través del Fobaproa las acciones que se emprendieron por este organismo proporciono recursos a muchas empresas algunas de ellas propiedad de los mismos accionistas de los bancos. En Marzo de 1998 el presidente de la república mexicana solicita al Congreso la **transformación a deuda pública los pasivos del FOBAPROA**, a finales del siguiente año se aprueba la Ley del nuevo Instituto para la Protección al Ahorro Bancario (LIPAB), el cual vino a sustituir al FOBAPROA.

Héctor Ricardo Núñez Estrada, profesor investigador del Departamento de Administración de la Universidad Autónoma de México publica respecto del fundamento de la creación del IPAB, una de las apreciaciones que hace el investigador en el artículo, no podría escapar de la tintura política con que se ve el tema y apunta lo siguiente: *El Fobaproa se convirtió a lo largo de 1995 en uno de los instrumentos básicos de capitalización de la mayor parte de los bancos y aunque el gobierno Zedillista ha declarado expresamente que no se pretende re estatizar la banca, si ha sido el gestor para conseguir parte del financiamiento ante el Banco Mundial y el Banco Interamericano de Desarrollo. En el mes de junio el presidente de la Comisión Nacional Bancaria y de Valores informaba que hasta ese mes se habían canalizado \$24,740 millones de pesos a través del Fondo Bancario.* (NUÑEZ, 2000)

La Universidad del Valle de México en su Revista "Episteme No. 4 Año 1, Abril-Junio 2005, incluye datos importantes que aportan información para la presente investigación al considerar lo siguiente: *"El costo fiscal de la crisis bancaria a esa fecha era de 958,000 millones de pesos, a este monto habría que sumar los nuevos apoyos a Serfin y Bancreser más los costos adicionales a lo ya estimado para las transferencias de Banco del Atlántico y Banca Promex, Bital y Bancomer respectivamente. A reserva de conocer los costos adicionales mencionados y las recuperaciones por venta de los activos, el costo neto del rescate bancario a finales de 1999 se acercaría a los 900,000 millones de pesos aproximadamente"*. (MEXICO U. D., 2005)

La deuda del organismo hasta el 2005 ascendió a la cantidad de 725 mil millones de pesos obligando a que la Cámara de Diputados le otorgue recursos estos comprendidos en su propia Ley, en el Presupuesto de Egresos de la Federación se incluye una partida para los Programas de Apoyo a Ahorradores y Deudores de la Banca. En el mes de Febrero de 1997 la Secretaria de Hacienda autorizo al FOBAPROA una compra de 17,300 millones de pesos a Banamex, Bancreser, Bital y Atlántico, el apoyo que hasta entonces se había dado a los bancos se daba en el orden de los 212,300 millones de pesos el cual era equiparable en un 85% del PIB según cifras de la Comisión Nacional Bancaria y de Valores. En Marzo de 1998 el presidente de la república mexicana solicita al Congreso la **transformación a deuda pública los pasivos del FOBAPROA**, a finales del siguiente año se forma una alianza PAN-PRI para aprobar la Ley del nuevo instituto para la protección del ahorro bancario IPAB el cual vino a sustituir al FOBAPROA.

Analistas políticos y economistas, periodistas e investigadores, coinciden en que la forma en que se pudo limpiar al Fobaproa, sería creando un nuevo organismo que asumiera la responsabilidad que hasta entonces tenía este organismo, durante el sexenio del presidente Carlos Salinas de Gortari, se generó la

privatización de la banca una vez más en el país, protegiendo a los banqueros de la apertura a la inversión extranjera, con la crisis de 1994, se utilizó al FOBAPROA para comprar la cartera vencida que las instituciones bancarias tenían ya que éstos estaban a punto de la quiebra y es aquí en donde se genera un punto de desacuerdo, ya que se dice que algunos bancos que nunca estuvieron en peligro de irse a la quiebra de igual forma fueron incluidos en este programa de protección.

Para evitar entonces el colapso del aparato productivo y la pérdida masiva de empleos la única vía era actuar rápidamente y evitar así la quiebra del sistema bancario. El Gobierno Federal emprendió acciones para salvaguardar la operación del sistema bancario del país, para proteger el ahorro de los mexicanos y, sobre todo, para proteger a la planta productiva a la economía en su conjunto y a millones de empleos. No se actuó para proteger a un banco en particular o a los banqueros en general. Ni siquiera sólo para ayudar a deudores y ahorradores. La decisión se tomó con el fin de evitar las graves consecuencias que la quiebra de la banca hubiera tenido para todos los mexicanos.

El planteamiento estriba en que se perdió la perspectiva del riesgo, los banqueros y los usuarios del crédito ante las expectativas que se suponían altamente benéficas derivadas del ingreso al Tratado de Libre Comercio, en parte como resultado de la propaganda gubernamental y también por la competencia interbancaria que originó el proceso de reprivatización que se tradujo en el otorgamiento masivo de créditos sin grandes restricciones, por la expansión de otros tipos de intermediarios financieros y por las perspectivas de ganancias del esperado crecimiento económico, que no solamente no llegó, sino que se transformó en una de las peores fases depresivas de la historia del país.

El proceso de descapitalización que vive México actualmente seguirá existiendo en tanto no se tome la decisión de detenerlo definitivamente ya que no ha logrado llamar la atención de las autoridades del país, a fin de que se elaboren propuestas encaminadas a las exigencias reales actuales, entre ellas la urgencia de una reforma al marco jurídico para regular el funcionamiento de la banca. De otra forma se pone en riesgo inminente la soberanía del país pues si bien es cierto que es preponderante el proteger los ahorros de los connacionales de igual forma es verídico que se esta arriesgando el poco capital con que estos cuentan, ya que este se ha confiado a los bancos los cuales se encuentran en manos de extranjeros, la llamada nacionalización de la banca que posteriormente se privatizó tal parece haberse convertido en desnacionalización por las pobres condiciones jurídicas emanadas de las leyes mexicanas, la llegada de un mundo globalizado esta aquí y hemos llegado sin haber planeado antes los programas, acciones así como el establecimientos de metas y objetivos requeridos para entrar en el.

Marco Jurídico

El famoso rescate bancario, de acuerdo con la legislación no genero impuestos pues las cantidades que los empresarios recibieron por concepto de la venta de sus carteras vencidas en ningún momento fue objeto de gravamen, sin embargo los ahorradores pagan lo concerniente por movimientos efectuados en sus cuentas, y por un sinnúmero de operaciones que éstos realizan.

El interés de convertir las operaciones de refinanciamiento en deuda publica es la medula de las discusiones en el Congreso, y esto se ha venido debatiendo desde hace tiempo, el congreso se negó rotundamente a autorizar esto como tal, pero es indudable que sea deuda publica o no la sociedad mexicana es la que terminara cubriendo estos adeudos.

El Banco de México, podrá cargar a la cuenta corriente de la Tesorería de la Federación, sin que se requiera la instrucción del Tesorero de la Federación, para atender el servicio de deuda que emita el IPAB, pues si para hacer cargos al instituto es necesario la aprobación del congreso porque a este respecto se le excluye, entonces se pueden hacer los siguientes planteamientos:

1. Es claro el control que los bancos extranjeros tienen de la banca mexicana, aproximadamente esta en sus manos el 50% de los activos totales, así como el control mayoritario de BBV y Santander, si es que esta no se incrementa antes de lo planeado.
2. A partir del inicio de la crisis en 1994, el gobierno federal a subsidiado a la banca de varias formas una de ellas es haciendo ajustes de tasas de pagares del Fobaproa, de igual forma con los cambios que llevo a cabo de Pagares de Capitalización por los Pagares de Saneamiento Financiero, no es extraño saber que el rendimiento que obtienen es mayor. Ya para el año 2000 los ingresos que los bancos estaban obteniendo venían de los rendimientos que los pagares les estaban generando los cuales podrían haberse hasta triplicado casi un 300%.
3. Lo anterior repitió con Banca Serfin así como con Banorte pues éste último adquirió los derechos para administrar la cartera vencida del primero que era entonces lo que les interesaba a los compradores de Serfin por supuesto que no era el banco, sino el pagare que el IPAB les otorgaría.

El presidente Zedillo envió a mediados del mes de enero de 1995 a la Cámara de diputados una iniciativa de decreto para reformar entre otras la Ley de Instituciones de Crédito, que tuvo como objetivo primordial, de acuerdo a la exposición de motivos del Ejecutivo, "...promover la capitalización y la competitividad del sistema financiero mexicano...". En el fondo se trataba de ampliar el porcentaje que en materia de capital extranjero tienen los bancos como componente de su capital social.

La citada exposición de motivos del presidente Zedillo no dejó lugar a dudas pues expuso que: "...he decidido impulsar la modificación de la estructura accionaria del capital de las instituciones de banca múltiple permitiendo una mayor participación de personas morales mexicanas y de extranjeros, lo que a su vez favorecerá la existencia de alianzas estratégicas que habrán de traducirse en una elevación de los niveles de eficiencia de nuestro sistema financiero". (NUÑEZ, 2000)

La Ley de Instituciones de Crédito vigente hasta antes de esta reforma de enero de 1995, señalaba que el capital de la banca múltiple estaba compuesto por tres series accionarias, la "A" que comprendía el 51% del capital y que podían solamente ser adquiridas por el Gobierno Federal, los bancos de desarrollo, el FOBAPROA y las controladoras de los grupos financieros, la "B" con participación hasta del 49% para personas morales mexicanas e inversionistas institucionales y finalmente la serie "C" con participación hasta del 30% susceptibles de ser adquiridas por extranjeros.

La expresión ideológica que sustentaba estos porcentajes empezaba a tener virajes, mientras que el entonces presidente Salinas señalaba en 1990 al reprivatizar las instituciones de crédito que: "La integración del capital de las instituciones de banca múltiple persigue asegurar que los mexicanos detenten el control de los bancos". El presidente Zedillo por otra parte hacía énfasis en las alianzas estratégicas que habrían de elevar los niveles de eficiencia del sistema bancario.

Existen grupos interesados en las transformaciones del marco jurídico a esta institución, los partidos políticos serán los más sórdidos ya que apuestan a que presentando las modificaciones y una vez aprobadas levantarían la bandera de defensores de los oprimidos y no beneficiados de este programa, los actores principales en este proceso han sido los partidos políticos principalmente el PRI, PAN y PRD, la mayoría de sus críticas van encaminadas a ganar mayor número de simpatizantes y dejando lejos las aportaciones encaminadas al logro de una reforma jurídica del instituto para el futuro bien de la sociedad.

Con la creación del instituto este se utilizaría como forma preventiva de posibles desestabilizaciones financieras, el cual protegería los ahorros así como el erario público, además de incentivar la inversión; conforme a lo publicado por los estudiantes de la universidad del Valle de México, desde la legislación del instituto fue utilizarlo para la corrección de los programas emprendidos por el gobierno para el saneamiento de los bancos aun incluyendo lo irrecuperable. (MEXICO U. D., 2005)

Ley de Protección al Ahorro Bancario (LPAB).

Fue aprobada por el congreso en el año de 1998, el Decreto por el que fue expedida derogo y reformo algunas disposiciones de las leyes del Banco de México, de Instituciones de Crédito, del Mercado de Valores y de igual forma contribuyo a regular las Agrupaciones Financieras. En el momento de su creación se lleo al acuerdo de que no deberían de existir dos instituciones sino una sola llamada Instituto de Protección al Ahorro Bancario (IPAB), en asuntos como el ahorro, la protección de este, la negociación de los activos del Fobaproa. Al crearse esta los lineamientos fueron claros estos contienen situaciones relacionadas con:

1. La Determinación del Sistema de cuotas ordinarias y extraordinarias para los bancos;
2. El procedimiento por medio del cual se informara al Congreso, como hacer frente a una crisis de tipo sistémica;
3. Se especifico el tope de los depósitos a proteger quedando en 400 mil Udis, a partir del año 2006;
4. Se estableció quienes serian las instancias de coordinación con el Congreso con el objeto de informar de las actividades que se lleven a cabo dentro del organismo;
5. Se integro la Junta de Gobierno del instituto, estipulando quienes formarían parte de ella.
6. La Junta de Gobierno deberá ser aprobada por la mayoría calificada o por lo menos las dos terceras partes de la Cámara de Senadores o la Comisión Permanente.
7. Se estableció la creación de una partida específica para que el instituto lleve a cabo sus responsabilidades.
8. Para las personas que inviertan en casas de bolsa se elimino la garantía pues quienes asuman el riesgo no podrán reclamar la protección que se les proporcionara a los ahorradores.

La presente Ley incluye de igual forma apartados relacionados con Bienes en su capitulo Tercero, de los Procedimientos de Administración, Enajenación y Control de los Bienes en el Capitulo II, en el Capitulo Cuarto lo relacionado con el IPAB en lo referente a las Atribuciones y Patrimonio, del Gobierno y Administración, del Secretario Ejecutivo, de los Servicios Públicos del Instituto, de los Informes y de la Vigilancia, de las Sanciones, así como los Artículos Transitorios los cuales hacen referencias a situaciones tales como la entrada en vigor de la Ley a partir de su publicación en el DOF, quienes ejercitaran las acciones necesarias para la designación y aprobación de vocales de la Junta de Gobierno o disposiciones relativas a las cuotas que deberán cubrir las instituciones al propio instituto.

ANÁLISIS

Muchos son los instrumentos utilizados para el análisis, pero para la presente será necesario recurrir a las cédulas utilizadas en el trabajo de auditoría, cuando se realiza este tipo de análisis ya sea como parte de la organización o como independiente es necesario consignar el trabajo realizado así como dejar constancia de los resultados del mismo. Para poder comprobar lo que se ha expuesto se considero pertinente tomar el caso Banca Serfin, las razones por las cuales se toma esta decisión es porque esta institución sin estar en riesgo se declaro en una “quiebra técnica” a la cual el instituto tomo como parte del rescate bancario, la saneo y posteriormente la vendió.

Las cédulas que permitirán dar respuesta a los supuestos presentados se elaboran de la siguiente forma:

1. **Primera Columna.** Esta contendrá el número de artículos por ley, que serán tomados para el análisis. .
2. **Segunda Columna.** En esta se vaciaran los artículos de las leyes que de acuerdo con el IPAB, forman parte del marco jurídico del instituto, no se aplicaran todas, solo aquellas que se obtendrán como resultado de las operaciones estadísticas aplicadas.
3. **Tercera Columna.** Ésta será utilizada para anotar la referencia de los artículos que **no aplican** a la operatividad del instituto.
4. **Cuarta Columna.** En ésta se anotaran decisiones tomadas con anterioridad por parte de la Junta de Gobierno con el objeto de hacer un cruce contra la ley correspondiente.

Por cuestión de tiempo y costo no se recurre al universo total del marco jurídico aplicable, por lo tanto se recurre a bases de tipo estadístico y probabilística, lo que asegurara se cubran los criterios y cualidades que sean suficientes y que sean representativas. El marco jurídico el cual consta de las siguientes leyes:

1. Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público (LAASSP)
2. Ley de Fiscalización Superior de la Federación (LFSF)
3. Ley de la Comisión Nacional Bancaria y de Valores (LCNBV)
4. Ley del Banco de México (LBM)
5. Ley del Mercado de Valores (LMV)
6. Ley de Instituciones Financieras (LIF)
7. Ley Federal de Entidades Paraestatales (LFEP)
8. Ley Federal de Responsabilidades Administrativas de los Servidores Públicos (LFRASP)
9. Ley Federal de Responsabilidades de los Servidores Públicos (LFRSP)
10. Ley General de Deuda Pública (LGDP)
11. Ley General de Instituciones y Sociedades Mutualistas de Seguros (LGISMS)
12. Ley General de Organizaciones y Actividades auxiliares de Crédito (LGOAAC)
13. Ley Orgánica de la Administración Pública Federal (LOAPF)
14. Ley General de Títulos y Operaciones de Crédito (LGTOC)
15. Ley Orgánica del Congreso General de los Estados Unidos Mexicanos (LOCGEUM)
16. Ley para la Transparencia y Ordenamiento de los Servicios Financieros (LTOSF)
17. Ley para Regular las Agrupaciones Financieras (LRAF)
18. Ley para Regular las Sociedades de Información Crediticia (LRSIC)
19. Ley sobre el Contrato de Seguro (LCS)
20. Reglamento para el Gobierno Interior del Congreso General de los Estados Unidos Mexicanos (RGICGEUM)
21. Ley de Protección al Ahorro Bancario
22. Ley de Coordinación Fiscal
23. Estatuto Orgánico del Instituto de Protección al Ahorro Bancario

Para proceder a la selección del número de leyes a aplicar se suma la totalidad de los artículos de las 22 leyes consideradas como el marco jurídico del instituto en la cual se basa la Junta de Gobierno para la operatividad del mismo el resultado es de 2,330 artículos que será el universo, se considera la aplicación de la formula del muestreo probabilístico y se aplica de la siguiente forma:

N = Universo = 2,330 artículos

y = Valor Promedio de una Variable = 1 artículo por Ley

se = Error estándar = .015

V^2 = Varianza de la población = Cuadrado del error estándar

$$= se (se) = .015 (.015) = .000225$$

S^2 = Varianza de la muestra expresada como la probabilidad de ocurrencia de y.

$$= p (1-p) = .9 (1-.9) = .09$$

n' = Tamaño de la muestra sin ajustar

n = Tamaño de la muestra

Sustituyendo

$$n' = S^2 / V^2 = .09 / .000225 = 400 \quad (1)$$

$$n = n' / 1 + n' / N = 400 / 1 + 400 / 2,330 = 400 / 1.1716738 = 341.39$$

$$n = 341$$

Para la selección del número de leyes de cada una de ellas se aplicara el Muestreo Probabilístico Estratificado. Primeramente determinar la constante que se utilizara para determinar cada estrato:

$$Fh = n/N = 341/2,330 = .1463 \quad (2)$$

Nh = Población total (Totalidad de Artículos por Ley)

Fh = .1463 Constante

nh = Número determinado de elementos muestrales.

$$\text{Formula} = Nh (fn) = nh \quad (3)$$

Sustituyendo

$nh = 73 (.1463) = 10.6799$ (Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público (LAASSP).

CONCLUSIONES

Le ley del instituto se ha ido adecuando conforme las situaciones de rescate el primer manejo efectuado se apego a un transitorio en la ley del mismo, y para el 13 de junio de 2003 se modifica una vez que el instituto puso fin al famoso rescate bancario. Aun cuando el instituto asegura que las estrategias que se llevaron a cabo el objetivo siempre fue lograr la recuperación de la deuda aun siguen sin publicarse informes al respecto.

Dentro de las inconsistencias encontradas fue la que se gesto con Serfin cuando la Ley del instituto dictamino que las instituciones que sean intervenidas por parte del IPAB automáticamente el instituto adquiere los derechos accionarios para tener control de estas, en el caso de la institución en cuestión curiosamente quien no perdió la titularidad de su acciones fue Hong Kong Shanghai Bank Corp., a quien se le tuvo que pagar el importe de las mismas, posterior al saneamiento, Banca Serfin fue puesto a la venta a un precio irrisorio, quien gano esta licitación (que nunca se encontró para presentarla aquí) fue Santander y casualmente uno de los accionistas el mayoritario es Hong Kong Shanghai Bank Corp., como es que primero se le pagan sus acciones y posteriormente se le vende a un precio muy por debajo de su valor.

Es necesario que los informes que presenta IPAB se reglamenten a fin de que siguiendo las normas de información financiera sean estos claros y congruentes, el informe presentado en el año 2000 incluye cantidades estratosféricas invertidas en el saneamiento de Banca Serfin, pero no incluye cantidades de recuperación de la inversión ya que los importes de lo que se incauto a los dueños entre casas, obras de arte, mobiliario, automóviles e inmuebles se presenta en un informe global de todos los bancos sin especificar la cantidad de lo que pertenece a cada institución. Si el secretario del ejecutivo tiene facultades que la ley le otorga para intervenir en las instituciones descentralizadas y federales en todas y cada una de las decisiones que se toman y además este deberá de informar al presidente de la república, en donde se encuentra en el momento de tomar la decisión de que instituciones pueden entrar en el programa de

rescate bancario, ya que en ningún momento se menciona la presencia de el en las juntas de gobierno del instituto.

Tabla 1: Artículos por Ley que serán Considerados para el Análisis

Estrato	Leyes	Total No. de Artículos (fn) = .1463 Nh (fn) = nh	Muestra
1	Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público (LAASSP)	73	11
2	Ley de Fiscalización Superior de la Federación (LFSF)	96	14
3	Ley de la Comisión Nacional Bancaria y de Valores (LCNBV)	21	3
4	Ley del Banco de México (LBM)	68	10
5	Ley del Mercado de Valores (LMV)	130	19
6	Ley de Instituciones Financieras (LIF)	130	19
7	Ley Federal de Entidades Paraestatales (LFEP)	68	10
8	Ley Federal de Responsabilidades Administrativas de los Servidores Públicos (LFRASP)	51	7
9	Ley Federal de Responsabilidades de los Servidores Públicos (LFRSP)	93	14
10	Ley General de Deuda Publica (LGDP)	32	5
11	Ley General de Instituciones y Sociedades Mutualistas de Seguros (LGISMS)	147	22
12	Ley General de Organizaciones y Actividades Auxiliares de Crédito (LGOAAC)	103	15
13	Ley Orgánica de la Administración Pública Federal (LOAPF)	56	8
14	Ley General de Títulos y Operaciones de Crédito (LGTOC)	414	60
15	Ley Orgánica del Congreso General de los Estados Unidos Mexicanos (LOCGEUM)	135	20
16	Ley para la Transparencia y Ordenamiento de los Servicios Financieros (LTOSF)	21	3
17	Ley para Regular las Agrupaciones Financieras (LRAF)	36	5
18	Ley para Regular las Sociedades de Información Crediticia (LRSIC)	70	10
19	Ley sobre el Contrato de Seguro (LCS)	196	29
20	Reglamento para el Gobierno Interior del Congreso General de los Estados Unidos Mexicanos.	214	31
21	Estatuto Orgánico del Instituto de Protección al Ahorro Bancario	38	6
22	Ley de Protección al Ahorro Bancario	92	13
23	Ley de Coordinación Fiscal	46	7
SUMA		2,330	341

La cámara de senadores esta obligada a dar seguimiento a las acciones llevadas a cabo por el instituto sin hacerlo en tiempo y forma, el 31 agosto de 2006 se presento el informe de la investigación que una comisión nombrada por el senado de la república llevo a cabo durante mas de dos años y que se concreto a decir “*es urgente regular la operatividad del IPAB*” sin hacer recomendaciones especificas o puntualizaciones que dieran inicio a esta. Esta claro que no existe operatividad en el organismo por lo que es urgente la restructuración completa las acciones que se han llevado a acabo correspondiente al rescate no se han llevado apegadas a la norma.

La reforma fiscal se presento en este 2007 en la república mexicana pero sigue sin incluirse la parte correspondiente a las operaciones llevadas a cabo por el IPAB las transacciones efectuadas desde 1994 se encuentran exentas de gravamen y quienes reciben estos beneficios son los dueños de las bancos que como ya se menciono anteriormente se encuentran en manos de extranjeros.

Es preponderante que la secretaria de control presupuestal vigile no solo el control del gasto sino el aprovechamiento del recurso ya que si el instituto subasto una gran cantidad de muebles e inmuebles porque los titulares de las dependencias no recurren a estas practicas en caso de faltantes de muebles a fin de lograr una reducción del gasto publico, dicho de otro modo comprar muebles no importa que sean usados pero en buen estado en lugar de nuevos, es de todos conocido que a cada cambio de administración se adquiere mobiliario a gusto de quienes ocuparan las oficinas. Estos deberían de ser los primeros en participar en las subastas, éste seria el inicio de una correcta administración publica.

Los diferentes rescates que se han efectuado como son Banca Serfin, Bancreser, Inverlat y Banco del Atlántico entre otros, las operaciones que ha efectuado han respondido a los intereses de quienes eran los dueños de las instituciones financieras en el momento, invirtiendo en ellas onerosas cantidades de dinero producto del pago de impuestos de clase trabajadora, con el objeto de sanearlos para posteriormente venderlos en cantidades de oferta a capitales extranjeros, hoy se puede afirmar que la banca mexicana es extranjera.

Las decisiones que se han tomado están muy lejos de apegarse a la poca normatividad aplicable el resto de ellas, queda a juicio de los integrantes de la Junta de Gobierno, y existen algunas incongruencias como podría ser, si el instituto se crea con la finalidad de asegurar los ahorros de quienes depositan la confianza en las instituciones bancarias como es posible que por otro lado el pago de impuestos sirva para pagar la deuda que el propio instituto a adquirido con motivo de las inversiones cuantiosas que ha hecho en el saneamiento de éstas.

Esta claro y el mismo instituto lo presento en el informe del año 2000 que la población mexicana cuenta con una escasa cultura financiera, ya que una encuesta que el instituto realizo a través de una agencia especializada arrojo que tan solo el 30 por ciento de los encuestados habían escuchado hablar del IPAB sin tener conocimiento de cual es la función de este, por otro lado se conoce que los bancos son para depositar, retirar pero sobre todo para cambiar cheques e incluso cobrar la quincena, pero lejos se esta de saber de que forma operan los bancos, a quienes deberían de proteger y cuales son las obligaciones que las instituciones adquieren para con los ahorradores cuando estos eligen confiar en alguna de ellas, normalmente se le hacer sentir al cliente que es el responsable de las operaciones que efectúa y de los riesgos que pudieran presentarse.

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LAS NUEVAS RELACIONES ECONÓMICO PRODUCTIVAS DE LA ZONA METROPOLITANA DE GUADALAJARA

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RESUMEN

El objetivo del presente trabajo consiste en revisar las relaciones que muestran las empresas de mayor importancia en el proceso de reestructuración en Guadalajara. Una de las actividades que se vinculan en este proceso son los servicios al productor, los cuales pueden distinguirse de otros servicios en que su consumidor es otra actividad.

Existen trabajos donde se resalta la importancia de los servicios al productor. En la Universidad de Loughborough del Reino Unido, existe algunos investigadores con una línea de investigación denominada Globalization and World Cities (GaWC); se elaboraron varios trabajos analizando el comportamiento de estas actividades. En uno de ellos revisaron la distribución de las empresas más importantes de este sector, detectando que las ciudades consideradas globalizadas acapararon las oficinas corporativas y la mayoría de las sucursales, mostrando que este tipo de servicios tiene una clara jerarquía en cuanto a la distribución de sus oficinas y que se correlaciona con la relevancia que tiene la ciudad en la red urbana global.

El uno de los trabajos de la GaWC analizó 70 empresas, las cuales se ubican en las ramas de los servicios al productor. Las oficinas de estas firmas se concentran en ciudades como Nueva York, Londres y Tokio, así como en otras con proceso de globalización regional y algunas en ciudades latinoamericanas catalogadas como regionales. Guadalajara no participó en el estudio, debido a la hegemonía de la ciudad de México, Monterrey y Tijuana, esta última por la presencia de empresas maquiladoras que tienen relación con firmas estadounidenses. Sin embargo, a pesar de que Guadalajara no esta catalogada como ciudad global, tiene una relación estrecha con ciudades con un proceso de globalización; por lo que es importante el papel que juegan estas empresas, al igual que otras de capital nacional y local, en la transformación que vive Guadalajara.

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COMPARATIVO DEL NÚMERO DE INFORMES DE SOSTENIBILIDAD DEL GLOBAL REPORTING INITIATIVE POR PAÍSES QUE EMITEN LAS EMPRESAS SOCIALMENTE RESPONSABLES

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RESUMEN

Este trabajo hace un estudio empírico y exploratorio en la base de datos GRI. Se constata que las empresas europeas y japonesas son líderes en cuanto a información social y medioambiental. Norteamérica y, más en concreto, Estados Unidos de Norteamérica y Canadá también presentan altos índices de revelación de información, si bien no tan significativos como en Europa y en Japón. Se destaca cómo las empresas dan mucha información de sus países de origen, pero poca o casi ninguna actuación en otras zonas. Asimismo se subraya el peso de ciertos sectores. El caso de México es singular, por una parte, por su peso económico; y por otra, por la casi inexistente presencia de sus empresas en el GRI. En el trabajo se indican las posibles causas y se apuntan las iniciativas gubernamentales y no gubernamentales que se llevan a cabo para impulsar esta área de la empresa.

ABSTRACT

In this work we make an empiric and exploratory study on GRI data base. Evidence that Europeans and Japanese's corporations are pioneers in social and environmental information. North America and Canada have high index of information, less significative and exhaustive than Europe and Japan. The corporations have much information in their own countries, but not about the others countries where are presence. And tell us the importance of some sectors. México have a singular situation, first, his economic position, and second, the inexistent presence on the GRI registers of Mexican corporations. In this work we explain the possible causes and tell us the governance and no governance initiatives on impel this area on corporations.

Keywords: Global Reporting Initiative (GRI), Responsabilidad Social de la Empresa (RSE), Empresas Socialmente Responsables (ESR).

INTRODUCCION.

Se presenta un análisis sobre las memorias de sostenibilidad contenidas en elGRI en el que se evidencia su emisión, el número que de ellas se elaboran conforme a la guía, que pretende en sus directrices (técnicas, de transparencia y de alcance a sus partícipes) desarrollar principios de sostenibilidad, resultado de la incorporación y participación de empresas, gobiernos y sociedad civil.

Este es un trabajo empírico y exploratorio a partir de los registros de la (GRI) con apoyo y análisis bibliográfico de estudios que pretende proporcionar datos sobre las empresas mexicanas con respecto a

otras a nivel internacional, se realizó entre septiembre de 2005 y mayo de 2006 de las memorias realizadas conforme a la versión 2002 del GRI y, por lo tanto, los datos reflejados corresponden a este período.

LA EMISIÓN DE INFORMES Y SU COMPARACION

El desafío para las compañías de diseñar los esquemas, modelos de informes y los datos a suministrar en las empresas es grande, sin embargo, los costos de informar no son altos y mejoran la imagen corporativa. A ello cabe añadir que son específicos para cada país, al respecto Adams [2000] compara los informes éticos que hicieron y dieron a conocer las ocho más grandes empresas de Alemania y las once más poderosas del Reino Unido durante un período de diez años y en los cuales es notable la relevancia que los alemanes dan a los aspectos medioambientales, principalmente por la presión de sus *stakeholders*, y la legislación existente, siendo muy inferior el cumplimiento en el Reino Unido.

La precursora iniciativa del GRI como parte del programa medioambiental (UNEP) de la ONU y su colaboración con la Coalición para una Economía Medioambientalmente Responsable (CERES), fue lanzada en 1997 para estandarizar la información con el objetivo de que las empresas, tuvieran una mayor responsabilidad ecológica en su actuación y para que, con el ejemplo de sus acciones sociales, se repercutiera el efecto de sus estrategias no sólo a sus grupos afectados, sino que dicha actuación fuera asimilada y reproducida a otras organizaciones haciendo extensivos los beneficios de su gestión a todos los partícipes, con un alto grado de transparencia.

Es por ello que el GRI ha desarrollado desde 1999 las guías para su implantación en las empresas, incluso pequeñas, y las ha actualizado. También concentra los informes que presentan las empresas, a través de su base de datos. [GRI, 2005: 52].

El GRI (ver www.globalreporting.org) es una institución independiente cuyo objetivo es desarrollar una iniciativa de reporte global y dar a conocer mundialmente la Guía de Elaboración de Memorias de Sostenibilidad. En la adecuación de directrices participan los diversos grupos de interés comprometidos con la sociedad y el medio ambiente, siendo éste “un marco para la publicación de memorias relativas al desempeño económico, ambiental y social de las organizaciones. Presenta los principios de la elaboración de memorias así como los contenidos específicos sobre la prelación de memorias de sostenibilidad de la empresa de forma que sean válidas para todo tipo de organizaciones, independientemente de su tamaño, sector o ubicación, mediante la cual las organizaciones informan de sus progresos en relación con sus objetivos económicos, de protección ambiental y de bienestar social” [GRI: 2005].

Recientemente, se invitó a debatir una nueva versión (la última es la G3) que, finalmente, se dio a conocer en octubre de 2006, presentando un recorte de los indicadores que consideraba la versión de 2002, tratando de tomar en cuenta a todos los partícipes y buscando un consenso mediante un proceso participativo, abierto y de compromiso para avanzar en mejoras tendientes a lograr la sostenibilidad en las corporaciones de todo tipo, lugar y tamaño, por medio de la credibilidad.

Entre las memorias que presentan las empresas, el título o el contenido hablan de su comportamiento respecto de la triple cuenta de resultados, que definida por AECA [2004: 18] es aquella que representa en

términos cuantitativos el valor económico, el valor para el desarrollo social o para el medio ambiente que las empresas crean o destruyen. La información debe reflejar las consecuencias económicas, ambientales y sociales de los criterios y decisiones que toman las organizaciones.

El objetivo básico de informar es suministrar datos que permitan evaluar:

a) “El comportamiento socialmente responsable de la entidad, su compromiso con el desarrollo sostenible y su eficacia en el cumplimiento de funciones económicas, sociales y medioambientales.

b) La capacidad de la entidad para generar externalidades socialmente responsables, que cubran las necesidades de las distintas partes interesadas”. [*Ibidem*, 17]

El reto actual es investigar sobre las mediciones no financieras y los procesos de seguimiento asociados a ellas, puesto que “no se puede gestionar lo que no se puede medir” [Perales y Urarte, 2005: 36] y, por tanto, es obvio que la información tenga que adaptarse a los requerimientos de los *stakeholders* para satisfacer cada una de sus necesidades, o, por lo menos, las más indispensables tratando en lo posible de apegarse a las directrices más aceptadas en la actualidad.

Un Análisis a la Base de Datos del Global Reporting Initiative (GRI)

En nuestra revisión a la base de datos del GRI, observamos que los informes datan principalmente de los años 2002 y 2003, hay algunos de 2004, siendo ínfimos los de años 2000 y 2001, pocos los correspondientes al año 2005 y aún menores los de 2006 que al mes de mayo ya aparecían de tal período. Algunas empresas refieren informes a mitad de año o no coinciden con un ejercicio anual, comprendiendo, por ejemplo, parte del año 2005 y parte del 2006. Cada organización titula su informe de diversas maneras, no reconociéndose exclusivamente una denominación quizá se debe a que añaden más información o la complementan con cada año que transcurre, acorde con su experiencia, los avances que alcanzan o porque los requerimientos de sus partícipes son mayores.

Algunas corporaciones en su país de origen cuentan con memoria de sostenibilidad en la base de datos del GRI, pero esas mismas empresas con sucursales o filiales en otros países del mundo no lo remiten. Incluso, podemos decir que quizá ni siquiera se realice y que sólo la empresa difunde información específica a algún partícipe muy concreto y, posiblemente, de sus resultados económicos y no de sus acciones en la triple dimensión del desarrollo sostenible. Podemos señalar los casos de empresas como Novartis Corporativo, S.A. de C.V. de Suiza, Merck Sharpe & Dohme México, S.A. de Alemania; Unión Fenosa México, S.A., Telefónica Móviles México, S.A., Gas Natural, S.A., de España; Galaz, Yamazaki, Ruíz Urquiza, S.C. Deloitte México, Inglesa; Sony y Toshiba de Japón, y Coca Cola Company, Ford Motor Company, McDonald’s de los Estados Unidos de América que teniendo presencia en México no remiten su memoria al GRI. Una excepción la constituye *British American Tobacco*, de origen inglés, que sí emite memoria en cada uno de los países en que está presente, bajo la denominación de “Reporte Social” observando que éste ha sido efectuado en más de una ocasión por las empresas tabacaleras. Nuestro mayor hallazgo fue encontramos países en los que el único reporte registrado en la base de datos era precisamente de esta empresa, que emite su informe con contenido social y medioambiental. La británica empresa de tabacos es la única organización que difunde su informe en 26 países como: Argentina, Australia, Bangladesh, China, Chipre, Corea, Costa Rica, Japón, Malasia, Mauritania, México, Nigeria, Nueva Zelanda.

La búsqueda en el GRI comenzó con memorias de empresas de México, y en virtud de la pobre información, se continuó analizando los reportes de países del norte, del centro y del sur de América; posteriormente, comparamos con empresas del país que más informes ha presentado que es Japón, así como también con España que cuenta con la mayor cantidad de informes con la característica *In Accordance*, de la versión 2002 de la guía GRI, es decir, que la elaboración de sus memorias de sostenibilidad es acorde a todos y cada uno de sus estándares.

Los indicadores de la guía GRI se dividen en dos grandes grupos: centrales y adicionales. Los primeros son indicadores clave que se consideran relevantes para la mayor parte de organizaciones e interlocutores, los segundos indican características tales como una práctica innovadora en la medición de cuestiones económicas, sociales o ambientales que permanecerán ahí hasta que se consideren indicadores clave [GRI, 2005: 52]. Si las empresas utilizan estos indicadores para preparar su información, cumplen con todos y cada uno de los estándares fijados en la Guía y hay armonía entre sus objetivos empresariales y los resultados que obtienen, entonces, la memoria está realizada de acuerdo a la guía GRI.

De los informes obtenidos de la base de datos del GRI (El estudio y observación de la base de datos se inició en septiembre de 2005 y se ha venido consultando periódicamente hasta que se concentró la información que se consideró necesaria efectuando el cierre el 3 de mayo de 2006.), se encontraron un total de 839 registros, de los cuales 155 son reportes *In Accordance* y de los que España es líder con el 32.90 por ciento de éstos, con una cantidad de 51 informes en conformidad con los lineamientos de la Guía. El país con más memorias de sostenibilidad es Japón con un total de 129 reportes, cifra que representa el 15.37 por ciento del total de informes presentados mundialmente.

Por su parte, Estados Unidos de América ocupa el segundo lugar con 88 memorias equivalente al 10.49 por ciento, mientras que Gran Bretaña, el tercero, con 86 informes representando el 10.25 por ciento de los emitidos por las compañías de un total de 57 países.

Según el estudio efectuado por Archel *et al.*, [2005] con respecto a datos de junio del 2005, 50 países habían presentado 671 informes o memorias de sostenibilidad., Este dato nos da la cifra de que, en aproximadamente diez meses, casi 170 nuevas memorias fueron añadidas, con un promedio de más de 16 memorias por mes, incorporándose 7 países a la lista.

El estudio comprendió un análisis que inició con México, considerándose necesario ampliarlo al Continente Americano, Asia, África, Europa y Oceanía, de ahí la comparación del número de informes que emiten las empresas por países, el tipo de actividad que llevan a cabo, sectores más destacados en la revelación de información.

Reflexiones

En México casi no se emiten memorias de tipo social y medioambiental, no hay quién lo exija o lo deba hacer, ni en base a disposición alguna; por ello, nos dimos a la tarea de conocer quiénes y por qué motivo lo hacen y en dónde son presentados sus informes. Se observó al leerlos que los distintos niveles de compromiso que cada quien otorga a su actuación y, a la extensión de sus beneficios, la medida en que son distribuidos, cómo y a quiénes, son coincidentes.

Se considera esencial que la figura de la RSE sea más conocida a nivel global y mejor interiorizada, totalmente entendida y cada vez más adaptada a los distintos casos de la extensa e importante magnitud de las diferentes organizaciones en que puede ser usada y mejorada, y en el mejor de los casos, superarla día con día con aportaciones que con la opinión y acciones de los distintos grupos con que se integran las organizaciones, se enriquezca y hasta procure no dejar algunos aspectos a la voluntariedad que hasta ahora predomina.

Los grandes protagonistas de estas memorias a nivel global se centran en los países europeos y, sin duda, han sido los más insistentes en rendir cuentas y en tratar de equilibrar el desarrollo en los tres ámbitos de la sostenibilidad en cada una de las organizaciones de esos países.

La transparencia es una condición y fin esencial para que las empresas den a conocer las estrategias de gestión implementadas en la organización para revelarlas y provocar un efecto multiplicador de la RSE en otras firmas extendiéndola a más países.

Observamos que con frecuencia las compañías proporcionan nueva información a la base de datos del GRI, en nuestro estudio, la mayor parte se incrementó de febrero a abril de 2006. En la introducción de cada reporte se refieren la calidad y tipo de datos de la “triple cuenta de resultados” de las organizaciones, sus estrategias de gestión en materia de sostenibilidad y el refrendo del compromiso por ejecutar y mostrar un desempeño más responsable y respetuoso para con todos sus partícipes; son más notables los casos de las empresas europeas, Japón y los Estados Unidos de América.

México a través de las cámaras o gremios de empresarios está incursionando en el ámbito de la RSE y quizá las empresas nacionales puedan reflejar en breve su actuación y sus memorias en un ambiente de sostenibilidad en la triple dimensión de la RSE, por ahora en este estudio sólo se encontró a tres empresas presentando informes siguiendo las directrices del GRI, y algunas otras, cumpliendo sólo las recomendaciones del Centro Mexicano para la Filantropía (CEMEFI) con el fin de obtener el distintivo de ESR; de alguna manera, es un peldaño en la asunción de un compromiso en pro del desarrollo sustentable de triple base.

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LA INVESTIGACIÓN ACADÉMICA Y LA TRANSFERENCIA DE CONOCIMIENTOS EN EL OCCIDENTE DE MÉXICO: EL CASO DE LOS PROYECTOS DEL ÁREA DE ALIMENTOS.

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ABSTRACT

En el marco del Programa de Apoyo al Desarrollo Regional, el Conacyt creó –desde 1994 hasta el año 2000– diez sistemas de investigación regionales, entre ellos el Simorelos, los cuales financiaron proyectos de investigación básica, aplicada y tecnológica a investigadores de instituciones de educación superior o centros de investigación enfocados en crear conocimientos o tecnología cuya aplicación permitiera generar desarrollo en las distintas regiones de México.

Al término de la vigencia de este esquema descentralizado, esta investigación contribuye a conocer los beneficios que trajeron a las regiones los productos de las investigaciones apoyadas con recursos del Simorelos, mediante la evaluación de los impactos sociales y económicos en el área de alimentos.

El área de alimentos es el área que mayor cantidad de recursos percibió para realizar sus investigaciones, con el 30 por ciento del total asignado. En la presente evaluación, de un total de 88 proyectos, fueron seleccionados once de éste sector. Esta estructura es una réplica de la población total, según el número de proyectos por área y por entidad federativa.

Como evaluación ex post se buscó documentar lecciones de la experiencia, monitorear los impactos reales de los proyectos y generar información que contribuya a la planeación y toma de decisiones en futuros programas y proyectos. Asimismo, espera coadyuvar a integrar de mejor forma las actividades de investigación, docencia y extensión, para, fundamentalmente, incidir en la actividad productiva y social de las regiones.

TRANSFERENCIA DE INNOVACIÓN E INFORMACION TECNOLÓGICA A LA PEQUEÑA EMPRESA DEL SECTOR SERVICIOS

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RESUMEN

El objetivo de este trabajo es analizar los determinantes de la eficiencia en la transferencia de innovación e información tecnológica de la empresa multinacional (EMN) a la pequeña y mediana empresa (PyME), en la forma de desarrollo de proveedores en el sector servicios. Diversos estudios señalan que el éxito de la empresa está determinado por la posesión de activos intangibles que le permiten diferenciar su producto y aumentar su eficiencia. Sin embargo, la PyME enfrenta restricciones a su capacidad de crear ese tipo de activos debido a su reducida capacidad de innovar, asociada a su baja inversión en I+D. Tanto desde la perspectiva de la promoción económica como de los círculos académicos, se considera que una alternativa para que la PyME pueda compensar esta limitación, es que obtenga los activos intangibles necesarios para potenciar su desempeño mediante su vinculación con empresas grandes, principalmente multinacionales. La transferencia de innovación e información tecnológica ha sido profusamente analizada en la actividad manufacturera, sin embargo no se le ha prestado la misma atención en el sector servicios, pese a la importancia económica de esta actividad.

¿CUÁL ES EL PROBLEMA? ES LA PRIMER ASIGNATURA DE LA CARRERA

María Adilia García Vargas, Universidad Nacional de Costa Rica

ABSTRACT

Seventeen years ago, approximately, we have had “Programación y Algoritmos”, initially, Lógica Computacional” after and “Fundamentos de Informática” finally, as the first course of the career. Those courses had different objectives across these time, but there was a common one: that our students get ability of using the computer to look for the solution of problems. This article has as primary objective to do a brief historic survey of the more important facts involved around this course, its reforms and the conclusions we have gotten when we realized that the promotion is less than 50%, no matter how hard we worked for it, we didn't have found the reason for this problem.

Keywords: education, course, algorithms, fundaments, engineering, subject.

INTRODUCCIÓN

Debido a los avances tecnológicos y a la demanda de profesionales en el campo de la Informática, la carrera de Ingeniería de Sistemas, año a año se ha convertido en la favorita de muchos de los estudiantes que van concluyendo sus estudios en la enseñanza secundaria.

Para ingresar a cualquier carrera de la Universidad Nacional, los aspirantes deben realizar un examen de Admisión, el cual contiene varios módulos para calificar algunas de sus habilidades. Para la carrera de Ingeniería de Sistemas, no existe hasta el momento una prueba específica que mida la aptitud del estudiante, y se seleccionan aquellos que tienen un mayor puntaje en la prueba de Admisión.

Cuando el estudiante ingresa a la carrera de Ingeniería de Sistemas o en Informática Educativa, debe matricular como primer curso Fundamentos de Informática, llamado anteriormente Programación y Algoritmos y Lógica Computacional.

En general, el objetivo del curso ha sido desarrollar la aptitud del estudiante en la solución de problemas utilizando por medio de la computadora y cambiar su actitud hacia la materia- a la cual le ronda el mito de que es un curso que se debe repetir una o varias veces- así como hacer una inducción hacia la carrera y la Universidad en general.

Actualmente se está impartiendo este curso, con algunos cambios significativos, que pretenden obtener mejores resultados sin afectar la calidad de la enseñanza. Cabe mencionar que no se espera un 100% de aprobación, pero si un menor porcentaje de reprobación, tomando en cuenta el seguimiento y apoyo que la cátedra y la Escuela de Informática le ha dado a este curso.

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LAS SOFOLES COMO ALTERNATIVA DE FINANCIAMIENTO DE LAS PYMES MEXICANAS

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ABSTRACT

La globalización económica mundial y específicamente la financiera tanto en México como en los países desarrollados han sido determinantes para modificar el funcionamiento del sistema bancario.

INTRODUCCION

La disponibilidad de financiamiento bancario es condición indispensable para que exista inversión y esto ocasione cambios positivos en las variables macroeconómicas de un país. Por lo tanto, los bancos, y específicamente el acceso al crédito juega un papel central en el crecimiento económico. Mucho se ha argumentado que con la desregulación financiera, particularmente la bancaria, los bancos comerciales han reducido la emisión de créditos. En consecuencia las empresas de países emergentes han tenido que optar por buscar medios alternativos de financiamiento. Ante tal panorama, éste artículo tiene como objetivo el análisis de las nuevas pautas de financiamiento que han adquirido las empresas mexicanas, específicamente las pequeñas y medianas, debido esencialmente a las restricciones de crédito bancario.

De esta manera podremos obtener una visión más exacta de que rumbo han tomado los sistemas de financiamiento de las empresas mexicanas desde la segunda mitad de la década de los noventa. De igual modo se pretende comprender cual ha sido el impacto de la desregulación financiera en éste país y específicamente los resultados, respecto al sistema financiero, que ha traído consigo el Tratado de Libre Comercio de América del Norte. Otro de los objetivos es conocer la manera en que se han modificado las fuentes de financiamiento para las Pymes mexicanas y cuales son las características de las empresas que han recurrido a fuentes de financiamiento alternativas. Destacando la importancia que han adquirido las Sociedad Financieras de Objeto Limitado (SOFOLES), como alternativa crediticia las cuales han adquirido una enorme importancia en México.

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