

# Proceedings

2019 Annual Conference

Academy of International Business – Southeast US

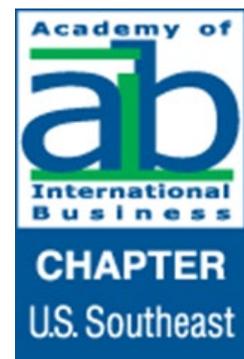
October 17-19, 2019  
San Antonio, TX

*“Liability of Foreignness in the Digital Age”*

*Editor:*

*Jun Wu, Georgia Gwinnett College*

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## CONFERENCE AWARDS

### **Best Conference Paper Award Sponsored by University of Texas at San Antonio**

Cultural imprints: Emerging market multinationals' post-acquisition CSR performance

*Ru-Shiun Liou, The University of Tampa*  
*Nai Lamb, The University of Tennessee at Chattanooga*  
*Kevin Lee, The University of Tampa*

### **Best Conference Theme Paper on Liability of Foreignness in the Digital Age Sponsored by University of the District of Columbia**

What Matters to Apps Going Global? The Role of Continuous Product Innovation on the Digitalized Products' Foreign Market Performance

*Yongseok Kim, The University of Texas at San Antonio*  
*Deepa Chandrasekaran, The University of Texas at San Antonio*  
*Richard Gretz, The University of Texas at San Antonio*  
*Suman Basuroy, The University of Texas at San Antonio*

### **William J. Ziegler Best Ph.D. Student Paper Sponsored by Drake University**

Sense-making perspectives in entrepreneurial opportunity recognition: Review and agenda for future research

*Waheed Khan, University of South Australia*  
*Susan Freeman, University of South Australia*  
*Tamer Cavusgil, Georgia State University*  
*Pervez Ghauri, University of Birmingham*

### **Best Undergraduate/Graduate Student Paper Sponsored by The University of Alabama**

Social Globalization, National Culture and Education: A Mediation Model

*Johanna Morse, Quinnipiac University*  
*Robert Engle, Quinnipiac University*

### **Best Conference Reviewer Award**

*Thomas Weber, University of Southern Indiana*

### **Best Conference Student Reviewer Award**

*Greig W. Powers, Rollins College*

# **Track: Culture, Organizations and Human Resources of the MNEs**

## **Competitive Papers**

## **Free-Riding in Global Virtual Teams: An Experimental Study of Antecedents and Strategies to Minimize the Problem**

Taras, Vas; *University of North Carolina at Greensboro, USA*

McLarnon, Matthew; *Oaklan University, USA*

O'Neil, Tom; *University of Calgary, Canada*

Tullar, William; *University of North Carolina at Greensboro, USA*

Free-riding is a persistent problem in workgroups, particularly in global virtual teams (GVTs). This study explores the mechanisms by which free-riding affects group dynamics and performance in GVTs. In particular, we experimentally test several strategies to alleviate the problem. The study was conducted using 2,163 GVTs composed of 15,453 people from over 40 countries who worked real business challenges presented by international companies. The results confirmed that the damage caused by free-riding is disproportionately higher than the loss in manpower and that several of the tested strategies implemented before the team starts working on the project and/or after the problem of free-riding occurs can be remarkably effective in preventing and mitigating the problem, reducing the free-riding rate by up to 47 percent. Implications for GVT management are discussed.

**Keywords:** Virtual teams, Diverse international contexts, Organizational behavior, Free-loading, Teams

## **Withholding Effort in Teams: A Meta-Analytic Synthesis of Empirical Evidence on Social Loafing in Teams**

Taras, Vas; *University of North Carolina at Greensboro, USA*  
Tullar, William; *University of North Carolina at Greensboro, USA*  
Kirkman, Bradley; *North Carolina State University, USA*

We meta-analyze 105 publications (116 independent samples, 465 data points) to investigate the predictors and consequences of social loafing (SL). In doing so, we tested the predictive power of 36 different factors on SL that represent team member characteristics, team climate, and work design; and, we examined the effects of SL on six team outcomes, including both team performance and psychological outcomes. Results show that a number of factors reliably predict SL, with team climate and work design having the strongest effect. In turn, SL damages team performance and dynamics. Proper team member selection, management, and work design can substantially alleviate the problem. Underexplored but promising areas in the extant literature are identified and directions for future research provided.

**Keywords:** Organizational behavior, Work attitudes/behaviors, Human resources, Teams, Workgroups, Motivation, Freeloading

## **Culture, Interpersonal Bonds, and Performance: A Profile Analysis**

Akoto, Edward; *Henderson State University, USA*

This theoretical paper examines cultural-based profiles using psychological collectivism/individualism and perceived power distance and their effect on the interpersonal bonds and performance. Research has not examined interpersonal bonds through profile analysis and none with cultural-based profiles across settings. The theorizing shows that collectivist-high power distance and individualistic-low power distance profile combinations will be prevalent in non-western and western settings, respectively. However, the most revealing outcome is the profiles based on the existence of sub-cultures, which deviates from the assumptions of national culture in the two settings. The individualistic-high power distance and collectivist-low power distance profiles should associate with the bond to the supervisor and the work team, respectively. This approach provides an analytical technique to better understand the interpersonal bonds, and contributes to the research on commitment across cultures.

**Keywords:** Organizational behavior, Work attitudes/behaviors, Human resources, Interpersonal bonds, Supervisor commitment, Work team commitment, Culture

## **Understanding the Curvilinear Relationship between Culture Novelty and General Adjustment of Expatriates and the Moderation Effect of Emotional Stability**

Wu, Jun; *Georgia Gwinnett College, USA*

Yang, Jun; *Fort Hays State University, USA*

The relationship between cultural novelty and cross-cultural adjustment of expatriates is often assumed negative and linear. The current research challenges this assumption conceptually and empirically and tests a curvilinear relation between cultural novelty and general adjustment of expatriates. Further, the present work also hypothesized that emotional stability moderates the curvilinear cultural novelty—general adjustment relationship such that the negative effect of cultural novelty on general adjustment will be mitigated by emotional stability of expatriates. By using samples of expatriates in two host countries—China (N=157) and India (N=151), the present study found a curvilinear relationship between cultural novelty and general adjustment and the support for moderation effects of expatriates' emotional stability on this relationship. Implications of this study to theory and practice are discussed.

**Keywords:** Organizational behavior, HR and Labor relations, Diverse international contexts, Expatriates, Cross-cultural adjustment, Emotional stability, Cultural novelty

## **The Fundamental Endogeneity of Survey-Based Cultural Dimensions**

Shoham, Amir; *Temple University, USA*

The survey-based cultural dimensions are extensively used in empirical analysis as the main source of quantitative culture scores. But culture captured by surveys has a major endogeneity problem. The individuals answering the surveys are affected by their current socio-economic condition and environment (societal mood), meaning that the surveys are capturing culture mixed with current socio-economic effects. By using the World Value Survey (WVS) waves, we provide empirical support for the endogeneity argument. The empirical findings show that in-country scores change frequently between waves. In addition, the countries in the WVS change their ranking between waves so even the relative position of a country compared to others is questionable when using survey-based cultural dimensions. This finding is in contrast to the idea that cultural values are sticky. In the discussion section, we provide an alternative method for capturing cultural dimensions based on the grammatical structures of languages.

**Keywords:** Diverse international contexts, Intra-firm innovation, Survey-based cultural dimensions, Values, Hofstede, GLOBE

## **Predictors of Happiness: Evidence from Latin America**

Robertson, Christopher J; *Northeastern University, USA*  
Grueso, Merlin Patricia; *Universidad del Rosario, Colombia*  
Haar, Jerry; *Florida International University, USA*

The collective state of mind of a society can often affect various market factors such as self-esteem of workforce, work ethic, consumer buying patterns and government confidence. From an international business perspective happier nations very well may be more pleasant places to do business and lands in which employee turnover rates are relatively low compared to less happy nations. In this study the antecedents to country level happiness are explored. We isolate Latin America to ascertain whether or not happiness predictors in this world region differ from the rest of the world. Our tentative conclusions that government effectiveness and income as predictors of happiness may vary across borders have clear implications for both managers and policymakers.

**Keywords:** Work attitudes/behaviors, Comparative management, Diverse international contexts, Culture, Happiness

## **Caring Organization and Innovation**

Weber, Thomas; *University of Southern Indiana, USA*  
Moghaddam, Kaveh; *University of Houston-Victoria, USA*

In this study we investigate the questions: Does a caring organizational culture foster individual creativity and lead to more organizational innovation? We propose that there is a positive relationship between a caring organizational culture and creativity as well as the moderating effect of the GLOBE study's humane orientation on that relationship. We also propose that a caring organizational culture will positively impact creativity and this relationship will be positively impacted by humane orientation. An initial definition of a caring organizational culture was developed that was used to compare the traits an environment required to support creativity against.

**Keywords:** Multinational corporations, Organizations and enterprises - MNEs, Human resources, Organizing frameworks

## **The Effects of Language on Gendered Migration Patterns**

Zuloaga, Erika; *The University of Texas at San Antonio, USA*

Lien, Donald; *The University of Texas at San Antonio, USA*

In order to study how and why highly educated women migrate at different rates and to different countries than their male counterpart, we utilize language as a proxy for cultural and social norms shaping gender expectations across countries. We build a gravity-model that accounts for grammatical distinctions between genders and between present and future tenses; in addition to the disparity of women's rights between countries and other neoclassical determinants of migration. Our results show that the grammatical structure of language is related to the gendered pattern of highly educated migrants and to the varying responses to the same economic reasons to move. We find that language is a potential variable to account for cultural and social norms that influence important career decisions for women as migrants, and thus useful to advance policies that support their empowerment through education and ultimately, through promising careers and futures.

**Keywords:** Diverse international contexts, Human resources, Organizational behavior

# **Track: Emerging Markets and Emerging Market MNEs**

## **Competitive Papers**

## **Cultural imprints: Emerging market multinationals' post-acquisition CSR performance**

Liou, Ru-Shiun; *The University of Tampa, USA*

Lamb, Nai; *The University of Tennessee at Chattanooga, USA*

Lee, Kevin; *The University of Tampa, USA*

Many emerging multinational corporations (EMNCs) choose to acquire firms in developed markets because EMNCs can obtain more advanced technology and managerial know-how. The extent of adopting corporate social responsible (CSR) practices, however, may not show immediate financial returns and thus are potentially overlooked. This study extends the institution-based view on EMNCs' internationalization and investigate how home country culture matters in EMNCs' post-acquisition corporate social performance (CSP). This study uses a sample of EMNCs' acquisitions in the U.S. from 2005 to 2011 and conduct panel regression analysis on their post-acquisition corporate social performance based on Hofstede's cultural dimensions. Uncertainty avoidance and power distance are positively related to the improvement of EMNCs' CSP, while individualism has a marginally negative relationship. A post-hoc analysis suggests that compared to manufacturing firms, service firms are more susceptible to the cultural imprinting effect.

**Keywords:** Emerging market multinationals (EMNCs), Cross-border acquisitions, Corporate social performance (CSP), Cultural dimensions

## **Building Social-Capital Networks and Relationship Commitment in China and India**

Graça, Sandra Simas; *Eckerd College, USA*  
Kharé, Virginie Pioche; *Eckerd College, USA*

This study examines the relationship commitment-building process between buyers and suppliers from China and India. It explores the influence of communication behavior factors (e.g., socialization, communication frequency, and communication quality) and conflict resolution in shaping social-capital based business networks. The study also contrasts Chinese and Indian business network characteristics (e.g., social benefits, trust and reciprocity) and their effects on a buyer's level of allegiance and loyalty to the supplier. Based on data from a survey of 100 Chinese and 100 Indian buyers tested using structural equation modeling, results demonstrate similarities in the way communication behavior shapes social networks in the two countries. Conflict resolution is found to be an important factor in influencing social-capital network positively for both countries. In addition, communication behavior also has a positive influence on all aspect of social-capital networks, especially in promoting reciprocity in India. Results also demonstrate differences between aspects of the network in the two countries that most contribute to a buyer's selection of a supplier to commit. While in China reciprocity is more important in driving affective commitment, friendships are found to have a greater influence in India. Universally, trust is found to be an essential preceptor to relationship commitment.

**Keywords:** Social-capital networks, Communication behavior, Conflict resolution, Relationship commitment, Emerging markets, China and India

## **Agility of Dynamic Capabilities of Emerging Economies' Multinationals: A Conceptual Framework**

Khan, Huda; *University of South Australia, Australia*  
Khan, Zaheer; *Kent Business School, United Kingdom*  
Khan, Waheed; *University of South Australia, Australia*  
Farman, Nida; *University of South Australia, Australia*

This study develops a conceptual framework for strategic agility and its role in innovation and performance, particularly within a context of emerging-market firms and their acquired subsidiaries in developed markets. Using scoping literature review, the article draws on key insights from dynamic capabilities theory and innovation management literature to present a conceptual framework of how emerging markets' subsidiaries operating in developed markets can cultivate innovation ambidexterity. The framework offers a fresh perspective on the different agility (i.e. strategic marketing agility, networking agility, and resource mix agility) and how they may engender different implications for ambidextrous innovation strategy (exploration vs exploitation) in developed markets. The authors proposed testing both reactive and proactive modes of agility of different capabilities to capture full essence of the agility. By identifying the moderating role of home country involvement and competitive intensity, the framework also attempts to enunciate how the ambidexterity of the two innovation strategies (exploration vs exploitation) may have wider implications for performance and value creation for stakeholders.

**Keywords:** Strategic agility, Ambidexterity, Stakeholders' value-creation, Home country involvement, Competitive intensity

## **Internationalization of Central and Eastern European Firms: An Exploratory Analysis of Location Choice and Motives**

Moghaddam, Kaveh; *University of Houston-Victoria, USA*

Weber, Thomas; *University of Southern Indiana, USA*

Azarpanah, Sara; *Lone Star College, USA*

Using competing hypotheses based on the Uppsala and springboard models, this exploratory study examines the location choices of international M&As originating from Central and Eastern European (CEE) firms. Data analysis of 1,395 international M&As during the 2000-2014 period suggests that the top target region for CEE firm international M&As is Central and Eastern Europe, followed by Western and Southern Europe. In addition, the motives of CEE firm international M&As are qualitatively examined by a panel of experts and the results support the notion that firms from developed and emerging markets exhibit different internationalization motives. The findings indicate that beyond market seeking as the top motive driving cross-border M&As, CEE firms pursue international M&As for global-value-consolidation seeking and knowledge seeking, rather than resource seeking or efficiency seeking.

**Keywords:** Emerging Markets, Central and Eastern European Firms, International Merger and Acquisitions (M&As)

# **Track: Entrepreneurship, SMEs, and Born Globals**

## **Competitive Papers**

## **Internationalization and Entrepreneurship: An Indian Pharmaceutical Industry perspective**

Salwan, Prof Prashant; *Indian Institute of Management Indore, India*

Since the study the Emerging Market Firms started in the early 1990s, the firms have shown new and amazing learning experiences for developed market firms in value creation. Our study found that EMFs especially high tech firms internationalization motive were technology seeking or efficiency seeking but progressively they moved to the high end of the value chain. Institutional environment in emerging markets act like an enabler for outward FDI in the context of country's regulative void. The strategic intent of the top management team impacts the international expansion process. Intra and Inter-firm capabilities help in knowledge transfer in EMFs from host nation to home country, which in turn influences the internationalization process. The degree of internationalization depends upon the type of industry an emerging market firm belongs to. An emerging market firm's learning capability would influence its process of internationalization. EMFs drove long term growth through the creation of sustainable revenue streams, cost leadership, business development and balance profitability & investments for future. This papers uses International Entrepreneurship lenses to analysis the internationalization growth of an Indian Pharma firm

**Keywords:** Internationalization, Entrepreneurship, Emerging economies ownership

## **Sense-making perspectives in entrepreneurial opportunity recognition: Review and agenda for future research**

Khan, Waheed; *University of South Australia, Australia*  
Freeman, Susan; *University of South Australia, Australia*  
Cavusgil, Tamer; *University of South Australia, Australia*  
Ghauri, Pervez; *University of Birmingham, United Kingdom*

In this conceptual paper, we explore the sense-making process of entrepreneurs for opportunity recognition, address limitations of the previously contested discovery and creation approaches to refine the more recent actualization approach. We conceptualize opportunities as a tool to meet both economic and non-economic objectives. This paper sets out arguments, stemming from behavioral economics and entrepreneurship scholarship, against the backdrop of presenting how entrepreneurs might conceptualize the future or ultimately create opportunities. To elucidate the limitations of entrepreneurs' sense-making, we build our study on Chater and Loewenstein's (2016) sense-making model and the actualization approach (Ramoglou & Tsang, 2016). We explore an overlooked sense-making mechanism of entrepreneurs which drives them to gather, attend to, and process information in a cognitively constrained fashion. We show the effect of psychological loss aversion, acquiring market knowledge, contradictory information 'pain' and 'pleasure', and confirmation bias on entrepreneurs' perception of believability towards an opportunity. This study concludes by offering implications for entrepreneurs that conceptualize how their unrealistic presuppositions could be detrimental and lead to commitment of a non-opportunity venture.

**Keywords:** Entrepreneurship, Sense-making

# **Track: Global Strategy, Value chains and Competitiveness of the MNEs**

## **Competitive Papers**

## **The shifting landscape of Geopolitics and Business**

Moussetis, Robert C; *North Central College, USA*  
Vracheva, Veselina; *Chapman University, USA*

Only in the past year, the landscape of geopolitics and business is changing with unpredictable implications for multinationals. Increasingly multinationals must generate strategic approaches to emerging events such as the takeover of Crimea, Belt and Road Initiative (BRI), continuous Russian threat to Ukraine, British exit from the European Union, perpetual financial crisis in Greece, the rising barriers to trade, the rise of populism and nationalism, the European socio-political and economic crisis, refugees or the looming expansion of China in South East China. This paper attempts to provide a different perspective for managers to monitor, adjust and execute strategies to minimize threats and optimize performance.

**Keywords:** Global strategy, Transnational strategy, Economic changes, Geopolitics

## **Small IJV's R&D Strategy: Insights from the Environmental Contingency Perspective**

Yang, Jie; *The University of Texas at Tyler, USA*  
Ma, Jieqiong; *Hofstra University, USA*

This study draws on the environmental contingency perspective to explore small international joint ventures' (IJV) R&D strategy in China. Our sample consisted of 672 observations taken from 224 small and medium sized manufacturing firms with foreign ownership listed on the SMEs board of the Shenzhen Stock Exchange over a period of three years (2015-2017). Our findings show that small IJVs with political ties tend to invest more in R&D than their counterparts. Interestingly, this positive relationship grows stronger with high market turbulence but wanes under high governmental policy turbulence. Theoretical contributions and managerial implications are presented in the end.

**Keywords:** Joint-ventures, Performance, Global networks, China

## **Exploring Managers' Ideology Driven Tendency Towards CSR Engagement**

Farman, Nida; *University of South Australia, Australia*  
Freeman, Susan; *University of South Australia, Australia*  
Cavusgil, Tamer; *University of South Australia, Australia*  
Ghauri, Pervez; *University of Birmingham, United Kingdom*

Why do firms vary in their stance toward corporate social responsibility (CSR)? Previous research has emphasized macro (institutional) and meso-level (organizational) pressures, however little attention has been paid to the possibility that CSR decision making may stem from human motives (managers' personal values). This conceptual paper explores managers' political ideology driven information processing mechanism, and the corresponding effect on their tendency towards CSR engagement. We propose a conceptual framework of managers' liberal-conservative proclivities in terms of their personal values that may drive their perceptual filtration process to scan and interpret information while making strategic decisions. To elucidate this process at the individual-level, our study integrates micro (upper echelons theory) and meso-level (model of organizations as interpretation systems) theoretical foundations for the conceptual framework. This paper considers the 'unconstrained' vision of liberal leaning managers and 'constrained' vision of managers with politically conservative leanings and proposes how data sources and acquisition (scanning of information), and data equivocality, assembly rules and information cycles (interpretation of information), could lead to variable CSR engagements. In unpacking how managers' ideological inclinations might affect their information seeking and interpreting capacity for CSR engagements, the implications for academics and practitioners are outlined.

**Keywords:** Global strategy, Political ideologies, Corporate social responsibility, Values, Information processing, Upper echelons theory

## **How to Promote Cooperation of a Target's Employees in Cross-Border M&As—Evidence from Chinese Reverse M&As**

Zhang, Xun; *Hohai University, China*

Xu, Biao; *Nanjing University, China*

Wu, Jun; *Georgia Gwinnett College, USA*

The purpose of this paper is to examine the role of inter-group conflict on the cooperation of the target's employees in cross-border M&As based on the theory of social classification. It classifies two types of conflicts (realistic conflicts and symbolic conflicts) and a mediating mechanisms (trust in acquirer) and that exhibit different effects on cooperation intention. The research further examines two moderating mechanisms (localization and trustworthiness of expatriate managers) in the whole mechanism. The research hypotheses were empirically tested from Chinese cross-border M&As context with 209 valid questionnaires. By hierarchical multiple regression analyses for testing relational and moderating effects, this research demonstrates that both realistic conflicts and symbolic conflicts can reduce the intention to cooperate, but the latter does not have a significant relation to the cooperation intention of the target's employees. The results also uncover that trust in the acquirer of the target's employees mediates the relationship between realistic conflicts and cooperation intention. Moreover, management localization and trustworthiness of expatriate managers positively moderate the relation between realistic conflicts and trust in the acquirer. In addition, trust in the acquirer mediates the interaction of realistic conflicts and management localization on the cooperation of the target's employees.

**Keywords:** Global strategy, Integration-Responsiveness framework, Cross-border mergers and acquisitions

**Track: Governments, Institutions, Social  
Enterprises and Non-Profits, their roles in  
the New Economy**

**Competitive Papers**

## **Vulnerability to Climate Change: Are Innovative Countries in a Better Position?**

Abdelzaher, Dina; *University of Houston Clear Lake, USA*  
Martynov, Aleksey; *University of Houston Clear Lake, USA*  
Abdelzaher, Angie; *American University of Cairo, Egypt*

The impact of climate change on organizations and economies remains one of the most significant yet underestimated threats. Although the consequences of climate change have started to gain attention among policy makers, international business research on this issue is lagging behind. Drawing from the knowledge and innovation literatures, we explore the impact of a country's degree of innovation on its vulnerability to climate change. Using a longitudinal sample of 73 countries for the years of 1998-2013, we examine the impact of innovation, openness to trade, and regulatory quality on a country's vulnerability to climate change. We find that R&D expenditures as a percentage of GDP (innovation input), openness to trade, and regulatory quality decrease a country's vulnerability to climate change. We also find that openness to trade moderates the effect of patenting rates (innovation output) on a country's vulnerability to climate change.

**Keywords:** Climate Change, Institutional Theory, Innovation, Knowledge Based Economies

## **Cross-Cultural Attitudes, Worldviews, and Globalization Sensemaking**

Miotti, Gustavo; *Rollins College, USA*

Since the end of World War II, globalization has produced a considerable increase in the development of the world economy and social indicators. However, we are currently living in a world of ambiguity and uncertainty that was dramatically accelerated by the Great Recession about a decade ago. It seems that the world of differences is becoming larger than the world of similarities, concepts which have been successfully explored by populist politicians in many parts of the world. Based on the literature about sensemaking theory, this research proposes that individuals with highly developed cross-cultural attitudes and worldviews will have a better perception of the benefits of globalization, and therefore, policy makers would be wise to develop cross-cultural attitudes and worldview initiatives. This paper is structured as follows: it will begin with a review of current developments of the globalization process, it will explore concepts of cross-cultural attitudes and worldviews and will finish with an analysis of the theory of sensemaking and how this can influence the perception and attitudes of individuals toward globalization.

**Keywords:** Political Economy, Economic Development, Government Policy, Globalization

## **Future of Business-to-Government Guanxi amidst the North-South and Rural-Urban Divides in China: Ethical Evaluations of Chinese Managers in Three Regions**

Ulusemre, Tolga; *Hawaii Pacific University, USA*

This paper explores Chinese managers' ethical evaluations of business-to-government guanxi in three regions of China. We conducted in-depth interviews with 20 senior Chinese managers in Beijing, Shanghai, and a county of Hebei, representing the urban North, the urban South, and the rural North of China, respectively. Based on the content analysis of these interviews, we found that the ethical evaluations of the managers in Beijing and Shanghai were more negative than those of the ones in Hebei. Our findings suggest that institutions play a more important role in shaping attitudes towards business-to-government guanxi than culture does.

**Keywords:** Corruption, Informal Institutions, Emerging Economies, Guanxi, Qualitative, Interviews

# **Track: IB Theory, FDI, and Entry Mode Strategies**

## **Competitive Papers**

## **The role of MNEs in the nexus globalization-economic development-corruption**

Aissaoui, Rachida; *Ohio University, USA*  
Fabian, Frances F; *University of Memphis, USA*  
Uzuegbunam, Ikenna; *Ohio University, USA*

Research on globalization has revealed that the relationships among globalization, economic development, and corruption is complicated and mixed. Empirical evidence is therefore currently unhelpful for MNEs' decision-making. Using a contingency approach embedded in a cross-lagged panel design on a sample of 173 countries captured between 2005 and 2015, we investigate two contingencies in these relationships: the dimension of globalization and the country's stage of economic development. Accounting for these contingencies helps not only to reconcile competing findings, but also to provide evidence that 1) these relationships are strongly related to the stage of economic development of countries, and 2) these different stages are uniquely vulnerable to influence from different types of globalization. By viewing these relationships as dynamics that change across time, this study offers a framework for understanding the extensive mixed findings in the literature, as well as a template for strategic decision-making on the appropriate avenues for MNE influence.

**Keywords:** Global economic and institutional environment, foreign direct investment (FDI), multinational enterprises (MNEs), Corruption

## **What drives companies to go hand in hand with government in emerging economies? Evidence from Brazil**

da Silva, Jaison Caetano; *University of the Itajaí Valley, Brazil*  
Gambirage, Cinara; *FURB - Regional University of Blumenau, Brazil*  
Bueno, Giovana; *University of Itajai Valley, Brazil*  
Marcon, Rosilene; *University of Itajai Valley, Brazil*

From the perspective of institutional theory, we examine the factors that drive emerging-market firms to connect politically with government. For this purpose, we empirically analyze the set of companies listed in B3 (Brazil, Stock Market, over the Counter) in the period from 1998 to 2016, connected through campaign donations. The results indicate that both individual factors and environmental factors contribute to companies establishing political connections. Cross border M&A (CBMA), the increase in the cost of capital and membership in regulated sectors significantly increase the chances that companies will strengthen ties with the government. Counter intuitively, the deterioration of the economic and institutional environment does not contribute to the company establishing connections; but rather the opposite. The research contributes by extending knowledge about the factors that help companies in emerging economies to connect politically and in the search for conciliation between the ambiguous notes about the theme.

**Keywords:** Governments, Institutional environments, Foreign direct investment (FDI), Political connections, Emerging Markets.

## **Cultural Distance and Entry Mode: The Moderating Role of Self-Construal**

Jung, Hyeyoon; *University of Alabama, USA*  
Magnusson, Peter; *University of Alabama, USA*  
Westjohn, Stanford; *University of Alabama, USA*  
Peng, Yi; *University of Alabama, USA*

Based on a micro-foundational approach, we suggest that the firm's strategic decisions should be predicted by taking into consideration both cultural distance and the cultural backgrounds of the individual managers. Since global marketing strategy comes from the firm's individual decision makers, the cultural values of key managers will shape their firms' important strategic decisions. Thus, this current research investigates how cultural values of individual decision-makers, especially self-construal, influence the relationship between cultural distance and entry mode decision. We expect that examining the interaction effect of cultural distance and self-construal will be the key solution to address the "national cultural distance paradox." The results from both meta-analysis and two experimental studies significantly support the moderating effect of self-construal on the relationship between cultural distance and entry mode decisions.

**Keywords:** Entry mode decisions, Cultural Distance and Self-Construal

# **Track: International Accounting, Economics, and Finance**

## **Competitive Papers**

## **Is There a Brain Drain in Auditing? The Determinants and Consequences of Auditors' Leaving Public Accounting**

Mao, Juan; *University of Texas at San Antonio, USA*

Knechel, Robert; *University of Florida, USA*

Qi, Baolei; *Xi'an Jiaotong University, China*

Zhuang, Zili; *The Chinese University of Hong Kong, Hong Kong, SAR-PRC*

This study investigates why auditors leave public accounting and the consequences of auditor departures. We find that audit competency is negatively associated with a departure decision. Specifically, audit partners and managers, as well as auditors generating more audit revenues and providing higher quality audits, have a lower likelihood of departure. However, female, young, non-Big 4 auditors, and those with better educational backgrounds have a higher likelihood of departing public accounting. In terms of consequences, we find that the audit firm is more likely to lose clients whose incumbent auditor departs. Clients that stay with the same firm, however, pay lower audit fees with no drop off of audit quality after their auditor's departure. In supplementary analyses, we also demonstrate that the determinants and consequences of auditor departures are different from those of auditor turnover. Specifically, while higher audit competency decreases the likelihood of auditor departures, it increases auditor turnover. Our study provides insights that should be of interest to the audit profession, audit firms, and regulators.

**Keywords:** Accounting, International accounting, Econometric analyses

## **The Risk-Taking Channel and Monetary Transmission Mechanisms in China**

Guo, Rong; *Georgia Gwinnet College, USA*

Kang, Li; *Zhongnan University of Economics and Law, China*

Zhang, Mei; *Georgia Gwinnet College, USA*

We collect data from forty-seven commercial banks in China during the period of 2006-2014, and examine the risk-taking channel and transmission mechanisms for various monetary policy instruments using dynamic panel GMM estimations. We find that the risk-taking channel of monetary policy exists in China. China's monetary policy influences bank's risk-taking through valuation effect, searching for yield effect, and competition effect, but not insurance effect. Monetary authorities should encourage reasonable and moderate competition in the banking industry, while commercial banks should adjust their risk management and innovate their business to lower the impact of monetary policy on bank's risk-taking in China.

**Keywords:** Finance, Econometric analyses, Monetary policy, Risk-taking channel, Transmission mechanisms

## **Investor Sentiment and Sovereign Bonds**

Li, Yulin; *University of Texas at San Antonio, USA*  
Wald, John; *University of Texas at San Antonio, USA*

Investor sentiment is an important driver of sovereign bond risk premia in emerging markets. Using local sovereign debt and external (USD) sovereign debt, we find that sentiment is negatively related to future bond risk premia on average across emerging market (EM) countries. This negative sentiment effect suggests that investors treat emerging market sovereign bonds in the asset markets as risky assets rather than as safe assets. We also find sentiment is positively related to EM sovereign bond yields. A one standard deviation decrease in sentiment is associated with a 16 basis points decline in the cost of EM debt denominated in local currency and a 17.2 basis points decline in the cost of EM debt denominated in USD.

**Keywords:** International finance, International economic development, Sovereign Bond Returns, Investor sentiment, Emerging markets

# **Track: International Marketing**

## **Competitive Papers**

## **Choice and Visibility: An Inclusive Perspective of Multiculturalism**

Ku, Sarah; *Georgia State University, USA*  
Liu, Leigh Anne; *Georgia State University, USA*

Cultural diversity is ubiquitous now more than ever. As the global population continues to grow, individuals who identify as multicultural require serious consideration for consumer behavior implications. Multiculturalism cannot be viewed as homogeneous because different mechanisms result in different levels of knowledge, identification, and internalization of multiple cultures. We propose a modified framework to better understand the specific causes for differences in multiculturalism. This model includes an overview and explanation of antecedents of choice and visibility to more comprehensively classify multiculturalism. These antecedents are moderated by contextual factors as well as intrinsic and extrinsic motivations, as supported by social and motivation theories. The level of engagement to accept or reject multiculturalism mediates these antecedents on knowledge, identification, and internalization of multiculturalism. Understanding the causes and differences within culturally diverse consumers is crucial for businesses to effectively and efficiently sell to these heterogeneous populations.

**Keywords:** Cross-cultural Marketing, Consumer Behavior, Marketing Strategy,

## **Effects of Xenocentrism and Country of Origin on Consumer Purchase Intention: Improving the understanding of Consumer Behavior in International Marketing**

Camacho, Luis Jose; *SUNY Empire State College, USA*  
Ramirez, Julio Cesar; *Universidad Pontificia Bolivariana, Colombia*  
Salazar, Cristian Eduardo; *Universidad Austral de Chile, Chile*

The international marketing literature has been focused on consumer ethnocentrism to explain preferences in consumer purchase intention (PI). Globalization, generational trends, social changes, and technology have influenced the customer decision making process. Based on the XSCALE proposed by Rojas-Mendez & Chapas (2017) and Structural Equation Model (SEM), this study aims to investigate drivers of PI analyzing the data survey of 241 customers in Colombia. XSCALE has two dimensions, domestic rejection (DR) and foreign admiration (FA). Results indicate that DR and Country of Origin (COO) do not have a positive direct effect on PI, and FA does. Assessing the mediation effect of both XSCALE dimensions and COO to PI through Product Quality (PQ), full mediation effect was validated. The authors discuss the implications of the findings for theory and managerial practice and identify future research directions.

**Keywords:** Country-of-Origin Effects, Consumer xenocentrism, Product Quality, Purchase Intention, XSCALE

## **Perceptions of International Licensing by Firms in the Audiovisual Industry: Contrasting Theory and Practice**

Pinho, Maria Luiza; *Georgia State University, USA*

Pinho, Celso; *Georgia State University, USA*

This paper examines executives' perceptions of the use of international licensing in the internationalization process of firms from the audiovisual industry. Facing disruption in the way content is consumed nowadays, firms have adopted new strategies for responding to the challenges of digitalization. A review of the International Business literature was conducted to identify the main attributes related to choosing international licensing as an entry mode. A survey was conducted in order to test the research hypotheses. Results from a sample of 103 executives of the animation segment of the audiovisual industry challenge the traditional understanding of international licensing, suggesting the need for further research.

**Keywords:** Marketing Strategy, Digitalization

## **Customer-to-Customer Virtual Interactions: Does Customer Engagement Help or Hurt Intent to Co-Destroy?**

Roy, Douglas; *Saint Louis University, USA*  
Ramsey, Jase; *Florida Gulf Coast University, USA*  
Lorenz, Melanie; *Florida Atlantic University, USA*

Specialized skills and knowledge are resources that are valuable to a firm as a source of innovation for new product development. In order to propagate these resources on a mass scale, the firm provides virtual environments, where customers can directly interact with the firm, as well as each other. Little attention has been given to these peripheral customer-to-customer interactions, which are also a source of value. However, devaluation processes can occur, and these processes can also diminish co-created value with the firm. The purpose of this study is to explore how and why virtual customer-to-customer social interactions can result in a loss of value.

**Keywords:** Consumer Behavior, Cross-cultural Marketing, Services Marketing,

## **“I Thought My Idea to Use Your Idea Was a Great Idea”: Inadvertent Plagiarism as “Innovation”**

Bauer, Brittney C.; *Loyola University New Orleans, USA*  
Johnson, Clark D; *Saint Louis University, USA*

Cryptomnesia befalls an individual when they believe that an idea that originated from an external source is actually their own original creation. Occurrences of cryptomnesia have the potential to negatively impact marketers who are involved with creative activities (e.g., new product development, crafting brand names and logos, designing marketing communications, etc.). Several factors have been shown to impact whether an individual attends to the source of an idea during encoding and memory retrieval. However, there seem to be several overlooked psychological states and cultural traits that could impact the prevalence of cryptomnesia, especially for international marketers. The purpose of this research is to explore additional antecedents of cryptomnesia that are associated with task-related focus (i.e. flow state), similarity to the source (i.e., cultural distance and self-construals), and goal orientation of the task (regulatory focus). In so doing, we conduct two initial experiments that provide preliminary evidence for how these psychological and cultural factors influence cryptomnesia.

**Keywords:** Cross-cultural Marketing, Marketing Strategy, Product Decisions, Cryptomnesia, Inadvertent Plagiarism, Flow, Construal Level Theory, Social Distance, Cultural Distance, Self-Construals, Regulatory Focus Theory

## **Influence of Coping Strategies on the Effects of Consumer Animosity**

Westjohn, Stanford; *University of Alabama, USA*

Magnusson, Peter; *University of Alabama, USA*

Peng, Yi; *University of Alabama, USA*

While there is a large body of research documenting the negative effect of consumer animosity on buying behaviors, little research has found ways to reduce such effect. This study investigates the moderating roles of coping strategies that angry consumers adopt in dealing with the offending target. The findings suggest that angry consumers who use active coping strategies have a higher desire to retaliate against and punish the offender. However, with focusing on and venting of angry emotions, consumers would get rid of the negative emotion, evaluate the situation less severe, and thus are less likely to avoid purchasing brands made from the entity.

**Keywords:** Consumer Animosity, Consumer Behavior, Coping Strategy

## The Influence of Advertisements on Motivational CQ

Semenov, Alexey; *Belmont University, USA*  
Randrianasolo, Lova; *Butler University, USA*

As a key construct in international business and international marketing literature, cultural intelligence (CQ) reflects an individual person's ability function effectively in intercultural settings. Much of the research on CQ takes on the perspective that this construct is composed of four different, yet related dimensions: metacognitive CQ, cognitive CQ, motivational CQ, and behavioral CQ. However, recent research argues that the motivational CQ dimension is inherently different from the other 3 dimensions. Specifically, it is argued that motivational CQ reflects a willingness to be culturally intelligent while the other three reflect abilities to do so. Taking on this perspective, within this current paper, the authors propose that advertisements may be used to influence consumer levels of motivational CQ, while having no effect on the other dimensions. The results of an empirical investigation support this proposition and provide implications to scholars and managers seeking to better understand globally oriented consumers.

**Keywords:** Global Consumption Orientation, Marketing Strategy, Advertising, Cultural intelligence, Signaling theory

# **Track: The World of International Business Education**

## **Competitive Papers**

## **Entering a New Phase: The Global Strategy and Creative Moves of Zenni Optical**

Robertson, Christopher J; *Northeastern University, USA*  
Banavara, Gayathri; *LIM College, USA*

The advent of the Internet combined with globalization has led to many innovative opportunities for entrepreneurial firms in the past two decades. In the prescription eyeglass market the ability to offer low cost products was traditionally hampered by high domestic production costs, limited competition and heavy regulations. In the early 2000s the market dynamics changed and low cost players began to offer online sales, offshore production and direct home delivery. San Francisco-based Zenni Optical led the charge by leveraging low-cost yet decent quality production in China alongside a minimalistic marketing and sales approach. This case study will review the Zenni's strategy, competitive position, global supply-chain, and future opportunities and challenges will be reviewed and assessed.

**Keywords:** Vertical Integration, Online Retail Strategy

## **HEXA FOODS (teaching case) Don't Bug Out - A Wilder Approach to the Sustainable Food Issue**

Ensign, Prescott C.; *Wilfrid Laurier University, Canada*  
McDonald, Devin; *Wilfrid Laurier University, Canada*

A Canadian-based dog treat company has taken the step of providing an insect-based product. Still protein rich, they have omitted beef, chicken, and pork which have a huge negative impact on the natural environment. Providing a socially responsible product has been initially well received. The team is now setting its sights on moving beyond dog treats to dog food and perhaps cat and other pet foods. To scale up they are contemplating sourcing the insects from Asia and they are also hoping to pursue launch in the US market.

**Keywords:** Case-based methodology, Entrepreneurial start-up, Market entry and expansion, Sourcing from emerging markets

# **Track: Undergraduate/Graduate Students Research**

## **Competitive Papers**

## **Social Globalization, National Culture and Education: A Mediation Model**

Morse, Johanna; *Quinnipiac University, USA*

Engle, Robert; *Quinnipiac.edu, USA*

The purpose of this study is to explore the relationships of social globalization, education, and national culture. Using a sample of 54 countries that had data available for all variables and gross domestic product (GDP) as a control variable, the results confirm a fully mediated model with the cultural dimension of long-term orientation and GDP to be significant predictors of education; and education and GDP to have significant impacts on social globalization. In addition, a necessary condition analysis was conducted identifying several variable relationships that the results suggest to be necessary for significant levels of education and social globalization. Implications, limitations, and suggestions for future research are discussed.

**Keywords:** Social Globalization, National Culture and Education

## **Managing the Global Virtual Workforce: Reducing the Liability of Foreignness**

Arndt, Rebekah; *Grand Valley State University, USA*

Sanchez, Carol; *Grand Valley State University, USA*

This paper discusses the importance of managing global virtual workforces to reduce the liability of foreignness. As more organizations do business across national borders, they are increasingly concerned about achieving growth and success in the age of digital technology. Critical to that success is the ability of its global workforce to be effective despite logistic, language and cultural distances. We review current literature on global workforces, virtual technology use, cultural differences, and common language policy. Based on these theories, we posit that global virtual workforces will be more successful if they (1) select appropriate technology for virtual cross-border communication, (2) train team members to navigate cultural differences, and (2) adopt a language policy. We highlight strategies with examples from conversations with managers of several organizations, and we emphasize unexpected benefits to successfully managing a global virtual workforce, especially benefits to the company's potential success.

**Keywords:** Virtual teams, Digital technology, Liability of foreignness

## **A Qualitative Analysis of Strategies for US-based SMEs in the Alcohol Beverage Industry to Successfully Manage the Institutional Environment of China**

Rottig, Daniel; *Florida Gulf Coast University, USA*  
Wilkinson, Robert; *Florida Gulf Coast University, USA*  
Jastatt, James; *Florida Gulf Coast University, USA*  
Mariani, Samantha; *Florida Gulf Coast University, USA*  
Morgan, Jenna; *Florida Gulf Coast University, USA*  
Wickstrom, Christopher; *Florida Gulf Coast University, USA*

With its growing middle class, China has not only become the world's largest market for consumer goods in general, but also has become one of the world's leading markets for alcohol beverages. China has therefore become a market of interest for US-based SMEs in the alcohol beverage industry. However, both formal and informal institutions have a considerable impact on these firms' entry strategies to and operations in China. Based on institutional theory and the resource based view, this paper aims to analyze strategies US-based MNCs in the alcohol beverage industry may employ to manage the formal and institutional environment in China, and to successfully enter this market. We use a qualitative research approach based on semi-structured executive interviews, the analysis of media accounts and secondary data to examine the following research question: What are the opportunities and threats for a US-based SME in the alcohol beverage industry when entering the Chinese market, and what strategies can these firms employ to successfully leverage opportunities and mitigate threats?

**Keywords:** Student Research Paper

## **Trumpetering vs Reality: A Qualitative Analysis of the US Government's Impact on the Global Competitiveness of US Automotive MNCs**

Rottig, Daniel; *Florida Gulf Coast University, USA*

McDermott, Rikki; *Florida Atlantic University, USA*

Barreto, Devin; *Florida Atlantic University, USA*

Winter, Christine; *Florida Atlantic University, USA*

Zook, Stuart; *Florida Atlantic University, USA*

This paper examines the impact of the current US government's policies on the global automotive industry and on the global competitiveness of US automotive MNCs. We do so by systematically exploring the effects of specific government policies toward immigration, international trade, energy, the environment, and technology on the five forces that determine the profitability of the global automotive industry. We further discuss strategies US automotive MNCs can employ to better manage the impact of current policies on their global competitiveness. We base our analysis on findings from semi-structured executive interviews, the analysis of media accounts and secondary research.

**Keywords:** Student Research Paper

## **An Analysis of the Great Recession and Strategies for Manufacturing MNCs to Mitigate the Impact of Financial and Economic Crises: A Multi-Case Approach**

DeVinney, Jason; *Florida Atlantic University, USA*

Fiske, Bradley; *Florida Atlantic University, USA*

Mandel, Joshua; *Florida Atlantic University, USA*

Vallejo, Margarito; *Florida Atlantic University, USA*

This exploratory research project aims to better understand the Great Recession of 2007-10 and to examine the strategies MNCs in the manufacturing industry may employ to mitigate the impact of global financial and economic crisis. We use a multi-case approach based on semi-structured executive interviews of several companies and the analysis of company reports and secondary data to better understand how manufacturing firms can better prepare for the next inevitable recession. We developed five business insights for manufacturing MNCs: the balance sheet approach, diversification, innovation, market insights and a focus on people.

**Keywords:** Student Research Paper

## **Technological Innovation, Blockchain and the Global Retail Industry: Implication for Multinational Corporations**

Rottig, Daniel; *Florida Gulf Coast University, USA*

Blanton, Blair; *Florida Atlantic University, USA*

McNish, Karl; *Florida Atlantic University, USA*

Robinson, Ancel; *Florida Atlantic University, USA*

This paper analyzes how technological innovation and advances have transformed the global retail industry. Specifically, the paper seeks to examine three key research questions: How has technological innovation transformed retail?, What must multinational retail corporations do to remain competitive?, and What must multinational retail corporations do to look ahead for future success? We analyze these questions based on findings from semi-structured executive interviews and the analysis of secondary data and media accounts. We further discuss how the integration of Robotics and the new Blockchain technology will change the retail industry in the future, and explore the implication for multinational retail corporations.

**Keywords:** Student Research Paper

## **Ideate-Generate: Design Thinking and User Experience (UX) for Sustainable Impact on Global Product Development of Wearable Technologies in the Healthcare Industry**

Washington, Alexandra; *University of the District of Columbia, USA*

Soumahoro, Samira; *University of the District of Columbia, USA*

ARORA, ANSHU; *University of the District of Columbia, USA*

Recently user experience (UX) has become a critical component of product innovation. Research and development teams often use this data to help determine a product's potential prior to going to market. As companies are increasingly becoming global, products and services must be developed to meet the needs of global users. Understanding how the country of origin impacts a specific user's experience and their desires is important to new product development. This chapter examines how user experience impacts the development of new innovations globally. Additionally, we examine and address the following research questions.

- How do companies ideate and generate design thinking through UX for new product development worldwide?
- How does the UX data collected from user feedback of users around the world encourage ideas for new product development?
- How can companies redesign and redevelop products to meet new user needs, or generate raw ideas for designing new products designed based on UX.

Our research focuses on innovation ideas based on UX in the wearable technologies industry, more specifically those used in and created for the health care industry globally.

**Keywords:** Ideate, Generate, User experience, Raw idea, Design thinking, Innovation, User needs, World economies

## **Design-Tech Synergy: A Neoteric Approach to Innovation**

Fleming, Mayumi; *University of the District of Columbia, USA*

Kelley, Kyle J.; *University of the District of Columbia, USA*

Arora, Anshu; *University of the District of Columbia, USA*

In this research, we conceptualize ‘design-tech synergy’ and introduce the concepts of design newness and innovation, as well as, technological newness and innovation. Additionally, we look at the impact of varying levels of design newness coupled with technical newness, and consumers’ willingness to purchase new products across developed and emerging economies. We attempt to study how China (an emerging Asian economy) and Japan (a developed Asian economy) respond to these design and technological innovations differently given the distinct differences in their country of origin (COO). Research also shows that having a stronger, more differentiated raw-idea plays a critical role in innovation and market success. Our research focuses on the following questions:

1. How can technology and design innovations be combined to create ‘design-tech synergy’ through which a new product is created to increase an organization’s competitive advantage, positive brand attitudes, and consumers’ willingness to buy?
2. How do raw idea and design-tech synergy apply in different COO to create competitive advantage and increased product sales?

Biomimicry and raw idea can be utilized by companies to innovate new product creations in design and technology, and improve brand and consumer attitudes. Our research focuses on an innovation idea based on design-tech synergy in music and light accessories’ industry across developed and emerging economies.

**Keywords:** Design-Tech synergy, Technology innovation, Design innovation, Biomimicry, Raw idea, Market outcomes, New product evaluations, COO

# **Track: Culture, Organizations and Human Resources of the MNEs**

## **Interactive Papers**

## **Impact of Ethical Leadership on Organizational Commitment and Organizational Citizenship Behavior with the mediating role of Intrinsic Motivation**

Danish, Dr. Rizwan Qaisar; *Hailey College of Commerce, Pakistan*

Hafeez, Shahid; *Hailey College of Commerce, Pakistan*

Ali, Hafiz Fawad; *University of the Punjab, Lahore, Pakistan*

Ethical leadership has emerged as a major area of interest in the recent leadership literature in the studies of organizational behavior. However, Studies are scant which empirically analyze ethical leadership effect on organizational commitment and citizenship behavior through the mediational mechanism. We developed a conceptual model to test whether ethical leadership affects organizational citizenship behavior and commitment through the mediating effect of intrinsic motivation. The study was quantitative and causal in nature, convenience sampling technique was used, and a sample size of 340 was determined through item response theory. Data was collected through self-administrated questionnaire from different commercial banks located in geographical premises of Lahore, Pakistan. SPSS and AMOS software was used to carry out the analysis, structural equation modeling technique was applied to test the direct and indirect impacts. The empirical results showed that Ethical leadership has a positive sign on the organizational commitment and organizational citizenship behavior, moreover, intrinsic motivation intervenes the relationship between ethical leadership and organizational citizenship behavior. However, results also show there is no mediation effect of intrinsic motivation between ethical leadership and organizational citizenship behavior.

**Keywords:** Human resources, Organizational behavior, Work attitudes/behaviors, Ethical leadership, Organizational commitment, Organizational citizenship behavior, Intrinsic motivation

## **Organizational Alignment in Multinational Businesses**

Powers, Greig W.; *Rollins College, USA*

The nature of multinational businesses is complex and creates a strong need for organizational alignment. Yet alignment is difficult to achieve and, without it, businesses may lose sales, market share and other benefits tied to a firm's international activities. While alignment has been thoroughly studied, its application and potential in the multinational context has not. This paper begins to fill the gap by reviewing the organizational alignment literature and assessing the interdisciplinary work particularly relevant to international business. Implications include insights for practitioners on potential problem areas and opportunities, along with suggestions for future research.

**Keywords:** Multinational corporations, Organizations and enterprises - MNEs, MNE complexities, Organizing frameworks, Organizational Alignment

## **High potential employees: insights for future theoretical and empirical developments**

Robledo-Ardila, Cristina; *Universidad EAFIT, Colombia*  
Roman-Calderon, Juan Pablo; *Universidad EAFIT, Colombia*

As a result of global talent shortages (Manpower Group, 2018), the study of high potential (HP) individuals gains importance both, in practice and research, there is a need of evaluating the current state of theory and research. By means of a systematic literature review, the following paper offers a comprehensive review to provide insight and stimulate future developments, both in terms of theory and empirical findings. For this purpose, this review responds to three main questions: (a) how is HP defined in the extant literature?, (b) what are the key theoretical perspectives used for the study of HP?, and (c) what are the avenues for further research in the study and understanding of HP employees?. Results indicate that, despite the predominance of human capital theory and cross-sectional designs, there are additional methodological alternatives and theoretical possibilities which are outlined in this review aiming to set solid grounds for the advancement of the study of HP.

**Keywords:** Multinational corporations, Organizations and enterprises - MNEs, Human resources, Organizational behavior, Global talent management, High potential

## Millennial Values & Employee Effectiveness Across Cultures

Mitchell, Matthew; *Drake University, USA*  
Kappen, Jeffrey A.; *Drake University, USA*  
Smith, Stephen; *Work & People Analytics, USA*

The next decade will see increasing numbers of Millennial workers taking on leadership position in companies worldwide. The differences between this generation and those that preceded it have attracted both scholarly and managerial attention (e.g., Al-Asfour & Lettau, 2014; Deloitte, 2017; Michalek & Long, 2013; Ng, Lyons & Schweitzer, 2012; Thompson & Gregory, 2012). Leaders have recognized that supporting and retaining this talent requires new methods of employee engagement and mentorship. These observations have led organizations to consider new practices such as flexible scheduling, open workplaces, new performance appraisal systems, team-based work environments, and an enhanced focus on innovation and change. This working paper draws upon a growing data-set of 300,000 digital interviews collected across approximately 300 organizations in more than 10 countries. Using a competing values framework, it explores emerging trends in what this generation values in the workplace. Given the massive corpus of cross-cultural individual-level data, the strength and potential contribution of this research is significant. We would sincerely appreciate the opportunity to submit this emerging work to an interactive session.

**Keywords:** Diverse international contexts, Multinational corporations, Organizations and enterprises - MNEs, Human resources

## **Dynamic Model of Emotions In Virtual Teams**

Mironko, Arkadiusz; *Indiana University East, USA*

Rivas, Jayne; *Indiana University East, USA*

The main objective of this study is to advance research on how emotions affect virtual team over time and its impact on performance. We use quantitative data to explore the patterns of emotional behavior over an extended period of time. Despite how emotions evolve over time in virtual teams has been studied in the past, but utilizing qualitative data with the inevitable consequences in reliability. While the majority of the field studies have been conducted using student's team working on short term-task. This study provides an opportunity to evaluate virtual teams working in a business project through large data of interactions and performance. We expect to demonstrate that the level of emotions varies over time according to work-related stimulus and that the high level of emotion will drive to a high level of virtual team performance. Our findings demonstrate the dynamic between team affective events and their final performance are correlated and looking deeper into the results we will be able to demonstrate more nuanced relationships between the variables.

**Keywords:** Virtual teams, Diverse international contexts, Work attitudes/behaviors, Team performance, Affective emotions, Collaboration

# **Track: Emerging Markets and Emerging Market MNEs**

## **Interactive Papers**

## **Strategy Tripod Perspective and Organisational Performance: A Study of Two Emerging Economies**

Olarewaju, Adeniyi Damilola; *Technological de Monterrey, Mexico*

Sarpong, David; *University of Brunel, United Kingdom*

Adebisi, Sunday Abayomi; *University of Lagos, Nigeria*

This study examines organisational performance in two selected emerging economies from Latin America (Mexico) and Africa (Nigeria) using an integrative approach of the three legs of strategy tripod perspective. The choice of more than one country provides an avenue for cross-comparison, robustness of findings and generalisability. It is therefore probably the first study to employ the strategy tripod perspective across countries at the same time. In addition, since little is known about the strategy tripod and firm strategy from the perspective of emerging economies from North America and Africa; this study sheds light on the behaviour of organisations in countries and environments that are considered as frontier economies. This study is expected to provide theoretical insights into how organisations in emerging markets make use of available resources and capabilities, respond to industry characteristics and use institutional conditions to derive competitive advantage and improve firm performance.

**Keywords:** Dynamic capabilities, Industry conditions, Institutional environment, Strategy tripod, Organisational performance, Emerging economies

## **Internationalization of SMEs in the East African Community: Challenges and Opportunities**

Kowtha, Narasimha Rao; *Pacific Lutheran University, USA*  
Owino, Douglas; *Solbridge International School of Business, South Korea*

This paper reviews the challenges and opportunities of internationalization faced by small and medium-sized enterprises (SMEs) in the East African Community (EAC), a trade grouping comprising of six East African nations: Kenya, Tanzania, Rwanda, Uganda, Burundi, and South Sudan. The paper focuses on the past and the current intra-regional trade (export and import) challenges faced by the firms in these countries. The review is a synthesis of secondary data and extant literature supplemented by interviews with fourteen entrepreneurs and six government officials in four of the six member countries of EAC. The paper also analyses the current developments to facilitate trade and the opportunities they present to the SMEs.

**Keywords:** East Africa, SME, African Business, SME Internationalization, Regional Blocs

## **Absorptive Capacity and the Propensity for Knowledge-seeking Acquisitions**

James, Barclay Edward; *St. Mary's University, USA*  
Sawant, Rajeev J; *Florida Atlantic University, USA*  
Bendickson, Joshua S; *University of Louisiana at Lafayette, USA*

Knowledge-seeking acquisitions (KSAs) provide significant advantages to firms with insufficiently developed knowledge bases. Yet such firms' lack absorptive capacity (ACAP), which impedes absorption of external knowledge sourced through KSAs. We take advantage of variance in acquisition motivations (e.g., KSAs, market-seeking acquisitions) to examine the propensity of such firms for KSAs. Drawing on ACAP research, we theorize that such firms direct their internal investments to develop potential ACAP (PACAP), that is, to develop knowledge identification and assimilation capabilities. Thus, such firms' greater internal research and development (R&D), increasing PACAP, increases their propensity for KSAs. Low knowledge identification costs and high knowledge assimilation capabilities reduce internal investments for PACAP and thus reduce the positive effect of internal R&D on KSA propensity. Analyses of foreign acquisitions by Taiwanese high-technology follower firms over 2001-2008 supports our theory. We contribute to research on how firms upgrade their knowledge bases through external knowledge sourcing.

**Keywords:** Knowledge catch-up, Newly-industrialized countries, Knowledge-seeking acquisitions, Research and development (R&D), Absorptive capacity

## **The role of political networking in sensemaking process**

Sharmelly, Rifat; *Quinnipiac University, USA*  
Klarin, Anton; *Edith Cowan University, Australia*

Transition economies are characterized by dynamic and pervasive institutional changes. Institutional changes in turn result in institutional voids. In the absence of strong formal institutions firms rely on informal institutions to fill the voids. Anecdotal evidence supported by limited empirical findings suggests that political networking plays an important role in strategic sensemaking and competitive advantages. This paper provides an in-depth comparative case study analysis of a Russian and an Indian firm in demonstrating that entrepreneurs gain significant advantages and create formidable barriers for outsiders through political connections. We find that in the early years of transition or industry formation, firms rely heavily on political networking to make sense and gain legitimacy within the environment and fill institutional voids. Practitioners need to be wary of complex ties that are prevalent in these countries and often assist or hinder firm performance. The study further finds that improvements in institutional environment reduces the salience of networks thus creating a choice for firms to rely on formed market mechanisms or continue the path of political connections that evolve to public-private partnerships.

**Keywords:** Strategic sensemaking, Political connections, Entrepreneurship, Institutional environment, Russia, India

# **Track: Entrepreneurship, SMEs, and Born Globals**

## **Interactive Papers**

## **The internationalization of SMEs: manager profile as a vector of export performance**

Kadi, Mohamed; *CREAD, Algeria*

Himrane, Mohammed; *University of Jijel, Algeria*

This research aims to analyse the influence of the profile of managers on the export performance of SMEs. Based on data collected from 43 Algerian SME exporters, and through a model of structural equations, we tested the effects of two groups of factors, namely, cognitive and intrinsic characteristics of leaders on two types of performance measures (objective and subjective). Our results show the importance of the factors related to the personal attributes of manager as his attitude towards the risk related to the export activity, his level of commitment to export activities and his know-how.

**Keywords:** SMEs, Internationalization

## **Theoretical Map of the Use of Alliances as an Entry Mode by Small and Medium Enterprises – Reflections and Future Directions**

Pinho, Celso; *Georgia State University, USA*  
Pinho, Maria Luiza; *Georgia State University, USA*

Internationalization is a complex and challenging decision to small and medium enterprises (SMEs) due to their lack of skills and resources for successful international expansion. Despite the number of studies on alliances, authors pointed that the literature has given scant attention to alliances by SME. With the objective to map the literature on alliances, specifically, its use as foreign entry mode by SME, we identified the most influential research streams and its authors. Results from 20 years of research indicates that the issue of alliances as a business strategy from the perspective of SME needs further research with different lens.

**Keywords:** SMEs, Internationalization, Entrepreneurship

## **Organizational learning capability, innovation and performance: study in small and medium-sized enterprises (SMEs)**

Danish, Rizwan Qaisar; *University of the Punjab, Lahore, Pakistan*

Hafeez, Shahid; *Hailey College of Commerce, Pakistan*

Syed, Aleena; *The University of Lahore, Pakistan*

Ali, Hafiz Fawad; *University of the Punjab Lahore Pakistan, Pakistan*

Globalization and technological advancements have totally changed contemporary business dynamics thus, making it indispensable for business organizations to develop mechanisms that prepare their human resource to come up with innovative ideas, products and solution to enhance organisational performance. Although the direct relationship between organizational learning capability, innovative and organizational performance have mostly studied by the researchers but there is little empirical evidence about its mechanisms. This study intends to fill out the gap by empirically analysing and comparing the influence of organizational performance, innovative performance and organizational learning capability in the manufacturing and services industry of SMEs in Pakistan. The nature of study was quantitative, causal and data was collected using self-administered questionnaire from 308 middle level managers of small and medium sized enterprises of both service and manufacturing sector through cross sectional survey. The data was analysed using Structural Equation Modelling technique, SPSS and AMOS were used. The results show highly significant positive relationship between organizational performance, innovative performance and organizational learning. The Innovative performance partially mediates the relationship between organizational performance and organizational learning capability. Moreover, study found that service sector reported higher level of organizational performance in SMEs as compared to manufacturing. The limitations of the study are that its generalization due the scope of study as it is limited to region of Lahore. The collected data is comprised of cross-sectional design therefore, analysis is made at single point of time. Future studies can evaluate contingency factors such as managerial competencies for organizational learning and performance.

**Keywords:** SMEs, Entrepreneurship, Business groups, Innovative performance, Organizational performance, Organizational learning, SMEs, Services sector, Manufacturing sector

# **Track: Global Strategy, Value chains and Competitiveness of the MNEs**

## **Interactive Papers**

## **Regional Trade Agreements and Value Chains: Why and What to Study**

Paramonov, Igor M.; *Southern Alberta Institute of Technology, Canada*

Regional trade agreements (RTAs) between countries have grown in scale and scope in the last twenty years. Nation-states are increasingly having to make choices in favour of or against joining, expanding, or declining membership in a growing number of trading blocs. The formation of new, and renegotiation of existing, RTAs in the age of rising protectionism and nationalism require a new way of viewing regional economic integration. A value chain based approach and “integrative trade” metrics provide insights on which governments and businesses can base their trade policies and strategic decisions in the twenty first century. The author promotes a relatively new way of assessing RTAs by way of measuring cross-border flows of goods and services. A recent McKinsey Global Institute report has concluded that modern trade patterns are shaped by myriad business decisions within value chains, not just by the simple act of one country buying more or less from another country. It is therefore necessary to examine a potential causal relationship between RTAs and value chains and to find out if RTAs increase participation in value chains, or if value chains themselves cause expansion of RTAs. This paper seeks to examine this question and to suggest directions of future research in this area.

**Keywords:** International strategy, Competitiveness, Regional trade agreements, Value chains

## **Perils of Becoming a Crown Jewel: Autonomy and Influence in Subsidiary Role Development**

Igoe, Josephine; *National University of Ireland, Galway, Ireland, Ireland*  
Conroy, Kieran; *Queens University Belfast Ireland, Ireland*

The relationships between headquarters (HQ) and foreign subsidiaries in multinational enterprises (MNEs) are fraught with conflicts and challenges that need to be proactively managed over time (Schotter and Beamish, 2011). Extant research argues that HQ invariably expects subsidiaries to indulge in rent seeking behaviour, which in turn automatically increases monitoring of subsidiary activities (Mudambi and Navarra, 2004). However, research largely fails to acknowledge that, as the subsidiary develops its role over time, the HQ may become increasingly involved in its activities, not through monitoring efforts, but in an attempt to benefit from the resources the subsidiary possesses. The logic here is that as the HQ-subsidiary relationship evolves over time, and as the subsidiary increases its importance vis-a-vis the HQ, the parent may become increasingly attached to the 'favourite child'. For example, research shows that certain parenting styles may lead to over-attachment with 'crown jewel' subsidiaries and ultimately end up destroying value at the subsidiary level, leading to divestment over time (Goold and Campbell, 1994). A challenge in this context for important subsidiaries involves strategically managing the involvement that HQ has in the subsidiary's daily activities as the subsidiary develops its role and becomes a more vital cog in the MNE.

**Keywords:** Parent-subsidiary relationship, Growth strategies, Global strategy

**Track: Governments, Institutions, Social  
Enterprises and Non-Profits, their roles in  
the New Economy**

**Interactive Papers**

Paper ID: 34

**Does vertical integration in the Oil and Gas firms create value ? Findings from emerging economies public sector energy firms .**

Salwan, Prashant; *Indian Institute of Management Indore, India*

Emerging Economies energy firms face uphill task of hedging their risks . To manage energy security these firms try to use the horizontal or vertical integration strategies. This papers tries to study the public sector Oil and Gas firms and try to find the logic behind vertical integration in Public sector Oil and Gas firms .

**Keywords:** Emerging Economies, Resource Dependency, Oil and Gas

## **Reputation Management: How Does A Political Leader's Image Influence Global Trade?**

Jankuhn, Nicolas; *Saint Louis University, USA*

Sim, Woojong; *Saint Louis University, USA*

Zhao, Hongxin; *Saint Louis University, USA*

The rise of Foreign Direct Investment (FDI) and global trade in the second half of the 20th century has been credited as being responsible for great productivity improvements both in the developed and especially in the developing world. However, after a seemingly unstoppable, decades-long upward trend, the absolute amount of FDI and global trade has recently begun to grow less strongly as before and in some cases even appears to level off. In light of this recent tightening of the FDI market, it is only prudent for academics to pay closer attention to how potential FDI destinations can and do compete in order to attract valuable foreign capital. Thus emerged the relatively new field of nation branding. One major objective of such activities is the promotion of a country as a destination for investments. On a macro level, every nation has a powerful tool to shape its branding around the world: its political leader. In light of the more competitive environment around attracting FDI, it is the goal of this study to gain a more detailed understanding of how the public relations actions of these 'ambassadors-in-chief' are affecting global trade flows through the active shaping of public opinion.

**Keywords:** Political Economy, International Relations, Government Policy

## **Governance, Migration and Structural Economic Transformation: The Case of Nigeria**

Uma, Kalu Ebi; *Alex Ekwueme Federal University, Nigeria*  
Aniagolu, Hyacinth N; *Enugu State College Of Educationuc, Nigeria*

The paper centers on the pattern of governance, migration and Nigerian economic situation that require transformation in view of the prevailing happenings over the years such as inability of policies, strategies, plans and program to address myriad economic quagmire besieging the nation, thereby placing the country as one of the poorest and among the most corrupt in the global community. The paper adopts analytical and descriptive approach in examining Nigeria's situation and found that poor governance in Nigeria is the arrow-head of the ongoing anomalies and inability to address the social, economic and political imbroglio in Nigeria, thereby compelling many professionals, skilled and unskilled to opt for migration as a way out which contributes its quota in reducing needed quality labour force. The paper articulated ways to walk out of the situation among which include: leadership in Nigeria should be determined by communities who know who is who among themselves and should not be who has a godfather or resources to maneuver others; institutions of governance must be reformed and transformed through elimination of all loopholes for expropriating public resources for personal use; business and economic environments need grand overhaul; power and water supply must sincerely be addressed both in the rural and urban areas; transportation and road infrastructure must be reformed.

**Keywords:** Economic Development, Formal Institutions, Political Economy, Migration, Sustainable

## **Revamping the Nigerian Manufacturing Sub-Sector as a Panacea for Economic Progress: Lessons from South Korea**

Uma, Kalu Ebi; *Alex Ekwueme Federal University, Nigeria*  
Aniagolu, Hyacinth N; *Enugu State College Of Educationuc, Nigeria*

The study focuses on repositioning the manufacturing sub-sector in order to revive Nigeria from the problem of “growthelessness”. The expository study examined the situation of the Nigerian economy and overview of the industrial policies employed to encourage development since after independence. Many challenges such as lack of indigenous technology, excessive reliance on foreign raw materials and manpower, inconsistency regarding policies and programmes, lack of linkages of production with domestic inputs among others were articulated to be responsible for the inability of the country to establish a reliable manufacturing sub-sector that is capable of harnessing idle resources, reduce unemployment and develop the economy. The study also examined an overview of industrial policies employed by South Korea which gave the country its success story. Lessons considered to play significant role to change Nigerian manufacturing sub-sector were drawn there from, among which include: reviving the economic environment with infrastructure and public service system so as to make the country industrial production compliance; consistent, persistent and perseverance on the part of resource controllers in spite of all odds toward goal attainment, adoption of appropriate indigenous technology, monitoring, evaluation and re-strategising to improve the sector. This study has shown that Nigerian situation is capable of changing for better if what worked in South Korea manufacturing sub-sector is applied in Nigeria

**Keywords:** Economic Development, Political Economy, Formal Institutions, Revamping

# **Track: IB Theory, FDI, and Entry Mode Strategies**

## **Interactive Papers**

Paper ID: 2

## **Is Africa's Peculiar Institutional Environment Responsible for the African Mega-Firm's Partial Internationalization?**

Adebisi, Sunday Abayomi; *University of Lagos, Nigeria*  
Olarewaju, Adeniyi Damilola; *Technological de Monterrey, Mexico*

Knowing fully well what internationalization is and how it has been used as strategic capability by firms from the developed countries, especially Fortune 500 firms, this paper appraised the lack of its complete success in Africa and tried to describe the type of African internationalization strategy that have been adopted so far by African Mega-firms. Similarly, the authors attempted to x-ray the peculiar weak institutional environment in Africa, to determine whether this is what is suggesting the style of African internationalization. The theory of 'Partial Internationalization' was advanced in this paper, having made an attempt to establish that it may be practically difficult for firms of African origin to advance business opportunities in the developed countries in the face of stringent international best practices; hence, the need to make room for African firms without major distortion to global international business rules and procedures to aid the sense of equitable partnership.

**Keywords:** Institutional environments, International Business theories, Entry mode decisions

## **The Choice of International Joint Ventures: Effects of TMT Collectivism and CEO Narcissism**

Ozbek, O. Volkan; *Trinity University, USA*

International joint ventures (IJVs) are formed by two or more partners to create a new company. One of the main reasons why some multinational corporations go with this particular foreign entry mode is to manage the risk more efficiently as well as share the cost with their partners. Besides all these factors, there may be some “micro” reasons underlying this phenomenon. In this paper, I argue that the cultural background of top management teams (TMTs) as well as the CEO’s personality may impact selecting IJVs as the foreign mode of entry. In particular, I argue that if the majority of TMT members come from a collectivistic cultural background, this will positively affect choosing IJVs and this relationship will be negatively moderated by the existence of narcissistic CEOs. Therefore, this paper conceptually form “bridges” among the choice of IJVs, TMT collectivism, and CEO narcissism.

**Keywords:** Entry mode decisions, CEO narcissism, TMT collectivism

## **What can we learn and understand about Cluster with Strategic Management literature? An integrative literature review**

Gambirage, Cinara; *FURB - Regional University of Blumenau, Brazil*  
da Silva, Jaison Caetano; *University of the Itajaí Valley, Brazil*  
Amal, Mohamed; *FURB - Regional University of Blumenau, Brazil*  
Gripa, Sidnei; *FURB - Regional University of Blumenau, Brazil*

This paper identifies and discusses the contributions of the strategic management literature to the understanding of the cluster phenomenon and its dynamics. Furthermore, we explored the main themes in these studies and indicated and discussed propositions for future research. We concluded that: (1) the studies explain performance, innovation level, knowledge level, and localization decision of cluster, by means of the theoretical strategy lens in order to find the theoretical base in these theories that may strengthen the understanding of the phenomenon in analysis from a business point of view; (2) many studies support their cluster inferences through other areas of knowledge (economics, sociology, philosophy) that do not lead them to the goal of analyzing the cluster process as a business that points results; and (3) after analyzing the content of the papers, we develop propositions for future research. The paper: (1) is a step in the intent to integrate two fields of knowledge – cluster and strategic management literatures – by consolidating knowledge from different research fields, creating connections between them and seeking to a better understanding of regional clusters and its dynamics; (2) contributes for deepening the debate related to the two fields of study considered in this research.

**Keywords:** Location choices, Governments, Institutional environments, Cluster, Management Strategy

## **A Critical Assessment of the Epic Framework: Introducing Epic+**

Rutti, Raina M.; *Wichita State University, USA*

The EPIC framework, developed by Srinivasan, Stank, Dornier, and Peterson (2014), was created to assess supply chain readiness from four perspectives: Economy, Politics, Infrastructure, and Competence. The EPIC framework can be useful in targeting long-term Foreign Direct Investment (FDI), but it is certainly not complete for this purpose. This proposal will discuss the need for expanding the EPIC model to EPIC+ by adding a dimension for culture, and how this addition can improve the value of the model. Suggestions are also made in areas for future research that might enhance the model and make it still more useful for assessing a country's supply chain readiness, as well as its readiness for other kinds of FDI.

**Keywords:** Foreign direct investment (FDI), Location choices, International Business theories, EPIC Framework, Supply chain readiness, Economy, Politics, Infrastructure, Competence, National culture

## **International Market Selection: A Review of the Literature**

Nakos, George; *Clayton State University, USA*

Nakos, Krissa; *Kantar International, USA*

Although numerous articles have examined the entry mode choices that a firm may undertake, very little attention has been devoted to the international market selection (IMS), the first step that a company has to take following its decision to expand abroad. However, IMS is detrimental to the success of a company in foreign markets. This study attempts to review the scattered IMS literature, synthesize the knowledge that has been accumulated and provide suggestions for future research.

**Keywords:** Entry mode decisions, International Market Selection

# **Track: International Accounting, Economics, and Finance**

## **Interactive Papers**

**The Relationship Between Audit Partner Identification and Characteristics,  
and Foreign Public Issuers: Early Evidence of the Informativeness of Form  
AP on Audit Fees and Earnings Quality**

Turner, Elizabeth Hendrix; *UTRGV, USA*

Wheatley, Clark; *FIU, USA*

Dugan, Michael; *Augusta University, USA*

We examine the effects on audit fees and earnings when foreign firms that are cross-listed on U.S. stock exchanges choose to have a U.S. versus foreign educated and/or U.S. versus foreign based firm as their principal auditor. We find that the choice of a U.S.-based audit firm is associated with higher audit fees and higher quality audits. We also find that if the engagement partner was educated at a non-U.S. university, the audit fees are higher and the audit is of even higher quality. We find that U.S. educated engagement partners at non U.S.-based audit firms charge lower audit fees than U.S. based firms, and produce audits of lower quality as measured by discretionary accruals. We also find the additional information that includes the names of other audit partners and other audit firms who participated in the audit (and the extent of their contributions), while not affecting the results relative to educational background of the engagement partner and the location of the audit firm, is statistically significant and negatively associated with changes in earnings quality for all three groups in our sample. This result implies that the involvement of outside auditors is detrimental to perceived audit quality.

**Keywords:** Accounting, International accounting

## **Global Travel and Tourism Industry (GTTI) the United States (U.S) Reversing the Declining Trend**

Nakra, Prema; *Marist College, USA*

Although protectionist sentiments, political unrest and terror attacks around the world are on the front page of the news, the global travel and tourism industry remains relatively resilient. The industry continues to build bridges rather than walls between people and nations. This phenomenon is apparent from increasing number of people traveling across border hoping for something a better life. Governments around the world have come to realize that, for the most part, barriers to travel are not making people and countries safer, but are hindering economic growth, job creation and tolerance between countries. Across the globe, public policies are being developed and implemented to invest in infrastructure needed to attract international in-bound tourism, as a key driver of their national socio-economic growth.

In this article, the author will provide a brief overview of the global travel and tourism industry and highlight its robust performance in international travel, with special emphasis on in-bound travel and tourism. The author will further explain why inbound tourism in the U.S. is showing signs of decline, while the industry is demonstrating significant growth in global in-bound tourism. Root causes of the decline in U.S. inbound tourism will be addressed along with policy recommendations for the U.S. and other countries struggling to maintain or increase their market position in international tourism. Secondary sources and published industry and reports will be used for this report.

**Keywords:** International trade, Protectionisms

# **Track: International Marketing**

## **Interactive Papers**

## **The role of indirect stakeholders and customer research challenges in the global networking environment**

Naoumova, Irina; *University of Hartford, USA*  
Katrichis, Jerome; *University of Hartford, USA*

Previous researchers have examined the role of both internal and external stakeholders on the direction and performance of organizations. While representing a considerable range of roles and inputs, these categories of stakeholders are similar in that they tend to have a direct stake in the organizations decisions and results. The purpose of this paper is to introduce and examine the impact of a third category of stakeholders, here referred to as indirect stakeholders.

We propose that the importance of these indirect stakeholders has grown out of the evolution of the global marketing environment from one based on traditional one-way linear marketing communications to an environment characterized by the more interactive and multi-directional communications approaches accompanied by digitally based communications strategy and tactics. We describe how this evolution has impacted customer decision making processes and how that has, in turn, dramatically amplified the impact of these indirect stakeholders.

Utilizing an approach suggested by Herremans et al (2016), we examine the dimensions of engagement utilized to engage these indirect stakeholders and examine the relationship between these engagement strategies and organizational performance.

**Keywords:** Consumer Behavior, Indirect stakeholder

## **Exploring the Influence of Governance and Freedom on Consumption**

Waheeduzzaman, Abu; *Texas A&M University Corpus Christi, USA*  
Myers, Elwin; *Texas A&M University Corpus Christi, USA*

Research indicates that good government and freedom/democracy have positive influence on economic growth. The study investigates the influence of governance and democracy on consumption in 194 countries of the world during 18-year period (2000-2017) using regression analysis. Findings show that governance and freedom both have direct effect on consumption and indirect effect via income. Sobel test confirms the presence of mediating influence of per capita income on consumption. Both governance and freedom are uncontrollable and exogenous to marketing managers. However, managers can support good governance and democracy to enhance consumption. The findings of the study can also be useful in segmenting global markets or in predicting country specific consumption.

**Keywords:** Cross-cultural Marketing, Segmentation, Marketing Strategy,

## **The Moderating Effect of Product Form Design and Function Innovativeness on Willingness to Buy: A Comparison Study of USA and South Korea**

Lee, Sangwon; *Ball State University, USA*

This research examined the influence of form and functionality of new product on willingness to buy (WTB) in USA and South Korea. The results suggest that the form influences the WTB in USA such that more typical form leads to higher WTB than less typical form while functionality plays important roles in South Korea to determine the WTB, thus really new product (RNP) is more preferred than incrementally new product (INP).

This study also tested the interaction effect of form and functionality on WTB. The interaction effect was significant both in USA and South Korea. In USA, more typical form leads to higher WTB than less typical form in INP while there is no significant difference of form design effect in RNP. On the other hand, in South Korea, less typical form enhanced higher WTB than more typical form in RNP. But there was no significant difference in INP.

**Keywords:** Cross-cultural Marketing, Product Decisions, Consumer Behavior

## **The Green Horizon: A Proposal of A 12-dimensional Framework to Assess Green Resorts as a Counterbalance to Greenwashing in the Hospitality Sector**

Nardi, Nazly Katherine; *Purdue Global University, USA*  
Charles, Reccia Natasha; *St. George University, Grenada*

The “green” tourism bandwagon has taken flight - now the question that remains is - what does “green” really mean: is it minimizing your footprint (the three R's - reduce, reuse, recycle and the two E's energy and efficiency)? Or is it attracting the right type of consumer, training consumers in better practices, training staff in better practices? Sustainability has a clear focus on the future, while “sustainability includes eco-friendly activities and green products, but green doesn't necessarily mean sustainable.” (Simmons, 2018, par. 8). Many researchers have found that “consumers with a propensity toward green products can be classified based on psychographic characteristics” (Drozdenko, Jensen, & Coelho, 201, p.107). Another approach is the one proposed by Dolnicar, Crouch, and Long (2008) and Dolnicar (2006) is to consider consumers as a given, and not to look to attract a particular set of tourists, but instead educate the consumer on site with the long term goal of behavior modification. To that end within the proposed framework, this research includes the addition of staff incentives and consumer incentives as dimensions to the Hsiao, Chuang, Kuo & Yu (2014) ten-dimensional framework.

**Keywords:** Marketing Strategy, Consumer Behavior, Brand Management, Green Marketing, Eco-Friendly, Hospitality, Resorts, Caribbean, Latin America, Ecotourists, Environmentally friendly tourists, Geo-tourists, Responsible tourists, Sustainable tourism

## **Exploring the Impact of National Stereotypes on the Olympic Effect: The Tokyo 2020 Summer Games**

Wedinger, Cameron P.; *Monmouth University, USA*  
Chattalas, Michael; *Monmouth University, USA*

The goal of this research is to prove whether advertising the Tokyo 2020 Olympic Games by displaying a competent Japan will result in higher consumer evaluations of utilitarian products from Japan, or, by displaying a warm Japan, Japan will see higher evaluations of hedonic products. It is believed that the actions of Japan leading up to the Games has resulted in an image of warmth as a result of goodwill missions and inclusivity among all Japanese citizens, amidst other initiatives. Furthermore, the study is intended to understand the effects of the sustainability initiatives proposed by Japan prior to the Games on hedonistic, utilitarian, and ethnocentric values. The re-utilization of old technology and recyclable components has led many to see Japan as environmentally-concerned and inherently modernistic. There is room for interpretation when it comes to understanding the interrelationship of the previous Games hosted by Asian Nations. By comparing the past four Asian Olympiads, a progression can be observed regarding the strategies used to alter a country's image as well as subsequent country of origin effects. It is implied that Japan will utilize past experiences and strategies of other Asian host nations in their attempt to host the upcoming 2020 Games.

**Keywords:** Advertising, Country-of-Origin Effects, Sustainability, National Stereotypes, Olympics

# **Track: Liability of Foreignness in the Digital Age**

## **Interactive Papers**

## **What Matters to Apps Going Global? The Role of Continuous Product Innovation on the Digitalized Products' Foreign Market Performance**

Kim, Yongseok; *The University of Texas at San Antonio, USA*  
Chandrasekaran, Deepa; *The University of Texas at San Antonio, USA*  
Gretz, Richard; *The University of Texas at San Antonio, USA*  
Basuroy, Suman; *The University of Texas at San Antonio, USA*

We investigate the critical role of continuous product innovation on the success of digital products in a foreign market. For mobile applications (henceforth, apps), unlike physical products, continuous product improvements, manifested in the form of app updates, may immediately reflect a better understanding of the foreign market, and thus, positively impact performance. However, we propose that the effects of such improvements are contingent on time and cultural distance. Using an individual-app level fixed-effect regression on a unique dataset of 410 non-Korean apps launched in South Korea from Jan 2016 to Dec 2017, we empirically estimate the effect of app updates on the app's subsequent market performance in Korea. Our results indicate that one additional app update performed after market entry increases its number of monthly active local users by 7%. However, this positive effect is moderated by the app's age and cultural distance: (1) the positive effect of app updates increases with app age; (2) there is a U-shaped effect of app updates on the app's foreign market performance as cultural distance increases. We discuss implications of these results.

**Keywords:** International market expansion, New products, Cultural distance, Liability of foreignness

# **Track: The World of International Business Education**

## **Interactive Papers**

## Assessing the Role of Cultural Awareness in Business Education

Naoumova, Irina; *University of Hartford, USA*

Rogers, Annette; *University of Hartford, USA*

Volkova, Irina; *National Research University - Higher School of Economics, Russia*

The universities worldwide are dealing with internationalization of student body (Altbach & Knight, 2007). There is a research on values, attitudes and behavior of student groups of future business leaders: international and domestic students (Ramburuth, & Welch, 2005), first and second generation immigrants (Baruch, & Reis, 2016), and mixed teams that include the above categories (Haas, & Cummings, 2015). They all behave based on a combination of their individual beliefs and values that are significantly affected by the ones on their countries' level (Ralston, et al, 2008; Steel & Taras, 2010). Our preliminary observations suggest that cultural awareness makes it easier for students to understand others within and across these groups, make their learning faster, develop a deeper experience and, as a result, help them better prepare for their companies' international assignments.

Thus, within this paper, we would like to develop a conceptual model for testing the role of cultural awareness in preparing professionals for international assignments.

**Keywords:** IB Education, Enhancing IB education and curriculum, IB Teaching, Cultural awareness

Paper ID: 83

## **How Documentaries Coupled with Design Thinking Methods Can Stimulate Active Learning in the IB Classroom**

Martinez, Candace; *University of Illinois at Urbana-Champaign, USA*

The focus of this proposed teaching workshop is demonstrate how the use of documentaries coupled with appropriate design thinking/ human-centered activities can help create the type of emotional connection in the international business classroom

**Keywords:** IB Education, IB Teaching, Enhancing IB education and curriculum,

# **Track: Undergraduate/Graduate Students Research**

## **Interactive Papers**

## **Construal levels and innovation in diverse work teams: The moderating effect of cultural intelligence**

Davis, Jade; *Saint Louis University, USA*  
Duban, Jacob; *Saint Louis University, USA*  
Elkins, Willis; *Saint Louis University, USA*  
Hughes, Brandon; *Saint Louis University, USA*  
Johnson, Clark D; *Saint Louis University, USA*

In this paper, we hypothesize that cultural intelligence will moderate the relationship between cultural diversity and processing styles, which mediates the relationship between cultural diversity and creativity on teams. Using Construal Level Theory, we identify psychological distance and the resulting processing style as a potential process explanation for why cultural diversity can lead to more creative potential on work teams. Since higher levels of construal are associated with abstract thinking and explorative learning, it is suspected that this higher construal also leads to more innovative behaviors. This being the case, team diversity also plays a significant role in the way individuals process information, and therefore how they problem solve and come up with new ideas. Further, we identify team-level cultural intelligence as an important contextual variable that can enhance the effect of diversity on processing styles.

**Keywords:** Construal level theory, Cultural intelligence, Innovation, Diversity

## **Leadership and Corporate Social Responsibility: The Role of Spiritual Intelligence**

Murray, Meghan; *Elon University, USA*  
Tolmie, Carri Reisdorf; *Elon University, USA*

Corporate Social Responsibility (CSR) is a prevalent aspect of understanding the modern business world, including best practices to improve CSR engagement. Spiritual intelligence (SQ), or the ability to recognize and live with a purpose larger than oneself, is one factor that can help us to better understand these best practices. My research will explore the relationship between the SQ of varying levels of leadership within companies and their CSR engagement. This two-pronged approach includes both a qualitative case study comparison of two companies, in addition to a statistical model test utilizing regression. Based on the results, this research aims to uncover best practices, including the unique contribution spiritual intelligence has on the relationship, that can be applied to other organizations to help enhance their CSR engagement.

**Keywords:** Corporate social responsibility, Spiritual intelligence, Leadership

# **Panels and Invited Sessions**

## **Gender in International Business Research: Addressing the Importance and Overcoming the Obstacles Sponsored by WAIB**

Shoham, Amir; *Temple University, USA*

Bazel, Ofra; *Temple University, USA*

Colakoglu, Saba; *Georgia Tech, USA*

Wagstaff, Fernanda; *The University of Texas at El Paso, USA*

With this panel, the Women of the Academy of International Business (WAIB) aims to discuss the barriers and opportunities to gender-based research in the international business (IB) literature. In doing so, we will discuss why the topic is important, what are some of the real and perceived barriers to engaging in this research, and potential remedies to address this gap. The panel is made up of male and female researchers in multiple countries (citizenship and organization location) on several continents who engage in and/or supervise research that considers issues of gender in IB. The panelists will openly discuss several aspects they feel contribute to the status quo regarding gender research and engage the audience in a conversation about how to best encourage greater research in this important area.

**Keywords:** Diverse international contexts, Gender

## **Recent topics in international finance and directions for further research**

Guedhami, Omrane; *University of South Carolina, USA*

Knill, April; *Florida State University, USA*

Wald, John; *University of Texas at San Antonio, USA*

We will provide a review of recent topics in international finance and directions for further research. Some potential topics may include reflections on cultural differences, political influence, as well as the typical outcome measures used in studies related to international finance.

**Keywords:** International political economy, Cultural Difference

Paper ID: 111

## **A Paper Development Workshop Related to International Finance**

Guedhami, Omrane; *University of South Carolina, USA*

Knill, April; *Florida State University, USA*

Wald, John; *University of Texas at San Antonio, USA*

We will provide an opportunity for Ph.D. students to get feedback on ideas and topics related to international finance. Participating students need to send their papers in advance.

The panelists will be:

- Omrane Guedhami, Professor of International Business at the Darla Moore School of Business, South Carolina, <https://www.omraneguedhami.com/>
- April Knill, SunTrust Associate Professor of Finance at Florida State University, <https://business.fsu.edu/person/april-knill>
- John Wald, Professor of Finance at the University of Texas at San Antonio, <https://business.utsa.edu/faculty/john-wald/>

**Keywords:** International Finance

## **Challenges and Best Practices of Incorporating X-Culture in Business Courses**

Lynden, Karen; *University of North Carolina at Greensboro, USA*

Lituchy, Terri; *CETYS Universidad, Mexico*

Muth, Tim; *Florida Institute of Technology, USA*

Rottig, Daniel; *Florida Gulf Coast University, USA*

Taras, Vas; *University of North Carolina at Greensboro, USA*

Wankel, Charles; *St. John's University, USA*

Vyas, Bindu J.; *King's College, USA*

This panel session brings together seven (7) X-Culture project facilitators representing six (6) universities. Combined, this group has many years of project experience and unique implementation strategies across multiple instructions in several countries.

This sessions purpose is to is to bring together academics with X-Culture experience and those who may be considering adding this project to their course so that they could share insights focused on developing ways to optimize the use of X-Culture in IB courses.

About X-Culture: X-Culture ([www.X-Culture.org](http://www.X-Culture.org)), launched in 2010, provides the opportunity for students from different countries to work in global virtual teams (GVTs) and complete a business project, learning in the process the challenges and best practices of global cross-cultural collaboration. X-Culture is a large-scale international experiential learning project. Now, about 5,000 students from 100 universities in 40 countries on six continents participate every semester.

Students are placed in GVTs, approximately seven (7) students. Multi-national corporations team up with X-Culture annually and present their challenges. Working in GVTs, students develop solutions to the challenges presented by the corporate partners. Students experience first-hand the difficulties and learn best practices of international collaboration and business plan development skills.

**Keywords:** IB Education, IB Teaching, experiential learning, Global Virtual Teams

## **Tools of the Trade: Methods for Active and Experiential Learning in International Business**

Dakhli, Mourad; *Georgia State University, USA*

Kardes, Ilke; *Valdosta State University, USA*

Kovacs, Erica; *Indiana University, USA*

Martinez, Candace; *University of Illinois at Urbana-Champaign, USA*

The proposed panel brings together four (4) faculty with substantial experience in designing, using and implementing innovative methods to create active, engaging, and experiential international business (IB) learning. The way IB is taught has shifted over the years from an instructor-centered model to a more student-centered model whereby students are no longer passive recipients of information, but rather active generators of knowledge in and outside the classroom. This move towards a more experiential, active, and hands-on teaching approach has led to the proliferation of tools and techniques to ensure deeper learning.

The goal of the proposed panel session is to discuss a selection of leading innovative techniques in teaching IB, as well as the challenges and drawbacks that they pose. The panel will allow for the review of best practices in this area, and for learning by sharing experiences, frustrations, and achievements in using and implementing these tools.

**Keywords:** IB Teaching, Technology in IB education, experiential learning,

Paper ID: 32

## **Impact Driven Short-term Faculty Led Programs in the Digital Age – Three Models from Asia (Host Partner Shared Experience)**

Feuling, Bradley Allan; *the Asia Institute, USA*

This session provides a closer look at three impact driven models for short-term faculty-led programs in the international business field. The models will show the importance of short-term faculty led programs in international business, to support the exchange of knowledge when foreignness is increasingly becoming a liability.

**Keywords:** Study abroad programs, Case-based methodology, Experiential learning,

## **The Palgrave Handbook of Learning and Teaching International Business and Management Co-Author Panel Session**

Lynden, Karen; *University of North Carolina at Greensboro, USA*  
Baumanis, Leilani; *Johnson & Wales University, USA*  
Friends, Todd; *Whitworth University, USA*  
Kharé, Virginie Pioche; *Eckerd College, USA*  
McKenna, Mark; *Hult International Business School, USA*  
Naoumova, Irina; *University of Hartford, USA*  
Panina, Daria; *Texas A&M University, USA*  
Rogers, Annette; *University of Hartford, USA*  
Anderson Seminario, María de las Mercedes; *Universidad de Lima, Peru*  
Taras, Vas; *University of North Carolina at Greensboro, USA*

The panel will bring together academics who have developed and successfully used various experiential learning projects in IC-CCM education programs who have contributed chapters as one of the co-authors of “The Palgrave Handbook of Learning and Teaching International Business and Management” (anticipated publication November 2019). This Handbook contains a total of 44 chapters. 87 co-authors of this edited volume collectively represent academic institutions in 23 countries in Asia, Africa, North America, South America, Europe, and Oceania.

Ten (10) of the co-authors will overview several chapters and discuss the collaboration and editing process. Half of the session time will be dedicated to discussion.

The goal of the session is to share information about the project; provide a brief review of several chapters; and to provide a networking opportunity for academics interested in, or already engaged in experiential learning activities to enhance their international business course(s) and student experience.

**Keywords:** IB Education, IB Education, Experiential learning

## **Experiential Learning: Sharing EL Teaching Strategies through Lesson Plans**

Lynden, Karen; *University of North Carolina at Greensboro, USA*

Garcia, P. Roberto; *Indiana University, USA*

Lituchy, Terri; *CETYS Universidad, Mexico*

Torres, Luis E.; *Georgia Gwinnett College, USA*

The panelists have been selected to represent a wide variety of EL projects and approaches that can be used in IB-CCM education, including projects based on; global virtual teams, involvement of local business, consulting teams, case studies, cultural events outside the classroom, service learning, external interviews, and others. The expectation is that this selection will provide the audience with a rich overview of the possible approaches to using experiential activities in their courses, as well as lead to idea cross-pollination among the panel participants.

The uniqueness of this session offers a detailed review of four (4) specific lesson plans (examples provided to audience) by professors/lecturers who have implemented these lessons in a variety of classroom modes of teaching (traditional/online) and different universities. The goal of the session is to not only share these specific examples with others for adoption or modification, but to stimulate participants to share their EL lesson plans during the session and inspire collaboration and the sharing of specific EL lessons and projects.

**Keywords:** IB Education, IB Teaching, Experiential learning, Lesson Plans

## **Navigating Academic Careers for Women**

Richards, Malika; *Penn State University, USA*  
Gupta, Susan Forquer; *Monmouth University, USA*  
Colakoglu, Saba; *Georgia Tech, USA*  
Naoumova, Irina; *University of Hartford, USA*  
Yang, Deli; *Trinity University, USA*

A panel of WAIB (Women of the Academy of International Business) present and past executive board members and leading female scholars offers a discussion of how female scholars navigate career issues, including, but not limited to: caretaking roles, family responsibilities, career track decisions (different streams and foci of academia, industry engagement, administration, teaching, and research), leadership decisions, navigating the political landscape at work, and evolving student expectations. This panel will allow senior, mid-career and junior faculty members to share their experience through story-telling. The event provides unique perspectives in discussing critical issues and events faced by women in the academic world. All participants will discuss a wide span of topics that have been critical in their career development. As the event involves discussions of issues that affect women at all levels of their careers, the event is expected to attract a large and wide audience.

**Keywords:** IB Education, IB Teaching, Careers

## **Strengthening Undergraduate Research in the Interdisciplinary Logistics and International Trade Program**

Sepehri, Dean Mohamad; *University of the District of Columbia, USA*  
Arora, Anshu S.; *University of the District of Columbia, USA*  
Arora, AMIT; *University of the District of Columbia, USA*  
Fleming, Mayumi; *University of the District of Columbia, USA*  
Kelley, Kyle J.; *University of the District of Columbia, USA*  
Washington, Alexandra; *University of the District of Columbia, USA*

This panel focuses on the development of STEM and Business focused Logistics and International Trade (LIT) program by incorporating supply chain, logistics, and international trade analytics curricula; and fostering undergraduate student research in LIT areas across two schools: School of Business and Public Administration, and School of Engineering and Applied Sciences. According to the U.S. Bureau of Labor Statistics, employment in occupations related to global logistics and international trade analytics is projected to grow by more than 20% from 2016 to 2026, faster than other occupations. The LIT program through LIT Analytics Center will augment existing engineering and business programs through the development of multidisciplinary courses (lectures, laboratory, and hands-on software applications) in global logistics, supply chains, transportation, international trade, business research and analytics, entrepreneurship, and international business. Through the development of cutting-edge interdisciplinary STEM-Business focused LIT program, students will conduct research to understand, analyze and manage supply chains, logistics, transportation and risks that are centered on trade and monetary policy, where missteps could undermine economic growth and confidence, and thus expand their opportunities for future employment, scholarships and internships. This panel specifically focuses on how undergraduate research in interdisciplinary STEM-Business program transforms students as leaders in 21st Century workforce.

**Keywords:** Logistics and International Trade (LIT) program, Global logistics, Supply chains, Transportation, International trade

## Meet the Editors

Lyles, Marjorie, *Journal of International Business Studies*

Miller, Stewart, *International Business Review*

Rottig, Daniel, *AIB Insights & International Journal of Emerging Markets*

Gupta, Susan, *International Business: Research, Teaching, and Practice*

The goal of this panel session is to make international business researchers aware of the academic journal outlets where they can publish papers. The scopes, review process, rejection rates etc. of each journal will be discussed.

**Keywords:** Publish, International business

## **AIB Fellows: Researcher, Leader and Founder**

Cavusgil, S. Tamer, *Georgia State University*

Hitt, Michael, *Texas A&M University*

Lyles, Marjorie, *Florida International University*

Peng, Mike, *University of Texas at Dallas*

Created in 1975, the AIB Fellows consist of a select group of distinguished AIB members who have been recognized for their scholarly contributions to the field of international business and to the Academy of International Business. This panel brings together some of the AIB Fellows to talk about their roles within the Academy as Leaders, Fellows and Founders, in addition to being highly productive scholars. All of them have seen “making a difference” as an important mission in their lives.

**Keywords:** Leadership, International business