2nd Business Doctoral & Emerging Scholars Conference
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Forewords

The School of Business and Law (SBL) at Edith Cowan University is very pleased to welcome you to the 2nd Business Doctoral and Emerging Scholars Conference.

This conference provides an opportunity for doctoral students and early career researchers (ECRs) to discuss and share their ideas and approaches with peers and leading academics within the broad field of business. Participants this year have come from a range of disciplines encompassing: accounting, financial markets, corporate finance, supply chain management, organisational behaviour, management, human resource management, marketing and innovation, to name a few.

We are also honoured to have three distinguished keynote speakers: Professor Duncan Lewis who has travelled to Perth for this conference, to join Associate Professor Julia Richardson from Curtin University and our very own Professor Stephen Teo at Edith Cowan University. They will provide some insights into charting and building an academic career.

We are also pleased to have Dr Abhay Kumar Singh from Macquarie University, Dr Saiyidi Mat Roni and Dr Diep Nguyen from Edith Cowan University, who will be running workshops on statistical analysis using SPSS and R software, along with a session on method bias in behavioural research. We are committed to offer strong platforms for our future researchers to excel in their fields.

Research at SBL has gone from strength to strength. In 2017, we had a number of new academics joining us, fuelling a wave of collaborative activities to support researchers and students, and a number of new students commencing their degrees. The conference will wrap up an eventful year in our constant pursuit to extend the boundaries of knowledge.

We hope you enjoy your time with us at the conference.

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Taxpayer attitudes, perceptions and compliance costs of the value added tax system in Botswana

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Abstract

This paper presents businesses’ attitudes and perceptions towards the Botswana Value Added Tax (VAT) system relative to their VAT compliance costs. The respondents were presented with various attitudinal statements and asked to express their perceptions concerning the VAT. The internal consistent reliability of the responses to the attitudinal statements is measured using Cronbach’s alpha. The findings suggest that Botswana businesses find VAT requirements to be burdensome, with high compliance costs. Further investigation reveals that businesses’ perceptions of the VAT burden are positively related to VAT compliance costs. The study concludes with policy implications for government, business taxpayers and researchers.

Keywords: Value added tax, compliance costs, attitudes, perceptions, taxpayers.

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Organizational learning for innovation in an Australian hospital

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Abstract

Organizational learning can facilitate innovation and it is influenced by internal and external contexts. This paper applies Crossan et al. ‘s (1999) 4I framework to examine the effect of internal and external factors on an organization’s learning process and the extent of its innovation. A case study of a large private Australian hospital is used to gain insights about the process of innovation. The government’s strategic agenda in the provision of health care services and regulatory environment in the Australian health care industry have driven much innovation in the hospital under investigation. Leaders of this hospital strive to simultaneously pursue exploration and exploitation in organizational learning by developing an organizational culture that allows a variety of ideas to flourish but at the same time promote integration of differences to enable the implementation of innovative ideas.

Keywords: Innovation, organizational learning, hospital

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The materiality of corporate sustainability reporting: User’s perspective in China

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Abstract

This study explores the perceived stakeholder’s materiality in corporate sustainability reporting (CSR) made by the listed companies in China, thereby contributing to corporate policy within the broader context of public policy and reporting standards. A stakeholder-driven instrument that combines the three-dimensions adjusted from GRI was developed. The instrument was initially developed based on questionnaire to measure the material sustainability information perceived by stakeholders. Partial-Least-Square was used to examine the validity of the measurement in the study. The results indicated that items in environmental and economic performance in sustainability provides significance to affect CSR materiality, whereas social performance is less able to. In our deconstructed model, social information regarding human rights were shown relevance to CSR materiality

Keywords: Corporate sustainability reporting, China, stakeholder perception, PLS

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Total cost of ownership along the mine assets management and supply chain

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Abstracts

Total Cost of Ownership (TCO) is a notion which is widely used in many business and industries around the world and mining industry is not an exception. TCO is a complex concept which not only can determine most pivotal or integral costs in the acquisition, possession, use and subsequent disposition of a good or service but also can specify factors like order placement/replacement, supplier’s qualification, shipping/hauling, acquiring, audit, refusal, displacement, downtime caused by failure, and costs of disposal. This research uses TCO model as a tool in the mining supply chain concept to examine and improve purchasing decisions by foreseeing different attributes such as acquisition cost, quality, and the reliability of supplier’s delivery.

Keywords: Total cost of ownership, assets management, Supply chain, purchasing tools, mining industry

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Cross-equity linkages between China and the U.S.: An application of GARCH-M-GED

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Abstract

This article examines joint distribution of returns and volatility between daily stock returns in China and the U.S. from January 2006 to April 2016 employing GARCH-M-GED. Compared with the previous empirical studies which used less recent data and which found negligible evidence of volatility spillover or only unidirectional return spillover to China, the results of this analysis reveal an existence of bidirectional spillover in terms of return and volatility even though the time of impact is different. This suggests there might be a major shift in the nature of cross-market dependence between these two countries.

Keywords: Stock market linkages, GARCH-M, China.

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Gender and careers: Bottlenecks in the academic pipeline

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Abstract

The barriers confronted by female academics in the Australian academic career pipeline have been widely acknowledged and explored. A lack of knowledge is apparent, however, about the significant bottlenecks present between the two mid-level and two most senior academic levels in academic careers and the role that these bottlenecks play in the subsequent gender inequity at senior organisational levels. The role congruity and self-efficacy theories suggest that differences in career outcomes can be explained by socially stipulated gender roles, highlighting the importance of an investigation and understanding of these pressure points in order to unlock career opportunities for female academics.

Keywords: Women and work, Equal employment opportunity, Gender in organisations.

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Impact of corporate governance on capital structure of Pakistani firms

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Abstract

The purpose of this study is to empirically test the impact of corporate governance measures on the capital structure choices of oil and gas industry of Pakistan. Pooled Ordinary Least Square Model was employed to test the data is collected from PSE-30 index form 2006-2015 from their published annual reports. The results showed that number of committees at the board are positively and significantly associated with the financing decisions of the firms. However, board independence showed a negative but insignificant relation with the leverage ratio. Other explanatory variables showed no relation with the financing decisions. The control variables firm age and firm size are positively while profitability and shareholder equity are significantly but negatively related with the leverage ratio. The findings of this study will help corporate managers in the formulating the optimal capital structure. This study is significant for the policy makers to make new regulations to work more effectively in the corporate governance sector of Pakistan. It will also fill the gap of available literature on corporate governance in Pakistan.

Keywords: Corporate Governance, Capital Structure and Leverage.

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Interdependence of REIT market volatility under an E-GARCH-M framework

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Abstract

This study employs a bivariate E-GARCH-M model at one lag on weekly returns of major REITs markets in six countries including Australia, Hong Kong, Japan, Singapore, the UK and the US during and after the crises periods of the Sub-prime Mortgage Crisis, Global Financial Crisis and European Debt Crisis. The results found cross-market linkages vary with countries and changed significantly after the crises period. We find the returns of REITs in Australia, the UK and US to be segmented, and interdependence for Hong Kong, Japan and Singapore markets. In terms of volatility spillovers, the size effect impacts weekly volatility of the three Asian markets. We also find significant asymmetric effects of volatility spillovers between markets during the crises period, but this only persists for the Australian and Singaporean markets following in the post-crisis period. Past volatility has a persistent explanatory effect on current volatility in all the markets examined. Our findings have implications for investors looking to build a diversified portfolio of international real estate investments.

Keywords: Volatility spillovers, E-GARCH, REITs.

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The influence of brand equity on repurchase intention: The moderating effects of justice perceptions and attribution

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Abstract

This paper examines how brand equity could have effect on Chinese consumers’ behavioral intentions towards telecommunications brands by applying justice theory. The interaction effect between brand equity and recovery justice / consumer attribution are also analyzed. Hypotheses were tested using PLS-SEM technique from a sample of 600 complained Chinese consumers for their telecommunications service. The findings indicate that distributive and interactional justice strengthens the relationship between brand equity and repurchase intention; however, the stability of attribution negatively moderates the same relationship. This is the first study to empirically investigate perceived justice / attribution as moderators for the Eastern consumers.

Keywords: Brand equity, Repurchase intention, Distributive justice, Interactional justice, Attribution.

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How boards of not for profit organisations make decisions

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Abstract

What can an organisation put in place to improve its board’s decision making? Existing research tends to focus on how issues such as board size, experience and diversity affect governance (Bai, 2013; Coombes, Morris, Allen, & Webb, 2011; Fama & Jensen, 1983) but a clear knowledge gap is described by (Tricker, 2015) who calls for investigation of the boardroom interaction of directors. This study proposes to use a case study research design to observe the boards, interview the individual board members for their perspectives and examine historical records. This study seeks to explore the behaviour of not for profit boards by direct observation.

Keywords: Boards, decisions, not for profit, governance, director.

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The first-line manager’s role as a facilitator of change and regular work activities during radical organisational change: A social exchange perspective

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Abstract

Radical organizational change (ROC) often has negative impacts on employees. The psychological contract between employee and employer is likely to be violated, resulting in a negative work climate. The negative impacts on employees puts pressure on first-line managers (FLMs) to achieve the required outcomes for change planned by senior managers. FLMs assume a central role because they are intermediaries between those initiating the change and those implementing it at the operational level. Furthermore, FLMs also need to ensure that a consistent standard of service is provided to external clients during the ROC. This means the FLMs are expected to manage the current operations as normal and at the same time facilitate the radical change requirements. As these circumstances of dual expectations suggest, the FLM needs considerable relational expertise.

There is limited research on FLMs and their role in both the organizational change and social exchange processes. Social Exchange Theory (SET) is a series of interactions between two or more individuals through which they create expectations of one another by attaching values to these expectations. SET may help to develop an understanding of how FLMs can enact their role in a way that meets the dual expectations of facilitating change whilst managing day-to-day operations. This is because FLMs primarily handle the people management aspects of daily operations and in this process build social exchange relationships with the employees. My study will explore the nature of social exchange relationships between FLM’s (as intermediary agents), staff, and senior managers, in a ROC context. It is anticipated that my research findings will help managers execute more effective and efficient ROC programs, thereby reducing the negative impacts on employees.

Keywords: Social exchange theory, First-line managers, Radical organizational change.

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Role of social media in handling a crisis situation: A case study of Commonwealth Bank of Australia (CBA)

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Abstract

This research study explores how the Commonwealth Bank of Australia-CBA managed to respond to a recent online crisis caused by money laundering allegations levelled by AUSTRAC-Australian Transaction Reports and Analysis Centre. Employing the case study approach, this study has examined how CBA managed the crisis on social media. Findings suggested that media releases focused on five elements in crisis communication response i.e. acknowledgement and resolution of issue, reassurance of compliance and coordination, software error – cause of breaches, assurance of conveying information, and investment made in financial crime laws compliance. On the other hand, CBA’s responses on social media follow knowledge transfer and assimilation elements, but lack in knowledge acquisition.

Keywords: Social Media, Crisis Communication, CBA, AUSTRAC, Knowledge Management.

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Mobile banking adoption by senior citizens in Perth

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Abstract

Mobile banking (M-banking) research in Australia have in the past focused on young and middle aged users, but little is known about the intentions of senior citizens (aged 55+) to use M-banking. This paper investigates the factors that affect the adoption of M-banking by using a TAM-UTAUT framework. Questionnaires were distributed amongst seniors in Perth and results indicated that performance expectancy, facilitating conditions and, perceived ease of use were significant factors that determined their use of M-banking. The study provides insights for academics, M-banking service providers, decision makers and stakeholders.

Keywords: Mobile banking, Technology acceptance model, Unified theory of technology and use of technology, Perceived usefulness, Perceived risk.

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The effects of family ownership on capital structure of Vietnamese listed companies

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Abstract

This paper examines how family firms behave differently from non-family firms in making their funding decisions. By applying panel regression models for samples of Vietnamese listed companies in the consumer product and industrials industries over the 2008-2016 period, the authors find that family firms have higher debt ratios than non-family firms. Effects of business characteristics on financing decisions also differ from family firms and non-family firms. Particularly, asset tangibility appears to be the important influencing factor of the debt levels in non-family firms, whereas it does not have any impact on capital structure of family firms.

Keywords: capital structure, family firms, listed companies.

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Corporate capital structure stability conundrum

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Abstract

Do firms have stable leverage? Lemmon, Roberts, and Zender (2008) present evidence that firm leverage ratios are stable. DeAngelo and Roll (2015) present alternate evidence that leverage stability is only a short-run phenomenon. The analysis in this paper demonstrates that these contrary results are a function of the methodology each paper uses. We find that DeAngelo and Roll’s (2015) methodology, when compared to that of Lemmon, Roberts, and Zender (2008), is more reliable for investigating leverage stability

Keywords: Capital Structure, Leverage Stability, Test Robustness.

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Uncertainty and risk premium

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Abstract

Uncertainty can be described as a situation of missing or unknown information but is having a direct impact on the decision-making process. Particularly recently, during the last periods of turmoil, we were able to experience how uncertainty matters for economic decision-making and their impact on the financial market. The literature has proposed three main channels through which uncertainty potentially affects the real economy. This study focuses on the second channel that goes through the risk premium, as investors are likely to demand a higher risk premium. Using MIDAS approach, the relationship between one of the uncertainty measure the fear index VIX and the risk premium is studied. The data refers to the United States, as the country which has the most highly developed capital markets in the world. It’s assumed that forecasting process is important for policymakers, especially during the period with a high level of uncertainty. This paper demonstrates that the forecasting process could improve by using the mixed-frequency sampling approach and by introducing uncertainty into the model using the fear index.

Keywords: Risk premium, uncertainty, mixed-frequency sampling.

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How does financial distress affect accrual earnings management?

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Abstract

This paper investigates how financial distress influences accrual earnings management and how internal control quality moderates the above relation using a sample of listed firms from 2007 to 2013 in China. This paper finds a positive relationship between financial distress and accrual earnings management. Internal control exerts a moderation effect on the relation between financial distress and earnings management by restraining accrual earnings management. This study provides additional insights on earnings management and internal control in financially distressed firms from the perspective of an emerging economy.

Keywords: Financial distress, Internal control, Accrual earnings management.

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Islamic finance: Factors influencing the perception of muslim individuals in Perth

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Abstract

The purpose of this study is to investigate the factors that influence the perception of Muslim individuals living Australia of Islamic banking and Finance. A structured close-ended questionnaire was adopted to investigate the perception of Muslim individuals from the different suburbs of Perth with 300 usable responses received. Regression analysis was used to test the impact of Islamic knowledge, financial concepts and service quality on customers’ perception toward Islamic banking. The findings of the study suggest that Religious inclination, understanding of Islamic financial concepts and brand image & quality has a significant impact on the respondent’s perception. In addition, it is found that there is significant potential for Islamic banking and Finance in Perth due to increasing Muslim population and the current low level of utilisation. These findings can be helpful for Australian Islamic Financial Institutions to better target their potential market in Perth.

Keywords: Perception, Islamic Banking & Finance, Perth.

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Rethinking of talent management practices as an employee retention strategy in emerging economy

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Abstract

Emerging economies source talents locally and abroad to sustain their economic powerhouse. Nevertheless, employee turnover presents a great deal of challenges for organizations as a result of high replacement costs, training of new recruits, and diminishing pool of skilled labors. Thus, talent management necessitates an effective conjugation of employee-centric dimensions, and the delivery of these emphases. While the existing literature suggest a convergence of direct approach towards the talent management dimensions where an increase in the provision of management support, career development opportunities, and reward and recognition can positively affect the employee retention, the findings in this study challenges this dogma. Partial least square analyses on an aggregated and segmented dataset reveal different employee cohorts exercise their view of important dimensions differently. Rewards and recognition, and career development opportunity are generally important across all cohorts, an experienced group tends to put less value to management support as compared to the relatively new recruits. Therefore, a blanket policy treating the experienced and the new staff as singular homogenous units may not be an optimum solution to the talent management conundrum.

Keywords: Talent Management Practices, Managerial Support, Employee Career Development, Rewards and Recognitions, Employee Retention, PLS.

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A conceptual model of entrepreneurial competencies and business success in small and medium enterprises

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Abstract

Small and medium enterprises have to face tremendous challenges to compete in a global market so companies are constantly seeking new ways to improve their competitiveness to distinguish themselves from their peers. Recent decades has witnessed a boom in research into entrepreneurship, especially entrepreneurial competencies due to the significant role of entrepreneur to the success of the organisations. This paper will recommend a conceptual model in two levels: the individual level and the organisational level, in order to explore the relationship between entrepreneurial competencies with business success

Keywords: Entrepreneurial competency, quality management, organisation/firm performance, performance measurement, business success.

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An examination of the perceptions of accountants towards the professional skills required for applying the International Financial Reporting Standards (IFRS)

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Abstract

The introduction of the IFRS has presented complexities to professional accountants who are tasked with applying the standards. Our study aims to identify the range of skills necessary for accountants to deal with these complexities, and investigate the extent to which accountants have developed the skills. Based on a survey of professional accountants in Indonesia, we find that accounting judgement is considered to be the most necessary skill for applying the IFRS, but accountants consider their judgement and other relevant skills are not sufficiently developed due to a deficiency in training programmes. These findings are of interest to professional accounting associations, accounting firms, and educational institutions for evaluating the content of the training and education programmes being delivered to accountants.

Keywords: Accountant’s perceptions, skills, IFRS, professional training, judgements.

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Geographic proximity between auditor and client and the impact on audit quality

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Abstract

Despite extensive research on the determinants of audit quality, one under-researched mediating factor of audit quality in terms of the auditor and client relationship is geographic proximity. Recently, Choi et al. (2012) reported that geographic proximity has a significant impact on auditor-client relationship in the US. Based on a sample of 520 (Australian listed) firms per year spanning the period from 2010 to 2013 (giving a final sample of 2080), this exploratory study examines geographic proximity between the auditor and client effect on audit quality. However, the results show no significant difference between local auditors and non-local auditors due to lack of cross-sectional variation in terms of proximity variable. Although, geographic proximity may result in geographical advantages or a closer auditor-client relationship, it does not affect the audit quality in Australian context.

Keywords: Geographic Proximity, Audit Quality, Discretionary Accruals, Auditor-client relationship.

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A new measurement tool for sustainability reporting

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Abstract

This study addresses the problem of a lack of a standardised sustainability reporting framework by developing a new Global Reporting Initiatives (GRI) - based scoring index. The development process involves integrating the fundamental principles of hard and soft disclosures used in Clarkson et al. (2008) into all three aspects (social, economic and environmental) of the GRI G3.1 version. The index enhances the existing GRI guidelines, creates an improved measurement tool for sustainability reporting, and establishes a standardised framework to measure the quality of sustainability reporting for future research projects.

Keywords: Sustainability reporting, Hard and soft disclosures, Global Reporting Initiatives (GRI), Sustainability disclosures.

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