

World Conference
on Business and Management 2015

WCBM 2015

Republic of Korea | June 29th – July 02nd, 2015

Program Book with Abstracts

“The Great-Copernican Change in Management Study:
The Age of Humanism, Humanistic Business Administration”

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한국MICE협회



WCBM 2015

World Conference on Business and Management 2015

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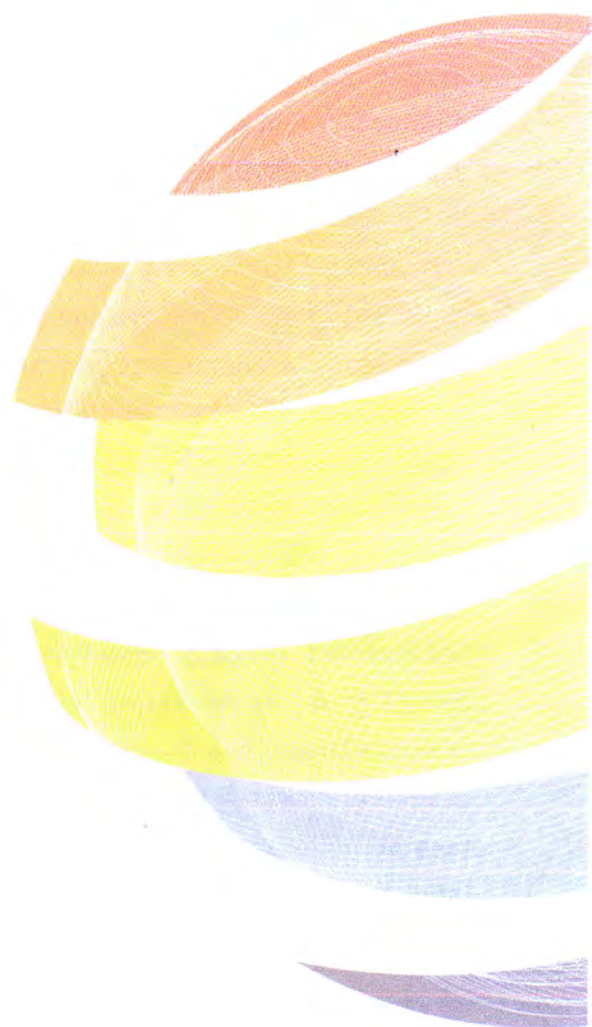
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Welcome Message

A warm welcome to all participants of the World Conference on Business Management 2015!

I would like to take this opportunity to express my great appreciation to everyone who contributed his or her time, energy, and expertise to make this conference successful. It is truly an international conference where we have around 170 papers of 250 participants from over thirty countries; and much of the researches are going to be discussed about global perspectives. Each participant's scholarly contribution is a valuable asset to helping the association fulfill its mission of disseminating high quality world business and management research. The conference could not have been successful without the diligent work of the program committees.

The deepest of gratitude is extended to the program chairs as well as co-chairs, track-chairs, and country-chairs for their excellent work as well as professionalism.

My sincere appreciation goes to Dr. J. C. Rhim, formal editor of the Global Business and Finance Review, Dr. Francis A. Kwansa, current co-editor of the GBFR, and editorial members: Michael R. Williams, Amit Sharma, Kiyoun Chang and Daniel Friesner. Last but not least, sincere thanks to my assistants including Jellna Chung, secretary general, Grace Son, deputy secretary general of operations, Wen Xi, general accountant, and all team members: Jungmin Lee, Junho Lee, Kao Hua Ping, Bui Huong, and Hyekyung Lim for their dedication and assistance with this important project.

I am also pleased to have a number of executives and deans participating in special sessions which they have taken this opportunity to interact as well as to share their expertise with other deans, academicians, and practitioners. Their involvement is one factor, which we feel, sets us apart from other conferences.

Thank you to Inwon Choue, President of Kyung Hee University for supporting our conference from his institution. Also a special thanks to Mr. Choi, Hyun Sub Choi, Head Consultant of Kyobo and Jeong-do Heo, President of Kyobo for sponsoring the competitive paper awards.

The People & Global Business Association (P&GBA) is an international scholastic organization that is trying to develop a new paradigm of management under the theme of "People oriented Management". It goes through the multi- interdisciplinary integration and complex academic research that is based on the humanities and social philosophy. We are going to take an initiative in developing management academic community in the world by sharing infinite knowledge and experience of planning, research and the educational development between global memberships world-wide. We will endeavor to do our best to truly improve

the management in contributing to the development and promotion of the welfare of human society. All global businessman and management scholars are warmly welcomed!

Each of the aforementioned individuals has made important contributions in helping the progress of P&GBA's conference, WCBM 2015, to achieve its goal of excellence.

Hope that you enjoy the conference and your stay in beautiful Seoul, Korea. Just a reminder that we are going to meet again at the fascinating resort city, Da Nang, Vietnam next year, 2016.

Dr. Jeong-Gil Choi

President, P&GBA and Conference Chair, WCBM 2015

Editor-in-Chief, Global Business and Finance Review

Professor, Kyung Hee University, Korea

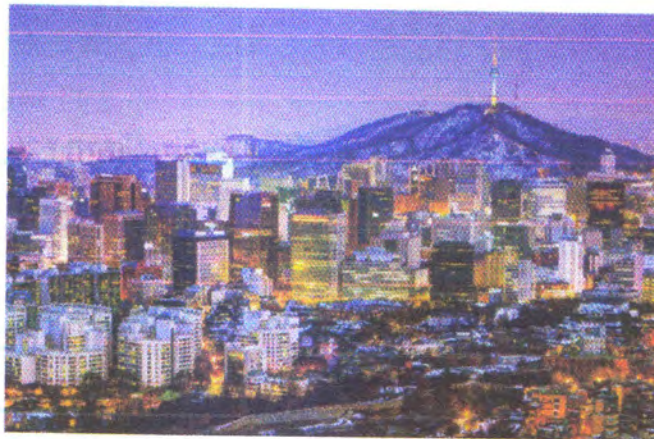


About Korea

South Korea (한국, Hanguk), official the Republic of Korea (대한민국, Daehan Minguk) is a country in East Asia. South Korea occupies the southern half of the Korean Peninsula, with North Korea to the north, China across the sea to the west and Japan a short ferry ride to the southeast. Despite initially being economically outdone by its northern rival, South Korea achieved rapid economic growth starting in the 1960s under the leadership of former military general President Park Chung Hee. As one of the East Asian Tigers, the South Korean economy's industrialization and modernization efforts gained traction in the 1980s and 1990s, with per capita income rising to 20 times the level of North Korea. In 1996, South Korea joined the OECD or "the rich nations club". Today, South Korea has been recognized as an industrialized, developed economy with some of the world's leading high technology corporations such as Samsung and LG. Demands for greater freedom of press and human rights fomented to nationwide demonstrations that led to democratic elections in 1987, just prior to the South Korean capital of Seoul hosting the 1988 Summer Olympic Games. In recent years, a phenomenon known as the "Korean Wave" (or Hallyu) in which the popularity of South Korean film, television, music, food and other culture aspects has swept most of Asia and many other parts of the world has brought increased attention to the country. The country elected its first female president in 2012.

Geographical

Mountains cover 70% of Korea's land mass, making it one of the most mountainous regions in the world. The lifting and folding of Korea's granite and limestone base create a breathtaking landscape of scenic hills and valleys. The mountain range that stretches along the length of the east coast falls steeply into the East Sea, while along the southern and western coasts; the mountains descend gradually to the coastal plains that produce the bulk of Korea's agricultural crops, especially rice.

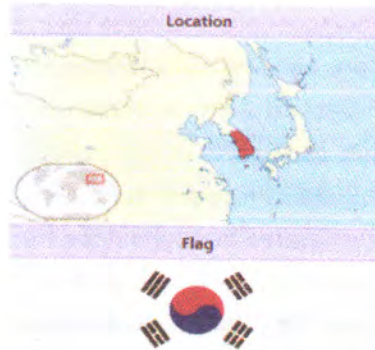


Language

Hangeul (한글), Korea's official alphabet, was first invented by King Sejong during the Joseon Dynasty. Originally called Hunminjeongeum (훈민정음), the language was conceived in 1443, and further promulgated by the King in 1446. At the time of its inception, the language consisted of 17 consonants and 11 vowels however, since then, 3 of the originally established consonants and 1 vowel have fallen into disuse bringing the total number of characters to 24. Syllables are formed by the selective combination of vowels and consonants to create words. The official name for the Korean language was changed to 'Hangeul' in 1910. Hunminjeongeum Proclamation Day was called 'Gagya Proclamation Day' up until 1926, and it wasn't until 1928 that it was changed to its current title, 'Hangeul

Proclamation Day'.

The chart below represents the 24 Hangeul characters together with their romanized equivalents. 'The Hunminjeongeum,' a historical document which provides instructions to educate people on the use of Hangeul, is registered with UNESCO. UNESCO awards a 'King Sejong Literacy Prize,' every year in memory of the inventor of Hangeul.



Quick Facts	
Capital	Seoul
Government	presidential republic
Currency	Won (₩, KRW)
Area	98,480km ² land: 98,180km ² water: 290km ²
Population	51,302,044 (2014 estimate)
Language	Korean, English widely taught in junior high and high school
Religion	No organized affiliation 31.5%, Christian 40% (Protestant majority), Buddhist 38%, Confucianism 0.2%, other 1% (2010 estimate)
Electricity	220V, 60Hz (C & F type "German" plugs)
Country code	+82
Internet TLD	.kr
Time Zone	UTC +9

Weather

Korea has four seasons, with a wet monsoon/summer season in the middle of the year, and a cold winter from November to March. The island of Jeju off the southern coast is the warmest and wettest place in the country. The ideal time to visit Korea is during the autumn months (September-November). During this time, the country experiences warm, sunny weather, skies that are cobalt blue and spectacular foliage that is perhaps the biggest draw. Winters are cold and dry and are a good time to visit if you are interested in winter sports as there are numerous ski resorts. Spring (April-May) is also beautiful with all the cherry blossoms in bloom. However, it is very busy and one needs to book in advance to ensure accommodation is available. The summer months are muggy and hot, and rather crowded. It is also when the monsoon season begins so many activities are subject to the fluctuations of heavy rain.

Korea Today

The Korean Peninsula is divided between north and south, making Korea one of the only divided countries in the world. The following information is about the Republic of Korea.

The capital of Korea is Seoul, and the government is led by President Park Geun-hye, elected in 2013 as the country's first woman president.

The Korean economy is driven by the manufacturing and exports including ships, automobiles, mobile phones, PCs, TVs, and a wide range of other electronics. Korea has enjoyed rapid economic growth thanks in large part to its export-focused strategy. In 2013, Korea's GDP was USD\$1.19 trillion based on IMF statistics. The nation boasts the world's 15th-largest economy (IMF 2013). Recently, Korean dramas and movies are also widely exported thanks to the popularity of Korean pop culture. K-pop stars are also active on the world stage.

The country's population reached 51.20 million in April 2014 (Ministry of Security and Public Administration), with a large proportion living in major metropolitan areas. To address congestion in the Seoul and its satellite cities where around half the country's population resides, the Korean

About Korea

government is relocating many government organizations to locations outside of the capital city, with the process set to be completed in 2014.

People

Koreans are largely ethnically homogenous and have their own form of writing called Hangeul. Born with Mongolian spots, Koreans are believed to be descendants of several Mongol tribes that migrated to the Korean Peninsula from Central Asia. In ancient times, Koreans believed in shamanism, a primitive form of religion that has deep roots in folk beliefs. With the introduction of Buddhism to the Goguryeo Kingdom in 372 A.D., Buddhism began to flourish in Korea. As a result, there are many old Buddhist buildings and sculptures located throughout the Korean Peninsula.

The most notable Korean figures in 2013 were Park Geun-hye, Korea's first female president, Psy, who became a worldwide celebrity thanks to his song "Gangnam Style", and Kim Yuna, who won gold medals at the 2010 Vancouver Winter Olympics and 2013 World Figure Skating Championships with her unrivaled figure skating skills. Also, the recent Hallyu (Korean Wave or the popularity of Korean pop culture) boom has helped popularize K-Pop stars such as Girls' Generation, and SHINee, and actors like Kim Su-hyeon, and Song Joong-ki, but these are just a few of the many Korean celebrities who are gaining immense popularity around the world.

Capital of Korea

Seoul is the capital of Korea with over 600 years of history. It is the heart of Korea's culture and education as well as politics and economics. Seoul is home to many old historic sites like Gyeongbokgung and Changdeokgung Palaces, and places of traditional culture like Bukchon Hanok Village, Insa-dong, and Namdaemun Market. The shopping and entertainment districts of Myeongdong and Apgujeong, and Asia's largest underground shopping center COEX Mall also draw a large number of tourists every year. The Hangang River, which runs through the center of the city, is also a distinctive landscape of Seoul that offers a myriad of resting areas for citizens.



People & Global Business Association

The People & Global Business Association (P&GBA), is an international scholastic society officially registered under the Ministry of Trade, Industry and Energy, Korea. We are trying to develop a new paradigm of management under the theme of "People Oriented Management", through the multi-interdisciplinary integration and complex academic research that is based on the humanities and social philosophy.

We pursue to serve our society through creating knowledge and awakening people-oriented business and management constantly. We publish an international academic journal, hold annual global conference and annual global great debate, and help local people via the Aging Power Academy. These human based activities are sponsored by forward-thinking enterprises, universities and government, from all around the globe.

In 2015, P&GBA holds one of the biggest global conferences, World Conference on Business and Management (WCBM) with Global Great Debate.

We are going to take the initiative in developing management academic community in the world. Moreover, by sharing infinite knowledge and experience of planning, research and the educational development between global memberships around the world, we will endeavor to do our best to improve true management contributing to the development and promotion of the welfare of human society.



WCBM 2015 Program Committee

Honorary Canon

Choong-yong Ahn Chairman, Korean Commission for Corporate Partnership	Yeong-Hun Baek President, Korea Industrial Development
Heung Bong Cha President, International Association of Gerontology and Geriatrics	Shin-Haeng Huh President, One body Society Forum, Former Minister, Ministry of Agriculture, Food and Rural Affairs
Deok-Gyu Im President of Diplomacy	Kwang-Keun Kim Professor, Daegu University, President, East Asia Travel Association

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Professor, Kyung Hee University
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Sourav Ray Associate Professor, Department of Marketing MCMaster University, Canada	Alan Parkinson Deputy Head, Department of Management Science and Innovation, University College London, United Kingdom
Philip Stephen Rose Department of Global Business Hannam University, South Korea	Jong-Chul Rhim Professor, University of Southern Indian, USA
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 Sungsoo Kim

United Kingdom

Alan Parkinson

General Information

Organizer

People & Global Business Association (P&GBA)

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Venue

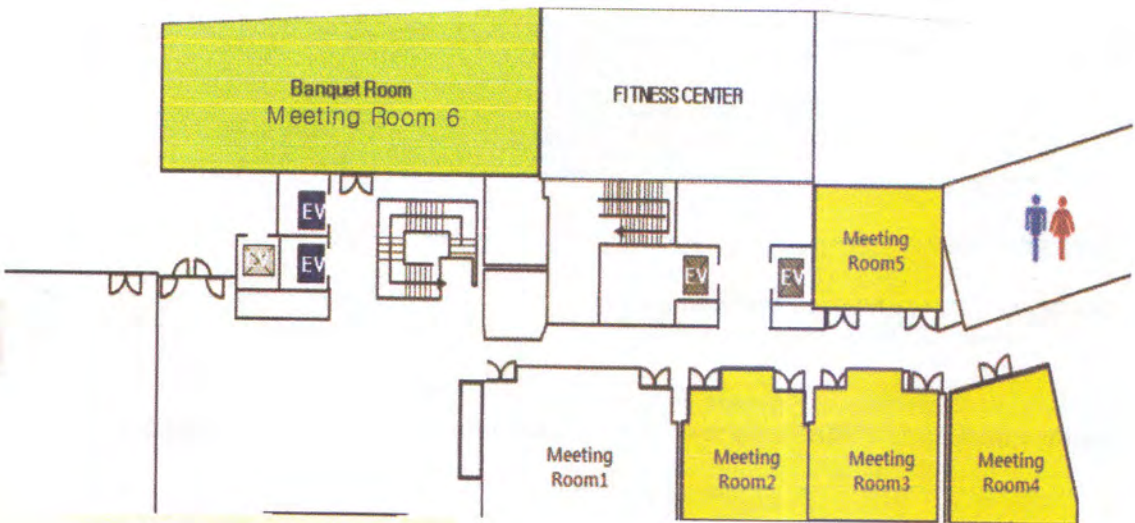
Courtyard by Marriott Seoul Times Square

442 Yeongdeungpo-dong 4-ga, Yeongdeungpo-gu, Seoul, 150-798 South Korea

Tel: 82 2 2638 3000

Fax: 82 2 2638 3001

Floor Map



General Program Schedule

Monday, June 29th at Courtyard by Marriott Seoul Times Square

		Optional Tour
1:00 PM – 6:00:PM	4 th Fl. Lobby	Registration
6:00 PM – 8:00 PM	Urban BBQ (15th Fl.)	Welcoming Reception (Courtesy of P&GBA and KNTC)

Tuesday, June 30th at Courtyard by Marriott Seoul Times Square

8:00 AM – 6:00 PM	4 th Fl. Lobby	Registration
10:00 AM - 10:30 AM	Room #6	Plenary Session (Introduction & Greeting)
10:30 AM – 10:45 AM	4 th Fl. Lobby	Coffee Break (Courtesy of P&GBA)
10:45 AM – 12:15 AM	Room #1	IT Management / Service Science and Others
	Room #2	Marketing and Consumer Behaviors
	Room #3	Management and Decision Science
12:15 PM – 1: 30 PM	Momo Café	Lunch (Courtesy of P&GBA and Seoul City)
1:30 PM – 3:00 PM	Room #1	Operation Management and Research
	Room #2	Strategic and Change Management
	Room #3	Tourism and Hospitality Management
3:00 PM – 3:15 PM	4 th Fl. Lobby	Coffee Break (Courtesy of P&GBA)
3:15 PM – 4:45 PM	Room #1	Economics / Management and Decision Science
	Room #2	Finance
	Room #3	Open Lecture
5:00 PM-		Dinner on your own & Optional Tour



General Program Schedule

Wednesday, July 1st at Courtyard by Marriott Seoul Times Square

8:00 AM – 6:00 PM	4 th Fl. Lobby	Registration
9:00 AM – 10:30 AM	Room #2	Accounting
	Room #3	Finance
	Room #4	Finance/ Health Care Management
	Room #6	Junior Academic Competition
	4 th Lobby	Poster Session
10:30 AM – 10:45 AM	4 th Fl. Lobby	Coffee Break (Courtesy of P&GBA)
10:45 AM – 12:15 PM	Room #2	Finance
	Room #3	Marketing and Consumer Behaviors
	Room #4	Finance / Operation Management and Research
	Room #6	Junior Academic Competition
	4 th Fl. Lobby	Poster Session
12:15 PM – 1:30 PM	Momo Café	Lunch (Courtesy of P&GBA and Kyung Hee University)
1:30 PM – 3:00 PM	Room #2	Open Lecture
	Room #3	Economics / Marketing and Consumer Behaviors
	Room #4	Strategic and Change Management Tourism and Hospitality Management
3:00 PM – 3:15 PM	4 th Fl. Lobby	Coffee Break (Courtesy of P&GBA)
3:15 PM – 4:45 PM	Room #6	Global Great Debate
4:45 PM – 5:00 PM	4 th Fl. Lobby	Coffee Break (Courtesy of P&GBA)
5:00 PM – 7:30 PM	AMORIS (Banquet Hall)	Awards & Night Banquet (Courtesy of P&GBA)

Thursday, July 2nd

9:00 AM – 2:00 PM		Seoul City Tour Courtesy of P&GBA and Seoul City
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Tuesday, June 30th**10:00 to 10:30****Room 6**

Plenary Session
Introduction & Greeting

Speaker

Jeong-Gil Choi
President, P&GBA and Conference Chair, WCBM 2015
Editor-in-Chief, Global Business and Finance Review
Professor, Kyung Hee University, South Korea

Note

Tuesday, June 30th

10:45 to 12:15

Room 1

[E/J] Information and Technology Management / Service Science and Others

Session Chair

Carlos Alexandre Camargo de Abreu
Federal University of Rio Grande do Norte State, Brazil

Investigating the Consequences of M-Commerce Consumer Self-Confidence between U.S. and Korea: An International Comparison Study of Mobile Consumer Self-Confidence and Behaviors

Sung-Hee "Sunny" Park, University of South Carolina, USA
Kwanghyun Kim, KNUT, South Korea
Jeffery S. Smith, Florida State University, USA

Performance Appraisal Effect on Positive Psychological Capital (Samples of the Employees in the Sales Department of Financial Institutions in Indonesia)

Antonius, Maranatha Christian University, Indonesia

The Effects of Extra Credit Assignment in Management Information Systems Classes: Do Extra Credit Assignments Lead Students to Moral Hazard?

Dongmin Kim, University of New Brunswick, Canada

The Factors of Choosing Non-Celebrity Endorsers on Instagram-Based Online Shops

Felicia Abednego, Maranatha Christian University, Indonesia
Yolla Margaretha, Maranatha Christian University, Indonesia

Tuesday, June 30th**10:45 to 12:15****Room 2****[G] Marketing and Consumer Behaviors****Session Chair****Bedanta Bora****Sikkim Manipal Institute of Technology, India****Organizational Analysis of Cashew Nut Supply Chain in Wonogiri Regency of Central Java**

Endang Siti Rahayu, Sebelas Maret University, Indonesia

Ramawati, Sebelas Maret University, Indonesia

Eko Murnianto, Faculty of Agriculture UNTRUN, Indonesia

Economic Inequality and Organization Management: Lessons from Thailand

Tim G. Andrews, Webster University Thailand, Thailand

Khin Thi Htun, Webster University Thailand, Thailand

The Effects of Metro System on the Trajectory of Housing Prices

Fen-may Liou, Chihlee Institute of Technology, Taiwan

Shih-Yu Yang, Chihlee Institute of Technology, Taiwan

Wan-Ping Hsieh, National Chiao Tung University, Taiwan

The Value of Financial and non-Financial Information in Japanese SMEs Risk Assessment

Michiko Miyamoto, Akita Prefectural University, Japan



Tuesday, June 30th

10:45 to 12:15

Room 3

[H] Management and Decision Science

Session Chair

Sourav Ray

McMaster University, Canada

Using a Hybrid MCDM Model for Green Supplier Selection

James J.H. Liou, National Taipei University of technology, Taiwan

Her-Shing Wang, National Taipei University of technology, Taiwan

Chao-Che Hsu, Tamkang University, Taiwan

Yen-Ching Chuang, National Taipei University of technology, Taiwan

Revitalization of Cashew, Efforts to Use Critical Land in Wonogiri District - Central Java

Sri Seventi, Sebelas Maret University, Indonesia

Anastasia Riani, Sebelas Maret University, Indonesia

Muhamad Cholil, Sebelas Maret University, Indonesia

Yeni Fajariyanti, Sebelas Maret University, Indonesia

How Do Monetary Policy Surprises Affect U.S. Stock Returns at the Zero Lower Bound?

Chun-Li Tsai, National Cheng Kung University, Taiwan

Signaling Information in a Vertical Decentralized Supply Chain

Tian Li, East China University of Science and Technology, China

Weixin Shang, Lingnan University, Hong Kong

Tuesday, June 30th**13:30 to 15:00****Room 1****[I] Operation Management and Research****Session Chair****Sourav Ray****McMaster University, Canada****Effect of Leadership Ethics, Trust on Leadership, and Commitment on Attitude toward Changes: A Study on Batik Educational Foundation in Surakarta, Indonesia**

Muhammad Cholil, Sebelas Maret University, Indonesia

Muthmainah, Sebelas Maret University, Indonesia

A Dyadic Examination of Workplace Incivility Influence on Wellbeing among Dual-Earner Couples

Chun-Hsien Lee, National Kaohsiung Normal University, Taiwan

Pi-So Chen, National Kaohsiung University of Applied Sciences, Taiwan

Fang-Ming Hwang, National Chiayi University, Taiwan

Allocating Coalition Payoffs under Diminishing Marginal Returns: Analytic Nucleolus Solutions for-Player Cooperative Games

Mingming Leng, Lingnan University, Hong Kong

The Role of Innovation on Batik SMEs' Performance, with Recognition and Training as Moderating Variables

Asri Laksmi Riani, Sebelas Maret University, Indonesia

J.J Sarungu, Sebelas Maret University, Indonesia

Margana, Sebelas Maret University, Indonesia



Tuesday, June 30th

13:30 to 15:00

Room 2

[K] Strategic and Change Management

Session Chair

Carlos Alexandre Camargo de Abreu
Federal University of Rio Grande do Norte State, Brazil

Co-opetition and Corporate Efficiency: The Role of Bancassurance in the Korean Insurance Industry
Byung-Seong Min, Griffith University, Australia

How Does External Knowledge Influence Innovation

Jaegun Lee, Kyungpook National University, South Korea
Moon-Goo Huh, National University, South Korea

Perceived Environmental Uncertainty, Organizational Structure, and Market-Oriented Strategies in Apparel Retail Stores in South Korea and China

Eun Jin Hwang, Indiana University of Pennsylvania, USA
Marjorie J.T. Norton, Virginia Tech, USA

Design of Competitive Strategy through the Companies Requirements and Value Chain Analysis in the e-Book Market

Hyeog-In Kwon, Chung Ang University, South Korea
Yun-Bin Na, Chung Ang University, South Korea

Tuesday, June 30th**13:30 to 15:00****Room 3****[L] Tourism and Hospitality Management**

Session Chair
 Sooun Lee
 Miami University, USA

Effects of corporate social responsibility and internal marketing on employees' Work attitudes

Jungsun Kim, University of Nevada, USA

Hak-Jun Song, Pai Chai University, South Korea

Choong-Ki Lee, Kyung Hee University, South Korea

Should Franchise Restaurant Companies Own So Much Real Estate?

Abraham Park, Pepperdine University, USA

Examining the Adoption of Travel Information Using Geotag in Social Network Service

Heejeong Han, Kyung Hee University, South Korea

Namho Chung, Kyung Hee University, South Korea

Chulmo Koo, Kyung Hee University, South Korea

The Role of Humour in Workplace Relationships: Negotiating Confucius Boundaries in South Korean Organizations

HeeSun Kim, University of Auckland Business School, New Zealand

Tuesday, June 30th**15:15 to 16:45****Room 1****[B/H] Economics / Management and decision Science**

Session Chair
Alan Parkinson
University College London, U.K.

Business Turnaround in Thailand: An Exploration into the Impact of Indigenous Management Culture

James Jain, Webster University Thailand, Thailand

Tim G. Andrews, Webster University Thailand, Thailand

Probabilistic Promotions: Monetary vs. Non-monetary promotions

Sungchul Choi, University of Northern British Columbia, Canada

Xin Ge, University of Northern British Columbia, Canada

Entrepreneurship, Innovation and Growth

Olakunle Felix Adekunle, Marketing Director of Pusat Bahasa Laguna, Malaysia

Electronic Shelf Labels (ESL) and their impact on Prices and Pricing

Sourav Ray, McMaster University, Canada

Li Wang, McMaster University, Canada

Daniel Levy, Bar-Ilan University, Israel

Mark E. Bergen, University of Minnesota, USA

Tuesday, June 30th**15:15 to 16:45****Room 2****[C] Finance**

Session Chair
Sungsoo Kim
Rutgers University, USA

Linkage amongst Emerging Asia-Pacific Equity Markets : An Empirical Overview

Anindita Adhikary, Sikkim Manipal Institute of Technology, India

Bedanta Bora, Sikkim Manipal Institute of Technology, India

Does Social Network Really Matter in FDIs?

Dongkyoon Kim, Montclair State University, USA

Valuation Accuracy of American Options of Computer Business Service Firms Traded in CBOE Using Fractional Black-Scholes Option Pricing Model

Sang Woo Heo, University of Southern Indiana, USA

Jun Gyu Kang, Dongeui University, South Korea

Managerial Behavior of Multinational Corporations around Global Financial Crisis

Jong Rhim, University of Southern Indiana, USA

Peter Cashel-Cordo, University of Southern Indiana, USA

Tuesday, June 30th	15:15 to 16:45	Room 3
Open Lecture		
"Medical Tourism"		
Lecture speaker		

Walter Freyer

Professor, Chair of Tourism Economics and Management, Dresden University of Technology

Note

Wednesday, July 1st**9:00 to 10:30****Room 2****[A] Accounting****Session Chair****Alan Parkinson****University College London, U.K.****Corporate social responsibility and accounting credit based on the case of Kang Zhi pharmaceutical co.**

Sun Lu, Sichuan University, China

A Study of Ratings Changes at the Margin of Investment and Speculative Grades

Joseph Kerstein, Yeshiva University, USA

Sungsoo Kim, Rutgers University, USA

Murugappa (Murgie) Krishnan, William Paterson University, USA

Corporate Social Disclosure's Role on Board Governance's Effect of Financial Performance

Rahmawati, Universitas Sebelas Maret,

Rahmawati, Sebelas Maret University, Indonesia

Agung Nur Probohudono, Sebelas Maret University, Indonesia

Edy Supriyono, STIE Bank BPD Jateng, Indonesia

Surifah, Universitas Cokroaminoto Jogjakarta, Indonesia

The Role of Earnings Management in Mediating the Impact of Ownership Concentration on Financial Performance of Banks

Surifah, Cokroaminoto University of Yogyakarta, Indonesia



Wednesday, July 1 st	9:00 to 10:30	Room 3
[C] Finance		
Session Chair SangWoo Heo University of Southern Indiana, USA		
Culture and Other Determinants of Venture Capital Investments Pascal Gantenbein, University of Basel, Switzerland Christophe Volonté, University of Basel, Switzerland		
Empirical Asset Pricing – Saudi Stylized Facts and Evidence Wesam Mohamed Habib, The University of Business and Technology, KSA		
Effects of Board Reforms on Capital Structure and Corporate Growth Strategy Byung S. Min, Griffith University, Australia S. Ghon Rhee, University of Hawaii, USA		
Buy or Rent? A Real Option Valuation Model Point of View Carlos Abreu, Federal Rio Gande do Norte State University, Brazil Marcos Freitas, Federal Rio Gande do Norte State University, Brazil		

Wednesday, July 1st**9:00 to 10:30.****Room 4****[C/D] Finance / Health Care Management****Session Chair****Megawati Simanjuntak
Bogor Agricultural University, Indonesia****The Incubation-Networking Research: A Systematic Review from 2002~2014**

Wen-Lung Sung, I-Shou University, Taiwan

Fu-Sheng Tsai, Cheng Shiu University, Taiwan

Julia L. Lin, I-Shou University, Taiwan

Business Analytics Certifications Program for IS Curriculum

Hae-Yeon Choi, Savannah State University, USA

Therapeutic Recreation for Children Development Applied in University

Kun-I Chiu, Ming-Hsin University of Science and Technology, Taiwan

Role of Organisational Culture on the Successful Adoption of a SAP System in Saudi Arabia: A Case Study

Mahmood Ali, University of Business and Technology, Saudi Arabia

Shoaib Ahmed, University of Business and Technology, Saudi Arabia

Lloyd Miller, University of Greenwich, United Kingdom



Wednesday, July 1 st	9:00 to 10:30	Room 6
Junior Academic Competition		
Session Chair Jeong-Gil Choi Kyung Hee University, South Korea		

Leading successful 10 million “Youke” generation in Korea by employing Consumer-Centered Management

Seong Yeon Kim, Korean International School in Qingdao, South Korea
Young Seok Do, Korean International School in Qingdao, South Korea
Seung Hoon Lee, Korean International School in Qingdao, South Korea
Joon Koo Kim, Korean International School in Qingdao, South Korea

Relationship between socially responsible corporation (SRC) and African labors
Gahyun Kim, Hana Academy Seoul, South Korea

The research about the possibility of success of Chinese human-based management
Jinho Lee, Qingdao No2 High School, South Korea



Wednesday, July 1st**9:00 to 12:15****4th Lobby****Poster Session****Hedonic Bias of Co-creation of Service Recovery**

Joohyung Park, University of South Carolina, USA

Sejin Ha, University of Tennessee, USA

MNE's Interfirm Network in Home Country and Liabilities of Foreignness in Host Country

Seong-Young Kim, ESC Rennes School of Business, France

Performance of company and its relation with financial structure: Research on Italy's Chemical Industry

Asim Khan, University of Siena, Italy

The Control Illusion of Conditioned Superstition: Investigation on Re-inforcers

Chia-Ching Tsai, National Yunlin University of Science and Technology, Taiwan

Investigating Cruisers' Activity-Based Segmentation

JuHee Kang, University of Central Florida, USA

David J. Kwun, University of Central Florida, USA

Study on the Use of High Speed Railway to Identify the Service's Core Improvement Points

Hyoungu Kim, Korail, South Korea

Eunju Hwang, Korail, South Korea

Seunggyu Choe, Korail, South Korea

Jaedong Noh, Korail, South Korea

Minho Kim, KMAR, South Korea



Wednesday, July 1 st	10:45 to 12:15	Room 2
[C] Finance Session Chair Eun Jin Hwang Indiana University of Pennsylvania, USA		
Effect of Transformation Leadership on Organizational Citizenship Behavior of Nurses Based on Work Value: A Case Study at Islamic Hospital of Surakarta, Indonesia Muthmainah, Sebelas Maret University, Indonesia Muhammad Cholil, Sebelas Maret University, Indonesia		
Ranking Alternatives by a Relative Maximizing Set and Minimizing Set Method under Fuzzy Multiple Criteria Decision Making Environment Ta-Chung Chu, Southern Taiwan University of Science and Technology, Taiwan Elwin Kusumaningtyas, Southern Taiwan University of Science and Technology, Taiwan		
Taking stock of the eWOM literature and Setting Research Agenda: A Communication-based Approach Birud Sindhav, University of Nebraska at Omaha, USA		
Factors Affecting Individual Domestic Investors to Invest in Securities through Capital Markets in Tanzania Omary Juma Ally, College of Business Education, Tanzania		

Wednesday, July 1st**10:45 to 12:15****Room 3****[G] Marketing and Consumer Behaviors**

Session Chair

Bedanta Bora

Sikkim Manipal Institute of Technology, India

The Effects of Customer Citizenship Behavior and Involvement in CSR Activities on Purchase Intention

Eun-Mi Lee, Izmir University of Economics, Turkey

Sung-Joon Yoon, Kyonggi University, South Korea

Analysis of Musical Product Selection Properties Depending on Advance Ticketing Point

HyeLim Lee, Chung-Ang University, South Korea

Hyeog-in Kwon, Chung-Ang University, South Korea

Antecedent and Consequences of Firm Agility

Jeen Su Lim, The University of Toledo, USA

John H. Heinrichs, Wayne State University, USA

Thomas Sharkey, The University of Toledo, USA

Kee-Sook Lim, The University of Toledo, USA

Knowledge, Risk Perception, and Reading Behavior of Expired Label of Food Product

Megawati Simanjuntak, Bogor Agricultural University, Indonesia

Rola Nanda Widuri, Bogor Agricultural University, Indonesia

Wednesday, July 1st**10:45 to 12:15****Room 4****[C / I] Finance / Operation Management and Research****Session Chair****James J.H. Liou****National Taipei University of technology, Taiwan****The Impact of Political Risk on Foreign Lending: Evidence on Bilateral Investment Treaties, Expropriations, and Syndicated Loans**

Veljko Fotak, University at Buffalo, USA

Hae Kwon Lee, University at Buffalo, USA

An Exploratory Comparative Analysis of Asian markets: China VS. India

Sooun Lee, Miami University, USA

Sumit Sircar, Miami University, USA

Value Relevance of Financial and Non-Financial Information to Market Performance

Setianingtyas, Sebelas Maret University, Indonesia

Y. AnniAryani, Sebelas Maret University, Indonesia

Rahmawati, Sebelas Maret University, Indonesia

The Empowerment of Waste Utilization Industry Based on Greenpreunership

Intan Novela QA, Sebelas Maret University, Indonesia

Sri Murni, Sebelas Maret University, Indonesia

Sri Wahyu Agustiningsih, Veteran Bangun Nusantara University, Indonesia

Wednesday, July 1st**10:45 to 12:15****Room 6****Junior Academic Competition****Session Chair****Jeong-Gil Choi****Kyung Hee University, South Korea****The Moderating Effect of Firm Age and Intangible Resources on the Relationship between Entrepreneurial Orientation and the Growth of Korean SMEs****You-Min Choi, Bugil Academy, South Korea****A study on growth of Cooperatives and Income Inequality among related professions: the case of National Agriculture Cooperative Federation****Minkyom Kim, Korean Minjok Leadership Academy, South Korea****The effect of public advertisement toward consumer cognition and behavior in the manner of people centered management****Seung Heon Oh, North London Collegiate School Jeju, South Korea**

Wednesday, July 1st**13:30 to 15:00****Room 3****[G / H] Marketing and Consumer Behaviors / Management and decision science****Session Chair****Sung-Hee Sunny Park****University of South Carolina, USA****Ipteks Effect for Export Products, Government Policy, Environmental of Religious Culture Social, Cost Efficiency of Export Performance Craft Wood Furniture in Klaten Central Java Indonesia**

Siti Nurlaela, Batik Islamic University, Indonesia

Sholichul Hadi, Batik Islamic University, Indonesia

Muh. Fajar Shodiq, Batik Islamic University, Indonesia

Pramono Hadi, Batik Islamic University, Indonesia

Does a Rainforest Alliance Certified Label Matter? An Investigation on its Influence on the Preferences for Coffee Products and Green Identity of Consumers

Yu-Long Chao, National Kaohsiung First University of Science and Technology, Taiwan

The Entrepreneurial Competencies of Female-Owned Enterprises

Yolla Margaretha, Maranatha Christian University, Indonesia

Felicia Abednego, Maranatha Christian University, Indonesia

Natural Colour Batik Handicraft in Sragen (A Study to Improve Handicrafter's Welfare)

Anastasia Riani S, Sebelas Maret University, Indonesia

Sarah Rum H, Sebelas Maret University, Indonesia

Rahmawati, Sebelas Maret University, Indonesia

Sri Seventi P, Sebelas Maret University, Indonesia

Wednesday, July 1st**13:30 to 15:00****Room 4****[K/L] Strategic and Change Management / Tourism and Hospitality Management****Session Chair****Eun Jin Hwang****Indiana University of Pennsylvania, USA****Readiness of Employees for Organizational Change**

Hunik Sri Runing Sawitri, Sebelas Maret University, Indonesia

Salamah Wahyuni, Maret University, Indonesia

Anastasia Riani Suprpti, Maret University, Indonesia

Desy Mayasari, Maret University, Indonesia

Impact of Regulatory Support on Absorptive Capacity

Ahmad Adriansyah, Sebelas Maret University, Indonesia

Surachman Surjaatmadja, Sebelas Maret University, Indonesia

The Study on the Relationship between Product Defects, the Factors of Product Recall and the Procedures of Product Recall

Yu-Hui Cheng, National Kaohsiung Marine University, Taiwan

Ching Yung Chai, National Kaohsiung Marine University, Taiwan

The Relationships among Job Standardization, Social Loafing and Group Cohesion for Employees in the Leisure Farm

Chien-Wen Tsai, Ming-Hsin University of Science and Technology, Taiwan

Wen-Yun Tseng, Ming-Hsin University of Science and Technology, Taiwan



Wednesday, July 1st**13:30 to 15:00****Room 2**

Open Lecture

"New Civilization Society & Paradigm Changes of Business Economics"**Lecture speaker**

Shin-Haeng Huh
Former Minister
President, Union Society Forum

Note

Wednesday, July 1st**15:15 to 16:45****Room 6****Global Great Debate****"The Great-Copernican Change in Management: the New Era and the New Management."****Presenter****Jeong-Gil Choi**

Professor, Kyung Hee University, Who's Who in the World.

President, People and Global Business Association

Chief Editor, Global Business and Finance Review (GBFR)

Panels**Chunghyoung Lee**

Professor, Kyung Hee University

"The core value of philosophical study of life and economic management activities"**Se-il Jeon**

Professor, CHA Medical University

President, Korea Thanatology Association, Director of SDL foundation for healthcare

"The system of the human-oriented business administration and the management of economy through the human body"**Andre Nothomb**

President, Solvay Korea

"The applying method for the human-oriented business administration and the comparison among the eastern and western management ideas in the view of an executive"

WCBM 2015

Global Great Debate

"The Great-Copernican Change in Management Study :
The Age of Humanism, Humanistic Business
Administration"

| The congratulatory address

Inwon Choue - President, Kyung Hee University

Choong-yong Ahn - Chairman, Korean Commission for Corporate Partnership

| Presenter and Anchor

Jeong-Gil Choi - Professor, Kyung Hee University, Who's Who in the World

President, P&GBA

Chief Editor, Global Business and Finance Review

| Debaters in each field

Philosophy: Chunghyoung Lee - Professor, Kyung Hee University

Natural science: Se-il Jeon - Professor, CHA Medical University

President, Korea Thanatology Association

Director, SDL foundation for healthcare

Management Specialist: Andre Nothomb - President, Solvay Korea

WCBM-Global Great Debate

This event is held in connection with WCBM on 29th June 2015 to 2nd July 2015 in Seoul, Korea and will feature lectures and discussion themed "The great-Copernican change in management : The new era and The new management." with scholars and executives representing oriental and western academic fields, we will lead to a place for communication and sympathy.

[The manner of debate process]

1. After congratulatory address, moderator brings a topic and the discussion will go off.
2. Moderator helps progress the discussion.
3. Moderator understands the topic within 15 minutes [Total 15 minutes]
4. The broader context of the discussion will be processed in order of followings below.

The first section: meeting: What is People-Oriented Business?

The second section: conversation: Cases for People-Oriented Business

The third section: sympathy: The Road to People-Oriented Business

5. Each 3 debaters freely makes a prepared-keynote speech oriented towards the topics below for 5 minutes [Total 15 minutes]
6. Following the moderator's lead, each debater makes questions and answers to debaters in different field (at least one person and the maximum two persons) for the maximum 10 minutes. [approximately 30 minutes: 3 debaters x 10 minutes]
7. With the moderator's summary-up, the debaters comfortably answers from audience's questions. [Total 10 minutes]
8. Each has 1 minute to make the last speech and the host ends the discussion with the overall opinion. [Total 5 minutes]

Congratulatory Address for Global Great Debate

by

Dr. Choong Yong Ahn

Chairman of the Korea Commission for Corporate Partnership

Good afternoon! My name is Ahn Choong-yong, and I am the Chairman of the Korea Commission for Corporate Partnership.

I would like to start by congratulating you on the World Conference on Business and Management (WCBM) and welcoming everyone here. I would also like to thank President Jeong-Gil Choi of the People and Global Business Association (P&GBA) for inviting me.

The topic of today's conference is "The Copernican Revolution in Business Management: New Business Management in a New Era." It presents a new direction for business management, one we need to follow as we move toward a new business world. Business management has, thus far, aimed to explore strategic plans to ensure profit creation, sustainable growth and continued prosperity at a micro-business level. That's why companies have pursued single-minded efficiency while making profit maximization their ultimate goal.

In contrast, this conference proposes a new paradigm for business management. It presents human-oriented business as an alternative. The idea is that business management should change in such a way that the fruits of economic growth would be shared with everyone in the society. Human-oriented business management, or human-centered business, has people at its core. The idea is to break from winner-take-all capitalism and pursue the rationalization of business lines and efficiency while also promoting the common interests of the community. The ultimate values of human-oriented business management are humanity and love, and today's conference proclaims that world peace and prosperity will be achieved when these values take root. Many scholars agree.

Human-oriented management starts with a commitment to critiquing neoliberal capitalism and coming up with alternatives to it. At the 2012 Davos Forum, Professor Klaus Schwab, Executive Chairman of the World Economic Forum, spoke out against the incompetence of politicians and the greed of the business managers of financial companies, which he cited as fueling the crisis of capitalism. And this crisis shed light on problems embedded in the world economic system. As a result, the Davos Forum continues to address the issues relating to "Inclusive Growth."

Since the 2008 global economic crisis, intensifying income polarization has brought down

the middle class, including in the United States, thus gradually widening the income gap between high-income and low-income earners. Wealth is concentrated in the top tier that is the 1% and the super-rich that is the 0.1% in the United States and some other advanced capitalist economies. Many were angry that the few in the financial industry who had earned an astronomical amount of money came out unscathed from the global financial crisis – and that financial companies ended up alive and kicking thanks to public bailouts. Worsening income polarization and an increasing number of poor people have caused worrisome social disintegration.

At this point, the pursuit of human-oriented business management and human-centered business management should be essential. Helping each other, getting along by focusing on humanity instead of sole profit maximization – all this is in line with the mission of the Korea Commission for Corporate Partnership. Win-win growth happens through interaction and cooperation between big corporations and small-and-medium-sized companies, between employers and workers, and between owners and employees when they aggressively maximize each other's strengths to ensure shared development. Cooperation and coexistence is not so much about forced sacrifices or compromises, but about pursuing win-win growth in the spirit of interaction and social consensus. This, of course, is the gist of today's proclamation. The answer to solving the problem of income polarization lies in win-win growth and collaborative economics between big firms and small ones.

The Korea Commission for Corporate Partnership strives to create positive-sum synergy through candid dialogue and through searching for win-win solutions among representatives of big businesses, SMEs and independent public entities. They regularly huddle and define their areas of business lines as SME-proper through interaction and social consensus-building mechanisms while establishing inter and intra-firm fair pricing mechanisms on equal footing, whether they were a large corporation or small company, and making sure everyone has the same information. The Commission also helps SMEs become as competitive as big businesses through agreements for coexistence, benefit sharing schemes between big and small businesses, open purchase fairs where SME products can be purchased by big businesses, a win-win simultaneous payment system between big companies and sub-tier companies, the promotion of joint R&D and joint overseas operations. In other words, we try to make sure that a positive-sum game – not a zero-sum game – is played between big companies and SMEs. We strive for human-oriented management in Korea's business community. In a larger sense, our efforts are very similar to the concept of "Creating Shared Value," which has been emphasized recently as a new business discipline at Harvard Business School in the United States.

It is my hope that business management will see a rebirth as a new academic discipline that



benefits everyone through creating shared values.

I hope this conference will inspire and spread new wisdom for creating a new business ecosystem for human-centered business management.

I wish you all great health and prosperity.

Thank you.

| The core contents of the Presentation

Jeong-Gil Choi

Professor, Kyung Hee University, Who's Who in the World.
President, People and Global Business Association (P&GBA)
Chief Editor, Global Business and Finance Review (GBFR)

There will not exist the capitalist period oriented towards tool rationality and effectiveness. The current era where we live should greatly activate as human-oriented era regarding love and human as core value.

What is the new business administration for the human-oriented period?

It is the love and human-oriented business administration that is based on humanity philosophy. The resource of the human-oriented business administration is the creativity based on humanity-philosophy, the ultimate value of the human-oriented business administration is love and human, and the system and the consequence are the sustainability followed to the law of increasing returns. The People & Global Business Association (P&GBA) declares that the management thought now operating this society is the humanism, and when the academic system are established and studies are conducted around the world to support it so that its ultimate value roots into the great and small human society, the peace for mankind and the prosperity will be realized.

What is the sound restoration of life?

That is the restoration of human nature.

The restoration of maternal instinct, paternity, childhood, masculinity, femininity, business morality, and the restoration of nature for politicians, cultural figures, and businessmen are ways back to original themselves, which is their recovery in nature.

What is the new humanistic business administration?

Humanistic business administration is a scientific research of production, distribution, and consumption, which should be originate from the primary human nature, and it is a study, which infinitely provides methods, knowledge, and information about creation of necessary values to maintain or satisfy human nature in one's society.



| 인본주의시대, 인본경영학

최 정 길 경희대 호텔관광대학 교수 jechoi@khu.ac.kr

핵심요약(Abstract)

도구적 합리와 효율만을 중시하던 자본주의 시대는 더 이상 존재할 수 없다.
지금 우리가 사는 시대는 사랑과 사람을 핵심가치로 중시하는 인본주의 시대로 거대하게 작동해야 할 것이다.

인본주의 시대에 맞는 새로운 경영학은 무엇인가?
그것은 인문철학에 기초한 사랑과 사람중심인 인본경영학인 것이다.
인본경영학의 원천은 인문철학을 바탕으로 한 창조성이고,
인본경영학의 궁극의 가치는 사랑과 사람이며,
인본경영학의 체계와 결과는 수확체증의 법칙에 따른 지속가능성이다.

이제 이 사회를 작동시키는 경영사상은 인본주의이며, 이를 뒷받침 할 학문적 체계와 연구가 전 세계적으로 이루어지고, 크고 작은 인간 사회 속에 그 궁극의 가치가 뿌리내릴 때 인류평화와 번영이 이루어짐을 믿으며 선언한다.

[The Age of Humanism, Humanistic Business Administration

Jeong-Gil Choi

Professor, Kyung Hee University, Who's Who in the World.

President, People and Global Business Association (P&GBA)

Chief Editor, Global Business and Finance Review (GBFR)

Abstract

The age of Capitalism, which emphasizes instrumental rationality and efficiency, cannot exist any longer. The era we are living today should be the age of humanism that regards affection and human as main values, which must work massively. Then what is the new kind of business administration for the age of humanism? That is Humanistic Business Administration (HBA), which is founded on humanities, centralizing affection and human. The source of HBA is creativity based on humanities; the highest values of HBA are affection and human; the system and output of HBA is sustainability, which pursues the law of increasing returns. From now on, humanism is the management thought operating the world, and I announce that when there are supporting academic system and research all around the world, and when these highest values settle down in human societies regardless of their size, there will be peace and prosperity for mankind.

1. Nowadays, the Last Stage of Capitalism

History circulates like four seasons, spring, summer, fall, and winter. What is the driving force that makes this circulation of four seasons possible? That is Yin and Yang. Yang makes something hot, when Yin makes something cold. The two driving forces that help the circulation of history, Yin and Yang, are body and soul. History circulates: it circulates sometimes taking care of soul, and sometimes taking care of body. Nowadays what do people put stress on? Everybody puts stress on body. Body is material and it is the symbol of materialism, what body needs is money, and it is the essence of capitalism. During the era of Capitalism, people tend to focus on body to judge, and when one meets one, one is estranged from one another. The time, which asks for soul and spirits, has come.

Instrumental rationality which pursued quantitative efficiency was a dominant mentality in the 20th Century, but it is not powerful anymore. The elements of creativity, such as imagination, intuition, emotion, diversity, relationships, community, were discounted as unscientific, unreasonable, but they are magnified as essential values of economy for 21st Century. If we use more connotative language, those essential elements would be "affection and humanity". I strongly assert that "If there is not affection, he or she would not be a human." The core of human society is affection. Let us imagine science, rationality, imagination, intuition, emotion, diversity, relationship, community without affection! At this age, we are all so desperate for affection and people-oriented society.

Are we satisfied in living?

In the past, though people were poor, they shared each other one's food, and lived intimately. But



nowadays, because of money, everyone is stranger to one another, even though they are their flesh and blood. People are selfish, and there is too much materialism going on. Money is everything, and there are people, who believe that a person needs only money to be happy, everywhere in this society. There is only one cake, if other person has it, then I will starve, so competition is inevitable.

Competition may have its pros: competition procreates development; cutthroat competition made this material civilization develops at a great rate of speed. However, what is the situation now in this last stage of competition, which is the last stage of Capitalism. Friends are not real friends, since they can be future contestants. When something good happens to one's friend, he or she says "Congratulations!", but his or her face is distorted by jealousy. Whereas something bad happens to one's friend, he or she says "Too bad! Sorry!", but he or she is joyful with feeling of relief. When we meet friends, there is no real conversation, we just kill time, and go home and play with our pet dogs. Pet dogs became more comfortable companions. Therefore today, dogs are much happier than people. We do not cry when our grandparents pass away, but we sob when our canine dies.

Today even when we go out, we do it competitively. When he or she is in relationship, even though one's sweetheart had one billion, he or she breaks up with that person, if somebody who has three billion comes along. If one is tormented by a guilty conscience, then he or she will be treated as a retard. They break up so fast. We are lonely even though we are in a relationship. I can change my boyfriend or girlfriend, so I am "uncomfortable" since he or she can break up with me anytime. Even when we get married, we are not "relieved." Even though we are couple, we handle our assets as a joint checking account. Today couples are living in the same house forever, but they are in the stage of "loneliness and discomforts."

Human society all around the world is suffering from conflict between generation, the rich and the poor, parents and children, brothers, and neighbors. We have forgotten our nature, which is the essence of human himself or herself; the world has become confused with struggle without affection since we have participated in deadly, capitalistic competition, which emphasize only instrumental rationality which pursue quantitative efficiency.

2. Introspects on Capitalism

The birth and the evolution of capitalism

In 1848, during the early period of capitalism, large-scale factories, which are ancestors of contemporary enterprises, were founded, and serious confusions, like exploitation of laborers, existed since there was no elementary level of know-hows of business administration. Karl Marx saw it, and he firmly believed that communism will take place of capitalism soon. Even though capitalism experienced crisis several times, it did not collapse but evolve into various forms, unlike Marx's confident prediction. Rather, better life for labor class, which socialism insisted, were effectively achieved in capitalist system, which flexibly borrowed ideas of the left, i.e. social security and welfare state. On the other hand, socialism countries dissolved in the 1990s, because they were grabbed by the new kind of class, the communist party and its authoritarian power, which Marx, who clamored the

abolition of class distinction, had never anticipated.

The most ground-breaking turning point in the historical evolution of capitalism is the revolution of massive production led by Henry Ford and Frederick Taylor in the early 20th century. During the late 18th century, with the Industrial Revolution, full-fledged conversion into capitalistic market economy had accelerated, but its development of productive capacity had been at a standstill as ever. Especially by the 19th century, geographical discoveries, imperialistic reclamation work, improvement of public health, development of transportation and communication, proliferation of market economy had created population and market explosion, which had led to massive market demand, but because of inefficiency of production method, the situation, which supply does not meet demand outrageously, continued. The main reason for this is that even though machine and instruments developed, production method did not overcome the method of craftsmanship, in which experts produce goods according to their own ability and will.

Henry Ford, who established a small automatic manufacturer in 1903, realized that efficient and massive production is possible, if it does not depend on the ability of certain people like artisans or professionals; he researched thoroughly, and finally, invented the mass production method of Fordism, which subdivides total work process into several simple repeating works through the conveyor belt. The result was tremendous. The era of mass production, which does not depend on artisans or professionals, has come. People were extricated from the limitation of quantitative productivity for the first time in history with the mass production method of Fordism; the essence of it was quantitative efficiency, which makes standardized goods in bulk but at a low price rate.

The Era of Efficiency Dogmatism: The Spread of Instrumental Rationality

In the early 20th century, the mass production method of Fordism solved the problem of productivity, which was the biggest impediment on transition into the modern industrialized society, in a drive, and the core logic of Fordism is the maximization of quantitative efficiency. Quantitative efficiency has become a dominant mentality, which guided the development of contemporary society as it was expanded into all areas of society, not alone industry and economy, but politics, culture, and education. In other words, 20th century was the era of quantitative efficiency, which pivoted around the massive production-massive consumption. The philosophical spirit, which was the foundation of quantitative efficiency Dogmatism of that time, was Instrumental Rationalism that was spread globally at the turn of the 20th century before and after. The tide of Rationalism, which appeared with scientific revolution, the spread of market economy, the disruption of traditional feudalism and the advent of the civil society, has become the philosophical base of transition into the modern society. Instrumental rationality, which means effectively accomplishing his or her purpose through objective and careful calculations, finds the most rational way to act by choosing the best means to do it; it was the most powerful philosophical spirit of the 20th century that was the common operation base of all areas of society.

Thus, being rational and being effective was regarded in the same light with being scientific;

everything that does not have direct relationship with effective achievement of purpose was identified as unscientific and pre-modern. And human activity was interpreted as the means to an end and it do not have any meaning or importance other than that. If organization or behavior was not thoroughly calculated or planned like a machine, then it was denounced as irrational and unscientific. Contemporary and machinelike bureaucracy organization, which is the best mean pursuing the maximization of quantitative efficiency, was dispersed in to industries or governments, in addition to all areas of society like education and culture.

Things people have lost

People paid the price during the transition process into rational and modern society. Through the hectic process of modernization and rationalization, human community lost many things that are as important as efficiency and rationality. That is because in contemporary society, decision making and behavior, which are depending on personal factors such as feeling, emotion, friendship, sympathy, imagination, intuition, pleasure, desire, human relations and community minds, were regarded as irrational and unscientific things.

As a result, contemporary industrial society has become cold and inhumane society, although it may be efficient and rational. Max Weber described this double-sidedness of contemporary industrial society as "The Iron Cage", which is an excellent idea. Iron is strong, shiny, modern, but it is also cold. Furthermore, if it is made of iron, then people inside of it cannot move an inch and will be suffocated. In other words, rational contemporary society, which had solved the limitation of productivity with the unprecedented quantitative efficiency during the past thousand years, was an inhumane one that considered even human as the one of the machine parts.

Above all, the overwhelming logic of efficiency in the 20th century industrial society deprived human community of creative power, which makes people to have new thoughts and behaviors originally and individually in order to overcome personal problems like human mechanization and alienation. In other words, act of creation, which attempts non-existing or unbound behaviors, was not necessary in contemporary society of Efficiency Dogmatism; moreover it was suppressed because it was misunderstood as the cause of impeding efficiency. Autonomy, diversity, emotion, and critical thinking, which make people try creative things, were considered as the causes of impeding efficiency, and they were excluded from the making of contemporary society completely. Consequently, majority members of society have become passive, and they were doing simple repeating work every day following the fixed rule, without opportunity to think independently and initiatively. Humanistic business administration founded on affection, which is the essential value of human, has disappeared in all areas of contemporary society even though people can hold on to humanity and culture, and can do liberal art thinking.

3. The New Era of 21st century, The New Kind of Business Administration

In the year of 2000 before and after: transition from the industrial society, in which logic of efficiency was dominant, of the 20th century to the 21st century, the mentality of the time that take the lead of

historical development all around the world is extensively changing again. Even though the problem of distribution still exists in the late 20th century, productivity of necessities, which are simply needed for people to survive, has much exceeded the total demand of required amounts in Quantitative standards. In other words, even though imbalance of distribution such as starvation of people in underdevelopment countries is a problem waiting to be solved, if we simply see quantitative efficiency, the environment of oversupply has come. In accordance with this change, product purchasing pattern of consumers have altered. Consumers buy new product not because original product have broken, but because they want entirely new products or different ones for themselves; we can see it from consumers' changing period of cellular phones.

Also as Neoliberal Globalization speedily spread, boundary of nation-wide, market-wide, local-wide, and industry-wide disappeared and formed the only one global market; new kinds of demand are suddenly rising and former life cycle of product has rapidly shortened. Innovation in technology has become regular, and there are always new product and service, which were beyond imagination just a few years ago, coming out from all around the world. In addition, through Internet and SNS, information and knowledge are globally circulated in real time, regardless of distance, former pattern of spread of new product or service in serial order between local or markets collapsed and every innovation spread into entire global market at the same time. "The type of 20th century Industrial Society", which economic principles maximized original product or business, and efficiency of strength, has fundamentally changed into "Regular creative innovation", which is continuously making new, unprecedented value, product, and strength.

As a result, Industries, which led maximization of quantitative efficiency that massively produce standardized product, service, and value, such as GM, Ford, Panasonic, Nokia brought to ruin, while newly born organization such as Apple, Google, Amazon, which pursue new kind of logic suddenly took possession of supremacy of world economy. The essential logic of the new winners of 21st century economy is liberal, philosophical creativity, which continuously suggests unprecedented products, service, and values, not the maximization of quantitative efficiency.

Instrumental rationality which pursued quantitative efficiency was a dominant mentality in the 20th century, but it is not powerful anymore. Creativity is the key logic of the upcoming winners of the 21st century, and it will continuously come up with original products, service, values, i.e. "something new under the sun." The elements of creativity, such as imagination, intuition, emotion, diversity, relationships, community, were discounted as unscientific, unreasonable, but they are magnified as essential values of economy for 21st century. If we use more connotative language, those essential elements would be "affection and humanity". I strongly assert that "If there is not affection, he or she would not be a human." The core of human society is affection. Let's imagine science, rationality, imagination, intuition, emotion, diversity, relationship, community without affection! Science, rationality, imagination, intuition, emotion, diversity, relationship, community with affection would solve problem of quantitative efficiency and instrumental rationalism, which is the essential value of Capitalism, fundamentally.

Affection and Human Centered HBA based on liberal arts

'The Transition of Mentality' to Humanistic Business Administration (HBA) based on liberal arts will influence not alone organizations, such as government or enterprise, but also individual lives greatly. During the 20th century, individuals among the mass lost their own individualities, were unified like machine parts, were anonymized through social structure of meticulously designed contemporary industrial society. But to these colorless people, HBA, which is based on liberal arts and centered on affection and human, will give rights and abilities to go back to their own individual, creative lives.

Now, individuals do not necessarily have to live standardized and uniformed lives like others. Also they do not necessarily have to finish their own lives by doing every work repeatedly according to its defined procedure and schedule. They even do not have to choose their career among precedent jobs. The power of structure, like class, educational background, network, which restricted one's possibility once, has been weakened. The power of HBA makes individuals independently pursue unlimited possibilities so that they can overcome those restrictions in a breath. In other words, the philosophy of HBA is going to work as a new driving force that liberates people from "The Iron Cage" of Rationalism and Efficiency Dogmatism of contemporary industrial society, which Max Weber had predicted it would suffocate humans forever one century ago.

Humanities, philosophers, poet, novelist make their way to freedom. One characteristic of liberal arts, which makes it different from practical learning such as law and economics, is that it is a "study of proper noun". Everything is different, and one is also different from one another. The philosophy of Nietzsche is different from that of Chuang-tzu. Art is the same. Liberal art is ultimately he's or she's him or herself after all. Through each stage of economic activity, when one practice the thought of HBA, which is based on liberal arts and centered on affection and human, we can transit our economic and business condition from diminishing marginal utility, which is caught by Instrumental Rationality and Efficiency Dogmatism, to increasing marginal utility of HBA.

Furthermore, if we want to reform the harmful effects of Capitalism, we should suggest new system and method by researching management thoughts of the East and the West in general. The Era of today, which is corrupted by Capitalism, individualism, and materialism, needs to refer to the Eastern thoughts of declining, which means concession. Also, we need to research philosophy of Mencius and perceive people like Mencius, who did not cognize people as pursuits of desire, but saw that people have good nature in birth, and "if they develop this nature, then they can do beneficial business." Mencius told us that the real profit is from the heart of affection and trust; "the real profit" is what businessmen must realize for today. Confucius taught a lesson from the Analects that we should worry how to make wealth distribute evenly, and should not worry about the fact that wealth is little. We can live more like human beings, if we are prepared for food that we can share with our community.

Wilhelm Roepke said that "Market economy is an economic order that is the most virtuous, the most lively, and has the most powerful digestive power." "Self-regulation, justice, probity, fairness, chivalry, moderation, community spirit, respect on the dignity of others, customary norms are conditions that people should keep when they go out to the market and compete." The source of strength, composing these conditions people should keep, is affection and human centered thought of HBA, not the

materialistic Capitalism.

Chuang-tzu said that we should not live under the drudge and poor conditions, like the quails, but we should leap into the sky, fly far and far away. Now is the time to heal from the wounds of the era of materialism and to fly into the new era of curing. Business administration until now produced competition according to the logic of land, the law of diminishing marginal utility, and the tilted society, which divides me and you. For the era of enlightenment, we need to begin new business administration, which considers the soul of sky. When land freezes, there will come warm spring, when the soul freezes, there will come a time, which emphasizes on the soul. The era of humanism, which is based on liberal arts and based on liberal arts and centered on affection and human, will prevail the era of materialistic Capitalism, which had underlined efficiency and Instrumental Rationalism. The new era and the new HBA should be researched widely and should be expanded. That time is right now.



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Performance Appraisal Effect on Positive Pyschological Capital Samples of the employees in the sales department of financial institutions in Indonesia

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Abstract

Human capital has become a key factor for a successful and sustainable organizational performance, including financial organizations or institutions. The four positive psychological capacities of confidence, hope, optimism, and resilience are measurable, have enough room for further development, and can be managed for more effective working performance. Several empirical studies have found positive relationship between psychological capital and performance, job satisfaction, and organizational commitment, other studies have found that employees' performance appraisals. The studies also said that there are insignificant correlation between performance appraisal discomfort and performance appraisal belief, inverse relationship between performance appraisal discomfort and perceived stress. This study is conducted to find whether performance appraisal effect to positive psychological capital can be found. For this study, descriptive analytical method will be proven with hypothetical test. Sample will be collected from a questionnaire answered by employees specifically sales employees from Indonesian financial institute. From the result of the study, performance appraisal has an effect on positive psychological capital.

Keywords: Performance Appraisal, Positive Psychological Capital

Performance Appraisal Effect on Positive Psychological Capital

(Samples of the employees in the sales department of financial institutions in Indonesia)

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Abstract

Human capital has become a key factor for a successful and sustainable organizational performance, including financial organizations or institutions. The four positive psychological capacities of confidence, hope, optimism, and resilience are measurable, have enough room for further development, and can be managed for more effective working performance. Several empirical studies have found positive relationship between psychological capital and performance, job satisfaction, and organizational commitment, other studies have found that employees dislike performance appraisals. The studies also said that there are insignificant correlation between performance appraisal discomfort and performance appraisal belief, inverse relationship between performance appraisal discomfort and perceived stress. This study is conducted to find whether performance appraisal effect to positive psychological can be found. For this study, descriptive analytical method will be proven with hypothetical test. Sample will be collected from a questionnaire answered by employees specifically sales employees from Indonesian financial institute. From the result of the study, performance appraisal has an effect on positive psychological capital.

Key Words: Performance Appraisal, Positive Psychological Capital, Financial Institutions

Introduction

In today's world, competition in global business becomes more demanding. Every organization is required to be able to constantly growing and ready to compete with their competitor. With increasing demands in the workplace, and a greater need for knowledge work, innovation, and creativity, organizations will need to find ways to enable their employees to do and be their best (Davis, 2010).

One thing that is applied by almost all organizations, including financial organization, is implementing performance assessment for the purpose of motivating employees to be able to perform more optimally in workplace, so that they can achieve the target. Measurable working performance can be used as a reference. Employees with better performance may be given a reward; and vice versa; employees with poor performance may need to be disciplined. (Nagara, 2014).

Interviews conducted by the writer to employees of the sales department at financial institutions in Indonesia, shows an intriguing result. They said that the performance appraisal ratings primarily through the implementation of key performance indicators with a high target, will make them more stressful and will lessen their working optimism.

Other study have come up with a result that human capital has become a key factor for a successful and sustainable organizational performance. The four positive psychological capacities of confidence, hope, optimism, and resilience are measurable, have enough room for further development, and can be managed for more effective working performance (Luthans et al, 2004). According to Davis (2010), Because of positive psychology's unique focus on flourishing, and its transform good into great angle on many of the factors that contribute to solid organizational performance, it will become an essential contributor to success in the business world, whether in showing management how to develop and using human capital, guiding organizational policy, or enabling workers to be able to do their best contributions, positive psychology has been, and will continue to be, a boon to the workplace.

Several empirical studies have found positive relationship between psychological capital and performance, job satisfaction, and organizational commitment (Lifeng, 2007). Research conducted by (Kaplan and durdu, 2013)

said that no significant relationship was statistically found between self efficacy and hope subdimension of psychological capital and job satisfaction.

Other studies have found that employees dislike performance appraisals (Roberts and Michael). The studies also said that there are insignificant correlation between performance appraisal discomfort and performance appraisal belief, inverse relationship between performance appraisal discomfort and perceived stress (Gbadamosi, 2006).

From various studies explained above, the author decided to conduct a research to determine whether assessment of performance on financial institutions will affect positive psychological capital (confidence, hope, optimism, and resilience).

Literature reviews

Performance Appraisal

According to Duraisingam, V. & Skinner, N. (2005), performance appraisals are a systematic way of evaluating the standard of a worker's performance. Benefits of performance appraisals can be used for make employment decisions such as determining pay and promotions, identify professional development needs, and identify factors in the work environment that help or hinder performance effectiveness. In order to be effective, an appraisal system needs to be perceived by workers as relevant and applicable to everyday work, acceptable and fair, a mutual collaboration between management and workers. A performance appraisal system that meets these criteria is likely to have the greatest impact on workers' satisfaction with the appraisal process and their motivation to improve performance.

Steps for developing a systematic performance appraisal

A five step approach to conducting a performance appraisal is recommended.

1. Identify key performance criteria

Development of key performance criteria should be based on a comprehensive job description and undertaken in consultation with workers. Four dimensions of performance can be considered: competencies, behaviours, results/outcomes, and organisational citizenship behaviours. Competencies is knowledge, skills, and abilities relevant to performance, Behaviours is specific actions conducted and / or tasks performed, Results / outcomes is outputs, quantifiable results, measurable outcomes and achievements, objectives attained, Organisational citizenship behaviours is actions that are over and above usual job responsibilities.

2. Develop appraisal measures

In order to obtain accurate and valid performance appraisals, appraisal measures should be tailored to the specific job or "job family" (i.e., groups of similar jobs). An evaluation of factors in the work environment which help or hinder performance is also recommended. This ensures that realistic expectations are set for workers' performance, and is also likely to increase the perceived fairness and acceptability of performance appraisals.

3. Collect performance information from different sources

Traditionally, it has been the sole responsibility of managers / supervisors to assess performance. However, other organisational members (e.g., clients, coworkers, subordinates) can be a valuable source of information as they are likely to have exposure to different aspects of a worker's performance. Collecting information from multiple sources can increase the accuracy of performance evaluation (i.e., reduce bias), and increase workers' perceptions of fairness.

4. Conduct an appraisal interview

The two central purposes of the appraisal interview are to, The First is reflect on past performances to identify major achievements, areas for further improvement, and barriers / facilitators to effective performance and second is Identify goals and strategies for future work practice. The appraisal interview should be a constructive, two-way exchange between the supervisor and worker, with preparation for the interview done by both parties beforehand.

5. Evaluate the appraisal process

The performance appraisal process should undergo regular review and improvement. For example, focus groups or surveys could be conducted to gauge workers' perceptions of the appraisal process. A successful performance appraisal process should demonstrate a change in both the ratings of workers' performance and aspects of the work environment that impact upon work performance.

Positive Psychological Capital

According on wikipedia (2014), For decades psychology has been associated as dealing mainly with treatment of mental illness, although other areas of research and application have existed since its origins. At the very end of the twentieth century a new approach in psychology gained popularity: positive psychology.

Positive psychology, the study of optimal human functioning, is an attempt to respond to the systematic bias inherent in psychology's historical emphasis on mental illness rather than on mental wellness (Seligman, 2002), mainly by focusing on two, forgotten but classical psychological goals: Help ordinary people to live a more productive and meaningful life, A full realization of the potential that exists in the human being.

Two new branches of positive psychology are being implemented into the industrial-organizational world. First, positive organizational scholarship- originated by Kim Cameron and colleagues is a research field that emphasizes the positive characteristics of the organization that facilitates its ability to function during periods of crisis. Second, positive organizational behavior (POB), originated by Fred Luthans a former president of the Academy of Management focuses on measurable positive- psychological states that are open to development and have impact on desired employee attitudes, behaviors, and performance.

Drawing from positive psychology constructs and empirical research, four psychological resources were determined to best meet the POB scientific criteria: Hope, Efficacy, Resilience, and Optimism. The four components are defined as follows:

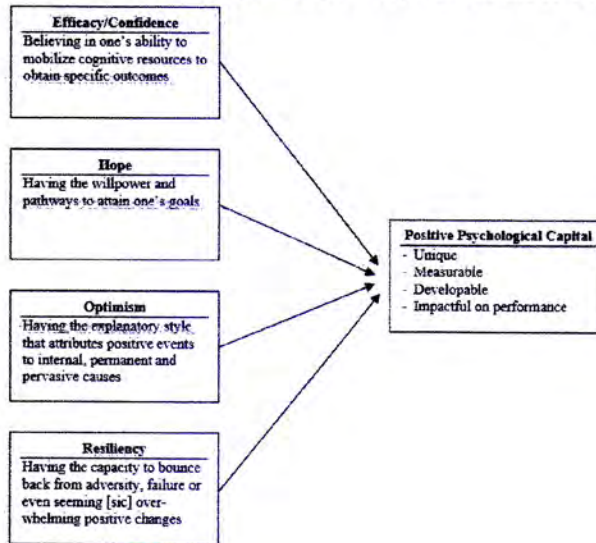
Hope – Is defined as a positive motivational state where two basic elements - successful feeling of agency (or goal oriented determination) and pathways (or proactively planning to achieve those goals) interact.

Self efficacy – Is defined as people's confidence in their ability to achieve a specific goal in a specific situation.

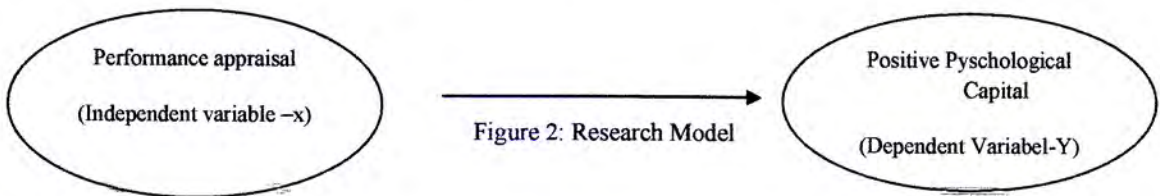
Optimism – was defined by Seligman by Attribution theory (Fritz Heider, 1958). An Optimistic person is defined as one that makes "Internal" or "dispositional", fixed and global attributions for positive events and "External" or "situational", not fixed and specific attributions to negative events. Optimism in Psycap is thought as a realistic construct that regards what an employee can or cannot do, as such, optimism reinforces efficacy and hope.

Resilience – Is defined in Positive Psychology as a positive way of coping with adversity or distress. In organizational aspect, it is defined as an ability to recuperate from stress, conflict, failure, change or increase in responsibility.

Figure 1: Dimensions of positive Psychological Capital Luthans & Youssef, 2004, p. 152



Methodology and Data



The research will use a simple regression test model to measure whether variable X will affect variable Y. For this study, descriptive analytical method will be proven with hypothetical test. Sample will be taken from 34 questionnaire answered by employees specifically sales employees from Indonesia financial institutions. The questionnaire consist of 13 variable X questions and 23 variable Y questions. The writer prepared the variable X questions with the theoretical basis of the journal under the title Performance Appraisal (2005) which was published by NCETA, the Australia national research centre on AOD workforce development; whereas the variable Y questions are legally adopted by the capital questionnaire research permissions (luthans, et al, 2007), Publish by mind garden, inc. www.mindgarden.com.

Hypothesis

- H1 : performance appraisal affect positive psychological capital
 H2 : performance appraisal has no effect on positive psychological capital

Research Results and Analysis

The results of the research using sampling consist of 34 questionnaire are answered by employees, specifically, sales employees from Indonesian financial institutions , is as follows:

Reliability Statistics

The testing results of the reliability and validity using SPSS.

Reliability Statistics variabel X	
Cronbach's Alpha	N of Items
.863	13

Table 1: The result of reliability statistics variabel X

Reliability Statistics variabel Y	
Cronbach's Alpha	N of Items
.893	23

Table 2: The result of reliability statistics variabel Y

The statistic's reliability is 0.863 and 0.893. The number of cronbach alpha in the range of 0.70 is acceptable, while above 0.80 is pleasing (Sekaran, 2006). Along with the opinion of some experts such as (Nunnally, 1978) that is: preliminary research is recommended at 0.70, basic research at 0.80 and applied research at 0.90-0.95.

Validity

The results of Pearson correlation test using SPSS adalah: Test results with SPSS discovered that all questions have Pearson correlation results > 0.3 and significant value is smaller than 0.05 so the whole question is valid (Ghozali, 2009).

Normality test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
Normal Parameters ^{a,b}	N	34
	Mean	0E-7
	Std. Deviation	.31699799
Most Extreme Differences	Absolute	.097
	Positive	.097
	Negative	-.092
Kolmogorov-Smirnov Z		.563
Asymp. Sig. (2-tailed)		.909

a. Test distribution is Normal.

b. Calculated from data.

Table 3: One-Sample Kolmogorov-Smirnov Test

Normality test aim is to test whether the regression model, the independent variables and the dependent variable will have a normal distribution or not. The test results indicate normality Asymp results. Sig. (2-tailed) of 0.909 ≥ 0.05, this proves that the variable is distribute normally (Ghozali, 2009).

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.675	1	1.675	16.160	.000 ^b
	Residual	3.316	32	.104		
	Total	4.991	33			

a. Dependent Variable: Y
b. Predictors: (Constant), X

Table 4: anova model

The results of ANOVA models show the numbers sig $0.000 \leq 0.05$, proving the accuracy of the regression function in this study (Ghozali, 2009).

Regression Test and Effect

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.088	.396		5.278	.000
	X	.457	.114	.579	4.020	.000

a. Dependent Variable: Y

Table 5: coefficients test results

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.579 ^a	.336	.315	.32191

a. Predictors: (Constant), X
b. Dependent Variable: Y

Table 6: Summary Model

Hypothesis test results prove that the $\text{sig} \leq 0.05$ (α). It is proven that the variable X has a significant influence on the variable Y (Ghozali, 2009). In the testing of hypothesis research, samples are taken from the sales department of financial institutions in Indonesia, Performance Appraisal greatly affect Positive Pyschological Capital. Based on the calculations of the data in Table 6, it shows how much variable X (performance appraisal) affect variable Y (positive pyschological capital), amounted to 33.6%.

Conclusion

Business industries which engage in financial Organizations or institutions are expected to act cautiously in considering, selecting and applying appropriate aspects of performance appraisal for their employees correctly. The research proves that Performance Appraisal greatly affect positive pyschological capital (confidence, hope, optimism, and resilience); and if employees at financial institutions or organizations apply positive or pyschological capital, it will support effective working performance considerably.

Acknowledgments and Legal Responsibility

The writer would like to express gratitude for the capital psychological research questionnaire permissions (Luthans, et al, Luthans, F., Bruce J.A., & James, B. (2007). Published by mind garden, inc. www.mindgarden.com.

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