

Working Papers For The Year of 1999

#99-01 "Entrepreneurship, Self-Defeating Behaviors, and the Fears of Success and Failure: A Bibliographic Resource," Kevin Sightler (Kennesaw State University)—This bibliography was compiled as part of an ongoing research effort to study entrepreneurial behaviors, attitudes and, most specifically, inhibitors to entrepreneurial performance. The intent was to create a comprehensive but selective listing of published research on self-defeating behaviors, the fear of success, the fear of failure, and entrepreneurship. Research databases were searched and 652 books and articles from journals, magazines, and newspapers were chosen. From these selections, 28 subject categories were identified. Each selection was then catalogued with up to eight subject headings. Cross-reference listings are provided based on subject, title, authorship, journal title (where applicable), year of publication, and type (book, journal, dissertation, etc.).

#99-02 "Evaluating Conditions for Obtaining National Competitive Advantage by Transition Economies Pursuing European Union Membership," Rajaram Veliyath (Kennesaw State University) and Elizabeth Fitzgerald (Kennesaw State University)—Recent trends have indicated a predilection for standardized solutions to problems of economic development. Such prescriptions have emanated from both multilateral lending agencies like the IMF and trade blocks like the EU. This paper proposes a framework that employs Porter's (1990) model for national competitive advantage in order to assess which sectors (i.e., agriculture, industry or service) individual countries could emphasize to enhance their competitiveness while meeting entry criteria for EU membership. Variables moderating that transition process are discussed, and two countries currently pursuing EU membership (the Czech Republic and Romania) are used to illustrate the paper's arguments.

#99-03 "Knowledge Management in Small Canadian and US Firms: A Preliminary Review of Business Practices," Teresa Covin (Kennesaw State University) and Bonnie Stivers (Kennesaw State University)—This paper presents the results of a 1998 study of small Canadian and US firms that was funded by the Canadian Institute of Chartered Accountants. The purpose of the study is to identify current practices in the management of knowledge in small firms as well as to examine similarities and differences among knowledge management practices in large and small firms. Responses to a questionnaire were received from 100 Canadian and 40 US firms. "Small" was defined as employing fewer than 500 workers. Results are compared with the findings of an earlier study of knowledge management practices in Fortune 500 and Post 300 firms.

#99-04 "Is It Time To Reconsider the Semivariance?" Ladd Kochman (Kennesaw State University) and Ravij Badarinathi (University of North Carolina at Wilmington)—Borrowing from the increasingly popular idea that security return distributions are not necessarily symmetric, this study computed a downside risk measure for 14 domestic and foreign stock indexes for the 1972-93 period. As hypothesized, the correlation between semivariances and returns was greater than that between standard deviations (a symmetric measure of risk) and returns.

#99-05 "An Evaluation of the DBR Control Mechanism in a Job Shop Environment," Satya Chakravorty (Kennesaw State University)—This study is an evaluation of the Drum-Buffer-Rope (DBR) control mechanism under two job shop conditions that have not been previously examined. First, an initial shop condition is established with a dominant system's bottleneck. Second, changes are introduced so that the bottleneck operation shifts, but the shop continues to operate under the assumption that the initial condition accurately reflects the shop condition. This study evaluates the DBR control mechanism and Modified Infinite Loading (MIL) control mechanism, which has been shown to work very well in previous studies. The study finds that when there is a

dominant system's bottleneck operation, the DBR control mechanism performs significantly better than the MIL control mechanism. The performance of the DBR control mechanism improves when the SPT dispatching rule is used. This study also finds that when the bottleneck condition shifts and the mechanism continues to operate under the old bottleneck operation, the DBR control mechanism does not do well vis-a-vis the MIL control mechanism.

#99-06 "Information Technology in the Undergraduate Accounting Curriculum," Dana Hermanson (Kennesaw State University), Mary Hill (Kennesaw State University) and Daniel Ivancevich (University of Tampa)—Information technology (IT) is reshaping the accounting profession yet many have expressed concern over the technology training provided to accounting students. This study examines the extent to which undergraduate accounting programs are integrating IT concepts and computer applications across the curriculum. Based on responses from nearly 70 accounting programs, the primary results are: (1) respondents believe that integrating IT into the curriculum is important, but few departments have an IT policy; (2) coverage of general IT topics is minor to moderate—even in the AIS or MIS course; (3) student usage of computer applications is moderate in the AIS course and low in all other accounting courses except for tax package use in the tax sequence; (4) the primary technical barriers to IT integration are inadequate lab personnel and continual changes in technology; and (5) only minor differences were found across institution types. Despite the apparent importance of IT to accountants, accounting departments seem to be doing little to integrate IT into the curriculum.

#99-07 "The Role of Consequences and Choices of Transition Economies in Positioning for European Union Accession: An Examination of Hungary, the Czech Republic, Slovakia, and Romania," Elizabeth Fitzgerald (Kennesaw State University)—The experience of nations in transition from a planned economy to a market-oriented economy has varied greatly throughout the world. While some regions (e.g., China and Vietnam) have contained inflation and benefited from continued high growth in GDP since the start of their journey to reform, Central and Eastern European (CEE) countries have experienced large declines in output and most have experienced hyperinflation. This paper addresses the initial conditions, economic policy, and political reform in four CEE countries. One objective is to explain how select CEE nations' political and economic reform is positioning them for European Union membership.

#99-08 "A Preliminary Test of the Validity of Morris' Assumed Myths of Entrepreneurship," Kevin Sightler (Kennesaw State University)—It has been suggested that there is general misunderstanding in the business and academic communities as to the definition, form, and substance of entrepreneurship. Common myths of entrepreneurship have been advanced such as "Entrepreneurship involves starting and running a small business" and "Entrepreneurship requires a lot of money." A sample of 163 subjects revealed overall disagreement with the stated myths. Evidence supported a hypothesized divergence of opinion about entrepreneurship myths between entrepreneurs and non-entrepreneurs, but there was no difference of opinion between less successful and more successful entrepreneurs. Implications of the findings are discussed.

#99-09 "The Determinants of Outside Director Compensation: An Empirical Investigation," James Cordeiro (SUNY at Brockport), Rajaram Veliyath (Kennesaw State University) and Edward Eramus (SUNY at Brockport)—Evidence on the determinants of outside director compensation may help resolve the ongoing debate that outside director pay may be excessive relative to board performance. Using data on 200 large US corporations in 1996, we investigate the extent to which outside director compensation is significantly related to external monitoring (as measured by the number of institutional investors and the number of security analysts following the firm), internal referents

(measured by CEO compensation), historical sales growth performance, and projected 5-year EPS growth rate—after controlling for firm size and leverage. We find that the different components of director pay (i.e., retainer, cash compensation and stock compensation) are differentially related to each of our explanatory variables. In general, our results support the notion that director pay seems to be on the basis of consistent criteria, reflecting the due diligence with which boards are approaching corporate governance matters.

#99-10 "Knowledge Management and Non-Financial Performance," Chester Spell (University of Waikato, New Zealand), Teresa Covin (Kennesaw State University) and Bonnie Stivers (Kennesaw State University)—According to the resource-based view of the firm, the selection of and emphasis on certain resources should be related to gaining competitive advantage and increased organizational performance. In this study, intangible resources associated with managing knowledge are related to non-financial performance of a sample of Canadian and US firms.

#99-12 "Audit Committees: How To Meet Rising Expectations" Mark Beasley (North Carolina State University), Joseph Carcello (University of Tennessee), and Dana Hermanson (Kennesaw State University)- This article addresses the role of the audit committee and provides practical strategies for audit committee members to consider. We initially discuss the increase in audit committee expectations. The remainder of the article discusses how you and your audit committee can better address your responsibilities in three key areas—preventing financial statement fraud, preventing earnings management and mitigating risk. We highlight what to look for and what information to demand from your management and auditors.

#99-13 "The Executive Education Market" Sheb True (Kennesaw State University), Thomas Pritchett (Kennesaw State University), Joni Santos (Kennesaw State University), and Gary Selden (Kennesaw State University)- Although traditional MBA degrees have become quite common in recent years, executive MBA programs are a fairly new phenomenon targeted at busy professionals. Many, if not most, of these programs have been developed and are operating on a self-sustaining directive outside of traditional university funding. In addition, EMBA programs do not have a structured map to follow in their promotional decision-making process. The need to promote and recruit effectively to this audience is a challenge, and not all EMBA programs are equally successful. Therefore, the purpose of this exploratory study is to employ a preliminary investigation of how to best promote to this market with the intention of identifying a direction for future research to develop a framework of best practices.

#99-14 "COSO's Fraud Study: What It Means for CPAs" Mark Beasley (North Carolina State University), Joseph Carcello (University of Tennessee), and Dana Hermanson (Kennesaw State University)- Over the past two years, the authors have examined cases of financial reporting fraud brought by the Securities and Exchange Commission against U.S. public firms. That study ("Fraudulent Financial Reporting: 1987-1997, An Analysis of U.S. Public Companies") was recently published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This article highlights some of the key results and implications contained in the COSO publication. In particular, we focus on what the study means for CPAs.

#99-15 "An Implementation of Drum-Buffer-Rope Control System in Alpha Plastics Company" Satya Chakravorty (Kennesaw State University) and Douglas Hales (Alpha Plastics Company)- Alpha Plastics implemented an automated Drum-Buffer-Rope control system and eliminated its expensive and unreliable labor-intensive system. The automatic control system releases raw material (resin) into the process based on the consumption by the bottleneck operation. As resin is used by the bottleneck, a sensor detects the average

rate of consumption for the bottleneck and supplies this information to a logic circuit on a master supply hopper. The master hopper control uses this information to determine resin demand and notifies a pneumatic system when to deliver additional material into the process. Compared with the manual system which required about 40 hours of inventory, the automated system only requires about eight hours of inventory. The cost of the new system was approximately \$100,000, and the estimated payback was about 18 months.

#99-16 "The Acculturation Process and Promotional Considerations" Sheb True (Kennesaw State University), Keith Tudor (Kennesaw State University), and Faye Gilbert (University of Mississippi)- This paper addresses the role of acculturation as it impacts perceptions of advertisements (e.g., believability, likability, willingness to purchase). Hispanic and non-Hispanic white consumers were surveyed for their reaction to print advertisements. Using a measurement scale to assess the degree of affiliation with their ethnic group, the responses were analyzed to develop three sub-segments of the Hispanic sample that serve as culturally different target groups. The results demonstrate the need to view the Hispanic market as more than just a homogeneous set of consumers.

#99-17 "Financial Statement Fraud: Implication for Financial Managers" Mark Beasley (North Carolina State University), Joseph Carcello (University of Tennessee), and Dana Hermanson (Kennesaw State University)- This study analyzed over 800 instances of fraudulent financial reporting first alleged by the SEC in an Accounting and Auditing Enforcement Release for the 1987-97 period. Offending firms tended to be small and in financial distress. Senior management was typically involved, and company boards were generally weak. The authors endeavored to identify (1) the nature of the frauds, (2) the motivation for fraud, (3) the consequences to the companies and individuals involved in the fraud, and (4) ways for firms to understand and resist the problem of financial statement fraud.

#99-18 "An Analysis and Discussion of the ERP Software and Its Use" Satya Chakravorty (Kennesaw State University) and Richard Monroe (Kennesaw State University)- Enterprise Resource Planning (ERP) is a term coined in the early 1990s to describe the next generation of integrated manufacturing software. Many companies have implemented ERP software to better manage their operations. Little has been written on the logical framework of the software and how it operates. This article introduces the software, provides a discussion on how it interfaces with other modules of business, and discloses how various algorithms are imbedded in the software. A survey of ERP users furnishes additional insights into the functioning of the software.

#99-19 "Auditor Reporting Behavior When GAAS Lack Specificity: The Case of SAS No. 59 and 'Weasel Word' Going-Concern Reports" Joseph Carcello (University of Tennessee), Dana Hermanson (Kennesaw State University), and Terry Neal (University of Kentucky)- GAAS reporting standards typically constrain the auditor in terms of acceptable language in audit reports. The issuance of SAS No. 59 and its successor standards provide a unique opportunity to examine the effect of certain characteristics on auditor reporting behavior when GAAS lack specificity. Audit reports that would have been unacceptable under subsequent reporting standards met the letter, but not the spirit, of SAS No. 59. Since the intent of these reports might have been to obfuscate the true extent of a client's financial distress, such reports were labeled "weasel word" going-concern reports. It was concluded that (1) "Big 6" auditors were less likely to issue a weasel word report than non-B6 auditors; (2) auditors with tenures greater than three years were more likely to issue weasel word reports; (3) a positive relationship existed between stock ownership by officers and directors and the receipt of weasel word reports; and (4) large companies were less likely to receive a weasel word report than small ones.

#99-21 "Fraudulent Financial Reporting: Governance Implications for Internal Auditors" Mark Beasley (North Carolina State University), Joseph Carcello (University of Tennessee) and Dana Hermanson (Kennesaw State University)- We recently completed a study (*Fraudulent Financial Reporting: 1987-1997, An Analysis of U.S. Public Companies*) for the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. We examined instances of fraudulent financial reporting in the U.S. between 1987 and 1997. This paper provides some implications about the overall governance process that internal auditors may want to consider as they evaluate the environments in which they serve.

#99-22 "A New Era for Audit Committees and Internal Auditors" William Bishop (The Institute for Internal Auditors), Dana Hermanson (Kennesaw State University), Paul Lapides (Kennesaw State University) and Larry Rittenberg (University of Wisconsin)- Corporate governance is becoming increasingly complex. As organizations use "earnings management" to achieve desired financial results or fail to fully disclose risks associated with operations, regulators and shareholders seek ways to improve corporate governance and accountability to shareholders. Because of this increased emphasis on corporate accountability, this has become the "year of the audit committee". Several groups have called for audit committees to bolster their oversight of corporate reporting and control systems. This article highlights the major forces at work in reforming audit committees and offers insights on how these developments may affect internal audit practice.

#99-23 "E-Commerce: A Conceptual Framework" Ernie Capozzoli (Troy State University), Sheb True (Kennesaw State University) and Thomas Pritchett (Kennesaw State University)- This paper explores e-commerce and discusses shortcomings associated with current definitions of e-commerce. It proposes a continuum for defining and describing the level of computer-based systems, activities and business functions necessary to control and expand marketing and sales activities in the business organization.

#99-24 "New Evidence on the Structuring of CEO Incentive Pay Ratios" Rajaram Veliyath (Kennesaw State University) and James Cordeiro (SUNY at Brockport)- We develop and test a model of the determinants of CEO incentive pay ratios on a sample of 316 Fortune 500 firms in 1992 that examines both determinants of incentive pay that are more-controllable by the CEO and determinants that are less-controllable. We find that firm diversity, firm growth opportunities, outside blockholdings, and the number of analysts following the firm were positively related to CEO incentive compensation ratios. Likewise, firm unsystematic risk (but not systematic risk), CEO stockholdings, and industry regulation were negatively and significantly related to CEO incentive compensation ratios. Finally, we find evidence for industry-specific influences on the CEO incentive compensation ratio.

#99-25 "Expectations of Faculty Workloads" Sheb True (Kennesaw State University), Thomas Pritchett (Kennesaw State University) and Dana Hermanson (Kennesaw State University)- The issue of students evaluating their instructors' performance in the classroom has been a hotly debated topic. Based on the literature regarding Service Gaps, this paper explores the relationship of the following variables: (1) students' expectations of faculty workload time allocations for teaching, research, and service, (2) faculty perceptions of students' expectations of faculty workload time allocations for teaching, research, and service, (3) faculty perceptions of administrators' expectations of faculty workload time allocations for teaching, research, and service, and (4) actual faculty workload time allocations for teaching, research, and service. The results reveal that there are substantial inconsistencies in these variables. Potential implications of these Service Gaps are discussed.

#99-26 "An Exploratory Study of Entrepreneurs' Impostor Tendencies" Kevin Sightler (Kennesaw State University)- Impostor tendencies are the internal experiences of

intellectual phoniness. Evidence presented indicates the presence of impostor tendencies among a group of entrepreneurs. More intense impostor tendencies were associated with an external locus of control and a stronger perceived impact of work on family life.

#99-27 "Time as a Variable in Organizational Studies: Clock Time and Perceptual Time" Janet Adams (Kennesaw State University)- This essay explores the ways in which time operates as a variable in organizational studies. One result of the industrial revolution is that time became valued as an input into production. Thus, time is measured in discrete increments to which dollar amounts can be attached. Contemporary U.S. time management advice is based on the idea that time is money and must be carefully controlled. However, research on effective managers reveals the paradox that in order to be effective, the managers behave in ways diametrically opposed to time management principles. The role of time in decision-making, group processes and planning has been explored at least implicitly in the organizational literature. Time is also an important dimension of culture, and cultural differences in time perceptions create special problems for organizations in a global economy. Subjective views of time differ from measured clock time, and understanding perceptual time at work could aid in motivation and job design. Time is also an important variable in functional areas of business other than management, and its role in finance, accounting and marketing is briefly noted here. Finally, the essay explores the breakdown in the wall between work and non-work time.

#99-28 "Teaching and Learning" Robert Winsor (Loyola Marymount University) and Sheb True (Kennesaw State University)- The educational process is usually characterized on a one-dimensional continuum ranging from a dependence upon mass economies of scale and the resulting standardization and centralization that this implies, a more customer-oriented focus. In either extreme case, the emphasis for the teacher is on the production and/or distribution of knowledge, and for the student it is on the consumption of knowledge. This paper addresses the dynamics of learning from a metaphorical perspective and proposes that optimal learning takes place under conditions in which the teacher both perceives and engages students as providers and receivers of knowledge.

#99-29 "Fraudulent Financial Reporting: An Analysis of Technology, Healthcare, and Financial Services Fraud Cases" Mark Beasley (North Carolina State University), Joseph Carcello (University of Tennessee), Dana Hermanson (Kennesaw State University) and Paul Lapedes (Kennesaw State University)- The purpose of this paper is to provide insight into financial statement fraud instances occurring within three volatile industries—technology, healthcare, and financial services—and to highlight important differences in the fraud profile across industries. Several key differences among fraud cases in the three industries are identified including variations in the typical company size, executive involvement in the frauds, the nature of the board and audit committee, and the fraud techniques used. The fundamental message from this analysis is that the profile of financial statement fraud varies by industry and that generalizations of fraud indicators across industries may not always be appropriate. Auditors should consider the industry context as they evaluate the risk of financial fraud. This study should contribute to practitioners' understanding of fraud techniques and risk factors in three key industries. It also contributes to the growing academic literature on financial statement fraud by providing industry-specific data on incidents of fraudulent financial reporting.

#99-30 "Does Director Ownership Matter" Yaron Brook (Santa Clara University) Robert Hendershott (Santa Clara University) and Darrell Lee (Kennesaw State University)- The natural divergence of target shareholder and manager incentives in response to an attractive takeover bid makes acquisitions a model experiment for exploring the firm characteristics that are associated with managers acting in shareholders' interests. Using the universe of publicly-traded banks at year-end 1993, we find that target banks' outside directors, but not inside directors or officers, tend to own more stock than their

counterparts in other banks. Having an outside blockholder is also associated with banks becoming targets. Unlike the bulk of existing research on industrial firms, however, board structure does not appear to help determine which banks sell. Neither the fraction outsiders/insiders on a bank's board nor having an outside-dominated board differentiate the target banks in our sample. It appears that outside directors/shareholders and outside blockholders are primarily responsible for encouraging bank managers to accept an attractive merger offer. We do find, however, that target banks with outside-dominated boards respond more positively to the takeover announcement.

#99-32 "The Shingo Prize for Excellence in Manufacturing: Rewarding, Promoting, and Expanding World-Class Practices" Satya Chakravorty (Kennesaw State University), Brian Atwater (Colorado State University), and Ross Robson (Utah State University)- Established in 1988, the Shingo Prize for Excellence in Manufacturing recognizes manufacturing organizations in the U.S., Mexico, and Canada for successful implementation of world-class practices. The Shingo Prize emphasizes (1) improvement of operations and processes, (2) adoption of proven world-class practices, (3) use of specific measurements related to quality and process improvement, (4) empowerment of employees, and (5) integration of other business functions. To date, 51 manufacturing companies or plants have received the Shingo Prize including Exxon, Johnson & Johnson, Lucent Technologies, Johnson Controls, Ford Motor Company, and Wilson Sporting Goods. The Shingo Prize recipients have demonstrated that successful application of world-class practices results in increased productivity, enhanced quality and customer service, and improved bottom-line business results.

#99-33 "Intermediate Accounting: Creating Reliable Financial Accounting Information" Paula Morris (Kennesaw State University) and Jane Campbell (Kennesaw State University)- This paper describes the planning, implementation, and initial assessment of the Kennesaw State University Accounting Department's efforts to create an intermediate accounting course focused on generating reliable financial accounting information. Based on professional and market demands for graduates with the skills to cope with and solve problems in a financial, systems-oriented environment, the Department sought to integrate—in one course—core concepts in financial accounting, auditing, and accounting information systems. Our premise is that students need to understand that accounting events occur within systems subject to the risks of material financial misstatement and to the ability of management to mitigate the potential effects of these risks. Therefore, financial accounting courses should reflect the interaction of these factors and events.

#99-34 "Herding and Feedback Trading by Different Types of Institutions and the Effects on Stock Prices" Steven Jones (Indiana University), Darrell Lee (Kennesaw State University), and Edward Weis (Merrill Lynch & Company)- This paper analyzes a comprehensive sample that categorizes the U.S. equity holdings of institutions from 1984 to 1993 by investment advisors, banks, insurance companies, mutual funds, and internally-managed pension funds and endowments. We find that with the exception of mutual funds, all types of institutions positive-feedback trade on both the buy and the sell side. Positive-feedback trading by mutual funds consists mainly of the selling of past losers. This sell-side positive-feedback trading affects the contemporaneous abnormal returns of past losers and thus appears to contribute to return-momentum. On the buy side, however, contemporaneous returns increase with the magnitude of institutional demand—regardless of past-quarter returns. Thus, we show that institutional herding affects prices beyond what can be attributed to a momentum effect. There is, however, no evidence of price destabilization. In fact, when we consider the future returns subsequent to the observed demand, we detect a significantly positive relation between institutional demand and future returns that is due mainly to investment advisors and mutual funds. For investment advisors, this relation is attributable to predictive ability whereas, for mutual funds, it is due

primarily to momentum trading with some limited predictive ability apparent on the sell side. The general impression is one of well-informed institutions, especially investment advisors, trading in a way that contributes to long-run market efficiency.

#99-35 “Implementing Changes in Accounting Education to Meet the Demands of the Profession” Linda Malgeri (Kennesaw State University) and Bruce Clements (Kennesaw State University)- This paper addresses the incorporation of the study of valuing closely-held businesses into a university’s accounting curriculum. This course is truly an interdisciplinary topic that incorporates the study of taxation, accounting, economics, finance, and law. In our efforts to design and implement a course to study the value of privately-held businesses in the absence of an established market price, we became pioneers searching for materials and working with professionals in the business community. After pursuing professional designations, attending specialized seminars and working with a professional organization, we created a course on valuing close-held firms and offered it in Fall 1998. This paper identifies the power of collaboration between the academic and business communities. This joint venture facilitated the realization of a goal to incorporate the study of the valuation of privately-held businesses into a business school curriculum.

#99-36 “Cultural Considerations for E-Commerce” Ernest Capozzoli (Troy State University) and Sheb True (Kennesaw State University)- As more and more companies begin to utilize Commerce as a means of communicating with their customer base and target markets, many are rapidly expanding into the global marketplace. For many, this is their first venture into new markets beyond their local, regional or even national borders, and thus they will encounter obstacles often created by cultural differences. This paper explores E-commerce and discusses implications of developing E-Commerce systems for a global marketplace.

#99-37 “Hockey Market Efficiency and the Weekend Anomaly” Randy Goodwin (Kennesaw State University) and Ladd Kochman (Kennesaw State University)- A mechanical betting rule is applied to the market for bets on National Hockey League games during the 1998-1999 season to test whether “prices” contain exploitable patterns. Betting hockey games “under” the market’s estimate of total goals scored by both teams produced a nonrandomly profitable wins-to-bets ratio of 57.5 percent. Specifically, imaginary “under” wagers were placed on hockey games played on Friday, Saturday and Sunday. Similar bets on all NHL games generated a nonrandom but unprofitable wins-to-bets ratio of 53.7 percent. “Under” bets on non-weekend games had a 50.5-percent W/B ratio. Possible explanations for the “weekend anomaly” included a neglected market, fewer participants and analysts, unsophisticated weekend bettors and aroused play in response to larger, more animated weekend crowds. The implied “over” bias that created the “under” opportunity is not unlike the documented overreaction of investors or the reported “over” bias among football bettors.

#99-38 “The Impact of eCommerce on Operations by Focusing on Customer Service: A Case Study of Beta Leasing Corporation” Michael Steffensen (Beta Leasing Corporation) and Satya Chakravorty (Kennesaw State University)- With increasing competition and globalization of companies, many have started using eCommerce. There is a heavy amount of information which can inundate those seeking to decide whether or not to use eCommerce within their firms. The purpose of this case study is designed to educate and inform those wanting to gain a direction in sifting the high amounts of information regarding eCommerce. Depending on how eCommerce is used, in regards to Beta Leasing, eCommerce can and does have an impact on operations.

#99-39 “Entrepreneurship, Self-Defeating Behaviors, and the Fears of Success and Failure: A Bibliographic Resource” Kevin Sightler (Kennesaw State University)-

This is an updated version of a bibliography published last year as part of the Kennesaw State University Working Paper Series. Current as of September 1999, this bibliography now contains 745 selected published research efforts on the fears of success and failure, self-defeating behaviors, and related psychological issues in entrepreneurship. This bibliography was compiled as part of an ongoing research effort to study entrepreneurial behaviors and attitudes and, specifically, inhibitors to entrepreneurial performance. Research databases were searched and 745 books and articles from journals, magazines, and newspapers were chosen. From these selections, 28 subject categories were identified. Each selection was then cataloged with up to eight subject headings. Cross-reference listings are provided based on subject, title, authorship, and journal title (where applicable).

#99-40 "The Impact of Governance Mechanisms, Ownership Structure, and Strategic Variables on CEO Compensation: An Empirical Investigation" James Cordeiro (SUNY at Brockport) and Rajaram Veliyath (Kennesaw State University)- The paper examines the relative effects of corporate governance variables, ownership structure, and strategic variables on the *cash* and, separately, *total compensation* of CEOs among a panel of 222 Fortune 1000 U.S. firms over 1992-1995 using pooled cross-sectional, time series regression. In terms of firm-specific variables, firm size, accounting performance, market returns, diversification and risk had significant, positive impacts on CEO cash compensation while only accounting performance, market returns and risk positively affected CEO total compensation. In terms of governance variables, the percentage of insider director stockholdings and the number of outside institutions holding greater than five percent of outstanding shares had a negative impact on cash compensation but were insignificant for total compensation. The proportion of outside directors on the board positively affected cash compensation while CEO tenure had a curvilinear (inverted U-form) effect on both cash and total compensation components. CEO duality had no significant impact on either form of compensation.

#99-41 "Relating Calls for Audit Committee Reform to Instances of Financial Statement Fraud" Mark Beasley (North Carolina State University), Joseph Carcello (University of Tennessee), and Dana Hermanson (Kennesaw State University)- This paper reviews the findings of a study ("Fraudulent Financial Reporting: 1987-1997, An Analysis of U.S. Public Companies") that was prepared for the Committee of Sponsoring Organizations of the Treadway Commission. The COSO study provided a comprehensive analysis of fraudulent financial reporting occurrences investigated by the Securities and Exchange Commission since the issuance of a similar report in 1987.