ASIAN BUSINESS AND ECONOMICS INTERNATIONAL CONFERENCE

APRIL 25 - 27, 2019

GLOBAL BUSINESS BUILDING,
KANGWON NATIONAL UNIVERSITY (KNU), CHUNCHEON,
SOUTH KOREA

A Collaborative Initiative between
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APPRECIATION
I would like to extend my sincere welcome to all participants of Asian Business and Economics International Conference 2019 (ABEIC 2019). It is my great pleasure that College of Business Administration (CBA) of Kangwon National University (KNU) hosts the ABEIC 2019, in collaboration with Faculty of Business and Management (FBM) of Universiti Teknologi MARA Malaysia, which is one of KNU’s partner universities for the Asian International Mobility for Students (AIMS) program. I am also grateful to the Association of Korean Economic Studies (AKES) for co-hosting this event.

KNU is one of the 9 major national universities in Korea and is located in Chuncheon, the capital of Gangwon Province, which is known as the Land of the Future for its beautiful nature and well-preserved environment. One of our goals is to extend our educational and research capabilities to the global scale and to look for international cooperation in various fields.

We are holding this conference to share insights and experiences so as to expand understanding on Asian Business and Economics collaboration under the 4th Industrial Revolution Era. Throughout the conference, I also expect that we expand our partnership on joint research and faculty exchange in the field of Asian Business and Economics collaboration.

I wish you all a very successful and enjoyable conference and a pleasant stay in Chuncheon.

Thank you.
First of all, welcome all participants.

The Association of Korean Economic Studies (AKES) is one of Korea’s major academic associations in the field of economics. AKES primarily aims to provide a forum for the dissemination of policy-related research and to encourage debate on the Korean economy. Although the primary focus of the Association is on the Korean economy itself, East Asian and global issues with a direct impact on the Korean economy have also been explored. For example, AKES has held a series of annual international conferences with the broad theme of “Korea and the World Economy.” Up to now, these conferences have been held not only in Korea but also in various countries such as the U.S., China, Australia, Hong Kong, Vietnam, and Iran.

In this regard, I am very happy that AKES is a co-organizer of the Asian Business and Economic International Conference 2019 (ABEIC 2019), in collaboration with UiTM of Malaysia and Kangwon National University of Korea.

In the era of globalization, Asia has rapidly become a center of global business and has played a crucial role in global value chain. However, business environment is rapidly changing now as trade protectionism is on the rise in North America and Europe. Besides, the fourth industrial revolution will also surely affect the way we do business.

I sincerely hope that this conference can be an important forum for business experts and economists alike to share their intellectual views and ideas on how business firms, industries, and countries can overcome these new challenges.

Thank you.
FOREWORD

University Teknologi MARA Malaysia

Associate Prof. Dr. Siti Halijjah Shariff
Dean
Faculty of Business and Management
Universiti Teknologi MARA, Malaysia

ABEIC 2019 – Advisor

It is my great pleasure to welcome all of you to the first Asian Business and Economics International Conference 2019 (ABEIC 2019) in Chuncheon, Gangwon-do, South Korea.

The Faculty of Business and Management (FBM), Universiti Teknologi MARA Malaysia and Kangwon National University (KNU), South Korea officially signed a memorandum of understanding in 2014. Since then both the institutions have executed many successful collaborations together under ASEAN International Mobility for Students (AIMS). ABEIC 2019 is the first conference inaugurated from this collaboration that is, between two AIMS members under the International Business track. We are indeed proud that the AIMS members under International Business track has agreed for ABEIC to be organised yearly among its members. For ABEIC 2019, we are indeed happy that the Association of Korean Economic Studies (AKES) is co-organising with us.

ABEIC 2019, with the theme – ‘Asian Business and Economic Collaboration in the 4th Industrial Revolution Era’ is aimed at providing researchers a platform to discuss the implications of the digitization for revenues, profits and opportunities as IR 4.0 creates a dramatic upside potential. Majority of the participants of ABEIC 2019 are from South Korea, Malaysia, Indonesia and Thailand with diverse business and economics background. Thus, this conference creates a strategic platform for all the participant to network and create new opportunities to achieve higher economic growth under IR 4.0 without compromising on societal wellbeing, which at present is the utmost priority of all Nations.

I would like to express my deep appreciation and gratitude to all the committee members from KNU, FBM and AKES; not forgetting all the sponsors from South Korea and Malaysia that has supported in making this conference a success.

Last but not least, I would like to thank the keynote speakers, workshop and conference speakers for their participation in sharing their knowledge pertaining to their subject matter. I dearly hope that while departing knowledge, all of us will also enjoy the uniqueness of South Korea.

Have a Good Conference to all of you.
Organising Committee

Conference Advisor KNU
Prof. Dr. Jaeyeon Jeong (College of Business Administration, Dean)
Prof. Dr. Hyun-Hoon Lee (Association of Korean Economic Studies, President)
Prof. Dr. SangMoon Park (The Institute of Management and Economy Research, Head)
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Nuryusmawati Mohd Yusof
Hyun-Hoon Lee is Professor of International Economics at Kangwon National University, Republic of Korea and is President of Association of Korean Economic Studies. Previously, he was Dean of Asia-Pacific Cooperation Academy at Kangwon National University and was Senior Analyst at Asia-Pacific Economic Cooperation (APEC) Secretariat in Singapore. He also served as Senior Environmental Affairs Officer at the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and was Visiting Professor/scholar at University of British Columbia (Canada), the University of Melbourne (Australia), Keio University (Japan), and the Bank of Korea. Professor Lee received his PhD in Economics from the University of Oregon, USA. He has published extensively in books and leading international journals on problems of international trade policy and economic development; and regional economic cooperation in Asia and the Pacific.
In the modern world, the 1st globalization started in the late 19th century along with the 1st industrial revolution and then ended with the outbreak of World War I in 1914. The 2nd globalization was rather brief, beginning with the end of World War I in 1918 and ending with the outbreaks of Great depression in 1929 and World War II in 1939. The 3rd globalization started with the end of World War II in 1945. In recent years, however, there have been some noticeable signs that multinational companies have been in retreat and the 3rd globalization might have come to an end. In this presentation, I will first go over such signs of de-globalization. I will then present the five major reasons for this new trend: (1) polarization of income and wealth within countries, (2) de-polarization of income and wealth between developed and developing countries, (3) the golden straitjacket of hyper-globalization, (4) the 4th industrial revolution, and (5) secular stagnation due to population aging in the developed countries. I will then discuss the prospects for and consequences of de-globalization. Particularly, I will argue that as the 1st and 2nd globalizations stopped with hegemonic power struggles between nations in power transition and the consequent outbreaks of global wars, there is the possibility that the world is likely to enter a period of a global war between superpowers. But this time, it is likely to be a cold war between the North (U.S.) vs. the South (China), not between the West vs. the East. This may cause East Asian countries, which have benefited most from globalization, to find themselves in a very difficult situation because their exports will face with rising protectionism and they are forced to choose one side over the other in the China-U.S. power struggle. Lastly, I will discuss the choices for East Asian countries.
Dr. Maniam received his Ph.D. in Finance from The University of Mississippi, USA and his MBA from Arkansas State University, USA. He worked at Standard Chartered Bank prior to obtaining his Bachelor of Science in Computer Science, also from Arkansas State University. He started his teaching career in 1991 at Texas A&M International University as an assistant professor of Finance. He joined Sam Houston State University in 1997 where he moved through the ranks to eventually become full professor in 2006. He also served as the department chair in the College of Business at Sam Houston State University from 2008-2011.

Dr. Maniam has received numerous awards and designations in his twenty-seven years of teaching career. He was designated as the Texas State University System Regents’ Professor in 2013, and as Distinguished Professor of Finance in 2015, and the prestigious Minnie Stevens Piper Professor award in 2012. He also received the Sam Houston State University’s Faculty Excellence in Research award in 2003, Faculty Excellence in Teaching award in 2008, Faculty Excellence in Service in 2018, and numerous other awards for teaching, research, and service. He has been very active in various capacities within professional organizations. He serves as the Associate Editor for the SMART Journal of Business Management Studies and is on the Editorial Boards of several journals, including Journal of International Business, Economics and Entrepreneurship (JIBE). Dr. Maniam has published over one hundred and eighty articles in various peer-reviewed journals and has presented over three hundred articles in various international and national conferences. He also has served as external examiner for numerous Ph.D. theses and been invited as a keynote speaker in many international conferences.
The U.S. dollar has maintained its place as the world’s reserve currency and been the reserve currency of choice for the global economy since the end of World War II. This status is likely to be challenged in the foreseeable future. In recent years, some economists have predicted the decline of the dollar as a reserve currency in favor of other currencies like the Euro and the Chinese Renminbi.

The heart of many of these arguments is that U.S. monetary policies and deficit spending are unsustainable and will eventually result in the collapse of the currency. As the U.S. economic dominance subsides, along with the rise of the economic giants (like China), the idea of the dollar maintaining its dominance in the world no longer seems certain. In order to sidestep the volatility, many countries have been taking steps to make themselves less dependent on the U.S. dollar.

Alternatives to the dollar, such as the Euro and Chinese RMB, have entered the world stage and intend to challenge the dollar’s place on top of the financial world. Special Drawing Rights, a super-sovereign currency first introduced almost sixty years ago as a reserve currency but soon marginalized, has returned as a possible alternative that presents a radical way of doing world commerce going forward. This paper is an investigation into the strength of the dollar and into the viability of a potential challenger to the dollar’s reign as a reserve currency.
TRANSITIONS FROM TRADITIONAL VIEWING TO ONLINE VIEWING OF MOVIES ON YOUTUBE: CURRENT STATE AND POTENTIAL IN MALAYSIA

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ABSTRACT

This paper discusses the technological state and potential of YouTube as a substitute for movie watching platforms in Malaysia. Movies nowadays can easily be found online via Netflix and Hulu, thus, it is not a surprise that movie production is increasingly leaning towards making movies available in digital format, rather than in the traditional analogue print film. Even a vast majority of the 29 movies widely released across America in 2016 were disappointed in ticket sales. Malaysia, being a physically small country with only about 30 million inhabitants has experienced a wonderful transformation disposition but was not a sufficient market for most of its own local movie production. However, a sum of 80% of Internet clients in Malaysia streams online video content every month; with 51% have active YouTube profiles. This paper, in general, is suggesting YouTube to explore potential distribution agreements with local production companies and create better experiences for movie-watching activities on a user-generated content (UGC) site and join the bandwagon of Netflix and Hulu.

Keywords: Movie; YouTube; UGC
CORPORATE GOVERNANCE PRACTICES IN SMALL AND MEDIUM ENTERPRISES (SMEs) IN THAILAND

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ABSTRACT

The aim of this study is to develop a better understanding of the background of, and practices in, corporate governance of small and medium enterprises (SMEs) in Thailand. Theoretical frameworks for good corporate governance, as delineated by various sources, are compared and combined. The sample consisted of 200 Thai SMEs selected from the database of the Department of Business Development, Ministry of Commerce, Thailand. Each company responded to a questionnaire designed to reflect good corporate governance principles. The results showed that Thai SMEs applied each principle inconsistently. They applied the rights of shareholder principle more than they applied other four principles of corporate governance namely, the equitable treatment of the shareholder, the roles of stakeholders, disclosure and transparency, and board responsibilities. Each type of business also applied corporate governance principles in a manner unique to that sector. The manufacturing SMEs applied corporate governance principles more than the service and the trading SMEs.

Keywords: corporate governance, corporate governance practices, SMEs, Thailand
ELUCIDATING CHINESE IMMIGRANT ENTREPRENEURS’ PERCEIVED SUCCESS OF NEW BUSINESSES AND ITS ANTECEDENTS IN THAILAND

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ABSTRACT

The boom in foreign trade and railroad construction in the early 20th century in China led to the first influx of Chinese immigrants to Thailand. Presently, ethnic Chinese population in Thailand is estimated to be approximately 10 per cent. Much research was conducted to explore their integration with the Thai society despite governmental regulations and obligations in the early days. More than 100 years since the first generation of Chinese immigrants in Thailand, the economic miracle of China since late 1990s brought about the new cohort of Chinese immigrants to Thailand. Although existing literature studied the second and third generation Chinese ethnic people in Thailand, the understanding of this new cohort of immigrants is limited. The purpose of this research is to elucidate the concept of success and its antecedents among this group of Chinese immigrant entrepreneurs in Thailand. The authors conducted qualitative in-depth interviews with fifteen Chinese immigrants who have successfully started and operated new businesses in Thailand. The findings show that personal achievement, sustainability and growth of business, acceptance and recognition by others, and social value and responsibility are the four dimensions that define perceived success. The five factors that affect perceived success are entrepreneurial mind-set and quality, help from ethnic community, human capital, financial capital, and customer relationship. The authors hope that this study can provide methods and strategies for future Chinese entrepreneurs to successfully start a new business in Thailand, or in other foreign countries.

Keywords: Perceived Success, New Business, Entrepreneurship, Chinese Immigrants, Thailand
POLICIES TOWARDS ACHIEVING FOOD SECURITY AND INCREASED AGRICULTURE EMPLOYMENT IN BRUNEI

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ABSTRACT

This is a study which aims to analyse food security policies and strategies in Brunei. Food security is a key government agenda in many countries, including in Southeast Asia. In essence, food security describes whether people have access to sufficient quantity and quality of food. It has four dimensions, namely food availability, accessibility, utilization and sustainability. Southeast Asian countries such as Brunei have made remarkable progress in achieving all dimensions of food security such as increasing food production and supply, reducing hunger or malnutrition, ensuring the sufficient and quality food supply, assessing effects on climate change and so on. However, some aspects of food insecurity still exists, such as lack of self-sufficiency in food production in Brunei. This research provides an overview of some of the main issues of food security present in Brunei. This study also aims to analyse human resource requirements of ensuring food security in Brunei. This could be of interest to policy makers in identifying and strengthening food security policies in the region.

Keywords: agirpreneurship, challenges, opportunities, Brunei
ONLINE SENTIMENT TOWARDS HYBRID CARS’ ADOPTION AND THE FUTURE DIRECTION OF MALAYSIAN GREEN AUTOMOTIVE INDUSTRY

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ABSTRACT

The dominance of conventional internal combustion engine vehicles is recognized as one of top contributors of carbon dioxide emissions that eventually lead to greenhouse warming. In the western and developed countries, the adoption of green vehicles especially hybrid cars among consumers are increasing rapidly. For instance, car buyers across Europe have shifted from diesel cars to petrol-powered hybrid cars in the wake of diesel emission manipulation scandals. However, the same sentiment could not be associated with Malaysian car buyers. Why is the pace of hybrid cars’ acceptance from the Malaysian car buyers being slower than their counterparts in other developed countries? How would they respond to new hybrid cars launches? These are some of the questions that the research intends to explore using the online content analysis approach. Articles and comments were retrieved from a prominent automotive news portal, and these contents were analysed using line-by-line coding techniques. The implications of these perspectives for future research insights and practical implementation on green automotive development is further discussed. In summary, this research offers new construct understandings around the issues related to the adoption of hybrid cars among the Malaysian car buyers.

Keywords: Automotive; hybrid electric vehicles; green vehicles adoption; Malaysia; HEV, PHEV
RECOGNIZING THE STRUCTURES OF PERMUTED KALMANSON MATRICES IN TSP TOUR: AN EMPIRICAL EVIDENCE

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ABSTRACT

In Traveling Salesman Problem (TSP), recognizing the combinatorial structures of distance matrices could assist the decision makers to design an optimal and robust routing plan. If the designed routing plan is a master tour, the optimal routing plan for a new problem can be obtained by simply skipping the points that are removed from the initial problem. In this study, we first investigate the robustness of the TSP routes by recognizing the special combinatorial structures of Kalmanson matrices. Through computational experiments on a number of instances, we found that the procedure offers good lower bounds with average deviation of 6.4% from the TSP tour. In addition, this research also developed an algorithm to recognize the cases of permuted Kalmanson matrices in TSP distance matrices. This recognition is significant to the body of knowledge as it provides reasonable characterisation of robust routes. The algorithm was developed based on relaxed Kalmanson condition and executed on the TSP instances with data distributed across several regions as well as data clustered within a region. Our observation demonstrates that the within-region and cross-region cases are more likely to form a tree and convex structures, respectively. Also, the former is more likely to possess Kalmanson permutations which guarantee the existence of master tour as compared to the latter. The empirical findings of this study have gone some way towards enhancing our understanding on the characteristics of particular routes. Besides offering great value for academics and practitioners such as transportation planners, the study has contributed to the development of simple, fast and accurate recognition algorithms which were capable in producing good lower bounds for the instances.

Keywords: Travelling salesman problem, Kalmanson, permuted Kalmanson, routing, robustness
ONLINE SHOPPING BEHAVIOUR AMONG GOVERNMENT STAFF IN MALAYSIA

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ABSTRACT

Electronic commerce or E-commerce has transform the way people do their shopping and has become one of the preferred ways of personal shopping as they can get anything at their doorsteps. One of many reasons why people buy things online because e-commerce websites empower them to make choices in terms of prices, brands and designs. As a business-to-consumer e-commerce has created new businesses opportunities for retailers, questions about the consumer shopping motivations towards online shopping continue to persist. This study investigates the factors of online shopping behaviour that influence the behavioural intention and actual behaviour of the employees. A questionnaire was constructed based on the Theory of Planned Behaviour and distributed to the employees of Kumpulan Wang Persaraan (KWAP). The result of the study showed that there is a relationship between the three factors of online shopping (attitude, subjective norm and perceived behavioural control) with the mediating variable (behavioural intention) and dependent variable (actual behaviour). However, the influence of behavioural intention as a mediator can only be seen between attitude and actual behaviour towards online shopping. The findings of this research have potential benefits for online retailers, and all those looking to make more virtual sales, also it could reveal researchers in future research.

Keywords: Online shopping, attitude, subjective norm, perceived behavioural control, behavioural intention, actual behaviour, Theory of Planned Behaviour
EVALUATING MARKET ADOPTION TOWARD FUTURES IN VIETNAM

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ABSTRACT

The Theory of Planned Behaviour (TPB) predicts that planned behaviours are defined by behavioural intentions which are affected by an individual’s attitude toward behaviour, the subjective norms encasing the execution of the behaviour, and the individual’s perception of their control over the behaviour (Ajzen, 1975). The purpose of this study is to adapt TPB model as a predictor of market adoption towards futures product, which is a newly established derivatives market in Vietnam. Using the survey framework findings, it was found that along with detected original indicators of TPB such as attitudes, subjective norms, perceived behavioural control, past experience was also a significant predictor of investment intentions. These findings are consistent with prior research of the theory of planned behaviour. Additionally, this study provides evidence of past experience as further supporting the theory of planned behaviour.

Keywords: TPB, Futures, Market Adoption, Consumer Behaviour
CONCEPTUALIZING QUALITY FACTORS AFFECTING INTENTION TO USE AND PURCHASE AI SPEAKER (AIS)

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ABSTRACT

Smart speakers are becoming a central device for smart home IoT system that accesses many types of smart services through a voice interface. Although AI speaker technologies are relatively new and advanced, market size is not extended as expected. The objective of this study is to perform the analysis and importance of various aspects affecting “Perceived Value” of AIS and how they affect “Intention to Use” or “Intention to Purchase” of the product. Therefore, this study aims to highlight the most and least important factors affecting “Perceived Value” of AIS, as well as the level of “Perceived Risk” affecting the “Perceived Value”, which is the key construct of our study. Through measuring the previously mentioned components, we are undoubtedly able to check the way in which they are affecting “Intention to Use and Purchase” of AIS. Furthermore, this study examines the importance of factors closely related to the users’ intention to adopt a smart speaker, such as various quality factors, (ex. Contents, Interaction, Service, System Quality), which are vital to judgement of customer’s attitude toward technology compared with privacy-related burden, due to lack of trust and credible expertise, resulting in positive or negative intention to purchase or use AIS. This study uses the Technology Acceptance Model (TAM), as the main research framework, but it has also managed to be influenced by an abundant number of studies and models created throughout the years, concerning quality factors and their effect on technology adoption, such as “Cost and Benefit Theory”, “Technology Acceptance Model” and its predecessor “Theory of Reasoned Action”, “Customer Satisfaction Index”, “CSI & smart-service CSI (SCSI)”, “SERVQUAL & SERVPERF”, as well as “Theory of Hedonic Quality”. For the purpose of this study, we have conducted a field survey concerning the customer’s attitude towards the AIS, in order to analyse and utilize our model. The results from this study may be able to help R&D, Marketing, as well as Technology-Human Interaction scholars to have an insight into Humans attitudes toward such a novel technology, as AIS. It can also be an answer to burdening question mentioned above, which is: “Why has AIS not be as successful, as one may have expected it to be?”
Mapping Research on Competitive Strategy in International Business Journals: A Co-citation Analysis

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Abstract

Competitive strategy (CS) literatures in international business (IB) journals in the recent two decades have constituted a considerable database. Therefore, this study was conducted to provide a comprehensive overview of CS studies in IB journals in a long time frame (1999-2018) via visualized bibliometric analysis. 2,634 articles containing 90,751 reference were downloaded from the Web of Science. CiteSpace was used to make the comprehensive bibliometric analysis to construct the document co-citation network maps which can illustrate the salient patterns and emerging trends of CS research under IB environment. This study not only quantitatively present the core authors, institutions, countries/regions, and cited journals of CS research in IB journals but also present the core references for further studies by exploring the intellectual structure of the CS field. This study could support researchers with a quantitative overview of the evolution and current status of CS research in IB environment and was supposed to be helpful for researchers to efficiently recognize the research network and permit deeper understanding of the knowledge structure of the CS studies in the IB environment.

Keywords: Competitive Strategy; international business; co-citation analysis; CiteSpace
EFFECTIVENESS OF BRANDING, OPINION LEADER AND GOVERNMENT IN THE
ESTABLISHMENT OF THEMATIC VILLAGE IN SEMARANG CITY, INDONESIA

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ABSTRACT

One of efforts to develop a country’s economic condition is by implementing city brand building. Brand building of the city consists of five phases, which determine the success of branding itself, namely (1) market investigation, analysis and strategic recommendations, (2) brand identity development, (3) brand launch and introduction-communicating the vision, (4) Brand implementation, (5) monitoring, evaluation, and review. Besides the phases, two other contributing factors to the success of city brand building are opinion leaders and the government. This study compares the effectiveness of branding, opinion leaders, and the government in two thematic villages in Semarang, Indonesia, using Mann Whitney test. The results of data processing indicate that there are significant differences between the effectiveness of branding, opinion leaders, and the government of the two villages. Through this research, it is expected that the formation of the thematic villages is based on the five phases of branding building as well as involvement of opinion leaders. In addition, the government needs to implement policies that support the brand building.

Keywords: village branding, brand building, opinion leader, government, Mann Whitney test
INFLUENCE OF MANAGEMENT COMMUNICATION STYLE ON INTERPERSONAL CONFLICT AMONG GOVERNMENTAL ORGANIZATIONS

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ABSTRACT

In a complex and fast-changing business environment nowadays, it is evidenced that managers are faced with a multitude of problems in the organizational setting. One of the neverending problems faced by managers is interpersonal conflict that occurs between employees and subordinate-supervisor whenever communication takes place. Therefore, communication is influential in every aspect of conflict because through communication conflict is instantiated. Hence, interpersonal conflict demands an immense attention in organizations as they get things done through people. Thus, the purpose of this study is to examine the influence of Management Communication Style (MCS) towards interpersonal conflict at GLCs, Malaysia. A total of 388 employees of GLCs, Malaysia participated in this study. A Structural Equation Modelling analysis revealed that 40% (R²=0.40) of the variation in interpersonal conflict could be explained by the MCS. It also revealed there was a strong positive, linear and significant relationship (r=0.64, p<0.000) between MCS and interpersonal conflict.

Keywords: Management Communication Style, Interpersonal Conflict.
MOBILE REVOLUTION: TRAVEL APPS AND TRANSFORMATION OF TOURISM MARKETING IN INDONESIA

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ABSTRACT

The purpose of this study was to determine the relationships between attitude, social electronic word-of-mouth (eWOM), and intention to use mobile apps in Indonesia's tourism industry. The study used nonprobability sampling with purposive sampling and received 380 useful responses. The theoretical model was tested using SmartPLS 3.0. The paper found support for the positive effect of perceived usefulness, perceived ease of use, social eWOM towards consumer attitudes, and intention to use mobile apps. The study’s findings may help marketers and producers to better understand the behavior of consumers, and particularly millennials, in the tourism industry.

Keywords: Mobile Apps, Intent to use, perceived usefulness, social eWOM
RELATIONSHIP BETWEEN WEBSITE DETERMINANTS AND CUSTOMER SWITCHING IN A HYPERMARKET ONLINE SHOPPING: CUSTOMER TRUST AS A MEDIATOR

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ABSTRACT

The growth of online market size is very promising in the Malaysia's online shopping landscape. Given the helpful growth of online shopping website among retailers in Malaysia, there is a crucial need for understanding what drives Malaysian customers to switch from one retailer to another. Therefore, the purpose of this paper is to develop an understanding of the website design, website security/privacy and website shopping service, as predictors, influencing customer switching in a hypermarket online shopping and the effect of customer trust as a mediating variable. A survey was carried out on 300 respondents and data were analysed using multiple regression analysis. It was found that website shopping service was a significant predictor of customer switching in online shopping and customer trust fully-mediated the relationship. The results from this study would enable online shopping retailers to better design their website marketing strategies that could build trust and retain their customers directly.

Keywords: website determinants, customer switching, customer trust, online shopping
ASSESSING CUSTOMERS’ PERCEPTION OF THE INNOVATION OF FOOD SERVICE IN MALAYSIA

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ABSTRACT

In a highly competitive business environment, the restaurant industry strives to maintain its services with particular emphasis on customers evaluation, changes in customer preferences and rapid business growth of fast food and international restaurants in Malaysia. As local entrepreneurs, restaurant operators need to employ several strategies in innovating their services to tackle customers in a competitive business setting and make improvements to stand on par with other international restaurants in Malaysia. Therefore, this descriptive study was conducted at a local Malaysian restaurant to explore customers’ perception towards several elements of innovation, namely healthier food, modification of menu items, increase in food service options, technology advancement, environmental sustainability, inclination towards global cuisines, as well as the focus on Generation Z customers. Based on the surveys that were distributed to 235 customers at Serambi One Café, it has been revealed that healthier food, modification of menu items, food service options, technology advancement, environmental sustainability, inclination towards global cuisines, and focus on customers of Generation Z are highly demanded by the customers. The finding of this study also recommends the effective practices that can be employed by restaurants in order to make improvements in being creative and innovative with regards to restaurant products and services.

Keywords: Customer Perception, Innovation in Business, Food Service, Business Competitive
MEASURING CONSPICUOUS CONSUMPTION BEHAVIOR USING PARTIAL LEAST SQUARE

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ABSTRACT

For centuries, people worldwide have satisfied themselves with the possession of beautiful goods. In 2016, the luxury market has sustained constant growth. Today, the luxury product market has increased manifold. These reflect the desires and fantasies that are conditioned by the social environment and associations with well-being, comfort, quality, and self-image. Hence this study aims to investigate the four factors of attitude, brand image, patrons status and quality influence on conspicuous consumption behavior among 400 customers that mostly visit and spend to shop at Suria KLCC, Pavilion and Starhill Gallery in Kuala Lumpur, Malaysia. The survey was conducted to collect the data and further had been analyzed using Partial Least Square (PLS). The result concluded that all the factors tested statistically significant to conspicuous consumption behavior. The implications of this finding contributed to strategize in managing customer behavior and understand the changes trend and purchasing power of young generation.

Keywords: Conspicuous Consumption Behavior, Attitude, Brand Image, Patrons Status Quality.
THE RELATIONSHIP BETWEEN SOCIAL MEDIA AND CUSTOMER ENGAGEMENT AMONG SOCIAL MEDIA USERS

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ABSTRACT

Today, social media has risen and changed the way of communication between customers and businesses. Due to the rapid growth of the telecommunication industry, customer involvement cannot be ignored. Thus, this phenomenon triggers the researchers to study the effect of social media on customer engagement. Social media contain five factors which are ease of use, interactivity, influence, attention and involvement. A quantitative study was conducted on social media users and resulted in a significant relationship between social media factors and customer engagement. This outcome provides academics and practitioners insight into the role of social media in influencing customer engagement and paves the way for future research in the area of customer engagement.

Keywords: Social media, customer engagement
PURCHASE DECISION AND SOCIAL MEDIA IN INDONESIAN CONTEXT: MODERATING EFFECT OF GENDER, INCOME, AND INTERGENERATIONAL

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ABSTRACT

The purpose of this paper is to investigate the relationship between purchasing decisions and social media in Indonesia, with gender, income and intergenerational multi groups as moderating variables. The structural equation model is used to test empirical models with five latent variables namely social media usage, electronic word of mouth, trust, perceived usefulness, and purchasing decisions, with trust and perceived usefulness as mediating variables. Measurement of latent variables using questionnaires with 5 scale based on Likert which amounted to 441 respondents using social media users in Indonesia. The results of confirmatory factor analysis (CFA) indicate that the measurement model has high reliability and validity based on the value of average variance extracted (AVE). The empirical model has a goodness of fit that can be accepted with a relative chi-square value of 2.93, NFI = 0.932; CFI = 0.954; and RMSEA = 0.066. Gender and income cannot moderate the relationship between social media usage and eWOM on perceived usefulness and trust, but intergenerational is able to moderate. Gender is not able to moderate the relationship between perceived usefulness and trust, but income and intergenerational can moderate perceived usefulness and trust. Gender and income cannot moderate the relationship between trust and purchasing decisions but intergenerational can moderate. Gender, income, and intergenerational moderate the relationship between perceived usefulness and purchasing decisions.

Keywords: eWOM, Trust, Purchase Decision, Intergenerational
THE INFLUENCE OF SERVICE QUALITY AND PASSENGER SATISFACTION TOWARDS ELECTRIC TRAIN SERVICES (ETS): A PLS-SEM APPROACH

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ABSTRACT

This research is about the service quality (Responsiveness, Reliability, Tangible, Safety and Security) dimensions become major determinant of passenger satisfaction towards Electric Train Services (ETS). The significant of this study is intended to assist Keretapi Tanah Melayu Berhad (KTMB) to establish the service offered and identified the important aspects of service quality that affect passenger satisfaction. A total of 280 questionnaires were distributed to ETS passengers who using the service from Kuala Lumpur Sentral Station to Padang Besar Station. The main objective of this study is to investigate the relationship between service quality dimensions and passenger satisfaction towards ETS. Data gathered were analysed using Partial Least Square (PLS) method. The study has concludes that a service quality dimensions are factors affecting the passenger satisfaction towards ETS. In addition, service quality also can define the significant relationship between passenger satisfaction towards ETS. Other than that, several useful recommendations were made regarding to the findings of this study.

Keywords: Passenger Satisfaction, Service Quality, Electric Train Services (ETS)
ABSTRACT

Since environmental consciousness gained public awareness, green marketing has developed particular importance in the modern society. Customers nowadays are well aware of social, economic and environmental responsibilities and tend to focus on the safety of food items with an environmental benefit. Over the years, consumer attitudes toward sustainable, or "green," brands have increased significantly. Despite such development for environmental awareness, consumers' action does not reflect their intent. Therefore, the purpose of this paper is to determine Peninsular Malaysian intention to purchase green food. The survey was conducted in the country where 1,200 consumers were interviewed using structured questionnaires. Theory of Planned Behaviour was adopted. Descriptive statistics and structural equation modelling were used to analyse the collected data. The result shows that salient belief, subjective norm (referents, motivation to comply) and perceived behavioural control influence consumer intention to purchase green food. Nevertheless, attitude (evaluation of outcomes) had no influence on consumer intention.

Keywords: Green consumerism, green food, Theory of Planned Behaviour
ABSTRACT

Most business transaction are utilizing mobile payment for the convenience of the consumer. This evolution encourages more mobile payment provider to emerge in China. As such, China’s own payment provider like Alipay is facing competition from competitors. This prompt the question on whether Alipay’s consumers are satisfied with Alipay’s current services. The purpose of this study is to test consumer’s satisfaction on Alipay in China using the revised Technology Acceptance Model (TAM). A total of 552 questionnaires were collected and analyzed using the Structural Equation Modelling (SEM). Several variables in the revised TAM; perceived trust, perceived ease of use and perceived service quality were used to measure the consumers’ satisfaction on Alipay. The specified variables are relevant in measuring the consumer satisfaction on Alipay. The findings from this research paper will help to enhance Alipay’s competitiveness by exploring the areas of improvement and maintain Alipay’s status as the market leader.

Keywords: Customer Satisfaction, Mobile Payment, SERVQUAL
ABSTRACT

Promoting responsible environmental behaviours among millennials towards ecotourism destinations is an important strategy to mitigate the negative impacts of mass tourism but few studies have been able to provide a comprehensive explanation for their behaviour. This study aims to examine the responsible environmental behaviour among millennial tourists by proposing a conceptual model based on Responsible Environmental Behaviour (REB) and Consumption Values Theory (CVT). The objective of this study is to determine the relationship between the predictors of environmental knowledge, environmental attitude, destination image and consumption values towards responsible environmental behaviour intention. It investigates the influence of responsible environmental behaviour intention towards responsible environmental behaviour. A survey will be conducted on 500 millennial tourists in Malaysia and will be analysed using structural equation modelling technique. Results of this study are expected to contribute towards an enhanced model that predicts the millennial tourists’ responsible environmental behaviour to promote conservational behaviours in marine parks.

Keywords: ecotourism, millennial tourists, marine parks, responsible environmental behaviour
DIGITAL TRANSFORMATION CHALLENGES SUCCESSFUL ENTERPRISES – AN EXPLORATION OF THE COLLABORATION OF MARKETING AND SALES DEPARTMENT IN GERMAN ORGANISATIONS

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ABSTRACT

The purpose of the study is to investigate the influence of digital transformation on the intersection of marketing and sales departments. This area has received little attention in academic literature while considerable amount of research exists surrounding the marketing and sales integration, the influence of the trend of digital transformation on both departments and how it affects their collaboration is not investigated in-depth and is therefore studied by qualitative research via semi-structured interviews in six German organizations. By considering the findings the collaboration between the marketing and sales departments in German organisations is perceived as good. However, generation-related conflicts occur due to different demographic structures of employees. The study provides evidence that the digital transformation affects the marketing and sales integration and thus, the overall organisational performance. Moreover, it is crucial that organisations face the challenges that occur in terms of interdepartmental relationships and be aware of the huge potentials which arise due to digital transformation to improve the marketing and sales collaboration.

Keywords: Digital Transformation, Digitalisation, Marketing, Sales, Collaboration.
DOES PERCEIVED QUALITY AND SELF-ESTEEM INFLUENCE WOMEN BUYING THEIR BRANDED MAKEUP?

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ABSTRACT

Luxury brands have often been associated with the core competences of creativity, exclusivity, craftsmanship, precision, high quality, innovation and premium pricing. These product attributes give the consumers the satisfaction of not only owning expensive items but the extra-added psychological benefits like esteem, prestige and a sense of a high status that reminds them and others that they belong to an exclusive group of only a select few, who can afford these premium items. Thus, this research aims to investigate the relationship and influence of Perceived Quality and Self Esteem of buying luxury branded makeup. Data from 141 questionnaires were completed by women living in Kuala Lumpur. The findings of the study showed that perceived of quality and self-esteem have a significant effect on the intention towards buying luxury branded makeup. Implications and areas for future research are also discussed.

Keywords: Luxury Brand, Makeup, Perceived of Quality, Self-Esteem
CONCEPTUAL EXPLORATION ON THE EFFECTS OF INTERNAL COMMUNICATION AND EMPLOYEE ENGAGEMENT ON ORGANIZATION’S FINANCIAL PERFORMANCE

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ABSTRACT

Previous research has established a link between internal communication and employee engagement with business outcomes such as financial performance, organizational stability and productivity. Despite a growing body of research shows linkages between internal communication, employee engagement and financial performance, there are limited empirical studies investigating their relationships as an integrated construct. Moreover, the relationships need further explanation because the measurement mostly depended on return of investment (ROI) whereas other basic financial ratios like return of asset (ROA) and current ratio should also be considered in measuring an organization’s financial performance. Thus, utilizing the financial ratio theory as predictor of organizational success and failure, this paper is prepared to review and analyze the effects of internal communication and employee engagement on organizations’ financial performance by providing an integrative framework and suggesting directions for future research. In other words, this paper will attempt to conceptualize internal communication, employee engagement and financial performance where evidence from different elements of the three concepts are explored, examined their relationships and proposed with an underlying mechanism for the relationship. Theoretically, this study will provide a comprehensive insight into the existing literature of organizational communication effectiveness that offers the basis for a rigorous assessment of internal communication and employee engagement influences to organizations’ financial performance. Practically, the conceptual model may help communication managers and practitioners in identifying the crucial guidelines of designing and implementing appropriate internal communication programs for the success of organizational sustainable development.

Keywords: Internal communication, employee engagement, financial performance
EFFECTS OF SUBJECTIVE KNOWLEDGE AND RELIGIOUS MOTIVES ON RECEPTIVENESS OF NON-MUSLIM COUNTRY'S HALAL FOOD PRODUCTS

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ABSTRACT

Most imported food products from non-Muslim countries have Halal logos on the packaging but news on fake Halal logos has been circulating in the media on many occasions; because of the disgraceful act by firms that craved for a slice of the highly profitable global Halal food market. Hence, the objective of the study was to examine the effects of subjective knowledge and religious motives on Malay Muslims' receptiveness toward non-Muslim country's Halal food products. The convenience sampling method was used to collect data from 450 Malay Muslims within the Greater Kuala Lumpur/Klang Valley region. Results have shown that trust and subjective norm mediated the relationship between subjective knowledge and receptiveness, whereas, religious motives had no effect on receptiveness. Essentially, it is important for global Halal foods' players to obtain adequate information on consumers' decision-making behaviors in different markets; for the benefits of their marketing and promotional efforts.

Keywords: Halal, Malay Muslim, Non-Muslim Country, Receptiveness
ABSTRACT

One of efforts to develop a country’s economic condition is by implementing city brand building. Brand building of the city consists of five phases, which determine the success of branding itself, namely (1) market investigation, analysis and strategic recommendations, (2) brand identity development, (3) brand launch and introduction—communicating the vision, (4) Brand implementation, (5) monitoring, evaluation, and review. Besides the phases, two other contributing factors to the success of city brand building are opinion leaders and the government. This study compares the effectiveness of branding, opinion leaders, and the government in two thematic villages in Semarang, Indonesia, using Mann Whitney test. The results of data processing indicate that there are significant differences between the effectiveness of branding, opinion leaders, and the government of the two villages. Through this research, it is expected that the formation of the thematic villages is based on the five phases of branding building as well as involvement of opinion leaders. In addition, the government needs to implement policies that support the brand building.

Keywords: village branding, brand building, opinion leader, government, Mann Whitney test
SUSTAINABILITY PRACTICES OF COMPANIES IN CONSTRUCTION INDUSTRY IN MALAYSIA: THE MODERATING ROLE OF COMPANY SIZE

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ABSTRACT

This paper examines the moderating role of company size on the relationship between corporate sustainability practices and performance of companies in construction industry in Malaysia. The balanced scorecard is used to measure company performance. A total of 247 respondents responded to the questionnaire. The study found that economic and environmental practices of sustainability were positively and significantly related to company performance. However, social practices of sustainability have no relationship with company performance. Finally, the company size was found to have no moderating effect on the relationship between all sustainability practices (social, environment and economic) and company performance. The unexpected results of the company size may be due to the low level of understanding and ignorance culture of the construction industry. It is assumed that the Malaysian construction companies still have not done enough in incorporating and practising sustainability in their business operations.

Keywords: Sustainability, Stakeholder theory, Construction Industry, Balanced scorecard
GOLD AND PORTFOLIO DIVERSIFICATION: A STOCHASTIC DOMINANCE ANALYSIS OF THE DOW JONES ISLAMIC INDICES

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ABSTRACT

This paper examines the role of gold in diversification in eight Dow Jones Islamic stock indices portfolio from 1996 to 2017. Also using stochastic dominance (SD) analysis, it tests the null hypothesis that gold-Islamic stock portfolio return does not dominate (outperform) non-gold Islamic stock portfolio return. The SD results show that gold-Islamic stock portfolio stochastically dominates the one without gold at the FSD, SSD and TSD order in all Islamic stock indices. Moreover, the level of SD order increases when we add more gold in the portfolio. We find that the SD order is manifest during the financial crisis (2007-2009) at all percentage holdings of gold. This indicates that risk-averse investors in Islamic stock indices should include gold in their portfolios in order to maximize their expected utilities. Furthermore, the results of MV analysis consistent with the ones of the SD. The findings of this paper suggest that investors may design appropriate investments with gold to diversify their Islamic stock portfolios.

Keywords: Gold, Dow Jones Islamic stock Indices, Portfolio diversification, Stochastic dominance
ABSTRACT

Muslims and Non-Muslims alike have shown positive trend towards accepting Islamic financial products/services. Therefore, it is crucial to examine determinants that drive individuals towards the intention to accept Islamic financial products/services. This study aims to examine the predictive power Islamic financial literacy on the modified Theory of Planned Behaviour which eventually translated into the individuals’ behaviour towards the intention to use Islamic financial products/services. 400 copies of questionnaires were distributed, 300 usable copies were subsequently collected. The data were then analysed using PLS-SEM. The findings show that all exogenous variables (attitude, social value, perceived behavioural control, and Islamic financial literacy possess explanatory and predictive power to predict individuals’ intention to use Islamic financial products/services. As financial services are humanised and localized to better serve the customers, this study extends the literature by providing insights into the subject matter in emerging markets.

Keywords: Islamic financial products/services; intention; Islamic financial literacy
REAL EARNINGS MANAGEMENT: AUDIT COMMITTEE AND BOARD OF DIRECTORS IN INDONESIA

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ABSTRACT

The purpose of the research is to get empirical evidence about the effect of audit committee expertise, audit committee tenure, audit committee size, audit committee meeting, board of directors, independence directors on real earnings management. The samples of this research consist of 336 data from 84 manufacturing companies that listing on Indonesia Stock Exchange from 2013 until 2016 and selected by purposive sampling method. The result of the research showed that the effect of audit committee expertise and independence directors on real earnings management is significantly and positive. The effect of board of directors on real earnings management is significantly and negative. While, the effect of audit committee tenure, audit committee size, audit committee meeting on real earnings management is not significantly. The results of this research shows that outsider of the firm like audit committee and independence directors can't detect real earnings management. The chance for management doing real earnings management. While, board of directors as insider of the firm can detect and decrease real earnings management.

Keywords: Real earnings management, audit committee, board of directors, independence directors
MULTIPLE BREAKPOINT TEST ON CRUDE OIL PRICE

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ABSTRACT

This paper study the impact of structural changes as well as breaks on oil price fluctuations. There are a few channels that cause the effect of oil price to pass through the economy such as domestic prices and inflation. The higher crude oil price is immediately followed by the increase in oil products such as gasoline and heating oil. The direct effects continue as people choose alternative energy sources, leading to the increase in price. Besides, the indirect effect on inflation as a result of the behavioural responses of the firms and workers which is known as the “second round” effects in which higher wages is being demanded. This paper use Exploratory Data Analysis to discover the patterns of the variables’ series; and then examine the relationship between oil price and consumer price index. Multiple breakpoint test is thereafter use to identify the structural changes in time-varying variables.

Keywords: breakpoint test; consumer price index; structural changes; oil price
ABSTRACT

The purpose of this study is to determine the factors that affect the tax avoidance in manufacturing companies listed on Indonesia Stock Exchange. The independent variables in this study consist of Foreign Ownership, Institutional Ownership and Management Ownership. The dependent variable in this study is Tax Avoidance. The sample consists of 36 manufacturing companies listed on Indonesia Stock Exchange during 2015 – 2017. Hypothesis test used in this research is multiple linear regression analysis. The results showed that the ownership structure have no significant effect on tax avoidance.

Keywords: Foreign Ownership, Institutional Ownership, Managerial Ownership, Tax Avoidance
MICROFINANCE INSTITUTIONS PERFORMANCE: DOES INTELLECTUAL CAPITAL MATTERS? INSTITUTION'S SPECIFICATION AS MODERATOR

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ABSTRACT

In a majority of banking and non-banking institutions, intellectual capital (IC) is one of the prominent factors that contribute to the development of knowledge-based economy and increase in competitiveness. However, there is an ambiguity on whether a firm’s precious resources could guarantee the success of new strategies. Thus, this study is undertaken to examine the significant effect of intellectual capital in MFIs performance. This study also integrates whether the MFIs specification could have a moderating effect on the relationship between intellectual capital and MFIs performance. This study uses the PLS-SEM to conduct an analysis of the research model and found that it explains 43.6% of the substantial amount of variance in MFIs performance. Theoretically, the study extends the resource-based view (RBV) in projecting the MFIs performance. The empirical results show that there is a significant relationship between IC and MFIs performance for both banking and non-banking MFIs.

Keywords: Intellectual Capital, Microfinance Institutions, Specification, Performance
THE EFFECT OF LEVERAGE, INSTITUTIONAL OWNERSHIP, PROFITABILITY, FIRM SIZE, AND INVESTMENT OPPORTUNITY ON DIVIDEND POLICY

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ABSTRACT

The decision about paying dividend is different from company to company. The dividend is partly depending on the current earning of the company and partly on the dividend from the previous year. The purpose of this research is to identify the influence of leverage, institutional ownership profitability, firm size, and investment opportunity on dividend policy. Sample in this research is sub-sector automotive and component companies which are listed in Indonesian Stock Exchange between the years of 2014-2017. This research uses purposive sampling method and multiple regression analysis, to see the contribution of each variable in affecting dividend policy. The result of this research showed that institutional ownership and firm size have no influence toward dividend policy, meanwhile leverage, profitability, and investment opportunity have influence toward dividend policy.

Keywords: Dividend Payout, Ownership Structure, Firms' Characteristics
THE INFLUENCE OF PROFITABILITY, ASSET TANGIBILITY, FIRM SIZE, LIQUIDITY, AND AGENCY CONFLICT TOWARD CAPITAL STRUCTURE ON FOOD AND BEVERAGE COMPANIES LISTED IN INDONESIA STOCK EXCHANGE PERIOD 2014-2017

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ABSTRACT

This research is conducted in order to know whether profitability, asset tangibility, firm size, liquidity, and agency conflict influence the capital structure. This study was also would compare the result of the previous research within the research. Sample of this research is food and beverage companies that listed in Indonesia Stock Exchange for period 2014-2017 and publish its annual report which is available to be access by the public. Research method used in this paper is quantitative method. The purposive sampling is used as a sampling technique, where nine out of twenty-four companies met the criteria and were analyzed by using descriptive statistics and panel data regressions with random effect model to test the hypotheses. The results of this research indicate that profitability, liquidity, and agency conflict influence the capital structure, while asset tangibility and firm size do not influence the capital structure.

Keywords: Profitability, Asset Tangibility, Agency Conflict, Capital Structure
ABSTRACT

Bangka Belitung Island Province is the second largest tin producer after China which has been widely known in the international market. Tin mining in the Bangka Belitung Island Province has been exploited since the 18th century to the present century. In the New Order era, tin mining was exploited by two large companies, namely PT. Timah, Indonesia Tbk and PT. Kobatin, Malaysia. However, since the era of regional autonomy, tin mining activities have also been exploited by foreign and domestic smelter companies and communities. The purpose of this study was to compare the polarization of conflicts and interests of stakeholders in the new order era (1965-1997) and the reform era (1998-2017). This study uses a qualitative approach with phenomenological analysis techniques. Data collection was carried out by conducting interviews with key informants, Focus Group Discussion, with 30 supervisors, in-depth interviews, and documentation. The institution theory (stakeholder theory) and the opinion of key experts are used to obtain the findings of this study. This study conclude that the polarization of various interest groups in tin mining policies related to how the actors in the policy reacted to the direct and indirect impact of certain policies to their values and interests. Polarization of conflict and stakeholders interest has caused failure to bring about sustainable mining development. The implication of this research is the central government must consider the interests of the regional government in formulation mining policies.

Keywords: Indonesia, tin mining, stakeholders, polarization, conflict, interest
THE TIME-VARYING RELATIONSHIP BETWEEN NATURAL GAS AND CRUDE OIL PRICES IN THE U.S. SPOT MARKET

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\textbf{ABSTRACT}

Traditionally, oil and gas prices are assumed to be coupled in the long-run due to their substitutability. Empirical evidence also supports their long-run equilibrium as well. However, some of the recent studies argue that the coupled relationship between two prices has been broken since the shale gas boom in the US. These studies point out that the price of natural gas which is not easily transportable is likely to be sticker than crude oil price, so the price spread has been widened. In this study, we argue that the broader price spread between oil and gas cannot be evidence for decoupling. It was a somewhat temporary shock in the short-run. So for that, we test the long-run relationship between oil and gas prices by using a time-varying parameter model. Unlike previous studies assuming the link is a constant, we assume the relationship is changing over time. For the estimation, we employ the data including monthly Henry Hub spot prices, WTI prices, natural gas in storage from January 1997 to October 2015. As a result, we find that oil and gas prices are still coupled in the long-run.
PARTICIPATION OF MUSTAHIK ENTREPRENEURS IN BAZNAS PROGRAM:
DETERMINANTS AND IMPACTS ON ECONOMIC, SOCIAL AND ENVIRONMENTAL
PERFORMANCE IN THE SPECIAL REGION OF YOGYAKARTA

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ABSTRACT

Community empowerment is an alternative of development involving the community directly. The purpose of community empowerment is self-reliance and prosperity. This is in accordance with the objectives of zakat. The success of community empowerment can be seen in the attitude of the community empowered after empowerment. The purpose of the study was to analyze the influence psychological characteristics of mustahik, religiosity of mustahik, the role of assistance, institutional support, support from the socio-religious environment and financial literacy on mustahik participation in entrepreneurial mustahik programs and their impact on economic performance, social performance, environmental performance. This study uses 305 business mustahik in the Special Region of Yogyakarta. The results shows that religiosity of mustahik, the role of assistance, support from the socio-religious environment influence the participation of mustahik in the entrepreneurial mustahik program, and mustahik participation influences economic, social and environmental performances.

Keywords: Zakat, Mustahik Participation, Performance
FDI LEARNING AND VINTAGE IN THE PRODUCTIVITY OF CHINESE REGIONAL ECONOMY

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ABSTRACT

This paper examines the effect of learning by FDI and its vintage on TFP using Chinese Provinces Dataset over the last three decades. We employ endogenous economic growth model of technical progress which takes place in the varieties of effective capital goods including foreign capital goods as vehicle for the technology transfer. Thus, we derive TFP as a function of FDI stock and its vintage, indicating that their contribution to economic growth is through the channel of technological progress, rather than capital accumulation in the host country. Theoretical implication is empirically tested by the panel regression with fixed effect in two steps. Empirical findings show that the FDI learning and vintage plays an important role in the process of technology diffusion, controlling other factors affecting TFP. Policy implication of the FDI on the Chinese regional economic growth is discussed based on the results of FDI learning and vintage to economic growth.

Keywords: FDI; Productivity; Vintage capital; Chinese regional economy, JEL classification: F2; O4
ABSTRACT

We study on the possibility of the public crypto-currency such as the bitcoin in the framework of network formations. Based on the work of Bloch and Jackson (2006), we propose the centralized digital currency systems like the CBDC and the decentralized crypto-currency systems like the Bitcoin as the optimal and equilibrium networks according to the benefit and/or cost parameters.
A STUDY ON THE SETTLEMENT OF THE LABOR MARKET OF KOREAN UNIVERSITY GRADUATES IN THE LONG RUN

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ABSTRACT

This study investigates major characteristics on the Korean college graduates’ long term employment-unemployment decision making. Specifically, this study tries to find determinants of employment status in the long run, 7~10 years after college graduation. Up to now, most of studies in this school to work field studied factors on employment status based on short-term results, just 1~3 year results after college graduation. Empirical methods for this study are OLS and the cox-proportion hazard duration model. According this study, Korean women college graduates have higher possibility of being in the unemployment status than men college graduates in the long run perspective. Also college graduates who are older than ordinary graduates, graduates from Seoul metropolitan areas, someone who’s spouse’s income is low, and engineering and natural science major graduates have higher possibility of being in the employment status than others, respectively. Furthermore, this study shows that experiences in job career guidance and job training courses during collegiate school days have strong influences on shortening the job search period after long-term unemployment status in the long run.
THE INFLUENCE OF GROWTH OPPORTUNITIES ON IPO INITIAL AFTERMARKET PERFORMANCE

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ABSTRACT

This study examines the influence of growth opportunities of firms on immediate aftermarket performance of IPOs. The growth opportunities are defined as the amount of proceeds received during IPOs to activities that support growth of a firm; such as assets acquisition and research and development (R&D). Acknowledging that not much information about affirm possibly received by investors prior to its listing in a stock exchange, investors will rely mostly on information supplied in “Prospectus” as a reliable channel of their participation evaluation in the IPO firm. One crucial information is on the allocation amount of IPO proceeds as it should signal directions of affirm in the aftermarket. This study proposes that an IPO firm should offer a larger potential to grow if it allocates a bigger amount of proceeds to growth activities, which will encourage for more demand and subscription on shares of the IPO firm. Eventually, the higher demand would lead to a higher share price of the firm and return for investors in the aftermarket. Leveraging from this proposition, a total sample of 436 IPOs listed on Bursa Malaysia from 2000 to 2017 are tested using multiple regression analysis. This study reveals that the amount of proceeds allocated to growth activities are positively and significantly related to return of IPOs in the initial aftermarket.

Keywords: Growth Opportunities, Initial Public Offerings, Initial Return, Aftermarket
EFFECTS OF AID FOR TRADE ON EXTENSIVE AND INTENSIVE MARGINS OF RECIPIENT COUNTRIES’ EXPORTS

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ABSTRACT

Since the Aid for Trade (AfT) Initiative adopted at the WTO Ministerial Conference in December 2005, AfT has become an important part of foreign aid distribution from developed countries to developing countries. AfT aims to assist developing countries to increase their participation in world trade. On the part of recipient countries, it is expected to increase not only their export value but also export diversification in terms of export commodities as well as export-partner countries. This paper contributes to the current literature on effectiveness of AfT by examining how and to which level AfT can affect the export margins of recipient countries: product extensive margin (i.e. the number of exported product lines based on Harmonized System classification at six digit level) and product intensive margin (i.e. value per exported product line) as well as partner-country extensive margin (i.e. the number of partner countries) and partner-country intensive margin (i.e. export value per partner country). Employing System GMM estimator with a panel dataset of 129 recipient countries from 2003-2015, we find that aggregate AfT has a strong positive association with product extensive and intensive margins as well as with partner-country intensive margin, but not with partner-country extensive margin. Besides, this paper shows that different export margins react differently to different types of AfT.

Keywords: Aid for trade, export diversification, system GMM
MECHANISM USED BY MANUFACTURING FIRMS TO PROMOTE GREEN SKILLS AMONG EMPLOYEES

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ABSTRACT

Threats imposed by climate change have raised the demand for green skills. Firms with higher green skills among their employees are touted to respond quickly to green policies and implement superior strategies to mitigate climate change. This study seeks to explore the mechanisms used by manufacturing firms to promote green skills among their employees. A case study approach using semi-structured interview was deployed to explore these mechanisms in six large chemical manufacturing firms. The results indicated that collective effort, self-realization and continuous awareness were the three main mechanisms used by firms to promote green skills among their employees. This study proposes a green skills development mechanism for policy makers and managers to nurture and invigorate green skills among employees.

Keywords: Green skills, green economy, environment, green jobs
HOW TOURISM COULD SURVIVE AN ECONOMIC CRISIS? - LESSONS FROM LAS VEGAS

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ABSTRACT

During the global recession of 2008, the demand for international tourism shrinks. However, some tourism destinations benefit from the stabilized or increasing international tourism demands even during a crisis. This paper analyzes the contributing factors to the growing international tourism demand in a destination by developing a set of tourism demand functions for Las Vegas during the recent global economic crisis. The estimation results identified the three factors that helped Las Vegas survive with the growing international demand: (1) income effect through visitors from Asian and Oceania with the rapid income growth, (2) price effect through the visitors from Canada, Mexico and EU countries attracted by relative price decrease, and (3) “word-of-mouth” effect from the international visitors with a higher satisfaction level from diversified tourism products. Diversification of tourism products and visitor origins is the key to distribute the risk during an economic crisis with growing uncertainty.

Keywords: Tourism Demand, Elasticity, Global Recession, Tourism Diversification, Las Vegas
ABSTRACT

This study would like to examine the micro enterprises of industrial sectors that receive Kredit Usaha Rakyat (People’s Business Credit/KUR) or Commercial Credit (KK) in 7 cities in East Java. First, this study aims to measure technical efficiency of micro enterprises in the industrial sector in East Java that accept KUR and KK using the Data Envelopment Analysis method. Second, examine the factors that influence the technical efficiency of micro enterprises who receive KUR and KK with Tobit Regression. Unlike others research, this paper try to find out how the influence of technical efficiency and other factors on the poverty status of micro entrepreneurs using logistic regression. The average technical efficiency of KUR and KK recipient micro businesses using the assumptions of the DEA VRS model is 0.94 and 0.77. While the average technical efficiency of KUR and KK recipient micro businesses using the assumptions of the DEA CRS model are 0.88 and 0.71. Then the factors that influence the technical efficiency of micro enterprises recipients of KUR and KK are food and beverage business, profit, experience, business location, amount of credit, access to credit, and length of credit realization. While the factors that influence the poverty status of micro-entrepreneurs are the handicraft enterprises, technical efficiency, number of household members, income, access to credit, gender, and business location. Then the results of this research can be a material consideration for the government in taking policies.

Keywords: Micro Credit, Micro Enterprise, Poverty, Technical Efficiency
ABSTRACT

The purpose of this study was to see the effect of non-cash payment transactions on economic growth in Indonesia, and to see responses from supporting variables such as the velocity of money, and prices for non-cash payment transactions. This study uses a Vector Error Correction Model (VECM) analysis tool using monthly time series data during the 2009 period: 1-2017: 12. The results showed that non-cash payment instruments had an effect on economic growth in Indonesia, especially for the CBPI payment instrument. In addition, there were responses and changes that occurred in economic growth, velocity of money and prices caused by increased use of non-cash payment instruments.

Keywords: Electronic Payment, Economic Growth, Vector Error Correction Model (VECM)
EFFECTS OF INWARD AND OUTWARD GREENFIELD FDI ON EMPLOYMENT BY DOMESTIC FIRMS: THE KOREAN EXPERIENCE

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ABSTRACT

Through the construction of new facilities, greenfield FDI is certain to result in the hiring of new workers in the host country. Greenfield FDI can also have substantial spillover effects on employment by local firms. To the best of our knowledge, however, the spillover effects of FDI on employment by domestic firms have not been fully investigated. This paper empirically investigates the spillover effects of inward greenfield FDI (as compared to outward greenfield FDI) on employment by domestic firms in South Korea. For this purpose, we construct a panel of 1,328 Korean firms in 20 industries for the period 2004-2015 and link this to greenfield FDI data acquired from fDi Markets (Financial Times Ltd.). We find that inward greenfield FDI leads to increased employment by domestic firms. This positive effect is found to be particularly pronounced in the goods sector (i.e. primary and manufacturing). This positive effect is also found to be stronger when the source countries of greenfield FDI are developed countries.

Keywords: Foreign direct investment, spillover effects, employment, Korea JEL Classification: F20, J20

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INFLUENCE OF EXPORT, FOREIGN DIRECT INVESTMENT, GROSS DOMESTIC INVESTMENT AND LABOR FORCE PARTICIPATION RATE ON MALAYSIA’S ECONOMIC GROWTH: 1987 – 2016

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ABSTRACT

Malaysia faces some significant challenges in improving its economic growth due to the pressure from export, Foreign Direct Investment (FDI), Gross Domestic Investment (GDI) and Labor Force Participation Rate (LFPR) that will weigh on the performance of economic growth. This research is to analyze the influence of export, FDI, GDI and LFPR on economic growth in Malaysia over a period of 1987 until 2016. This research uses Ordinary Least Square (OLS) method to study the relationship between the variables. Data from The Global Economy, World Bank and Department of Statistics Malaysia has been collected in order to conduct this research. The result indicates that export, FDI and GDI have a positive significant effect on the economic growth of Malaysia. The finding suggests that the government could stimulate export, FDI and GDI through the reduction in taxes and incentives in order to maintain the stability of economic growth.

Keywords: Economic Growth, Gross Domestic Product, Export, Foreign Direct Investment, Gross Domestic Investment, Labor Force Participation Rate, Ordinary Least Square
ABSTRACT

This study deducted the market premium of foreign exchange exposure, an indicator for the degree of foreign exchange exposure and defined companies with low foreign exchange exposure ratio as companies with under-identified exposure, while companies with the high ratio as companies with over-identified exposure. Then we examined whether major financial exposure management tools like foreign currency assets (or debts) and derivatives assets (or debts) work effectively in each categorized firm groups. Main findings are that first, for firms with over-identified exposure the increase in foreign currency denominated debts lowers the market premium, while that in foreign currency denominated assets strengthens the market premium due to the increased anxiety of investors about the liquidity. Second, unlike the conclusions of the previous studies that derivatives are appropriate tools for foreign exchange control, for companies with under-identified exposure, they rather provide false signals to the market and increase the market premium. Finally, the effect of the natural hedge which comes from firm size is not applied to firms with over-identified exposure, but lowers the market premium only to firms with under-identified exposure.

Keywords: Foreign exchange exposure, Under-identified exposure, Over-identified exposure, Derivatives, Market premium
LABOUR MARKET AND PARENTS’ CHOICE OF CHILD CARE IN MALAYSIA – A REGRESSION ANALYSIS

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ABSTRACT

As Malaysia is progressively moving towards becoming a developed nation and looking to boost its female workforce participation, the provision of high-quality child care centres is becoming a priority. This change has impacted the role of women in the family and creating an escalating demand for alternative care of young children. This study tries to examine factors which influence the parent's perceptions on type of child care and quality in Malaysia. Logistic regression analysis was done to examine what factors affect parents’ choice on type of child care. Interestingly, it was found that five independent variable which are caregiver education, childcare-parents’ interactions, safety and health features, physical environment, and cost have affect the parent’s perceptions on type of child care and quality in Malaysia. This study suggests that parents should check on the child minder and encourage them to register with the government and go for proper training.

Keywords: Child Care, Malaysia, Labour market, Women and Work
ABSTRACT

Whether or not, labour supply and labour demand interact to determine wages paid in each occupation, they form an integral part of the national income; and the rate at which wages are paid differ among nations, regions, occupations, and individuals. Culling from Maslow’s acclaimed argument that human needs are insatiable, scholarly arguments divide at opposing extremes with regards minimum wage in Nigerian context, proponents of an increased minimum wage argue that it increases labour productivity by offsetting any reduced employment that might result; on the other hand, critics argued that any push above equilibrium, will push employers back to their labour demand curve. Utilizing extant literature, as its source of intellectual strength, this study concludes that minimum wage has a very huge political prop up; it is a “double-edged weapon” for instance, while the workers are happy with an increased wage; the society is assured of improved service delivery delivered by the best hands.

Keywords: minimum wage, labour union, bilateral monopoly, Nigeria.
ISLAMIC FINANCIAL PRODUCTS/SERVICES AND ITS INTENTION TO USE

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ABSTRACT

Muslims and Non-Muslims alike have shown positive trend towards accepting Islamic financial products/services. Therefore, it is crucial to examine determinants that drive individuals towards the intention to accept Islamic financial products/services. This study aims to examine the predictive power Islamic financial literacy on the modified Theory of Planned Behaviour which eventually translated into the individuals’ behaviour towards the intention to use Islamic financial products/services. 400 copies of questionnaires were distributed, 300 usable copies were subsequently collected. The data were then analysed using PLS-SEM. The findings show that all exogenous variables (attitude, social value, perceived behavioural control, and Islamic financial literacy possess explanatory and predictive power to predict individuals’ intention to use Islamic financial products/services. As financial services are humanised and localized to better serve the customers, this study extends the literature by providing insights into the subject matter in emerging markets.

Keywords: Islamic financial products/services; intention; Islamic financial literacy
ABSTRACT

This study examines herd behaviour among investors in Malaysian stock market concerning perspective of market conditions from 1995 to 2016 using daily data. Also, considers herd behaviour of Shariah-compliant, conventional stocks and whole market of Malaysia. Findings reveals herding behaviour of investors among Shariah-compliant exist when market is up for second degree of absolute market return which shows a non-linear relationship between herding behaviour and market return. While for conventional stocks herding behaviour exist with linear relationship during down market only. For whole market, non-linear herding behaviour only exists during down market, for up market, herding behaviour has a linear relationship with market return. Additionally, results of this study are robust with respect to effect of Asian and global financial crisis. Results helps investors to identify which market conditions are associated with rational and irrational behaviour of investors, thus considering different market situations is very relevant.

Keywords: herd behaviour, behavioural finance, market conditions
AIRPORT BUSINESS MODELS SINGLE TILL, DUAL TILL, HYBRID TILL AND REGULATED ASSET BASE: THE REVIEW

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ABSTRACT

This paper is to review the airport business model that is based on the Single-Till, Dual-Till, Hybrid-Till as implemented by airport operators. Recently, the Regulated Asset Base (RAB) was introduced to the airport operators, who are investing in the airport development. The airport business model used to determine the type of business run by the airport operator and government to regulate the airport charges or taxation based on the International Civil Aviation Organization (ICAO, 2012) policies on Charges for Airports and Air Navigation Services. Implementing the right business model is important to ensure that the airport business is competitive in term of its earning through an efficient airport operation and commensurate to economic value. Currently, Single-till, Dual-till and Hybrid-till have been used for airport regulated charges that generate the revenue known as the Aeronautical charges. Other sector of airport business are Non-Aeronautical comprise of commercial, retail and also Non-Airport business such as agriculture, Aviation park and hotels segment. Most airports especially in the Europe have used the Single-till but Heathrow Airport in United Kingdom adopted Regulate Asset Base (RAB). The rapid growth of the aviation industry requires an extensive airport infrastructure development. Thus, it is important to urge the government and the airport operators to plan comprehensively development of an airport which involve massive investment with innovative way in financing the airport development such as using RAB model as a tool for long term airport investment, which could cover the cost of airport development.

Keywords: Airport Business Model, Single-Till, Dual-Till, Regulated Asset Base
LEGALITY OF CRYPTO CURRENCY IN INDONESIA

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ABSTRACT

The existence of cryptocurrency has attracted controversies worldwide. Many people, including Indonesian, had benefit from cryptocurrency, meanwhile there were also more people suffered lost from “investment” in cryptocurrency. The aim of this research was to make clear the legal status of cryptocurrency in Indonesia. This research was a normative legal research. It conducted literature review to obtain the required data. Data obtained and used in this research were secondary data, which consisted of primary, secondary and tertiary legal documents. Data obtained from literature review were analysed using normative comparative method with qualitative approach. The result proved that as currency, the existence of cryptocurrency for payment was legally prohibited. The involvement of Indonesian citizen in the “investment” in form of cryptocurrency can be treated as against public policy even though the issuance of such cryptocurrency was subject to foreign applicable laws.

Keywords: Financial Technology, Blockchain, Cryptocurrency.
ABSTRACT

There are various measures available in evaluating bank performance which includes ratio analysis, benchmarking and others. In evaluating the bank performance efficiently, various variables have been used and CAMEL method is said to be the most efficient. This is due to the vital ratios used in the components of CAMEL which are Capital adequacy, Assets, Management capability, Earnings, and Liquidity or liability management. Since in Malaysia there are conventional and Islamic banks, the method of evaluating performance might be different due to the proxy being used. The main concern of this study is to examine the Islamic Banking performance in Malaysia by using CAMEL method. This paper used a panel data from the year 2006 to 2017 for four largest Malaysian Islamic Banks where total asset are used as the criteria to the sample. The data were analysed using panel ordinary least square method (POLS) techniques. The results show that Capital adequacy and Earnings have significant relationship with Islamic Banks performance in Malaysia whereas other variables are not significant.

**Keywords:** CAMEL Model, Islamic Banking, Profitability
EXAMINES CANSLIM APPROACHES IN ASSESSING STOCK MARKET REACTION: EVIDENCE FROM MALAYSIA MARKET

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ABSTRACT

Stock market reaction can be measured by many factors that can influence investor’s decision. Investors will make an analysis before making an investment decision. CANSLIM strategy is a method for analysing stocks available in capital market that combine fundamental and technical analysis which have been used in global capital market recently. This method has been based on seven criteria that include C- current EPS, A- annual EPS, N- new management, S- week high, S- shares outstanding, L- leader or laggard, I- institutional investment and M- market direction. The objective of this research is to evaluate the reaction of stock price towards CANSLIM method. This study had used the stock price for the companies that listed in Bursa Malaysia, with period of study from year 2013-2018. The data were analysed using panel ordinary least square method (POLS) techniques. As a result, this study found that, CANSLIM approaches can assess the stock price market reaction from the combination of fundamental and technical analysis. It study concludes that some criteria of CANSLIM method are significantly affect the stock price in Malaysian market.

Keywords: CANSLIM, Fundamental Analysis, Technical Analysis, KLCI
THE DETERMINANTS OF CAPITAL STRUCTURE OF MALAYSIAN BANKS: AN EMPIRICAL RESEARCH

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ABSTRACT

The use of extensive debts by the banking sectors are among the main reason for a major financial crisis. The preference toward debts over equity by the banks is a wonder as the banking sector are among the most highly regulated industries and they are required to maintain a minimum capital requirement. After the lesson well learnt in the 1997 Asian Financial Crisis and followed by strict monitoring by the Central Bank of Malaysia, Malaysian Banks seem to be more resilient in weathering the later crisis. However, there are limited literature available on studies examining the determinants of capital structure decisions for banking industry. One of the prevalent reasons is because the banks are highly regulated, and they would generally follow closely requirements set in the regulation. In this study, we seek to explore into the determinants of capital structure for banking industry by examining the capital structures variables that are applicable to non-financial firms. The findings suggest that corporate tax rate and growth opportunity has a significant positive relationship with banks' capital structure, while firm's profitability has a significant negative relationship. Our study offers practical insights on the behaviour of banks in Malaysia and contribute to the field of knowledge of capital structure determinants of banks. Future study could consider extending this study to include multilevel determinants and a comparison of study between ASEAN banks.

Keywords: Capital Structure; Malaysian Banks; Corporate Tax Rate; Firm's Leverage
BOARD CHARACTERISTICS AND AUDIT QUALITY ON EARNINGS MANAGEMENT

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ABSTRACT

The purpose of this study is to obtain empirical evidence about the influence of board characteristics and audit quality on earnings management. In this study, earnings management uses Modified Jones models. The characteristics of the board are proxied by the board size, board independence, and board meetings, while the audit quality is proxied by the audit firm size. The population of this study is non-financial companies listed on the Indonesia Stock Exchange from 2013 to 2017. The sampling method used in this study was purposive sampling. The number of companies sampled was 64 companies with 320 data. This study uses a multiple regression statistical test. The results show that board independence, board meetings, audit quality, company age, and operating cash flows have influence on earnings management. Meanwhile, board size, ownership concentration and size of the company did not significantly influence earnings management.

Keywords: Earnings Management, Board Characteristics, Audit Quality.
THE EFFECT OF FIRM SIZE AND PROFITABILITY ON FIRM VALUE WITH CAPITAL STRUCTURE AS INTERVENING VARIABLE IN INDONESIA

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ABSTRACT

This study examines the impact of firm size and profitability on firm value with capital structure as an intervening variable in financial companies listed on the Indonesia Stock Exchange during three years. The method used for sampling is purposive sampling based on predetermined criteria. The number of samples in this study were 73 companies. Measurement of profitability using ROA and ROE as one indicator to see company performance. The main purpose of companies that have gone public is to increase the prosperity of the owners or shareholders through increasing the value of the company. The results showed that the improvement of profitability and firm size may improve its capital structure. The improvement of profitability and the firm size may increase significantly the firm value. The results of mediating test showed that the capital structure is not able to mediate the relationship between the profitability and firm size to firm value.

Keywords: Capital structure, firm value, profitability, firm size
THE EFFECT OF FINANCIAL DISTRESS CONDITION ON EARNINGS MANAGEMENT
EVIDENCE IN NON-FINANCIAL COMPANIES IN INDONESIA

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ABSTRACT

This study aims to obtain empirical evidence about the effect of financial distress on earnings management practices in non-financial companies in Indonesia. In this study, the population used was all non-financial companies listed in Indonesia Stock Exchange and obtained a sample of 393 data that met the criteria. The sample selection uses purposive sampling method and hypothesis testing using multiple regression. Of the 393 data, it is known that 229 data are in good financial condition, 82 data that are experiencing distress and 82 data are in the gray area. The results of the study show that both companies that have good financial conditions and in distress conditions do not influence management behavior to conduct earnings management, so it can be concluded that financial distress does not affect earnings management.

Keywords: earnings management, financial distress, Indonesia Stock Exchange
THE ANTECEDENTS OF FINANCIAL WELLNESS AMONG YOUNG EMPLOYEES: EMPIRICAL EVIDENCE IN KUALA LUMPUR

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ABSTRACT

The purpose of this study is to examine the antecedents of financial wellness among young employees in Kuala Lumpur. A survey was carried out to acquire data from 324 young employees using a self-administered on-line questionnaire, utilizing convenience sampling. Results showed that financial stress, work environment, locus of control and financial behaviour has significant relationship with financial wellness. It was found that financial stress, work environment, locus of control and financial behaviour has significant effect on respondents’ financial wellness. Based on the results, financial wellness can be enhanced through the decreased of the employees’ financial stress and increasing of their work environment, locus of control and financial behaviour.

Keywords: Antecedents, Financial Wellness, Young Employees, Kuala Lumpur
FOREIGN INVESTOR STRADE BEHAVIOURS AND COUNTRY’S MUTUAL FUND PERFORMANCE

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ABSTRACT

This paper is to examine the trading behaviour by foreign investors: institutional and retail investors, on the performance of the mutual funds (information contribution effect) and vice versa (feedback effect). Granger causality, Spearman’s rho and Vector Autoregressive model analyses are applied on daily data of foreign institutional and retail buy, sell and net flows volume and Malaysia’s average mutual fund returns as well as the FBMKLCI market returns and market volatility as controlled variables, from 1st October 2009 to 30th June 2016. The findings reveal that only foreign retail investors have cause-effect relationships with the performance of the mutual funds. Thus, more attention should be given to foreign retail investors in attracting them to invest in our mutual funds and having better returns would then encourages more foreign retail investors to contribute more in the funds.

Keywords: Mutual funds, foreign investors, trade volume
BANK STABILITY INDEX FOR SELECTED COUNTRIES WITH DUAL BANKING SYSTEMS

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ABSTRACT

A robust and comprehensive measure of bank stability is crucial to identify healthy banks and save troubled banks from deteriorating in order to avoid banking crises, hence prevented a systemic effect on the overall financial system of the country. The study aims to develop a comprehensive measure of bank stability for selected Organization of Islamic Cooperation (OIC) countries with dual banking systems. The measure is in the form of a composite index, comprehensively adopts relevant indicators from the existing literatures based on annual data from 1999 to 2015, obtained from the Bankscope database. The factor analysis method used by the Organization of Economic Co-operation and Development (OECD) is adopted to develop the index. The findings reveal the comprehensive measure of bank stability for all bank models. The policy implication for the regulatory is to use similar measure of bank stability in monitoring and reporting the stability of different bank models.

Keywords: Bank stability index, dual banking, Islamic bank.
AN ASSESSMENT OF RELATIONSHIP BETWEEN AVERAGE COLLECTION PERIOD (ACP) AND PROFITABILITY OF FIRMS

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ABSTRACT

Working Capital Management refers to the management of short term assets of a business. It is very important and plays a vital role for firm’s profitability. An important component of working capital management is the Average Collection Period (ACP). The ACP measures the time frame within which account receivables are expected to be collected back from the respective debtors. In spite of its importance there is a serious dearth of literature relating Average Collection Period and the profitability of a firm. This paper measures this relationship within the context of domestic and industrial plastic and rubber sub – sector of the manufacturing companies listed on the Nigerian Stock Exchange. The profitability was measured by the gross operating profit. A panel data methodology was employed to test this relationship. Findings from the regression analysis for both fixed and random effects revealed a negatively depicting that the longer it takes companies to collect their receivables, the lower the profitability and vice – versa. A positive significant relationship was also observed between NLS which was used as a proxy for natural logarithm of sales and profitability. Finally managerial implications were discussed and recommendations were also proffered.

Keywords: Average Collection Period, Profitability, Manufacturing
THE ROLE OF BANKING CAPITAL IN INDUSTRIAL SECTOR MICRO ENTERPRISES

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ABSTRACT

This study would like to examine the micro enterprises of industrial sectors that receive Kredit Usaha Rakyat (People's Business Credit/KUR) or Commercial Credit (KK) in 7 cities in East Java. First, this study aims to measure technical efficiency of micro enterprises in the industrial sector in East Java that accept KUR and KK using the Data Envelopment Analysis method. Second, examine the factors that influence the technical efficiency of micro enterprises who receive KUR and KK with Tobit Regression. Unlike others research, this paper try to find out how the influence of technical efficiency and other factors on the poverty status of micro entrepreneurs using logistic regression. The average technical efficiency of KUR and KK recipient micro businesses using the assumptions of the DEA VRS model is 0.94 and 0.77. While the average technical efficiency of KUR and KK recipient micro businesses using the assumptions of the DEA CRS model are 0.88 and 0.71. Then the factors that influence the technical efficiency of micro enterprises recipients of KUR and KK are food and beverage business, profit, experience, business location, amount of credit, access to credit, and length of credit realization. While the factors that influence the poverty status of micro-entrepreneurs are the handycraft enterprises, technical efficiency, number of household members, income, access to credit, gender, and business location. Then the results of this research can be a material consideration for the government in taking policies.

Keywords: Micro Credit, Micro Enterprise, Poverty, Technical Efficiency
ASSESSING CAUSAL INFLUENCE ON CORPORATE FRAUD PROPENSITY

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ABSTRACT

Corporate fraud and misconducts remain a constant risk that posing a serious threat to the organization. The cases are getting more sophisticated due to the innovative ways, well-planned and intelligent of perpetrator raising the complexity of fraud activities and are supported by various reasons. This study measures the relationship between perceived pressure, perceived opportunity and perceived rationalization on corporate fraud propensity at People’s Trust Council (a statutory body), which is one of the established organization in Malaysia. The focus of this organization is to enhance economic achievement among people through various field of business and industry. Thus it should be fair and transparent to their stakeholders in all its transactions. With scant research evidence concerning fraud propensity in Malaysia, this research is hopefully able to fill the evidence gap. The findings are significant in assisting and improving the present fraud control policy implementation in the organization and for the organization to remain competitive and sustainable.

Keywords: Fraud, Perceived Pressure, Perceived Opportunity, Perceived Rationalization
THINKING TOMORROW TODAY: PLANNING FOR UNCERTAINTY AND BUILDING ORGANISATIONAL CULTURE THAT CAN WALK THE TALK.

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ABSTRACT

Thinking tomorrow today is about generating and manipulating ideas proactively and progressively. The critical issue is about expanding the scope of understanding all the facets of the organisational activities, and maintaining same approach and strategy through the future in a sustained manner. Manager’s ability should be screened on the basis of their proactiveness and innovativeness in the management of thoughts that would foster organisational advancement and effectiveness. This study is based on a case study design using secondary sources of data from a tertiary educational institution through an in-depth study and analysis of its organisational culture. Many of the early studies of this occurrence identified strong support for the idea that organisational culture and performance were indistinguishably linked. Recommendations given include the use of competitive and time effective management process to review, update, integrate, implement visions, decisions, and plans for tomorrow, whether in expansionary or recessionary times.

Keywords: Organisation Culture; Planning; Tomorrow/Today; Performance,
TOP MANAGEMENT CAPABILITIES AND INTERNATIONAL PERFORMANCE OF MALAYSIAN SMES HALAL PRODUCT MANUFACTURER

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ABSTRACT

The dilemma between lack of international knowledge and the emerging demand for Halal product are often seen as the obstacles hindering SMEs Halal manufacturer from going abroad. In this situation, top management must make use of their capabilities to accomplish internationalization vision. Thus, the purpose of this study is to investigate the influence of top management capabilities (TMT) consist of global mindset (GM) and foreign knowledge (FK) and international firm performance (IP). The study involved 118 Malaysian Small Medium Enterprises (SMEs) that currently market their products abroad with Halal JAKIM certification. Multiple regression analysis was applied to test the influence of the two variables on international performance. The findings reveal both GM and FK significantly influence IP, which is crucial to overcome SMEs’ resistance to go international. This paper is part of ongoing study of internal capabilities and international firm performance among SMEs halal product manufacturer in developing countries.

Keywords: Internationalization, Top Management Capabilities, Performance, Halal.
FORMATIVE MEASUREMENT OF ORGANIZATIONAL PERFORMANCE USING HIERARCHICAL COMPONENT MODEL: DOES BALANCED SCORECARD FIT THE CRITERIA?

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\textbf{ABSTRACT}

Previous studies in the field of management often encounter difficulty obtaining a comprehensive measure of organizational performance. More recently the field has been dominated with instruments that are reflective in nature with little focus on the formative measurement of the construct. In view of this difficulty researchers proposed the need to measure organizational performance as a formative construct. Hence, it was suggested that balanced scorecard BSC implicitly adopt features of a formative construct. In view of the call for formative measurement of organizational performance construct, this study empirically examines performance as formative construct using Partial Least Square - Structural Equation Modelling technique. The construct was measured by testing all the prescribed measurement criteria’s. The empirical findings revealed that Balanced Scorecard Suitably fit into all the Reflective-Formative Measurement Criteria’s. The implications of the findings and areas for further study are also highlighted.

\textbf{Keywords:} Performance, Balanced-Scorecard, Formative-measurement
FACTORS AFFECTING CORPORATE GOVERNANCE PRACTICES: EVIDENCE FROM SMALL AND MEDIUM ENTERPRISES (SMEs) IN THAILAND

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ABSTRACT

This study endeavoured to identify the factors that are affecting corporate governance practices of small and medium enterprises (SMEs) in Thailand in order to provide an understanding of what matters when corporate governance is set in business, especially in SMEs in developing countries. Three factors were identified according to the theoretical framework: ownership, board, and firm characteristics were examined to figure if they affected the governance of SMEs. Data obtained from 200 SMEs respondents were analysed. The correlation analysis revealed that Thai SMEs’ corporate governance scores have positive correlation with firm characteristics such as size, age, and board characteristics. The multivariate, lag regression, analysis results are in line with the findings of previous studies which suggest that the bigger the SME, the better the corporate governance it has. The evidence suggests the importance of firm size in promoting good corporate governance in SMEs.

Keywords: Corporate Governance, Best Practices, SMEs, Thailand
CORPORATE SOCIAL RESPONSIBILITY IMPACT ON TALENT RETENTION AMONG GENERATION Y

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ABSTRACT

CSR is widely researched due to its applicability in multidisciplinary field and industry. This research intends to investigate the nexus between CSR and human capital disciplines. Carroll’s pyramid of CSR as the main theoretical framework was employed to establish its relationship with talent retention among Gen Y employees. As the new emerging workforce, Gen Y is claimed to be a very demanding, possess strong bargaining power and a very influential workforce. The aim of the study is three fold namely to determine the level of CSR awareness, to determine the relationship between CSR dimensions and talent retention, and to examine the effect of CSR dimensions on talent retention. Data was collected using questionnaire. A total of 377 Gen Y were involved as respondents. Data was analysed using SPSS. Findings of the study revealed intriguing results regarding the relationship and the effect between CSR dimensions and Talent Retention among Gen Y.

Keywords: Corporate Social Responsibility, Gen Y, Talent Retention
ABSTRACT

Telecommunication industry has begun to appreciate and embrace Lean Six Sigma (LSS) not only to improve organisation productivity but also to enhance supply chain performance. The aim of this study is to survey which critical success factor (CSFs) of Lean Six Sigma that were could lead to better supply chain performance which eventually increases the competitiveness of the telecommunication industry in Malaysia. Research methodology is designed to empirically analyse data collected from 45 senior managers in the telecommunication industry. However, only 35 employees respond towards the questionnaire given. Hypotheses were tested using factor analysis, reliability and multiple regression analysis. The result of this study reveals the CSFs that significantly influence the successful implementation of LSS within the TELCO industry. The study identified project selection, prioritization and reviews the most critical to the success of implementing the LSS program, which eventually will enhance supply chain performance in TELCO industry. The result from this study provides valuable insight and knowledge to telecommunication firms on how to improve their understanding on the implementation of Lean Six Sigma and enhance supply chain performance in a developing country, Malaysia.

Keywords: Lean Six Sigma, Supply Chain Performance, Critical Success Factor, Lean, Six Sigma
UNDERSTANDING BLOOD DONOR INTENTION: TOWARDS SUSTAINABLE BLOOD SUPPLY IN MALAYSIA

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ABSTRACT

Malaysia is facing a shortage of blood supply despite blood donations campaigns and drives; the number of donors remains low. Understanding donors and potential donors will provide a basis for defining approaches of reaching them. Therefore, this study was conducted to identify specific socio-demographic characteristics and factors influencing intention to donate blood among working adults in Malaysia. Driven by positivist approach and based on the Theory of Planned Behaviour, data were collected from 296 working adults. The data was analysed using Partial Least Square Structural Equation Modelling (PLS-SEM) approach. The findings indicated that attitude, subjective norms and perceived behavioural control are the predictors for working adult’s intention to donate blood. The results revealed are believed to be valuable for the National Blood Centre to develop strategies to motivate, recruit and sustain sufficient numbers of blood donors. It is suggested that future studies should explore donor’s perception and expectation to identify factors that have positive or negative effects on their motivation or have already deterred them from donating blood.

**Keywords:** Blood donation; intention to donate blood; Theory of Planned Behaviour
ABSTRACT

Even though Decision making is seen as one of the most common activities in life if not the most valuable; sometimes it becomes very cumbersome deciding. As many would have a preference to make the most of the old blueprint with or without adaptation, a number of others would choose to see the sights of new-fangled potentials; the duo may have to be held in reserve in some situations to allow parley takes precedence this perhaps is regardless of the role the state is playing and/or supposed to be playing, the bottom-line is decisions will have to be made that impinge on a lot of people in a different way. This paper aimed at bringing to light conceptual magnification of decision making and hold out decision making strategies for effective human resource management in the public service. In the course of offered literature, this paper not only bears out the inevitability of decisions but also endorses that unique mechanism for unique decisions if carefully monitored, will translate into assets for effective human resource management.

Keywords: decision making, human resource management, ethics, Sokoto state, Nigeria.
CAUSES AND EFFECTS OF ABANDONED HOUSING DEVELOPMENT PROJECTS: THE CASE OF KLANG VALLEY, MALAYSIA

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**ABSTRACT**

This paper aims to identify the factors that contribute to the abandonment of housing projects and also to highlight the effects of the abandoned projects. Using a semi-structured interview with 30 housing developers, the study identified several factors that contribute to the abandoned housing projects. Among the factors are finance issue, policies and regulations, project management and economy. This paper also discussed the effects of the abandoned project to society, economy and environment. The findings of this paper might provide some insights to the relevant authorities on how to overcome the issue of abandoned housing projects in Malaysia.

**Keywords:** Abandoned, housing projects, causes, effects
EXPLORING THE SUCCESS OF MALAYSIAN EXPATRIATES IN OMAN

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ABSTRACT

The research entitled “Exploring the Success of Malaysian Expatriates in Oman” was conducted for the purpose of examining the success factors of Malaysian expatriate business managers in Oman through their coping strategies and international adjustment. Furthermore, subordinates would also contribute in evaluating the success of their managers. Global mobility is a reality and a necessity in today’s international business environment. To be able to effectively compete against major global competitors, international firms need world-class managers in the international marketplace. For many organizations, sending expatriates abroad is one of the overall strategic human resource planning used to develop global competencies. However, due to cultural differences and language barriers, it makes it difficult for expatriates to rely on their current organizational members and native citizens in making sense of the new environment. It could be a stressful experience to try and adjust to the new cultural environment and not everyone is successful at that. This research is important as very few studies had been conducted in examining the success factor for Malaysian expatriate managers. Previous studies have shown that effective coping strategies can be taught in cultural training programs to better prepare expatriate candidates for their foreign assignments. Data for this exploratory study was obtained from a sample of 180 respondents from different companies located in Oman, where 30 of the respondents are expatriate managers and 150 of the respondents are subordinates. Questionnaires were developed for the study. Data was collected by means of both self-administrated and subordinate rating. At the end of the study, results will show which mechanism has the greatest influence on expatriate success. The findings are crucial in identifying and understanding what is required for expatriates to be successful in their international job.

Keywords: Expatriate, Success Factor, Global Mobility, Cultural Training, Malaysia, Human Resource Planning
THE DETERMINANTS OF LOGISTICS EFFICIENCY IN MALAYSIA

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ABSTRACT

The purpose of this paper is to study the determinants of logistical efficiency in Malaysia. To achieve logistic efficiency, trust between supplier firms and buyer firms can be done through three supply chain collaboration dimension which are joint decision making, information sharing, and benefit / risk sharing. The survey data was collected from Malaysian firms through a mail survey. The survey was answered by the logistics / supply chain managers who are responsible for logistics operations from supplier and buyer firms from various work function. Joint decision making and information sharing has a significant influence on the logistics efficiency with positive relationship, whereas benefit / risk sharing also have a significant influence on the logistics efficiency but negative relationship. This paper is unique as it is one of the first research paper that study on logistics efficiency among logistics firms which analyses the causal effect of joint decision making, information sharing and benefit / risk sharing on the logistical efficiency. Supply chain practitioners, could consider supply chain collaboration in their supply chain and that such a matching yield to improve the logistical efficiency.

Keywords: Supply Chain, Logistics Efficiency, Malaysia
INTERNAL AND EXTERNAL BARRIERS TO EFFECTIVE SUPPLY CHAIN MANAGEMENT IMPLEMENTATION IN MALAYSIAN MANUFACTURING COMPANIES: A PRIORITY LIST BASED ON VARYING DEMOGRAPHIC PERSPECTIVES

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ABSTRACT

Successful implementation of supply-chain management (SCM) in a developing country such as Malaysia is considered a major challenge due to lack of awareness and unclear missions and goals. Focusing on this idea, this article compares the ranking of various demographic groups in relation to the internal and external barriers experienced by Malaysian manufacturing companies. The identified lists of internal and external barriers are prioritised using the Analytic Hierarchy Process (AHP). Ten respondents with wide range of experiences in SCM provided the necessary information in the prioritisation exercise. The ranking of the internal and external barriers made by the respondents from different races, age groups, education levels, employment types, work experience and designations suggests significant variations between these groups. The findings of this research provide important information to company managers who desire to implement SCM in a multi-cultural setting such as Malaysia. The onus is on these managers to be cautious in developing a strategic plan for its effective implementation and also in designing programs to overcome SCM implementation obstacles.

Keywords: internal barriers, external barriers, supply chain management, Analytic Hierarchy Process (AHP)
ASSESSING KNOWLEDGE SHARING INTENTION AMONG ACADEMIC STAFF IN FACULTY OF BUSINESS AND MANAGEMENT THROUGH PERSONALITY TRAITS

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ABSTRACT

Technology is moving rapidly and educators have to keep up with this fast pace. Due to the pressure to embrace education revolution 4.0 that being introduced by the government of Malaysia, universities need to integrate technologies in teaching and learning sessions. To get the knowledge required, academician need to attend training related. However due to other commitments, knowledge sharing is the best option to gathered the knowledge. Knowledge sharing has been accepted as a key dimension of effective knowledge management in an organization. However, this situation is contradicting in education industry where every academician more focus on building their own image as the best academician (Agyemang et. al., 2016; Seonghee and Boryung, 2008). The researchers believed, the level of willingness to share knowledge vary from one person to another depending on several factors including personality of individual. Thus, the purpose of this study is to identify how personality traits influence knowledge sharing attitude and behaviour among academic staff at Faculty of Business and Management, UiTM Selangor, Puncak Alam Campus. 169 sample of respondents will be collected by using convenience sampling technique. This study aims to contributes to the growing literature on the relationships between personality traits and knowledge sharing attitude and behavior related to teaching and learning technologies (E-learning) among academician in higher education.

Keywords: Knowledge Sharing, Personality traits, E-Learning, Academician
CRITICAL SUCCESS FACTOR OF TQM IN INDONESIAN HIGHER EDUCATION INSTITUTIONS: LESSON LEARNT FROM FRONTIER, OUTERMOST, AND DISADVANTAGED REGIONS

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ABSTRACT

The efforts to deliver the objective of establishment of a quality assurance system for higher education institutions through the systemic and sustainable approach to achieve a standard in higher education to foster and develop a quality culture will heavily depend on the conditions of individual higher education institutions in Indonesia. This research aims to identify different factors relevant with Total Quality Management (TQM) in five private higher education institutions in North Maluku and West Kalimantan province that are categorized as the frontier, outer, and disadvantaged regions or 3T regions. The questionnaire with the 5-likert scale was successfully completed by 90 lecturers representing five private higher education institutions. The analysis of relationship between TQM factors used the Structural Equation Model. The five factors considered high in the score were a vision, student focus, employee involvement, quality system improvement, program design, and resource allocation, as for the three factors with the relatively low score was recognition and reward; process control and improvement; and leadership.

Keywords: total quality management, quality assurance system, quality management system, 3T regions
CONCEPTUAL EXPLORATION ON THE EFFECTS OF INTERNAL COMMUNICATION AND EMPLOYEE ENGAGEMENT ON ORGANIZATIONAL PERFORMANCE

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ABSTRACT

Previous research has established a link between internal communication and employee engagement with organizational performance such as business success, organizational stability and employee productivity. Despite a growing body of research shows linkages between internal communication, employee engagement and organizational performance, there are limited empirical studies investigating their relationships as interdependent constructs. Moreover, the relationships need further explanation because previous studies focused more on assessing general communication effectiveness based on non-financial performance indicators whereas both financial and non-financial measures are vital to determine the organizational performance in order to gain more comprehensive results. Thus, utilizing symmetrical internal communication and social exchange theories from the perspective of employee communication behaviour, this paper is prepared to review and analyze the effects of internal communication and employee engagement on organizational performance by providing an integrative conceptual framework and suggesting an improved direction for future research. In other words, this paper will attempt to conceptualize internal communication, employee engagement and organizational performance where evidence from different elements of the three concepts are explored, examined their relationships and proposed with an underlying mechanism for the relationship. Theoretically, this study will provide a comprehensive insight into the existing literature of organizational communication effectiveness that offers the basis for a rigorous assessment of internal communication and employee engagement influences to organizational performance. Practically, the conceptual model may help communication managers and practitioners in identifying the crucial guidelines of designing and implementing appropriate internal communication programs for the success of organizational sustainable development.

Keywords: Internal communication, employee engagement, organizational performance
MAXIMISING CO-CREATION STRATEGY THROUGH INTEGRATION OF DISTINCTIVE CAPABILITIES AND CUSTOMER EXPERIENCES

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ABSTRACT

Our paper has objectives to assess the impact of co-creation strategy as part of digital transformation in Industry 4.0. We argue that the concept of strategy has shifted from the competitive strategy into co-creation strategy based on collaboration value. In developing co-creation strategy, the input is derived from external factor which is customer experience and internal factor which is distinctive capabilities which one of them is in supply chain management that focus on core competence development. We use telecommunication firms as our unit analysis with sample of 35 Indonesian ICT firms. The statistical tool is Partial Least Square (PLS). The findings show the developing of co-creation strategy is supported by distinctive capabilities and customer experience. The finding has shown that co-creation strategy emerges as a key in sustaining business of the firm to focus on developing customer experience and providing distinctive capability. Further study can be improved in term of model, time, sample and statistical tool.

Keywords: Co-creation strategy, distinctive capabilities, customer experience, Supply chain
ESTABLISHING A KNOWLEDGE-BASED ORGANISATION: LESSON LEARNT AND KM CHALLENGES IN MALAYSIAN ORGANISATION

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ABSTRACT

Studies on knowledge management (KM) and its effect towards organisational innovation and firm performance have been carried out and subsequently proven. However, the consequence is that knowledge management programmes did not achieve the expected results that they were designed for. Considering the issue mentioned above, a knowledge management shortfall and its underlying challenges seem to exist. The purpose of this paper is to assess the current practices of knowledge management, lesson learnt and KM challenges in Malaysian organisations. An inductive micro-practice analysis was used to understand the challenges pertaining to knowledge management practice that does not require massive institutional changes. Based on the case studies of KM in Malaysian organisations, the practice of knowledge management typically displays two challenges which are: (1) process and infrastructure issues; and (2) cultural issues. As a lesson learnt, managers should also focus on the after-effect of KM programmes on soft human issues such as employees’ satisfaction and well-being. The key findings would provide a window for managers and organisations in dealing with knowledge management issues and also institute fruitful areas for future research.

Keywords: Knowledge Management, KM Challenges, Well-being, Employee Satisfaction
THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY TOWARDS CONSUMER BUYING BEHAVIOR

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ABSTRACT

Business corporations need to realize that in order to achieve their primary objective; they need to consider their responsibility towards society and environment. However, there are still a lot of unethical businesses that ignore their stakeholders'. Therefore, businesses need to aware that their involvement of CSR practices in certain extent does affect the consumer buying behavior. This paper examines the relationship between CSR practices and consumer buying behavior. This research used quantitative method and 241 questionnaires were collected and valid to be used. It was found that there is positive relationship existed between all the CSR practices (economic, legal, ethical, and philanthropic) and the consumer buying behavior. However, based on Malaysians' perspective, the main element of CSR practices which is economic; influences the consumer buying behavior. The implications of this research is business corporation need to strive to maximize their shareholders’ wealth as the consumers expect the corporations to fulfil the shareholder’s interest as they are among those who contribute in providing funds to the businesses to ensure that the businesses can be operated. Additionally, consumer expects that the business corporations should offer reasonable price and provide a good quality of products and services to them.

Keywords: Corporate social responsibility; Consumer Buying Behavior; sustainability; students; Malaysia
HR PRACTICES AND EMPLOYEE COMMITMENT: THE MEDIATING ROLES OF AMO MODEL AMONG SMES IN SELANGOR.

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ABSTRACT

Employee commitment remains a key challenge among small and medium enterprises (SMEs) in Malaysia. Over the time, researchers and practitioners have figured out the means to grab the full potential of the unique and inimitable human resources (HR). However, there exist challenges in retaining these human resources. The purpose of this paper is to investigate the relationship of compensation, recruitment, employee involvement as well as the ability, motivation and opportunity (AMO) model towards employee commitment. The study also seeks to provide the theory-based empirical evidence that the role of AMO model as a mediator in gaining the commitment of employees and used Social Exchange Theory (SET) in order to explain the theoretical rationale of the study model. A total of 211 employees representing SMEs service sectors in Selangor participated in this study. PLS-SEM was utilised in order to explain the relationship among human resource practices towards employee commitment as well as AMO model as a mediator. A key finding that emerged from the analysis showed that compensation and employee involvement has direct relationship toward the employee commitment and the AMO model plays an important role in gaining employee commitment as it mediates the relationship of both recruitment and employee involvement. The research study undoubtedly provided in-depth understanding that the AMO model plays an important role in increasing the employee’s commitment to organisations and emphasises the value of AMO model in their workplace practices.

Keywords: human resource practices, AMO model and employee commitment
EXPLORING INNOVATIVE DIGITAL ENTREPRENEURIAL CAPABILITIES AMONG RURAL SCHOOL STUDENTS

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ABSTRACT

Malaysia is gearing towards a digital nation. As such, many aspects have been transformed to digitisation, including entrepreneurship. While entrepreneurship is a common activity in Malaysian secondary school via cooperation (co-op), the introduction of digital entrepreneurship in rural schools might pose an interesting investigation. This study explores on the capabilities of nurturing innovative digital entrepreneurial skills among rural school children. The results were drawn from semi-structured interviews with the school administration, co-op advisor and co-op members, in addition to observation to the co-op shops and the school surroundings. The findings suggest for four main themes that play the roles in nurturing the innovative digital entrepreneurship capabilities among rural children, which are the school administration, technology capabilities, environments and individual factors. It is recommended that schools should be more innovative in simplifying the internal co-op policy while working together with other systems, and work on motivating the school children to involve with the entrepreneurship and digital business.

Keywords: Digital entrepreneurship, capabilities, school children, rural area
SOCIAL MEDIA ADDICTION: THE ROLE OF WEB AND DIGITAL EXPERIENCE ON BUYING DECISION INTENTION AND THE MODERATING EFFECT OF CONSUMER REVIEW

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ABSTRACT

The advancement of internet, digital and social media technologies has profoundly transformed the traditional offline businesses to online businesses. The transformation of these technologies has altered the consumer experience and decision when buying from the e-commerce website. Thus, the purpose of this study is to critically discuss and examine the consumer experience factors that impact consumers’ buying decision intention as well as how consumer review influence the relationship between consumer experience and buying decision intention. Based on the flow and consumer engagement theory, this study focuses on the role of web and digital experience on consumers’ buying decision intention from e-commerce website via the social media and mobile application context. Therefore, this study found that web experience (i.e., usability, interactivity and aesthetic) and digital experience are the critical factors on online buying decision intention. Data collected from 969 respondents suggested that usability, aesthetic and digital experience have positive effect on the consumers’ buying decision intention. Therefore, research model was developed to illustrate comprehensive relationship of web experience and digital experience on buying intention. This study is significant in such a way that it extents the flow and engagement theory by exploring the role and the outcomes of the consumers’ experience towards buying intention. Moreover, this study provides insightful guidelines for marketers with practical implications in approaching emerging markets via consumer experience initiatives.

Keywords: social media, web experience, digital experience, buying decision intention
Are Consumers Ready for Mobile Payment?

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ABSTRACT

This study aims to identify the factors influencing the readiness and acceptance of mobile payment applications. The study is performed using a survey method. Quantitative data analysis is used to measure the relationship between the perceived usefulness, perceived ease of use, and perceived security on the readiness of Malaysian in using mobile payment applications. The results show that perceived usefulness, perceived ease of use, and perceived security have a positive and significant relationship with the usage of mobile payment applications. Moreover, perceived ease of use is reported as the strongest factor towards usage of mobile payment applications, following by perceived security and perceived usefulness. This study is able to provide information on the current stage of use on mobile payment in Malaysia and it is also beneficial to the mobile payment facilities provider into find out strategies that could improve the acceptance and use of mobile payment application.

Keywords: Mobile Payment; Perceived Usefulness; Perceived Ease of Use; Perceived Security
EXTERNAL SEARCH AND EXPERIMENTATION: TECHNOLOGY STRATEGY AND INNOVATION PERFORMANCE IN SMES

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ABSTRACT

This paper investigates the effects of external search and experimentation on innovation performance. Prior studies on technology strategy and search behaviors have examined the importance of external search beyond internal limitations and non-linear relationships with innovation performance. This paper extends technology strategy into frequency and speed of experimentations for innovation to respond to fast changing environment. Using large survey data on innovation behaviors on Korean manufacturing SMEs, we tested some research hypothesis on external search and experimentation behaviors on innovation performances. The inverted-U curved relationships between external search and innovation performance are verified that consistent to previous studies on the relationships. We examined the non-linear relationships between experimentation behaviors, frequency and speed, and innovation performance. We also tested moderating effects of different industries on the relationships between external search, experimentation behavior and innovation performances.

Keywords: External Search, Experimentation, Innovation Performance
THE SOCIAL CONTAGION IN THE MOBILE BANKING ADOPTION IN INDONESIA: COERCIVE, NORMATIVE, OR MIMETIC?

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ABSTRACT

The use of mobile banking in Indonesia keeps increasing, though its frequency and transaction value are not as much as other kinds of electronic banking services, such as Automated Teller Machine or Card-Based Payment Instrument. This research used Social Contagion Theory and IS Success Model in analyzing the behaviour of mobile banking users in Indonesia. Structural Equation Model was used to test the empirical model with 6 latent variables, namely Coercive Pressure, Normative Pressure, Mimetic Pressure, Use, Satisfaction, and Loyalty, in which Use and Trust are mediator variables. Three exogenous variables refer to Social Contagion Theory, while three endogenous variables refer to IS Success Model from Delone & McLean. The measurement of latent variables used the questionnaire with the 5-Likert scale which was filled by 309 mobile banking users from 8 government and private banks in Indonesia. Confirmatory Factor Analysis (CFA) shows the result that measurement model had reliability and validity, which were quite high, based on the values of Average Variance Extracted (AVE) and Composite Reliability. The empirical model had Goodness of Fit which was acceptable with the values of $\chi^2/df=1.865$; GFI=0.908; NFI=0.947; RFI=0.935; IFI=0.975; TLI=0.968; CFI=0.974; and RMSEA=0.053. Coercive Pressure and Normative Pressure significantly affected Use and Satisfaction, while Mimetic Pressure did not show any effect to these two mediator variables. Use did not affect Satisfaction and Loyalty, while Satisfaction significantly affected Loyalty. This research in general shows that the use of mobile banking is encouraged by need or job demand, rather than prestige or influence of other people.

Keywords: mobile banking, social contagion, IS success model.
THE DETERMINANTS OF CUSTOMER LOYALTY IN THE INDONESIAN RIDE-SHARING SERVICES: OFFLINE VS ONLINE

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ABSTRACT

This research aims to analyze the effect of service quality on Trust, Satisfaction, and Loyalty by adopting two models, namely conventional SERVQUAL model from Parasuraman and IS Success Model from Delone & McLean. Respondents who filled out the questionnaire fully complete amounted to 507. This research used a second order-structural equation model. All question items had quite high reliability and validity based on the result of CFA with a value of Average Variance Extracted (EVA) and Composite Reliability which was higher than 0.70. The Goodness of Fit was quite good with the values of \( \chi^2/df = 2.493 \), IFI=0.921, TLI=0.917, CFI=0.921, and RMSEA=0.054. All hypotheses were proven or showed a highly significant effect on \( \alpha=0.001 \) and. The research in general shows that the quality of conventional service is more influential than the quality of application service in the case of ride-sharing service by two companies in Indonesia.

Keywords: Sharing Economy, Ride-Sharing, IS Success Model, SERVQUAL
E-SERVICE QUALITY AND STUDENT’S SATISFACTION TOWARDS THE IMPLEMENTATION OF STUDENT ACTIVITY INFORMATION SYSTEM (SAIS): THE MODERATING ROLE OF SERVICE CONVENIENCE

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ABSTRACT

Student Activity Information System (SAIS) was developed with aims to provide online service to students of Faculty of Business and Management, UiTM Selangor, Malaysia and it will also help administrator to manage student’s activity data effectively. Using the scale of E-SERVQUAL Model, the study proposed SAIS Service Quality Model with attempted to determine the moderating effect of Service Convenience between the relationship of E-Service Quality dimensions and Student’s Satisfaction towards SAIS implementation. The quantitative data was gathered from 94 SAIS users and these data were analyzed using SmartPLS 3.0. The analysis result shown that Service Convenience, Tangibility and Responsiveness were positive significantly influence Student’s Satisfaction towards SAIS implementation while Reliability, Ease of Use, Information Quality and Security were insignificant. Moreover, the result also revealed that Service Convenience was not moderate the relationship between E-Service Quality dimensions (Tangibility and Responsiveness) and Student’s Satisfaction towards SAIS implementation. This study provides an empirical validation of the SAIS Service Quality Model in the context of Higher Education (HE), and the improvement of E-Service Quality is essential for the institution.

Keywords: Information System, Student’s Activity, Higher Education, E-Service Quality, Service Convenience
Entrepreneurship and Facebook Engagement: A Case Study of the Online Community in Malaysia

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ABSTRACT

Businesses often use social media applications such as Facebook, Instagram and Twitter to drive their services or sales. With these different social media platforms, business owners obtain important data, but they struggle to extract the true “intelligence” or information that can help them in decision making. In digital marketing, it is important for business owners to develop a good relationship with the customer prior to any transaction. Customer engagement is important to build rapport with the customer, hence establish understanding by greeting and thanking the customer. This study uses exploratory approach and adopts an inductive approach to explore the nature and degree of the social media usage that captures online business activities. The data was collected via Facebook Insight (Facebook BIS) based on top post sales for the year 2018. The result of the study revealed that the customer prefers different range of products such as food, gadgets and different services related to health and fitness. Business owners who uploaded and share photos to promote their products tend to receive more viewers, customer reactions and likes. This research also reveals the pattern of Facebook engagement between entrepreneur and customers (followers of the social media page). Using Facebook as the platform of investigation, the research objectives are to investigate the pattern and engagement as well as segmentation of the sales post activities in a public community Facebook group. The findings offer some explanation and suggestions for business owners to boost up their sales by studying the pattern and engagement as well segmentation. Therefore, the business owner can make wiser decisions to engage using appropriate ways and offer the right product and services that suit with customers need.

Keywords: entrepreneurship, online community, Facebook engagement, social media
A PRELIMINARY STUDY ON MHEALTH APP USAGE AMONG MALAYSIAN SMARTPHONE USERS

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ABSTRACT

Recently, there has been renewed interest in the uptake of mobile technologies in managing healthcare. mHealth apps (mHealth applications), may help individuals to self-care manage, support a healthy living lifestyle and provide useful information at any time and place. Even so, while the technologies may now seem to be ubiquitous, yet much remains unknown with regards to their usage, especially in Malaysia. The main purpose of this study was to examine health app usage characteristics among smartphone owners in Malaysia. A cross-sectional study was conducted in Malaysia. An online survey was conducted assessing sociodemographic characteristics, smartphone usage characteristics, and trends of health apps usage among Malaysian. A total of 121 responses were analysed using IBM SPSS Version 23. The findings showed that most smartphones use the Android Platform. With regard to mHealth app use, a large portion of the samples reported that they have experience in downloading health applications from various categories. In terms of the most common reasons for health apps use, our findings evidence that Sports and Fitness are the most downloaded applications. In general, our study provides a novel and meaningful contribution to the literature, as very few prior studies have specifically examined the usage trends of mobile health apps.

Keywords: smartphone, mobile application, mHealth, Malaysia
DETERMINANT AND IMPACT OF SYSTEM USAGE AND SATISFACTION ON ELEARNING SUCCESS AND FACULTY-STUDENT INTERACTION IN INDONESIAN PRIVATE UNIVERSITIES

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ABSTRACT

User perception is considerable to be prominent factor in evaluating ICT implementation in higher education. Using SEM this study aimed to examine the success model of the Blended Learning implementation. The model constructed from 6 latent variables; Information Quality, Internet Self-efficacy, System Usage and User satisfaction, E-learning Success and Faculty-Student Interaction. Respondents are 185 students from two Indonesian private higher education institutions deploying blended learning. The measurement model showed that all variables possessed adequate model compatibility, i.e. $\chi^2/df = 1.559$; CFI = 0.954; IFI = 0.955; TLI = 0.94, and RMSEA = 0.055. The structural model showed that 7 out of 9 hypotheses were significantly proven. Information quality and internet self-efficacy were significantly influences system usage and user satisfaction. User satisfaction was influenced by system usage while the system usage did not affect the e-learning success and faculty interaction. Thus E-learning success and faculty interaction were influenced by user satisfaction.

Keywords: e-learning, TAM, UTAUT Model, IS Success Model
ABSTRACT

Business model innovation is not only describing the bundle of products and services but also should integrate with the input of customer experience. Customer experience should a key role in developing business model innovation to driving transformational performance. This paper argues that the transformational performance is derived from business model innovation that focuses on customer experience. We use telecommunication firms as our unit analysis with sample of 35 Indonesian ICT firms. The analytical approach and solution technique that is used for analysis is Partial Least Square (PLS). The findings demonstrated that business model play significant role on supporting contribution of customer experience in driving transformational performance. The finding has implication that by synergizing the value proposition of customer experience in a business model innovation, the transformational performance can be maintained through focus on customer experience driven business model innovation. Further study can be explored through additional variable, sample and further study on longitudinal on digital transformation firms.

Keywords: Transformational Performance, Business Model Innovation, customer experience, industry 4.0
DIGITALIZATION SUCCESS IN LEARNING ORGANIZATION: COMPETENCIES TO COMPLY

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ABSTRACT

Digitalization has become an important topic in describing technology-related in enhancing users skills in this digital era. The right tools to use in the digital information landscape demands technical competencies to navigate through digital knowledge successfully. Every organization today, especially in learning organization face several challenges to keep their knowledge sustain and digital competencies have become a key concept in the argument of what kind of skills and understanding, individuals should have in the knowledge humanity. The purpose of this paper is to investigate the competencies associated with users’ digitalization success in a learning organization. Design/methodology/approach: The concept is developed by an extensive literature review of on digitalization and analysis of different knowledge sources in a learning organization. Findings: The paper identifies the competencies associated to users’ digitalization success in a learning organization that can be used by practitioners in developing an organizational practice to determine competencies that are essential factors in acquiring the right digital competencies in the learning organization. Research limitations/implications: The result of factorial successful in digitalization competencies are an interesting area for further research. However, the current view on value underlies in its offering practitioners in giving at least a starting point in learning organization to analyze the benefits and impact of the organizational practice. Practical implications: Educational organizations and the practitioners may benefit, as this paper is to compile factors of success in digitalization competencies effectively and efficiently. Social implications: The paper is parallel with the transformation of learning organization towards the IR 4.0 model to have a greater impact on society and economy. It is more technically targeted; hence technology-related skills are vital in this paper. Originality/value: Researchers have analyzed and contrast to previous research works, and this study, particularly identifies the essential digital competencies associated with users’ digitalization success in learning organization as to meet the challenges of the digital age.

Keywords: Digitalization Success, Technology-related, Learning organization, Digital Competency
HALAL PRACTICES INTEGRITY AND PERFORMANCE RELATIONSHIP: ARE HALAL SUPPLY CHAIN TRUST AND COMMITMENT THE MISSING LINKS?

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ABSTRACT

Preserving the integrity of halal food is becoming increasingly complex since its processes undergo numerous links in the supply chain. The longer the supply chain is, the greater its vulnerability and complexity. In addition, the number of revoked halal food products status keeps increasing due to non-compliance with Shariah requirements. As such, this study aims to investigate the influences of halal practices integrity, halal supply chain trust and halal supply chain commitment on Malaysia halal food supply chain performance. 212 questionnaires were distributed to the participants of Malaysia Halal Expo and analysed by the Smart PLS. The inclusion of halal supply chain trust and halal supply chain commitment in the conceptual model revealed a complementary mediation influence on the relationship between halal practices integrity and supply chain performance. The findings of this study have significantly contributed to both theory and practices by enhancing halal integrity in the food supply chain.

Keywords: Halal Practices Integrity, Halal Supply Chain Trust, Halal Supply Chain Commitment, Supply Chain Performance.
THE DIGITAL DIVIDE IN HIGHER EDUCATIONAL INSTITUTIONS IN INDONESIA: A LESSON LEARNT FROM THE WEBOMETRICS RANKING

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ABSTRACT

This research aims to analyze the webometrics ranking associated with the characteristics of a college which cover status, type of education, location, and the cluster of national ranking. An independent sample t-test on 2,010 colleges shows the result that four parameters of webometrics are significantly different between public and private colleges. Three parameters, namely impact, presence, and scholar, are significantly different in colleges in Java and outside Java. Excellence Parameter does not show any significant difference since most of the colleges in Indonesia have the excellence ranking which is the same and low. ANOVA test shows the result that all parameters of webometrics were significantly different based on the cluster of college ranking as released by the Ministry of Research, Technology, and Higher Education. The rate of location prediction based on discriminant analysis was 53.3%. The prediction rate got higher (78.6%) for the model of status prediction in the public and private colleges. The regression test shows the result that impact was significantly affected by presence, openness, and excellence with a value of R² which was 0.785. The result of webometrics analysis reflects the digital divide in the use of websites viewed from status, location, and a cluster of the college.

Keywords: Webometrics, Impact, Presence, Openness, Excellence
SURVEY DATA INTEGRATION WITH BIG DATA

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ABSTRACT

Under the sampling design is informative, statistical inference with complex survey data is challenging. In the era of big data, multiple data sources are available for statistical inference with complex survey data. We consider the idea of data integration by combining an independent probability sample with the big data sample. Also, we propose a novel approach for parameter estimation using an EM algorithm based on the approximate predictive distribution of the parameter of interest. A simulation study shows that the proposed method can provide valid estimation and have better coverage rates than direct estimator. We apply it to a small area estimation problem and to calibration estimation using data from mobile sensing data and International Visitor Survey.
DEEP LEARNING ON VISION BASED FIRE DETECTION: IMPLEMENTATION OF TRANSFER LEARNING AND FINE-TUNING

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ABSTRACT

Early warning signs of fire are one solution to the danger of fire. Heat and smoke detector is commonly used tools in fire detection methods, however in particular situation fire can be occurred unpredictably in situation that is not covered by the installation of heat and smoke detectors. Therefore, it is necessary to employ another method to overcome the problem, by using computer vision, with regard to the early fire detection system. In computer vision, fire detection is an image classification problem. Deep Learning has proven to be one of the latest machine learning algorithms for image classification with tremendous result. Thus, in this fire detection uses Deep Learning with Transfer Learning and Fine-Tuning methods for the process of detecting fire sign. This combining method result shows the accuracy in detecting fire sign with accuracy more than 80% of confidence probability. The implementation of this method was carried out by using Keras software, TensorFlow, OpenCV for image processing, and Python as the programming language.

Keywords: Application, Visual, Flame, Detection, Visual, Deep Learning, Transfer Learning, Fine-Tuning, TensorFlow, Keras, Python.
ABSTRACT

This study offers an integrated approach to understanding subjective well-being and attempts to extend the theoretical and empirical evidence on the causal relationships among female international students' from culturally similar and culturally dissimilar (with Malaysia) countries personal values affect their subjective well-being. The data were collected using an online survey among (culturally similar [n=215] and culturally dissimilar [n=203]) female international students at Malaysian universities. A structural equation model using AMOS was developed to examine how personal values and subjective well-being were related. Results showed that: (1) Healthy values are related to positive affect in both culturally similar and dissimilar (with Malaysia) female international students and (2) Unhealthy values are related to negative affect for culturally similar (with Malaysia) female international students. Recent advances in tourism studies have sought to link tourists' behaviour to other domains of people's lives. Reviews suggest that there has been little attempt to integrate research on such social-psychological impacts for education tourists into wider tourism research. The paper outlines this gap and situates its focus on personal values and subjective well-being of female international students. This was done by looking at the relations between domains in healthy and unhealthy values in culturally similar and dissimilar (with Malaysia) countries.

Keywords: personal values, subjective well-being, education tourism
APPRECIATION

[Logos for Jakel, Textbook Asia, Tourism Malaysia, and Sahajidah Hai-O]