

Global Journal of **Business Research**

VOLUME 6

NUMBER 4

2012

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This Journal is the result of the collective work of many individuals. The Editors thank the members of the Editorial Board, ad-hoc reviewers and individuals that have submitted their research to the Journal for publication consideration.

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ISSN : 1931-0277 (print) and ISSN: 2157-0191 (online)



EFFECT OF AUDITOR'S JUDGMENT AND SPECIALIZATION ON THEIR DIFFERENTIAL OPINION BETWEEN SEMIANNUAL AND ANNUAL FINANCIAL REPORTS

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ABSTRACT

This study examines the factors that lead to issuing negative opinions on semiannual reports while issuing positive opinions in annual reports from the perspective of auditor-client relationships in listed companies in Taiwan. The empirical results show that the importance of the client is significant positively related to differential opinions while auditor tenure and industry specialists are significant negatively related to differential opinions. The results suggest that auditors have become more conservative and pay more attention to protecting their reputations post-Enron. The conclusion indicates that enhancing auditors' specialization and independence reduces the opportunity to issue differential opinions in order to evade legal responsibility.

JEL: M41, M42, G12, G32

KEYWORDS: Industry specialist auditor, Auditor tenure, Audit opinion, Value of firms, Risk

INTRODUCTION

Financial statements summarize company performance and operation results for investors. For the purpose of monitoring and assessing companies' future development, the authority in charge of securities in Taiwan specifies that listed and over-the-counter companies must release their financial information quarterly and that the semi-annual reports and the annual report must be audited by certified public accountants. These requirements are stricter than those of most other countries, where semiannual reports do not have to be audited. The Generally Accepted Auditing Standards (GAAS) No. 33 of Taiwan classified the auditor's opinion into five categories: unqualified opinion, modified unqualified opinion (add an explanatory words in the report), qualified opinion, disclaimer of opinion, and adverse opinion. Among the five categories of audit opinions, unqualified and modified unqualified opinions are classified as "positive opinions" that indicate that the company is well operated. Qualified, disclaimer, and reverse opinions are generally classified as "negative opinions" that indicate that the company has some problems in its operation. This study uses the 1999 to 2008 semiannual and annual audit reports of companies listed on the Taiwan Stock Exchange Corporation (TWSE) and the Gre Tai Securities Market (OTC) as a research database. In Table 1 Panel A, we find that 20.73 percent of semiannual reports were issued unqualified opinions by auditors, and 62.24 percent were issued qualified opinions.

For annual reports, auditors issued 36.13 percent unqualified opinions, 63.06 percent modified unqualified opinions, and only 0.81 percent qualified opinions. This result shows a shift in audit opinions between semiannual and annual financial reports, as unqualified audit opinions increased from 20.73 percent on semiannual reports to 36.13 percent on annual reports, and qualified opinions dramatically decreased from 62.24 percent on semiannual reports to 0.81 percent on annual reports. It appears that auditors often changed their "negative" opinions in semiannual reports to "positive" opinions in annual reports. The study will explore the factors that led to these changes of opinion. Evidence from the U.S. suggests that, after Enron, auditors' behavior became more conservative in regard to bankrupt companies

EVALUATION OF MULTI-ASSET VALUE AT RISK: EVIDENCE FROM TAIWAN

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ABSTRACT

Under the internal model approach (IMA) stipulated by Basel II, financial institutions are allowed to develop and employ proprietary internal models to evaluate various risk. However, the flexibility to develop a proprietary model leads to the question of which computing method delivers the most accurate and reliable estimates of value at risk (VaR). This research employs the new backtesting method proposed by Pérignon and Smith (2008) to determine the best method for computing integrated value at risk. It tests three major VaR computation methods — historical simulation, Monte Carlo simulation, and variance-covariance methods. The portfolio on which VaR is computed includes equities, government bonds, foreign exchange, and index options, all of which are commonly traded by financial institutions. The empirical analysis indicates that historical simulation is the best VaR computation method, which is consistent with the result of Pérignon and Smith (2008).

JEL: G11; G28; G32

KEYWORDS: Value-at-Risk (VaR), Backtesting, Unconditional Coverage Test, Internal Model Approach (IMA)

INTRODUCTION

Under the internal model approach (IMA) stipulated by Basel II, financial institutions are allowed to develop and employ proprietary internal models to evaluate various risk. However, the flexibility to develop a proprietary model leads to the question of which computing method delivers the most accurate and reliable estimates of value at risk (VaR). An improper risk assessment model leads to severe consequences. An overstated VaR results in retaining excessive and inefficient amounts of capital, and an understated VaR results in retaining insufficient capital to deal with crises. Thus, judging the accuracy of a VaR model is extremely important.

The univariate unconditional coverage test proposed by Kupiec (1995) is the conventional method for the backtesting of a VaR model. However, Pérignon and Smith (2008) proposed a new backtesting framework — the multivariate unconditional coverage test — to improve the backtesting procedure. The multivariate unconditional coverage test focuses on the left tail of the loss distribution and is a multivariate generalization of Kupiec's unconditional test. This paper employs the backtesting method proposed by Pérignon and Smith (2008) to confirm the best method for computing the integrated VaR of a portfolio containing different asset categories. Three major VaR computation methods: historical simulation, Monte Carlo simulation, and variance-covariance methods are tested. Moreover, four different volatility estimation approaches are used in the calculation of the variance-covariance method. The portfolio on which VaR is computed includes equities, government bonds, foreign exchange, and index options, all of which are commonly traded by financial institutions.

This paper is organized as follows. The Literature Review section reviews the literature on VaR. The Data and Methodology section presents the data and explains the methodology employed for the empirical analysis of integrated VaR methods. The Results section presents the results and analyzes the VaR

GLOBALIZING RURAL MARKETS: EVIDENCE FROM HANDMADE TRADITIONAL PRODUCT MARKETS

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ABSTRACT

Learning market realities improves businesses. Kerala, India, traditional cottage units producing indigenous handmade goods are not an exception. Changes because of globalization have intensified competition to imported non-natural factory products into Kerala markets. Traditional industries, ignorant of these penetrations, struggle hard to challenge their urban competitors. Response delays may push these units out, replacing them with imported products. This study carries a market threat analysis to appraise current market realities for traditional products of Kerala. The first part of the study involves a competitor analysis with a survey focusing on 200 artisans selected from three districts. We focus on five market key causes. The primary survey focused on a sample of 200 artisans randomly selected from voluntary traditional craft units of three districts. Competitive profiles developed in this paper assessed the market realities and global challenges for handmade products. The second part of the analysis, studies the types of threat that could wreak havoc the future of handmade traditional products.

JEL: M20, M30, M31

KEYWORDS: Market Threat, Global & Rural Markets, Traditional Products, Kerala

INTRODUCTION

The marketplace isn't what it used to be. In the recent past, globalization has brought great changes across the world. The key characteristic of today's global market is the speed with which the demand for a product and change in its style, design, and colour, offer greater opportunities as well as threats to producers. Perhaps, improved technology with advanced infrastructure, to a greater extent promotes hastened movement of goods without trade barriers. The growing commercialization of Kerala's traditional handicraft products is a sign of inevitable movement of cottage industries to keep them refreshed with changing markets. The precarious nature of handmade craft markets invites strategic approaches to reach global consumers. But, delayed response can push these deep-rooted traditional handmade products out, replacing them with mass, factory-made, machine crafts.

Kerala a land of rich cultural heritage presents colourful traditional handmade products handed down from generations. Regional products, especially craftworks, involve large and diversified designs in wood, metals, glass, stone, clay and other materials. Although large industries did not make inroads in rural Kerala, the inspiration is to preserve village traditions and encourage artisans to organize themselves into small craft units under cooperative line.

Often, the scarcity and distinctive nature of materials needed for production compel artisans to move their units into interior regions, close to forests, in search of good quality raw materials at low cost. Perhaps, for this reason, until recently, most traditional handmade products of the State lack accessibility to urban pockets.

In recent years, the notion to expand rural tourism with a significant move to promote rural crafts by the government invited attention of private traders to this industry. The industry joined with government sponsored crafts centres and the State Tourism Campaign. Private traders welcomed the move and established factory-made production and marketing units in villages. The growing global publicity for

DEVELOPING EXPERIENCE-BASED LUXURY BRAND EQUITY IN THE LUXURY RESORTS HOTEL INDUSTRY

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ABSTRACT

Businesses constantly strive to provide added value and brand equity to gain a competitive advantage, particularly in the contemporary hospitality industry. It is widely accepted that a luxury experience brand enhances the value of a luxury resort hotels industry. Since the 1980s, the concept of brand equity has focused mainly on tangible products, as opposed to services or experiences. This study found that experience-based luxury brand equity is perceived through extensive implicit equity related dimensions. In addition, all research tourists of luxury resorts hotel industry in Taiwan and Macao emphasized extended intrinsic values (EIV), which including variables of brand awareness, brand loyalty, organization association and brand identity than fundamental extrinsic value (FEV), including variables of perceived brand loyalty, experience value and unique.

JEL: L83; M16

KEYWORDS: Luxury Resorts Hotel Industry, Brand Equity, Experience of Luxury, Experience-based Luxury Brand Equity

INTRODUCTION

Branding is a field that requires dynamic thinking and the implementation of corporate strategies in response to developing trends, shifts in consumer values, and rapid technological innovation. Urde (1994) notes that the inclusion of brand orientation in corporate models is a key to corporate survival and sustainable growth in the 21st century. This is due to the accessibility of product related information via modern information technology devices that enable the replication of products and lower the development threshold (Aaker, 1991; Farquhar, 1989; Keller, 1993; Shocker and Weitz, 1991; Tauber, 1988). In a rapidly changing competitive environment, the service industry has found it increasingly difficult to distinguish physical products by their function. Consumers today often base their purchases on the added value of a product or service (Bailey and Ball 2006). Perceived added value of product might distinguish it from other brands in the same category. Hence, extending brand equity through intangible services that enhance the customer's experience will become increasingly important in the future. It will also become a key influence in the formation of many aspects of brand equity.

The development of brand equity in the service industry has in recent years become a major issue in the area of branding. Since Cobb-Walgren, Ruble, and Donthu (1995) first applied Aaker's (1991) techniques to investigate various aspects of the hotel industry, brand equity has prompted a great deal in service industries. The results of the present study indicate that "quality awareness" was not an important indicator for consumers' assessment of hotels, contra previous research regarding physical product-based brands (Aaker, 1991; Chen, 1996; Farquhar, 1989; Kamakura and Russell, 1993; Keller, 1993; Trevor, 1998). At present, there is a paucity of literature and empirical research related to service brand equity (Berry, 2000; Cobb-Walgren et al., 1995; Keshav, 1999; Lassar, Mittal and Sharma, 1995; Sharp, 1995). Previous studies on brand equity measurement can be classified into Customer-based Brand Equity (CBBE), where the value of the brand is determined by customers' associations with a product brand and Corporate Brand Equity (CBE), where the value of the brand is determined by stakeholders' associations toward a corporate brand (Shamma and Hassan, 2011).

FACTORS AFFECTING CONSUMER CHOICE OF MULTIPLE MOBILE SERVICES

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ABSTRACT

This paper examines student selection of mobile phone services. The research used a quantitative methodology. The author surveyed some 500 University and Polytechnic students in Ghana and finds that the basic reason for changing phone servers is reliability and cost savings. The author also finds that reference group influence, social reputation and regular contact with others were also influential factors.

JEL: D11, D12

KEYWORDS: Tertiary Students, Multiple Services, Mobile Phone, Service Operators

INTRODUCTION

Mobile phones have become a fundamental communication tool in both developed and developing countries. Previous studies have identified a number of reasons for owning or using a mobile phone as well as choice of phone operator (Hamel and Prahalad, 1991; Kumar, 1997; Nagel, 2003; Gerstheimer and Lupp, 2004; Chakraborty, 2005; Donner, 2007; de Silva and Zainudeen, 2007). Apart from expanded mobile phone usage, there has also been an increase in the number of network providers. According to Hansen (2003), the mobile handset market has experienced between five percent and ten percent growth and a substantial growth in operator subscribers.

Ghana is not left out in this global development of increasing expansion in mobile handset and operator subscribers. The Business Monitor International (BMI) report on October 12, 2010 indicated that in the first six months of 2010, the number of mobile subscribers increased by 7.3% to 16.475 million in Ghana. For the year as a whole, BMI predicted a market expansion of over 14%. This was to raise the penetration rate to just over 70% by the end of 2010.

In response to the increasing subscriber penetration rate, Ghana has six mobile phone companies licensed to do business in the country. Five are currently in operation. These are MTN, which is the largest, Tigo, the oldest mobile phone provider, Vodafone, Zain and Espresso. The sixth provider, Globacom is yet to start operations. It is however, expected that when Globacom begins operations the number of subscribers will rise. One segment of the market that is affected by this increase in mobile phone penetration rate is the tertiary student in Ghana.

Studies have tried to use the wider concept of consumer behavior and its associated consumer decision making process to research factors affecting consumer choice of mobile phones. These studies have identified different factors that influence the decision making process. Riquelme (2001) used 94 consumers to investigate the amount of self-knowledge consumers have when choosing between mobile phone brands. The study suggested six key attributes that affect consumer choice of a mobile phone; connection fees; access cost; mobile-to-mobile phone rate; call rates; and free calls.

Another study by Lui (2002) investigated factors affecting the brand decision in the mobile phone industry in Asia. The study found attitudes towards the mobile phone brand and attitudes towards the network as the two distinct attitudes that determined consumer phone selection decisions. While choices

COMMUNICATION ISSUES IN A MULTILINGUAL BUSINESS ENVIRONMENT: INSIGHTS FROM MANAGERS

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ABSTRACT

This paper presents the conclusions and implications of the research study based on responses from a sample of 20 manufacturing leader-managers working in the states of California or Florida. This research also presents recommendations for further action followed by a summary of findings. Organizational policies and procedures are in place to ensure standards are implemented for an efficient and safe work environment for all employees. It is expected that employees understand such processes so they can meet the goals of the organizations. Organizations that embrace diversity are able to bring unique talents and ideas that will serve clients' needs. However, when language presents a barrier to communication, then management has to weigh whether it is placing itself in a position to do more harm than good for employees involved. Two questions were fundamental to the research: (1) How do leader-managers share and transfer organizational knowledge to a linguistically diverse manufacturing workforce to prevent workplace injuries in their organization? (2) What are perceived challenges in sharing and transferring organizational knowledge in a linguistically diverse manufacturing work force to prevent workplace injuries in their organization?

JEL: D8, D83

KEYWORDS: Communication, Leadership, Organizational Knowledge

INTRODUCTION

Organizations with a workforce that speak different languages can present challenges to the organization. The main difficulty particularly for management is the ability to communicate effectively with its employees. Organizations may see that having a diverse workforce with linguistic abilities could serve as an advantage to a global economy; however, literature presented asserted that linguistic diversity added complexity within an organization. For example, employees with limited English skills in organizations “places a significant expanded challenge on management, especially regarding communication” (Solomon as cited in Pierce, 2003, p. 41).

The purpose of this qualitative phenomenological study was to contribute to the linguistic diversity literature by exploring lived experiences of a small sample of leader-managers in manufacturing environments. Twenty leader-managers from seven manufacturing organizations contributed to the study. Organizations and the location of the manufacturing sites are not referenced due to confidentiality.

Research identified the estimated total economic costs in 2004 of occupational deaths and injuries were \$142.2 billion, with 120 million days of total time lost; 4,952 employees died and 3.7 million employees were disabled while on the job (National Safety Council, 2006, p. 1). Loh and Richardson (2004) stated, “In manufacturing, foreign-born workers’ share of employment increased by 22 percent, from 13 percent in 1996 to 16 percent in 2001, but their share of workplace fatalities increased by 46 percent over the same period, from 9 to 14 percent” (p. 47).

GOVERNMENT AND FIRM DUOPOLY IN ECONOMIC GROWTH

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ABSTRACT

The Theory of the Growth of the Firm proposed a process theory of growth based on the pursuit of knowledge and unconstrained by government, hence applicable only to an economy where the corporation is the dominant form of industrial organization. In her subsequent studies of foreign direct investment by large firms in developing countries, Penrose considers government as an input to the growth process. This paper explores Penrose's process theory of firm growth when government decision-making is an input to the process. The findings are based on content analysis of Penrose's Theory of the Growth of the Firm, Large International Firm in Developing Countries, petroleum industry studies, and other writings from 1956 to 1973.

JEL: A1, O11, O12

KEYWORDS: Economic Growth, Government, Firm Duopoly

INTRODUCTION

While at Johns Hopkins University, Edith Penrose was assigned to work on a project funded by the Merrill Foundation. She chose as her topic not the interpretation or testing of an existing theory, but the creation of a new theory of the growth of firms. From January 1955 to November of that year, while on sabbatical at Australian National University, she developed “one long, logical construct, a single argument no step of which could be omitted without the risk of misunderstanding later conclusions” that became *The Theory of the Growth of the Firm* (Penrose, 1995 ed., p. xxxii). Thereafter in her long career, as she became more interested in developing countries, Edith Penrose began to consider the ways and reasons why government might be an actor in the growth process. As Penrose acknowledged in the foreword to the third edition of *The Theory of the Growth of the Firm*, her work on multinational enterprises (1956-1959, 1968, 1973) is an extension of her work on the growth of the firm. What is different is the presence of a second actor, government, in the growth process.

Why might governments of developing countries encourage foreign direct investment (FDI) to bring investment capital into their economies, but impose tariffs, taxes and other non-trade barriers if the incoming investment is insignificant in comparison with the repatriation of profits via dividends? The goal of this paper is to identify through the Penrose writings the steps governments of underdeveloped countries might take to direct, encourage or constrain foreign direct investment ---and why. To date, Penrose's post-*Theory* work has been analyzed far less thoroughly than her *Theory of the Growth of the Firm*. Never has this work and its contribution been explored in the context of economic growth theory.

After a review of the contemporary literature, we first examine the problem of growth by FDI for host countries; profit sharing bargaining between producing countries and oil companies in the Middle East, and national/international patent protection in developing countries. We then return to the goal of this paper, identify the limitations of content analysis and draw conclusions about the potential impact of government action on growth.

DO YOU KNOW WHERE YOUR DERIVATIVES ARE?

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ABSTRACT

This paper is designed to assist individuals and organizations in understanding the role and risks of derivatives in two specific areas -- debt management and investing. The various risks associated with derivatives are discussed in this article. Similar to collateralized debt obligations (CDOs) and CDOs squared, derivatives also have the potential to be the next financial engineering bubble to burst. The SEC is concerned that investors do not understand the risks with more complex ETFs and abbreviated disclosures. Institutions, including Harvard University, have already lost millions on interest rate swaps. Individuals and organizations should take the time to educate themselves as to the serious potential risks involved with these instruments.

JEL: G01, CR11, G15, G24

KEYWORDS: Derivatives, Exchange-traded Funds, Leveraged, Futures Contracts, Counterparty Risk, Tracking Errors, Lack of Transparency, Swaps, Counter Party Risk

INTRODUCTION

The 2,315-page Dodd-Frank Wall Street Reform and Consumer Protection Act has been hailed as the solution for preventing future financial meltdowns such as those currently experienced in this economy. Investors should not be lulled into complacency though. This legislation creates a division within the Federal Reserve designed to protect consumers. However, while its goal is to increase the transparency of complex financial products including the oversight of swaps and other derivatives, it is certainly not a substitute for individual and organizational prudence and due diligence. Furthermore, many of the changes in this bill are not expected to be fully enacted until 2015. Boards of directors, management, CPA firms, elected officials and even financial advisors should view this legislation as a tool to eventually help protect their respective organizations and not insurance against future problems.

Derivatives have the potential for huge losses due to their complexity and lack of transparency. Investors and their financial advisors who invest in financial products such as mutual or exchange traded funds (ETFs) that utilize derivatives should view the Dodd-Frank Act only as eventually providing them with better tools to protect themselves and their clients but not insurance against future problems. Warren Buffet is noted for stating that individuals should invest only in what they understand. Hence, it is imperative that individuals and organizations understand the role of derivatives in debt management and investing. Otherwise, they may be in for some startling surprises. Harvard University learned this lesson the hard way in 2009 when they paid \$497.6 million to investment banks in order to terminate an interest rate swap on \$1.1 billion of debt resulting in nearly a 50 percent penalty. They also agreed to pay another \$425 million over the next 30 to 40 years to offset \$764 million more in swaps. The literature is typically broken down into three areas with regard to derivatives. There are numerous articles discussing Harvard's loss from swap agreements, various Securities and Exchange Documents pertaining to their increasing concern with regard to the transparency of derivative products and the potential resulting risks to investors, and the third group of articles pertains to losses or potential losses from inverse and leveraged ETFs.

This article examines and discusses both sides (debt and investment) of the derivatives issue and strives to educate potential investors. The role and risks of derivatives in debt management will be discussed below followed by the role and risks of derivatives in investments. The concerns of this author is that we have a

DEMOGRAPHIC PROFILE OF ADVENTURE TOURISTS IN PRETORIA

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Sue Geldenhuys, Tshwane University of Technology
Marius Potgieter, Tshwane University of Technology

ABSTRACT

It is difficult to examine different motivations and segment differentiations in niche markets such as adventure tourism seeing that it is not a well-defined segment in the discipline of tourism studies. In order to assist adventure tourism companies towards identifying and developing effective marketing strategies to attract or penetrate the adventure niche market, this study aims to contribute towards the current understanding of adventure tourists in Pretoria by compiling a demographic profile of such tourists. Two hundred and fifty adventure tourists participated in this study; however, the sample that realized was 234, providing a 93.6% response rate. The results gained from the self-completing questionnaire indicated that typical adventure tourists in Pretoria are generally Afrikaans speaking individuals born between 1960 and 1981. These individuals are mostly married with no children or have two children who are above the age of twelve years. Adventure tourists in Pretoria tend to be further educated Technicians and Associate Professionals whose gross individual income ranges between R10,001.00 and R29,999.00 per month. This study established that there is a need to further research comprehensive adventure tourist profiles in order to assist adventure tourism companies to promote and sell specific activities and experiences that will meet the specific needs and wants of identified target markets.

JEL: MOO

KEYWORDS: Tourism; Adventure Tourism; Market Segmentation; Demographic Profiles

INTRODUCTION

Tourism is the act of travel for predominantly recreational or leisure purposes and refers to the provision of services in support of this act. Tourists are people who travel to and stay in places outside their usual environment for not more than one consecutive year – for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited (World Tourism Organization [WTO], 1991).

Adventure tourism, according to Andrews (2007:21), is a type of tourism involving exploration or travel to remote, exotic and possibly hostile areas where the tourist should "expect the unexpected". Adventure tourism is rapidly growing in popularity because tourists increasingly look for different kinds of vacations. According to the Adventure Travel and Trade Association (2005) of the United States of America, *adventure tourism* may be any tourist activity that can include two of the following three components: a physical activity, a cultural exchange or interaction, and an engagement with nature. While these characteristics might constitute the motivation for participation in adventure activities for some, it can also be a deterrent for others not to participate in adventure activities.

An exhaustive search of existing literature did not reveal any profiles of adventure tourists – the search only identified general classifications or definitions used to attract all possible adventure tourism groups. Furthermore, Heyniger and Consulting (2008:2) suggest that adventure tourism is not a well-defined segment in the discipline of tourism studies. Therefore, it is difficult to examine the different motivations

ASSESSING INDIVIDUAL PERFORMANCE ON INFORMATION TECHNOLOGY ADOPTION: A NEW MODEL

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ABSTRACT

This paper aims to propose a new model in assessing individual performance on information technology adoption. The new model to assess individual performance was derived from two different theories: decomposed theory of planned behavior and task-technology fit theory. Although many researchers have tried to expand these theories, some of their efforts might lack of theoretical assumptions. To overcome this problem and enhance the coherence of the integration, I used a theory from social science literature, particularly from Blumer's theory of symbolic interactionism. This theory indicates, as Blumer himself noted, "The symbolic interactionist approach rests upon the premise that human action takes place always in a situation that confronts the actor and that the actor acts on the basis on defining this situation that confronts him." Symbolic interactionism may have theoretical strengths on the basis that reality is understood as a social production; interaction is symbolic; humans have the capacity to engage in self-reflexive behavior; interactionism regards society as ongoing process; and social and physical environments set limits on behavior, but do not determine behavior. In this essence, normally, humans use technologies not for the sake of technologies but for supporting their primary tasks, being job related or entertainment oriented. Thus, there is an interaction between human and his/her technology. In this paper, I suggest some propositions that can be tested later using experimental research design or longitudinal survey research.

JEL: M15

KEYWORDS: Individual Performance, Human-technology Interaction, Decomposed Theory of Planned Behavior, Task-technology Fit Theory

INTRODUCTION

The interaction between information technology and individual performance has been an ongoing concern in Information System (IS) research. Since information technology adoption is related with human, researchers use psychology theory to predict human behavior on that regard: Theory of Reasoned Action/TRA (Fishbein and Ajzen 1975), Theory of Planned Behavior/TPB (Ajzen 1985, 1991), Technology Acceptance Model/TAM (Davis, 1989), and recently, Decomposed Theory of Planned Behavior/DTPB (Taylor and Todd 1995, Hsu and Chiu 2004, Koeder et al. 2011). As to predict individual performance, IS researcher uses the concept of "fit" to investigate the interaction of task and system characteristics and their effects on information system usage and task performance: Task-Technology-Fit/TTF theory (Goodhue and Thompson 1995, Dishaw et al. 2002, Klopping and McKinney 2004, McGill and Hobbs 2006, Usoro et al. 2010).

This paper proposes a new model of the linkage between information technology adoption and individual performance by drawing on insight from these two streams of research (user behavior as predictors of system usage and task-technology-fit as predictors of performance). The core content of this new model, called Human-Task-Technology Interaction and Performance Model (HTTIP), is the deposition that for information technology has a positive impact on individual performance, not only the technology must be accepted and used, but also the technology must be a good fit with the task it supports.

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The IBFR would like to thank the following members of the academic community and industry for their much appreciated contribution as reviewers.

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