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PREFACE

We sincerely hope that the contributors and attendees of ICEBSS'2024 will find presented studies enlightening, useful and of interest. The aim of ICEBSS is to bring researchers from different disciplines together and inspire them to collaborate.

On behalf of the organization committee, I thank all the authors who have shared their precious works, all reviewers for their valuable contributions and members of the committee for their neverending supports and advice.

We hope that ICEBSS will reinforce interdisciplinary and international collaboration and hearten information exchange between various fields.

October 2024
Prof. Dr. Mahmut ZORTUK
Coordinator of ICEBSS

The Effect of Transformational Leadership as a Moderator of the relationship between Strategic Resource Management on Regulatory Violation Behavior and Job Satisfaction: A Study on Multinational Manufacturing Industry Sector

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Abstract

In the competitive environment of the current globalization era, ongoing developments in technology, employee attitudes, and behaviors within their organizations are becoming increasingly important in employee performance. The role of human resource management practices and top-level leadership becomes a crucial factor for organizations in maintaining sustainable competitive advantages. The research was conducted on a sample population of 328 employees in multinational manufacturing sectors, and the analysis was performed using the smartPLS program. The implication in this study is that transformational leadership and strategic resource management affect rule-breaking behavior and employee job satisfaction. Companies can assess from the other side that employees who break the rules for the good of the organization are possible because the existing rules are no longer relevant to the changing circumstances, so the rules cannot apply because of changing circumstances. Meanwhile, employee job satisfaction among employees can increase commitment and high levels of productivity in the organization. Human resource management and leadership can complement each other to create more remarkable overall innovation, by sharing sources of influence that can help organizations maintain strategic ambivalence and strive to achieve the value of both simultaneously. The limitation in this study that can be overcome by future research is that the measurements that have been collected are self-reported which can cause bias. Future research can examine in more detail such as by collecting report data on rule violations and examining how rule violations occur both in teams and individual employees. Future researchers can also add moderator effects such as individual employee characteristics in organizational decision making which is also an important role in the process of transformational leadership and strategic resource management.

Keywords: Transformational Leadership, Strategic Resource Management, Rule-Breaking Behavior, Job Satisfaction

The Influence of Sustainable Leadership on Sustainable Performance mediated by Social Innovation in Indonesian Tourism Villages

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Abstract

The SARS-CoV-2 virus was detected in Wuhan, China in December 2019. The virus entered Indonesia in March 2020. The emergence of this virus has caused countries to suffer economic losses, especially in the tourism sector. Tourism villages have become one of the Indonesian government's efforts to revive the Indonesian tourism sector after Covid-19. Rural tourism has become a trend for tourists since the Covid-19 pandemic. The pandemic has made tourists more inclined to engage in nature and cultural tourism. Tourism villages are the key to reviving Indonesia's economy. Leaders must strive for the success of Tourism Village. Sustainable tourism villages require an innovative and creative leader to create sustainable performance. The purpose of this research is to explore the role of sustainable leadership in fostering sustainable performance through social innovation as a mediator. This research was conducted by distributing questionnaires to the population of related research. The population of this study is the managers of tourism villages in Indonesia, especially in the Riau Islands Province, Riau Province, and Sumatra Province, with a minimum sample size of 272 respondents required. Data analysis in this research was conducted using SEM-PLS. The results of this study indicate that Sustainable leadership has a positive effect on social innovation, social innovation has a positive effect on sustainable performance, and Sustainable leadership has a positive effect on sustainable performance.

Keywords: Tourism Sector, Tourism Village, Sustainable Leadership, Sustainable Performance, Social Innovation

Individual Forces Mediating and Moderating the Impact of Training Effectiveness on Innovative Work Behavior: A Review and Future Research Directions

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Abstract

While the influence of Human Resource Management (HRM) practices, particularly training and development, on employees' innovative work behavior (IWB) is well-established, the specific individual factors mediating this relationship remain under-investigated. This paper explores the current understanding of how individual forces promote the impact of training effectiveness on IWB and proposes avenues for future research. A literature review across diverse fields, including innovation management, creative behavior, human resource management, psychology, and vocational learning, informs the analysis. Based on this review, three individual forces emerge as critical: intrinsic motivation, creative self-efficacy, and personality traits. A conceptual model incorporating intrinsic motivation and creative self-efficacy forces as mediators and personality traits as a moderator in the training-IWB relationship is presented. Building upon this model, the paper proposes future research directions focused on empirically testing the moderating and mediating roles of these individual forces in predicting IWB. The suggested research aims to enhance our understanding of the psychological drivers underlying high-level individual innovative behavior, ultimately informing HRM practices to maximize training effectiveness for fostering IWB within organizations.

Keywords: Innovative Work Behavior, Training Effectiveness, Intrinsic Motivation, Creative Self-Efficacy and Personality Traits

Support/sponsor note: This study is supported by Sultan Qaboos University

Integrating Advanced Technology and Lean Six Sigma for Enhanced Hospital Management and Operations

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Abstract

This research aims to demonstrate the potential of Lean Six Sigma in enhancing efficiency and quality of service in hospitals, with a specific focus on two hospitals in Indonesia. By employing a combination of quantitative and qualitative methodologies, this study comprehensively examines the application of Lean Six Sigma principles. It delves into the challenges of implementation and evaluates the effectiveness of Value Stream Mapping (VSM) and Failure Modes and Effects Analysis (FMEA) in reducing operational waste and improving process efficiency. Data collection was thorough and multifaceted, involving semi-structured interviews, participant observation, and documentation analysis. These methods were applied across various hospital staff levels, ensuring a holistic view of the operational dynamics and the impact of Lean Six Sigma initiatives. The research not only contributes to the theoretical understanding of Lean Six Sigma in the healthcare context but also provides actionable insights and practical solutions for hospital managers and policymakers. The findings of this study will illuminate both the potential benefits and the obstacles associated with the adoption of Lean Six Sigma in hospitals. By highlighting real-world applications and outcomes, the research offers valuable insights for improving hospital operations. Additionally, it informs policy strategies aimed at enhancing healthcare service quality in Indonesia, ensuring that the theoretical advancements are translated into practical, impactful changes in the healthcare sector.

Keywords: Lean Six Sigma, Efficiency, Value Stream Mapping (VSM), Failure Modes and Effects Analysis (FMEA)

The technical efficiency of large-scale agricultural investment in Northwest Ethiopia: A stochastic frontier approach

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Abstract

This study endeavoured to measure the technical efficiency of large-scale agricultural investment in Northwest Ethiopia. Besides, it strives to fathom the socioeconomic attributes and farm management techniques that influence technical inefficiency. This study uses the stochastic frontier approach to estimate the technical efficiency based on the cross-section data of 200 investors selected through a multiple-stage random sampling technique. The study established that better utilization of capital, labour, land, and seed inputs was reflected positively (albeit proportionally less) in grain output; however, the influence of agrochemical inputs was negative. The study highlighted the positive role of gender and level of education in improving technical efficiency, whereas on the other hand, age, occupation, district, and subsidies contributed to technical inefficiency. The study found that the overall mean technical efficiency for the study area was 71.7%, meaning that producers produce grain at a loss of around 28.3% due to technical inefficiency. As a result, it might be said that producers use their technology and resources somewhat inefficiently. The outcome of the study calls for more education for adults, and female producers should be encouraged and given the opportunity to manage the large-scale grain farming segment. In addition, the government is compelled to provide strategies about proper input appliances and set up a pilot research institution in the study area.

Keywords: Large-scale agricultural investment Efficiency Stochastic frontier Production Ethiopia

The Effect of AI/ML Employee Development Tools on Job Satisfaction

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Abstract

This study investigates the impact of Artificial Intelligence (AI) and Machine Learning (ML) career development tools on employee job satisfaction. With advancements in AI/ML posing potential disruptions in the workforce, this research specifically focuses on how these technologies are integrated into Human Resources (HR) functions and their influence on job satisfaction within corporate America. The study employs a cross-sectional design with a sample of 60 employees across various industries, using a quantitative questionnaire to collect data. The relationships between AI/ML tool usage and job satisfaction are explored, considering factors like tool awareness, frequency of interaction, and industry-specific impacts. Key findings reveal no significant correlation between the use of AI/ML tools and increased job satisfaction, challenging the presumed utility of these tools in career development. However, a significant positive impact on job satisfaction was noted among users of generative AI tools like ChatGPT. This study concludes that while AI/ML tools in HR are gaining traction, their role in enhancing job satisfaction and career development remains ambiguous. The lack of a one-size-fits-all impact of these tools suggests a need for more targeted and industry-specific applications. Future research is recommended to focus on the use of generative AI tools and their potential in career development. The study offers valuable insights for HR practitioners and policymakers in balancing technological integration with employee satisfaction and development.

Keywords: Artificial Intelligence (AI), Machine Learning, (ML), Generative AI

Support/sponsor note: This study is supported by New York University.

Expanding the EU-Turkey Customs Union to Agriculture: Regional Economic Effects within Turkey

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Abstract

Turkey and the European Union have had a Customs Union (CU) in effect since 1996 which excludes trade in primary agriculture. The two parties have agreed in principle to upgrade the CU to expand its sectoral scope to the agriculture and service sectors. This study aims to explore potential regional economic impact of an expansion of the sectoral coverage of the CU to agriculture across Turkey. Our focus is on the distribution of trade and welfare gains and losses from agricultural trade liberalization in Turkey's 11 regions. To this aim, the article develops a Multi-Regional Turkish Computerized General Equilibrium (CGE) model upon a Turkish multiregional social accounting matrix (MR-SAM). The model analyses the economic impact of the liberalization of agricultural trade between Turkey and the EU on the EU and 11 regions of Turkey which includes the three largest cities as separate regional units. We simulate two scenarios in terms of CU upgrade which are a modest (i.e., 50%) and ambitious (i.e., 90%) liberalization reduction of tariffs and non-tariff barriers between Turkey and the EU. We report the results of the two shocks in terms of export, welfare, and price changes for all regions. Overall impacts are found to be modest for both the ambitious and moderate scenarios, with the largest impacts in Turkey's Mediterranean region.

Keywords: International Trade, Customs Union, Non-tariff Barriers, Agricultural Trade, Computable General Equilibrium

Support/sponsor note: This study was supported by Istanbul Technical University BAP

Modeling economic behavior under wage and tax constraints

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Abstract

In any field of activity, the unforeseen must also be taken into account, i.e. the situation in which less anticipated elements (aspects) can exert their influence on the future evolution. The paper is dedicated to research focused on the economic modeling of progressive taxation and its impact on behavior. In this work, a mathematical model based on the theory of Morgenstern and von Neumann is proposed for modeling the economic behavior of the taxpayer according to the salary level and the impact of tax rates, fine rates and fiscal control on combating tax evasion. The expected utility function, utility theory are used. The model of progressive taxation is analyzed. It is shown the dependence of the optimal size of the declared income on taxation, salary level, fine, tax control efficiency. Three types of economic behavior of the taxpayer are analyzed (risk prone, risk neutral and risk averse). Using Generalized Petri Nets the model of progressive taxation is simulated. The share of the accumulated tax amounts per groups/categories of taxpayers (depending on the salary level) in the country's budget, the tax accumulated from each group of taxpayers, the total tax accumulated from all groups of taxpayers according to the parameters of the model is analyzed. Based on the economic model of progressive taxation, criteria are proposed regarding the policy of fiscal constraints (reforming fiscal-budget policies and fiscal administrations), in order to collect taxes in a fair, sustainable and efficient way, at the same time increasing budget revenues, reducing the fiscal burden for citizens and last but not least for minimizing the probability of tax fraud.

Keywords: Expected Utility, Optimal Stated Income, Risk Propensity, Income Tax, Fine

Untapped: The Potential of Halal Cosmetics in Kazakhstan's Growing Beauty Market

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Abstract

Halal cosmetics have gained substantial popularity in majority-Muslim populated countries. As global preferences shift towards natural and ethical products, halal cosmetics present significant business potential due to their ethical assurance and robust religious compliance. However, how is its viability applied in emerging markets such as Kazakhstan? This exploratory study aims to address this largely unexplored gap by adopting a mixed-method research design, incorporating both qualitative and quantitative approaches to provide a comprehensive understanding of the overall viability of halal cosmetics implementation in Kazakhstan. The qualitative aspects of this research focus on understanding the current status of halal cosmetics in Kazakhstan, while the quantitative design assesses its market demand. Primary data was collected through online surveys to complement insights gained from existing literature. The data was then analyzed using factor analysis to identify key factors that influence consumers' purchasing decisions, and descriptive analysis was applied to summarize the survey results. Additionally, field interviews were conducted with two major cosmetics retailers such as; Beauty Mania and Gold Apple, to gain an in-depth understanding of Kazakhstan's current beauty trends. The findings reveal that while there is moderate awareness of halal cosmetics, a substantial need exists for targeted educational campaigns to raise awareness about their significance. Key drivers influencing demand include compliance with religious beliefs and ethical product assurances. Moreover, the study shows that consumers purchase beauty and cosmetic products out of necessity, with in-store shopping being the preferred channel. This study serves as a foundational resource for further research and stakeholders who seek to implement a halal cosmetics business in Kazakhstan.

Keywords: Halal Cosmetics, Kazakhstan, Emerging Markets, Beauty Market, Market Awareness.

Board Composition and Financial Risk in Spanish SMEs: The Role of Female Leadership

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Abstract

In the realm of corporate governance, the board composition significantly influences the strategic directions and risk management of organizations, particularly in small and medium-sized enterprises (SMEs). This study examines the impact of board dynamics, focusing on gender and ownership structure, on the risk profiles of Spanish SMEs. It hypothesizes that female directors, being more risk-averse, could contribute to lower financial risks. Utilizing the Altman Z-score to assess financial risk, the research applies the System Generalized Method of Moments (System GMM) on a dataset of Spanish SMEs. The analysis includes variables such as the percentage of female directors, ownership concentration by the main shareholder, and the Herfindahl and Cubbin-Leech indexes, which measure market concentration and competition respectively. Empirical findings reveal a complex relationship between board composition, ownership structure, and financial risk. A higher percentage of female directors correlates with reduced financial risk, evident through improved Altman Z-scores, supporting the theory that female directors are more risk-averse. Additionally, family ownership is linked to lower risk levels, suggesting that family-run businesses tend to adopt more conservative financial strategies. Conversely, factors like high ownership concentration, institutional ownership, and larger board sizes are associated with increased risk. The study also uncovers a non-linear relationship between the ownership stakes held by CEOs and directors and the risk levels. This research enhances our understanding by demonstrating the risk-reduction benefits of female board representation and family ownership in Spanish SMEs. It highlights the importance of gender and ownership considerations in devising risk management strategies and corporate governance frameworks. The findings suggest that incorporating more female directors and promoting family ownership are effective strategies for mitigating financial risk in SMEs. These insights set the stage for further exploration into the gender dynamics of corporate governance and their broader implications for organizational success and sustainability.

Keywords: Board of Directors, Gender, Risk, SMES

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