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Editorial

Eldon Y. Li

Historical Retrospect

The publication of *Journal of Business and Management (JBM)* was initiated in 1993 by Prof. Burhan Yavas at California State University Dominguez Hills, who was a member of Board of Directors in Western Decision Sciences Institute (WDSI). In 2000, he transferred the journal to WDSI and the Board selected Prof. Raymond Hogler of Colorado State University to take over the journal. He then served as the Editor for five years and transferred the journal to Chapman University in 2005. Since then, *JBM* has a nice home and two passionate editors, Prof. Amy E. Hurley-Hanson and Prof. Cristina M. Giannantonio. On behalf of the Board of WDSI, I wholeheartedly thank them for their tireless effort and excellent services devoted to *JBM*. We salute them for their immense contribution to WDSI community and the business community at large. Last year in 2017, the journal was transferred to me, Prof. Eldon Y. Li, at National Chengchi University in Taiwan. It is a great honor for me to assume the role as the Editor of *JBM*. I shall do my best to let *JBM* flourish and be included in Cabell's Directory, Ei Compendex, and Scopus in the next few years.

Editorial Objective

JBM is a double-blind refereed, authoritative reference addressing working or potential business and management theories/practices as well as the emerging issues of interest to academics and practitioners. The primary editorial objective of the *JBM* is to provide a forum for the dissemination of theory and research in all areas of business, management, and organizational decisions areas. We invite research articles, comprehensive reviews, and case studies that provide insights into the business phenomena occurring every day. Authors of *JBM* are always encouraged to offer recommendations to readers exemplifying the applicability of their research findings.

Research Topics

In this issue, we have accepted four research papers for publication in *JBM*. The research topic of the first paper is “The Impact of Organizational Culture on Employees’ Protean and Boundaryless Career Attitudes: An Empirical Study of the Banking Sector in Turkey,” authored by Bahar Suvaci. The second one is “Insight into Blog Retailers,” reported by Florence Jiayun Ng. The third one is “The Moral Development Index of Future Business Leaders: A Study on the Impact of Changes in Economic Systems and Gender,” examined by Dinah Payne, Marek Pawlak, and Sathiadev Mahesh. Finally, Alex Polacco and Kayla Backes present a study on “The Amazon Go Concept: Implications, Applications, and Sustainability.” Please note that the views expressed in these articles are those of the authors and not of the editors, editorial board, *JBM*, WDSI or National Chengchi University. We hope these papers are interesting to read and useful to your future research. On behalf of the Editorial Board, I thank you very much for your continuous support.

Reference to this paper should be made as follows: Li, E. Y. (2018). Editorial. *Journal of Business and Management*, 24 (1), March, i-ii.

About the Author

Eldon Y. Li is Distinguished Professor and former University Chair Professor and department chair of the Department of Management Information Systems at the National Chengchi University (NCCU), Taiwan. He holds a bachelor degree (1975) in international trade from NCCU and both MSBA degree (1978) in management information systems and Ph.D. degree (1982) in information systems and quantitative sciences from Texas Tech University. He was the Dean of College of Informatics and Director of Graduate Institute of Social Informatics at Yuan Ze University, Chung Li, Taiwan (2003-2005), the Founding Director of Graduate Institute of Information Management, National Chung Cheng University, Chia Yi, Taiwan (1994-1996), the Coordinator of Management Information Systems Program, California Polytechnic State University, San Luis Obispo, USA (1986-1989; 2001-2003). He has published over 260 papers in the areas of electronic business, service innovation, decision systems, human factors in information technology (IT), strategic IT planning, software engineering, total quality management, information management, and business management. His papers have appeared in top journals such as *Communications of the ACM*, *Communications of Association for Information Systems*, *Computers & Education*, *Decision Support Systems*, *Information & Management*, *Journal of Association for Information Systems*, *Journal of Management Information Systems*, *Omega*, and *Research Policy*, among others.

The Impact of Organizational Culture on Employees' Protean and Boundaryless Career Attitudes: An Empirical Study of the Banking Sector in Turkey

Bahar Suvaci

In this study, the relationship between organizational culture and protean and boundaryless career attitudes and hence the impact of organizational culture on protean and boundaryless career attitudes were examined. Results from three banks' employee data (N=1,224) indicate that the organizational culture is positively correlated with protean and boundaryless career attitudes. In addition, organizational culture affects positively employees' protean and boundaryless career attitudes. These findings suggest that the organizational culture is an important factor which determines employees' decision whether to stay and carry on their career in the same organization or leave and look for another job or organization to work for.

Keywords: Organizational culture, banks, protean career, boundaryless career.

Reference to this paper should be made as follows: Suvaci, B. (2018). The impact of organizational culture on employees' protean and boundaryless career attitudes: An empirical study of the banking sector in Turkey. *Journal of Business and Management*, 24 (1), March, 1-25. DOI: 10.6347/JBM.201803_24(1).0001.

Introduction

Today's dynamic organization brings corporate practitioners and policy makers opportunities as well as challenges. It is crucial to understand such dynamism to pursue organizational strategic objectives. Organizational culture is one of the most important and useful tools to achieve these strategic objectives. According to Peters and Waterman (1982), the culture is the key to the success of an organization. The organizational culture directs employees about how things should be done in the organization. The main task of a leader is to create and manage the culture of the organization. Therefore, the exclusive talent of leaders is their ability to appreciate and work with organizational culture (Schein, 2004: 11). A competitive firm uses organizational culture to unify organizational capabilities into a cohesive whole (Day, 1994). The organizational culture is also important for business outcomes. It may affect them both positively and negatively. The degree of alignment between organizational culture and corporate strategy is very important for both the organization and employees. For example, if they are aligned then this condition transmits self-esteem, satisfaction, and purposefulness to employees, and subsequently creates higher awareness of corporate goals and increased productivity in the organization. On the other hand, if organizational culture and corporate strategy are not aligned then this condition can cause reduced motivation, weaken loyalty, and hence lead to a very high turnover rate. Furthermore, employees' performance is also improved by the establishment of strong organizational culture (Awadh & Saad, 2013, p.168).

Some previous studies have investigated the effect of organizational culture on various parts of an organization. In these studies, the researchers found correlations between the culture of an organization and employee performance (Awadh & Saad, 2013; Chih, Huang, & Yang, 2011; Shahzad, Iqbal, & Gulzar, 2013; Sheridan, 1992), human resource practices (Adewale & Anthonia, 2013; Dubkevics & Barbars, 2010), strategy implementation (Ahmadi, Salamzadeh, Daraei, & Akabari, 2012), and decision making (Gamble & Gibson, 1999). Since organizational culture is important for the entire organization, it may also influence employees' career attitudes, too.

Although the previous studies focused on the linkage between the culture in an organization and many different organizational and employee behaviors, only a few studies have investigated the impact of organizational culture on employees' career attitudes. As a result of the changing world and market conditions, the business environment has been facing adverse changes such as rightsizing. Companies are restructuring their organizations with fewer hierarchical positions but at the same time they would like to keep improving productivity. Therefore, organizations choose to promote their current employee(s) to new positions in the company. Since the promoted employees are familiar with the organizational culture, there is no need to retrain them. To be able to carry out such activities in the organization effectively, a detailed career planning and continuous development and preparation of employees

for filling such positions should be performed. Accordingly, the process of career development is not only important for employees but also for employers. To know the employees' career attitudes and what affects them is very important to develop and manage their careers in an organization. Moreover, organizational culture would be one of those effects on the employees' career attitudes. In one of the previous studies, Rasool, Kutabum, Aslam, Akram, and Rajput (2012) studied organizational culture's impact on employees' career salience in Pakistan. They found that the career salience was affected by bureaucratic, innovative, and supportive cultures. In addition, they also recognized that there is a direct and significant relationship between organizational culture and career salience. Although they were able to show the impact of organizational culture on career salience, employees' career attitudes and the effect of organizational culture on them were not addressed in that study. Since the culture has an effect on various parts of an organization, it would have some effect on career attitudes, too. If this effect is determined, then managers may develop employees' careers according to their career attitudes and also they may hire new individuals to the organization whose career attitudes fit with the organizational career. Moreover, severance or termination rates would be reduced.

Employees' career attitudes and expectations have significantly changed over the last few decades. Until recently, the traditional career approach based on full-time and long-term organizational employment was employed as a model system (Valcour & Ladge, 2008). Because of changing working environments and individuals' attitudes and behaviors, new ways of viewing careers have arisen. The protean career and the boundaryless career have become popular in the organizational literature over the last decade (Briscoe, Hall, & DeMuth, 2006). This study aims to determine the effect of organizational culture on these two popular employee career attitudes. Since, the traditional career attitude only allows individuals to move up in the same organization, determining employees' new career attitudes may help us to understand why individuals choose a different organization or job.

In Turkey, security threats, terrorism, unemployment, and inflation are prompting individuals to think differently and hence individuals' thinking patterns are being changed. Among them, unemployment is the most critical factor that makes individuals more serious and concerned about their careers. Organizations are trying to match their goals with the employees' goals. It is bringing a change to career development options. The banking sector is very important for all countries' economic development. Since a major part of the Turkish population is working in Government and Foreign banks and they offer many different types of career options, the banking sector was chosen as a model system in this study. Banks are also offering employees various training options both in skills and technical. The norms and values of each bank differ from those of others and this difference may have an impact on career attitudes.

The aim of this study was to investigate the effect of organizational culture on employees' career attitudes in the banking sector. Through this analysis, it will be

possible to develop an understanding about the relationship between employees' career attitudes and organizational culture that may enable one to close the gap between the organizational culture and the career literature. In addition, the study was conducted in the Turkish Banking sector, a non-Western context which can enable us to expand the understanding developed in this study to the global reach.

Organizational Culture

Culture may be defined as a mixture of values, sets, beliefs, communication, and explanation of behavior that provides guidance to people (Awadh & Saad, 2013). Organizational culture consists of beliefs, values, and norms that exist in an organization. They are expressed with symbols, ceremonies, myths, rituals, language, and stories which affect the behavior of employees (Johnson & Scholes, 1999; Schein, 1992). Organizational culture is the life experience, education, weakness, strengths, and upbringing of the employees (Rasool et al., 2012) and it influences the way employees think, feel, and behave in the workplace. It has been, and still, is the central subject of an ongoing academic debate in the field of organization and management.

Organizational culture impacts most aspects of organizational life, such as how decisions are made, who makes them, how rewards are distributed, how employee performance is affected, who is promoted, how people are treated, how the organization responds to its environment, and so on. Culture clearly influences employees' attitudes and behavior at work. For instance, the culture of organizations has a significant positive influence on employees' job performance (Shahzad et al., 2013). Alvesson (1990) expresses that culture can be used as a tool for achieving performance. The productivity and culture of an organization helps in improving performance (Awadh & Saad, 2013). Uddin, Luva and Hossian (2013) highlight that there is a vital relationship between culture and performance. According to Klein (1996), organizational culture is the core of an organization's activities that has a cumulative impact on its overall effectiveness and the quality of its product and services. Adewale and Anthonia (2013) express that there is also a close relationship between the recruitment process and organizational culture (belief, value, and practice). A relationship between organizational culture and the practices of performance management is attained too. Adaptability and mission have significant positive values in correlation for PMP (Performance Management Practices) (Ahmad, 2012). Karimi and Kadir (2012) observe that the rational culture and group culture have a significant effect on TQM (Total Quality Management) practices. There is also a relationship between organizational culture trait (adaptability, mission, consistency, involvement) and performance management. While all four traits have a significant and positive influence on performance management, the greatest influence is represented by consistency and mission (Ovidiu-Iliuta, 2014). Organizational culture affects organizational commitment. However, the organization should create an organizational culture that ensures the development of affective commitment (Manetje

& Martins, 2009). Since culture has effects on different part of an organization, it inherently affects the organization's competitiveness. Thus Dubkevics and Barbars (2010) assert that an effective organizational culture promotes the organization's competitiveness.

As can be seen, the effect of organizational culture on different parts and actions of an organization has been studied. However, to date, no study showing the impact of culture on employees' career attitudes, has been carried out. Regarding culture and career, only one study investigated the relationship between organizational culture and employees' career salience and how organizational culture affects the employees' career salience. Over the past years, a major interest in the career literature has been to address the notion of new careers, which are characterized by increased flexibility and self-directedness on the part of individuals (Sullivan, 1999). The boundaryless career, protean career, dual ladder career path, flexible career, dual career, and formal mentoring programs are some of them. In this study, protean career and boundaryless career attitudes, which are the most popular definitions of new careers, were chosen to determine the career attitudes of employees.

Protean and Boundaryless Careers

In the past century, the focus of career development was to help individuals to be more ready to decide on a job, occupation, or vocation. This attention to career maturity or choice readiness has changed with new career attitudes. For example, the protean career directs attention on achieving personal career success through self-directed vocational behavior. However, the boundaryless career uses multi-level career analysis that employs both objective and subjective dimensions of career, including organizational position, mobility, flexibility, the work environment, and opportunity structure (Briscoe, Hall, & DeMuth, 2006). Some employees adapt these two new career attitudes easily.

Protean and boundaryless careers have received considerable attention in the literature but some further research is still required. Hall (1976) introduced the concept of a protean view of career success as opposed to the traditional view. The boundaryless career earned its reputation with the study of Arthur and Rousseau (1996). Subsequently, many studies were performed on these two new career attitudes. According to Sullivan and Arthur (2006), a person with a boundaryless mindset tends to transcend organizational boundaries, which involves going beyond a single employer and a traditional career management. Entrepreneurial attitudes to opportunities partially mediate the relation of proactive personality to boundaryless career mindset and career adaptability, but not to self-directed or protean career attitudes (Uy, Chan, Sam, Ho, & Chernyshenko, 2015). The boundaryless career has two branches: (i) boundaryless mindset and (ii) organizational mobility preference (Enache, Sallan, Simo, & Fernandez, 2011).

The protean career attitude may increase a person's chance of moving from unemployment to reemployment (Waters, Briscoe, Hall & Wang, 2014). Hall (2002) highlights that a protean career attitude reflects the extent to which an individual manages his or her career in a proactive, self-directed way driven by personal values and evaluating career success based on subjective success criteria. Some protean individuals follow their personal principles but do not have self-directed attitudes. These individuals are considered to have rigid career orientations, which mean they are not able to fully shape their own career (Lin, 2015). De Vos and Soens (2008) found that a protean career attitude is a significant antecedent of career success and this relationship is fully mediated by the development of career inside.

Through career planning, an individual continuously evaluate his or her abilities and interests, considers alternative career opportunities, and plans activities of practical development (Mondy & Noe, 2005). In this process, individuals' career planning is affected by many factors like self-assessment, personal development, career counseling, etc. Organizational culture might be one of the factors that affects individuals' career attitudes in the organization. However, the relationship between organizational culture and employees' career attitudes and the effect of organizational culture on employees' career attitudes are not known. Therefore, the aims of this study were to assess the relationship between organizational culture and employees' career attitudes and to investigate the influence of organizational culture on employees' career attitudes. The present study contributes to the literature in several respects. From a careers perspective, protean and boundaryless careers are more than an orientation toward work but rather involve an approach to managing one's overall life. Examining the relationship between organizational culture and an employee's career attitudes should help us understand whether the factors that affect these career attitudes extend to other domains in an individual's life. As discussed above, organizational culture has an influence on the general attitude of people working at the same workplace, so there must be a very strong relationship between organizational culture and employees' career attitudes too. In the literature a number of comparative studies on the culture and other links had been performed. However, a study which shows the impact of organizational culture on employees' career attitudes had been not carried out yet. In the light of the extant literature, it is hypothesized that:

H1: The organizational culture is positively related to employees' protean career attitudes.

H2: The organizational culture is positively related to employees' boundaryless career attitudes.

According to Briscoe, Hall, and DeMuth (2006), protean career attitude exhibiting individuals are intent upon using their own values instead of organizational values to guide their career ("values-driven") and hence follow an independent role in managing their vocational behavior ("self-directed"). Therefore, I expect that individuals with protean career attitudes (i.e., self-directed career management and values driven career orientation) would be affected by organizational culture (especially values of organizational culture) if their values are harmonized with organizational values. When individuals transfer from one organization to another or one job to another, they surpass physical limits. The key difference between the boundaryless career and classic career approach is career mobility between organizations (Kanten, Kanten, & Yeşiltaş, 2015). Individuals who exhibit protean career attitude exhibit much higher career mobility than individuals with boundaryless career attitudes (Kanten et al., 2015). They would be more likely to leave their jobs due to their independent natures irrespective of perceived cost associated with leaving the organization (Briscoe & Finkelstein, 2009), if they click with the organizational culture, they may stay and work in the organization.

H3: Organizational culture has an impact on employees' protean career attitudes.

H4: Organizational culture has an impact on employees' boundaryless career attitudes.

I suggest that if the organizational culture is innovative and/or supportive, employees' level of protean and boundaryless career attitudes will be affected positively.

Method

Participants and Procedure

This study was conducted in three non-governmental banks (Albaraka Türk, HSBC, and Türkiye Finans), which have several branch offices across Turkey. Among the full-time employees of these banks, who had a minimum of one year's work experience in the banking sector, 1,224 were randomly chosen as our potential participants to complete the survey. Voluntary participation and confidentiality were assured. The respondents participated in the survey via the internet. Similar sample numbers were sought from each bank (Albaraka Türk 411; HSBC 410; Türkiye Finans 403 employees). Among these participants, 76.0% were male, and 69.8% were married.

The majority of participants were aged from 26 to 35 years (63.5%), and most of the participants (96.3%) had a bachelor degree.

Measures

Protean career attitudes

Protean career attitudes were measured using the "Protean Career Attitudes Scale," that is a 14-item scale developed by Briscoe, Hall, and DeMuth (2006). The scale contained two dimensions: self-directed career management and values-driven career orientation. Eight items measured self-directed career management. A sample item is "I am in charge of my own career." According to factor analysis results, 2 items were discarded from the self-directed scale since their factor loading was smaller than 0.50. (When development opportunities have not been offered by my company I've sought them out on my own and Where my career is concerned I am very much "my own person). Cronbach's alpha was calculated after this exclusion. The Cronbach's alpha was calculated as 0.94 for this scale. The values-driven career orientation was measured by 6 items. A sample item is "I'll follow my own conscience if my company asks me to do something that goes against my values." The Cronbach's alpha for this scale in the present study was 0.95. A 5-point scale ranging from 1 (to little or no extent) to 5 (to a great extent) was used to evaluate the responses and measure the extent of agreement with each item.

Boundaryless career attitudes

Boundaryless career attitudes were measured using the "Boundaryless Career Attitudes Scale" that is a 13-item scale developed by Briscoe, Hall, and DeMuth (2006). The scale contained two dimensions: boundaryless mindset and organizational mobility preference. Eight items measured the boundaryless mindset. A sample item is "I would enjoy working on projects with people across many organizations." According to factor analysis results, 2 items were removed from the boundaryless mindset scale since their factor loading was smaller than 0.50. (I have sought opportunities in the past that allow me to work outside the organization and I am energized in new experiences and situations). Cronbach's alpha was calculated after this elimination. The Cronbach's alpha was 0.91 for this scale. The organizational mobility preference was measured by 5 items. A sample item is "I prefer to stay in a company I am familiar with rather than look for employment elsewhere." According to factor analysis results, 1 item was excluded from the mobility preference scale since its factor loading was smaller than 0.50. (In my ideal career, I would work for only one organization). The Cronbach's alpha for this scale in the present study was 0.89. The above described 5-scale system was used to evaluate the extent of agreement with each item. The original protean and boundaryless career scales were composed in English.

The measures for boundaryless and protean career attitudes scales were used successfully in the Turkish context (Çakmak-Otluoğlu, 2011, p.252). In this study, the Turkish version of these scales was used.

Organizational culture

The culture profile of the organization was determined by Wallach's (1983) organizational culture index, where organizational culture is divided into the following sub dimensions: bureaucratic, innovative, and supportive cultures. The measures for the organizational culture scale have already been used successfully in the Turkish context (Bilir, 2005, p.145). Organizational culture was measured by 24 items. A sample item is "In our corporation, everyone is treated equally." According to factor analysis results, 6 items were discarded from the organizational culture scale since their factor loading was smaller than 0.50. Cronbach's alpha was calculated after this exclusion. The Cronbach's alpha was 0.98 for this scale. The above described 5-point scale was used to evaluate responses.

Besides the scientific responses, demographic and background information about the respondents such as title, gender, age, education level, marital status, work experience, number of job switches, and reason for job switches were gathered.

Results

Validity Test of Protean and Boundaryless Career

Factor analysis was utilized to test the validity of the construct of interest. A total of 27 items (i.e., 14 and 13 items for the protean and boundaryless career attitudes scales, respectively) were analyzed by using principal axis factoring and direct oblimin rotation. In order to evaluate the factor structures for both of the career attitude scales and the selected items with high factor loadings, exploratory factor analysis was done. In the original scale, the boundaryless career scale consists of 13 items. According to the factor analysis results, three items were removed from the boundaryless scale (I have sought opportunities in the past that allow me to work outside the organization; I am energized in new experiences and situations and, in my ideal career, I would work for only one organization) since their factor loading was smaller than 0.50. In the original scale, the protean career scale consists of 14 items and also two items from this scale (When development opportunities have not been offered by my company I've sought them out on my own and Where my career is concerned I am very much "my own person") were eliminated since their factor loading was smaller than 0.50. Kaiser-Meyer-Olkin (KMO) values were calculated after these exclusions (KMO=0.92 for the

protean career attitudes scale, and KMO=0.86 for the boundaryless career attitudes scale) showing that the correlation matrices were appropriate for factor analysis.

According to the results, two factors' eigenvalues were greater than one for the boundaryless career attitudes scale. The items after the elimination clearly loaded on two separate factors (boundaryless mindset with 6 items and organizational mobility preferences with 4 items), which explained 73.14% of total variance. According to the results, two factors' eigenvalues were greater than one for the protean career attitudes scale. The items after the exclusion clearly loaded on two separate factors (values-driven orientation with 6 items and self-directed career management with 6 items), which explained 78.74% of total variance.

Validity Test of Organizational Culture

The validity of the construct of interest was tested using factor analysis. 24 items of the organizational culture scale were analyzed using principal axis factoring and direct oblimin rotation. Exploratory factor analysis was performed to examine the factor structures of the organizational culture scale and selected the items with high factor loadings. The original organizational culture scale consists of 24 items and 6 items from this scale were discarded since their factor loading was smaller than 0.50. KMO value was calculated after these exclusions (KMO=0.95). It is indicated that the correlation matrixes were suitable for factor analysis.

According to the results, three factors' eigenvalues were greater than one for the organizational culture scale. The items after election clearly loaded on three separate factors (supportive, bureaucratic, and innovative) which explained 83.37% of total variance.

Consequently, the exploratory factor analyses demonstrate that the translated scales performed as expected and yielded satisfactory results.

Tests of the Hypotheses

The hypothesized relationships were tested using correlations and multiple regression analyses. Intercorrelations of study variables are presented in Table 1.

Table 1. Intercorrelations of study variables

Variable	M	SD	1	2	3	4	5	6	7	8	9	10
1 Boundaryless mindset	2.46	0.56	1									
2 Organizational mobility preference	3.52	0.56	0.667**	1								
3 Boundaryless career scale	2.99	0.23	0.912**	0.914**	1							
4 Self-directed career management	2.44	0.56	0.753**	0.755**	0.825**	1						
5 Values-driven career orientation	2.43	0.58	0.756**	0.785**	0.844**	0.805**	1					
6 Protean career scale	2.44	0.54	0.794**	0.811**	0.879**	0.948**	0.952**	1				
7 Innovative	2.42	0.63	0.731**	0.736**	0.804**	0.803**	0.803**	0.845**	1			
8 Bureaucratic	2.47	0.61	0.731**	0.719**	0.794**	0.786**	0.790**	0.830**	0.874**	1		
9 Supportive	2.45	0.62	0.721**	0.725**	0.792**	0.778**	0.790**	0.825**	0.879**	0.828**	1	
10 Organizational Culture Total	2.45	0.43	0.764**	0.763**	0.837**	0.828**	0.834**	0.875**	0.964**	0.945**	0.948**	1

N= 1224. ** p<0.01, * p<0.05

First, the correlations revealed that organizational culture was positively related to both components of Protean career (self-directed career management and values-driven career orientation) and Boundaryless career (boundaryless mindset and organizational mobility preference). Organizational culture demonstrated a significant relationship with boundaryless career and protean career management as expected.

To test the hypotheses, multiple regression analyses were carried out. Each dimension of organizational culture (Innovative, bureaucratic, and supportive) were taken as independent variables. Also each dimension of boundaryless career (boundaryless mindset and organizational culture mobility) and protean career (self-directed career management and values-driven career management) were taken as dependent variables. The results of multiple regression analyses are presented in Table 2.

Table 2. Results of multiple regression analysis

	B	t	R ²
<i>Boundaryless Mindset</i>			0.586
Innovative	0.195	4.745	
Bureaucratic	0.299	8.281	
Supportive	0.232	6.483	
<i>Organizational Mobility Preference</i>			0.582
Innovative	0.247	5.929	
Bureaucratic	0.230	6.281	
Supportive	0.252	6.948	
<i>Self-directed Career Management</i>			0.687
Innovative	0.298	8.298	
Bureaucratic	0.275	8.729	
Supportive	0.215	6.854	
<i>Values-driven Career Management</i>			0.696
Innovative	0.262	7.152	
Bureaucratic	0.288	8.953	
Supportive	0.272	8.526	
<i>Boundaryless Career Total</i>			0.700
Innovative	0.221	6.892	
Bureaucratic	0.264	9.386	
Supportive	0.242	8.667	
<i>Protean Career Total</i>			0.766
Innovative	0.280	9.325	
Bureaucratic	0.281	10.681	
Supportive	0.243	9.299	

**p<0.01

In this model, the probability level is significant ($p < 0.01$) in all independent variables. These results showed that all of the dimensions of organizational culture related positively and almost equally with both protean and boundaryless career attitudes as expected. 70% of the boundaryless career variable was explained by independent variables ($R^2 = 0.700$). All independent variables have very similar B values for boundaryless career. Independent variables also explained 77% of protean career ($R^2 = 0.766$). Protean career has almost equal relationship with innovative ($B = 0.280$), bureaucratic ($B = 0.281$) and supportive dimensions ($B = 0.243$). The relationship between organizational culture and career attitudes is obvious.

There is a positive relationship with all organizational culture sub dimensions and both protean and boundaryless career attitudes sub dimensions. Organizational culture also has an effect on both protean and boundaryless career attitudes as assumed. However, all dimensions of organizational culture have more effect on protean career total than boundaryless career total. As seen in Table 2, the bureaucratic

dimension of organizational culture yielded slightly more effect on boundaryless career total ($B=0.264$) with respect to innovative ($B=0.221$) and supportive dimensions ($B=0.242$). Especially, the bureaucratic dimension has a significant impact on organizational mobility preference ($B=0.299$) that is a sub dimension of boundaryless career attitude. This is a surprising result because I had assumed that if the organizational culture is innovative and/or supportive, employees' level of protean and boundaryless career attitudes will be affected positively. The innovative dimension demonstrated a statistically significant impact on self-directed career ($B=0.298$).

Another interesting result is that, relatively, the supportive dimension ($B=0.243$) of organizational culture has slightly less impact on protean career total than the innovative ($B=0.280$) and bureaucratic dimensions ($B=0.281$). As a result, the bureaucratic dimension of organizational culture has more effect on protean and boundaryless career attitudes than the innovative and supportive dimensions. This result negates my assumption about the expectation of more effects of supportive and innovative dimensions on protean and boundaryless career attitudes.

Discussion

Revealing the relationship between organizational culture and employees' career attitudes and the effect of organizational culture on employees' career attitudes in the banking sector will help us to understand employees' career attitudes. All hypotheses indicating the positive relationship between organizational culture and protean career and boundaryless career attitudes were confirmed by the analyses results. According to the results of the study, organizational culture affects bank employees' protean and boundaryless career attitudes. While it has been previously argued that strong culture within the organization leads the employees' commitment towards achieving the goals of the organization (Shahzad et al., 2013), this study has shown empirically that organizational culture also has a moderating effect on employees' protean and boundaryless career attitudes.

The results highlight that all dimensions of the organizational culture exhibit more effects on protean career attitudes than boundaryless career attitudes. This higher relationship between protean career and organizational culture is interesting. Although self-direction career management involves an independent nature, it could be anticipated that individuals with a protean career attitude would be less committed to their organization. Protean career is not an agreement that is signed between an individual and organization, it is an engagement that is undertaken by the individual (Baruch, 2006). The positive relationship between protean career management and organizational culture may be due to the fact that the individual's career consists of

the accumulation of his or her education and job/organization experience. It comprises the individuals' career choices and self-fulfillment (Hall, 1996; Hall & Moss, 1998).

The results also show that the bureaucratic dimension of organizational culture affects the boundaryless mindset as a sub dimension of boundaryless career attitudes slightly more than organizational mobility preference. The boundaryless mindset expresses a consideration of limitedness in an individual's mind (Sullivan & Arthur, 2006). If the organization presents an opportunity of vertical movement as well as lateral mobility, the individual may exhibit boundaryless mindset attitudes (Clarke, 2009). However, even though an individual is physically embraced in the boundaryless mindset, he or she can continue to operate in the organization at the same time (Briscoe, Hall, & DeMuth, 2006).

This study examined the controlling effect of organizational culture on protean and boundaryless career attitudes. All hypotheses related to the controlling effect of organizational culture on these career attitudes were supported.

Conclusion and Managerial Implications

The findings revealed that organizational culture is an important factor to determine bank employees' career attitudes. Thus, a well-designed organizational culture may contribute to building the bank employees' positive feelings and diminishing negative feelings to the organization. Therefore, they may want to stay in the banks a long time and not want to find another job or leave the organization. In other words, organizational culture encourages employees to stay in the organization instead of looking for another job or organization. According to the results, all dimensions of the organizational culture exhibit more effects on protean career attitudes. Protean career attitude is a new trend among skilled employees (Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhoades, 2002) and should be considered as an important development by HRM practitioners. Loyalty, caring, and commitment are not dismissed in a protean career attitude if organizations do not ignore them (Khan, Salleh, & Bin Hemdi, 2016). HRM experts in the organization should focus on how to enhance the loyalty of employees who have protean career attitudes.

Among all dependent variables, the self-directed career dimension of protean career attitude is more affected by the innovative dimension of organizational culture. Generally, employees are more likely to be more successful in their career when organizations provide opportunities and design relevant training and development programs for the employees. They do not prefer to be only led to salary increments and extra promotion but they do want to achieve career success (Chin & Rasdi, 2014).

Employees with protean career attitude may want to have an opportunity to accomplish something new in the organization. A significant relationship between the innovative dimension of organizational culture and self-directed career dimension of protean career may be explained by employees eager to participate in some developments in the organization. Managers should create and support an innovative work environment for the employees and also include them into these new innovative works.

The bureaucratic dimension of organizational culture affects a boundaryless mindset as a sub dimension of boundaryless career attitudes slightly more than organizational mobility preference. An individual with boundaryless mindset attitude uses commitment, autonomy, and interest as motivation sources. If managers are informed that employees have boundaryless career attitudes and they are affected most by the bureaucratic dimension of organizational culture, then they may use these sources to motivate these employees. A greater commitment need of individuals makes them much more adoptive towards their organizations and such individuals exhibit less tendency towards changing their organizations. The factor that determines the commitment is the opportunities for interaction that enhance motivation in the organization. An individual who receives those interaction opportunities attaches to the organization and keeps working in the same organization (Segers Inceoglu, Vloeberghs, Bartram, & Henderickx, 2008).

The contribution of this study is that it is the only study that has determined the relationship between organizational culture and protean and boundaryless career attitudes and also revealed the impact of the organizational culture on these career attitudes. Another contribution of this study is that protean and boundaryless career models were tested in banks located all over Turkey. A large number of study respondents from three different banks enables to gain validity and generalize-ability of the results. The results of the factor analyses of protean and boundaryless career attitudes scales show that two factors such as i) self-directed career management and values-driven career orientation for protean career, and ii) boundaryless mindset and organizational mobility preference for boundaryless career are consistent with the Western context (Briscoe, Hall, & DeMuth, 2006). This finding confirmed that the translated scales perform as expected.

The fundamental practical meaning of this study is that boundaryless career and protean career are found to be significant for all components of organizational culture. This result suggests that organizations should be aware that a strong organizational culture enables employees to accomplish their career expectations. When an employee is joining an organization, the employee's personal thinking and expectations may be different from the organizational values. A strong cultural environment lets employees be on the common path towards achieving organizational objectives, which also provide employees the opportunity to grow in the organization (Deal & Kennedy, 1982). The results clearly show that organizational culture is a very important and critical factor for employees to determine their career attitudes.

Therefore, organizations should understand that employees may have different career attitudes and orientations and, they should also gain an appreciation of these various career orientations and consider what orientations may be well-suited for the employees' future (Kuron, Schwietzer, Lyons, & Ng, 2016).

The results of this study may help managers to manage and develop employee careers. It may also help them to identify and avoid problems. Furthermore, findings may enable organizations to tailor their plans for organizational culture based on employees' career attitudes. Thereby employees may start making their career the most important object. In this way, the intention to leave a job or for companies to also discharge employees may reduce and unemployment, a major problem in Turkey as in the rest of the world, would decrease. Accordingly, a developed understanding of the relationship between organizational culture and employees' career attitudes in this study could assist organizational practitioners both in selecting the best candidates for the organization and guiding the careers of the employees who are already in the organization and have protean and boundaryless career attitudes.

Limitations and Future Research

The results of this study may have a few limitations. Firstly, the study was conducted in Turkey. Although Turkey has been negotiating with the European Union for full membership for many years, there are still close relations in political, economic, and industrial areas between Turkey and the Middle East. Therefore, the conditions in Turkey where this study was held, can still be considered as a non-Western context and hence the results of this study should be evaluated from this perspective. Secondly, employees from three banks were used for the data collection. Utilization of only one sector's employees may have limited the variations which could be observed. Future research could be performed on various organizations in different sectors. Future researchers can also explore the relationship between an employee's career attitudes and perceived supervisor and the effects of organizational culture on this relationship across multiple organizations.

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Appendix

Survey Questionnaire

1. Bank's Name:
2. Sex
☐ Female ☐ Male
3. Age
☐ 20-25 ☐ 26-30 ☐ 31-35 ☐ 36-39 ☐ 41 and over
4. Marital Status
☐ Married ☐ Single ☐ Other
5. Highest Graduation Degree
☐ High School ☐ Undergraduate ☐ Master's Degree ☐ Doctorate
6. Total Years in Work
☐ Less than one year ☐ 1-5 years ☐ 6-10 years ☐ 11-15 years ☐ Over 16 years
7. Number of Working Year(s) in This Bank
☐ Less than one year ☐ 1-5 years ☐ 6-10 years ☐ 11-15 years ☐ Over 16 years
8. Number of Job Changes
☐ Never ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 and over
9. Reason for Job Change
☐ Changing city ☐ Changing sector ☐ Changing position ☐ Changing salary ☐ Other
 (please explain)
10. Your Title
☐ Manager ☐ Director ☐ Assistant ☐ Expert ☐ Service Personnel ☐ Other (please
 explain)

Table 3. Protean and boundaryless career scale

Protean and Boundaryless Career		Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
1	I seek job assignments that allow me to learn something new.	1	2	3	4	5
2	I would enjoy working on projects with people from across many organizations.	1	2	3	4	5
3	I enjoy job assignments that require me to work outside of the organization.	1	2	3	4	5
4	I like tasks at work that require me to work beyond my own department.	1	2	3	4	5
5	I enjoy working with people outside of my organization.	1	2	3	4	5
6	I enjoy jobs that require me to interact with people in many different organizations.	1	2	3	4	5
7	I have sought opportunities in the past that allow me to work outside the organization.	1	2	3	4	5
8	I am energized in new experiences and situations.	1	2	3	4	5
9	I like the predictability that comes with working continuously for the same organization.	1	2	3	4	5
10	I would feel very lost if I couldn't work for my current organization	1	2	3	4	5
11	I prefer to stay in a company I am familiar with rather than look for employment elsewhere.	1	2	3	4	5
12	I seek job assignments that allow me to learn something new.	1	2	3	4	5
13	In my ideal career, I would work for only one organization.	1	2	3	4	5
14	When development opportunities have not been offered by my company, I've sought them out on my own.	1	2	3	4	5
15	I am responsible for my success or failure in my career.	1	2	3	4	5
16	Overall, I have a very independent, self-directed career.	1	2	3	4	5
17	Freedom to choose my own career path is one of my most important values.	1	2	3	4	5
18	I am in charge of my own career.	1	2	3	4	5
19	Ultimately, I depend upon myself to move my career forward.	1	2	3	4	5
20	Where my career is concerned, I am very much "my own person."	1	2	3	4	5

21	In the past I have relied more upon myself than others to find a new job when necessary.	1	2	3	4	5
22	I navigate my own career, based upon my personal priorities, as opposed to my employer's priorities.	1	2	3	4	5
23	It doesn't matter much to me how other people evaluate the choices I make in my career.	1	2	3	4	5
24	What's most important to me is how I feel about my career success, not how other people feel.	1	2	3	4	5
25	I'll follow my own guidance if my company asks me to do something that goes against my values.	1	2	3	4	5
26	What I think about what is right in my career is more important to me than what my company thinks.	1	2	3	4	5
27	In the past I have sided with my own values when the company has asked me to do something I don't agree with.	1	2	3	4	5
28	People have told me that I march to the beat of my own drum.					

Table 4. Organizational culture scale

Organizational Culture		Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
1	We follow our own procedures in our organization.	1	2	3	4	5
2	Our organization has a hierarchical structure.	1	2	3	4	5
3	Our institutions have policies, ways, and methods.	1	2	3	4	5
4	In our institution, the order-command chain must be treated in a proper manner.	1	2	3	4	5
5	There is a pattern in our institution.	1	2	3	4	5
6	There are strict rules to be observed in our organization.	1	2	3	4	5
7	Our organization acts cautiously in all matters.	1	2	3	4	5
8	It is important to have position and status in our organization.	1	2	3	4	5
9	Our organization supports all kinds of cooperation.	1	2	3	4	5
10	Our organization creates the necessary environment for the formation of good relations among employees.	1	2	3	4	5
11	Our organization supports and encourages our employees.	1	2	3	4	5
12	Our organization organizes activities to socialize.	1	2	3	4	5
13	Employees in our organization can act freely in all matters.	1	2	3	4	5
14	Our employees are treated equally.	1	2	3	4	5
15	We are trustworthy in every aspect of our organization.	1	2	3	4	5
16	Our organization is safe in every respect.	1	2	3	4	5
17	Our organization inspects the risks in each issue.	1	2	3	4	5
18	Our organization is focused on results.	1	2	3	4	5
19	Our organization is creative.	1	2	3	4	5
20	Our organization forces its employees to do better.	1	2	3	4	5
21	Our organization is an entrepreneur.	1	2	3	4	5
22	Our organization is encouraging us to do better in our work.	1	2	3	4	5
23	Our organization is generally stable.	1	2	3	4	5
24	Our organization encourages us to work by arousing curiosity.	1	2	3	4	5

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Insight into Blog Retailers

Florence Jiayun Ng

Each day, the Internet becomes home to thousands of new blogs. Many bloggers have taken advantage of the success of their personal websites by selling products that appeal to their readers, i.e., potential customers. This project will be used to understand this fairly new online subculture by examining the emergence of blogs as a novel online retail format, identifying factors influencing customer patronage, and focusing on a case study of nine Singapore-based blog retailers. The purpose of this research is to elucidate the dynamics of blog retailing, for which considerably less research has been performed when compared with blogging in general. An analysis of a select group of blog retailers highlights the factors that they use to enhance customer patronage and the tactics that they employ to acquire and retain customers. This information will be valuable for a significant portion of Internet users who either visit or own blogs. The contribution of this research is significant in terms of providing insights into blog retailing from the retailers' perspective and also the utilization of blog retail as a relatively new online business platform.

Keywords: Blog retailing, online shopping, customer relationships, e-trust, internet retail.

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Introduction

The Internet and e-commerce have introduced new ways of marketing and shopping. There has been a dramatic increase in online retailing in the past decade,

with worldwide e-commerce sales reaching US \$1.95 trillion in 2016 (eMarketer, 2016; Mulpuru, 2008). Given the attractiveness of this industry, major online retailers, such as Amazon and eBay, are facing strong competition as consumers are inundated with a myriad of similar offerings from which to choose (Grabner-Kraeuter, 2002). This has led to online retailers examining various means to influence online shopping behavior. Online retailing comprises retailing formats, such as registered websites, eBay, Yahoo auctions, and many others (Dubosson, Osterwalder, & Pigneur, 2002). Amongst all of these formats, blogs (abbreviated from the term “web log”) have emerged as one of the most popular (Thevenot, 2007). According to Sifry (2007), since 2007, 120,000 new blogs are being created every day, joining the 70 million blogs that already existed.

Blogs as a New Online Retail Format

Blogs are websites that resemble *online diaries*, where *bloggers* (abbreviated for “blog owners”) create their personal web pages in text, videos, or other multimedia in order to attract readers (McCorkle, McCorkle, & Payan, 2014; Leight & Leight, 2008). Blogs are often viewed as more personal and interactive than traditional websites, as they allow two-way conversations between bloggers and blog readers (Lawson-Borders, & Kirk, 2005). Traditional websites do not facilitate two-way conversations between readers and webmasters, while blogs provide a space that enables readers to post comments and engage in online conversation using functions, such as a comment box (McCorkle et al., 2014). Blogs also provide permalinks that lead to other blogs or websites (Brady, 2005). These permalinks allow interesting ideas on blogs to be hyperlinked from one website to another, enabling a blog to be spread all over the Internet. Therefore, blogs are turning into the new medium, or the new word-of-mouth, that helps bloggers reach out effectively to readers (Hsu & Lin, 2008).

From a technological perspective, blogs can be defined as virtual diaries that utilize hosted blogging systems, such as blogspot.com and LiveJournal.com (McCorkle, et al., 2014). Blogs can also usually be identified by their URL, such as the aforementioned blogspot.com and LiveJournal.com, which indicate their hosted domains and differentiate themselves from most conventional e-retail websites (Lim, Diaz and Dash, 2013). Two examples of blogs are <http://spreesgalore.livejournal.com/> and <http://shopjenith.blogspot.sg/>. Unlike traditional websites, the content of blogs can be updated without requiring programming expertise, as programming is done automatically via the blog publishing software. Hence, content on blogs can be updated quickly and frequently (Lahm, 2011). The functions on blogs can also be created using plug-ins, instead of programming. For example, plug-in functions, such as chat boxes and comment areas, can be easily created by downloading the appropriate plug-in and installing it within

a short time to allow readers to chat and comment on the blog's content (Lim et al., 2013).

Unlike a traditional website, bloggers often express themselves in the form of online personal diaries with reflections, product reviews, comments, and hyperlinks on their blogs. Most bloggers spend a lot of time passionately discussing product and service information on blogs and this generates credibility (Marken, 2008), as readers view blogs as an unbiased or impartial source of information (McCullagh, 2008). With the rising popularity of blogging, some bloggers have capitalized on the popularity of their blogs by using them as a platform to sell goods to their readers (<http://www.blogtoplist.com/>). In this paper, we use the term blog retail to cover all online retail shops that are facilitated through hosted blogging technologies as their main trading platform (Campbell, Fletcher, & Greenhill, 2009).

For cash-strapped bloggers, blogs offer a cost-effective retail format compared to other online methods (<http://www.retailblogmarketing.com/>), as they have low set-up costs (Lang, 2005). Blog hosts, such as Blogspot, Wordpress, and LiveJournal allow free sign-up for individuals for a blog account, while others, such as realblogvideos.com, charge a minimal fee (Wordpress, 2017). Blog retailers sell everything from clothes and handcrafted fashion accessories to home-baked muffins (Campbell, Fletcher, & Greenhill, 2009; Goh, 2011), and these have been very popular throughout Asia. According to LiveJournal, a Singapore-based host domain for blog retail, an estimated 480,000 people visit blog retail sites every month with the intention to shop. Transactions on these blog retail sites were expected to reach a value of US \$96 million at the end of 2013. This will represent approximately 6% of Singapore's total e-commerce volume for 2011 (Goh, 2011), while also becoming one of the fastest growing retail platforms on the Internet (Leight & Leight, 2008).

While there is a substantial body of work on blogs in general, limited attention has been paid to blog retailing in detail. Most studies on blogs or blogging focus on the study of blog readers and bloggers for leisure purposes only (e.g., Hsu and Lin, 2008; Navarro, 2016; Ho & Lee, 2015; Kulmala, Mesiranta, & Tuominen, 2013; Anaza & Zhao, 2013). This provides limited insight into the perspective of the blog retailers who use their blogs as a business platform. While it is important to understand blogging or blog phenomena from the customers' perspective, the retailers' point of view is crucial for understanding the blog retail business. Specifically, this research aims to identify the factors that blog retailers regard as critical in creating and enhancing customer patronage. The contribution of this research is significant in terms of providing insights into blog retailing from the retailers' perspective and also the utilization of blog retail as a relatively novel online business platform.

The remainder of this paper is structured as follows. This paper begins with a review of literature, summarizing the factors that influence customer patronage in blog retail. The paper then discusses the method for collecting and analyzing data.

Next, the findings are presented. We conclude with a discussion of the results, limitations of the study, managerial implications, and future research directions.

Relevant Literature

The majority of the extant literature on blogs can be categorized into two categories: use of blogs as a non-retail format; and bloggers who use blogs for leisure purposes only. The first category focuses on blogs as a non-retail format in the context of public relations (Porter, Sweetser, & Chung, 2009), word-of-mouth effects (Li & Du, 2011; Hsu, Lin, & Chiang, 2013), blog usage (Liao, To, & Liu, 2013; Wu, Kao, & Lin, 2013), and knowledge-sharing behavior (Chai, Das, & Rao, 2011). The second category focuses on the perspective of bloggers (or blog owners) who utilize blogs for leisure purposes only (e.g. Hsu & Lin, 2008; Navarro, 2016; Kulmala et al., 2013; Anaza & Zhao, 2013).

The overall purpose of this article is to elucidate the landscape of blog retailing, particularly how blog owners use blogs as a platform for business. From the perspective of this paper, relevant studies are those that focus on: (1) blogs used as a business platform; and (2) blog retailers who use their blog for business purposes. For the aim of this paper, these two categories within blogs or blogging literature are not relevant to this research. With limited studies to draw insights into blog retail, this paper will also include studies on online retail to obtain insights into the research area. Extant literature on online retail is seen as relevant here, as blogs constitute one of the online retail formats.

Factors Influencing Customer Patronage

Given the highly competitive online retail environment, it is critical to elucidate factors leading to customer patronage in the blog retail business. Customer patronage is defined as a consumer's choice to be involved in online transaction(s) with a particular online store (Barkhi, Belanger, & Hicks, 2008; Pan & Zinkhan, 2005). In simpler terms, it refers to the customer's choice to visit and purchase from a particular online store (Forsythe & Shi, 2003). An understanding of factors leading to customer patronage is important, as it enables marketers to identify criteria for attracting customers to patronize their online store. A review of the literature reveals the following five factors to be important in influencing patronage in blog retail. They are: (1) e-trust (Kim & Stoel, 2005; Wang & Head, 2007); (2) credibility; (3) interactivity (Kim, Fiore, & Lee, 2007); (4) website design (Keng & Ting, 2009); and (5) the use of hyperlinks (Campbell, Fletcher, & Greenhill, 2009). The following paragraphs will elaborate on each factor in detail.

E-Trust

Within online shopping environments, e-trust is viewed as the key differentiator in determining success or failure in online retailing and a precursor to customer patronage (Bhattacharjee, 2002; Urban, Sultan, & Qualls, 2000). E-trust may be defined as the belief or expectation that a given promise can be delivered and that the seller is not attempting to take advantage of the consumer's vulnerability (Amit & Zott, 2002). Empirical research on the relationship between e-trust and customer patronage is not new. Scholars, such as Bhattacharjee (2002), have empirically demonstrated that e-trust has a positive impact on attitudes as it pertains to purchasing over the Internet. An explanation of this effect is provided by Kim, Ferrin, and Rao (2008) and Grewal, Munger, Iyer, and Levy (2003). They explained that the trust factor is more important online than in traditional retail due to its ability to mitigate some effects of perceived risk that exist online. Perceived risk is defined as a consumer's perceptions of uncertainty and evaluations of possible undesirable outcomes (Dowling and Staelin, 1994). Perceived risk in online transactions can come from the inability to examine products prior to the online purchase transaction, the lack of face-to-face interaction with the seller, or the release of personal information to complete the online purchase transaction (Grewal et al., 2003), resulting in uncertainty when transacting online. Perceived risk is frequently cited as one of the deterrent factors that discourages customers from purchasing online (Pavlou & Fygensen, 2006; Luhmann, 2000). E-trust is essential in online retail because it is able to mitigate the effects of perceived risk in online transactions (Vos, Marinagi, Trivellas, Eberhagen, Skourlas, & Giannakopoulos, 2014). E-trust is often described as a "risk reliever," which means that it has the ability to bolster assurance and confidence, which in turn makes customers feel safe transacting online (Luhmann, 2000; Vos et al., 2014). Similarly, for blog retailing, e-trust is critical because blog retail exists online and involves online transactions, so potential customers are vulnerable to risks that exist on the Internet (Yousafzai, Pallister, & Foxall, 2003). As such, e-trust constitutes the key differentiator in determining the success or failure of a blog business, and is one of the most essential drivers of customer patronage (Reichheld & Shefter, 2000; Urban et al., 2000).

Credibility

Credibility refers to the extent to which blog readers believe that the blogger provides an honest opinion on a given subject (Lafferty & Goldsmith, 2004; Weerkamp & Rijke, 2012). Credibility is shown to be influential in affecting attitudes (Lafferty & Goldsmith, 2004; McGinnies & Ward, 1980) and customer patronage (Bailey, 2004; Saxena, 2011). Gathersuccess (2008) and Robins and Holmes (2008) suggest that credibility is an important factor in the success of blog retail because customers find credible information to be useful and trustworthy, and thus will rely on it to make purchase decisions (Wathen & Burkell, 2002; Saxena, 2011). Information available in

the online environment is virtually limitless. Bloggers are given a large degree of freedom to produce blog content of varying quality, with some being viewed as more credible than others (Weerkamp & Rijke, 2012). Readers are unable to provide quality checks on this content, and therefore rely on credibility cues from bloggers, such as feedback from other customers and factual evidence provided by the blogger, to decide whether the information presented to them is credible. If the customer finds that the information presented on the blog is not credible, they will move on to the next blog site (Robins & Holmes, 2008).

Past literature suggested some strategies for enhancing credibility, including the use of a genuine voice when writing product reviews on blogs, even if it means admitting that competitors' products are superior (Gathersuccess, 2008). Such reviews indicate impartiality, honesty, and enhance trust, leading to customer satisfaction and patronage (Wright, 2006). According to Ba and Pavlou (2002), the use of feedback can also be an effective means to enhance a blog retailer's credibility. Such a system provides blog customers with the ability to comment on their buying experience, and when good feedback is given to the blog retailer, it constitutes a signal of credibility to potential buyers. Consumers value sites that provide credible information that they need, and there is an increased likelihood that they will buy from these blog sites (Chiang & Hsieh, 2011). Hence, credibility on blogs is a powerful influencing factor on customer patronage of the blog (Pavlou & Dimoka, 2006) and an essential predictor of positive economic outcomes for a company.

Links

Bloggers and customers usually want to share their product reviews and experience with other bloggers and customers (Marken, 2008). This can be done using permalinks and trackbacks, which are unique features of blogs. A permalink is a static address (link) to a blog entry or other parts of a blog (Du & Wagner, 2005). Blog readers can follow permalinks in a blog entry to be directed to another blog concerning a similar topic, and as a result, easily gain access to a collection of blog entries (Ngu, 2014). A trackback is also a static address (link) that allows consumers' opinions or comments posted on a blog to be connected to another blog entry (Morimoto & Trimble, 2012). Both permalinks and trackbacks enable bloggers and customers to link a blog entry with other blogs, creating interconnectivity between them (Ngu, 2014). This inter-connective nature enables readers and potential customers to be directed from one blog to other blogs easily (Cho & Huh, 2010), building a network between blogs.

Why would a blog retailer utilize permalinks to direct potential clients to another blog site, since there is a chance that the potential client will click away to another blog site, and may never return (Drèze & Zufryden, 2004)? The reason is because blog retailers utilize this as a form of collaboration with other blog retailers

and a potent method to generate traffic and ultimately, customer patronage (Lim et al., 2013). Supporting this is a study on online browsing behavior, conducted by the Graphic, Visualization and Usability Center (1998). The study reported that 88% of Internet users find websites via links from other websites, and they rely heavily on links for Internet navigation. Therefore, the utilization of permalinks to link between blogs is an effective way of driving traffic to a blog site. The traffic generated provides the blog site with potential customers, from which actual customers will develop (Ennew, Lockett, Blackman, & Holland, 2005).

Interactivity

Interactivity is the key to the success of blog retail (Huang, Chou, and Lin, 2008; Ho and Lee, 2015). Interactivity is defined as the degree to which users perceive their experience as a simulation of an interpersonal interaction (Thorson and Rodgers, 2006). Interactivity on a blog can be achieved through its unique, interactive features, such as the comment box function (Vrana & Zafiropoulos, 2010). Using the comment box, both bloggers and customers are able to express their opinions on a product review that they read on the blog, facilitating communications and discussions between bloggers and customers. This allows readers to be part of a conversation on the blog and interact with others (Gathersuccess, 2008). Such interactive conversations enable blog retailers to create a bond with their customers (based on listening and responding appropriately), and this process could make a difference in a customer's mind, resulting in a positive attitude and customer patronage (Goodfellow & Graham, 2007 and Lu & Hsiao, 2007). In order to promote interactivity, blog retailers need to act as service providers to their blog readers by contributing to discussions and answering inquiries by blog readers (Hsu & Lin, 2008). It was also found that the factors that drive readers to a blog site are the friendliness and enthusiasm of the blog host (blog retailers) in sharing their opinions, social orientation, and community membership (Hsu & Lin, 2008 and Huang et al., 2008). Consequently, interactivity generated within blogs is an important factor in managing a successful blog retail business

Blog design

Blog site design refers to the visual appearance and audible applications on a blog site. It includes the correct uses of colors, animation, pictures, text, format, and sound (Collier & Bienstock, 2006). Research on the effects of blog site design has found that it is a critical element in building customer satisfaction and customer patronage (Schenkman & Jönsson, 2000). The appearance of the blog site is the retailer's way of presenting the company to its customers (Bramall, Schoefer, & McKechnie, 2004). It helps to create customers' overall impression of the blog site (Bramall et al., 2004; Kang,

2010). Another study also confirmed that customers use the appearance of a blog as a cue to form judgments about the blog site (Kang, 2010).

A customer's navigation through the blog will start from the initial interaction with the landing page, continue to blog entries, and eventually end at the check-out page. This entire interaction with the blog will create useful cues for customers regarding the formation of their judgment towards the blog. Based on this judgment, they will decide whether or not they like the blog site, and essentially, whether they will stay or leave. Therefore, blog site design represents a critical factor in creating an overall impression of the blog site (Bramall et al., 2004; Kang, 2010). It also plays an important role in user satisfaction (Lindgaard & Dudek, 2003) and customer patronage (Schenkman & Jönsson, 2000).

Methodology

As the research area is relatively new, it is crucial to gain an in-depth understanding of the research area via an exploratory study. Due to the exploratory nature of the study, the use of the multiple case study approach was chosen because it offers an ideal methodology when a holistic, thorough investigation is requisite (Gerring, 2004). It also enabled the researcher to explore the phenomena under study through a replication strategy, as subsequent cases were selected to confirm/disprove the patterns identified in initial cases (Rowley, 2002). A multiple case study approach generates richer theory (Eisenhardt, 1989), and allows generalization of theory across industries (Saunders & Thornhill, 2003). Due to the exploratory nature of the study, semi-structured interviews were deemed as the appropriate data collection method, as it allowed flexibility in probing (Dearnley, 2005) and encouraged collection of more information from the interviewer (Whiting, 2008).

The sampling frame included blog retailers who have been managing their blog business for at least a year. This criterion would also exclude bloggers who manage blogs for non-business purposes. This criterion is set because the aim of the research is to investigate the blog retail strategies of bloggers. Without some form of experience in 'retailing' conducted by bloggers through their blog, they would not have the expertise in the area of blog retailing in terms of blog marketing, and customer service for clients, customers, or companies.

The blog sites were identified through a blog directory website. The blog retailers were then contacted based on the contact information that was posted on the website. They were then invited to participate in the study. Thus, the self-selection sampling technique was utilized, as blog retailers that expressed interest in the study were invited to participate. A total of nine blog retailers, selling different products,

were involved in the study (see Table 1). Blog retailers were then interviewed mainly using telephone (Skype) and face-to-face interviews. Face-to-face interviews took approximately an hour and were held at a café. Interviews were voice-recorded and transcribed.

A protocol with open-ended questions was developed and used in all of the interviews to facilitate cross-case analysis (Eisenhardt, 1989). This approach is best suited for the exploration of blog retail because it offers questions that are designed to elicit the interviewee's opinion on a topic by allowing flexibility for new questions to be brought up as a result of what the interviewee says (Louise & While, 1994). This can increase the validity of the study because the collection of data from this type of interview is rich in explanation and analysis (Louise & While, 1994). These questions were aimed at identifying factors that blog retailers regarded as essential in creating and enhancing customer patronage and loyalty.

Table 1. Profile of participants

Blogger	Products/services sold	Year established	Position
A	Fashion apparel	2007	Owner
B	Fashion accessories	2007	Partner
C	Fashion apparel	2006	Owner
D	Digital books	2006	Owner
E	Gifts	2007	Owner
F	Website design	2008	Partner
G	Fashion apparel	2007	Owner
H	Fashion accessories	2007	Partner
I	Fashion accessories	2006	Owner

Data Analysis and Results

Within-case and cross-case analysis methods were used. Within-case analysis involves identifying all statements relating to blog retailing in the transcripts (Trochim, 1989). Cross-case analysis comprises identifying similarities and differences across cases in order to gain a greater and comprehension of the processes involved (Spiggle, 1994; Trochim, 1989). Firstly, each case was analyzed to gain a better understanding of each retailer's strategies. As suggested by Trochim (1989), phrases and statements that were related were then grouped together and headings given to each group to identify

the constructs. The results indicate that there are six retail strategies utilized by bloggers in driving customer patronage:

1. *E-Trust.*

The most mentioned precursor to customer patronage was e-trust. From the blog retailers' perspective, e-trust constituted an important prerequisite for a successful blog retailing business. Blog retailers employ different tactics in building e-trust with their customers. Six blog retailers indicated that e-trust is built through comments/testimonials left by previous customers and the amount of past sales history that is posted on the blogs. Blog Retailer E stated, *"We invite customers who have done business with us to leave comments or feedback about our service or products. They also rate our customer services. These ratings and testimonials serve as input into building trust with potential customers."* Thus, customer testimonials and sales history were used by most retailers to build e-trust of new customers because it is an important element in facilitating business transactions online.

Security and privacy measures are also recognized as a method of building e-trust by a few blog retailers. Blog Retailer H emphasized their security payment process as a vehicle to build e-trust, and stated that, *"In dealing with security issues, we do not request credit card information. We use the simple method of electronic transfer instead. We send out the goods once we receive the payment. A confirmatory email is sent to them once goods have been sent out which also tells them the postage transaction number. We also make use of DHL services for overseas postage so that customers can track their products with DHL/post office."* It is also interesting to note that most blog retailers interviewed did not provide a credit card facility for their customers, but preferred to use PayPal or bank electronic transfer instead. This may be due to the security and privacy concerns that the blog retailers have relating to credit card payments online. Security and privacy measures through the use of electronic transfers or PayPal instead of credit card payments is recognized as a means of building trust for the two bloggers. Supported by Kuhlmeier and Knight (2005), security on the Internet can be achieved by ensuring that the privacy of the buyer's information is maintained and that credit card information is never disseminated beyond the immediate needs of the buyer-seller interaction. In addition, in a Business Week survey poll, it was found that 78% of respondents mentioned security and privacy concerns as the main reasons for their reluctance to purchase on the Internet, and that they would purchase products online only if security and privacy were guaranteed (Green, Yang, & Judge, 1998). Hence, the appropriateness of blog retailers in handling customers' security and privacy concerns can have an impact on customers' intentions to patronage a blog retail.

Another important tactic used by blog retailers in generating e-trust was the utilization of refund policies. Blog retailers need to ensure that customers receive the merchandise that they expect to receive, based on the online presentations or pictures.

Retailers C, D, G, and H had introduced refund policies to their retail business in building e-trust. As indicated by Retailer D, *"I introduced a 'no-questions-asked' refund policy. This showed how confident I am with the sales of my digital books."* The rationale for having a refund policy in place is that customers perceive a high risk when it comes to buying online, as they are unable to physically examine the product prior to purchase and also have concerns about the possibility of receiving defective or mis-specified goods (Ribbink, Riel, Liljander, & Streukens, 2004). Introducing refund policies increases assurance and helps customers feel more comfortable and secure when shopping online (van Birgelen, Ghijsen, & Semeijn, 2005). It can overcome feelings of doubt and risk, and create trust in the form of a 'psychological contract' that the products delivered will meet their expectations (van Birgelen et al., 2005). Therefore, by introducing refund policies that favor the customers, customers are able to overcome this perceived risk and are able to feel at ease to buy from the website. However, it is interesting to note that some blog retailers commented that some customers tend to abuse this policy. *"For example, some of them intentionally downloaded the digital books and asked for a refund straight after."* (Retailer D)

2. *Credibility.*

Retailer D viewed honesty and truthfulness in information presented to customers as one of the most essential ingredients in successful blog retail. The blog retailers assert that a genuine voice should be used when writing a review of a product on blogs, even if it means admitting that a competitor's product is better. This leaves the reader with the impression that the reviews given are unbiased and impartial, resulting in an increase in the reader's trust as a natural consequence (Wright, 2006). For example, according to Retailer D, *"...honesty is the best policy and it is also the best way to create trust in customers about your products. I always give straightforward answers to my readers or customers. Even if I make a mistake, I apologize."* Retailer D also added that honesty must not only be present in answering blog readers' questions, but it is also important in a product review or blog post. Retailer D commented, *"Even when I blog about a product review, I am very genuine in commenting. I make sure to point out the weakness of the product if I found any."* These findings support prior observations by Wright (2006), who reported that the use of a genuine voice - one which gives straight and passionate answers to even the hardest questions - creates credibility.

3. *Links*

Blogs are linking machines, and bloggers love to link (Wright, 2006). Usage of links is found to be the most popular method of advertisement for blog retailers. According to Retailer G, *"I find that links are a very effective way of generating free traffic to my blog. I am collaborating with nine other blogs/sites aiming to gain more traffic to my*

blog. Links are a free form of promotion and other bloggers are also willing to collaborate to generate more traffic to each of our sites." Thus, links are utilized by the retailers as a marketing tool in driving new customers or traffic to their blog site. In line with Wright (2006), hyperlinks on fellow blogs enable their visitors to access the owner's blog, opening a huge door to audiences who might be interested in the owner's content.

Links can also create a positive image and promote the blog for the blog retailer. Retailer D indicated that, *"Putting up links of other blogs on my tagboard not only allows me to promote traffic to my blog, it also allows building of my reputation in the blogging industry. This is because customers/readers can see which blogger you are linked up to and when they see your blog linking with other blog experts, they see you in a different light. Links allow building of reputation based on other people's brand."* Thus, the retailers view links as a marketing tool, not only for driving traffic to the blog site, but also in creating a positive image of their blog by linking to other blog sites.

4. Interactivity

Blogs offer a location for customers to comment and for companies to listen to what customers have to say (Lu and Hsiao, 2007). Results show that five of the retailers indicated that they encouraged customers to come forward to interact through content written on the blogs. According to Retailer D, *"I invite people to comment on my blog post to induce my readers to respond. For example, I would ask for their opinion about something/a product on my blog post. There was one time when I wrote on one of my blog entries that I will reveal a secret in the next blog entry if I receive seven emails asking for it. However, in my next blog entry, I would then tell them that I need one more email to reveal my secret. This excites blog readers to come forward to interact with me. I ended up with 78 people responding to my post. The response is so good that people e-mail me to tell me their life stories about themselves and so on."* Thus, creating interaction on blogs is one way in which the blog retailer builds a relationship with his or her customers. This is in accordance with a report by Wright (2006), which suggests that a successful blogger should always seek interactivity with readers by asking what their readers think and inviting them to comment. This will result in free customer feedback and a reputation for caring, which can also enhance communication and interactivity, ultimately leading to rapport-building with the reader that results in customer patronage (Hallur, 2006).

5. Incentives

Results show that the retailers utilize incentives as a method of inducing customers to purchase in higher quantities and to keep existing customers loyal. This issue was supported by Retailer G, *"Discounts are given to customers who buy in bulk. This is a sales promotion technique to make customers buy more. Free membership is also given to customers who order above a certain amount in a single transaction. Membership will entitle*

customers to receive discounts in their next purchase and allow them to buy a product range that is exclusively available to our members. Free membership is introduced to create customer loyalty, so that customers will keep coming back to our blog shop." Providing free trials is also a way of offering incentives to customers to induce them to purchase. Trials precede liking and eventually lead to purchase intention. Offering free trials for a limited period or of a limited quantity is a good marketing strategy to create a routine in their customers' minds and can eventually make the product necessary for them (Smith & Swinyard, 1982). For example, Retailer F provided evidence of this, "Our company offers free trials to our customers because we are selling services to them. The fact that service is intangible and with our company being relatively new, free trials of web hosting and CMS test runs allows customers to try out before buying." Thus, incentives such as discounts, free memberships, and free trials are cited as the most common ways of promotion for these blog retailers.

6. *Blog Site Design*

Over half of the retailers indicated the endeavor to create some form of "uniqueness" for their blog. Retailer F shows his commitment in creating a unique layout for the blog, "A unique site design means a lot to the success of my blog business. A unique blog design allows my customers to easily recognize my blog. In addition, a good site design also serves as a way to show some professionalism to my customers in order to build our corporate image as well as corporate branding." So, creating individuality or uniqueness in a blog is regarded as a way of exhibiting professionalism and corporate branding to customers. Wright (2006) suggests a few other methods to create individuality using blog site design, which includes catering blogs to specific content, designing one's own layout of a blog, using a unique font, or designing a unique banner (Wright, 2006). The key idea is to make the blog unique and so that it leaves a memorable impression in the customer's mind.

Discussion and Recommendations

The results of this study provide valuable insights into blog retailing practices. The results suggest that blog retailers viewed building of e-trust as a major marketing strategy in blog retailing. This is in line with research on other e-commerce platforms, such as e-auctions and other online websites (Amit & Zott, 2002; Bhattacharjee, 2002) which have found that establishing online patronage is dependent on first generating consumer e-trust. Further supporting this finding is a study by Reichheld and Shetter (2000) on website buyer behavior, which found that e-shoppers ranked e-trust as their most crucial attribute in selecting an e-retailer. Bhattacharjee (2002) also reports that

online trust is a customer's priority in e-commerce, an antecedent to commitment, and an essential factor of relationship marketing. In this sense, it is of paramount importance for all blog retailers to establish trust to gain a competitive advantage (Reichheld & Scheffer, 2000). Some strategies used by the blog retailers cited in this study included the use of testimonials by past customers, sales history, and security measures (through the use of bank electronic transfers or PayPal instead of credit card payments). Introduction of refund policies is another strategy identified by blog retailers in creating e-trust. Some of the refund policies cited by the blog retailers include full money-back guarantee and no-questions-asked refund policies. These strategies were found to be efficacious in increasing e-trust, not only in this study, but also in related studies (Patton & Josang, 2004). Pichler (2000) found that since customers have no opportunity to see and feel products, or to evaluate a product in detail prior to making a purchase, some are left feeling vulnerable. However, by having a refund policy in place, customers can feel more assured and secure with purchasing on blogs, which reduces perceived risk. Other studies suggested different means of developing e-trust using branding, competitive pricing, money-back guarantees, website features, multiple contact points, website transactions, and fulfillment of orders (Newholm, Mcgoldrick, Keeling, Macaulay, & Doherty, 2004). Since e-trust was found to be an important element in e-commerce, including blog retail, it is crucial for blog retailers to focus their efforts on gaining e-trust from their customers using these suggested strategies. Future studies should also investigate other strategies that blog retailers can utilize to develop e-trust.

Credibility is another essential factor identified in successful blog retail. According to McCole (2002), credibility implies truthfulness and honesty in the information presented and the ability of retailers to keep promises. One strategy identified in this research that is used to create credibility in blogs is the use of honesty and truthfulness in information presented in blogs. Supported by Wright (2006) and Reichheld and Sheffer (2000), to enhance credibility, a *genuine voice* should be used when writing product reviews on blogs, even if that means admitting that competitors' products are superior. Such reviews indicate impartiality, honesty, and enhance credibility, leading to customer satisfaction and loyalty. Thus, blog retailers should invest considerable effort in addressing factors that contribute to credibility. Future studies can also consider exploring other strategies or ways in which retailers can develop credibility of their blogs. Some strategies cited in the online retail literature include celebrity endorsements (Spry, Pappu, & Cornwell, 2011), recommendations, and feedback systems (Xiao & Benbasat, 2007). These were found to lead to higher credibility and a favorable attitude towards the website. These factors, however, have not yet been tested in the blog retail context. Future research could explore if these strategies are indeed effective within the context of blog retail.

Other tactics cited by blog retailers in driving customer patronage include the utilization of links or hyperlinks, creating interactivity on blogs, unique site design, and incentives. Interestingly, the use of incentives, such as discounts, free

memberships, and free trials emerged as important sales promotion tools that lead to an increase in blog retail sales. The major implication of this result for blog retailers is utilizing incentive programs, such as free postage, discounts, free memberships, and free trials as a critical stimulus to encourage customer patronage, thereby gaining a competitive advantage (Kim & Kim, 2004). This factor has not emerged as a crucial determinant of online customer patronage in extant research. For example, Kim and Kim (2004) found that incentive programs did not play a critical role in stimulating online purchase behavior. One possible explanation for the difference in these results may be due to the different customer group that blog retail attracts. Future studies can explore the differences in terms of consumer behavior and characteristics between blogs and other e-commerce platforms. Other research on e-commerce, however, reported that incentive programs increase Internet usage (Ray, 2001) and word-of-mouth referrals (Ray, 2001). For example, Ahrens, Coyle, and Strahilevitz (2013) found that providing larger incentives appears to generate higher referral motivation. Explained from a behaviorist perspective, incentives, such as monetary rewards, can constitute an effective extrinsic motivator because people who are rewarded for a behavior are likely to create a routine in their minds and eventually shape referral behavior (Buhler, 1992). Further research can be conducted to investigate the effectiveness of incentives in enticing blog patronage from the perspective of customers.

Limitations

There are limitations of the study that should be considered. Firstly, the participants in the study are mostly based in Singapore and may not represent blog retailers based in other countries, as culture and lifestyle may differ among countries. Further, this study was conducted with a limited number of subjects, and thus the results should be interpreted with caution. Finally, the subjects were self-selected, and therefore a bias existed.

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The Moral Development Index of Future Business Leaders: A Study on the Impact of Changes in Economic Systems and Gender

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As is clear from the burgeoning world of overbooked flights, potential travel bans, tense relationships between nuclear powers and political change as exemplified by the "Brexit," the issues associated with culture are extremely important. This article addresses moral development among college students majoring in business, and the impact on business practices. Culture is reflective of the most basic beliefs of a group or nation, from which their values, attitudes and behaviors are formed. However, when there is radical change in the economic and political system of a country, many cultural values may be weakened and replaced by new beliefs. The impact of this rapid change is studied with special emphasis on the changes in Eastern Europe. We use Schwartz's value theory (1992) and Lawrence Kohlberg's levels of moral development (1973, 1981) to determine if there are differences between developed countries which have dealt with free-markets for generations and post-communist countries which have rapidly changed in less than a generation. We found that there is a difference in level of moral development between subjects from developed vs. post-communist countries, as well as gender differences. This work makes a significant contribution to the study of moral development across national boundaries by showing statistically significant differences among future business leaders in developed nations and those in post-communist nations.

Keywords: Moral development, business leaders, Schwartz's theory, Kohlberg's theory, post-communist countries.

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Introduction

This rapid increase in globalization has caused business people from a wide variety of countries and cultures to work together in a multitude of situations, some of which have ethical overtones. The influence of culture on ethical attitudes of business managers is a valuable research topic (Christie, Kwon, Stoeberl, & Baumhart, 2003). "Culture and the expectations within cultures affect all business transactions. It is vital for Western (all [author added]) marketers to understand the expectations of their counterparts around the world. Even (now), inability to master the basic cultural factors still leads to failure (Pitta, Fung, & Isberg, 1999: 240)."

Nationality and culture are an integral part of how people interact with one another and the likelihood of miscommunication, misunderstanding, and conflict is greater in international business due to differences between cultures (Corey, Fok, & Payne, 2014). Even well-intentioned programs, such as Corporate Social Responsibility programs, which have proliferated in the EU and around the world (Carroll & Shabana, 2010), may be viewed differently in different cultures. Between the rapid globalization of business and the increased emphasis placed on corporate social responsibility (CSR) in many countries, it is imperative that managers understand the impact that culture has on people, how they make decisions, what those decisions are and how they are executed.

In addition to how different individuals make ethical (or not) decisions, there are differences in the ethical decision-making processes attributable to differences in the societies making them: as culture shapes societies, so does culture shape the differences in the decision-making processes. Jackson (2001) proposed that national differences of ethical attitudes "may be attributable to differences in underlying cultural values (p. 1268)." His study found that "ethical attitudes differ among national groups" (p. 1296)." Two giants among business and academic venues, Peter Drucker and Archie Carroll, assert that "the proper 'social responsibility' of business is to...turn a social problem into economic opportunity and economic benefit, into productive capacity, into human competence, into well-paid jobs, and into wealth" (Drucker, 1984, p. 62; Carroll & Shabana, 2010, p. 100)." This responsibility is one to advance society's well-being, as well as for the business to make a profit (see DeGeorge, 2010: "the business of business is business" p. 5).

The push to globalize, and rush to open markets, has created an unsettled environment in all cultures; both mature free-markets and naïve entrants to the market economy. In the case of Eastern Europe, the change is exacerbated by the double whammy of the European Union with its ideals of “four freedoms”, that of goods, capital, services, and labor, and the broader global entry of newly resurgent Asian economies. Our study looks at the impact on cultural values, in particular, the moral development of business students.

While political changes may slow the pace of globalization, and even reverse some global market forces, there is the impact of new technology, in particular robotics and information technology, which have progressed continually during the past five decades. It appears likely that this growth had achieved the critical mass to enable mass replacement of employees by intelligent machines in many sectors. How will future business leaders react to these changes? Will they adopt a market economy orientation or force a more compassionate and socially oriented change?

We explore the union of cultural characteristics as offered by Schwartz and the levels of moral development as offered by Kohlberg. Each of these topics is a discrete topic; however, we explore these things as they interact across cultures and in light of differences in historical national development and gender. We examine the relationships among individuals’ values and levels of moral development in the context of the type of governmental authority they have experienced and their gender. The progression of this paper includes, first, a literature review on CSR and some of its nuances. The next section of the paper is a presentation of culture: what it is and what characterizes different cultures to make them distinct. This information includes a brief description of Schwartz’s value theory (1992) as it relates to cultural definition. The following material is a presentation of Lawrence Kohlberg’s stages of moral development (1973, 1981). Further, we present the methodology of our study and findings, as well as provide a discussion of our findings. Lastly, we identify areas of future research and potential limitations on our offering.

Business Ethics and Culture

To fully appreciate levels of moral development as they impact business, we must first understand the underlying concept, ethics. Velasquez (1998) has defined business ethics as a “specialized study of moral right and wrong. It concentrates on moral standards as they apply particularly to business policies, institutions, and behavior. (p. 13)” Fritzsche (2000) cites Victor and Cullen (1988) in describing “the ethical climate of a corporation as ‘...the shared perceptions of what is ethically correct behavior and how ethical issues should be handled’”(p. 125). Fok, Payne and Corey (2016) identify ethics as an “inquiry into the foundations of morality, the moral

judgments, standards and rules of conduct of a person" (p. 264). The concept of ethics is generally thought to be a more personal matter: individuals have ethics (or not), as well as their levels of moral development and their personal values. On the other hand, the concept of corporate ethics on programs such as Corporate Social Responsibility to the community within which the business functions, and the ethics of the employer-employee relationship with respect to replacing employees with automated intelligent systems is more closely associated with corporate entities. Thus, it is important to understand Fritzsche's (2000) idea that the ethical climate of the workplace is the corporate entity's own system of ethics. The national culture, gender, age, religion, and type of governmental authority are among many variables that impact the personal and organizational ethical climate. A predicate question to providing some sense of clarity regarding the individual's ethics/level of moral development and the firm's approach to social issues such as CSR and employer-employee relationships is to accept that corporations do indeed have some sort of responsibility to society. While many authors have argued that such social responsibility is not required morally or legally (most notably Friedman, 1962; Hayek, 1969, Bartkus, Morris, & Seifert, 2002; Navarro, 1988; Levitt, 1958), and that businesses should be truly ethical to their shareholders by profit maximization, many others have at least conceded the importance of corporate social causes, and in some cases, lauded the concept (Carroll, 1979; Carroll & Shabana, 2010; Carrol & Buchholtz, 2009; Bernstein, 2000; Frederick, 2006; etc.). With the rise of the activist consumer, supported by IT based social networking, there is a greater pressure on corporations to act morally, merely to retain market share. In this case ethical behavior becomes one more facet of long-term profit maximization.

Bartels (1967) suggests a number of cultural factors that impact business decisions: law, concepts of property rights relationships between individuals and governments and nationality. Respect for individuals, power/authority ideals, religion, values, customs and mores are factors more individually oriented. Since "culture has a strong influence on the ethical attitudes of business managers (Christie, et al., 2003, p. 279)," it is impossible to separate out culture from ethics. Characteristics studied in attempts to determine relationships between cultural characteristics and ethics include gender, age, religion, employment, organizational size factors and industry focus (level of competition and industry type) (Christie, et al., 2003). Ford and Richardson (1994), Dubinsky and Levy (1985), Arlow (1991), Akaah (1989) and Whipple and Swords (1992) all conducted studies on the impact of gender on levels of ethical development, with differing results: in some instances, men were found to be less ethical than women and in others, gender was not found to be a determining factor for ethical decision-making. Age has also been studied as an influence on ethics with more uniformity in conclusion that age does have an impact on ethical attitudes (Dawson, 1997; Fritzsche, 1997; Longenecker, McKinney, & Moore, 1989). Huisman and Schwartz (1992); Clark (1966) and Christie, et al. (2003) also identify religion as having an impact on levels of ethical/moral development. In this effort, we concentrate our research on the impacts that living in a post-communist political, economic, legal and

social environment and gender have on one's values, levels of moral development and, thereby, their approach to ethical decision making and corporate responsibility to societies' needs.

Before we can make conclusions about how cultural characteristics might be intertwined with Kohlberg's levels of moral development, we must categorize cultural dimensions. The earliest attempt to categorize cultural dimensions was made by Kluckhohn and Strodtbeck (1961), while many others (Hofstede, 1980; the Globe Project, 2004, etc.) have followed in developing and/or refining more cultural characteristics. In this research, we focus on cultural characteristics as reflected in Schwartz's (1992) work on cultural values. He and colleagues developed a list of 10 personal values that he divided into 4 major values. He identifies the 10 values as: universalism, benevolence, tradition, conformity, security, power, achievement, hedonism, stimulation, and self-direction. The four major values are self-transcendence, conservation, self-enhancement and openness to change. Two of these four values conflict with other values in his list: self-transcendence conflicts with self-enhancement, while conservation and openness to change are diametrically opposed. Self-transcendence reflects values that emphasize service to others, service marked by concern and care for others. The values that make up the category of self-transcendence are acceptance, tolerance and concern for all regardless of group inclusion. These values represent benevolence and universalism. Self-enhancement, reflective of the values of power and achievement, involves the control of people or resources to succeed through ambition and competence. The categories of openness to change and conservation, again two diametrically opposed values, can also be described by association with more specific values. People open to change value self-direction and stimulation in the forms of thought and action autonomy and exciting change. Conservation values are reflected in the ideals of tradition, conformity and security. These cultures value past beliefs and customs, compliance with social norms and expectations and safety and stability. Table 1 provides a complete description of these cultural values and the alignment of Schwartz and Kohlberg's theories.

Table 1. Schwartz's theory values and alignment of Schwartz's and Kohlberg's theories

1.1: Self-enhancement vs. Self-transcendence Values (Sagiv & Schwartz, 2007; Roccas, 2003; Gandal, Roccas, Sagiv, & Wrzesniewski, 2005; Mahesh & Pawlak, 2016).	
Self-enhancement	Self-transcendence
People have a 'job' orientation, organizational status is more important, favour mastery and hierarchical cultural traits, are encouraged to assert themselves and encouraged to work hard, are encouraged to set high goals for themselves and their organizations, build and accept a hierarchical structure, defining roles and obligations, value social control over others, value personal success, and value personal pleasure.	People have a 'calling,' a vocational mission, organizational status is less important, favour cultural egalitarianism and harmony orientations, the organization develops egalitarian norms and practices, the organization encourages tolerance, cooperation, mutual support and concern for the community, works to avoid harming the environment, will be cautious in adopting technologies with uncertain ramifications, universalism is valued (emphasis is on social responsibility and tolerance), and enhancement of the welfare of other group members is valued
1.2: Openness to Change vs. Conservation Values (Sagiv & Schwartz, 2007; Ros, Schwartz, & Surkiss, 1997; Beyth-Marom, Chajut, Roccas, & Sagiv, 2003; Oreg, 2006; Mahesh & Pawlak, 2016).	
Openness to Change	Conservation
New technologies more readily adopted, there is a greater willingness to accept voluntary organizational change, affective and intellectual autonomy is sought, the organization is less likely to interest itself with group members' lives inside and outside of the organization, favouring autonomy of members, with less expectation of group members identifying with the organization, and is more likely to encourage independent/new ideas, new ways of completing tasks and acceptance of group members' own agenda development. New 'thrills' are valued and freedom of choice in independent pursuits is valued.	New technologies less readily adopted and there is less willingness to accept voluntary organizational change. There is cultural embeddedness (people are viewed as part of the organization's collective whole) and the organization is more likely to interest itself with group members' lives inside and outside of the organization. There are higher expectation of group members identifying with the organization and it is less likely to encourage independent/new ideas or new ways of completing tasks. The continuity of customs and ideas is valued, there is restraint of actions to be within group norms is valued and maintenance of social stability is valued
1.3. Comparison and Alignment of Schwartz's and Kohlberg's Theories	

Original Value (Refined Theory)	Stage of Moral Development
Hedonism, Self-direction (Individuality, Autonomy), Achievement, Security (Societal, Personal), Stimulation, Power (Resources, Dominance Face-Saving)	2. The instrumental relativist orientation
Benevolence (Trust-worthiness, Caring)	3. The interpersonal concordance or “good boy-nice girl” orientation
Conformity (Rules, Interpersonal), Tradition (Maintenance, Humility)	4. The “law and order” orientation
Universalism (Concern, Nature, Tolerance),	5. The social-contract legalistic orientation (generally with utilitarian overtones) or 6. The universal ethical-principle orientation

We used these values in our combination of Schwartz’s original theory and Kohlberg’s stages of moral development. Thereby, we are able to more finely define cultural characteristics as they relate to ethics and CSR initiatives.

Kohlberg: Levels of Moral Development

From the literature review on corporate social responsibility and cultural characteristics, it is clear that there is both a high level of expectation of ethical business behavior in our societies and that culture shapes our values, attitudes, beliefs and behavior. We now turn to the issue of moral development in our quest to understand the corporate morality, national cultural characteristics and moral development. Cooper and Dorfman (2003) stress the importance of ethical professionals/managers. “(P)rofessionals (when) faced with ethical dilemmas in the course of their business activities, ...turn heavily to various formal and informal resources in their companies for help in resolving those dilemmas. The influence of top management, ...a major influence on corporate culture, is likely to play a similarly critical role in defining ethical environments...” (p. 391). Lawrence Kohlberg (1973, 1981) found that moral development is based in six stages, representing three levels of advancement (Kohlberg & Hersh, 1977; DeGeorge, 2010; Velasquez, 1998). Kohlberg devised the stages and orientations of moral development to reflect “the transformations that occur in a person’s form or structure of thought” (Kohlberg & Hersh, 1977, p. 54) with regard to what is viewed as right or necessary.

The first level of moral development, the pre-conventional level, describes the morality of young children or people whose will to act has been restricted by

someone/thing beyond themselves (i.e., a criminal tells one to do something wrong and he has a gun: the actor is likely to do what he is asked, but this is not based in his free will). At this level of moral development, the child is egocentric in decision-making: the "morally" correct choice is that which favors the decision maker in some way, either avoiding punishment or receiving an award. The first stage in the pre-conventional level is the Punishment and Obedience Orientation: obedience to rules is key in the decision maker's effort to determine right from wrong. The action is correct if, in obedience to rules, punishment is avoided. In the second stage, termed the Pre-conventional Level, the "right action consists of that which instrumentally satisfies one's own needs and occasionally the needs of others. Human relations are viewed in terms like those of the marketplace. Elements of fairness, of reciprocity, and equal sharing are present, but they are always interpreted in a physical, pragmatic way" (Kohlberg & Hersh, 1977, p. 54-55).

In the Conventional Level of moral development, Kohlberg asserts that a sense of morality outside of punishment or reward is developed. The standards for morality here are based in what the norms of a group/s are: this is how one determines what is good and what is bad. In the first stage of this level, the Interpersonal Concordance Orientation, the group against which morality, the moral valuation of an action, is measured is the group for which one feels an affinity through affection, trust and/or loyalty; the particular group in this stage is of, for instance, family, friends, schoolmates, etc. At this stage, we learn concepts of moral right and wrong, rather than simply accepting punishment or rewards for behavior we don't connect with morality. "Doing what is right is motivated by the need to be seen as a good performer in one's own eyes and in the eyes of others" (Velasquez, 1998, p. 26). In the Law and Order Orientation, the second conventional level orientation, the group against which we measure our actions as morally right or wrong is a broader group, represented by one's society or nation. "The individual becomes acculturated; he or she understands what a good citizen is supposed to be and do and lives in accordance with the role he or she has in society and with the conventional rules that govern that role" (DeGeorge, 2010, p. 23). Kohlberg's assessment is that most people operate at the conventional level of morality, never achieving the final level, the post-conventional level of moral development.

The Post-Conventional level is also known as the autonomous or self-accepted level of moral development. At this point, one understands, independently of family/friends or the broader society/nation, what is morally right or wrong. This level reflects an ability to judge impartially, without regard to family/friends or the wider group. We have grown beyond our desire to avoid punishment, seek reward or have our family, friends or society believe we have behaved morally correctly. We ourselves make determinations as to the morality of action on the basis of independent reason. The first stage in this level is the Social Contract Orientation. What is morally correct is what is in accord with respecting the rights of individuals and respecting social contracts among individuals and/or groups. "Freely entered social contract(s

protect) members' right and ensure the welfare of all" (Kohlberg & Hersh, 1977, p. 104). In this orientation, we can achieve consensus as to the moral right by democratic processes that take into consideration different opinions, attitudes and beliefs. Tolerance of others' rights, opinions, attitudes and beliefs is a key element of this orientation: this stage allows for the promotion of "fundamental human rights and values" (Kohlberg & Hersh, 1977, p. 104).

The final stage in Kohlberg's theory is the Universal Ethical Principles Orientation. At this point in moral development, the decision maker determines the morally correct decision as being comprehensively logical, universal and consistent with other morally correct decisions. Values are derived from "abstract general principles dealing with justice, society's welfare, the equality of human rights, respect for the dignity of individual human beings, and with the idea that persons are ends in themselves and must be treated as such" (Velasquez, 1998, p. 27).

Now that we have presented the basic principles associated with CSR, cultural characteristics and level of moral development, we proceed to examine how understanding how these principles aid in our understanding of good management practice. "(M)anagers take the lead in setting the tone of the ethical environment in a business firm through both formal and perhaps more important, informal mechanisms" (Cooper & Dorfman, 2003, p. 383). Since managers are so integral to the promise and efficacy of ethical standards, an understanding of the levels of moral development, upon which the manager bases decisions are important.

Developed and Post-Communist Countries: Effects on Ethics?

Two of the countries in our survey are post-communist countries: Poland and Bulgaria. Three developed nations were also used for comparison: U. S., Taiwan and Italy. We used this sample to compare the effects of communism on decision makers' values and levels of moral development to the values and levels of moral development of decision makers who represent non-post-communist countries (which, hereinafter, we will designate as developed countries). It is notable that there is a relative lack of research in this area (Stoian & Zaharia, 2012; Kooskora, 2006; Cooper & Dorfman, 2003). Noting that the fall of communism in Central and Eastern European countries (CEECs) wrought massive change in those countries' political, economic and cultural environments, Stoian and Zaharia (2012), quoting Campbell (2007), fashion a definition of corporate ethical standards that they applied specifically to CEECs. For example, they define CSR using the example of Romania as "the minimum behavioral standard with respect to the corporation's relationship to its stakeholders" (p. 380). CEEC domestic firms then adopted CSR when their managers had worked for MNEs and saw the promise of CSR initiatives. A significant problem with doing this, as noted by a number of authors (Stoian & Zaharia, 2012; Koleva, Rodet-Kroichvili, David, & Marasova, 2010) is that this adaptation was done via the imposition of ideals of

Western CSR on to the remaining infrastructures of the departing communists. Thus, many of the programs developed in post-communist countries had as a 'starting' point in Western social agendas, structures and principles.

Conversely, Brouthers, Lascu, and Werner (2008) describing situation in Slovakia assert that the departure of communists left a "moral vacuum" created by the departure of the communists, partly based in the inadequacies of the post-communist legal system: there was no 'starting' point of Western social agenda, structure or principle. Absent laws upon which to base moral norms, such norms supporting ethical behavior were not recognized, creating a situation in which failure of legal infrastructures were accompanied by a failure of moral standards. It has been argued that "this moral vacuum has been filled by a fairly ruthless and competitive form of capitalism, one in which intangible assets such as copyrights and patents are not protected, where investors have little legal protection, where customers are routinely subjected to fraudulent business behavior, and where corruption is pervasive" (Brouthers et al., 2008, p. 405). In reality, both positions have merit: there are elements of a vacuum, as well as elements of remaining communist infrastructure upon which to build corporate social agendas. Bohata (1997) sums up the origins of unethical business in CEECs. "(S)ome are a heritage of the past regime; some represent phenomena connected specifically with new 'opportunities' and temptations which it brings; and finally, some are new phenomena related to the market system itself" (p. 1575).

Knowledge and understanding that the socialist legacy has affected employees' attitudes regarding norms and behaviors at work is critically important, just as any good manager would seek to understand corporate culture in any country. For example, corporate social agendas in post-communist countries are influenced by the paternalistic attitude government took towards workers and communities (Iankova, 2008; Kornai, 1992; Bronchain, 2003; Johnson & Brady, 2004; Koleva, et al., 2010). Paternalism is marked by interference with individual freedoms under the aegis of increased protection of the individual. This domino effect could not continue with the departure of communism. In the communist system, the benefits provided by the firm to their employees and communities included housing, education, childcare and the like. The state's paternalism caused commercial entities to be responsible to local communities for these expenses; when the entity incurred loss, the state would "rescue" the entity with a budget infusion. In the capitalist system, to which formerly communist states migrated, profits are of primary interest: thus, such subsidies could not now be given to employees and communities with the expectation that profits would be made. For the firm to take a loss in the provision of goods/services is untenable for capitalistic entities, yet that expectation still exists at some level in post-communist cultures, thus mandating some form of CSR to be undertaken to prevent unemployment, social marginalization, reduced health care availability/quality, etc. in post-communist countries (Stoian & Zaharia, 2012).

Brouthers, et al. (2008) suggest that, under communist rule, ideology was valued to the exclusion of materialism; the transition to capitalism has resulted in materialism being valued, with no ideology to support ethical principles. They also find) that there is a legacy of communism which shaped “seasoned former communists whose training may not lead to efficiency, but who are rational within their belief system” (p. 406). Simultaneously with the transition from a controlled to free market economy, the moral vacuum they identify as a being a result of the departure of communists created “young, secular, ruthless managers who may damage their business by pursuing policies which punish their competitors at the expense of (their own) profit maximization” (p. 406).

We examine the effect the communist regime has on values and moral development. We posit that moral development, as a product of enculturation, will be negatively affected by the communist culture: subjects will operate at lower levels of Kohlberg’s theory of moral development. The communist system was dominant for so long that “the inertial drag of embedded customs and practices that are accepted as legitimate and that are routinely reproduced by economic actors (the paternalistically shaped business entity)” (Stoian & Zaharia, 2012, p. 386). has caused a suppression of moral development among business decision makers. We believe that the communist regime negatively affected all countries in which it was in force. On this basis, our null hypotheses are formulated based on differences between countries, between mature free-market economies and post-communist economies, between different countries within these two groups. Using the traditional statistical approach of formulating a null hypothesis of no difference, we obtain the following four hypotheses.

H0: There is no difference in the level of moral development of the studied groups.

H1: There is no difference in the level of moral development between the mature free market economies and post-communist countries.

H2: There is no difference in the level of moral development among post-communist countries

H3: There is no difference in the stage of moral development among developed countries.

Gender as an Influence on Moral Development

Given the increase in the number of women entering the workforce, gender differences in ethical decision making are gaining in importance. Gender as an influence on moral behavior has been studied many times. In a literature review, it seems that a significant number of studies have found that gender is not an influence on levels of moral development and a significant number have found gender to be

influential in level of moral development or ability to engage in moral reasoning. For example, Yamamura and Stedham (2011) find no gender differences in ethical judgment, noting that this finding supports Davison, Martinsons, Ou, Murata, Drummond, Le, and Lo's 2009 study of Japanese IT professionals. Kidwell, Stevens, and Bethke (2013) also find no significant gender differences, as do Rest (1986), Robin and Babin (1997), and Izraeli and Jaffee (2000).

Several studies, however, find that there were gender differences in ethical beliefs, values and behaviors (Akaah, 1989; White, 1992; Lund, 2008; Schminke, Ambrose, & Miles, 2003). Additionally, of the studies that do identify a gender difference, it is also noteworthy that this difference dissipates with age: as men or women mature, their ability to engage in independent moral reasoning (more attuned to the third level of Kohlberg's theory) attains parity (Aldrich & Kage, 2003; McGee, 2007; Peterson, Rhoads, & Vaught, 2001; Dawson, 1997). Thus, the findings of no gender differences in moral reasoning could be attributable to age: the older the person, the less important gender becomes in utilizing independent moral reasoning. Such parity also tends to negate the idea that there are meaningful gender differences at higher levels of management, since higher levels of management are occupied by those old enough to have attained that professional status. "Previous research also linked life experience with moral development theory to explain ethical behavior" (Lourenco, Sappleton, & Cheng, 2015, p. 387).

Conroy and Emerson (2004) find that gender does affect ethical attitudes in a majority of the vignettes they provide to their test subjects. In his study of religion and economic attitudes in post-communist countries, Minarek (2014) finds that gender has an effect on economic attitudes, with men being more pro-market than women. "(G)ender differences exist, the ethical perspective used by either gender plays a role in their ethical assessments, and...gender differences are reflected in culture" (Beekun, Stedham, Westerman, & Yamamura, 2010, p. 321). See also Lourenco, et al., (2015); Kracher and Marble (2007); Albaum and Peterson (2006); Loo (2003); Stedham, Beekun, and Yamamura (2006).

Differences between the genders, particularly at earlier ages with regard to moral development, are deemed to be the result of different socialization processes (Gilligan, 1985). "The difference between men and women in terms of how they view ethical situations is generally attributed to the early socialization process" (Peterson, Rhoads, & Vaught, 2001, p. 225). Commensurate with these findings, Dawson (1997) connects age with gender in moral development, in one sense finding that gender is material and in another sense that it is not, since the differences dissipates with increasing age. "... (T)he differences between males and females diminished as the age of the respondents increased. .. (T)he level of ethics increased with age for both males and females, but the rate of increase was greater for males" (Peterson, et al., 2001, p. 226). The possible impact of gender differences in ethical decision making might be in the suggestion that women are more contextually bound, making them more situationally sensitive (Peterson, et al., 2001; Beekun, et al., 2010).

Beekun, et al., (2010) also note that culture is an important variable in the decision-making process: whether a culture is more particularistic or more universalistic in its outlook may be a reason for the genders to be different. Particularistic cultures avoid making rule-bound ethical decisions, favoring a more subjective approach; universalistic cultures, in contrast, value equal treatment of people and situations. Women are more likely to use a management approach that is more interactive, showing more concern for relationships and helping others. "Men are more likely to adopt a command-control approach to management... (W)omen are willing to look at the 'particulars' of a situation such as who is involved and why. Women take into account the contextual aspects of the specific situation whereas men prefer a universalistic approach" (Beekun, et al., 2010, p. 321). The extrapolation of this research is that moral decisions are made differently by men and women, at least until a certain age.

Schwartz and Rubel (2005) address the issue of gender disparity in moral judgment. "In sum, the empirical research on sex differences in value priorities reveals a trend for women to emphasize benevolence values more than men. ...The research suggests that men tend to emphasize achievement values more than women do (though this is not always the case)" (p. 1012). They also note that, while the size of the difference between the genders' moral reasoning is small, the "effects of sex on value importance var(ies) substantially across cultures (p. 1020)." In light of the bi-polar nature of Schwartz's values, men and women are at opposite ends of each value to a significant degree. Schwartz and Rubel find that, of the four overarching categories of values, men tend to adopt the self-enhancement and openness to change values and women tend to adopt self-transcendence and conservatism values. Thus, men are more interested in power, achievement, self-direction, stimulation and hedonism than women. Conversely, women value universalism and benevolence, as well as security, tradition and conformity more than men. "Values held by each individual will have significant impacts on the reasoning and decision-making process leading to actual behavior. Our personal values and perceptions of desirable or ideal behavior will influence the evaluation of actions and moral reasoning" (Lourenco, et al., 2015, p. 390). Schwartz and Rubel's article also points out that more gender egalitarian cultures have a positive effect on reducing gender differences (see also Schwartz & Rubel-Lifschitz, 2009). In particular, with regard to gender and the post-communist environment, they note that the sex difference in the value of self-direction was the only value that was different in developed European countries and in post-communist European countries.

We examine the question of the relationship between gender and the stage of moral development in our study of post-communist and developed countries. There is no reason to believe that people of different genders are at different stages of moral development, regardless of political history. This follows with a further hypothesis:

H4: There is no relationship between the sex of the persons surveyed and their moral development

Methodology

Data were collected for four years, from 2012 until 2015. Countries included in the data collection process were: Poland, Bulgaria Italy, Taiwan and the U. S. A., a total of 1385 completed surveys are available for analysis: Poland 661, Bulgaria 281, Taiwan 245, USA 115, Italy 83. 944 women and 438 men completed the survey; 3 subjects did not specify a gender and were excluded from the sample. Paper questionnaires were completed by students who were mainly studying Business Administration and related subjects (in different countries different names are used to represent a number of business-related programs of academic study). Most of the students were seeking undergraduate degrees.

The survey instrument contained three sections. In the first section, the Portrait Value Questionnaire (PVQ) was used to identify their values. A 7-point Likert scale was used (Groza, Pronschinske, & Walker, 2011; Wang & Juslin, 2012) to rate the answers provided. A separate section of the survey collected demographic information about the respondents, such as age, gender, academic level of study, nationality, religiosity level, whether the subject had a part- or a full-time job and whether he went to a public or a private high-school.

Kohlberg suggests the existence of a certain hierarchy of values from the perspective of moral development. From this, we can conclude that people at a higher level of moral development are guided in their decision-making processes by values other than those at lower levels, like the avoidance of punishment or the manipulation of others to achieve the desired result. Developing a different approach, Schwartz describes ten values as belonging to four categories and claims that people have their own hierarchy of values, but does not make them orderly from the point of view of moral development. He does not address moral development or envision a progression of moral development. The research methodology used here is based on a comparison of Schwartz's theory of values and Kohlberg's theory of moral development. The research described is based on the assumption that one can identify the stage of moral development (Kohlberg) that a person is acting in from the declarations of values in his or her life (Schwartz).

Specifically, we used Schwartz's ten values derived from the PVQ in this study and compared them to Kohlberg's levels of development. For each statement in Schwartz' study of the identification of self with others, subjects were asked "to what extent does the portrayed person resemble you?" Schwartz thereby developed "portraits of people" he used to generate his theory that different values are important for different people. We believe that portraits formulated by Schwartz (persons described by these portraits) may be identifiable with Kohlberg's individual stages of moral development. Column 1 in Table 1.3 provides the named value identified. Schwartz' theory has been refined over time and more detailed, specific attributes

associated with Schwartz' original value. Finally, Kohlberg's levels of moral development are associated with the values previously identified with each description of the other and are presented in Column 2 of Table 1.3.

Unfortunately, none of Schwartz's portraits fit the first level of moral development. It is surmised that Schwartz portraits were formulated for adults, while Kohlberg, on the other hand, clearly indicates that his theory applies regardless of age (his theory was developed using youngsters). Stretching the analysis, hedonism might be represented in actions deemed to be related to the first stage of moral development, the Punishment and Obedience Orientation, but, in our calculations, it was assumed that hedonism is more closely attuned to the second stage of moral development, the Instrument and Relativism Orientation.

There is also an issue concerning the distinctions of Stages 5 and 6, as it is noted in the table 1.3. Kracher and Marble (2007) note that research has found that it is difficult, if not impossible, to differentiate between Stages 5 and 6; additionally, there is a question of whether there need be a distinction. "As long as individuals give primacy to sharable moral concepts or principles that benefit all involved in an equitable way, then virtue reasoning, communitarian reasoning, utilitarian reasoning, justice reasoning – any of these and more – are suitable" (p. 506). Other authors have also supported the elimination of the distinctive stages of 5 and 6, incorporating values and moral processes into one stage (Gibbs, 2003; Rest, Narvaez, Bebeau, & Thoma, 1999; Narvaez, Bebeau, Thoma, & Pritchard, 1997). For the sake of simplicity, it was assumed that Schwartz' value 7, 'universalism,' is at stage 5. It was also assumed that none of the studied persons, all of whom were students, was in 6th stage of moral development.

While the four moral development stages are well defined, an approach to summing them up into a single indicator is challenging. We use 12 questions to estimate stage 2 development, two for stage 3, four for stage 4, and three for stage 5. As a first step, we determine an average for each stage to eliminate the difference in number of questions used to assess each stage of moral development. Since each individual generates scores on each stage of development, a study of moral development needs to compare the relative importance assigned by an individual to each of these moral stages. For example, the difference in scores assigned for stage 5 and stage 1 questions shows the relative importance of the assessments of universalism and hedonism. A positive score shows a Universalist value system while a negative score shows hedonistic value system. Extending this line of reasoning, and ranking the stages in order, we assign a weight to each difference based on the relative ranking. The difference between stage 5 and stage 2 scores is weighted by $5-2=3$, and that between stage 5 and stage 3 scores is weighted by $5-3=2$. This leads to a moral development index (MDI) shown below.

$$MDI = 3(r_5 - r_2) + 2(r_5 - r_3) + (r_5 - r_4) + 2(r_4 - r_2) + (r_4 - r_3) + (r_3 - r_2)$$

r_i = average rating in scale 1-6, "how much described person is like you", i = 2, 3, 4, 5. Note that the average takes into account the differing number of questions for assessing each stage (12, 2, 4, and 3)

The index is constructed so that the higher stages of Kohlberg's moral development are of higher importance. Further, the score weights the differences between individual scores for each moral stage. The MDI value can be positive or negative, with positive values showing higher moral development and negative values showing a hedonistic preference. This indicator can be calculated for each person who completes the questionnaire.

Findings

Schwartz's value theory was used to analyze the results. The first hypotheses concern the comparison of those in developed nations in contrast to those in post-communist nations and in contrast to each other. H0 states that there are no differences in the levels of moral development among the groups studied.

Rejection of H0

Our ANOVA shows that the null hypothesis is clearly rejected. There are clear and demonstrable statistically significant differences in the stages of moral development of the studied groups in different countries. The test results shown in Table 2.1 indicate that at the significance level of nearly 0 (4.59E-06), we can say that the mean values for the countries are significantly different.

Table 2. Hypotheses verification

2.1: Single Factor ANOVA on Country										
Groups	Count	Average	Variance	<i>Sour. of Var.</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Poland	661	-2.2413	36.92312	Between Gr.	1052.381	4	263.10	7.6117	4.59E-06	2.378
Bulgaria	281	-1.2171	36.60985	Within Gr.	47699.02	1380	34.564			
Italy	83	-0.2831	27.928	Total	48751.4	1384				
Taiwan	245	-0.2449	26.94798							
USA	115	-0.2783	36.96137							
2.2: Single Factor ANOVA on Change in Economic System										
Post Com.	Count	Average	Variance	<i>Sour. of Var.</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Mature E.	443	-0.2607	29.59081	Between Gr.	845.399	1	845.40	24.406	8.75E-07	3.848
				Within Gr.	47906	1383	34.639			
				Total	48751.4	1384				
2.3: Single Factor ANOVA on Post-Communist Countries										
Poland	Count	Average	Variance	<i>Sour. of Var.</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Bulgaria	281	-1.2171	36.60985	Between Gr.	206.8439	1	206.84	5.6162	0.017996	3.851
				Within Gr.	34620.02	940	36.830			
				Total	34826.86	941				
2.4: Single Factor ANOVA on Mature Free-Market Economies										
Italy	Count	Average	Variance	<i>Sour. of Var.</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Taiwan	83	-0.2831	27.928	Between Gr.	0.138409	2	0.0692	0.0023	0.997675	3.016
USA	245	-0.2449	26.94798	Within Gr.	13079	440	29.725			
	115	-0.2783	36.96137	Total	13079.14	442				
2.5: Single Factor ANOVA on Gender										
Gender	Count	Average	Variance	<i>Sour. of Var.</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
St. Dif. W	1383	1.31598	0.217740	Between Gr.	5111.208	1	5111.2	291.48	3.27E-62	3.845
				Within Gr.	48467.09	2764	17.535			
				Total	53578.29	2765				

Rejection of H1

Hypothesis H1 states that the level of moral development is the same in mature free markets and in post-communist countries. This hypothesis is clearly rejected at the 5% level as seen in Table 2.2. There is a difference between post-communist and mature free-market economies. The average (-1.93577) for the two post-communist economies shows a stronger value assigned by the subjects for lower order moral values (for example law and order) than for higher order moral values (altruism). While students from the developed economies also showed a negative value on this score (-0.26), they also scored significantly higher than the subjects in the post-communist countries. We have, therefore, adequate reason to believe that there is a statistically significant difference between the MDI means of the two groups – subjects from post-communist and developed countries.

Our data analysis examining the stage of moral development of different groups of people produced results that confirm our initial opinions. We reaffirmed the view that the communist regime would exert a lasting impact on human behavior,

even after nearly thirty years since its liquidation in Europe. The moral attitudes of people from post-communist countries are different from those from mature free-market economies.

Rejection of H2

Hypothesis H2 states that there is no difference in the stages of moral development between the two post-communist countries studied: Poland and Bulgaria. We find, in Table 2.3, to our surprise, that there is a statistically significant difference at the 1.7 % level. We do not think that communist regime influenced those two countries in different way. The reason can be another factor. Poland is a traditional catholic country. As Richards and Davison (1992) noted Kohlberg's approach (theory) does not work satisfactorily, when used to estimate moral development of conservative religious people. Answers to questionnaires on moral issues are impacted by religious values and students may have placed themselves in a lower stage of development based on what they heard from theological leaders. Another possible source of bias is the fact that the sample from Poland was distinctly larger than the sample from Bulgaria. This question needs further study.

Verification of H3

Our fourth hypothesis is that there is no difference in the stage of moral development among developed countries. We compared the stages of moral development in Italy, Taiwan and the U. S. As shown in Table 2.4, the null hypothesis was not rejected by the data. We have adequate reason to believe that there is no statistically significant difference between MDI means of groups from Italy, Taiwan, and the U. S. The developed economies have a similarity that is likely the result of close relationships between these economies and significant transfer of knowledge, information, and international contact between these economies. In the case of Poland and Bulgaria, there is limited travel and communication between the two countries. However, there are extensive communications, trade, and education links between the three mature free-market economies in our sample.

Rejection of H4

Our last hypothesis is that there is no relationship between the sex of the persons surveyed and their moral development stage. The null hypothesis is rejected and our results showed that there is difference for the whole group studied. In fact, women scored higher than men in their moral development index for the entire sample as seen in 2.5.

Using our results, we can say that there is statistically significant difference between mean the MDIs of women and men for the whole sample. We further explore this difference by viewing the MDI stage difference by country and gender. Female subjects are classified as Gender = 1 in our study.

Table 3. MDI scores by gender and country

COUNTRY	Gender	Mean	Std. Dev.	N
BULGARIA	1	-0.677	5.910	212
	2	-2.877	6.218	69
	Total	-1.217	6.051	281
ITALY	1	-0.190	5.327	63
	2	-0.575	5.275	20
	Total	-0.283	5.285	83
POLAND	1	-1.785	5.790	459
	2	-3.277	6.580	202
	Total	-2.241	6.076	661
TAIWAN	1	0.444	5.087	142
	2	-1.194	5.208	103
	Total	-0.245	5.191	245
USA	1	0.287	5.502	68
	2	-1.136	5.998	44
	Total	-0.272	5.718	112
Total	1	-0.945	5.725	944
	2	-2.386	6.169	438
	Total	-1.402	5.906	1382

In every country, we find that the scores for men are lower than for women, showing that women's responses show a higher stage of moral development. We explore the impact of country and gender using factorial ANOVA to test whether there is a difference between genders that varies by country. A factorial ANOVA on the data shows that while country and gender matter independently (Both are significant at the 1% level with F statistics of 8.032 for country and 10.303 for Gender, there is no statistically significant difference based on the interaction of gender and country, which has an F statistic of 0.323 and is not significant. We conclude that while women show higher scores on our index than men in every country, and there are country-based differences, there is no statistically significant interaction factor of country and gender in our data. There is a statistically significant difference between the moral stages based on the gender of our study participants. In every country, women showed a higher stage of moral development than men.

Our attempt to combine Kohlberg's theory with Schwartz's theory has some imperfections. Probably new research questionnaires should be created containing portraits of people and situations more closely adapted to Kohlberg's theory. Such a research model would support refined assessments about value differences among cultures, and the relationship of these values to stages of moral development. The generation and administration of such a survey would allow better categorization of people of diverse cultural backgrounds to various stages of moral development. The ability to better categorize workers aids in managerial understanding of what motivates people and how people will achieve best success through more appropriate leadership styles. We do not mean this to stereotype in the negative sense, but rather this could serve as an indicator about how to create a work environment to make workers happier, more committed to the organizational mission and, thereby, make the firm more successful.

Discussion, Limitations and Future Research

The presented approach to examining the level of moral development of different groups of people produced results in accordance with intuitive feelings. We reaffirmed the view that the communist regime would exert a lasting impact on human behavior, even after nearly thirty years of its liquidation in Europe. The moral attitudes of people from post-communist countries are different from those of developed countries.

When discussing the situation in post-communist countries, it should be noted that after years of political dependence, they begin to develop dynamically. This is manifested by setting ambitious goals, seeking new solutions, changing old structures. If we refer to Kohlberg's theory, we find that such an activity is, in his view, a sign of remaining at a lower level of moral development - the second stage of the pre-conventional level.

Since Poland completed the transition from Communism to democracy in 1991, its economy has been growing at an average annual rate of 4 percent and, remarkably, has not suffered a single year of negative growth. In those 25 years, Poland's average income has risen to near \$13,000, from \$2,300, and it is now on pace to pass the \$15,000 mark by the turn of this decade. This is testimony to the long-term fiscal sobriety of Poland's leaders, and its sharp break with Communism (Sharma, 2017). Studies have shown that in Polish joint-stock companies, about 15% of management boards members (Pawlak 2016) and 28% of supervisory boards are women (Pawlak 2011). This demonstrates the position of women in Polish business leadership. In Poland, the average age of management boards of joint-stock companies' members is about 46 years (Pawlak 2016), and in supervisory boards, it is about 48 years (Pawlak 2011).

Economically, Bulgaria is in a similarly positive position with regard to growth. "Higher inflows of EU funds and strong private consumption growth will largely keep the economy on its stellar growth path. FocusEconomics Consensus Forecast panelists expect GDP to expand 3.3% in 2017, which is up 0.1 percentage points from last month's forecast, and 3.2% in 2018 (FocusEconomics, 2017)." Bulgaria, has included a statement regarding equal rights and principles of non-discrimination on the basis of gender in their 1991 Constitution (Association of Spread Knowledge, n.d.). While there is still a gender gap in many areas of Bulgaria, there is slow but sure change. For example, the National Encouragement Plan for Gender Equality in Public Health, Education and Employment was approved in 2008 (Solicitor General, 2008). The goal of this plan is the unification of governmental authorities in efforts to generate policies of gender equality in all areas of Bulgarian life: economic, political and social. A report by Roland Berger Strategy Consultants GmbH in partnership with ergo Unternehmenskommunikation GmbH & Co. KG (2013) provides statistics on the employment and pay rates of men and women in Bulgaria. They found a number of interesting comparisons. The general participation rate of women in the workplace is lower than the EU average. Further, women's full-time employment rates were lower than men's and the EU average, while the part time employment rate was significantly lower than men's and the EU average, and that the gender pay gap was less than men's, but that the gap was lower than the EU average. They further found that the need for qualified women in the Bulgarian workplace is clear from a report on Bulgaria's state of gender equality: "Due to demographic change as well as a stronger focus on service and knowledge intensive industries, Europe will face a significant shortage of (qualified) skills in the next decades. To secure qualified labor, it will be of vital importance for large companies to diversify the pool of (potential) employees by gaining better access to the female labor force (n/a)." One conclusion is that the gender difference may be the result of fewer women in the workforce for a significant time: the opportunity for the gender differences to fade with age by interaction among the genders at work is not as prominent in other societies where there are more women in the workforce.

Global companies should explore these and other post-communist countries. However, they must first understand the characteristics of the national culture, level of moral development, interest in and choice of social initiatives and the motivation and leadership styles best suited to the culture. As these economies get more integrated into the global arena, with personal and educational connections, along with richer communications using electronic media, it is likely that the MDI will become more similar to that of mature free-markets.

The presented attempt to combine Kohlberg's theory with Schwartz's theory has many imperfections. New research questionnaires should be created containing portraits of people and situations more closely adapted to Kohlberg's theory. Such a research model would allow for more refined assessments about different values among different cultures and how those values relate specifically to stages of moral

development. The generation and administration of such a survey would allow better categorization of people of diverse cultural backgrounds to various stages of moral development. The ability to better categorize workers aids in managerial understanding of what motivates people and how people will achieve best success through more appropriate leadership styles. We do not mean this to stereotype in the negative sense, but rather this could serve as an indicator about how to create a work environment to make workers happier, more committed to the organizational mission and, thereby, make the firm more successful.

Conclusion

One thing can certainly be derived from these findings: there are a multitude of theories describing culture, cultural characteristics, moral values, moral development, and demographic information like nationality, gender, age, religion, etc. If one accepts that diversity and heterogeneity are valuable in the workplace and in society, one must have at least some understanding of the myriad nuances inherent in culture characteristics as they appear in society and within corporate cultures. The old adage that forewarned is forearmed is apt here. For example, one may not know precisely if one is dealing with a higher or lower level of moral development or an openness to change versus conservational value system. If, however, one knows that a plethora of these dimensions exist, one can be pro-active in learning of the culture and thereby one can learn about individual cultures, individual corporate cultures and individuals. This achievement will aid in the productivity of business and indeed in facilitating better relationships within and among individuals, corporations, societies, and among nations.

Further, understanding the moral values that motivate people to various activities aids in understanding how best to manage all those stakeholders (Sagiv & Schwartz, 2007). Attribution theory states that we believe we know why others act because we know why we act; attribution error is that we are wrong in our assessments of why others act: the same motivations do not drive the same actions. Committing attribution error can be overcome with more accurate, realistic knowledge of culture, motivation and values: at least at that point, one's first best guess as to what values motivate which person is likely to be more accurate. Such improved accuracy can only be beneficial to the conduct of any relationship at any level, from individual to societal to national and beyond.

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The Amazon Go Concept: Implications, Applications, and Sustainability

Alex Polacco
Kayla Backes

Amazon opened its first Amazon Go sans-checkout grocery store in Seattle, WA in early 2017. Having worked out the bugs, Amazon plans to fully open the store in early 2018. The experience is designed for those who do not like to stand in a checkout line. Amazon benefits by eliminating the cost of checkout personnel. Customers use an Amazon Go app and scan their I-phones on entering the store. Sophisticated technology tracks their purchases, allows them to exit the store without a physical check-out, and automatically charges their account. This paper explores implications, applications, and sustainability within the industry, and in other industries. Included are also the results of a survey conducted with management of six grocery stores in a city in the Midwest.

Keywords: IT (information technology), Amazon Go, machine vision, artificial intelligence, EPOS (electronic point-of-sale).

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Introduction

In early 2017, Amazon opened its sans-checkout grocery store, Amazon Go on a pilot basis. The experience is designed for those who don't like to stand in a checkout line. Sophisticated technology tracks their purchases, allows them to exit the store without a physical checkout, and automatically charges their account. With lessons learned Amazon Go plans to open the store fully in early 2018.

In order to fully understand the implications of this new technological and operational model, we must first look at how the shopping process will shift with Amazon Go. We will examine the type of technology being used such as computer vision and weight sensors. Then we will explore the industries that are currently exploiting these innovations.

Once we have reviewed how the sans-checkout grocery store concept works, we will look closely at the impacts on the retail operational model. We will examine the evolution of self-checkout processes over time. Then, we will investigate the potential for sustainability within Amazon Go's supply chain.

We will delve into the effects on the community at large. Focus will be on the current employment landscape and how it may be impacted by this new technology. We will also touch on any sociocultural implications that may exist.

After we have discussed Amazon Go's potential impacts on the community, we will switch gears and consider the possibility of using this concept in other industries. We will take care to examine how similar technology is currently being used, and what industries will most likely be affected by these recent developments. For example, how the payment method could possibly impact banks and financial institutions.

Upon reviewing how this technology may influence the retail operational model, the community, and other industries, we will look at the specific threats and opportunities that may arise. Focus will be given to the work force, new industry standards, and concepts of trust. Once all of these topics have been covered, managers may better prepare themselves for the potential threats and opportunities that could lie ahead. We will also include the results of interviews conducted with managers of several grocery stores in the Midwest.

Methodology and Research Questions

This study was conducted on current literature in the library and from online resources. The managers of six major retail and grocery stores were also interviewed:

1. Jon. *Assistant Manager* at St Cloud, MN Target on February 28, 2017.
2. Forsell, P. *Assistant Manager* at St Cloud, MN Walmart on February 28, 2017.
3. Gruber, K. *General Manager* at St Cloud, MN Lund's & Byerlys on February 28, 2017.
4. Lachmansingh, R. *Store Director* at St Cloud, MN Cash Wise on February 28, 2017.
5. Rick. A. *Assistant Manager* at St Cloud, MN Walmart on February 28, 2017.

The managers were given the following information and asked the following questions: *In early 2017, Amazon plans on making their sans-checkout grocery store, Amazon Go, available to the public. The experience is designed for those who don't like to stand in a checkout line. Sophisticated technology will track their purchases, allow them to exit the store without a physical checkout, and automatically charge their account.*

Survey Questions:

1. What would some of the pros and cons be in the adoption of this technology?
2. Do you think it could benefit your chain of stores and your particular store?
3. Do you believe that Amazon Go's new technology will be adopted by other food chains?
4. Do you believe that this new technology is sustainable?
5. What are the greater effects that you think this technology will have on their respective communities if implemented into food chains?
6. Could this new concept make Amazon Go a major player in the grocery business in the future?

Amazon Go Review

Shopping Process

In order to shop at an Amazon Go store, the consumer must first create an Amazon account, have a smart phone, and download the Amazon Go app. Once these

items are in place, the customer scans their Amazon Go app, located on their smartphone, upon entering the retail store. At this point, the customer is free to walk around the store, shop, and add and replace items to or from their virtual cart (Amazon Go Editorial Staff, 2017).

For Amazon Go to accomplish this paradigmatic shift in the operational model of retail shopping, it relies heavily on technological innovation. The technology Amazon Go uses automatically senses when an item is picked up, put back on the shelf, and tracks who committed the action. Once the customer is satisfied with the items they have chosen, they simply walk out the door - no lines, no checkouts, and no waiting. The purchased items are charged to the customer's Amazon account and a receipt is sent to the Amazon Go app (Amazon Go Editorial Staff, 2017).

Technology Used

Amazon Go uses what they call, "Just Walk Out Technology". This technology is responsible for keeping track of items taken from, and in some cases, returned to, the store's shelves. It also keeps track of the individual's virtual cart (Amazon Go Editorial Staff, 2017).

For this to be possible, Amazon uses technology similar to that of self-driving cars. The system relies heavily on sensor fusion, computer vision, and deep learning algorithms (Amazon Go Editorial Staff, 2017). While they have not revealed too much about their technological advancement, it appears that Amazon plans on making cameras central to their operational strategy. These cameras will track not only the products and their placement, but also the individuals who do the shopping (Swanson, 2016).

Industries with Similar Technologies

Amazon states that the technology behind their cashier-less operating model is the same technology prevalent in driverless cars (Amazon Go Editorial Staff, 2017). However, the automotive industry isn't the only place that this type of technology is being used. Vision technology is also extensively used in manufacturing industries to assure quality, and to inspect, test, and sort parts (Dipert, 2017).

Computer vision and machine learning have become so prevalent across industries that it can even be seen in the scientific study of animal behavior. 3D Computer vision software has already been developed that scans the subject animal's behavior in order to try and measure the quality of life of the animal. It is capable of learning and differentiating normal behavior from abnormal behavior. This allows for

an objective analysis of how the animal is coping in its captive environment (Barnard, Calderara, Pistocchi, Cucchiara, Podaliri-Vulpiani, Messori, et al. , 2017).

In addition to the automotive, manufacturing, and scientific industries, the hospitality industry is no stranger to the type of sensor technology potentially used by Amazon Go. A similar concept is used at some hotels that have condiments and drinks on the counter or in the refrigerator, known as a mini bar. These snack trays have motion sensors and electronic scales built in, that at times, may automatically charge the consumer if something is moved (Laasby, 2014).

Survey Responses

Q1: What would some of the pros and cons be in the adoption of this technology?

Pros cited by the respondents:

All six respondents said that automatic self-service will save the customer time. Jon and Lachmansingh said that more interesting jobs would be created, while Sorenson, Gruber, Rick, Forsell, and Lachmansingh said that entry level jobs would be eliminated. Sorenson, Gruber, and Rick said that product and coupon pricing would be more accurate. Rick felt that costs, product price, and safety costs would go down.

Cons cited by the respondents:

All six respondents said that the cashier-less service will eliminate staff-customer interpersonal communication and limit service levels. Jon felt that personal safety would be affected, while Rick said that a lot of jobs would be lost.

Q2: Do you think it could benefit your chain of stores or your particular store?

Respondents had different opinions: Jon and Forsell said there would be more work but it would be more efficient. Sorenson had no comment. Gruber said that there could be labor-savings, but it would help as it is hard to find employees these days. Lachmansingh said that only a couple of departments would take advantage, such as end of line cashiers. Rick said that it could because Sam's Club and Amazon are big competitors, although he couldn't see adopting it very soon, and the closest technology currently used was the in-store scan and self-checkout.

Q3: Do you believe that Amazon Go's new technology will be adopted by other food chains?

All respondents said – yes. Jon said that is the future and more customers will be served. Sorenson said it would take time to adopt. Gruber, Forsell, and Rick said that the main driver will be savings in labor costs and time. Lachmansingh said that it will take time to follow up with this technology.

Q4: Do you believe that this new technology is sustainable?

Jon said - yes. It will work perfectly with the new generation. Sorenson said - sure. It will help in other parts of the store such as inventory. Gruber said that more proof was needed that it works from a customer perspective. Lachmansingh said that he was not sure, and that more time was needed. Rick said that he needed to see it in action and that there is always someone who will try to hack the technology. Forsell said that time would tell.

Q5: What are the greater effects that you think this technology will have on their respective communities if implemented into food chains?

Jon said that small businesses cannot afford this technology. Sorenson said that it will force others to adopt, and that it will save time and money. Gruber said that time is important to everyone and that the average customer would be pleased because they will no longer wait in line to checkout. Lachmansingh said that it would be an extension of how people do things at the moment. There are phones, laptops, tablet that can help to shop faster, cheaper, and delivered to their homes. They only need to visit stores to check the price and order the products. Rick said that there would be time savings.

Q6: Could this new concept make Amazon Go a major player in the grocery business in the future?

Jon said that it would. Sorenson said – absolutely. Tracking will have to be adopted by the other food chains. Gruber said - absolutely. With this type of technology, customers will save a lot of time and money too. However, with good technology like that, someone will always try to do one better and will take advantage of it. Lachmansingh said –yes. With this technology, Amazon will fill customers' needs for faster checkout and time savings. Rick said that he thought so. Amazon was already a major player and with this technology they would take off to a new and different level. Forsell said – yes.

Operational Evolution

Movement Towards Self-Checkout

The Amazon Go concept is an evolution from the self-checkout operational model that is used at Walmart and other grocery stores. However, self-service in the retail arena has been evolving for over a hundred years. In 1916, Piggly-Wiggly made the innovative decision to allow customers to explore the aisles of products without the assistance of an employee. Then, in 1992, some of the first self-checkouts debuted (NCR, 2014).

Since then, the self-checkout model has been widely accepted and immensely popular. According to a study conducted by computer and point-of-sale terminal company, NCR, those who use the self-checkout indicated that they appreciate the convenience and ease of use that it provides. One interesting note of those surveyed, was that they indicated that they still liked knowing an attendant was nearby to provide help if needed (NCR, 2014).

Paul Forsell, an Assistant Manager with a major retail and grocery store, estimated that roughly 20 to 30 percent of customers prefer self-checkout. The rest give preference to the traditional cashier check-out method. He indicated that while self-checkouts are popular, some people prefer to not have to deal with the technology themselves. In fact, Walmart's attempt to have customers in 200 stores pre-scan their purchases using their "Scan & Go" app failed when customers could not figure how to use it. Walmart discontinued the experiment (Anderson, 2014).

Sustainability of Supply Chain

With all of this next generation innovation associated with Amazon Go, we must also look at any potential strides in supply chain sustainability that may also be occurring. It's no surprise that Amazon does have sustainability initiatives that span many of its different services and products. From Amazon Wind Farms in Texas, to its innovative approach to recycling energy of nearby data centers, it's clear to see that Amazon has been making great progress in its efforts to build upon the best energy and environmental practices. However, one initiative of particular relevance is the work being done with AmazonFresh, Amazon's grocery delivery service for Prime Members (Amazon Go Editorial Staff, 2017).

AmazonFresh's initiative with Feed America, a nonprofit organization tasked with feeding America's hungry through extensive national cooperation of food banks, has led AmazonFresh to donate food to these food banks from its distribution centers. While it is unclear if Amazon Go will incorporate a similar model as Amazon Fresh,

the partnership with food banks appears to already exist and could potentially be duplicated. In addition, Amazon has stated that the efforts it makes towards energy and environmental practices are intended to be implemented throughout Amazon (Amazon Go Editorial Staff, 2017).

Community Impact

Impact on Workforce

According to the Bureau of Labor Statistics, in 2016, there were 2.7 million people identified as being employed by retail grocery stores, 856,850 of whom are employed as cashiers (Bureau of Labor Statistics, 2017). This number doesn't even reflect the 3.5 million cashiers that are employed across all industries, not just the retail grocery industry (Bureau of Labor Statistics, 2016). With so many people being employed in this industry, and in jobs that this disruptive technology may make obsolete, it follows that one may be curious how these individuals will be affected by Amazon Go and its cashier-less operational model.

While there could be an obvious adverse impact on cashiers, there could also be an increased demand for technical people to design, implement, and maintain this new technology. Supervisors and customer service personnel would be needed to answer questions, handle returns, and handle quality related issues. Security and anti-theft employees would also be needed to prevent shop-lifters (Rash, 2016). It appears that people will still be needed in retail, perhaps just in different capacities.

Forsell's take on this new technology appears to reinforce earlier theories. He indicated that if technology was implemented, it would free up the cashiers to perform other duties. He also alluded to the probable increase in demand for individuals with computer maintenance skills, and individuals to help in the validation of purchases prior to leaving the store.

Sociocultural Implications

With all of this fear that Amazon Go's new "Just Walk Out Technology" will eliminate the jobs in retail stores, it should remain top of mind that humans are still emotional creatures. We are hard-wired to crave human interactions. An example of this can be seen in the increase in popularity of farmers' markets that provide a more personal experience (Merholz, 2011).

In addition, an Accenture study found that 77 percent of U.S. consumers would rather interact with a human than with a digital channel to solve service related issues (Davis, 2016). The desire towards personalization in retail shopping would almost inherently require a unique experience that, at this point, may only be possible through dynamic human interaction. At the end of the day, the consumer will decide what type of shopping experience will win out in the retail industry, not technology. Boyle reported that consumers are more concerned with shopping convenience and price, than wait time in a queue (Boyle, 2017).

Impact on Other Industries

Impact on Other Industries

There are many industries that are likely to be impacted by the technology and operational model of Amazon Go. For starters, it is believed by some that Amazon intends to increase the number of Amazon Accounts. This could have many benefits besides data-collection; it could also increase the adoption rate of its Amazon Payments platform. If this is the case, it could greatly increase competition for payment platforms such as PayPal, Square, and Visa (Melville, 2017).

This sans-checkout model could be easily implemented across various retailers. While retailers and grocers more than likely don't have the funds available for research and development like Amazon does, if Amazon Go's technology were to be offered to the masses this could cause widespread change (Pasquarelli, 2016). As previously discussed, this could potentially cause increased profits, faster shopping experiences, and job role changes. This could mean instead of cashiers, we will have concierges, greeters, and sampler staff (Solomon, 2016). With a little creativity, one could also imagine similar models in non-retail settings such as libraries, check-ins at doctors' offices, and restaurants.

Walmart announced its adoption of no-checkout technology in December 2017. Dubbed Project Kepler, the technology and concept are similar to that of Amazon Go, and will be beta-tested in an incubator facility. Code Eight, a subsidiary of Walmart, is currently testing a personal shopping service targeting busy New York City moms. The service allows those women to make purchases through text messages (Del Rey, 2017).

In November 2016, leaked documents from Amazon showed its plans to open 2000 grocery stores with a "no line, no checkout" strategy, CA in early 2017. FutureProof Retail launched its first grocery line free checkout in November 2016 in San Luis Obispo, CA. It uses cloud computing, line free mobile technology (Line Free Checkout Provider FutureProof Retail Reacts to Amazon Go, 2016).

Managerial Implications

The potential threats for retailers, grocers, and their employees, in the event of a widespread implementation of a technology similar to that of Amazon Go, are numerous. This technology threatens those working in cashier positions, gives rise to theft and fraudulent activity concerns among retailers, and could possibly widen the competitive gap between small and large retailers with a potentially large investment. If Amazon were to expand their payment platform, this could create increased competition for companies like PayPal, Square, and Visa (Melville, 2017). In addition, if Amazon chooses to implement sustainability efforts into Amazon Go, like it has with its other business units, it could increase the sustainability standard among retailers (Amazon Go Editorial Staff, 2017).

With potential threats, come potential opportunities. The advent of Amazon Go and the evolution of the self-checkout bring many benefits for both the consumers and retailers alike. For consumers, the decrease in waiting time, and the ease of use are very attractive benefits. For retailers, the ability to reduce lines, relocate personnel resources, and gain the customers trust to provide quick service could prove to be profitable.

Current Status

In November 2016, Amazon Go announced its plan to open its first store for beta testing in Feb-March 2017. The convenience store opened in March with employees simulating customers and service. Important technical and protocol information was obtained which showed that the store would not be ready to serve the public for a while. The system could only handle 20 customers at a time and had problems when the store was at capacity. It also had difficulty tracking merchandise moved to and from shelves (Lamm, 2017).

The technology crashed when the store was too crowded, and required quality control personnel to ensue people were being charged correctly (Boyle, 2017). The system worked well with standard scenarios, but failed when faced with atypical scenarios and distinguishing among similar shaped items, or identifying customers who change apparel such as caps or coats. By the end of March, it became apparent that formal opening to the public would have to be postponed indefinitely.

Although the beta test was necessary to glean information for improvement of the system, critics pointed out that using employees for simulating actual customers was neither credible nor valid due to the inherent bias (Hofbauer, 2017). The report

also showed that sensors and algorithms inadequately captured couples or families with children who eat products or take items off the shelves. Amazon Go has been using the feedback for focus groups to improve the system in how to handle returns, defective products, or customer service questions (Hofbauer, 2017). In December 2017 Amazon Go announced that it would open to the public in early 2018.

In April 2017, Amazon acquired Whole Foods for \$13.7 billion which demonstrated its presence as a major player in the grocery business (Bowman, 2017). Bowman speculated that Amazon was motivated by its difficulties with Amazon Go, but considering the size and timing of the acquisition, it is more probable that the strategy was in the works for more than a few months. Bowman cited Whole Foods plan to hire 6000 more people, and concluded that Amazon will focus on traditional labor service rather than on Amazon Go's automated processes. It is more probable that Amazon embarked on the Whole Foods and Amazon Go ventures to seize the opportunities in the grocery business and to incrementally automate service processes through its Amazon Go pilot program.

Conclusion

Amazon Go plans to fully open its checkout-free grocery shopping concept in early 2018. The strategy is an evolution from the self-checkout version that is used in many grocery chains today. Advanced technology and computer integrated inventory management systems enable the customer to take products off the shelves, put them in their carts, and leave the store without going through a checkout line. Besides the convenience to the customer, Amazon evidently plans to benefit through a reduction of checkout clerks. The cost of implementing, maintaining, and sustaining the system may offset or exceed cost-savings through reduction of checkout clerks. It is unclear as to whether the new concept will be adopted fully or partially by Whole Foods, other grocery chains, and similar industry applications.

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