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We seek to promote new and productive interaction between various business disciplines and fields. We consider articles that express new and innovative ideas in Business, paying particular attention to developments in Cyprus and the broader Eastern Mediterranean area.

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25 Zannetos street, Ayios Andreas
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market@cima.ac.cy

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CONTENTS

EDITORIAL

Dear Readers,

We are delighted to welcome you to the third issue of *The Market: International Journal of Business*.

The Market is a scholarly, peer-reviewed research journal published annually by the Cyprus Centre for Business Research and funded by the Cyprus Institute of Marketing (CIM). The journal considers articles that express new and innovative ideas in business, paying particular attention to developments in Cyprus and the broader Eastern Mediterranean region. It publishes the results of research endeavours that show strong future prospects and articles that address the betterment of human life, as well as business practices. The expert and dedicated editorial team solicits and welcomes articles from scholars of all career stages and on topics related to all fields of business, either with a domestic or an international outlook.

Thanks to the good work of our team, and thanks to the quality of submissions, *The Market* is now hosted on the world's top platforms: ProQuest and EBSCO, two of the world's most-used databases for scientific journals.

The Market aims to provide opportunities for the promotion of new dynamic business ideas to enhance research in all business fields – from management, strategy, accounting and finance to HR, energy, marketing and shipping. *The Market* also welcomes contributions on emerging fields – for example, political marketing, a relatively new area that is continually gaining more traction worldwide. The goal of *The Market* is to create an increased awareness of important scholarly achievements and to host daring, adventurous research.

In our third issue, we have once more ensured coverage of a plethora of contemporary and pressing issues and topics. These include articles linking business with cyber space, online gaming, shipping, as well as articles that offer valuable insights into consumer behavior, digital marketing and corporate governance. There's also an article on understanding the dimensions of human capital. Salient issues, including the relationship between specific organisational resources and their significance to the award-winning CIS Model, are analysed, too.

In addition to these topics, and committed to the new generation of scholarship, *The Market* has continued to publish the top dissertations of CIM Master's students. Special thanks must go here to Dr Katerina Pavlou, Director of the Cyprus Center for Business Research and Academic Director (Limassol) and Dr Christiana Charalambidou, Head of Postgraduate Studies (Nicosia) and Permanent Lecturer in Economics, for establishing the scheme and for guiding students from dissertation to publication.

Deliberately broad in its appeal, *The Market* will continue to welcome articles in all fields related to business. Following the successful 4th Annual Academic Conference that was organised recently by the CCBR, the fourth issue of the journal will run under the umbrella theme of the upcoming Conference *Igniting the New World of Business*.

We hope that you will enjoy reading *The Market* as much as we have enjoyed putting it together. And we thank you for being with us on this journey.

Thank you, and we look forward to reading your research paper and/or research note next time!

Dr Constantinos Constantinou
Editor-in-Chief

GOVERNANCE, BOARD MEMBERSHIP IDENTITY AND SOCIALISED INDUCTION: A NARRATIVE ON ENABLING AN EFFECTIVE BOARDROOM EXPERIENCE

By

Denis Murphy

Doctoral Candidate, University of Sunderland

Dr Derek Watson

Associate Professor, University of Sunderland

Abstract

A cursory look at the literature in the area of corporate governance identifies a number of core themes currently offering insights into boards and their changing role in organisational governance. Increasing discussion on diversity, gender, changing governance frames and the progressive conceptualisation of board membership as a profession in its own right, are all clear to be seen.

Given that boards and their role in governance transcend many sectors from industry, finance, and retail to the more emotionally laden service industries such as regulation of health and social care, how can organisations learn to grapple with the changing face of the boardroom and with wider societal expectations of their boards?

The suggestion in this thought paper is that by understanding the organisation's governance frame and organisationally enabling the concept of board membership identity through a strategically aligned view of induction as a process of socialisation, a better board dynamic can evolve.

Keywords: Corporate Governance Frame, Board Member Identity, Socialisation, Sociocultural Perspective, Induction, Onboarding

Introduction

Given professional doctoral programmes' emphasis on professional reflection (Cunningham, 2018) and the encouragement to evolve as researching, reflective practitioners (Fulton *et al.*, 2013), it is unsurprising that the author recently had to reflect on his career while preparing a doctoral portfolio of reflection and evidence. What was surprising was that with the benefit of hindsight the author now realises that boards and their role in governance have been at play in his career from the outset. Boards in all their guises are an organisational representation of an internal governance mechanism (Doyle, Murphy and Watson, 2021). And as such, boards influence and shape activity and organisational direction as decisions trickle down from the board, via management, to the frontline, in a manner similar to champagne flowing down a glass tower (Lornudd *et al.*, 2021). In many situations this trickle can go unnoticed, even by those working within the organisation. This is unsurprising when you read Brennan's 2010 conclusions that, 'corporate governance is a relatively new concept in business', and that research in the field is 'at an early stage of development' (Brennan, 2010, p. 18). Corporate governance is still relatively new and a woolly concept to many. Boards, as a form of internal governance, continue to evolve and respond to changing contexts and are by their nature complex and complicated (Adams, 2017).

Governance can take many forms, and as such mean different things in different contexts. Consequently, the same is true for boards and their roles. Board structures can range from a family meeting around a dinner table for a family-run organisation, to the much more structured boardroom experiences of the corporate sector, with many variations in between. Our previous work in this journal outlines the main four historical theoretical models used to practically implement governance within organisations, regardless of context. These are agency, stewardship, resource dependency and stakeholder theory (Doyle, Murphy and Watson, 2021). Who serves on a board, how they are recruited, inducted and the activities they engage in, are for many the realm of the unknown. However, it is these underlying theories of governance that have been, and are driving, the responses to the questions about practice.

A post Enron and Barings Bank society has resulted in an era where the world of the boardroom is being scrutinised more deeply. We are seeing calls for democracy in membership, transparency in decision making and growing public expectations of accountability for the decisions taken (Leisen and Swan, 2019).

Life within the boardroom is without doubt changing. Keeping pace with these changes and demands (some mandated by law, others through voluntary guidance) is placing increasing pressures and growing workloads on boards needing to demonstrate compliance. Interestingly, many boards opt to take on additional non-mandated compliance as a means of clearly and publically demonstrating a willingness to embrace the new era of transparency and compliance (Aragón-Correa, Marcus and Vogel, 2020).

With ever increasing workloads, how can we enable our boards to perform better? How can we equip them and support them to discharge their governance function effectively? And how can we ensure our board members work collectively in the best interests of the organisation? To help explore these questions and equip the reader with practical guidance which they can apply in practice to their board engagement, this paper explore three independent, but we suggest related, concepts. First, we briefly explore and recount how the changing governance paradigms are influencing the shape of board membership and its activities. We stress the need to be cognisant of previous board frames, why they were enabled and why they have been changed. We then explore how the evolving concept of the professionalisation of board membership itself as a quasi-profession may go some way to help standardise and empower board members' experiences and expectations. The focus here is on clarity of role and rationale for director engagement and the setting of expectations for and of directors. Finally, we investigate different perspectives on what the board induction experience should be, its aims, objectives and approaches.

The paper concludes by suggesting a combined understanding of these three concepts and how embracing them in practice in a coordinated manner within the organisation may lead to improved board member experiences, organisational board effectiveness, as well as improved collective decision making and accountability.

Governance evolutionary frames and expectations

For some, corporate governance and the boards that enable, enforce or bring life to the concept within organisations, are still viewed as a phenomenon or force that acts upon their everyday working lives with little in return. Some view boards as the untouchable beings living in their 'ivory towers' (Davis, 2016, p. 44), or operating out of the 'C-Suite' (Trainor, 2020, p. 467) with little awareness of real world issues. Others recount even less flattering views of board members suggesting boardrooms are populated by those who are 'male, pale and stale' (Groutsis, Cooper and Whitwel, 2018, p. 12). For many, until recent decades at least, this view of males of a certain age sitting in judgement in the ivory tower being representative of corporate governance and boards will have been a perceived reality. This author's own experiences however suggest that such a view of boards is at best an outdated view of the realities of current corporate governance paradigms, and of those who serve in the boardroom. Such views take little account of the dramatic and ongoing changes that have occurred and continue to occur internationally within the corporate governance arena in many sectors.

Post Enron, and the countless other financial and governance scandals since, the world of corporate governance has been exposed to a programme of change and regulation in most countries. We must remember that board performance is influenced by the condition of its operating economy, institutional and national context (Zhou, Owusu-Ansah and Maggina, 2018). These also influence board composition, tasks and activity (Borlea, Achim and Mare, 2017), so the enactment of corporate governance frames are driven by country level regulations in the first instance. An alternative view of corporate governance and boards has evolved in many countries in recent decades. It places boards in an ever changing temporal framework, responsive to societies changing needs and expectations of what corporate governance means. This new view can be seen in the literature where we can identify increasing emphasis on explorations of board member diversity (Khatib *et al.*, 2021), board's services tasks, functions or roles (Åberg, Bankewitz and Knockaert, 2019), the need for corporate transparency (Ardigó and Zúñiga, 2019), and board's impact on corporate social responsibility and sustainability (García Martín and Herrero, 2020; Endrikat *et al.*, 2021), to mention just a few. In practice, we are seeing many of these concepts being translated into the national context either on a voluntary basis or because of mandated requirements to which boards must demonstrate compliance. Examples include calls to address the male/female gap in the boardroom and in working society at large in Cyprus (Kouta, Parmaxi and Smoleski, 2017), formalising the recruitment and selection process for state boards, such as the case is in Ireland (Horan and Mulreany, 2021) and mandating in law the need for directors to sign disclosures of conflict (Koh, 2017).

The preceding demonstrates a change has happened, and is continuing to happen in corporate governance, and this is being experienced by boards in their boardroom activities. Boards are no longer just being stacked with the 'great and the good' (Benton, 2017, p. 9), to look after the owners' interests. We are living through a paradigm shift in corporate governance (Vyas-Doorgapersad and CanAktan, 2017), where expectations are high and in a world transformed through social media (Fenwick and Vermeulen, 2018), compliance is no longer a luxury, it is necessary. Indeed, it is argued that we are entering a world where 'best practice isn't good enough' (Wong, 2016, p. 58) and more is now needed and expected.

Positioning boards and enabling them to respond to such dramatic change quickly and effectively, we suggest, starts with ensuring organisations and their boards have a clear understanding of the role and purpose behind their existence and why such changes to support their governance form are required. Unsurprisingly, many do not clearly understand the functions boards serve, due to the ambiguity used in defining tasks and functions and the ever expanding expectations placed upon them (Åberg, Bankewitz and Knockaert, 2019). For many organisations this has resulted in increasing use of management consultants to assist the board (Gendron, Bertrand and Tremblay, 2021). Yet, Grendron and colleagues suggest over use of consultants may compromise organisational governance. They question consultant's understanding of the regulatory frame and context, their level of impartiality and, in some instances, boards almost outsourcing of decision making to them as they perceive consultants to be the experts and those with the knowledge.

To summarise, the key message evolving in this section is that corporate governance continues to change. If it is assumed that boards will remain a key actor in the corporate governance frame, then we should expect change in what and who constitutes the board and what its activities will be. In creating this new boardroom reality, organisations should transparently document the role, the rationale and the values of having a specific board form and function and of its enactment in practice. Such documentation should acknowledge any changes in function and structure and the rationale behind it. In moving forward it is also important to recognise where we have come from, or we may be destined to errors of the past. Having a clear organisational understanding of the board's evolution, role, purpose and activities enables and informs board members of expectations. This in turn makes historically grounded and contextualised decision making easier in practice.

Board membership identity

If recruiting the best directors and applying best practice in the boardroom is no longer 'good enough' (Wong, 2016, p. 58), perhaps there is a possible solution through the exploration of board membership identity. Such a concept is grounded in theories of social identity, professional identity, identification and accountability (Alhossini, Ntim and Zalata, 2021). Discussions in this area are not new, with calls over a decade ago for new research paradigms within the boardroom, paradigms focusing on social, behavioural and identity theory (Huse *et al.*, 2011). Implicit within the concept of board member identity are the concepts of professionalism and professional identity. Both of these themes are well documented in the literature.

Professional identity is a social construct and stems from an interplay of a multitude of factors (Han, 2017). It results in the individual becoming a recognised member of a profession (in our case a board director) and also distinguishing them from those who are not (Trede, Macklin and Bridges, 2012). Evolving a professional identity is enabled through socialisation (Tomlinson and Jackson, 2021) and a time based construct that evolves from the interplay of society, context and the profession (Murphy, Gilligan and Watson, 2021). Attaining a professional identity is about learning how to act within the profession's context (Skinner, Leavey and Rothi, 2021). For board membership then, it can be assumed there are skills and competences required to effectively carry out the board member functions over and above the specific skills that may have brought that director to the boardroom table. Such skills are not constant and the board needs to be responsive and adjust their skills base to evolving contexts (Hoppmann, Naegele and Girod, 2019).

The literature on board member identity emphasises the importance of identification, namely with whom the director primarily identifies. Who they most identify, associate or empathise with, will influence the way they behave and make decisions within the boardroom (Hillman, Nicholson and Shropshire, 2008; Jonsdottir *et al.*, 2015; Veltrop *et al.*, 2021). Assuming the board's prime role is to protect the interests of the organisation and its stakeholders and to drive corporate governance, accountability and strategic direction (Madhani, 2017), then logic would dictate that those who associate with the board, as an entity in its own right, are the candidates most likely to have greatest impact. Some contributors to the literature suggest that business group affiliation (board affiliation in our context) is an important contextual factor in creating firm performance (Aggarwal, Jindal and Seth, 2019). It is suggested that directors who identify strongly with being a director (director role identity), feel accountable for the entire organisational activity and gain a sense of pride from acquiring a broad knowledge of the organisation's workings (Elms and Nicholson, 2020).

So the message from the literature is that selecting board members is grounded in the national regulatory context, and that these vary considerably (Baum, 2016). Thus, who serves on boards, and how they are appointed is, for many, dictated by regulations, and emanates from the temporal governance form evidenced within the sector and context at a given time (Murphy, Gilligan and Watson, 2021). However, regardless of the route to the boardroom, the literature, at least that exploring identity, social and behaviour-related theories, concludes that encouraging the concept of director identity as a professional identity construct may add value and improve boardroom experiences. It in essence enables an organisational consciousness within the boardroom. However, there are of course cautions here, in that too much identification may lead to group think and lead those who strongly associate with the identity to become stale (Veltrop *et al.*, 2018). The key, Veltrop *et al.* advise, is monitoring tenure and ensuring the board is refreshed regularly so as to bring in new perspectives. The concept of diversity within the boardroom again comes to the fore here, so we begin to see interrelationship between the concept of board membership identity and our original discussion in the changing face of governance forms.

Within this concept of board tenure and diversity we are seeing increasing discussion and recommendations on the inclusion of independent or lay directors (Ji *et al.*, 2021). There are also calls for diversity with regards gender (Khatib *et al.*, 2021), ethnicity and race (Hogan and Huerta, 2019; Zaid *et al.*, 2020), as well as cognition and learning style (Du and Xu, 2018) and previous experience (Chandrakumara, McCarthy and Glynn, 2018). Each of these can be viewed as sub analysis units of diversity within the boardroom. In noting the array of topics discussed within the diversity arena, it must also be noted that as of yet opinion on its impact is mixed. However, one aspect that can be concluded as we increasingly see diversity within the boardroom, is that our board induction, training and development programmes must evolve if the concept of board member identity is to be enabled in practice. It must enable our directors to become effective and valuable members of an increasingly diverse 'community of practice' (Wenger, 1998) of governing directors or board members. A community that must share the same organisational vision and understanding of the context in which the organisation they govern operates if it is to be effective. A community that must work as a collective in its organisation's best interest above all other interests.

Becoming through induction and socialisation

Approaches to board induction tend to follow for the most part standard approaches to organisational induction or onboarding. Indeed the organisational induction process has become one of the core Human Resources functions (Caldwell and Peters, 2018). Traditional approaches to induction have tended to focus on information transfer, policy sign off and for the most part have gained an image of being tick box exercises, focusing on the demonstration of compliance driven by national legislative agendas (Caldwell and Caldwell, 2016). Such traditional views on induction carry with them inherent views about knowledge and practice. They bring with them an assumption that an organisation's knowledge can be documented and thereby transferred to new hires. It is about a standardised step by step approach and leaves little room for personalised experiences.

Surprisingly, as little as 32% of companies have been found to provide for a formal induction process (Baker and DiPiro, 2019), with some in the literature suggesting that, in some organisations at least, the attitude towards induction is a 'sink or swim' mentality (King, Roed and Wilson, 2018, p. 479). Such an approach may account for a recent survey in the Unites States showing that only 12% of staff felt their organisation did 'a great job at onboarding' (Gallup Inc. 2017, p. 36). It is therefore, perhaps, understandable that alternative approaches to induction or 'onboarding' have been researched and proffered in the literature. One stream of these focus on the concept of socialisation in the practices and context of the organisation. The focus is on the enabling of the person to become an effective organisational participant. Clearly such models are grounded in different perspectives of knowledge. The narrative of this socially-based view aligns with sociocultural views on knowledge and learning. A view where knowledge is considered to be situated in context (Lave and Wenger, 1991), mediated in practice (Wertsch, 2008) and filtered through cultural and historical context (McCormick and Murphy, 2008). In essence, the focus is on experience, shared understanding, context and practice, rather than just document and policy. It is about recognising the importance of professional identity, in becoming a member of a specific community of practice (Wenger, 1998).

One such induction or onboarding model, for example, suggests the key to successful onboarding is about enabling an understanding of organisational culture, role clarity, increasing self-confidence and social integration (Badshah and Bulut, 2020). Many others have also stressed the importance of socialisation and a concern with identity formation (Cooper-Thomas and Anderson, 2006; Becker and Bish, 2021). Indeed, some authors suggest that socialisation should commence early and even before the inductee commences their role, or enters the boardroom in a director's context (Saks and Gruman, 2018). Unlike traditional upfront one off induction, a socialisation model is viewed as an ongoing experience that helps the inductee to evolve their expertise within context over time (Ferrazzi and Davis, 2015; Caldwell and Peters, 2018; Harris *et al.*, 2020).

Approaching onboarding with such a perspective enables the practitioner to see beyond the now of the boardroom and is a paradigm shift in induction process (Ferrazzi and Davis, 2015). It encourages you to make clear the assumptions being made and to acknowledge that everyone brings with them their own history, perspective or baggage. Thus, an element of effective onboarding may be about unlearning (Becker and Bish, 2021). Enabling socialisation at an early stage opens you to the concept of facilitating new members' observation of practice before joining the board formally, the possibility of an overlap of director succession and transition and the recognition of the concept of the uniqueness of what it is to be a board member or director. This, in turn, will foster a greater sense of belonging and increase director self-confidence and a sense of collective endeavour. Socialisation approaches to induction improve director experience and organisational outcome (Irshad and Bashir, 2020).

Thus, induction based on a socialisation model inherently acknowledges what has gone on in the past. It brings with it the social history and narrative of the board and of the governing frame that established and enables it. It acknowledges the existence of a social community of practice at play within the boardroom and of the importance of the less specific and intangible skills the director will need to enact in the boardroom to engage effectively with the other members of the community of governing directors.

An element of the author's current doctoral research is exploring the relationship between the three concepts of evolving governance forms, board member identity and an onboarding experience focused on socialisation, specifically within the context of the professional regulation of an Irish healthcare profession. The argument is that board members inducted in a proactive awareness of these concepts are better equipped to practice more effectively in the boardroom. The focus is on empowering new members through the sharing of information and experiences. These experiences are grounded in board members' practice, through discussion and exchange with existing or departing members, so as to gain greater clarity of the board member role, its expectations and how it has been enabled and experienced in practice. The aspiration being that accumulating this awareness and understanding early will enable a sense of collective responsibility, laying the foundations for the formation of a board member identity. The thesis put forward has three over-riding arguments. The author is undertaking field research to explore these arguments from his ongoing doctoral research, that will demonstrate the three interlinked points as follows:

The evolving working model is summarised in Figure 1.

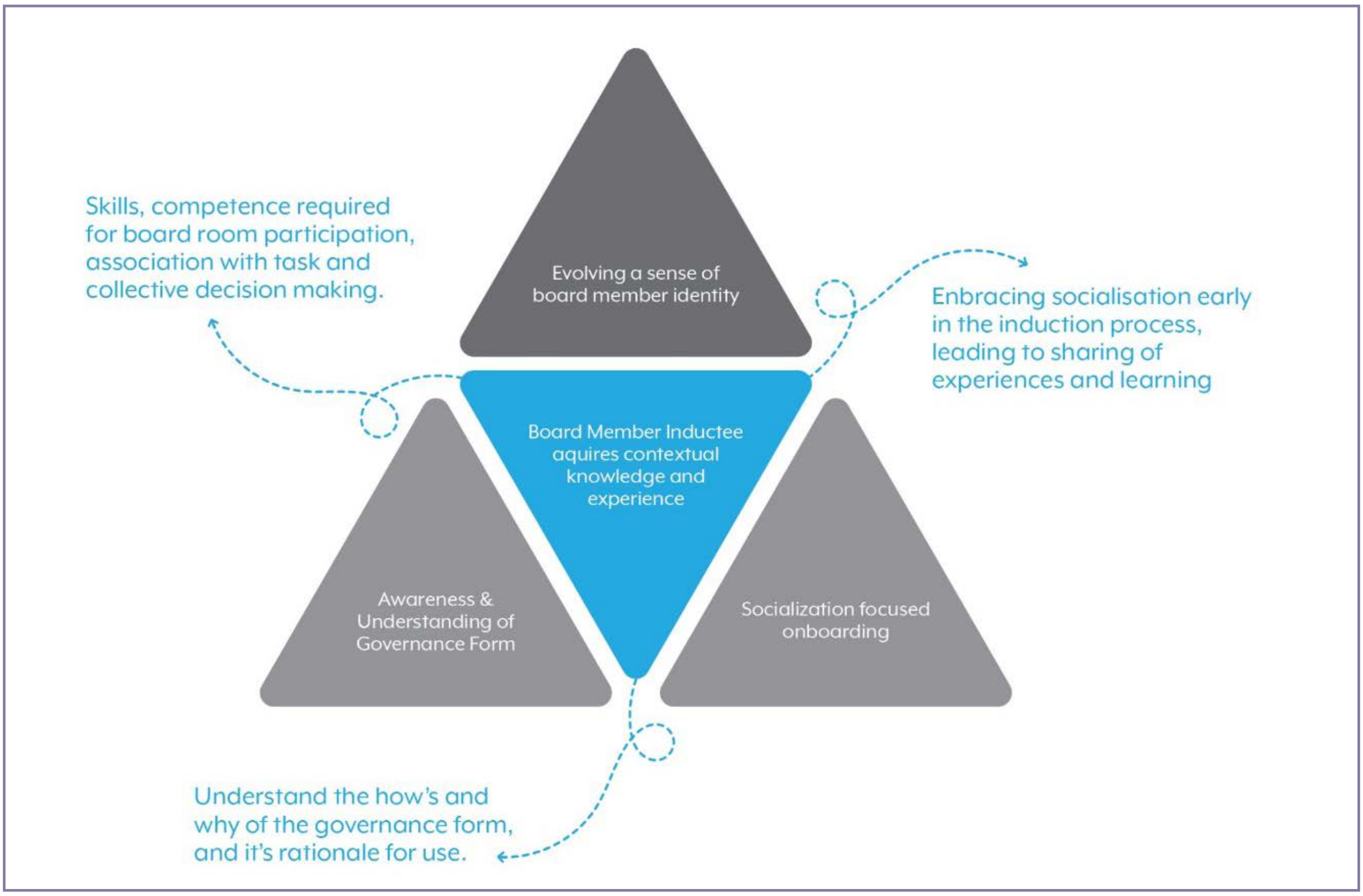

Figure 1 An evolving model of socialisation that embraces governance form change and board member identity in practice

First is the need for the provision of information to inductees upfront on the prior, existing and evolving governance form at work within the organisation. This will better equip them to understand the critical pinch points operating between the organisation, the sector and the national corporate governance context. Some assume that such information is freely available in the public domain and director due diligence will enable them to find it, however, this may not be the case depending on the board's sector and purpose. For example, in the case of this researcher's context, a dramatic change in the governance frame occurred in 2011 when the board shifted from an elected professional majority to a board of a non-professional non-elected majority (Murphy, Gilligan and Watson, 2021). Such a change caused a considerable outcry at the time and it appears, at least to the researcher, many of those appointed under the new form had little awareness of the fervent opposition coming from a key stakeholder group, as demonstrated in their consultation response (Irish Nurses Organisation, 2008). By actively sharing such governance evolution with the organisation, it is hoped the inductees will gain insight into the hows and the whys of membership, the rationale for change, contextual challenges and of course a grounding in role expectations arising from this.

Second is the aspiration that by providing opportunities for and encouraging the concept of board member or director identity, new members will gain value and return from a form of professionalisation being assigned to board membership. Having such an identity should enable a shared and collective desire for ensuring that the organisation's aims and objectives are achieved and its vision reinforced. Collective decision making in the best interest of the organisation rather than pockets of stakeholder group interests should be enabled and become the norm. Again an example from the researcher's context on where board member identity might have assisted was the attempt to increase the annual registration fees for nurses and midwives in Ireland. This caused considerable friction and debate within the boardroom for the new non-professional majority. Following the professions' picketing of the Board's offices (Independent.ie, 2014), the Department for Health intervened and the retention fee remained unchanged despite its need for the organisation's financial stability, effective functioning and growth.

Third, is the argument that by enabling a meaningful, ongoing onboarding process, focused on socialisation, members will get an opportunity to gain insight from previous members' experiences; experiences that may not be recorded organisationally for many reasons. Moving from traditional knowledge transfer models of induction to a more socially engaged and responsive one in itself helps the building of the concept of board member identity. The inductee becoming a board member through learning from the shared experiences of those who have and are currently serving on the board. Such approaches draw on concepts of mentorship, discussion, debate and consensus making within the boardroom context. It focuses on an ongoing process rather than a once off up-front experience. The key is social learning in context from peers.

Conclusions

There is no question that corporate governance and the boards responsible for enabling and enforcing governance in practice have changed and continue to do so. For most, gone are the days of boards being populated by the 'old boys club' when an era of scandals such as Barings Bank and Enron triggered a new era of public awareness of a corporate governance best practice that demands transparency and accountability. What followed in many countries were local scandals of varying size and scale and all of this culminated in legislation on accountability and transparency and an opening of the boardroom door to a wider and more diverse pool of directors. Today's board members are more diverse in many aspects and in many cases come from the outside, that is they are not experienced in the sector or profession they govern. While diversity has of course altered perspectives and many would say improved transparency and accountability, it has also brought its own challenges within the boardroom.

Being able to participate as an outsider and govern as a director requires skills over and above your sectoral expertise. Increasingly, the less tangible and social, behavioural and identity aspects of being a director are being recounted in the literature as keys to success. Ensuring new directors have the information they need on the historical context of organisational governance, its evolution and development, can be as an important factor for consideration as organisational structure and strategy, yet it often gets left out of onboarding activity.

This working paper suggests a model of socialisation in onboarding as a means of addressing this potential blind spot. The evolving model embraces the concept of board member identity as a key enabler to boardroom practice. Having and sharing a board member identity will enable the sharing of governance evolution and director role experiences. Ultimately, a more informed and effective director should evolve. The aspiration is that inductees will be empowered to participate in collective decision and consensus making that identifies and associated with the organisation's prime purpose and objectives, while also having a more rewarding term being a member of a community of governing directors.

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NEW CHALLENGES FOR THE MILITARY. BUT NEW SOLUTIONS IN MILITARY EDUCATION AND TRAINING?

By

Dinos Kerigan-Kyrou, PhD

Dinos Kerigan-Kyrou is responsible for the cybersecurity division of the Joint Command and Staff Course at the Irish Defence Forces. He has been involved with military education at the Partnership for Peace Consortium of Defense Academies, and previously at the NATO School Oberammergau, for the past 11 years. He is an instructor on the Defence Education Enhancement Program, and a Senior Lecturer in the Division of Cybersecurity, Abertay University, Scotland.

Militaries across the world have a problem. The problem is: How do we deal with 'New' and 'Emerging' security challenges?

What does this mean? For centuries, the role of the military was to deter hostile states, and to be able to engage in conflict with other states using arms, if required by their government's foreign policy. In other words, military and foreign policy was all about states - countries. The role of the military was clear: it was to defend the state or operate overseas on the instructions of their own civilian administration against the military of an opposing state.

But over the last 20 years we have seen the creation of new and emerging security challenges. These new challenges may lead us to re-evaluate the role of states' militaries in international relations.

'Non state' actors including fringe groups and extremists have been able to use cyberspace - the online environment in which we all live and work - to spread their narrative. Terrorists are able to use cyberspace to communicate their propaganda, recruit individuals, and execute their atrocities. They use secure online communications, evading the detection of security services here in Europe and across the world. Sadly, terrorists have utilised cyberspace to devastating effect.

Moreover, security challenges emanating from decreasing energy supply, combined with the security challenges caused by climate change, have created whole new security dynamics for which governments and their militaries have been - and continue to be - unprepared.

Indeed, climate change, which is causing diminishing food and water supply, lack of healthcare and endemic poverty, combined with political instability, have created a situation where desperate people end-up in the hands of criminals facilitating human trafficking and modern-day slavery.

In 2010 former US Secretary of State Madeline Albright wrote about the blurring of distinction between what were once considered 'military threats' and ''non-military' threats - such as cyber and energy security. We can extend these examples to the protection of critical infrastructure - our water, power, health systems, and transport. Very few governments have clearly allocated civilian or military control for the protection of these critical services from physical, and increasingly cyber incursion. (For example, our critical infrastructure is increasingly controlled by 'SCADA' systems - essentially computers that monitor and control infrastructure online in cyberspace. SCADA creates huge efficiencies, but, in the wrong circumstances, also creates great security vulnerability).

So why have militaries across the world been slow in addressing these new and emerging security challenges?

Military training for officers and recruits has changed little in centuries. Marching, fieldcraft and, in the case of a certain European military, weekly ballroom dancing lessons (no I'm not joking), are considered to be compulsory and essential military training. Now there may be fundamentally sound reasons to continue with many aspects of traditional military training, as they enhance discipline and self-reliance. To be clear, the author is not advocating abandoning these traditional aspects of military training entirely (not even the dancing lessons). But almost all cadets are trained to dig trenches (trench warfare has not really been engaged in by European countries since 1918), and operate heavy artillery (European Union militaries have not operated heavy artillery in conflict since World War II.)* Again there may be a benefit to this - developing a comprehensive understanding of the traditional military battlespace for example - despite being operationally useless. Moreover, some might argue (although I've seen little evidence to prove this), that training in extreme physical conditions while under great stress helps decision making and rational thinking under pressure. The question is: does it help the military and the countries they serve in addressing new and emerging security challenges?

The answer almost certainly lies in closely examining why we are conducting the military training that states conduct in the first place. The fact that a cadet may not be able to handle extreme environments does not prevent him or her from being an invaluable asset. Logistics, communications, engineering, medicine, law, strategic planning, operating in cyberspace - and the multitude of other skills critical in this new military strategic environment - may not require the traditional training that cadets and recruits have been exposed to for centuries. Indeed, this is comprehensively proven again and again by the fact that officers who apply for 'direct entry' from civilian roles with specialist skills - who commission without undertaking the vast majority of this type of training - are equally as capable operationally (many serving with distinction), as those that have been trained in the traditional way.

Military training should never be conducted at the expense of the ability of the cadet or recruit to be able to comprehensively understand and act within the new environment of security challenges that they will be facing over their career. But at the moment the ability to withstand being wet, freezing and highly fatigued while being yelled at by a non-commissioned officer appears to be much more 'important' than the cadet or recruit's potential ability to operate in this new environment of emerging security challenges. For example, at the recruit and cadet level there is a huge amount of training in the use of military camouflage to hide in undergrowth and behind rocks - but no training whatsoever in defending the cybersecurity of their military equipment and logistics which can now be directly targeted and attacked online. Likewise, they are trained in how to fire bullets yet receive no training whatsoever in how to breach and disable an opponent's military equipment and capabilities via cyberspace.

In summary, it is critical for our armed forces here in the European Union and elsewhere for military training and education to reflect the new and emerging security environment - an environment which no longer comprises a neatly arranged enemy on the other side of a field to be engaged in battle - as it once did. And to be fair NATO and its partners' military education programme (operated by the Partnership for Peace Consortium), and the EU's European Security and Defence College (part of the EU's European External Action Service, where Cyprus and Ireland have crucial roles), are developing training and education which focuses on these new security challenges.

Progress is being made toward adopting military training and education for the new security environment in which we find ourselves. But we have a very long way to go. There is still an over-reliance in many militaries across the world - and here in Europe - on the fact that things have 'always been done this way'. In order to meet new security challenges a comprehensive analysis of what, how, and most importantly why we conduct military education and training in the way we do, is very much required.

***** (The only exception to this for a European military was the British use of heavy artillery in Kosovo in 1998 for illumination during night operations, and in 2003 with the AS90 artillery weapon in the 2003 invasion of Iraq. In other words, it has been used essentially once in battle in 76 years by only one European country. Air power has now effectively made the use of heavy artillery redundant, and yet its use is still taught to cadets and recruits despite its irrelevance).

‘IS IT FUNNY?’: A THEMATIC ANALYSIS OF YOUTUBE CONSUMERS’ PERCEPTION AND ATTENTION TOWARDS SURREAL AND PARODY HUMOUR STYLES USED IN ONLINE VIDEO ADVERTISING

By

Lama Swas

University of West London / Cyprus Institute of Marketing

Dr Myria Kkali

Academic Director of the Cyprus Institute of Marketing (Nicosia Campus)

This Research Paper is part of an MSc dissertation submitted at the University of West London.

The dissertation received a Distinction.

Abstract

Since its early use in advertising, humour has been a tool for capturing attention. Recently, social media, and in particular on YouTube, video advertising has found a consistent home. However, while there is increasing research investigating the content of humour in advertising, there is little research examining what YouTube consumers think about such advertising. To that end, the present study aimed to investigate the perceptions and experiences of YouTube consumers towards surreal and parody humour, and the role of humour as a tool for gaining attention in YouTube video advertising. Semi-structured online interviews were conducted with a sample of 10 YouTube consumers aged between 21 and 40 years old, using thematic analysis. Findings indicated that perceptions, attitudes and attention towards humour are influenced by elements present in the video ad, such as the familiarity of the product and familiarity with the celebrity involved. The results also showed that the perception of surreal humour is influenced by an individual's tendency to engage in cognitively complex tasks. In addition, the perception of parody is influenced by familiarity with the parodied scene. The present study highlights the need for further research into more elements that may influence the perception of humour, attitudes and attention, in order to create an extended understanding of the role of humour in online video advertising.

Keywords: Humour, YouTube, Video Advertising, Surreal, Parody, Perceptions, Attention.

Introduction

The purpose of the study was to explore in depth the perceptions, attitudes and attention of YouTube consumers towards humorous video advertising.

The focus on YouTube resulted from the site being the world's second-most visited website after Google and the world's second-most used social platform, right behind Facebook, with over two billion monthly active users (Newberry, 2021). In addition, over 90% of people surveyed worldwide say they discover new brands or products on YouTube (Think with Google, 2018). Furthermore, YouTube witnessed a spike in views during COVID-19 in 2020, making it currently one of the most influential social platforms (Shalavi, 2020).

By using semi-structured, online interviews, this study examined the perceptions, attitudes and attention of YouTube consumers, and the following research questions were explored:

1. How do consumers perceive humorous video ads on YouTube?
2. How are YouTube ad viewers' experiences towards a commercial, in an environment where they have an opportunity to skip, affected by different styles of humour (e.g. surreal and parody)?
3. How does humour play a role attracting the attention of YouTube ad viewers?

In one of the earliest studies about humour, Fry (1994) stated that, a sense of humour is a type of psychological fingerprint that is unique for each person. Humour can be universal, and a joke may be enjoyed throughout the world, but the appreciation of humour can differ among family members, a community, a country and/or a culture (Fry, 1994). Humour effect is a cognitive bias that causes people to remember information better when they perceive it as humorous. Humour effects vary across countries, age, gender, and education; humour effects depend on the processing behaviour of respondents (Zhang, 1996) but also depend on individual's life experiences (Fry, 1994).

Humour was used in all types of media for advertising in the last century. It was not always a welcomed element and was sometimes viewed with great scepticism (Beard, 2005; Weinberger, Gulas and Weinberger, 2015). However, from the 1920s onwards its use in the media as an appealing tactic increased rapidly (Beard, 2005; Weinberger and Gulas, 2006). Humour has been proven to be an appealing and successful attention-grabbing tool for advertising (Weinberger *et al.* 2012, 2015).

Although humour is commonly used in advertising, there has been an agreement in the literature (Cline and Kellaris, 1999; Chung and Zhao, 2003; Cline, Altsech and Kellaris, 2003; Flaherty, Weinberger and Gulas, 2004; Zhang and Zinkhan, 2006) that if attempted humour is not perceived as humorous, it can lead to irritation and negative attitudes towards the ad and the brand.

Many have tried to explain what stimulates laughter in humour. Expanding Berger's (1976, 1993) humour theory and typology, theorists in the 20th century focused on audio-visual material as a trigger instead of verbal narratives, and identified new categories such as: slapstick, clownish humour, surprise, misunderstanding, irony, satire (Buijzen and Valkenburg, 2004), parody (Buijzen and Valkenburg, 2004; Juckel, Bellman and Varan, 2016), and the absurd (Juckel, Bellman and Varan, 2016).

With the rapid rise of video advertising on social media platforms, recent studies regarding the use of humour in video advertising forms on social media platforms have focused on online pre-roll ads (ads that appear before watching the content) (Goodrich, Schiller and Galletta, 2015; Campbell *et al.*, 2017). An empirical study by Goodrich, Schiller and Galletta (2015) which aimed to examine the effects of characteristics such as humour on ad perception, showed that when pre-roll ads are paired with humour and are short and informative, the perception of intrusiveness is decreased. Therefore, the negative effect is also decreased. This may explain why when consumers are not expecting to see an ad, the negative affect may be reduced. A study by Campbell et al. (2017) showed that attempts to capture viewers' attention in a pre-roll format backfired, since viewers are already engaged with the content they are watching. Therefore, the odds of skipping the ad are increased.

In a recent study by Vermeulen, Droog and Burgers (2019), the authors examined the effectiveness of timing when using humour in video advertising on YouTube. The study revealed that exposing the brand simultaneously with the punch line decreased brand recall. In contrast, showing the brand immediately before the punch line improved brand attitudes.

Methodology

In this study, 10 participants were interviewed through online semi-structured interviews and data was qualitatively analysed via thematic analysis. During the interviews, participants were exposed to two English language video advertisements: Amazon super bowl ad (Alexa's body, 2021) exhibited a surreal type of humour, and the Skittles ad (Romance the rainbow, 2017) exhibited a parody type of humour.

Table 1. Participants demographic information (*n* = 10)

Participant	Gender	Age	Frequency of watching YouTube
1	Female	34	Daily
2	Female	32	Daily
3	Female	40	Daily
4	Female	28	Occasionally
5	Female	31	Occasionally
6	Male	32	Daily
7	Male	34	Daily
8	Female	31	Daily
9	Female	28	Daily
10	Male	22	Occasionally

Results and Discussion

Thematic analysis allowed the themes and subthemes below to emerge, as seen in Table 2.

Table 2. Themes and subthemes.

Theme	Sub-theme	Definition
Taste in Humour	Humour preferences	The first sub-theme concerned how humour encouraged feelings of being attracted to watching video ads on YouTube.
	Frequency of exposure	The second sub-theme of taste in humour is the frequency of watching humour, which indicates how many times the participants are willing to watch an ad that plays while consuming their YouTube content.
Sentiments for Humour Triggers	Irritation	The first sub-theme of the sentiments of humour triggers concerned participants' feelings towards the ads, such as feelings of irritation, frustration and/or dislike.
	Prejudice of content	The second sub-theme of sentiments of humour triggers concerned participants' perceptions of humour, which were influenced by their feelings towards the ad, when using a different scenario than what is usually presented in advertisements.
	Sense of joy	The third sub-theme of the sentiments of humour triggers concerned participants' perceptions of how humorous an ad was that gave them smiles or made them laugh.
Comprehension Level	Complex versus simple	The first sub-theme of comprehension level concerned the participants' perception of the humour influenced by the cognitive efforts they needed to understand the humorous context.
	Anticipation of punchline	The second sub-theme of comprehension level concerned the participants' perceptions of humour influenced by how long it took them to realise the punchline, which impacted their motivation to keep watching the ad or be attracted to it.
The Curiosity Trait	Surprise factor	The first sub-theme of the curiosity trait concerned participants' perceptions of humour when surprising scenes appeared suddenly.
	Predictability	The second sub-theme of the curiosity trait concerned participants' perceptions of humour that was influenced by '*expectations*'.
Familiarity with Ad Elements	Prevalence of product	The first sub-theme of familiarity with ad elements concerned participants' perceptions of how humorous an ad was when their previous knowledge of the product influenced their attention.
	Celebrity recognition	The second sub-theme of familiarity with ad elements concerned participant's perceptions of humour when it was paired with a celebrity appearance.
	Parody recognition	The third sub-theme of familiarity with ad elements concerned the participant's perceptions of humour when the ad used a cinematic trope.

Theme 1: Taste in Humour

The first theme concerned the feelings of the participants towards different styles of humorous ads that they were exposed to during the interviews and how much they would want to watch certain humorous content.

Subtheme 1: Humour Preferences

Several participants described how humour grabs their attention to watch an ad, because they considered themselves a *'funny person'*. They appreciate jokes and prefer humorous over non-humorous content. This demonstrated the fact that humour was a factor that attracted people to watch certain YouTube ads. For example:

> *Because I'm so funny, I like jokes. I would always like to see these things [humorous ads] that might grab my attention. Not might, IT WILL grab my attention for sure* (Participant 1).

> *I really like being sarcastic with other people, but mostly with myself. My mom is pretty funny, so I grew up with a person in the family who had a lot of humour. ... We live in the COVID era where if we are able to laugh, even at an ad, it's really important for us, now. We need that ...and it's entertainment as well* (Participant 9).

In other cases, even when participants did not consider themselves as a 'jokes-telling' person, humour was something that they are on the lookout for, and it would often influence their search and attention to video ads while watching YouTube. For example:

> *I am interested in humour. But I am not the kind of person to make jokes. ... There is one ad from Wolt [food delivery services] which is relative to my search. So, that one I thought was relatable and funny. I don't remember if it was five seconds or skippable, but I have watched the whole ad* (Participant 3).

Similarly, humour was sought out for relaxation purposes:

> *I consider myself as a playful person, but very much depends on the environment. ... I like to watch fun stuff. Every time I want to relax, I want to watch something, it will be something funny... [I am more receptive when watching humorous ads] Much more than non-humorous ads* (Participant 5).

The results indicate that individuals who have a high sense of humour and have a greater tendency to watch humorous content are more inclined to watch ads on YouTube if the ads are humorous. These results align with Cline, Altsech and Kellaris' (2003) findings which revealed that individuals with higher need for humour (NFH); a person's tendency to generate and seek humour - have more favourable attitudes towards humorous content.

Subtheme 2: Frequency of Exposure

When exposed to *Alexa's Body* and *Romance the Rainbow*, participants explained how often they would stop and pay attention to humorous ads before getting bored and skipping:

> *The Skittles was funny, not the Alexa ad. I would watch the Skittles if it appeared on YouTube. But after a few times, I would just skip it. Maybe 5 or 6 times* (Participant 4).

> *Maybe the Skittles I would watch more than once. It has variety in the characters* (Participant 7).

However, humour did not seem to encourage multiple views all the time. For example, one participant said that watching a humorous ad once is enough to laugh:

> *I mean ...I watched it once, and I laughed. I will be directly skipping through both ads* (Participant 9).

Concerning the repeated exposure to YouTube ads, the findings of this study support previous studies that suggest that recurring views of humorous ads do not diminish their comic value. For example, Chan (2011) suggests that repeated exposure to humorous content does not harm the persuasiveness of the message, whilst others reported that when humour is anticipated, it damages the message (Cline and Kellaris, 2007). The present study suggests that when humour is expected, it does not harm the ad's message. Therefore, multiple exposures to humorous YouTube ads do not change the perception of what is humorous.

Theme 2: Sentiments for Humour Triggers

This theme concerned participant's feelings triggered while watching the ads and how these feelings contributed to their perception of the humour.

Subtheme 1: Irritation

Participant's feelings influenced their perceptions of what is humorous and what is not. For example, some participants were annoyed by actions or scenes in the *Romance the Rainbow* ad, which made them less likely to enjoy it and decreased the odds of paying attention or watching the ad again:

> *The Skittles ad was a bit cringy. Nobody makes that sound when eating Skittles. Nobody goes ummm ...It's just a fucking Skittle. ... The Skittles one, no* (Participant 6).

> *The Skittles one would get on my nerves. Repetitive. They kept sliding new people into place. I am assuming the burglar and policeman are supposed to be the 'Ha-ha' part, but not my style* (Participant 3).

The findings of this study suggest that using humour can increase attention but can also produce negative emotions towards the brand in certain cases when the humour is perceived as an exaggeration. These findings support previous research which proposed that when humour is not perceived as humorous, it can lead to irritation and create negative attitudes towards the brand (Cline and Kellaris, 1999; Chung and Zhao, 2003; Cline, Altsech and Kellaris, 2003; Flaherty, Weinberger and Gulas, 2004; Zhang and Zinkhan, 2006; Warren and McGraw, 2016).

Subtheme 2: Prejudice of Content

The female protagonist adores Michael B. Jordan in the Alexa's Body ad and starts imagining him as *Alexa's body*. This gender *'twist'* triggered negative feelings in some participants and influenced their attitude towards the ad, perceiving it as non-humorous. For example, some participants felt that the *Alexa's Body* ad was *'sexist'* and '*used'* Michael B. Jordan as an *'object'*:

> *The Alexa ad was a bit weird. A bit sexist. Because Alexa usually is a female name, and she's thinking like a man, and she is a man in the ad, it is a bit weird* (Participant 4).

> *I didn't like the fact that the Alexa ad was sexist. I don't like using humans as objects. And the guy was famous and clearly had been used as an object* (Participant 5).

Male participants liked the gender twist in the *Alexa's Body* ad, and they had a positive attitude towards the humour in the ad. For example:

> *They did a reverse version of something that has been done before but using a woman, but I like this gender reversal thing in the Alexa's ad* (Participant 6).

Alexa's Body ...it is a bit more original. And I like the idea that they are finally using a twisted situation between the two genders (Participant 7).

When humour was used in a different context than the 'norm', it was perceived differently. For example, two female participants felt offended by the *Alexa's Body* ad and perceived it as *'sexist'*. On the other hand, two male participants applauded the gender *'twist'* in the *Alexa's Body* ad and perceived it as humorous.

These findings support previous literature suggesting that humour can create a negative response and be offensive (Shabbir and Thwaites, 2007; Förster and Brantner, 2016).

The initial observations of the present study show that humour perception varies between different genders. This suggests that humour as an appeal works better on males when presented with unconventional portrayals, such as when men are objectified rather than women.

Subtheme 3: Sense of Joy

One participant described how watching people enjoying having Skittles made them feel joy and they laughed:

I saw the Skittles over the bed and behind, which means like ...they've been doing that for a long time. And he still calls her and insists ... "Come up, please. I want to see you!". So, this is what makes me laugh (Participant 1).

The perception of how humorous an ad was depended on its relationship to each individual viewer's search and interests. Some participants described how relatable scenes from the ad made it humorous. For example:

As a woman ...obviously the hot guy. And the fact that it was like ...all women want to picture his voice. And the fact that the husband was like, "Turn the lights on!" being jealous. That was marriage relatable. It's funny! And it's relatable! (Participant 3).

The humour ...I think it was more relatable. It has something that you usually do, like you have Skittles with your friends usually. ... I will go with the Skittles. It was funnier for me and more colourful (Participant 4).

It has been suggested in previous studies that humour can capture attention and produce a positive effect on attitudes towards the ads and the brand, due to the positive emotional response it produces (Eisend, 2011; Strick *et al.*, 2013). Additionally, the findings of this study suggest that humour increases the attention and increases the odds of watching an ad on YouTube if the humorous content is related to the viewer's interests. In addition, the analysis of the present study suggests that humorous ads produce a positive emotional response and positively influence the attitude towards the brand. This result is in line with other findings that suggest the perception of humour depends on an individual's life experiences and that the strongest influence on humour occurs when it is targeted at the right demographic (Fry, 1994; Zhang, 1996; Weinberger and Gulas, 2006).

Theme 3: Comprehension Level

This theme concerned participants' perceptions of how humorous an ad was, when their perception was influenced by the cognitive efforts they needed to comprehend the message.

Subtheme 1: Complex Versus Simple

The level of how complex or straightforward an ad was influenced some participant's perceptions and attitudes towards it. In addition, it was an element that affected their decisions to watch an ad or engage with it. Some participants described willingness to watch a humorous ad if it was simple and required less effort to comprehend, for example:

> *Straight to the point with a sense of humour grabs the attention* (Participant 1).

When the ad motivated information processing, it was more appealing to watch, which created a positive perception of the humour. For example, one participant described that *'smart humour'* is more appealing than *'cartoonish'*:

> *I don't like things that are too much for me ...sort of like cartoonish humour, like a cartoon that most probably makes kids laugh. ...I like smart humour* (Participant 2).

One participant had a negative attitude towards humorous ads when they considered them simple. For example:

> *The simple ones ...or the stupid ones, I don't find them funny* (Participant 4).

Also, being complex did not mean that it distracted the viewer from watching or paying attention to the ad. In fact, one participant described the *Alexa's Body* ad as being funny, even though the humour was not explicit:

> *I like the Alexa one. It is funny. A little too long, but funny. Not exactly sure what it was for, though. I know it is for Alexa, but I don't really understand what it was for* (Participant 3).

When the ad was perceived as complex and required thinking, it distracted the participants from understanding the humorous message. For example, some participants struggled to understand the message behind *Alexa's Body* which produced negative attitudes towards the ad:

> *I could guess how many messages they wanted to put in my mind while watching it [Alexa's Body], but there was no clear message. ... The Skittles ad, it was very obvious ...that everyone likes Skittles, right? And everyone enjoys it. Simple and romantic* (Participant 5).

The complexity of an ad and the comprehension of individuals did not always mean that viewers who liked clever humour chose complex content, or individuals who liked simple humour were attracted to easy to interpret humour. For example, one participant preferred smart humour but favoured the *Romance the Rainbow* ad over the *Alexa's Body* ad:

> *The Skittles one was more direct because I could immediately capture the humour in it. In the Alexa ad, you take more time to realise the humour behind it, with the hot guy being Alexa. But it was funny as well. ... I prefer The Skittles one. It was more direct* (Participant 9).

The present study's results suggest that when the humour is complex and requires a higher level of cognition, it captures the attention and is more appealing to individuals who have a higher tendency to watch content that is mentally challenging to process. Furthermore, the findings show that individuals who prefer to engage with effortful mental tasks favoured complex humour over simple humour. However, the findings suggest that when the humour is complex and requires higher cognition, it distracts from processing the message and produces a negative attitude towards the brand for individuals who have less motivation for mentally effortful tasks. These findings support previous evidence by Cline, Altsech and Kellaris (2003), who suggest that humour can be influenced by the amount of information to process while consuming humorous ads. Furthermore, in the present study, the analysis confirms that their attention to the humour of the ad is distracted or shut off when individuals focus on the main argument of the ad instead of the humour. This result ties well with previous studies wherein the need for humour NFH is shut off when there is a distraction from the humour due to attentiveness to the fundamental argument (Cline, Altsech and Kellaris, 2003).

Subtheme 2: Anticipation of Punchline

The longer the punchline took to resolve, the less likely the ad was to attract participants' attention, which increased the odds of skipping the ad and impacted the effectiveness of using humour in the ad. For example:

When I first saw that it was going to be for one minute, I was thinking ...uhhh ...ok. But then, since it was interesting to watch, it was fine. Because I wanted to see what was going to happen by the end of the ad (Participant 2).

For Alexa's ad, it took me a while to understand what it was about. And then when I did get it, it was good. It was fast. And it was ok (Participant 7).

The above findings suggest that when humour is delayed in the ad, it decreases attention and negatively affects the brand. Also, the present analysis confirms that when pairing ads with humour, the humour works best and has the strongest influence when the exposure of humour appears the soonest.

Theme 4: The Curiosity Trait

This theme concerned participant's perceptions and attitudes towards humour when it is influenced by expectations.

Subtheme 1: Surprise Factor

Some participants perceived the humour better when the scenes were paired with surprising acts. What was noticeable from the interviews was that participants enjoyed the humour when they felt surprised. For example:

I laughed ...I laughed ...I didn't imagine that they would be sitting and waiting to catch it. I like it. I like the idea (Participant 1).

I started getting the humour with the grandma, but then when I saw the thief and the police officer ...I was like, "OK...!" ... I laughed a lot (Participant 9).

One participant described how the ad got more interesting when the humour was not expected:

I think what made it interesting for me was when she started imagining Michael B. Jordan. Because I wasn't *expecting that it would go there when she saw the other ad on the bus outside. I didn't imagine that Alexa will turn into Michael B. Jordan* (Participant 2).

Additionally, the surprise factor created positive feelings, even when the message was not clear:

When the guy was throwing Skittles through the window, I was wondering why he is doing it, and why not instead call the person. And he had a lot to throw, all the family had Skittles. That was a bit funny ...entertaining ...it was surprising (Participant 10).

It has been discussed in the literature (Berger, 1976; Ross, 1998; Buijzen and Valkenburg, 2004; Juckel, Bellman and Varan, 2016) that when humour violates the usual situation with logically incongruent events, it is considered a surreal or absurd type of humour. However, by comparing the present study results with those of older studies (Berger, 1976; Ross, 1998; Buijzen and Valkenburg, 2004; Juckel, Bellman and Varan, 2016), it must be pointed out that humour can capture attention and create a positive perception when paired with unexpected events or scenes in video ads. Furthermore, these results go beyond previous reports, showing that when humour disrupts the logical situation, it can create a positive affect and distract from producing a negative attitude towards the brand when the message is not coherent.

Theme 5: Familiarity with Ad Elements

This theme concerned participant's perceptions of how humorous an ad was when they had previous knowledge about the product, when the ad used a celebrity and when the ad parodied a cinematic scene.

Subtheme 1: Prevalence of Product

One participant described having no interest in Alexa, which distracted the attention from the message and created a negative perception towards the humour:

I am not interested in gadgets and electronics and Alexa. Maybe someone like ...deep into the software they might see it "Wow! It is an amazing ad". But for me, it was a no (Participant 1).

One participant described the ad as '*not funny*' despite being familiar with Skittles, this seemed to show that familiarity with the product did not encourage a positive attitude towards the humour:

Skittles just made me want Skittles, but not that funny (Participant 3).

In addition, one participant described not understanding the humour in *Alexa's Body* due to unfamiliarity with the product. This created a negative effect on the humour:

The Alexa ad was not funny for me ...I didn't recognize the product. I am not familiar with it (Participant 10).

This finding supports previous evidence by Alden and Hoyer (1993), who suggest that when using humour in advertising, the perception of humour varies depending on the product type. In addition, Chattopadhyay and Basu (1990); Spotts, Weinberger and Parsons (1997) argue that the perception of humour differs depending on the product experience that individuals have. The present study's findings suggest that being unfamiliar with the product decreases attention to the ad. Furthermore, when individuals are not familiar with the product, the cognitive effort to process the information about the product exhausts the viewers and creates a negative attitude towards the brand.

Subtheme 2: Celebrity Recognition

Participants discussed how important it was to recognise the celebrity to understand the humour where Amazon employed the actor Michael B. Jordan to be Alexa's body. However, the recognition of Michael B. Jordan created different perceptions of humour. It was noticeable from the interviews that participants familiar with the celebrity perceived the ad as *'funnier'* than participants who were not familiar with the actor. For example, some participants perceived the humour negatively when they did not recognise the celebrity:

> *It took me a bit of time to understand who the actor was. If it was, for example, someone more famous like Jennifer Lopez, it would have been more interesting. He is famous ...I am not saying he is not famous ...If I could recognise the celebrity, it would be different* (Participant 4).

Recognising the celebrity encouraged ad views, creating a positive perception of the humour. For example, one participant described how their interests in the ad increased when they recognised the *'attractive'* celebrity:

> *I think it's important to know him because [it is] more attractive to people who know that face. They are going to be like "Oh, I watched that person in a movie once!". So, they will want to sit down and watch the whole thing* (Participant 2).

Also, recognising the celebrity in the ad did not distract the attention from the humour. Instead, it increased the positive perception of humour. Some participants described how recognising the celebrity made the ad funnier, although it was not *'necessary'*. For example:

> *It's not necessary, because you got the whole attractive man versus the other dude. I think the name recognition makes it a slightly funnier* (Participant 6).

> *I laughed the moment the actor appeared as the 'vessel'. ... It doesn't matter if he wasn't a celebrity. But it's better that he was; for the purpose of the ad* (Participant 8).

One participant described how recognising the actor was not necessary to understanding the humour, and using celebrity did not increase the sense of humour in the ad:

> *If it was another hot guy and I didn't know him, I would still get the point* (Participant 9).

The celebrity appearance seemed not to distract from the message of the humour or distract attention from the humour. One participant expressed how recognising the celebrity was not influential. Instead, the context and the humour behind it was more important to understand:

> *For me, the guy they used in the Alexa's ad, I didn't see him as a celebrity. I didn't recognise him, as I am not a fan. I was just trying to understand what they are trying to do and not looking at the celebrity or what they meant by using him* (Participant 10).

The results of the present study cast new light on using a celebrity with humour in advertising. The findings demonstrate that humour increases attention and creates a positive effect when paired with celebrity appearance. It is worth pointing out that these interesting facts revealed by the results indicate that when humour is paired with celebrity appearance and targeted at the correct audience, it has the strongest influence. Furthermore, the analysis shows that the positive perception of humour when using a celebrity is different depending on the celebrity's familiarity. When the audience is familiar with the celebrity, the humour works better and increases attention. In addition, the present study's findings suggest that using celebrities with humour in video advertising creates a positive effect and does not distract from the humour, regardless of whether the celebrity is familiar or not.

Subtheme 3: Parody Recognition

In *Romance the Rainbow*, the ad used parodied trope from romantic movies (throwing stones through the window to call a lover down). However, instead of the stones, they used Skittles candy in the ad.

Participants discussed how important it was to recognise the parody reference to understand the humour. Some participants described how recognising the parodied trope was an essential element to getting the joke, which positively affected the humour perception in the ad. For example:

> *Definitely you have to know the parody. Otherwise, it's just weird* (Participant 3).

> *If you don't have the scene from the movie in mind, I don't think the idea would hit that much. You wouldn't have the same experience. So …I think it was important to know and understand the parody* (Participant 8).

Also, not recognising the parody did not seem to distract the positive perception of the humour. For example, some participants expressed how not identifying the parodied scene did not make the ad less funny. For example:

> *I think that you can comprehend what's going on in the video even if you don't know or if you've never seen anyone doing this in real life* (Participant 2).

> *Maybe, even if I didn't know the scene from the movie, I would still find it funny* (Participant 5).

The present study's results reveal novel findings on using the humour type *parody* in video ads. The analysis shows that when humour uses parody to deliver the message, familiarity of the parodied scenes influences the perception of the humour. When the audience recognises the parodied scenes, it creates a positive perception of the humour. Furthermore, it is clear from the results that when the parody is not recognised, it can negatively affect the humour and create some irritation towards the ad. This finding also suggests that unfamiliarity with the parodied scene can decrease attention towards the ad.

Conclusion

It can be concluded that humour has an influential role in perception and attention. Furthermore, different styles of humour have a different influence on individual's perceptions, feelings and attitudes. Findings from this study reflect the positive and negative perceptions associated with an emotional response. Furthermore, the results indicate that different styles of humour can produce different attitudes. For example, surreal humour worked better at capturing attention due to its disturbance of logic, which is where the humour is established.

On the other hand, the perception of parody was linked closely with the viewer's familiarity of the parodied scene, increasing the positive perception of humour when the scene was recognised. Thus, the present findings conclude that humour improves attention when it is related to the audience's interests. In addition, humour increases attention when it is complex, and when humour is paired with celebrity appearance. Furthermore, humour has a weaker influence when the punchline was overdue in the video ad. In addition, attention decreases when humour is complex, and individuals have little motivation for cognitively challenging activities or are unfamiliar with the advertised product.

Although this study provided new insights into the role of humour in online video advertising, it has a number of limitations. The present study closely investigated elements related to two types of humour, including celebrity and product recognition. It is suggested that future research consider surreal and parody types of humour, with a focus on different elements. For example, studying different perceptions from a gender point of view, length of the ad, time of exposure and emotional state before exposure. In addition, further empirical studies that include repeated exposures to the humorous ads are needed to examine the influence of repetition on perception. For example, longitudinal time-horizon studies.

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TECHNOLOGY ACCEPTANCE MODEL FOR DIGITAL HEALTH TECHNOLOGIES AND THE EFFECT OF COVID-19 ON USERS' BEHAVIOUR: THE CASE OF CYPRUS.

By

Dimitra Christou

University of West London / Cyprus Institute of Marketing

This Research Paper is part of an MSc dissertation submitted at the University of West London.

The dissertation received a Distinction.

Abstract

This paper deals with an academic investigation of the behavioural intentions of Cypriot people to accept and use digital health technologies, such as an innovative medical app, and how Covid-19 may affect the perspective of usefulness and the intention to use these technologies. For the purposes of this study, the technology acceptance model (TAM) and undefined theory of acceptance and use of technology (UTAUT) were used to check and predict the technology adoption decisions of users. This research was based on a deductive and quantitative approach. Data was collected through an online questionnaire and analysed with statistical tools, including descriptive and correlation analysis. The study identified that there is indeed a strong willingness amongst Cypriots to accept and use digital health technologies, such as a medical app, as the majority of participants responded positively towards the perceived usefulness (PU), perceived ease of use (PEU) and intention to use eHealth technologies. Hypotheses were confirmed, concluding that PU and PEU have had a positive impact on people's attitudes towards technology and Covid-19 has also had a positive impact on the intention to use and actual use of digital health technologies.

Keywords: digital health, technology acceptance, medical app, covid-19 influence, technology acceptance mode (TAM), undefined theory of acceptance and use of technology (UTAUT)

1. Introduction

Health is the greatest wealth that people can have. Over the years, technology has brought massive changes to the healthcare industry which have led to better patient care, better medical outcomes, and better quality of life (Ross, 2019). As time passes, there are many developments in digital technology, and it is true to say that, during the current pandemic, the digitalisation of eHealth and digital health technologies have become a necessity for every health system around the world (Bernstein, 2021). It is extremely important for the proper and beneficial function of each health technology that all patients embrace health digitalisation and technology solutions (Huygens, 2018).

Research background

The Covid-19 outbreak has highlighted gaps and barriers in health systems around the world (Chang, 2020). Many countries used digital health tools to respond to the pandemic and improve health care (Fahy, 2020). However, digital health technologies did not always correspond to patient needs and expectations (Huygens, 2018). It is very important for each country to listen to its peoples' voice, understand their needs and identify their perspective on digital health aspects (ibid.). Investigating the factors that influence patients' perspectives towards the use of digital health technologies might constitute the first steps that should be taken for the development and implementation process of such technologies.

2. Literature Review

Healthcare digitalisation and its benefits

The healthcare industry is expected to grow dramatically within the next 10 years as a result of strong drivers such as smart healthcare data management, technological innovation, integration of medicine and healthcare as well as putting the patient as a priority in the healthcare system (PAT Research, 2020). PAT research (2020) emphasised that this growth will be successfully achieved if technology is embraced by all the sectors of the healthcare industry and turns the entire system into a cost-effective, innovative, digitised healthcare system that will provide improved quality of care and give emphasis to creating value for patients and maximising customer experience. Zimlichman et al. (2021) further stated that new technologies such as augmented reality, surgical navigation, and tele-mentoring can turn academic medical centres and hospitals into academic health systems that focus on the community and continuing care. Moreover, telemedicine services will also help health providers to deliver chronic disease management programs which are not attached to clinical hospitalisation. While current care focuses on cure and rehabilitation, future care will focus on prediction and prevention (Early, 2019).

Taherdoost (2019) emphasised that even if technology provides numerous opportunities for improving and transforming healthcare, an undeniable key factor to achieving digitalisation is patient acceptance. He also added that user perception towards the adoption of any new technology is crucial for its successful implementation (ibid.). Therefore, in order to explore the acceptability of digital health technologies in this study, we are using the technology acceptance model (TAM) and undefined theory of acceptance and use of technology (UTAUT), given that both models have been used in the past for relevant studies (Shachak, Kuziemsky and Petersen, 2019).

Technology acceptance model

The technology acceptance model (TAM) was initially developed in 1989 by Fred Davis and is used to identify how people accept and use a technology. It measures the adoption of new technology based on customer attitudes and behavioural intentions to use the technology (Davis, 1989).

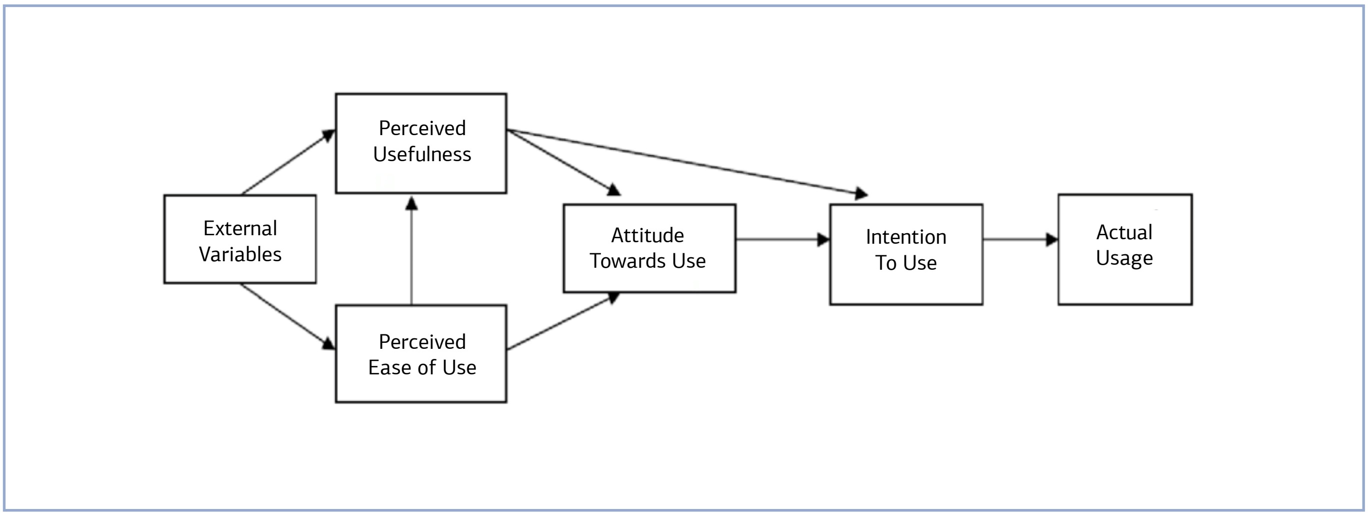

Figure 1: Technology Acceptance Model (TAM)

Undefined theory of acceptance and use of technology (UTAUT)

The undefined theory acceptance and use of technology model (UTAUT) is an extension of the TAM model that came into the spotlight in 2003 to add to existing theory (Wenger, 2020). Venkatesh et al. (2003) developed the advanced theory UTAUT which suggests that the actual use of technology is determined by behavioural intention. As shown in Figure 2, the adoption of technology depends on four key constructs: performance expectancy, effort expectancy, social influence and facilitating conditions (Venkatesh et al., 2003). Performance expectancy and effort expectancy are the same factors as the TAM model has, for perceived usefulness and perceived ease of use respectively.

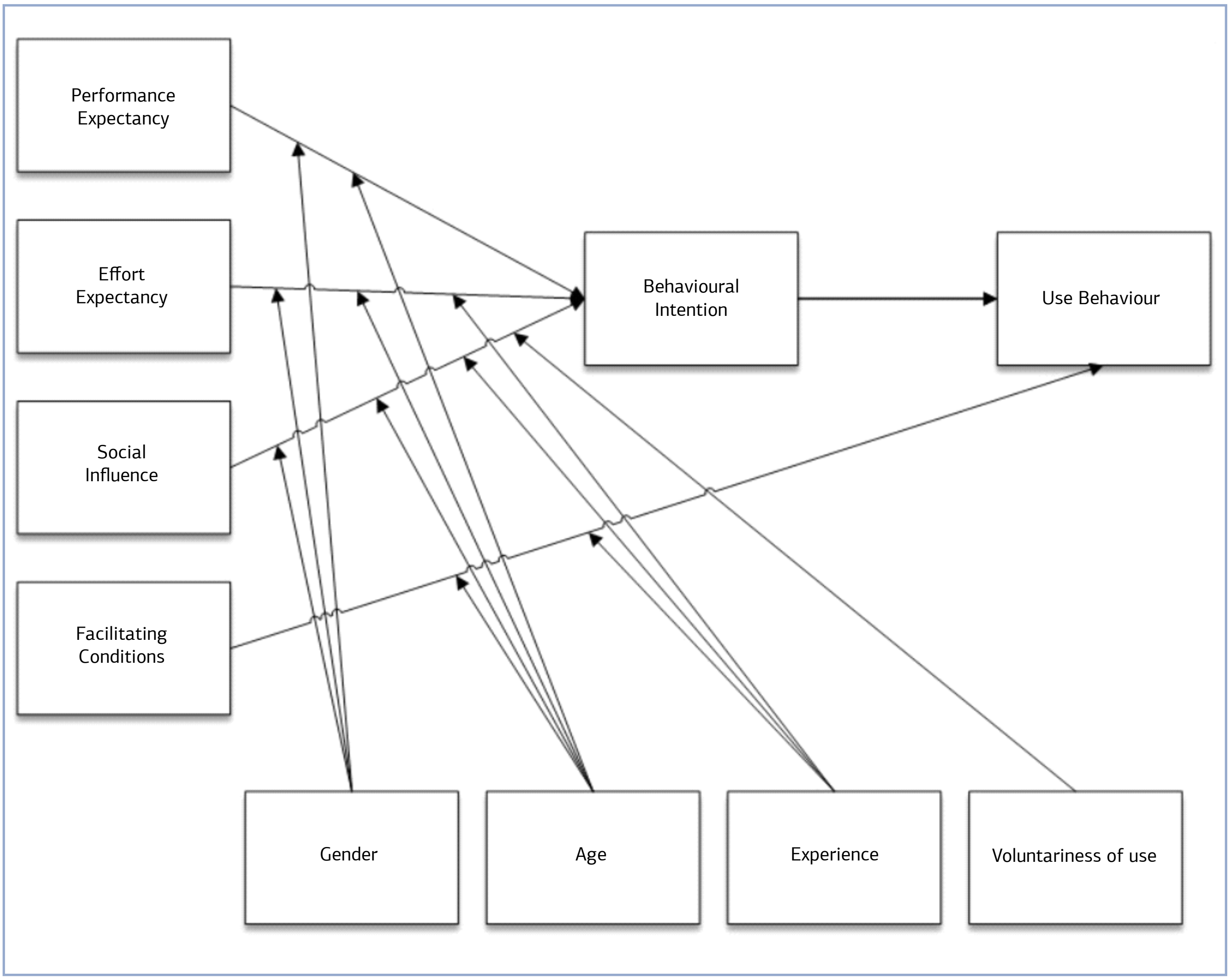

Figure 2: Undefined theory of acceptance and use of technology (UTAUT)

How Covid-19 contributes to the acceleration of digital health technologies acceptance:

Before Covid-19, the growth in consumer's digital health adoption had stalled and digitalisation was not always a priority for healthcare centres. According to research conducted in the U.S by PricewaterhouseCoopers (PwC) in 2018, 38% of senior healthcare executives did not even include digitalisation in their corporate strategy, and only 21% of healthcare companies had a Chief Digital Officer. In another survey from PwC in 2019, e-health companies were asked what the top priorities for their workforce strategy were as regards adoption of digital technologies. The promotion of telecommuting opportunities was the lowest priority on their list, as shown below in Figure 4 (PwC Health Research Institute, 2020).

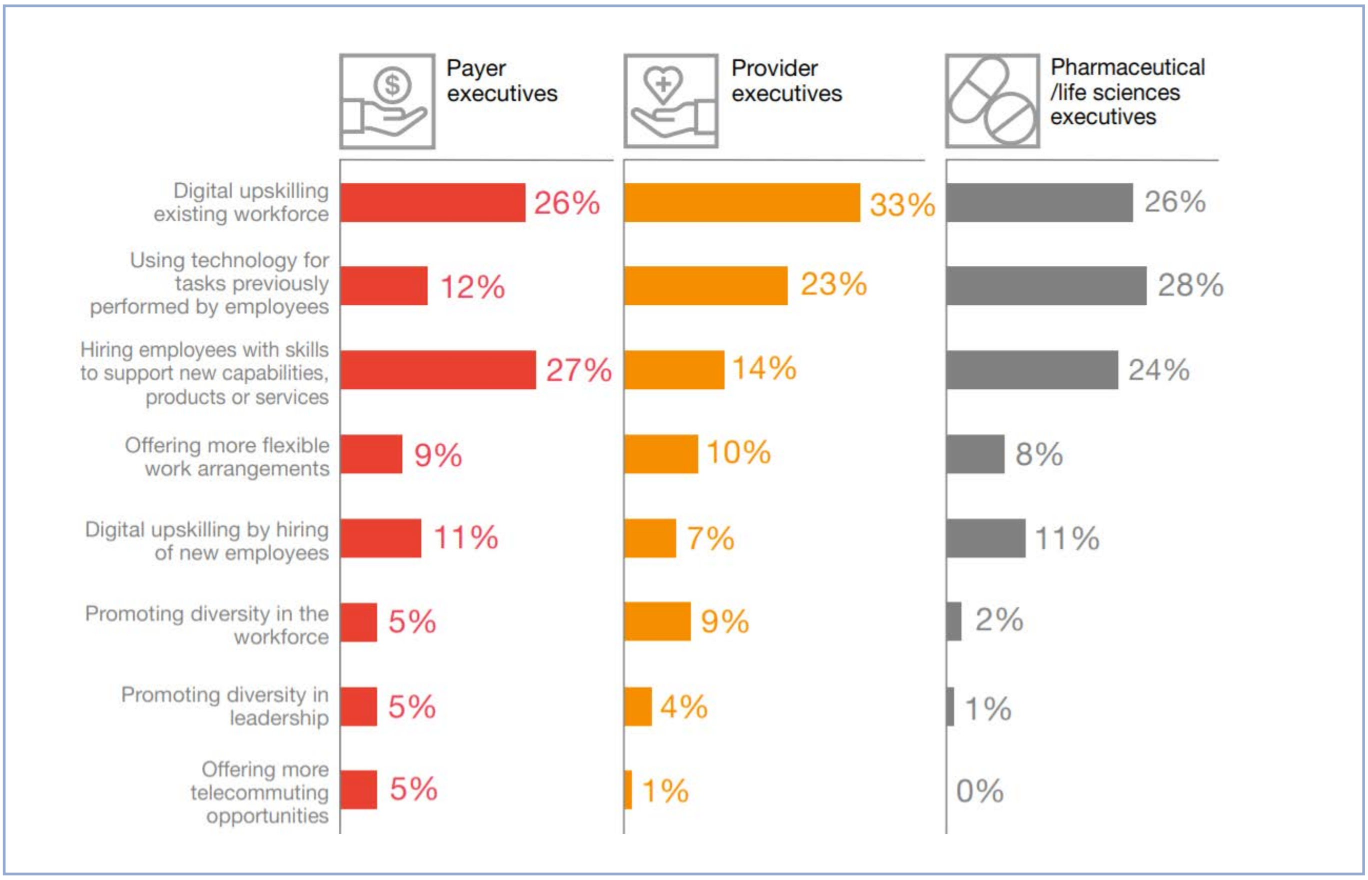

Figure 3: Workforce strategies for 2020

However, Strachan (2020) stated that during Covid-19 face-to-face visits to doctors and other healthcare professionals were sharply limited and, as a result, virtual healthcare services became a necessity. Moreover, all the challenges and difficulties that Covid-19 caused for people's daily life and health, as discussed above, have increased their desire for virtual health provisions. Covid-19 is basically one of the factors that has contributed significantly to the adoption and acceptance of digital health technologies. According to further research conducted in the U.S in 2020, interest in e-health during Covid-19 had increased by 65% (Bestsennyy et al., 2020).

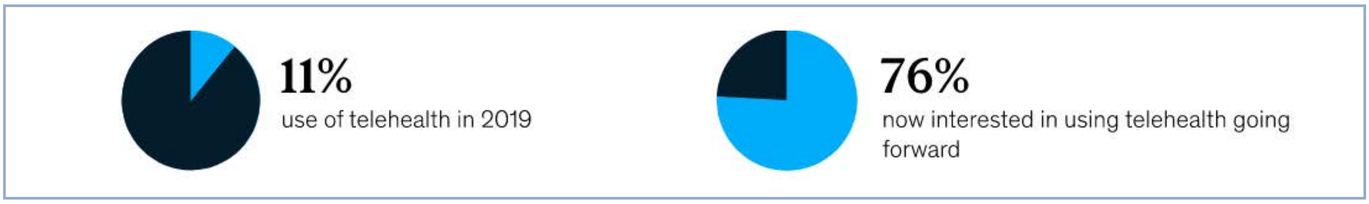

Figure 4: Consumer shift for using telehealth after Covid-19

In addition, consumer and provider attitudes towards e-health have changed significantly since pre-covid times. Telehealth utilisation is now 38-times higher than pre-Covid 19 levels (ibid.).

Similar results were identified in research from EY in 2020 that also indicated that there was a massive spike in digital health adoption during the Covid-19 pandemic (McBride, 2021). Online consultations not only increased during the pandemic but, also, more than 70% of the patients said that their online medical care worked just as well as in-contact medical examinations (ibid.).

Finally, McBride (2021) stated that health systems should develop a plan to drive the adoption of existing e-health care, so that consumers will be more confident and willing to start using smart technologies in the future. People who start using digital health technologies today are more prone to continue using new technologies in the future.

3. Methodology

Based on a positivist philosophical stance, a quantitative research strategy and deductive reasoning approach have been followed in conducting exploratory research. For the current study, a combination of convenience and snowball sampling have been used in which a total number of 130 participants completed the online questionnaire, made up of 52% men and 48% women.

4. Research Findings

This section describes the findings from participants' opinions and perceptions regarding perceived usefulness, ease of use and behavioral intention, and refers to the possible creation of an innovative medical app that can be used in several medical centres, hospitals, and clinics.

	PERCEIVED USEFULNESS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Error	Total	Total
Q1	Using a medical app to check directly which time slots are free for appointment will save me time	3%	2%	7%	38%	50%	0%	133	100%
Q2	I prefer using the medical app for appointments rather than trying to figure out via the phone which time will suit me better	5%	3%	8%	34%	50%	1%	133	100%
Q3	Automatic reminder for my appointment's time and the date 1 day before is useful	4%	2%	4%	26%	63%	1%	133	100%
Q4	The fact that I can change or cancel my appointment online at any time prior to my appointment is useful	5%	2%	6%	29%	57%	2%	133	100%
Q5	I would find the app useful to provide health tips for living a healthier lifestyle and strengthen my immune system	3%	5%	26%	33%	32%	2%	133	100%
Q6	The use of telemedicine (online appointment with my doctor) is a convenient way to receive care	5%	11%	23%	35%	25%	2%	133	100%
Q7	I prefer the use of telemedicine technology over face to face meetings	13%	26%	32%	16%	14%	0%	133	100%
Q8	Telemedicine cannot provide desirable results in a patient's diagnosis/treatment	7%	11%	41%	25%	17%	0%	133	100%
Q9	Telemedicine is useful especially during covid-19 period	9%	6%	19%	38%	28%	1%	133	100%
Q10	It would be convenient medicine prescription to be sent directly through the app to the nearest pharmacist for take away preparation in order to avoid waiting	3%	6%	19%	36%	35%	1%	133	100%
Q11	Receiving reminders to take my medication is useful	3%	3%	14%	39%	41%	0%	133	100%
Q12	I would trust Artificial Intelligence (AI) in medical diagnosis	9%	18%	36%	25%	11%	2%	133	100%
Q13	Having access to my medical record at any time is useful	3%	2%	9%	32%	54%	0%	133	100%
Q14	Receiving notification from the app with my results of diagnostic tests along with doctor comments confirming if everything is normal or whether there is need to book a further appointment would be helpful	4%	3%	11%	34%	48%	1%	133	100%
Q15	Ambulance service button that sends signals for immediate assistance in case of emergency can save precious time	5%	3%	8%	35%	49%	1%	133	100%
Q16	In general, this kind of a medical app could be useful in my daily life	4%	4%	14%	40%	39%	0%	133	100%
Q17	Medical app could assist in managing my health easier	5%	5%	17%	38%	37%	0%	133	100%
Q18	Medical app could assist in managing my health more quickly	4%	4%	14%	42%	37%	0%	133	100%

Table 1: Summary of questionnaire results as per perceived usefulness

The above table illustrates how strongly participants agree or disagree with the statements regarding the usefulness of the medical app and its utility in their daily life. Agreement levels are shown in green, neutral in yellow and disagree levels in red. Questions in the table that start from green (strongly disagree) and end in red (strongly agree) refer to a negative statement. The error column indicates the percentage where the answer has not been calculated due to duplicated answers.

In general, most respondents agreed with the usefulness of the medical app. Specifically, 50% of participants strongly agreed that managing their appointments through the app could be useful and quicker, while the rest, 38% and 34% respectively also agreed with the statements in Q1 and Q2. In addition to that, 86% of the participants (57% 'strongly agree' and 29% 'agree') supported the idea that online appointment amendments could be useful, and 89% of the participants generally valued the function of automated reminders for date and time of appointment. In Q5, 26% of the participants neither agreed nor disagreed with the usefulness of blogs providing tips for healthy lifestyles, however, 65% of the participants believed that this would be helpful. When it comes to telemedicine, it seems that almost half (41%) of the participants did not have a clear view of whether online doctor consultations could produce desirable results, and another 42% also agreed with that statement in Q8. Furthermore, participants who preferred face to face meetings (39%) outweighed the participants that preferred telemedicine (30%). Nevertheless, even if most participants had either a neutral or a negative opinion on using telemedicine, the majority (60%) still agreed that it was a convenient way to receive medical care, especially during the Covid-19 pandemic.

It can also be observed that there was a positive attitude towards the statement in Q10, in which 71% of participants agreed that it would be convenient if medical prescriptions could be sent automatically through the app to the nearest pharmacy, so that patients could pick up the medication and avoid unnecessary waiting. Furthermore, more than 80% of the participants agreed that reminders for taking medication and easy 24-hour access to their medical records would be useful. Additionally, 82% of the participants stated that it would be helpful to receive notifications to their device every time the results of medical tests are available and, also, to receive comments along with the results from the doctor to confirm if the results are okay or if a further consultation is needed. It is important to note that there were ambiguous views about the involvement of Artificial Intelligence (AI) where 36% of the participants stated that AI would be useful for medical diagnosis and 27% stated that they do not trust AI for medical diagnosis, with the rest having a neutral opinion. Lastly, 84% of the participants agreed with the statement that the creation of an ambulance service button within the app which could send signals for immediate assistance in cases of emergency could save precious time. In summarising the usefulness of the medical app, 79% of participants agreed that this kind of medical app could be useful in their daily life, and could assist in better and quicker health management, while only 8% disagreed with the general usefulness of such digital health technology.

Perceived Ease of Use

	PERCEIVED EASE OF USE	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Error	Total	Total
Q19	Learning to use the medical app would be easy for me	2%	5%	14%	45%	35%	0%	133	100%
Q20	My interaction with the medical app is clear and understandable	3%	4%	14%	48%	32%	0%	133	100%
Q21	It is difficult for me to become skilful at using such digital health technologies	32%	34%	19%	10%	5%	1%	133	100%
Q22	I find the medical app easy to use	3%	1%	18%	44%	33%	1%	133	100%

Table 2: Summary of questionnaire results as per perceived ease of use

Table 2 above illustrates the agreement of participants with regards to the ease of use of the medical app. A significant number of the participants (77%) generally agreed that using such a medical app would be easy. Only 4% said they would find the medical app difficult to use. The demographic background of those specific participants were 1 female and 3 males in the age group of 25-34 and another female in the 35-44 age group. Three of them hold a university degree while the remaining two have not had a formal education.

Behavioural Intention

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Error	Total	Total
	BEHAVIORAL INTENTION								
Q23	Using such digital health technologies makes managing my health more interesting	2%	6%	23%	47%	21%	0%	133	100%
Q24	Using the app is a bad idea	39%	44%	9%	6%	2%	0%	133	100%
Q25	I would use the medical app only during covid-19 or other pandemic period	24%	43%	17%	13%	4%	0%	133	100%
Q26	I am not interested in using this app at all	38%	42%	8%	8%	5%	0%	133	100%
Q27	I intend to use this app regularly for managing several health tasks	3%	5%	23%	45%	25%	0%	133	100%
Q28	I would only use the app if people around me urge me to do so	32%	38%	17%	8%	5%	0%	133	100%
Q29	I would use the app if my doctor urges me to do so	21%	32%	26%	13%	8%	0%	133	100%

Table 3: Summary of questionnaire results as per Behavioural Intention

Table 3 above indicates the behavioural intention of participants to use such a medical app. It is worth pointing out that only 8% of participants agreed with the statement that using the app is a bad idea, while the majority (83%) expressed their positive perception towards the actual use of the app. In addition to that, 67% stated that they would not only use the app during the Covid-19 pandemic, but also, in the future. This, basically, gives a true behavioral intention to use, and shows interest in the medical app. More than 60% of the participants agreed that such digital health technologies make health management more interesting and said they would use the app on a regular basis for managing different health tasks. On the other hand, a small portion of the total percentage (13%) emphasised that they were not interested in using the medical app at all. Finally, as the table above shows, it becomes evident that participants' intention to use the medical app can be slightly influenced by their social environment or even their doctor.

Covid-19 effect on technology acceptance

Figure 5 below shows how strongly participants believe that Covid-19 has increased the general, necessity for the use of digital technologies. More than half of the participants strongly believed that Covid-19 definitely increased people's need for telehealth, while another 29.3% also agreed with that statement. Only a few people stated that the Covid-19 pandemic had not had any influence on the use of digital health technologies.

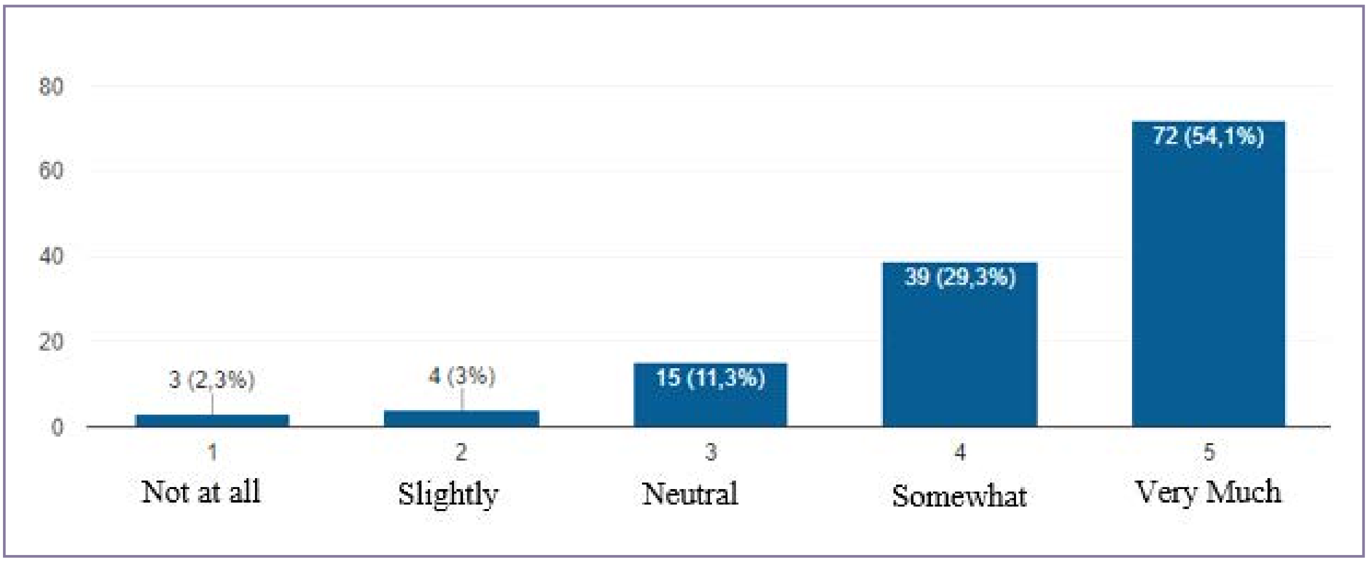

Figure 5: Do you believe that Covid-19 has increased the necessity of starting to use online methods to manage our heath?

Analysis

Descriptive analysis

	Total PU	*Total PEU*	*Total Behavioural Intention*
Mean	69.69	15.83	25.84
Median	72	16	26
Standard Error	1.21	0.27	0.33
Standard Deviation	12.93	3.08	3.82
Minimum	22	5	15
Maximum	90	20	35
Count	133	133	133

Table 4: Descriptive analysis

Table 4 above illustrates the descriptive statistics for the total of each variable: Perceived usefulness (PU), perceived ease of use (PEU) and behavioral intention (BI). The maximum values are 90, 20 and 35 for PU, PEU and BI respectively. Both, mean and median indicate the total average number of agreement levels for the usefulness, easiness, and usage of the medical app. The higher the score, the more positive the participant's perspective towards each variable will be. Standard error (PU SE=1.21/ PEU SE=0.27/ BI SE=0.33) is an indication of the reliability of the mean (Clement, 2020). In this specific study, all three standard error indications are small, which means that this is an accurate reflection of the actual population mean. Standard deviation (PU Sd=12.93/ PEU Sd=3.08 / BI Sd=3.82) measures the data variability and specifies how close the individual data is to the mean value (ibid).

Correlation Analysis

Correlation analysis indicates the strength of the relationship between two different variables. In Table 5 below, the strength of the relationship between PU and PEU, BI and PU, BI and PEU has been examined.

	Total PU	*Total PEU*	*Total BI*
Total PU	1		
Total PEU	**0.580**	1	
Total BI	**0.468**	**0.577**	1

Table 5: Correlation Analysis between variables PU, PEU and BI

All three variables have a positive (>0) linear relationship between them. This means that when one variable increases, the other variable also increases. The closer to positive or negative the value is, the larger the actual effect. Higher PU scores are correlated with higher PEU scores, r=0.58 which can be considered as a significant effect. The correlation coefficient (r=0.577) for variables BI and PEU can be also considered as a significant effect, while the correlation coefficient (r=0.468) between BI and PU indicates a moderate to strong relationship between those two variables. Therefore, it can be generalised that the statements below are valid:

- As perceived usefulness increases, so does perceived ease of use.
- As perceived ease of use increases, so does perceived usefulness.
- As perceived usefulness increases, so does behavioural intention.
- As perceived ease of use increases, so does behavioural intention.

According to the analysis above, it has been statistically proven that there is a strong relationship between perceived usefulness, perceived ease of use and behavioral intention to use which directly supports previous studies on TAM.

Previously, in the literature review, several studies identified that Covid-19 had had a large influence on people's perception of health technologies, and had speeded up the general acceptance of technology (McBride, 2021; Bestennyy et al., 2020; PwC, 2020). In the correlation analysis below between the two variables of Covid-19 and the patient's intention to use the medical app, it has been shown that there is a positive linear relationship in which, as the desire of respondents to use digital health technologies for managing their health due to Covid-19 increases, the overall intention to use the medical app also increases. However, the correlation coefficient (r=0.21) indicates that even if there is generally a positive effect between the variables, Covid-19 has had only a small to medium effect on behavioural intention.

	Total BI	*Covid-19*
Total Behavioural Intention to use (Total BI)	1	
Covid-19	0.205832	1

Table 6: *Correlation Analysis between variables BI and Covid-19*

Hypothesis

By using the correlation analysis, one can conclude that H1, H2, H3, H4 and H5 are supported and are all true.

No	Hypothesis	Results
H1	Perceived usefulness has a positive impact on the attitude towards the use of digital health technologies	TRUE
H2	Perceived ease of use has a positive impact on the attitude towards the use of digital health technologies	TRUE
H3	Perceived ease of use has a positive impact on the perceived usefulness of digital health technologies	TRUE
H4	Positive attitude towards e-health has a positive impact on the intention to use digital health technologies	TRUE
H5	Covid-19 has a positive impact on the intention to use digital health technologies	TRUE

Table 7: Hypothesis results

5. Limitations of the Study and Further Research

Since structured interviews cannot give clear explanations for people's behaviour (why people think and act the way they do), future studies should also use a qualitative approach in which more personal interviews can be conducted and an in-depth analysis of human behavior and perspectives towards technologies can be carried out. Moreover, the sample included a larger cohort of people from Limassol between 25 and 44 years of age. Future studies should also focus on other towns in Cyprus and on a broader spread of age groups. Last, but not least, a bigger sample size in future studies could minimise the standard error and results would then be more reflective of reality.

6. Conclusion and Recommendations

Reaching the end of this research, it is noteworthy that new technologies can bring many potential benefits to the healthcare sector, such as prevention, safety and quality (Bournikos, 2020). It is important for people to focus on the benefits of health evolution and digitalisation, and trust and support these developments. It is true to say that the acceptance level of health technologies has accelerated in the past two years due to Covid-19 (Scales, 2021). It is generally believed that the whole pandemic situation has brought new data to the forefront and created a new wave of thinking for many people and for health providers towards eHealth technologies (ibid.). While the pandemic is still ongoing and continues to affect the healthcare industry, new data is under-researched, especially in Cyprus, where no previous studies have been identified. The ultimate goal of this study was to explore the level of acceptance of digital health technology in Cyprus, and it has been successfully identified that there is a strong willingness among people to use digital technologies. While digitalisation is becoming a necessity, it is vital for Cypriot society, but also for people everywhere and especially healthcare providers, to keep up with the digital transformation and be ready and willing to embrace eHealth. Dr. Daniel Nigrin, Vice President for information services at Boston Children's Hospital in the United States, emphasises that "I absolutely think that organizations need to embrace digital. There is no way around it. An organization that is not embracing digital is going to not be around very much longer" (Wiegner and Grau, 2020).

According to the research findings, Cypriots have started to seek more convenient and effective ways of managing their heath and are becoming more willing to use digital health technologies to achieve better patient care. Based on the current situation and taking into consideration all the research, the researcher would like to propose an innovative digital health app which will provide medical solutions and place an emphasis on patients' needs, in order to meet their expectations as regards their health management. A study conducted on what patients want in a healthcare app has shown that the primary needs of the majority of patients are the ability to schedule or cancel their appointments easily, and the opportunity to request prescriptions and have easy access to medical records (Georgiou, 2021). This finding was also identified through the current study, where an extremely large percentage of the participants strongly agreed that these kinds of specifications would be very useful in their daily life. Bearing this in mind, the need to create a user-friendly, convenient application with easy access to all its functionalities has led the researcher to design a medical app. This app design can be seen, and is explained in Appendix 1.

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Medical App and its functions

Picture 1: Design of the home page

Picture 1 above illustrates a draft design for the home page of a medical app which is separated into six different sections. Each section provides related medical solutions for patient's needs. In general, the medical app is designed in a modern way that is simple, straightforward and easy to use, with fast and effortless access to all its functions.

1.1 Doctor appointments: Through this section, patients will be able to check their appointment date schedule, book new appointments or modify the existing ones.

1.2 Medical records: Patients will have access to their medical records 24 hours a day. They will receive notifications once new medical test results are released, and they will be able to check them through the medical records section. All results of diagnostic tests will come with comments from the doctor confirming if everything is normal or whether there is a need to book a further appointment with the doctor.

1.3 Prescriptions: Patients will be able to check and request prescriptions. Moreover, an online configured medication programme will be available from medical practitioners which will send automatic reminders to patients to take medication on time. Patients will also have the option of sending prescriptions through the app directly to one of the cooperating pharmacies for advanced preparation to avoid the need to wait.

1.4 Telemedicine: Patients can attend appointments for remote diagnosis and treatment using telecommunication.

1.5 Urgent care: This section will provide an ambulance service button that sends a signal for immediate assistance in cases of emergency.

1.6 Health blogs: This will basically provide weekly blogs related to health tips for living a healthier lifestyle and strengthening one's immune system.

1.7 AI robot assistance: Patients will be able to easily search for their symptoms and get a free diagnosis and suggested treatment plan from an AI robot designed with medical knowledge.

Finally, a notification sign will appear each time something new has been entered into a section that the patient needs to look at. As can be seen in the example below (Picture 2), the notification signs show that the doctor has updated the medical record of the patient, and the other one shows that a new blog is available.

Picture 2: Example of notification signs for updates

UNDERSTANDING THE DIMENSIONS OF HUMAN CAPITAL – ORGANISATIONAL IMPLICATIONS AND APPLICATION

By

Garcia Green-McLennon

Department of Student Financing, University of Technology, Jamaica, Kingston Jamaica

– Doctoral Candidate in Business Administration at the University of Sunderland, UK

Dr Derek Watson

Faculty of Business, Law and Tourism, University of Sunderland, UK

Abstract

In recent decades, there have been an increasing number of studies which converge on the idea that investments in human capital (HC) contribute positively to a company's bottom line. This has given rise to HC Management as a key strategic focus of organisations seeking to achieve and maintain competitive advantage. Arguably, HC Metrics are now considered just as important as financial returns; with the value of the human capital increasing as the organisation builds up its stock and flow of knowledge. There are a host of theorists who identify the concept and context of HC with varying degrees of relatedness and overlap regarding its key components. Undeniably, there is some amount of dissensus around the relationship between human capital and intellectual capital, as well as contending issues about whether social capital is a part of, competing with or complementing HC. Therefore, this study seeks to distil the essence from this debate to determine the most critical dimensional elements of HC, that drive and improve organisational value.

Introduction

With the current competitive realities of a technology-driven world and burgeoning demand for knowledge workers with new and better skills; it is understandable that an increasing number of organisations are pursuing people-based strategies for competitive advantage. At the most fundamental level, there is a need to understand why people are important to an organisation? To begin with, organisations are made up of people. Products and services are made for people, and it is people who apply their knowledge, skills and expertise to convert raw input into a finished product. This gives great impetus to the need to understand people, represented as the human capital (HC) within a firm, with a view to better understanding how this human capital creates value for the organisation.

The term human capital was first used by the father of modern economics, Adam Smith, in the Wealth of Nations (1776). He referred to human intellect as 'one aspect of capital along with land, labour and monetary capital,' (Alawamleh et al., 2019). Centuries later, in the 1960's the concept of HC resurfaced as a major theory, with theorists such as Schultz (1961) and Becker (1975) championing the concept within the framework of investment in education at the macro level of a nation (Alawamleh, et al., 2019). Subsequently, the notion of HC has evolved from being conceptualised at a national level, to being adapted to the organisational level, with HC being viewed as one of the most significant forms of wealth by scholars and practitioners (e.g. Tuncdogan, 2021; Soltani and Zareie, 2020; Klemesh et al., 2020; Ginting, 2020; Srivastava and Das, 2015; Afiouni, 2009).

Theorists like Bontis et al. (2007, p. 790) define human capital as, 'the individual stock of knowledge embedded in the firm's collective capabilities', further referring to human capital as the sheer intelligence of the organisation's members. Afiouni, (2009, p. 206) describes the concept as 'the individual's knowledge, experiences, capabilities, skills, creativity and innovativeness', which are interconnected and collectively contribute to organisational success (Diaz-Fernandez, 2017). Srivastava and Das (2015) proffer a similar definition which describes HC as a collection of resources in the form of skills, abilities, judgements, experience and wisdom which exist individually and collectively in the capacity of people and serve as a form of wealth. As a contemporary construct, HC is essentially established on the view, that individuals bring intangible assets to the organisation based on the individual's tacit knowledge. This intangible asset becomes of value to the organisation the more that individual's knowledge is integrated into and augmented by knowledge management systems, as a way to improve organisational performance and competitiveness (Soltani and Zareie, 2020).

Over the last few decades, there have been a growing number of studies converging on the argument that investments in HC contribute positively to a company's bottom-line, through improved performance and competitive advantage (Tuncdogan, 2021; Ginting, 2020; Klemesh et al., 2020; Gerrard and Lockett, 2018; Befferman and Bernstein, 2015; Kamaluddin and Rahman, 2013; Afioni, 2009; Davenport, 1999; Bontis, 1998). This is evidenced by the prominence of HC Management as a key strategic focus of organisations seeking to achieve and maintain competitive advantage. According to Harvard Law School, (2020), a 2019 study of 378 U.S. public company boards found that 80% of directors indicated that their boards now spend more time discussing human capital strategy than it did five years earlier, and 71% of directors indicated that human capital oversight is a focus of full-board meetings on a regular basis. Interestingly, 85% of directors support investments in employee training and reskilling to secure and increase long term value, even if that investment does not deliver short term returns (Klemesh et al., 2020). This view is shared by several internationally recognised groups which have significant influence over business and commerce. These include groups such as: Global Reporting Initiative, the Business Round Table, Sustainability Standard Board, etc. (Klemesh et al., 2020).

Davenport (1999) highlights an important point about the value of HC, explaining that when people enter the organisation, they bring with them innate abilities, skills, behaviours and personal energy. All of which make up the human capital of the organisation. This human capital creates significant value for the organisation. The value of the human capital arguably increases for the organisation, the more that individual's knowledge is integrated into a knowledge management system, as a way of improving organisational performance and competitiveness (Soltani and Zareie, 2020). Moreover, theorists such as Rastogi (2000), in Stiles and Kulvisaechan (2013, p.5), argue that 'there is no substitute for knowledge and learning, creativity and innovation, competencies and capabilities, they need to be relentlessly pursued and focussed on the firm's environmental context and competitive logic'. Moreover, the contemporary imperatives of today's digital society, dictate that market value is far less dependent on physical resources and is more dependent on intangible resources, in particular, the human resources (Brynjolfsson et al., 2014; Stiles and Kulvisaechana, 2013).

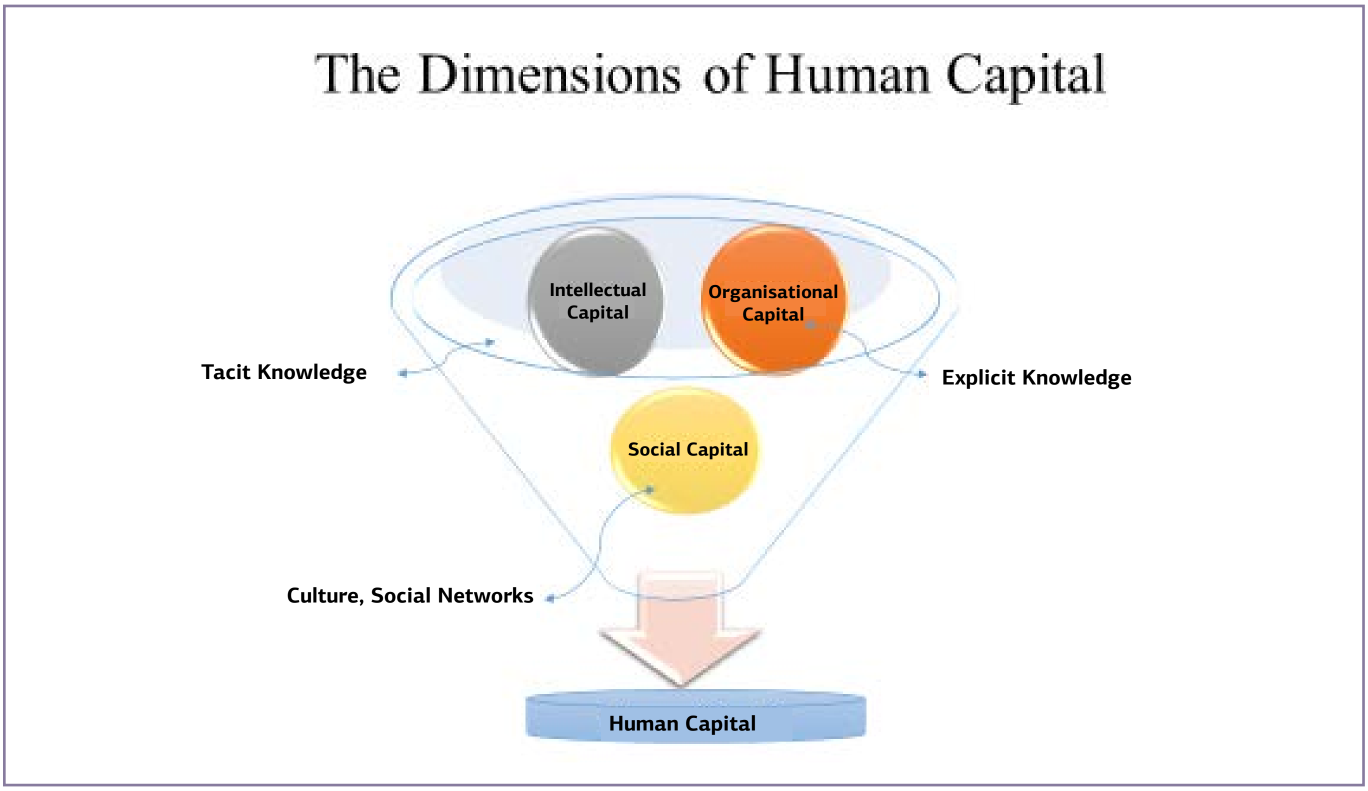
According to Tuncdogan (2021), the value of HC can also be examined based on its level of impact and efficacy on performance; further building on the work of Gerrard and Lockett (2018), who sought to understand the specific structure of HC, theorising that a deeper analysis is required to fully understand the value of HC based on its impact on performance. By so doing, this necessitates a conceptual distinction between 'Gross Human Capital Resources' and 'Active Human Capital Resources'. The former represents the total of the knowledge skills and abilities of the full cadre of resources, while the latter refers to the sub-section of gross human resource that is actually being utilised towards a specific performance goal (Tuncdogan, 2021).

Importantly, it is the worker who owns the capital and can therefore choose how and when to use it, thereby highlighting a two-way exchange of value, as opposed to a one-way exploitation of an asset. This principle of a two-way exchange of value means that workers have choices and in exercising that choice they decide how much energy, care and ingenuity they will display. Srivastava and Das (2015) extend this viewpoint by referencing a statement from Bill Gates, where he emphasised the value and distinctive competencies of his employees, which he credits as key to Microsoft's competitive edge in the market. According to Srivastava and Das (2015), Bill Gates emphasised the point that his most valuable assets (human capital) walk out of the door every night. This analogy makes the point that the human capital of any organisation has a choice, and they can exercise that choice to leave the organisation with their intellectual capital, despite the organisation's investments in building that intellectual capital over time. Consequently, the aim for HC Management ought to be to strategically engage, augment and retain human capital by developing a socio-cultural context of learning and growth within the organisation, thereby fostering organisational citizenship.

While there is overwhelming consensus concerning the pivotal role of HC in achieving competitive advantage for organisations, there are some scholars like Sung and Choi (2014) and Almendarez (2013) who question the effectiveness of investments in HC, especially as it relates to the significant investment in training and development by many organisations. For instance, Sung and Choi (2014) state that approximately '$134 Billion' is invested annually in the training and development of employees by American companies. While acknowledging the fact that people development is an essential component to HC management. Sung and Choi (2014) question the effectiveness of this significant spend, further suggesting that the research findings into the link between the development of HC and performance are mixed and shrouded in some degree of scepticism. Additionally, Almendarez (2013) argues that the value of HC is at times difficult to prove and the evidence is sometimes contradictory.

Tan (2014) points out that despite heavy criticism from theorists over the decades, human capital theory continues to be a dominant and influential theory, emphasising further that many of the criticisms have been both fragmented and disorganised. Stiles and Kulvisaechana (2013) also make the point that a growing trend in this debate is to see these approaches as complementary, rather than in opposition to one another, with best practice viewed as an architectural dimension that has generalisable effects, but within each organisation, the bundles of practices will be aligned differently to reflect the context and contingencies faced by that firm (Stiles and Kulvisaechana, 2013, p.2).

Undoubtedly, human capital offers tremendous value as a vital source of innovation and strategic renewal (Kamaluddin and Rahman, 2013), but based on the multi-faceted nature of HC with its layered complexities, a deeper examination of its dimensions is required. With this in mind, the study takes a multi-dimensional approach to the examination of the concept of human capital, appropriately deconstructing each element and considering its implications and further explicating its application within an organisational context. As such, the authors offer a conceptual model to depict the dimensions of human capital, intellectual, organisational and social capital.



Adapted from Nonaka (1991) and Sohel-Uz-Zaman et al. (2019)

Understanding The Dimensions of Human Capital

Understanding the dimensions of human capital (HC) is no less controversial than conceptualising the term. There are a host of theories which identify the concept and context of HC with varying degrees of relatedness and overlap amongst the key components of HC. Indeed, there is undeniably some amount of dissensus around the relationship between human capital and intellectual capital, as well as contending issues about whether social capital (SC) is a part of, in competition with, or complementary of HC. Theorists such as Bontis (1998) posit that human capital interacts with structural capital and customer capital to form an organisation's intellectual capital. The term 'structural capital' contextualised by Bontis (1998) refers to what other researchers like Stiles and Kulvisaechana (2013) term as organisational capital, which embodies the organisation's systems, mechanisms and procedures that are collectively engaged, as well as the relationships which allow the organisation to function in an organised and cohesive manner (Bontis, 1998). It is important to note that the original theory by Bontis (1998) was refined in later research to distinctly identify relational capital (social capital) as a key factor in the HC discussion. It was thus not subsumed unders tructural capital, as was previously theorised (Bontis et al., 2007).

The authors note the compelling perspective offered by Sohel-Uz-Zaman et al. (2019, p.171) who theorised that human capital consists of three individual but interrelated constituents. Each of these three pillars: intellectual, social and organisational capital, although specific, are inter-dependent and operate in unison to generate value that improves competitiveness. According to Sohel-Uz-Zaman et al. (2019), intellectual capital refers to the collection of human expertise, experience and tacit knowledge; which can create value for the organisation.

Against this background, the study seeks to distil the essence from the debate to determine the most critical dimensional elements of HC that drive and improve organisational value. Therefore, the study employs the framework posited by Sohel-Uz-Zaman et al. (2019), which identify the three key constituents of HC to be: intellectual capital, organisational capital, and social capital. When deconstructed, the authors posit that HC in the organisational context would include capabilities, competencies and expertise (intellectual capital), the documented policies, procedures and systems (organisational capital) and the social interaction, networks and culture (social capital). Each dimension is discussed below.

The Intellectual Dimension of Human Capital

Intellectual capital, as the first pillar, refers to the knowledge stock available within an organisation. It is the sum of all knowledge used in business operations to gain a competitive advantage, and encompasses the knowledge, skills and abilities within an organisation, including intellectual communities and even professional practices (Ginting, 2020). Simply explained, knowledge can be viewed as what Assensoh-Kodua (2019) referred to as what people understand about things, concepts, ideas, theories and procedures and practices. It can be described as know-how or when it is specific, expertise. Furthermore, knowledge is purported to be one of the most valuable resources possessed by any organisation, especially in its quest for competitive advantage (Wang and Wang, 2020). It is arguably one of the most productive resource of an organisation, capable of driving superior performance (Torres et al., 2018).

As an intangible resource, knowledge in the form of intellectual capital, is combined with other tangible resources such as land, money, etc. to make up the market value of the company. This value is extracted from knowledge management systems that include people, databases, systems business processes and relationships (Ginting, 2020). Knowledge management is therefore key to development of intellectual capital as a critical resource for organisational competitiveness (Torres et al., 2018). This is important because it is not the knowledge itself that provides the source of competitiveness. Rather, competitive advantage is achieved when knowledge is applied and leveraged as intellectual capital towards the achievement of strategic goals and objectives (Darroch, 2003; Allameh, 2011).

The Organisational Dimension of Human Capital

The discussion regarding intellectual capital as the first dimension is inextricably linked to organisational capital and social capital; because HC must be examined within the ambit of the organisation where the human capital resides, taking into account the cultural context which accounts for the socially-complex relations and networks operating inside and outside of the organisation. Therefore, the second dimension, organisational capital refers to the institutionalised knowledge that is owned by an organisation, and stored in documents, databases, etc. As organisational capital is developed, two strands of knowledge emerge; there is collective non-declarative knowledge, which is based on collaborative efforts which exist in shared organisational tasks, performed through repetitive practices, and collective declarative knowledge, which exists through verbal communication at the group and organisational level (Kump et al., 2015). The former serves to improve the expertise, skills and competencies of individuals within the organisation and the capabilities of the organisation as whole, while the latter serves to improve the level of efficacy and efficiency within the organisation. All of which enhances the competitiveness and sustainability of the organisation.

Tacit vs. Explicit Knowledge

Flothmann and Kuhane (2018) were of the view that as one considers the concept of organisational capital, one is compelled to contend with the inherent difficulty in managing that organisational capital, which essentially requires a pluralistic approach. This pluralistic approach emerges from the dichotomy of knowledge, being both tacit and explicit in nature (Chen et al., 2017; Oh and Han, 2018; Muniz, 2019; Wang and Wang, 2020). Foundational theorists such as Nonaka (1991) posit that explicit knowledge is both discreet and transmittable but emphasises that tacit knowledge is quite difficult to replicate and is only transferrable through a process of socialisation. Nonaka and Takeuchi (1995) were of the view that tacit knowledge is highly personal, hard to formalise, and deeply rooted in the individual's actions and experience. Furthermore, the technical dimension of tacit knowledge is often times referred to as 'know-how', and is reflected in the expertise, craftsmanship and experience of the individual.

Explicit knowledge, can be easily acquired through books, and/or computer databases, and is easy to call upon when needed by an organisation. But tacit knowledge which resides solely in the people of the organisation, is quite challenging to access as it is deep seated in the experiences, expertise and culture of individuals (Assensoh-Kodua, 2019). Therefore, the real challenge for organisations lies in the management of tacit knowledge. Consequently, specific strategies are required to manage both tacit and explicit knowledge, ensuring that knowledge is being constantly created, renewed and applied (Cepeda-Carrion et al., 2017).

The Social Dimension of Human Capital

According to Fu et al. (2017) and Sohel-Uz-Zaman et al. (2019), Social Capital is based on the principle that knowledge is generated through people-to-people interactions, which create social network resources. In the process of those interactions, Social Capital is formed as norms, values and trust is built within the organisation, based on shared values and goals. This creates social networks that facilitate the development of intellectual capital

(Stiles and Kulvisaechan, 2013). Interestingly, there are varying scholarly perspectives on how social capital is conceptualised relative to human capital. For instance, Srivastava and Das (2015) present a framework that treats social capital as a separate element from HC, as opposed to being one of the pillars of HC. Srivastava and Das (2015) further contend that the different elements of capital operate on a continuum from physical capital (what you have) to human capital (what you know), to social capital (who you know) and finally, psychological capital. An alternative perspective is offered by Klyyer and Schenkel (2013) who suggest that human capital and social capital operate competitively, as social capital is more valuable than knowledge resources in organisations where human capital is scarce. When carefully interrogated, what is described by Jerzak's (2015) model as structural capital is quite similar to what Sohel-Uz-Zaman et al. (2019), Stiles and Kulvisaechana (2013), and Youndt et al. (2004) explain as social and organisational capital.

Having examined the different perspectives, the researchers acknowledge the view of Sun et al. (2020) and Florin (2003) who point out that social capital is a fundamental element of HC, and the two co-exist in inter-dependency, because knowledge, skills and expertise are actively needed and are quite beneficial to the formation of strategic social networks. Furthermore, many other scholars conclude that the elements that are ultimately key to the understanding of HC are intellectual, social and organisational capital. Combined, they form the three dimensions of human capital (Sohel-Uz-Zaman et al., 2019); which can create significant value for the organisation and can be translated into a competitive advantage. Moreover, Chan and Chen (2016) highlight the point that human capital and social capital are neither complementary nor competitive, since their relationship is often contingent on the level of support and resources available to organisation and its network structure (Semrau and Hopp, 2016).

Importantly, the value of human capital comes from its uniqueness to each organisation, along with its social-complexity and cultural-specificity. This exists as social capital where the value is embedded in the firm's history and culture, based on its complex social relationships, employee's tacit knowledge and its investments in organisational learning (Menguc and Auh, 2006). Consequently, organisations should strive to build a culture of mutual respect, listening, learning, teaching and innovation (Assensoh-Kodua, 2019), which will foster the transfer and application of individual knowledge to firm-specific organisational knowledge.

When considered holistically within the context of an integrative framework that incorporate the three dimensions, HC has the potential to generate distinctive competencies (intellectual capital) and dynamic capabilities (organisational capital) which can create value, heighten competitive performance or bolster organisational success. Ultimately, the synergic effect of enhanced intellectual capacity, organisational capabilities and social capital arguably have the combined effect of enriching the human capital of an organisation. It is therefore reasonable to assert that, the value of human capital is quite significant to competitive performance, because, while other resources in a firm such as equipment, capital and technology, can be easily replicated by competitors, human capital cannot. Its firm specificity, social complexity and cultural context creates a source of immense competitive value that is unique for each organisation (Torres, Ferraz and Santos-Rodrigues, 2018).

Measuring Human Capital – Impact and Application

Key to understanding how the management of HC impacts organisational value is an appreciation of its practical application through the measurement of the impact of HC on an organisation's financial and non-financial performance. This is done through Human Capital Analytics (HCA), using specific metrics and indices. It refers to the measurement, management and prediction of business performance. In this digital age, organisations can significantly improve their performance by using analytic intelligence to improve human capital stewardship (Frigo and Ubelhart, 2015).

A 2015 survey conducted by Deloitte reviewed 436 North American companies and found that, companies with well-developed HC analytics financially outperformed their competitors by over 30% over a three-year period from 2011 through 2013. Share prices of 14% of organisations in the study with mature talent analytics capabilities outpaced the Standards & Poor's 500 Market Index on average by 30%, over the same three-year period. In 2009, the CEB Workforce Survey and Analytics conducted a study on American companies that had over ten years of growth in revenue, followed by a decline over the same ten-year period, using a multivariate regression across over 200 variables. The study found that in most cases, the decline was due to shortfalls in talent statistics benchmarks and the use of incorrect HC metrics (Frigo and Ubelhart, 2015).

According to Frigo and Ubelhart, (2015), consulting firm Aon Hewitt and Associates, an industry leader in compensation and benefits consulting, conducted a survey of approximately 20 million employees from 1,000 companies over a ten-year period for the purpose of providing its corporate clients with comparative human capital analytics that would predict business results. Among the companies which participated in the pilot study were Siemens, JC Penny, Eli Lilly, Verizon Nationwide, and a long list of other notable companies. This monumental study led to the development of the 'Talent Quotient' as a key human capital metric. In the study, employees from these 1,000 companies were tracked as they transferred organisation. The aim of the study was to determine the rate at which top performing employees in whom the companies invested the most were leaving those companies.

The findings from this research were considered 'ground-breaking' and claimed that a disproportionate loss of top performing employees (with heavy HC investments) predicted declining business performance. From the findings of the study, Aon Hewitt (2015) was able to determine how the Talent Quotient for the participating companies affected company performance, using various financial indicators such as Cash Flow Return on Investment (CFRI). The study found that a $10 Billon dollar investment produced between $70 million and $160 million in return. So far reaching were the findings of this study that investors in the companies involved showed considerable interest in the Talent Quotient of these companies, as a way of considering their stock valuation models (Frigo and Ubelhart, 2015). The people management strategies of these companies became an important predictor of the expected financial performance of the companies and by extension, the performance of their stocks.

Interestingly, the findings of the Aon Hewitt Study were corroborated by Befferman (2015). The study further highlighted that HC substantially and materially impacted the firm's financial performance and was compelling enough to require improved reporting for HC, as a way of measuring firm performance. This view is supported by a joint study conducted by the Investor Responsibility Research Center Institute and Harvard Law School in 2015, which found 92 other studies related to the relationship between human resource policies and the financial outcomes of an organisation. Having reviewed the findings of these 92 studies, their conclusions were that there was a direct correlation between HC performance and financial performance, which led to a recommendation that information on human capital be included in standard investment reviews and metrics, based on its strategic importance (Investor Responsibility Research Center Institute, 2015).

Bernstein and Beffernan (2015) further referenced a 2003 U.K. Task Force on HC management, which emphasised the need for companies to report on their internal policy on HC management, as a way of illuminating the link between the organisation's approach to human capital management and organisational performance. Additionally, the Human Capital Management Institute (HCMHI) identifies over 600 human capital metrics which can be used to enhance organisational intelligence to improve organisational performance and competitive advantage. Among the important metrics identified by HCMHI include Total Human Capital Cost in relation to revenue, profit, investment and full time employees. Undoubtedly, the use of HC matrices to predict organisational performance is fast becoming a global phenomenon. In fact, the International Standards Organisation (ISO) further identified twenty-three core HR metrics that organisations should capture and report as a way of improving organisational intelligence and health. This is quite significant, as the ISO is the largest international non-governmental organisation for developing international business standards. Among the benchmark standards identified by the ISO are: Skills Analysis Assessment, Length of Service and Attrition Rates, Employee Engagement Scores and Learning and Development Hours per Employee (Schwarz, 2019).

Not only has the ISO endorsed this move to highlight human capital metrics but the United States Securities and Exchange Commission (SEC) has also amended its regulations to address human capital reporting and disclosure. Using the Human Capital Accounting Framework and Guidelines for 2019, the SEC declared that it is in the best interests of investors to understand how companies manage their human capital, essentially requiring material disclosure of human capital objectives, measures and performance (Engel, 2021). Essentially, the measurement of human capital is a critical factor to gauge performance, identify areas of improvements and determine the impact of human capital interventions on organisational outcomes (Wuttaphan, 2017). From the studies conducted above, there seems to be an almost limitless number of HC variables which can be measured, and the approach varies from company to company.

However, Wuttaphan (2017), who drew on the work of several other scholars (Guest, 2000; Mayo, 2012; etc.) points out that, measurement of HC ought to be done in conjunction with other measures including financial performance, employee attitude, among others. Notwithstanding the difference in measurement approaches, there is strong agreement among practitioners and scholars on the importance of HC metrics to indicate performance outcomes, especially when considered within the three dimensions of human capital. Additionally, one cannot overlook the fact that there appears to be a global momentum that has fueled the wide scale interest in human capital as a core strategy to improve organisational performance and competitive advantage.

Conclusion

Human capital is a multi-dimensional construct which ought to be explored and examined via the three-dimensional lens of intellectual, organisational and social capital. Effectively engaging intellectual capital as the first dimension, requires targeted knowledge management strategies, which treat knowledge as a critical resource for organisational competitiveness. These knowledge management strategies aim to build up the stock of knowledge and improve the flow of knowledge throughout the organisation, to improve decision-making, enhance problem-solving, and drive innovation and entrepreneurship.

Organisational capital, as the second dimension, is affected by the inherent dichotomy of demands of both tacit and explicit knowledge, each requiring specific strategies in order to fully engage and exploit the store and flow of knowledge within an organisation towards improved strategic outcomes. Therefore, organisations ought to adopt a knowledge-based view of HC management, in order to facilitate the creation, renewal, transfer and application of knowledge. Social capital, as the third and final dimension, is built through people-to-people interactions as knowledge is created, augmented and applied through social networks within the organisation. In the process of that interaction, norms and values are formed and trust is built within the social networks, based on shared values and goals which engender goodwill and foster a culture of learning and growth. This creates a socially complex resource that is culturally specific to each organisation, and becomes a source of distinct value to improve competitive performance (Afiouni, 2009).

In conclusion, organisations with superior human capital resources are poised for greater competitiveness and long-term sustainability. The strategic engagement of each of the three dimensions of human capital, effectively transforms inputs into value-added outputs aimed at improving intellectual capital (expertise, skills and competencies), Organisational capital (procedures, processes and systems) and social capital (culture, goodwill and attitudes). These forms of capital grow and enhance an organisation's distinctive competence and dynamic capabilities towards improved organisational success.

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THE CIS STRATEGY AS A DRIVER OF COMPETITIVE ORGANIZATIONAL RESOURCES KELLER GRADUATE SCHOOL OF MANAGEMENT

By

Ployvipa Usaha

MBA Student, Keller Graduate School of Management, *deeusaha@gmail.com*

Odai Alsalahat

MBA Student, Keller Graduate School of Management, *odaisalahat94@gmail.com*

Jerome Johnson

MBA Student, Keller Graduate School of Management, *Jeromejohnson365@gmail.com*

Byung Min Shin

MBA Student, Keller Graduate School of Management, *byungminshin85@gmail.com*

Dr. Nicos Antoniades

Associate Professor, Keller Graduate School of Management, *Nicos.Antoniades@DeVry.edu*

Abstract

The purpose of this study is to test the relationship between specific organizational resources and their significance to the CIS Model[1]. Via the CIS Model, it was hypothesized that each resource (i.e., financial, human, reputational and physical) has a relationship to an organization's competitive advantage. Data was collected from 42 adults, aged between 18 and over 65. Using correlation analysis, the study shows that physical and financial resources have a statistically positive relationship with the CIS competitive advantage.

Keywords: The CIS Model, Organizational Resources, Competitive Advantage

1. Introduction

This research paper seeks to elaborate on the critical role that research plays in the global business world. Being part of the business intelligence process, business research outlines the systematic empirical investigations that define the appropriate market approach to making the right decisions. As such, this paper reviews the organizational resources that drive business decisions. Business research compounds the statistical, mathematical, or computational techniques used to analyse the relationship between specific organizational resources and a firm's competitiveness. Physical, financial, human and reputational resources may impact the way business decisions are made. For this study, a quantitative research method will be used to determine the relationship between the aforementioned organizational resources and the degree of a company's competitiveness when using the CIS Model. The need to determine the relationship between the organizational resources and a company's competitiveness necessitated a quantitative follow-up-study to analyse the relational and transactional data based on responses from the participants.

2. Literature Review: Organizational Resources

2.1. *Human Resources*

Almost all businesses and organizations, whether big or small, are dependent on human resources. Human resources describe the people that work for the organization, and the managing department that is responsible for these employees (Human Resources Edu., 2021). It is one of the key resources that contributes to the success or failure of an organization. Since human labor plays an important role within each organization, HR departments/practitioners are needed in order to provide a number of services to employees (Matthew, 2019); good HR departments can help maintain the well-being of employees, which contributes to a strong foundation for the organization.

2.2. Physical Resources

Every business needs some physical resources, and some need more than others. The demands for physical resources can be extreme, depending on the type of business. Any tangible resources held and utilized in a company, like land, production equipment or office equipment, are part of a business' physical resources. The category of physical resources includes information technology and the accompanying equipment, computers, networks, servers, etc. Depending on the nature of the business, physical resources could include a wide range of specific items and objects.

1. The CIS Model is an Award-Winning Model developed by Dr. Nicos Antoniades and presented at the 7th International Conference on Management and Education Innovation, University of Greenwich, London, UK (April 2019). Title: "Packaging Government Ideas to Achieve Citizen Satisfaction and Loyalty: Creating, Informing, and Supporting".

- Land, buildings, water and water rights
- Machinery and manufacturing equipment
- Vehicles and distribution networks
- IT equipment and hardware
- Point-of-sale systems

Some physical assets are industry specific, and, depending on the nature of the industry, can be crucial. Typically, physical resources require substantial capital spending. For example, a car manufacturer must invest significant amounts in production plants that need to be established in a suitable location, whereas a small software developer can set up at a competitive rate in any number of available physical locations. Efficient physical resource management is an important factor in every business, including in IT, where the physical infrastructure can affect issues such as energy use and environmental needs, like computer cooling systems (Guesalaga et al., 2018).

2.3. Financial Resources

Financial resources encompass all the organization's finances and assets. According to Guesalaga et al. (2018), financial resources include money, shares, bonds, promissory notes, checks and debentures. Organizational financial assets also fall under the category of financial assets. Financial resources are an essential input in the production process. They are used to facilitate all the other operations of the firm, and without them no single operation could occur. De Graaf (1986) demonstrated that financial constraints cause poor performance, and Hershey (2007) argued that to make optimal use of financial resources, financial planning is necessary in order to manage cash flows and reduce risks.

2.4. Reputational Resources

Reputation acts in different ways on individuals and organizations and is an intangible asset. It represents a firm's past actions and its ability to deliver outcomes. Reputation is composed of complementary and reinforcing relationships whose synergies create causal ambiguities that have positive performance implications and offer greater explanatory power (Boyd, Bergh, and Ketchen, 2009).

3. Research Methodology

3.1. Quantitative Method

The primary paradigm for research in the social sciences is quantitative methodology. Quantitative information collection enables researchers to perform both easy and highly complex statistical analyses that combine data (e.g., averages, percentages). Social science researchers follow the quantitative research paradigm to help them confirm or reject their initial hypotheses.

Templates for quantitative analysis are objective, elaborate, and mostly research based. The findings of this research approach are rational, statistical, and impartial. The data collection was carried out using a systematic approach and conducted mostly on population-based samples.

This research approach operates by forming hypotheses, gathering data and then analyzing the data to prove or disprove the hypothesis.

3.2. Our Research

Our research was conducted by sending emails to friends, family members, and colleagues from four different age groups: 18-35 years old, 35-49 years old, 50-64 years old, and 65+ years old. (See Appendix A). This was to ensure that the views collected represented the perspective of all age groups.

A questionnaire was created and sent to each of the groups mentioned above with instructions on how to complete it. The participants were then required to return their responses within a period of one week. A total of forty-two responses were received. The questionnaires adopted a structured approach, with the use of closed statements (Perneger et al., 2015). This made it easier for responders, and also for the easy comparison of the responses. Some of the response choices also clarified the question to the respondents to enhance understanding.

4. Presentation of Results

4.1. Data Analysis for Organizational Resources

Regression Statistics	
Multiple R	0.991020139
R Square	0.982120916
Adjusted R Square	0.949028163
Standard Error	0.610647134
Observations	42

ANOVA					
	df	*SS*	*MS*	*F*	*Significance F*
Regression	8	696.4328538	87.05411	233.4579229	8.9977E-27
Residual	34	12.67825736	0.37289		
Total	42	709.1111111			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	0	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
PHR	0.244541901	0.094231331	2.595123	0.013858211	0.0530408	0.436043	0.053040797	0.43604301
FIR	-0.22176471	0.094849849	-2.33806	0.025404844	-0.4145228	-0.02901	-0.414522791	-0.02900662
HUR	0.075210711	0.126353469	0.595241	0.555624148	-0.1815704	0.331992	-0.181570434	0.33199186
RER	-0.00681945	0.1259993	-0.05412	0.957154025	-0.2628808	0.249242	-0.262880833	0.24924194

4.2. Hypotheses Testing

H1: The P-value of physical resources is 0.013858211. Therefore, physical resources are statistically significant with the CIS competitive advantage because the P-value is less than 0.05.

H2: The P-value of financial resources is 0.025404844. Therefore, financial resources are statistically significant with the CIS competitive advantage because the P-value is less than 0.05.

H3: The P-value of human resources is 0.555624148. Therefore, human resources are NOT statistically significant to the CIS competitive advantage, because the P-value is greater than 0.05.

H4: The P-value of reputational resources is 0.957154025. Therefore, reputational resources are NOT statistically significant, because the P-value is greater than 0.05.

Conclusion

The results of this study show that a company's physical and financial resources are statistically significant. Thus, the more a company capitalizes on its physical and financial resources by creating new products and services, informing its customers about their products and services, and supporting its products or services (the CIS Strategy), the more competitive it becomes.

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Appendix A: Demographic Information of the Respondents

Appendix A	
Gender	*Age*
Men (55%)	18 - 34 (24%)
Women (45%)	35 - 49 (14%)
	50 - 64 (24%)
	65+ (38%)

FACTORS AFFECTING CONSUMER LOYALTY IN INDEPENDENT BOOKSTORES: HOW WELL ARE CUSTOMER NEEDS BEING MET? A CROSS-GENERATIONAL CASE STUDY.

By

Sofia Stella Christou

University of West London / Cyprus Institute of Marketing

Dr Georgia Thrasyvoulou

Director of HR & Student Affairs, CIM

1. Abstract

The bookselling industry has been significantly affected by the global recession of 2008 and the rise of e-commerce conglomerates. Thousands of small businesses have been wiped out by fast-paced changes in the business landscape. Customer loyalty can be described as a significant factor in measuring a company's success. These challenges have an ongoing effect on the consumer behaviour of different generations. This study was conducted involving loyalty card holders of an independent bookstore in Cyprus to examine how customer loyalty is affected by the online and physical presence of the company across generations, using an online questionnaire.

The study findings showed that the online presence of a company is more important to Generation Z and Millennials than it is to Generation X, Baby Boomers, and the Silent Generation. The physical presence of a company is equally important to customers of all ages.

The ability of an SME to improve on issues set forth by loyal customers and continue offering what they deem important is the reason this study was done. No similar studies have been conducted for the Cypriot marketplace. This case study has value for practitioners and academics alike in the field of consumer loyalty, especially in relation to COVID-19. This 'forced' use of technology has rapidly changed the way we conduct business in so many fields. Changes in work design in different sectors, both in services and products, has brought the need for quick adaptation to the new environment.

Keywords: customer loyalty, cross generation, digitisation

2. introduction

Loyalty in the context of business is the level of commitment of a consumer based on their level of satisfaction with regards to a brand or a company, and their intention to repurchase (Russel-Bennet *et al.* 2007). It has been a subject of fascination for marketeers for several decades, particularly for those working in the retail sector. Ever since it became apparent to marketeers that consumer loyalty is of the utmost importance, companies have been spending millions on customer relationship management programs with the aim of creating and maintaining consumer loyalty (Pitta *et al.* 2011).

Every business sector faces a different set of challenges as new services, technologies and ideas constantly emerge. The most noteworthy challenge is the rise of the online mogul Amazon, which has affected millions of businesses over hundreds of sectors (books, electronics, clothing, streaming, etc.). These businesses must learn to adapt to be able to navigate these changes and, by doing so, build and maintain brand loyalty from current and future customers. Effective relationships between consumers and brands are more vital than ever in ensuring a company's survival in today's everchanging retail environment.

Effective marketing strategies (including a company's choice to build on customer-company relationships) have always been a top priority for company owners wishing to increase sales, cultivate brand awareness, and enhance brand reach. One of the challenges that traditional marketeers face is their lack of knowledge of how the digital platforms work. This knowledge is currently vital in formulating effective marketing plans. Digital marketing is highly important, especially if a company intends on reaching a younger audience such as Generation Z and Millennials (people aged up to 40 years old in 2021). This is only applicable to developed countries where consumption is more prevalent and people have the technology on which marketeers can reach them on numerous social media channels (Sneha and Osaid, 2018).

These changes to the consumer marketing environment have led to new challenges which can only be met if appropriate research is conducted, and the results used as an effective tool in navigating the future of a company. It is vital for a company to be able to group consumers for more targeted marketing approaches to obtain the optimum results, especially regarding digital marketing where a campaign can be tailored to the target audience. By using digital means, a company can select a group's attributes, such as age, gender, location, educational level, marital status, interests, and languages spoken. This cannot be achieved via traditional means such as television, radio or press. However, traditional means are the clear choice when the target audience is older. Consumer age is a critical factor in deciding which advertisements should be run on which platforms. The younger the consumer a marketeer intends to reach, the more they should lean towards a digital platform. The opposite can be applicable to an older consumer; an analogue mean or media would be the way forward (Zwick and Dholakia, 2004).

It has become apparent that there is a gap in the literature in relation to such a specific research question as the factors which affect consumer loyalty and how these differ across generations. Factors such as consumer age, consumer income, store branding, store design, and loyalty programmes are only a few which have already been studied.

The aim of this study is to identify the main factors affecting consumer loyalty in high-involvement decision-making situations, particularly in bookstores. The objective is to pinpoint the main differences of opinion in service and preference between generations.

Based on generational characteristics, the following hypotheses were developed:

I. *Hypothesis 1:* Generation Z and Millennials consider online presence, a strong social media following and a quick online response rate more important with regards to their loyalty than Generation X, Baby Boomers, and the Silent Generation

II. *Hypothesis 2:* Generation X, Baby Boomers and the Silent Generation consider physical presence, excellent one-on-one customer service and loyalty card perks more important with regards to their loyalty than Generation X and Millennials

III. *Hypothesis 3:* The marketing mix (People, Product, Price, Place, Promotion and Process) is equally important to customers of all ages

3. Methodology

3.1 Study Design

A case study entails a cross-sectional choice of time horizon which is fitting to this experimental design. A mono-method methodological choice was selected which entails a quantitative rather than a qualitative approach of questionnaires rather than interviews, which allowed for a greater number of participants. The methodological choice for this study is a mono-method quantitative survey, as almost all loyalty studies implemented a single method.

A survey is a popular choice in business research; it is perceived as authoritative and allows for the collection of quantitative data. The researcher remains independent from the data, avoiding significant bias though representative samples of the general population. A survey entails a set of questions participants are asked with the aim of gathering data by finding out about a participant's opinions. Furthermore, it can be used to gather information by asking numerous participants the same questions (Yayici, 2015).

The nature of the research project took the form of an exploratory study seeking to discover new insight into an existing situation, in this case loyal customers and what makes them so, by asking questions and ultimately assessing the situation in a new light (Saunders *et al.* 2012).

3.2 Participants

This study focuses on bookstore customers in Cyprus. The sample of the population was targeting 10,000 loyalty card owners of one of the largest bookstores in the country, who are, or at some point have been, customers. These customers are of all ages (Generation Z, Millennials, Generation X and Baby Boomers). There are several clear trends amongst them. Most belong to the upper, upper-middle, or middle class and have higher education degrees (to be confirmed from the demographics questionnaire).

Through the use of G*Power software, the minimum number of participants was calculated (using a test that compared mean ranks among groups). Based on the Test Family (F test), Statistical Test (ANOVA, fixed effects, omnibus, one-way), Type of power analysis (A priori: Compute required sample size – given α, power effect size) with Input Parameters of effect size f (0.25), α err prob (0.05), Power (1-β err prob) (0.95) and number of groups (4), the total sample size amounts to 280 participants (Appendix 1) (G*Power, 2020).

Based on the sample of the population which took part in this quantitative survey 72.4% of the participants were women and 25.8% were men. 2.9% of the sample were Generation Z (such a low percentage was most likely obtained because most members of this generation were under 18 and were therefore not eligible to answer the questionnaire), 48.9% of the sample were Millennials (not unexpected since this was an electronic survey), 35.2% of the sample were Generation X (same reasoning as Millennials, Gen X are also very familiar with digital means), 13.9% of the sample were Baby Boomers and 2.0% were from the Silent Generation (unsurprising due to the fact that this was an electronic survey, and there is a tendency for older participants to be less familiar with digital technology) (Figure 1).

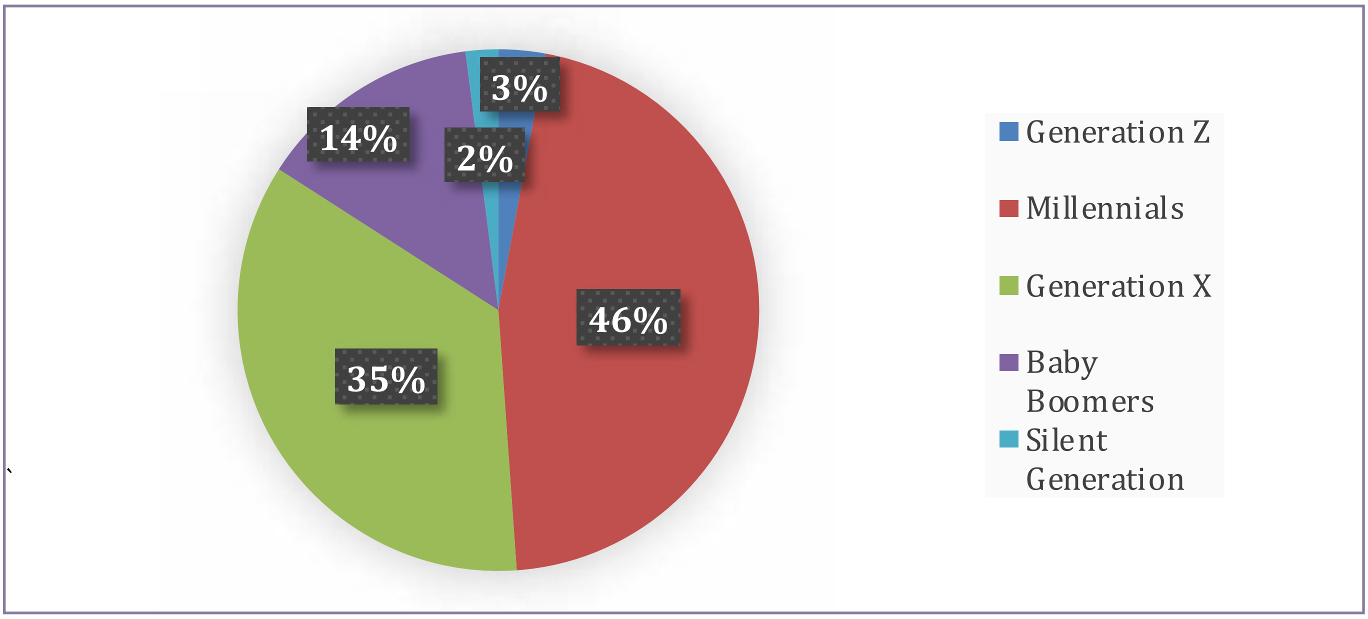

Figure 1. Number of Participants by Generation

The vast majority (94.4%) of the participants are residents of Nicosia, Cyprus which is the district where the store is located. This is a reasonable finding since there is no online store yet.

The ethnicity of the participants was almost exclusively Caucasian (95.7%) (the rest of the options being African American, Latino/Hispanic, Asian, Native American, and Other). Cyprus is a country where many non-Cypriots reside, however, these non-Cypriot temporary and permanent residents originate mostly from European countries where most of the local populations are Caucasian as well.

The educational level of the survey participants was noticeably high. Just 0.4% had only completed Gymnasium, and an additional 6.1% had completed Lyceum. It is important to point out that the majority of the participants who had only completed Gymnasium and Lyceum were under 20 years old, meaning that it would not be possible for them to have completed any further studies at that age. 30.5% of participants had at least a bachelor's degree, 54.5% had at least a master's degree and 8.5% had a PhD or higher. These results were also unsurprising, as it is expected for a bookstore to be frequented by educated individuals (Figure 2).

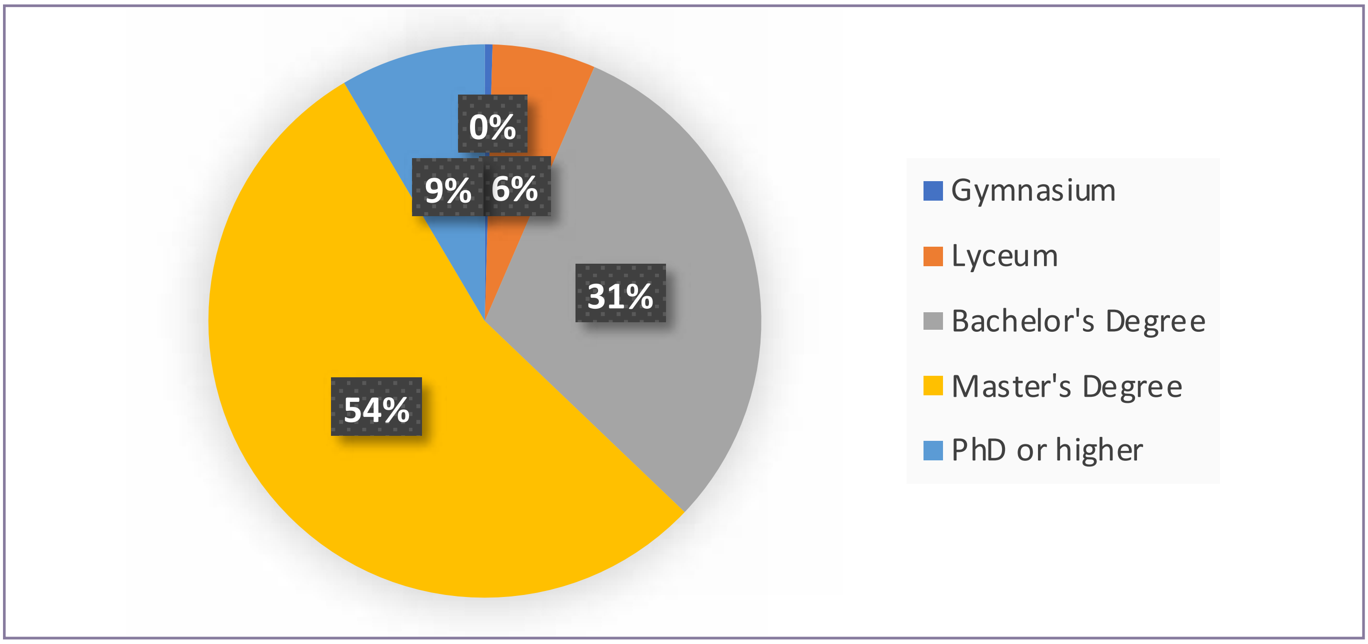

Figure 2. Highest Level of Education Completed by Participants by Institution

More than half of the participants were married (52.9%), 21.3% were single, 16.1% were in a relationship, 1.6% were separated, 6.5% were divorced and 1.6% were widowed. 41.7% of participants had no children, 17.0% only had one child, 40.1% had 2-3 children and 1.1% had 4 or more children. Participants with children were then asked about the ages of their children: 33% had children below 18, 17.9% had children above 18 and 7.4% had children both below and above 18. These findings are not unexpected since the best-selling section in store is, in fact, the children's section.

Income is an important demographic in the case of a bookstore, or any other high-involvement decision-making process for that matter. The annual household income for participants was allocated as follows: 18.2% earned less than €15,000, 28.0% earned between €15,000 - €25,000, 33.6% earned between €25,001 - €50,000, 13.5% earned between €50,001 - €80,000, 4.7% earned between €80,001 - €120,000 and 2.0% earned more than €120,000. These statistics are representative of a middle to high class sample population.

69.1% of participants were employed full-time, 8.3% were employed part-time, 5.4% were between jobs (i.e., unemployed), 9.2% were retired, 3.6% were homemakers and 4.5% were students. The staggering percentage of participants who were employed full-time is expected since these participants are more likely to spend on non-essentials.

3.3 Material

A four-part questionnaire was created in Google Forms which was available in two languages: English and Greek. Greek is the main language spoken in Cyprus. The English questionnaire was also vital since half of the books available for sale in the bookstore are in English.

The data collection method employed in this case study is a four-part questionnaire. The first section covers the ethics, informed consent, and approval requirements. Demographics (i.e., gender, age, ethnicity) are covered in the second section. These are required information for trends to be identified. The third section is made up of questions which measure loyalty (i.e., how often they visit and how likely they are to recommend the bookstore to others). This third section allows for clear segmentation of the sample population in varying levels of loyalty based on the demographics of the previous section. One of the most significant demographic factors in relation to consumer loyalty in high-involvement decision-making situations is socio-economic status (White and Tong, 2019) which can be identified from the questions regarding annual household income, employment status, and occupation.

The fourth, and most exhaustive, section is concerned with factors affecting loyalty. All questions included in this section (in addition to the previous and later ones) arose as significant factors predicting loyalty in other studies from secondary data (literature review). The questions regarding the importance of product variety, product packaging, brand name on product, discounts, reward points collection, location, parking availability, targeted advertising, staff expertise arose from the 7 Ps of the marketing mix (Product, Promotion, Price, Place, People, Process and Physical evidence) (Kotler and Armstrong, 2018).

The questions which are concerned with the digital presence of a company such as social media presence, online response rate, the presence of an online store, whether simply from browsing or ultimately purchasing also arose from previous studies and are part of the literature review (Lam and Shankar, 2014). Questions regarding changes in the layout (Murray *et al.* 2017), the option of having a loyalty card (Hwang and Choi, 2020), the ability to receive text messages with offers (Lu *et al.* 2019), personalized e-mails (Sahini *et al.* 2018), the presence of reading corners (Laing and Royle, 2006) and the fact that Soloneion is a family business (Orth and Green, 2009) were all found to be statistically significant factors in the UK and global markets.

3.4 Procedure

The questionnaire was sent to all 10,000 Soloneion loyalty card holders who had given their consent to receive e-mails. It was sent out as a customer satisfaction survey with the details, ethics and purpose of the study explained in the first section. The questionnaire was also made available on Soloneion's social media channels (Facebook and Instagram). Bookmarks with a short explanation about the survey as well as a QR code for easy access to the questionnaire were given out at the tills. The questionnaire remained available for participants for 7 days (20-26 July 2020).

3.5 Research Ethics

For any study to take place, all ethical concerns must be addressed. It is the researcher's task to ensure that all data gathered, both primary and secondary, is done so in line with any regulations enforced either by a university or a government. The research must be approached in such a way that all ethical concerns which may arise are eliminated. For this purpose, a research proposal as well as an ethical issues form for this study was submitted to the University of West London Ethics Committee for approval. Only once the approval was granted could the research commence.

3.6 Establishing Quality: Reliability and Validity

For a study to be of a high standard, two characteristics must be evaluated. These are reliability and validity. Reliability can be defined as the degree to which the research can be replicated while obtaining the same results (could also be described as precision). Validity is the degree to which a research project stays true to the initial research question, i.e., measures what it sets out to (Saunders e*t al.* 2012).

Reliability is more applicable in quantitative rather than qualitative analyses. The data gathering instrument (in this case, the questionnaire) was designed before going into the field and is independent of the research content. If said instrument is used again, consistent results should be yielded to prove reliability (Bell e*t al.* 2019). There are four ways to test reliability. Internal consistency has been utilized for the current study to ensure reliability by testing how well each item on the test measures the same construct. Within this method, each item is expected to correlate with the total of the scale (>0.4) (item-total correlations). Regarding inter-item correlations, the average for a set of items should be between 0.2 and 0.4, suggesting that while the items are reasonably homogenous, they contain sufficiently unique variance so as not to be the same as each other. The Cronbach's alpha coefficient, which varies between 0-1, is a vital test of reliability as well. The closer it gravitates to 1, the more reliable the data is (ideally ≥0.7) (Malhotra, 2019). Tests for Cronbach's alpha coefficient have been conducted to test the reliability of the questions included in the questionnaire.

A validity analysis was also conducted to ensure that the items in the questionnaire measured exactly what the research question/hypotheses set out to measure. There are different types of validity which can all be checked at different times during a study (Bell e*t al.* 2019). The results of the validity testing are presented in Appendix 1.

4. Results-findings

4.1 Data Analysis

The data gathered was initially screened to ensure that all respondents were customers. This first step was vital in ensuring that all remaining responders fit the research criteria describing the sample of the population required. The second step was to check for any gaps in the data. Questions vital for the statistical analysis had required answers; and therefore, all submitted questionnaires were completed. This preventative step of making the questions required for the completion of the questionnaire was to ensure the lack of missing data at the analysis stage.

The only required questions with an open-ended, short answer format were age and occupation. Open-ended, in addition to multiple-choice questions required re-coding for the statistical analyses to run. All Likert-scale questions did not entail coding as the results were already in numerical form (ratio or multiple-choice). Each participant's age was highly important in this study as the objective is to detect loyalty trends across generations.

The data was analyzed using IBM SPSS STATISTICS 25 software. The initial analysis undertaken was to run descriptive statistics. This analysis was vital in summarising the basic features of the data set via measures of central tendency (mode, median and mean), distribution (kurtosis and skewness), and dispersion (quartiles, range, variance, and standard deviation). The most important feature of the data is standard deviation. If the data is not normally distributed from the mean, then the choice of statistical test varies. In this case, the data gathered is for more than two groups of independent data. If the data is normally distributed, parametric tests are chosen (ANOVA). If the data is not normally distributed, the choice changes non-parametric tests (Kruskal-Wallis test). Either analysis also requires post hoc tests (in the case of a statistically significant difference observed in group means) (Field, 2018).

4.2 Hypothesis Testing

Considering the non-parametric distribution of the data (Table 1), the choice for a non-parametric test comparing means was made. Kruskall-Wallis tests were conducted for each hypothesis, followed by post-hoc tests when necessary. Prior to the tests being run, descriptive statistics of the computed variables were produced (Table 2).

	Kolmogorov-Smirnov		Shapiro-Wilk	
	Statistic	p-value	Statistic	p-value
LOYALTY	0.11	< 0.01	0.95	< 0.01
ONLINE	0.06	< 0.01	0.98	< 0.01
PROCESS	0.16	< 0.01	0.89	< 0.01
PROMOTION	0.10	< 0.01	0.97	< 0.01
PLACE	0.09	< 0.01	0.98	< 0.01
PRICE	0.12	< 0.01	0.95	< 0.01
PRODUCT	0.10	< 0.01	0.96	< 0.01
PEOPLE	0.14	< 0.01	0.90	< 0.01
AGE	0.28	< 0.01	0.84	< 0.01

Table 1. Tests of Normality (df = 446).

	M	SD	Skewness	Kurtosis
LOYALTY	39.80	5.93	- 0.77	0.26
ONLINE	24.24	6.20	- 0.33	- 0.12
PROCESS	8.28	1.58	- 0.78	0.35
PROMOTION	9.91	2.69	- 0.26	- 0.58
PLACE	15.01	2.42	- 0.24	0.10
PRICE	19.16	3.29	- 0.86	0.93
PRODUCT	23.91	3.67	- 0.64	0.63
PEOPLE	21.12	2.58	- 1.50	5.22

Table 2. Descriptive Statistics for Factors Measuring Loyalty (LOYALTY) and Factors Affecting Loyalty (ONLINE, PROCESS, PROMOTION, PLACE, PRICE, PRODUCT, PEOPLE).

4.2.1 Hypothesis 1

For testing H1: Generation Z and Millennials consider online presence, a strong social media following and a quick online response rate more important with regards to their loyalty than Generation X, Baby Boomers and the Silent Generation, Kruskall-Wallis test was conducted.

The Kruskall-Wallis Test revealed a statistically significant difference in loyalty levels when it comes to the online presence of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 12.863, p=.001. Millennials recorded a higher median score (Md = 25), followed by Generation Z and baby boomers (Md = 24). Baby Boomers (Md = 23) and the Silent Generation (Md = 21) recorded the lowest scores.

The Kruskall-Wallis Test revealed a statistically significant difference between generations, but further testing is necessary to discover which age groups consider online presence more important with regards to their loyalty than others. Post-hoc tests were then conducted, each time comparing two age groups until all combinations were tested, using Mann-Whitney U test between pairs of groups. A Mann-Whitney U Test revealed a significant difference between Millennials and Generation X (U = 13608.500, z = -2.521, p =.012), Millennials and Baby Boomers (U = 4369.000, z = -3.734, p = .000), Millennials and the Silent Generation (U = 556.500, z = -2.016, p = 0.444).

It is important to note that the differences between Generation Z and Generation X, Generation Z and Baby Boomers and Generation Z and the Silent Generation were almost significant. This is most likely because the questionnaire was limited to participants aged 18 and above, therefore excluding more than half of the members of Generation Z, meaning that there was a very small number of the youngest group of participants.

4.2.2 Hypothesis 2

For testing H2: Generation X, Baby Boomers and the Silent Generation consider physical presence, excellent one-on-one customer service and loyalty card perks more important with regards to their loyalty than Generation Z and Millennials, a second Kruskall-Wallis Test was performed.

The Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the physical presence of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 6.420, p=.501 (Appendices 7a-7c). The Silent Generation recorded the highest median score (Md = 47), followed by Generation X (Md = 46), Baby Boomers (Md = 45), Millennials (Md = 44) and Generation Z (Md = 43). Although there is a tendency for physical presence to be more important to people as they age, there is no significant difference between age groups. Therefore, all age groups consider physical presence to be equally important.

4.2.3 Hypothesis 3

For testing H3: The marketing mix (People, Product, Price, Place, Promotion, Process and Physical evidence) is equally important to customers of all ages, a series of Kruskall-Wallis Tests were performed for each factor of the marketing mix.

The first Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the people of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 8.993, p=.112. Generation X, Baby Boomers and the Silent Generation recorded a higher median score (Md = 22) compared to Generation Z and Millennials (Md = 21). All age groups consider staff to be equally important.

The second Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the product offerings of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 3.972, p=.572. Generation X, Baby Boomers and the Silent Generation recorded a higher median score (Md = 22) compared to Generation Z and Millennials (Md = 21). All age groups consider product offerings to be equally important.

The third Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the price offerings of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 9.237, p=.248. Generation Z, Generation X and the Silent Generation recorded a higher median score (Md = 20) compared to Millennials and Baby Boomers (Md = 19). All age groups consider price offerings to be equally important.

The fourth Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the place offerings of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 1.060, p=.847. Generation Z, Millennials, Generation X and Baby Boomers consider place to be equally important (Md = 15) and generated a higher median score than the Silent Generation (Md = 14). All age groups consider place offerings to be equally important.

The fifth Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the promotional offerings of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 1.229, p=.647. The Silent Generation (Md = 11) scored a higher median score than Generation Z, Millennials, Generation X and Baby Boomers who recorded equal median scores (Md = 10). All age groups consider promotional offerings to be equally important.

The sixth Kruskall-Wallis Test revealed the lack of a statistically significant difference in loyalty levels when it comes to the process offerings of a company across five generations (1 – Generation Z, n = 13: 18-23yrs 2 – Millennials, n = 205: 24-39yrs, 3 – Generation X, n = 157: 40-56yrs, 4 – Baby Boomers, n = 62: 57-74yrs, 5 – Silent Generation, n = 9: ≥75yrs), x2 (4, n = 446) = 4.490, p=.027. The highest median scores were recorded by Generation Z (Md = 10), followed by Generation X and the Silent Generation (Md = 9), and lastly by Millennials and Baby Boomers (Md =8). All age groups consider process offerings to be equally important.

5. Discussion and conclusions

The findings were unsurprising in relation to the literature. Younger generations who are technological natives are expected to value companies with a strong online presence more than their older counterparts. However, older generations do not value a strong physical presence more than younger ones. A strong physical presence with top notch service by knowledgeable, approachable and friendly staff is equally appreciated by customers of all ages.

The same applies to the marketing mix of a company (people, price, promotion, place and process), it is valued by all customers equally. Studies have shown that loyalty card perks, store location, competitive pricing, store offerings (being able to find more than one item under the same roof), availability of parking spots (vital in Cyprus, where the public transportation system is practically absent), promotion, store brand identity, marketing tools and strategies are all vital in creating and more importantly maintaining customer loyalty with customers spanning generations.

Businesses should always consider changes in the economy, technology and customer lifestyle when making decisions (from small purchasing decisions to large ones regarding expansions). It is key for business to know when and how to adapt and to do it quickly and effectively and to always be vigilant and prepared for what may come their way.

Future steps to maintain consumer loyalty include creating an e-commerce platform, for home browsing, home delivery or click and collect, receiving targeted newsletters based on previous purchases and interests by subscribing to the ones they are interested in, the creation of podcasts, blogs and vlogs, a book club, and the creation of a café inside the store.

It is of the utmost importance that any changes or new offerings added do not take away from the personal one-on-one service that the customers value immensely. The key is to offer excellent service; it is the only thing that online moguls cannot, and ultimately what keeps your customers coming back over decades. There is a bright future ahead for the independent bookstore industry if business owners are adaptable, flexible, open-minded, and able to take criticism.

5.1 Practical Implications

Several implications arose from this study including how important the online presence of a company is to customers, in particular younger ones. However, these customers do not only value the online presence of a company, but the physical one too. They require the expert advice of employees, the excellent one-on-one customer service provided, in addition to the expectations they have from the company's online presence. Other implications include the creation of an e-commerce platform, weekly newsletters, podcasts, vlogs and blogs, a café, and a book club.

Academic implications include the continuing research for better understanding of consumer behaviour to facilitate the constantly changing needs of the consumer and how these relate to the everchanging socio-economic landscape. Similar case studies should be conducted in the same market, in addition to other markets, with the aim of pinpointing any changes to consumer behaviour, allowing companies to adapt to them.

5.2 Limitations

Certain limitations which arose from this study include the fact that it was exclusively conducted online, perhaps limiting the number of older people (Baby Boomers and the Silent Generation) who could have taken part. There is probably also the presence of bias (this bookstore is a family business where customers know both the staff and the owners) despite the fact that anonymity was ensured. Participants could still have been reluctant to answer certain questions. Unfortunately, this type of bias cannot be alleviated in an SME, as only a limited number of the population could take part (only loyalty card holders). Another limitation is in the demographics section of the questionnaire regarding ethnicity, where nationality would have been preferable, since the majority of non-Cypriots residing in Cyprus are Caucasian. This may yield statistically significant results.

5.3 Conclusions

All the aforementioned factors, and more, build and maintain a consumer's loyalty to a bookstore. The key is to offer consistently excellent service, meaning that a customer should expect the same level of service every time they visit. Independent bookstores have been facing threats for several decades, from audio books to e-books, and from big-box bookstores to online book titans. And still, they remain a staple in communities, offering something no algorithm can. Essentially, everything boils down to the relationship between the customer and the bookstore employee, offering a connective rather than a transactional experience that one would get in a big-box bookstore. The future looks bright for the independent bookstore industry. The key, it seems, is to be adaptable, flexible, open-minded and be able to take criticism. Only then can a brand improve and ideally thrive.

The results of this study are very promising for the future of the bookselling industry. Although, unsurprisingly, the digital presence of a company (social media and online store) is more important to younger customers (Generation Z and Millennials) compared to older ones (Generation X, Baby Boomers, and the Silent Generation), it seems that the need for the physical presence of a store remains constant for customers of all ages. No business should lack an online presence in this day and age, since the younger generations of today will become the older ones of tomorrow; these are the future customers from whom companies must gain and ensure loyalty. Constant adaptation to the changing social environment around the world is the key to maintaining a successful business.

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7.1 Appendix 1 – Validity Testing

Type of Validity	Description	How can it be tested?	Has it been tested?
Face Validity	Whether or not an indicator correctly reflects on the content of the concept in question.	Secondary data Pilot testing	Yes Yes
Concurrent Validity	Entrails relating a measure to a criterion on which cases are known to differ and that it is relevant to the concept in question.	N/A Cannot be investigated as there are no similar measures to compare	N/A
Predictive Validity	An assessment of the measurement validity of a measure of a concept that uses a future benchmark as a criterion.	Primary data	Yes (Through factors predicting loyalty questionnaire – section 3)
Convergent Validity	An assessment of the measurement validity of a measure that compares it to another measure of the same concept that has been generated from a different method.	N/A Cannot be investigated as there are no similar measures to compare	N/A
Discriminant Validity	The extent to which a measure used for a concept is different in content from another measure used for the same concept, as to avoid overlap.	Primary Data	Yes (Through factors predicting loyalty questionnaire – section 3)

ONLINE GAMES: EXPLORING FUTURE POSSIBILITIES

By

Alena Terekhova

Senior Business Development Manager of Wargaming

Dr Constantinos Constantinou

Director of Research at the Cyprus Institute of Marketing, Nicosia – Limassol

Abstract

The current online virtual gaming arena must first be understood prior to making any suggestions that could power the future of videogaming. Online gaming may become a very profitable educational platform that facilitates children's acquisition of important skills in a complementary and fun way. Beyond any shadow of doubt, education is a powerful force for social change. In this article, an exploration of the benefits children and adult gamers (e.g., millennials) may derive from playing online games takes place using secondary research in an attempt to show how this could transform the education industry in the near future. This possibility may come to fruition with the help of business organisations whose online game-developer (creative) teams successfully avoid battle scenes covered in blood. A competitive advantage can support the traditional way of learning and set a point of reference for others to emulate. Future research could empirically test the psychological effects stemming from playing online games that are absent of any gory scenes. The role of ethics is vital to the consideration of this issue of online gaming. However, a discussion of this broader issue will not be included in this analysis. For the purpose of objectivity, salient limitations relating to online gaming will also be examined.

Keywords: business, education, marketing, online, pandemic, videogames.

Introduction

The main focus (or *research question*) of the present article is whether online gaming helps power the future by, for example, complementing children's education. So, certain propositions will be stated here after reviewing the relevant literature to date, with the aim of raising possible scenarios that could plausibly be of interest in the near future. A *secondary point* (or sub-concept) considers whether the gaming industry as a whole may prove to be an attractive investment, in terms of anticipated profit margins.

First, we delve into the topic of online games by discussing the complementary (or supportive) role of online games in children's education in general, before undertaking an overview of how specific games are capable of doing this in a fun way; that is, showing that there is good potential for videogames to become part of the learning journey. Afterwards, we try to place the discussion in the context of what is happening to date with the ongoing pandemic (COVID-19) and how videogames are adapting. We also use an organisation as a case study. Finally, we give some scenarios of how the education paradigm can shift, through the incorporation of videogaming into its teaching methods in the imminent future.

Videogaming amidst the COVID-19 pandemic

A plethora of individuals have turned to playing videogames during the COVID-19 pandemic, with research stressing the sociocultural importance of videogames and the potentially positive nature of the effects of games on well-being. Indeed, games have aided players in dealing with the unprecedented Covid-induced effects,[1] by providing an escape.[2] This is especially since cinemas, theatres, and other similar venues were closed for public health reasons.[3] The fact that the videogaming industry has benefited from the higher demand from gamers locked in their homes during the pandemic was noted by Netflix Inc., amongst others, who now wish to expand into videogames as well.[4]

1 Matthew Barr and Alicia Copeland-Stewart, "Playing Video Games During the COVID-19 Pandemic and Effects on Players' Well-Being'", *Games and Culture* 0:0 (2021), 1–18 (1-2).

2 Mike Snider, "Two-thirds of Americans, 227 million, play video games. For many games were an escape, stress relief in pandemic", *USA Today*, 13 July 2021, https://eu.usatoday.com/story/tech/gaming/2021/07/13/video-games-2021-covid-19-pandemic/7938713002/.

3 Megan Farokhmanesh, "More than half of Americans turned to video games during lockdown", *The Verge*, 6 January 2021, https://www.theverge.com/2021/1/6/22215786/video-games-covid-19-animal-crossing-among-us.

4 Eva Mathews, "Netflix in search of executive to oversee gaming expansion – source", *Reuters*, 21 May 2021, https://www.reuters.com/technology/netflix-looking-hire-executive-gaming-expansion-information-2021-05-21/.

In the course of the pandemic, connectivity became of paramount importance. Isabela Granic, Professor of Developmental Psychopathology at Radboud University in the Netherlands, points out that '…it's all about the social interaction,' – 'You build your own gardens with other people. You play in teams overcoming other teams and militias and whatever it is. And it's really checking a lot of those social needs in this time of isolation. And as much as kids need us, they need each other just as much.'.[5] Another perspective is presented next.

Dr. Jenny Radesky, a pediatrician at the University of Michigan studying children's' use of mobile technology, gave a significant number of media interviews at the beginning of Covid-19, advising parents not to feel guilty about permitting more screen time in view of the lockdown-induced challenges. However, she recently stated that she would have changed her advice had she known how long children would end up locked indoors: "I probably would have encouraged families to turn off the Wi-Fi except during school hours, so that children wouldn't feel tempted every moment, night and day." She also added, "The longer they've been doing a habituated behavior, the harder it is going to be to break the habit.".[6]

Benefits associated with online games: *A holistic perspective*

Videogames, an understudied industry requiring further examination, comprise a living culture in which approximately two billion individuals across the globe partake.[7] The videogame industry is a creation of the 1970s,[8] with the global videogame market in 2013 reaching $15.39 billion as based on the NPD Group (2014) – a leading information technology research and advisory firm.[9] In 2021, spending rose 13% to $37.9 billion, in comparison with the same period in 2020.[10] Online games may be advantageous to players by helping them stay engaged, that is, playing games online can have players active both mentally and psychologically. Actually, playing games against virtual enemies or human adversaries in a virtual set is as cognitively engaging as playing with a human in the offline world – and, as online games offer players the motivation to work with one another to succeed at games, it aids them in interacting better with other people at work or in their daily lives in the real world. This particularly supports introverts, given that it lets them communicate with others via a medium that is more tangibly within their control, i.e., facilitating their interpersonal communications.[11]

Evidence suggests that individuals who play videogames, such as Fortnite or Rocket League, have higher visual acuity; in other words, they are capable of keeping track of multiple moving objects at the same time or even, seeing things in the fog or rain that other people are unable to do.[12] The online multiplayer first-person shooter game Fortnite[13] can be more than a communication tool for a child, given that they may develop communication skills in this virtual context as well as learn how to collaborate in a team by sharing, for instance, health resources, during playtime. Adding to this, the popular online game Fortnite enjoys (as

5 Sean Gregory, "Don't Feel Bad If Your Kids Are Gaming More Than Ever. In Fact, Why Not Join Them?", *TIME*, 22 April 2020, https://time.com/5825214/video-games-screen-time-parenting-coronavirus/.

6 Matt Richtel, "Children's Screen Time Has Soared in the Pandemic, Alarming Parents and Researchers", *The New York Times*, 17 January 2021, https://www.nytimes.com/2021/01/16/health/covid-kids-tech-use.html.

7 Gene Park, "Video games deserve better than blanket, parachute coverage from reporters who don't get it", *The Washington Post*, 27 January 2021, https://www.washingtonpost.com/video-games/2021/01/27/video-games-screen-time-new-york-times/.

8 Michael E. Porter, *Competitive Strategy: Techniques for Analyzing Industries and Competitors* (New York: Free Press, 1980), 215.

9 NPD Group, "Research shows $15.39 billion spent on video game content in the us in 2013, a 1 percent increase over 2012", NPD Group website (2014), https://www.npd.com/wps/portal/npd/us/news/press-releases/research-shows-15.39-billion-dollars-spent-on-video-game-content-in-the-us-in-2013-a-1-percent-increaseover-2012/. In: Penn P. Wu, "Identifying an Ideal Game Programming Education for Career-Oriented Students", *DeVry University Journal of Scholarly Research* 1:1 (2014), 28-36 (28), https://www.devry.edu/newsroom/academic-publications.html.

10 Clara Molot, "Video Game Spending Hit Record for August, Boosted by Consoles", *Bloomberg*, 15 September 2021, https://www.bloomberg.com/news/articles/2021-09-14/video-game-spending-hit-record-for-august-boosted-by-consoles.

11 Sachin Uppal, "#5 Psychological Benefits of Online Games", *Entrepreneur*, 30 October 2017, https://www.entrepreneur.com/article/303860.

12 John Velez, "Is gaming good for kids?", *The Conversation*, 8 March 2021, https://theconversation.com/is-gaming-good-for-kids-153773.

13 Marcus Carter, Kyle Moore, Jane Mavoa, Luke Gaspard and Heather Horst, "Children's perspectives and attitudes towards Fortnite 'addiction'", *Media International Australia* 176:1 (2020), 138–151.

of May 2020) 350 million registered users.[14] Based on a review of research in *American Psychologist*, playing videogames (including, fierce shooter games) can improve children's learning, health and social skills.[15] It is worthwhile adding the potential monetary benefits derived from playing in tournaments, too. The publisher of 'Fortnite', Epic Games, recently launched a 'World Cup' where 40 million individuals applied to play, with the finals filling 19,000 seats at the Arthur Ashe Stadium (New York), and $30 million worth of monetary prizes awarded to the winners.[16] Thus, in spite of the infrequency of such kinds of success, a parent never knows which hobby their child might one day turn into a living.[17]

Within the context of a biopsychosocial understanding of aggression, one of the ways to fight influencing factors contributing to aggressive behaviour is avoiding violent videogames.[18] In contrast to popular belief, however, there is corroborating evidence that videogames neither normalise violence nor reduce empathy.[19] The fact that prominent meta-analyses assessing the effects of aggressive videogames on violent behavior have reached seemingly dissimilar conclusions, aggravates ongoing debate. Meta-analysis evidence suggests that although fierce videogames do augment aggressive behavior, these effects are nonetheless nearly always fairly small.[20]

Certainly, there is evidence that proves that videogames may aid in ameliorating family relationships, in the sense of family closeness as well as family satisfaction, when family members play videogames together.[21] Adding to this, videogames can help individuals make better decisions.[22] Furthermore, there are educational videogames designed to teach, for instance, a personal finance lesson on credit scores, through individual play.[23] Finally, the study of Erickson and Sammons-Lohse (2021) may form a basis for further research on, among other things, learning personal finance topics via educational videogames, and the social elements of competition/cooperation in learning.[24]

According to qualitative data emanating from 22 Nintendo DS players in Hong Kong, there is sufficient evidence to suggest that the specific game play platform acts as a social media platform facilitating people in developing new friendships.[25] Additionally, a rising body of research demonstrates that videogames can be employed to boost cognitive skills (particularly, in regards to attentional abilities).[26] There is also supporting evidence on how approaches to videogame play may comprise a reflection of real-life problem-solving styles.[27]

14 Jessica Navarro, "Fortnite: a context for child development in the U.S. during COVID-19 (and beyond)", J*ournal of Children and Media* 15:1 (2021), 13–16 (13–14).

15 Lisa Bowen, "Video game play may provide learning, health, social benefits, review finds", *American Psychological Association* 45:2 (2014), 10 (print version), https://www.apa.org/monitor/2014/02/video-game.

16 "The pandemic has accelerated the growth of e-sports", *The Economist*, 27 June 2020, https://www.economist.com/international/2020/06/27/the-pandemic-has-accelerated-the-growth-of-e-sports.

17 Keith Stuart, "Fortnite: a parents' guide to the most popular video game in schools", *The Guardian*, 16 April 2020, https://www.theguardian.com/games/2018/mar/07/fortnite-battle-royale-parents-guide-video-game-multiplayer-shooter.

18 David G. Myers, *Psychology* (New York: Worth Publishers, 2007), 756.

19 "Seven reasons playing video games is good for you", *BBC – Radio 4*, https://www.bbc.co.uk/programmes/articles/3vC526mylFr6PTz6MSfv6sq/seven-reasons-playing-video-games-is-good-for-you.

20 Maya B. Mathur and Tyler J. VanderWeele, "Finding Common Ground in Meta-Analysis "Wars" on Violent Video Games", P*erspectives on Psychological Science* 14:4 (2019) 705–708.

21 Bingqing Wang, Laramie Taylor and Qiusi Sun, "Families that play together stay together: Investigating family bonding through video games", *New Media & Society* 20:11 (2018), 4074-4094 (4086).

22 Carey K. Morewedge, "How a Video Game Helped People Make Better Decisions", *Harvard Business Review*, 13 October 2015, https://hbr.org/2015/10/how-a-video-game-helped-people-make-better-decisions.

23 Luke V Erickson and Dorothy Sammons-Lohse, "Learning through video games: The impacts of competition and cooperation", *E-Learning and Digital Media* 18:1 (2021), 1–17 (1).

24 Erickson and Sammons-Lohse, "Learning through video games", 12.

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26 Michael Frank Matern, Amanda van der Westhuizen and Sonja N Mostert, "The effects of video gaming on visual selective attention", *South African Journal of Psychology* 50:2 (2020), 183–194.

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Museums are increasingly interested in videogames and, via the use of the latest technology, such as, Augmented Reality (AR) and Virtual Reality (VR), they may seek to not only stimulate visitors' interest but also enhance their learning skills too.[28] Further, the use of AR in physical education – that is, of videogame 'engines' in tasks necessitating accuracy and skill in addition to exergames to avoid and combat obesity/aging – has already become evident.[29] Players often discuss the positive impact of videogames on their lives on game forums,[30] with evidence suggesting that action videogames may be beneficial training tools for driving as well.[31] Lastly, by including physical activity in games, AR offers an amelioration in physical health, alongside high levels of enjoyment.[32]

Positive attributes linked with specific online games

Videogames are not simply played, they are experienced.[33] At times, games may be called 'edutaining', given that they are not only fun to play but, synchronously, offer children something to learn. To illustrate this with an example, *Animal Jam*[34] comprises an online virtual world originally created in collaboration with the National Geographic Society and is suitable for ages 6-12 for Computer, iOS, Android (in fact, it enjoys 160 million registered users, making it one of the biggest virtual worlds for children).[35] Specifically, while having parental controls, it teaches kids about zoology and ecology with games, adventures and parties, besides having online social elements.[36]

Consistent with a study from Oxford University, following a collaboration wherein academics at the university worked with actual gameplay data for the first time, playing videogames may benefit people's mental health.[37] The study placed emphasis on players of Nintendo's *Animal Crossing* and EA's shooter *Plants vs. Zombies: Battle for Neighborville*.[38] It was discovered that people who played more games were inclined to report greater 'wellbeing', raising further doubt about reports that videogaming can damage mental health.[39] This is important given how children, at this time of writing, need to recover from the psychological consequences of Covid via programs tackling anxiety and depression.[40]

Even studies that reveal the shortcomings of evaluative/nonevaluative pedagogical feedback (specifically, edugame *Quandary*) fall short of discouraging English educators from going after the potentials of research and teaching germane to videogames as well as other digital tools that offer opportunities for play-based inquiry, as well as feedback on the writing of students.[41]

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Paradigm shift: *Learning via Online Games*

According to a recent survey conducted by the Pew Research Center, 97% of teenage boys play videogames on some kind of device, in comparison with 83% of girls.[42] The 2018 survey revealed an overall total of 84% of teens reporting that they owned or had access to a game console at home, while 90% reported that they play videogames of any sort – whether on a computer, game console or cellphone.[43]

In addition, Acer is teaming up with BuildAWorld for a new gaming simulation platform. This is a next generation interactive 3D simulation educational learning platform that is intended to involve students with real-world scenarios/phenomena. Gaming may create an educational future whereby teachers will be able to recreate a more engaging and connected environment where students can benefit by learning via educational videogames and simulators (e.g., acquiring skills like algebra, computer programming and flight training with simulation games enabling the development of soft skills. These can increase their sense of self-esteem, while improving socialisation and leadership skills as well as promoting team building.[44]

Videogaming: Millennials, *Gen Z and Boomers*

One of the ways that millennials are misunderstood is in being described as obsessed with videogames.[45] According to a Zogby Analytics poll carried out in late May/early June 2014 with 1,019 18-34-year-old smart phone users, a majority of 18-34-year-olds (57%) stated that they play videogames a minimum of three times a week. In terms of how significant the respondents feel that playing videogames is to the development of numerous work and life skills, two in three (67%) reported that it was important in helping them learn how to create winning strategies, seven in ten (70%) felt it helped them in learning how to solve problems, and nearly two in three (63%) noted the salience of video in teaching them how to work easily and successfully on a team - (70% of younger millennials 18-24). 59% reported videogames were a great part in aiding them resolve conflicts (64% of the younger group), whereas two in three (66%) felt playing videogames was vital to aid them 'understand new technologies that will be useful in life'.[46] This is not to mention that, in the U.S., 90% of Gen-Zers – i.e., anyone born after 1997[47] – consider themselves to be gamers.[48] In conclusion, an astonishing number of boomers, who have been gaming since childhood, continue to do so – with their preference being for 'casual' games such as, Angry Birds and Candy Crush;[49] with the latter consisting of social entertainment media that allow game playing and entertainment from one community to the other.[50] Virtual communities (e.g., Second Life) in conjunction with videogames, also comprise one of the latest frontiers for advertisers attempting to reach young consumers.[51]

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Marketing in Action

In a previously published paper titled, "Are our Battles in Online Games Enough to Attain Peace across the Globe?",[52] the authors mentioned that playing videogames strengthens children's creativity and stimulates literacy, two qualities of an excellent English class.[53] The researchers also mentioned about Bill Gates having warned that a viral pandemic, comparable to the Covid outbreak, could occur every two decades.[54] Hence, we must find ourselves prepared for such an event, by realising the advantages videogaming may entail. This is despite any findings on how engaging in digital media that offers lower social presence (including, online games) is negatively related to a sense of social connectedness.[55]

The reason the researchers chose such a topic for their previous article was that errors made in other things can sometimes be corrected afterwards, but those that are made in war – since the punishment happens immediately – cannot be corrected.[56] Thus, transferring people's battles online could form a plausible solution to, hopefully, attaining peace across the globe. This is not to mention that war is more than not being nice to each other, it is the vilest thing in human life and, therefore, one must understand that and not play at war.[57] Unless, of course, one plays online (rather than 'offline') battles that are successfully designed by organisations absent of any bloody scenes. After all, if people wish to have peace, then, they should prepare for wargames.[58]

Wargaming constitutes a good example of, amongst other things, how a company promotes online gaming with non-violent scenes. Wargaming's online game, World of Tanks,[59] recently made some changes in terms of updating its high explosives.[60] So, Wargaming remains dedicated to showing no violence or bloody scenes. Further, within the context of online games and gender stereotypes, a recent study investigating player performance in the vehicle-based shooter game, World of Tanks (WoT), unearthed evidence that even in spatially oriented game genres such as the WoT (i.e., an online tank-battle game wherein teams of 7 to 15 players battle each other in 15-minute matches with tanks of different types plus strength levels from a first-person perspective), there is increasing evidence that women/girls are just as skilled as men/boys at videogames. Thus, gendered stereotypes regarding performance ability in digital games are not accurate.[61]

Conclusion

Despite some drawbacks, the positive effects pertaining to playing videogames are becoming ever more evident. To be sure, future (desk-based) research could place emphasis exclusively on videogames and, for instance, performance levels within the educational context (through qualitative interviewing) in addition to developing a more rational way of thinking whilst behaving more responsibly.

Authors' declaratory note: Any opinions that may have been expressed in the present paper are entirely those of the authors.

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CULTURAL DIVERSITY AND ITS IMPACT ON EMPLOYEE ENGAGEMENT; A CASE STUDY ON A MULTINATIONAL ORGANISATION.

By

Evgeniya Philippou

CIM MBA Shipping Scholar

This Research Paper is part of an MBA degree in Shipping dissertation submitted at the Cyprus Institute of Marketing. The dissertation received a Distinction.

1. Abstract

The world is full of confrontations between people, groups, and nations who think, act, and feel differently. Due to globalisation and multinationalism, many international or domestic organisations are looking to expand outside their residential country and operate around the globe. Consequently, the establishment of multinational organisations leads to the need to embrace diversified working environments.

While numerous studies have been dedicated to the interconnection of cultural differences and employees' performance, productivity or communication, not much attention has been paid to the aspect of employee engagement.

The present study focused on the examination and evaluation of cultural differences and their impact on employees' level of engagement in a particular multinational organisation, specialising in oilfield services, drilling and well construction, and operating around the globe. The aim was to understand how cultural diversity and geographical disparity may influence employees' interaction, driving them to experience less or more engagement in the working process.

The research data was collected through a survey containing closed questions assembled into five sections. The purpose of the questionnaire was to identify the relevant correlation between employee engagement and both cultural diversity within the team and organisational practices, in terms of culture. A total of 116 employees from departments in Cyprus, Russia, Uzbekistan, United Arab Emirates and the Czech Republic participated in this study.

The correlation analysis of the collected data revealed that employee engagement was affected by their interaction with coworkers from other cultural backgrounds. It also demonstrated a 'strong' correlation between the organisational environment, in terms of culture and business practices, and employee engagement.

These findings provide valuable information to the management of the organisation, experiencing issues in performance, efficiency and communication between employees of different geographical locations. Based on the results, they can integrate new practices and improve existing practices to enhance employee engagement. It can also be used as a model for further exploration in this area of interest.

Keywords: Employee engagement; Cultural Differences; Multinational Organisation; Diversified Workforce; Organisational Environment

2. Introduction

Workforces are increasingly culturally diversified, due to globalisation and the expansion of businesses internationally (Olsen, 2012). Employee diversity is being recognised as a competitive advantage and strategic capability (Darwin, 2015).

However, several organisations experience challenges with the performance of their workforce due to barriers arising from cultural diversity or difficulties in cross-culture communication. In some cases, this occurs as a result of limited knowledge, insufficient due diligence or a lack of intercultural communicative skills, and leads to uncertainty, ethnocentrism, and a lack of team cohesion. For this reason, the establishment of a comfortable and inclusive working environment and proper management of a culturally diversified workforce is essential for the well-being of any multicultural organisation.

Employees' cultural diversity brings challenges to cooperation between workforce groups with varied cultural backgrounds. Undoubtedly, organisational performance and economic results depend on the involvement and engagement of individuals and groups within their workforce. Differences in mentality, set of values and beliefs, ideology, understanding of social concepts within the workforce, and even different views and expectations of the leader could result in frustration and damage to commitment or engagement within an organisation. Moreover, organisations are expected to establish an appropriate organisational culture to promote diversity and encourage the cooperation of employees from different backgrounds, something that is beneficial for all parties.

By conducting this study, it was expected that two hypotheses would be confirmed or rejected:

Hypothesis One is that employees' cultural diversity impacts their level of engagement.

Hypothesis Two is that there is a correlation between employee engagement and organisational practices in terms of culture.

The aim of the present study was to identify the correlation between cultural diversity and employee engagement within an international organisation. In this regard, there were three main objectives:

Objective One was to identify which underlying aspects related to cultural diversity impact employees' levels of engagement.

Objective Two was to investigate the effect of cultural differences on employees' levels of engagement.

Objective Three was to analyse the impact of the organisational environment in terms of culture on employee engagement.

3. Literature Review

Definitions and Classifications of Culture

There are two main types of cultural terminology. The first one is national culture, concerning differences between groups in geographical or national regions, and the second is organisational culture relating to different employee practices and values within organisations. National culture is defined as 'the collective programming of the mind that distinguishes the members of one category of people from another' (Hofstede, 2010). It means that even though humans, in general, have similar universal characteristics in behaviour, they are distinguishable in accordance with their national or regional culture. The categorisation and distinction of cultural groups becomes necessary in order to predict how employees generally behave, to comprehend the reasons behind their actions and decisions, and to manage to unify and standardise policies for the avoidance of offence. Various factors, such as religion, language, race, nationality, political affiliations and educational background are associated with different cultures.

One of the most recent studies has been completed by a group of scholars led by Robert House and called GLOBE (Global Leadership and Organisational Behaviour Effectiveness). The group developed nine cultural categories based on the results of their research, which include: Power Distance, Uncertainty Avoidance, Assertiveness, Institutional Collectivism, In-group Collectivism, Future Orientation, Performance Orientation, Humane Orientation, and Gender Egalitarianism. It is argued that, although the GLOBE study focused on 61 societies, the results can be fairly applicable for all regions around the globe. The nations grouped into the same cluster demonstrate high cultural similarities. In contrast, countries in distant clusters illustrate significant cultural differences. According to Figure 1 below, Greece (and presumably Cyprus) and Russia belong to the same Eastern Europe cluster. Uzbekistan and the United Arab Emirates are most likely to belong to the Middle East cluster, and the Czech Republic could either belong to Eastern Europe or the Germanic cluster. Therefore, even though some countries share some similar cultural dimensions, they can also demonstrate significant culturally distanced characteristics.

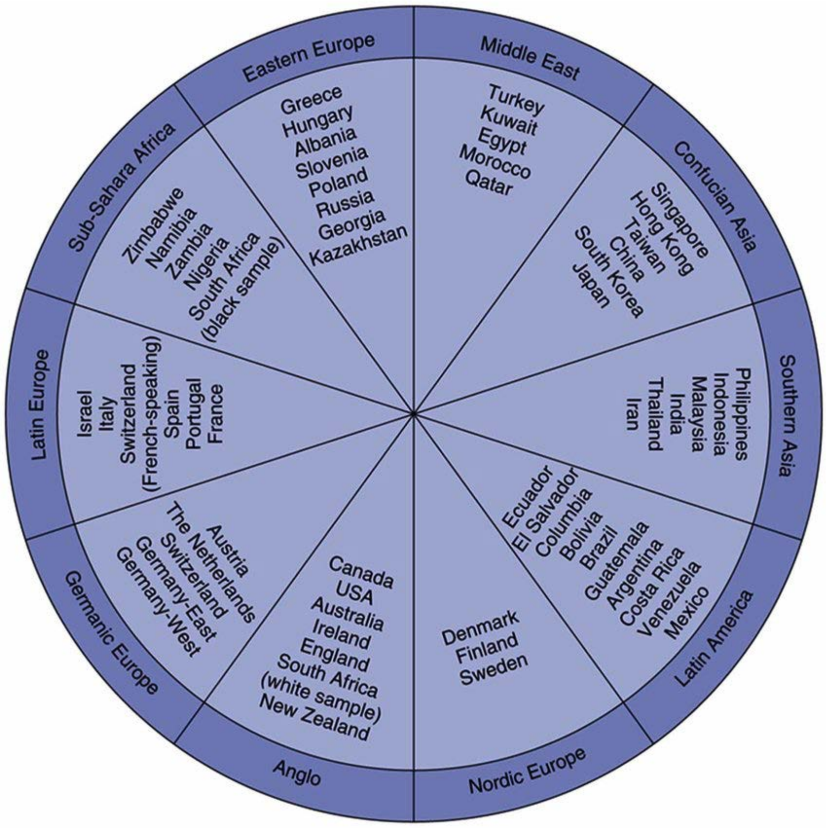

Figure 1. Country Clusters (GLOBE – House et al. 2002)

One of the most popular, comprehensive and widely used studies concerning national values and cultures at the national level, was conducted by Geert Hofstede. This quantitative cross-cultural study categorises 'country culture scores' into dimensions that influence the actions and values of a person:

- Collectivism versus individualism
- Power distance
- Uncertainty avoidance
- Femininity versus masculinity
- Long-term versus short-term orientation

These dimensions were used as a tool to define how culturally close or distant populations in the present study are. Each country was categorised according to its dimensional score, which is based on Hofstede and other researchers' data, and cross-compared in a chart, presented in Figure 2.

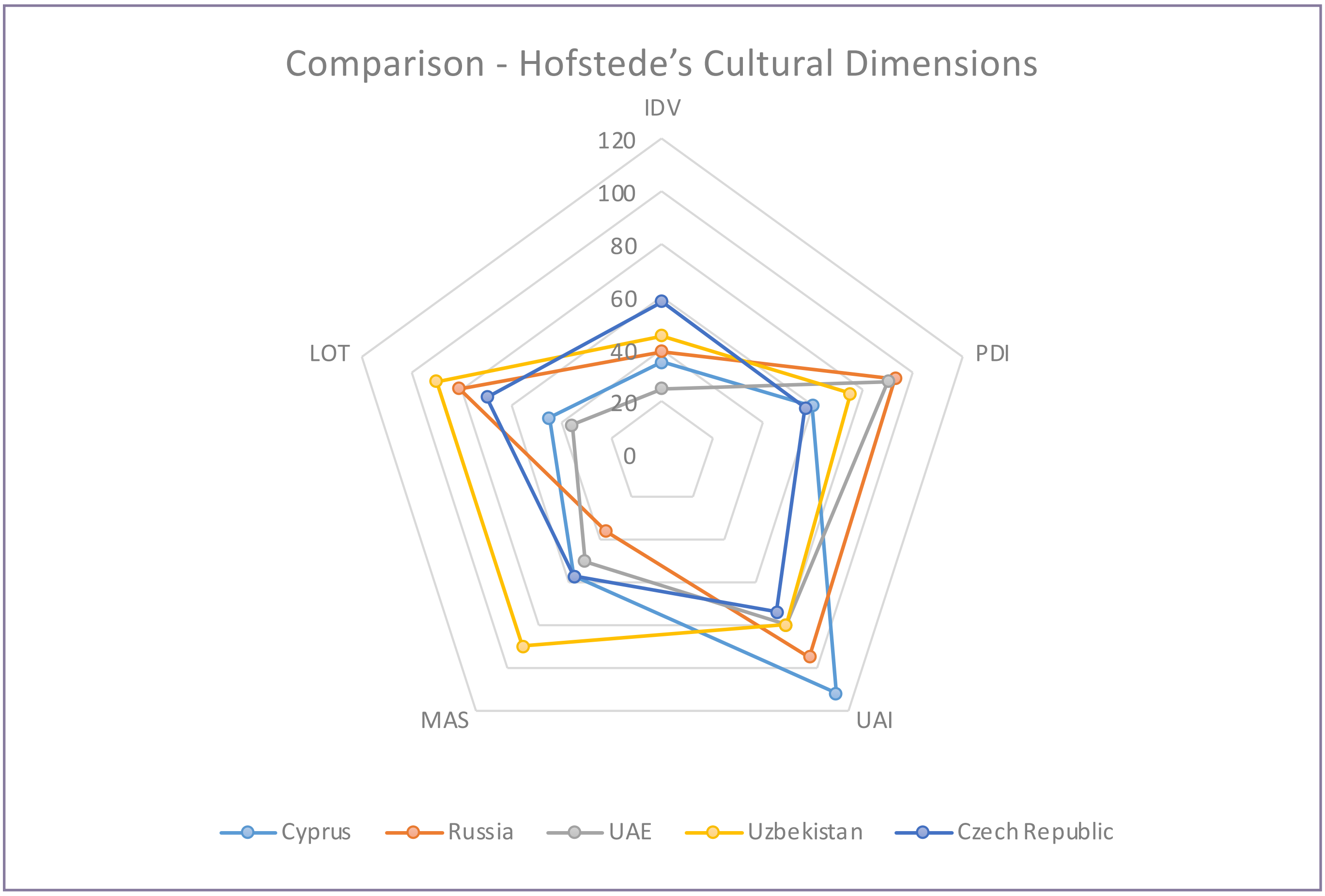

Figure 2. Countries comparison based on Hofstede's Cultural Dimensions framework

Analytical description of the cultural dimensions for each country, and its comparison based on the performed research analysis follows below:

Collectivism versus individualism (IDV).

In individualist societies, people tend to be independent, self-sufficient, and only closely tied with their immediate family members. On the other hand, people in collectivist societies are more integrated into strong groups. Based on the performed analysis, Cyprus, Russia, and the United Arab Emirates are ranked as countries with a collectivistic society. Uzbekistan falls in the middle ranking and the Czech Republic is found in the Individualist society, meaning that this group of employees would rather focus on their own achievement and build relationships with employees based on mutual advantages.

Power distance (PDI)

Employees in organisations with a high score of Power distance accept hierarchy, inequalities, and subordinations. In such organisations there is a clear gap between management and other personnel. The power is centralised in a few hands, and subordinates are expected to obey the instructions of their management. All five sample countries demonstrate a high score of Power distance, but with the Czech Republic and Cyprus scoring significantly less than the remaining countries. In that context, employees would expect easier access to management, partial participation in decision making, and they would prefer lower levels of supervision.

Uncertainty avoidance (UAI)

A high uncertainty avoidance score indicates that people tend to feel better with strictly established rules connected with formalisation and security. People in weak uncertainty avoidance countries tend to be more strategy and achievement oriented.

Cyprus presents an extreme score on Uncertainty avoidance, meaning that people feel uncomfortable in ambiguous situations and are intolerant of the unknown and unexpected. At the opposite end of the scale, the Czech Republic demonstrates a lower score for uncertainty avoidance. This means that employees act more tolerantly to change in their job, and they feel more freedom of expression.

Femininity versus masculinity (MAS)

In masculine societies, people are more focused on recognition, competition, assertiveness, challenges, and earnings above the quality of life. In contrast, feminine societies are more concentrated on cooperation, security of their employment, being on good terms with colleagues and supervisors, and caring for the weak.

Russia shows a very low score in this dimension meaning that it is a strongly feminine country. Uzbekistan, by contrast, is an extremely masculine country, with people oriented towards clear goals and targeting achievement and success. The other countries demonstrate a medium rank of masculinity. Here, people have a balance between being success-oriented and their quality of life.

Long-term versus short-term orientation (LOT)

Countries with a higher score in this dimension tend to be more pragmatic and thriftier, whereas countries with a lower score tend to be more value-driven and nationalistic, with a preference for maintaining traditions. Russia, Uzbekistan, and the Czech Republic demonstrate high scores, being more long-term oriented. These populations can easily adapt to changes of conditions. On the other hand, Cyprus and the UAE maintain a more normative way. They treat traditions with respect and focus on the fulfillment of social obligations.

Another notable theory was created by Edward T. Hall, who categorised cultures into groups of either high or low context. He pointed out that people belonging to the high-context category can experience irritation and low patience in a communication process with low-context people. In comparison, low-context people can be provided with less information while interacting with people in the high-context category.

Based on these classifications, the United Arab Emirates and Cyprus fall into the category of high-context cultures, while Russia and the Czech Republic are categorised as low-context cultures. According to Dadabaev (2004), Uzbekistan culture is a high-context one.

Organisational culture

Organisational culture is defined as a cognitive framework that includes attitudes and values, behavioral norms, habits and collective thinking adopted by an organisation. Organisational culture is related to employees' practices and habits. It sets mechanisms and regulations for employees' behaviour and is linked to the national culture of employees.

Diversified teams must be provided with well-built, managed organisational culture to function effectively and establish competitive advantages. In particular, organisations with international departments and geographically dispersed employees need to integrate the appropriate culture to ensure a high level of conformity among members.

Globalisation brings with it concerns for how to successfully create, and efficiently manage multi-cultural teams. Thus, for the past few years, a fair number of studies related to cultural diversities and their impact on business have been conducted. For instance, Jackson et al. (2003) stated that ethnically homogenous working teams demonstrate better performance than diversified ones. Joshi and Roh (2007) reported a non-significant correlation between ethnic diversity and performance. Jones (2005) found that multiculturalism tends to negatively impact a group's performance. Jehn et al. (2004) suggested that group heterogeneity exerts both positive and negative effects on group outcomes. It is agreed, however, that the environment and context of the workplace significantly influences the impact of diversity on performance.

Managing a diversified workforce is a challenging process. Various occasions related to poor management can lead to employees' resistance (Antwi-Boasiako, 2008), resulting in low performance and poor cooperation among diversified colleagues.

Gray and Larson (2003) propose to overcome such challenges and cultural bias by creating standard practices, promoting communication and cooperation in sharing information.

There are various studies which have revealed the positive impact of the ethnical diversity of a team on innovations and creativity, because of the opportunity to learn and share alternative views (Alesina and La Ferrara, 2005).

A Forbes study on this approach concluded that 'the best way for new ideas to be developed is through a diverse workforce'. Various studies have noticed the positive impact of ethnic diversity on a team's productivity and performance (Gupta, 2013). A variety of cultures within organisations usually leads to better problem solving, due to the capacity to approach aspects from several points of view, with different cultural mindsets.

As to the above, culturally diversified personnel allow the organisation to enhance vision and innovation, benefiting from a wide range of approaches, ideas and strategic methods.

Looking at situations from several different angles, because of the variety of ethnic backgrounds and mindsets, eventually leads to a greater quantity of ideas and possible solutions for critical matters, according to Martin (2014).

Having management coming from different cultural backgrounds can be a source of ideas, new practices and approaches, and the integration of 'challenge culture' (Travis, 2018). A multinational workforce can be seen as a source of concentrated knowledge and new ideas, or diverse points of view on existing aspects. It also helps to keep up in a dynamic environment, staying alert for upcoming changes, and hence remaining competitive.

Employee Engagement

Employee engagement is defined as the level of participation of a person within their job responsibilities, and it can be related to their volume of achievements within the employer's requirements. Engaged employees can see the company as a whole and realise the purpose, position and role they have to engage with. This leads to improved decision making, enhancement of performance, and drives an organisation to outperform its competition. In contrast, disengagement can result in harm to a business. The level of employee engagement is crucial to organisational and staff performance and can be impacted by various conditions within the business.

Autonomy: It is necessary for employees to be trusted in making decisions to perform their job in the best way. When the employee is free to decide how to manage tasks, they feel the need for commitment and value themselves as assets to the business.

Coworker Relationships: The relationship with coworkers is of great importance, especially when colleagues collaborate closely. Respect between workers can empower individual performance and enhance teamwork as well.

Fairness: It is critical for employees to feel that they are treated fairly, including the employee's feeling about the job, how this job compensates them, how much respect they are receiving from their managers and colleagues.

Feedback: Feedback helps employees to realise when they meet expectations, improve and progress.

Goal Support: Whether employees have the means needed to achieve goals. Are they lacking the support to reach important milestones? Support is vital to success in given tasks.

Leader Availability: The leader should be approachable, visible, and accessible when required. Otherwise, employees may see the leader as disconnected from them.

Meaning: Meaningful work is one of the pivotal aspects of employee engagement, in that employees involved with their work see value or a sense of purpose. Other meaningful factors are the business status, compensation, and an inspirational environment.

Professional Development: Every individual deserves to have opportunities for professional development. Access to the right resources and the encouragement for individuals or teams to seek opportunities can favour both the employee and the business.

Shared Values: Shared work attitudes, values, and principles between coworkers aid in the establishment of a mutual interest in success.

Taking into consideration all the previous theories and findings, as presented and analysed earlier, it is concluded that employee engagement can be impacted by various aspects and factors which are related to cultural differences.

Language barriers, religion, or geographical location may affect coworkers' relationships, driving employees to prefer groups and communities based on linguistic or other similarities. This fact can reduce productivity and performance, as employees may tend to avoid excessive and unwanted communication, for example, with coworkers of other linguistic groups. To this end, an organisation must provide the appropriate business culture and internal set of values, supporting the efficient collaboration of employees as a whole.

Autonomy is an additional factor related to employee engagement, and can either be impacted by the elements of an individualistic or collectivist society. An employee from a more collectivist culture might feel frustrated and disengaged if they are expected to act in an autonomous and independent way.

Power distance in culture affects the employee's perception of respect, trust, and a feeling of fairness. An employee coming from a culture with low power distance, working with an approachable type of a leader, would experience disconnection and disengagement in an environment with high power distance. Employees from low power distance cultures consider frequent evaluations and feedback as an attempt to control.

Uncertainty avoidance can affect employees' feelings of fairness and comfort. For instance, an employee from a low certainty avoidance society and with a strict set of principles, rules, and procedures, could demonstrate low engagement because of certain expectations of consistency of work, limits of creativity and freedom of expression.

The form of feminine or masculine culture can affect employees' relationships and sense of fairness. Employees from feminine societies can experience disengagement in a masculine-cultured organisation, due to the high level of competitiveness amongst coworkers.

4. Framework and methodology

Participants and Demographics

The research sample was composed of 116 employees of the particular multinational organisation. From the total number of participants, 35 were located in Cyprus, 23 in the United Arab Emirates, 21 in Uzbekistan, 20 in Russia, and 17 in the Czech Republic. All respondents were between the ages of 18 and 65 years old, divided into the categorical ranges of 'Under 25' up to 'Over 56'. Most of the respondents belonged to the age groups of 26-35- and 36–45-year-olds with 42.24% and 37.07% respectively. The descriptive statistics of the respondents revealed that the number of female participants consisted of 63 people, while the male respondent percentage was less by 15.87 % and consisted of 53 persons. The demographic results demonstrated that 31.03% of participants had been employed in the organisation for more than 6 years.

Materials

The survey was comprised of five sections. The initial section required general information about the respondent. The remain four sections contained closed-ended questions based on the Likert five points scale with (1) Strongly Disagree to (5) Strongly Agree.

The first set of questions aimed to measure employees' overall engagement and satisfaction with their current employment. The second set questioned the reason for engagement or disengagement. The third part was related to employee communications and interaction with their co-workers of different cultural backgrounds. The final part measured the organisation's involvement with cultural diversities and its intentions for creating a comfortable environment.

5. Discussion and Survey Results

The first set of questions, measuring employees' level of engagement, presented in Table 1 below, revealed that the majority of the respondents expressed high engagement in their working process within the organisation, with 49.14% Agree and 26.72% Strongly Agree answers. However, 11.2 % admitted low engagement, and 12.93% remained neutral, something which could be harmful for an organisation, to some extent. Based on the answers to questions two and three, demonstrated in the Table 1, most of the employees would recommend the organisation to their significant others, because of its culture, and could see a further career path for themselves. This can be true due to various factors. Employees can feel disengaged, have no sense of personal accomplishment or feel disconnected from the organisational systems and values, etc. They can feel uncomfortable or at odds with the organisational culture. 74.14% (with 56.90% Agree and 17.24% Strongly Agree) of employees had feelings of personal accomplishment, with 13.79% remaining neutral and 12.07% feeling non-fulfillment. 17.24% of employees saw no career path in the organisation.

No.	Question	SD	D	N	A	SA
1	I have a feeling of personal accomplishment working for the organisation.	3.45	8.62	13.79	56.90	17.24
2	I see a path for my career advancement in the organisation.	6.03	11.21	15.52	50.86	16.38
3	I would recommend the organisation to my friends due to its culture.	4.31	11.21	17.24	44.83	22.41
4	I feel highly engaged with my work at the organisation.	5.17	6.03	12.93	49.14	26.72

Table 1. Employees' level of engagement

As for the distribution of the results related to employee engagement within various departments, presented in Table 2 below, the highest scores are observed in Cyprus and Uzbekistan. The low standard deviation 0.74 and 0.76 respectively, demonstrated a slighter difference in opinion among participants from those departments. The highest mean score (3.98) recorded was at the department in Cyprus.

The lowest mean score was found at the department in the Czech Republic, which is also more culturally distanced from the other four presented departments by IDV, UAI, LOT dimensions, according to Hofstede's Dimension theory. This fact can influence employees' perception of business practices and the ways of interaction with dispersed colleagues, creating mistaken expectations and miscommunications.

Department location	N	Mean	Standard Deviation
Cyprus	35	3.98	0.74
Czech Republic	17	3.28	1.07
Russia	20	3.69	1.00
United Arab Emirates	23	3.66	0.99
Uzbekistan	21	3.80	0.76
Total	**116**		

Table 2. Employees' level of engagement within various departments

The second section of the questionnaire's main part was designed to measure the working environment and causes that might lead to higher or lower engagement of personnel (Table 3).

No.	Question	SD	D	N	A	SA	Mean	St. Dev.
1	I am frequently provided with feedback on my performance.	4.31	16.38	23.28	44.83	11.21	3.42	1.03
2	My opinion is considered and valued.	3.45	10.34	22.41	48.28	15.52	3.62	0.98
3	My manager/supervisor shares decision making power with me.	12.07	8.62	18.10	43.97	17.24	3.46	1.23
4	The organisation provides a supportive and comfortable working environment.	1.72	12.07	15.52	40.52	30.17	3.85	1.04

Table 3. Employees' environment related responses (%)

The mean value for the questions, demonstrated in the Table 3, ranges from 3.42 to 3.85 with a standard deviation score 0.98 – 1.23. The highest mean value (3.85) was recorded for the question on whether the organisation surrounds the employees with a comfortable and supportive environment. This score demonstrates that the organisation takes some actions to provide employees with a comfortable working environment, which is one of the factors, influencing employee engagement.

The lowest mean value (3.42) was observed for the question of whether employees are being provided with feedback regularly. The provision of feedback is a crucial tool to enhance employees' ongoing development and build their confidence. Without constructive feedback, it is nearly impossible to create a successful and effective team.

63.8% of employees stated that their opinion is valued, 61.21% stated that they can influence decisions taken by the management, with 20.69% Disagree or Strongly Disagree. The high percentage of negative answers to the question concerning decision making power can be justified by the large size of the organisation, having a tight hierarchical structure, and the dominance of cultures with High power distance (Russia and Uzbekistan).

No.	Question	SD	D	N	A	SA
1	I feel comfortable working with my co-workers and I feel respected as a team member.	1.72	2.59	14.66	52.59	28.45
2	I am encouraged to learn about my co-workers' cultures and background.	2.59	12.07	24.14	48.28	12.93
3	I feel comfortable interacting with co-workers from other geographically located departments.	2.59	7.76	12.07	50.00	27.59
4	I can successfully communicate with colleagues of other cultural backgrounds.	0.86	6.03	16.38	43.97	32.76
5	It's been challenging to assimilate to the new environment at the beginning of my employment.	13.79	31.03	19.83	27.59	7.76

Table 4. Perception of employees from other cultural backgrounds (%)

Table 4 demonstrates that 52.59 % of respondents agreed that they cooperate well with coworkers and feel valued members of the team, whereas 28.45% strongly agreed and 14.66% were neutral on this matter. As for communication and interaction with colleagues from other cultural backgrounds, an insignificant percentage of respondents claimed that they experience difficulties in cooperation (2.59%) and successful communication (0.86%) with coworkers from other cultural backgrounds (Table 4). About 44.82% (with 13.79 % strongly disagree and 31.03% disagree) stated that they have not experienced any challenges to integration into the working environment at the beginning of their employment. However, 35.35% of respondents faced challenges in assimilation. This might be related to the presence of a dominant culture, or to personal difficulties of the respondents themselves, caused by changes in the working environment.

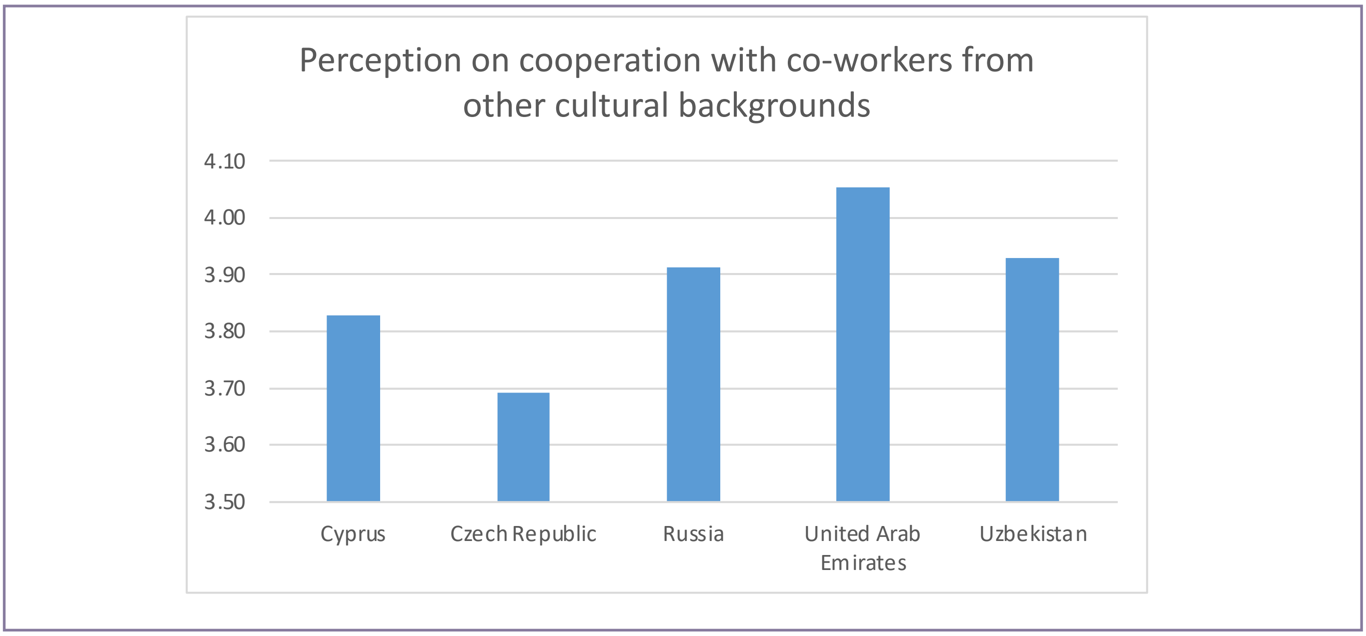

Figure 3. Perception on cooperation with co-workers from other cultural backgrounds divided to departments.

As for the summary of employees' perceptions towards interaction with coworkers from other cultural backgrounds, provided in Figure 3, the highest mean scores were demonstrated by employees from the departments located in the United Arab Emirates (4.05), Uzbekistan – (3.93) and Russia (3.91). The lowest scores were seen in the Czech Republic (3.69) and Cyprus (3.83). Those two departments have a significantly smaller population compared to the main headquarters located in Russia and Uzbekistan. This fact can affect employees' perception on interaction with colleagues from the main departments. Employees located in smaller departments can experience feelings of unimportance, irrelevance and distance.

The final part of the questionnaire measured the organisation's involvement with cultural diversity and the creation of a comfortable environment. The results, summarised in Table 5 below, revealed that about 60.34% of the respondents believed that the organisation promotes diversity and inclusiveness for all employees (with 46.55% Agree and 13.79% Strongly Agree), whereas 29.31% remained neutral and 10.35 % Disagreed or Strongly Disagreed. Only 50% of the respondents agreed that the organisation provides free expression of beliefs and ideas and 48.28% stated that diversity is promoted by the leadership. Such results could be interpreted as an indication that half of the employees feel that their freedom of expression is limited to an extent and the organisation is not dedicated enough to the diversity of the employees. Those respondents can have the feeling of being outsiders and unimportant team members, which can directly lead to their disengagement.

Notably, 59.48% of respondents claimed the presence of a dominant culture within the organisation, with only 2.59% Strongly Disagree and 12.07% Disagree. Even though the organisation is involved with diversity and inclusiveness, the presence of a dominant culture can affect employees' cooperation and engagement. 16.38 % of employees felt that they were not given the same opportunity as others (Table 5).

No.	Question	SD	D	N	A	SA
1	The organisation is dedicated to inclusiveness and diversity.	2.59	7.76	29.31	46.55	13.79
2	The organisation offers equal opportunities to all employees and encourages career growth.	4.31	12.07	25.86	43.97	13.79
3	The leadership promotes diversity and expresses its importance.	1.72	11.21	29.31	48.28	9.48
4	The organisation provides an environment for free and open expression of ideas, opinions and beliefs.	3.45	10.34	20.69	50.00	15.52
5	There is a clear expression of corporate values and beliefs within the organisation.	2.59	8.62	24.14	47.41	17.24
6	The work process is built according to a dominant culture.	2.59	12.07	25.86	35.34	24.14

Table 5. Perception of employees on organisational culture and working environment (%)

As for the mean score divided by departments and shown in Table 6, the highest result was demonstrated by the respondents from the United Arab Emirates with score 3.96 and Cyprus with score 3.71. Remarkably, the lowest mean score was demonstrated by employees from two dominant cultures of the organisation - Uzbekistan with score 3.33 and Russia with score 3.45. This fact can be understood as those employees coming from dominant cultures (and being the majority) and having no necessity to assimilate or adapt to other cultural backgrounds.

Department location	N	Mean	Standard Deviation
Cyprus	35	3.71	0.93
Czech Republic	17	3.47	0.85
Russia	20	3.45	1.08
United Arab Emirates	23	3.96	0.96
Uzbekistan	21	3.33	0.97

Table 6. Perception of employees on organisational culture and working environment summary

- ***Hypothesis One: Employees' cultural diversity impacts their level of engagement.***

First of all, a Pearson correlation coefficient was estimated to determine the relationship between employee engagement and interaction with colleagues from other cultural backgrounds. The results, presented in Figure 4, revealed a positive relationship between variables. The value of the correlation coefficient is 0.723, which falls in the category of 'strong' (Dancey, 2007), with a statistical significance p-value less than 0.01. R Square was 0.37, meaning that the observation of this model does explain at least 37% of the data which is academically acceptable (Osborne, 2000). Thus, Hypothesis One was confirmed by the results of this study.

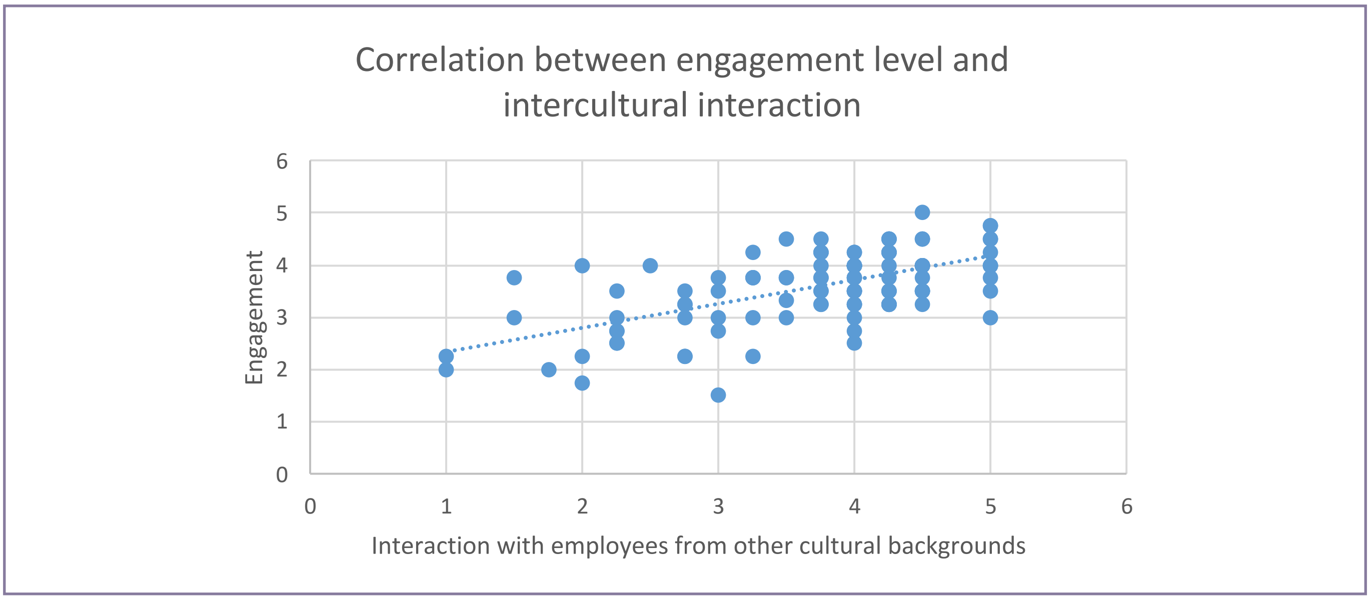

Figure 4. Correlation between engagement level and interaction with coworkers from other cultural backgrounds (r = +0.724)

- ***Hypothesis Two: There is a correlation between employee engagement and organisational practices in terms of culture.***

Based on the results of the Pearson correlation test and a regression analysis, there was a positive relationship between employee engagement level and organisational practices toward diversified personnel (Figure 5). Such practices consisted of dedication to and promotion of diversity, the establishment of a positive inclusive working environment, and the encouragement of development and career growth. The value of the correlation coefficient is 0.714, which falls in the category of 'strong'. The p-value is less than 0.01 and R Square is 0.51, which is academically acceptable, according to Osborne (2000). Hypothesis Two was therefore confirmed by the findings of this study.

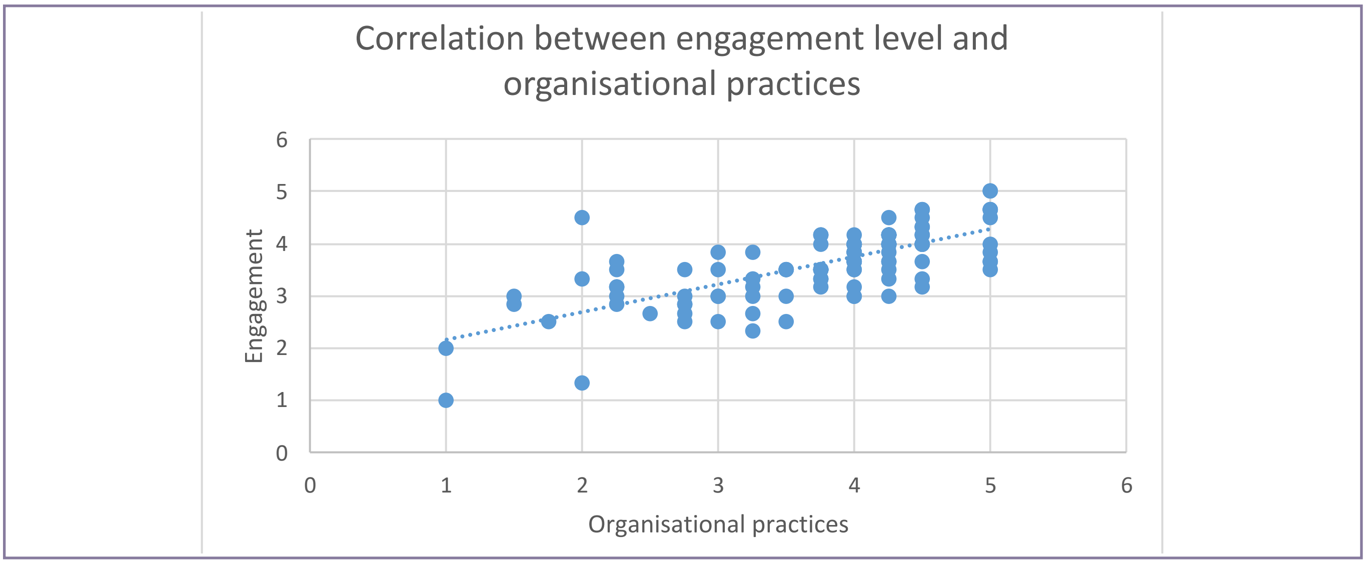

Figure 5. Correlation between engagement level and organisational practices toward cultural diversity (r= +0.714)

Even though 75.86 % of the respondents said that they felt engaged (49.14% Agree and 26.72% Strongly Agree), 12.93% remained neutral and 11.2% chose to Disagree or Strongly Disagree. 17.24% saw no career path in the organisation and 15.52% remained neutral. The high percentage of neutral answers of the respondents can be taken as indifference or an unreadiness to answer, possibly to avoid expressing their disagreement with the current status in the department. The neutral position could most likely relate to indifference with opinions investigated through the survey. Equally, such a fact could rather demonstrate unwillingness to see a path for improvement within the organisation.

Of note, the fluctuation in results for employees' perception of interaction and cooperation with co-workers of other cultural backgrounds was significant among the departments. Participants from the Czech Republic and Cyprus departments demonstrated the lowest mean scores – 3.69 and 3.83 respectively. The Czech Republic is the only society from those presented in this study, grouped to the category of individualistic, according to Hofstede's dimensions. This fact can impact employees' perception of the company's values and goals, especially once compared to their own goals and objectives. Employees would really expect to be autonomous and focus on their own achievements. As a fact, this may negatively impact their relationship with the management and coworkers and result in lower engagement.

Cyprus and the Czech Republic are the only societies from those considered in this study demonstrating the lower Power Distance Index, according to Hofstede's dimensions. The employees of these societies expect to have low supervision and easy access to management. This is in contrast with the rest of the departments, which belong to high distance societies. This contrast can impact employees' autonomy, the desire for further professional development, the expectation of feedback, and their approach to management.

Nevertheless, employees of the Cyprus department demonstrated a lower mean score on intercultural interaction, with their score for the measurement of engagement being the highest, at – 3.98. This can be justified by the high score of employees' perception regarding the organisational working environment and culture, being - 3.71. Thus, employees' engagement level is somewhat influenced by the established organisational practices and values, which confirms the formed hypothesis about the correlation between those variables.

It is important to pay attention to this conclusion: Having those employees satisfied and driven, while they demonstrate weaker bonding with other cultures, demonstrates that the organisation is succeeding in keeping the personnel committed, even if it is missing the point with a low level on interpersonal relationships within departments.

6. Conclusion

The research aim of this study was to identify the correlation between cultural diversity and employee engagement. The performed analysis revealed that interaction with employees from other cultural backgrounds impacts engagement. It was concluded that the employee engagement of the particular organisation is affected when cooperating with colleagues from other geographically located departments. This correlation was determined as 'strong'. Specifically, those who stated that they were engaged with their work, also demonstrated a higher percentage of successful involvement with colleagues of different cultural groups, stating that as a pleasant and enjoyable experience.

Adding to this, the study revealed the correlation between the organisational environment, in terms of culture and business practices, and employee engagement. The promotion of diversity, an encouragement to meet with other employees' culture, inclusiveness, and freedom of expression define the employees' engagement. Based on the research findings, the great majority of employees seemed to be satisfied with their working conditions, in respect to their involvement in personal and group duties. Diversified teams, provided with well-built, managed organisation, proved to function effectively and establish competitive advantages by having engaged employees.

Both hypotheses were confirmed during the research process and demonstrated by the results of this study.

There were obvious limitations faced by this study. To begin with, the sample size consisting of 116 employees involved in office related positions, is considered too small when compared to the total number of employees, being more than 11 000 people. For this reason, the results of this study can hardly be used for generalisation or to safely be considered as given for other populations within and outside the organisation.

Furthermore, employees might not have answered the questions truthfully, due to the belief that the final statistical results could upset the management.

Additionally, there was a risk of the selection of random answers by participants who failed to read the details correctly, or be properly involved in the procedure. The respondents were not offered an additional option for expression of their thoughts other than answering closed-ended questions.

Last but not least, the set of questions used in the survey was too general and did not analyse any specific aspects of cultural differences. It was constructed on the assumption that the respondent would express their own general understanding about the engagement, cultural differences and related aspects.

Application of Hofstede's national cultural dimension to distinguish cultural backgrounds of samples cannot be considered as an absolutely accurate tool. Even though the method is widely used nowadays, it is necessary to point out that there are variations and mixtures of cultures or subcultures within a country. An individual can share common attitudes which are characteristic for a specific country, however, s/he might be influenced by the presence of subcultures. Therefore, an individualistic approach could be more accurate but less feasible.

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AUTHORS

Alena Terekhova

Byung Min Shin

Constantinos Constantinou

Denis Murphy

Derek Watson

Dimitra Christou

Dinos Kerigan-Kyrou

Evgeniya Philippou

Garcia Green-McLennon

Georgia Thrasyvoulou

Jerome Johnson

Lama Swas

Myria Kkali

Nicos Antoniades

Odai Alsalahat

Ployvipa Usaha

Sofia Stella Christou

Alena Terekhova is Senior Business Development Manager and former Global Product Marketing Director of Wargaming (World of Warships: Legends and Brand Communication Lead of World of Warships), based in Nicosia, Cyprus. Ms. Terekhova has developed and executed global brand communication and marketing campaigns for such brands as World of Warships, World of Tanks, KIA, Mazda and Land Rover. At Wargaming, she directed media campaigns to attract over two million new players to World of Warships: Legends, available on PS4 and Xbox One. She also introduced Wargaming to celebrity marketing by running their first collaboration with an action hero actor, Steven Seagal, later signing on the ice-hockey player and Stanley Cup winner, Alexander Ovechkin. Before this, she conducted global creative production to support marketing activities and led brand communication for World of Warships. In the automotive industry, she developed and delivered a Regional GoToMarket brand strategy for a new KIA AutoCenter in Belarus. Earlier, she led brand communication for Mazda and Land Rover, where she organised an initial showcase for a Mazda concept car in Belarus during the MotorShow 2011, promoting MAZDA as the outstanding auto brand in the region. Alena also launched a client relationship event program to increase the sales of Mazda and Land Rover cars and raise the quality of customer service at the AutoCenter. She is an expert in PR, media buying, influencer marketing, business development and budget planning.

Contact info: a_terekhova@wargaming.net / terehova1310@gmail.com.

Constantinos Constantinou is Director of Research and Head of Undergraduate Studies, Nicosia in addition to being a Lecturer in Marketing at the Cyprus Institute of Marketing. He is also the Editor-in-Chief of *The Market: International Journal of Business* and has previously served as a post-doctoral Research Fellow, as well as Associate Director of the Cyprus Centre for Business Research – CIM. Moreover, he has worked as a Research Fellow at the Centre for European and International Affairs, at the University of Nicosia (UNIC) and as a Media and Communication Trainee at the European Defence Agency, in Brussels. He holds a PhD in Business Administration from the European University Cyprus (EUC), an MA in International Relations and European Studies from UNIC and an MBA/BA in European Studies from EUC. His research focuses on political marketing and communication, specifically, on the marketing of war.

Contact info: constantinos@cima.ac.cy.

Denis Murphy is Chief Administrative Officer with the Association for Dental Education in Europe and adjunct faculty with the Institute of Leadership with the Royal College of Surgeons in Ireland (RCSI), where he lectures on healthcare quality improvement theories and practice. With over 25 years of work in both the public and private sector, his professional career currently blends professional and academic practice. He is a board member of the Nursing and Midwifery Board of Ireland, Council member with the CHKS Assurance and Accreditation service, and Chairperson of Dublin's South Inner City Community Development Association. Denis holds an MBA, an MSc in Management and Business Research Methodologies and a Post Graduate Certificate in Professional Studies in Education. He is currently a Professional Doctorate candidate with the University of Sunderland, UK.

Contact info: denis.murphy@adee.org.

Derek Watson is an Associate Professor and Senior Fellow of the Higher Education Academy, founder of the Faculty 'Business Clinic' and the Doctoral lead for the University's 'Research Fridays' programme. He has rich experience of mapping skills requirements in emerging sectors. Dr. Watson has extensive links and networks as a result of sourcing and embedding external engagement opportunities across the curriculum, with an international portfolio of clients and contacts, such as the British Cabinet Office, Indian Government Council of Scientific and Industrial Research, Dubai Police and Canon International. His research focuses on academic-industry collaboration and food safety cultural compliance.

Contact info: derek.watson@sunderland.ac.uk.

Dimitra Christou works as treasury accountant at one of the biggest shipping companies worldwide, with background studies in Accounting and Finance from the University of Leicester, United Kingdom. Her strong willingness to constantly learn new things and evolve led Dimitra to pursue her post-graduate studies in digital marketing with the UWL/CIM master's (MSc) degree programme. Dimitra's master's dissertation, which gained a distinction, was focused on evolution in the healthcare industry, and more specifically, on the technology acceptance model for digital health technologies and the effect of Covid-19 on users' behaviour in Cyprus. The research aimed to explore the digital transformation of healthcare from the perspective of creating an innovative digital health app providing medical solutions while focusing on patients' needs.

Contact info: demetra.chr@hotmail.com.

Dinos Kerigan-Kyrou is responsible for the cybersecurity division of the Joint Command and Staff Course at the Irish Defence Forces. He has been involved with military education at the Partnership for Peace Consortium of Defense Academies, and previously at the NATO School Oberammergau, for the past 11 years. He is an instructor on the Defence Education Enhancement Program, and a Senior Lecturer in the Division of Cybersecurity, Abertay University, Scotland.

Evgeniya Philippou was born and raised in Sochi, Russia, the renowned host of the 2014 Winter Olympic Games. She enrolled in art school at a young age, studying contemporary and native Russian art and art history for seven years. After high school, she attended the Moscow State University of Service, where she received a bachelor's degree in Economics and Business Administration. As of 2010, she has resided and worked in Cyprus. She holds an accountancy position for a recognised global organisation that specialises in oilfield and drilling operations. Her major areas of interest lie in global tax systems and the tax legislation of various jurisdictions, as well as global logistics and resources efficiency. She is in constant communication and cooperation with a large number of colleagues at several departments around the globe. Evgeniya has a passion for traveling. Her curiosity to explore new destinations and cultures leads her to an exciting lifestyle. Her living experiences, both in Russia and Cyprus, have cultivated her ability to approach intercultural relationships. Pursuing her interest in the shipping industry, she acquired an MBA degree in Shipping from the Cyprus Institute of Marketing (CIM) in 2021. She is currently preparing for the Professional Qualifying Examinations of the Institute of Chartered Shipbrokers. Her future plans involve enrollment in a master's degree program in Supply Management and Global logistics. She is envisioning acquiring knowledge in global logistics and making a positive impact on resource waste reduction. Her desire for constant learning is the fuel that keeps her focused on personal development.

Contact info: eugphilippou@gmail.com.

Garcia Green-McLennon is the Director of Student Financing at the University of Technology (UTech), in Kingston, Jamaica. She is currently pursuing a Doctorate in Business Administration at the University of Sunderland, UK, and holds a Master of Science Degree in Public Sector Management and a B.Sc. in Management Studies and International Relations; both from the University of the West Indies (UWI) Jamaica. She has served in a number of capacities both regionally and locally. She is currently an Advisor to the UTech, Ja. Debating and Public Speaking Society and has served as Regional V.P. of the Association of Caribbean Higher Education Administrators (ACHEA). She is a former Board Director of Jamaica's National Youth Service and has served as International Adjudicator at the World Universities Debating Championships in Ireland, Botswana, the Philippines, Mexico and at the Pan-American Championships in the USA. She is also an Adjunct Faculty member at the UWI, Mona in the Department of Management Studies.

Contact info: garcia.mclennon@utech.edu.jm.

Georgia Thrasyvoulou is the Director of HR and Student Affairs at the Cyprus Institute of Marketing (CIM). She is also a lecturer and academic supervisor at CIM in the areas of HR, Organisational Psychology and Consumer Behaviour. She holds a Psychology Degree from the University of Cyprus, a Master's degree and a PhD in Organisational Psychology from the University of Leeds. She is a licensed Occupational and Organisational Psychology Practitioner. She also holds a Post-Graduate Certificate (PGCHE) for teaching and learning in Higher Education and is a Fellow member of the Higher Education Academy (FHEA). She has been a Post-Doctoral Research Fellow at the Cyprus Centre for Business Research at CIM since 2017, where she actively engages with the Centre's research activities and conferences. She has been involved with lecturing in various universities and institutions, including Leeds Trinity University and the University of Cyprus. Her working experience in the private and public sector in Cyprus as a practicing organisational psychologist has equipped her with professional experiences and expertise. She is an active member of the European Association of Work and Organisational Psychology (EAWOP) and of the Cyprus Psychological Association.

Contact info: georgia.t@cima.ac.cy.

Lama Swas is a graduate in Digital Marketing from the UWL master's degree and is currently a freelance science communicator and copywriter. She holds a bachelor's degree in Molecular Biology and Genetics from the Eastern Mediterranean University in Cyprus. Lama is very passionate about knowledge, and works towards simplifying science and making it accessible. The focus of her UWL Master's dissertation research on perceptions, attitudes and attention towards humour in video advertising arises from her interests in behavioural sciences, having a comical character, and also her love for humour.

Contact info: Lama.swas.ls@gmail.com.

Myria Kkali is a Lecturer and Academic Director at the Cyprus Institute of Marketing. She holds a PhD from Nottingham University Business School. Her thesis was published in 2018 under the title 'Sensemaking in a data marketing setting: An investigation into marketers' meaning creation in a data world'. Her research interests include sensemaking and sensegiving practices in organisations, data-based marketing and social marketing. Myria is very interested in bridging the gap between academia and industry through her teaching and publications, through delivering training seminars to the wider community, and also by participating in consulting projects. She has developed close ties with many industry specialists since her move back to Cyprus in 2016 and co-founded 'Sistema Cyprus', an NGO focusing on bringing about social change through music, by bringing opportunities to children and young people from low socio-economic backgrounds. Myria acts as the marketing and communications officer of the organisation.

Contact info: myria@cima.ac.cy

Nicos Antoniades is Associate Professor at DeVry University, Keller Graduate School of Management, New York, USA and Adjunct Assistant Professor – The Peter J. Tobin College of Business, St. John's University, Jamaica, New York, USA. He is a political marketing specialist and holds a BA degree in business administration (Cyprus), an MA degree in international marketing (UK), and a Ph.D in business administration (France), with his main field of study being public administration, and a specialisation in political marketing strategy in the USA. Dr. Antoniades has acted as an adviser to several politicians and organisations in Cyprus and abroad. He has worked as a lecturer and student adviser in UK universities (Cyprus Campuses) and US universities (CUNY, DeVry, and St. John's University). He is also the author of the book 'There is Hope: Building Cyprus' Paideia', and also the author of two eBooks on political marketing. He has to his credit a considerable number of surveys, newspaper articles, seminars, academic conferences, lectures, and academic articles relating to the political marketing strategy of U.S. elected politicians, Nordic countries' politicians, and Cypriot politicians. In 2015, he developed the AMPCOPE Political Test (Antoniades Measuring Political Competitiveness and Performance), the first global online tool that measures the competitiveness and performance of politicians and political candidates in relation to their major political rival(s). The AMPCOPE Political Test is registered with the U.S. Copyright Office. Dr. Nicos Antoniades is a member of the Marketing Academy of Science. He is a Trinity College of Music graduate and an award-winning guitar soloist. He is also an award-winning scholar: (a) The CIS Model: Packaging Government Ideas, 7th International Conference on Management and Education Innovation, University of Greenwich, London 2019; and (b) "Recognized for Outstanding Research and Contributions" among the few influential studies featured in Heliyon's edition, Elsevier (February 2019). In 2016, he was nominated for the American Marketing Awards and in 2018, he was rated by CUNY/CSI as a "Superior Professor". Further, he is also the recipient of the January 2022 Session *Teaching Excellence Award* from DeVry University, Keller Graduate School of Management, New York, USA. He has acted as a reviewer for the Academy of Marketing Science (AMS), the American Marketing Association (AMA), the Journal of Political Marketing, Economics Bulletin, Palgrave Communications, and Common Ground. Additionally, he is an editor at Ikypros Portal and L.A. Voice newspaper, and is an accredited reporter in the United Nations. As of 1 September 2020, he was the first person to teach Political Marketing at St. John's University, New York.

Contact info: Nicos.Antoniades@DeVry.edu/ antonian@stjohns.edu/ n_antoniades2004@yahoo.gr.

Sofia Stella Christou holds a BSc in Zoology, an MSc in Wildlife Management and Conservation (both from the University of Reading) and an MSc in Digital Marketing (CIM/UWL). She works at the Soloneion Book Centre in Nicosia, Cyprus as the Business Development Manager as well as the Digital Marketing Manager. Her MSc thesis focused on consumer loyalty and customer satisfaction in the Cypriot SME marketplace, and is in the process of being submitted for publication to several peer-reviewed journals. Her scientific background has greatly aided her latest research, which relies heavily on statistical analysis.

Contact info: sofiastellachristou@gmail.com.

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