

TABLE OF CONTENTS

<i>Nejdet Delener</i>		Editorial	.....	<i>iii</i>
<i>Nejdet Delener and Chiang-nan Chao</i>		Note from Editors	.....	<i>viii</i>
		Editorial Board and Reviewers	.....	<i>ix</i>
<i>Pat Obi Shomir Sil Jeong-Gil Choi</i>		VALUE-AT-RISK WITH TIME VARYING VOLATILITY IN SOUTH AFRICAN EQUITIES	.....	1
<p><i>Abstract: This study examines the impact of the recent global financial crisis on the market risk exposure of investments in the South African stock market. Market risk is measured by value-at-risk (VaR). This risk management metric, used widely by financial institutions, calculates the maximum loss expected in a defined trading period at a given confidence level. Due to the widely documented time-varying volatility associated with financial time series, traditional methods of calculating VaR often underestimate the intensity of portfolio losses, especially in periods of high volatility. To improve the volatility forecasts and therefore make the VaR estimates more realistic, we employ a GARCH specification. Calculations of VaR are then performed over several times in the out-of-sample period. Results show that this manner of estimating a portfolio's VaR is better at reflecting the true impact of market risk under various volatility conditions.</i></p>				
<i>Alan Simon</i>		RESOURCES, DYNAMIC CAPABILITIES AND AUSTRALIAN BUSINESS SUCCESS	.....	12
<p><i>Abstract: A study was conducted in late 2009 in the aftermath of the Global Financial Crisis in order to determine the resources and dynamic capabilities that are considered important for success by leaders of Australia's listed companies. A mail survey was administered to 2000 executives in November, 2009. Respondents felt that financial capital, technological know-how, specific staffing issues (competence, experience and inter-relationships), and reputation were the most crucial resources. The most important dynamic capabilities were leadership, long-term and big picture strategic thinking and organizational culture. These concrete dynamic capabilities enable the building, integration and reconfiguration of an organization's resources in turbulent environments. The dynamic capabilities view of the firm overarches the resource based view because of its capacity for handling environmental exigencies. Critical success measures were considered to be increased Return on Investment (ROI), Return on Equity (ROE), share price, cash flow, profit and growth. A practical playbook for managing in changing times is provided at the end of this article.</i></p>				

TABLE OF CONTENTS

<i>Heinz Eckart Klingelhöfer</i>		INVESTMENTS IN ENVIRONMENTAL PROTECTION TECHNOLOGIES AND THE PARADOX OF ENVIRONMENTAL TAXES AND SUBSIDIES			..... 32
<p><i>Abstract: Since the times of Pigou, it has been regarded as common sense in the economic literature that social – and later on environmental – policy can be formulated by using taxes and subsidies. In order to adjust to these policy instruments under the conditions of imperfect markets, this paper presents an approach to valuating investments in environmental protection technologies and to examine the determinants of their price ceiling. This price ceiling depends on the (corrected) net present values of the payments and on the interdependencies arising from changes in the optimal investment and production programs. Although the well-established results of environmental economics can be confirmed for a single investment, environmental taxes and subsidies may have counterproductive effects on investments in environmental protection technologies. In effect, all the (sometimes contradictory and unexpected) consequences of environmental taxes and subsidies can be interpreted in an economically comprehensible manner.</i></p>					
<i>Martti Lindman</i>		EXTENDING CUSTOMER KNOWLEDGE: THE VALUE OF CUSTOMER VALUE-BASED APPROACH			..... 48
<p><i>Abstract: As value creation for customers has become an important element in contemporary business management, knowledge of the customer value which customers actually perceive becomes a strategic asset. The key question is what customers really value and what is valued most. In searching a proper answer this study addresses the value of perceived customer value as a precondition of extending customer knowledge in the context of SMEs. As relevant literature suggests, the whole consumption chain with different consumption phases has to be taken into account and accordingly forms the basis of the outlined managerial framework. The results indicate that the most highly valued value indicators tend to be stable independent of the consumption phase while statistically significant differences could be found regarding less ranked value indicators. A number of corresponding value patterns with statistically significant differences can be identified, enabling the development of value based customer segmentation and any corresponding market innovations. Despite its length the applied internet questionnaire turned out to be a highly cost effective and fast tool to collect any relevant value-based consumer data.</i></p>					
<i>Kawpong Polyorat Suvenus Sophonsiri</i>		A THE INFLUENCE OF SERVICE QUALITY DIMENSIONS ON CUSTOMER SATISFACTION AND CUSTOMER LOYALTY IN THE CHAIN RESTAURANT CONTEXT: A THAI CASE			..... 64
<p><i>Abstract: This study examines how each dimension of service quality may exhibit different impacts on customer satisfaction and customer loyalty in the chain restaurant context. A survey research with judgmental sampling was conducted with 395 Thai undergraduate students. The results reveal that the service quality dimensions of tangibles and empathy have significant influences on customer satisfaction and customer loyalty while the other three dimensions (reliabilities, responsiveness and assurance) do not. In addition, customer satisfaction appears to mediate the influence of service quality dimensions on customer loyalty. Research implications and future research directions conclude the study report.</i></p>					
		Manuscript Guidelines			..... 77
		JGBAT Subscription Forms			..... 80