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**ABSTRACTS****1. RELATIONSHIPS AMONG ETHICAL PRESSURE, PROFESSIONAL EXPECTATION, STRESS, AND JOB QUALITY OF ACCOUNTANTS IN THAILAND**

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**ABSTRACT**

*This study aims at testing the influence of ethical pressure, professional expectation in stress and job quality via moderators of time pressure and self esteem. Accountants in Thailand are the sample. The results show that ethical pressure and professional expectation have positive and significant association with stress. In addition, stress is positively and significantly related to job quality. these findings provide some initial empirical support for suggests need for additional investigation of factors that influence an accountant's stress and for further investigation into the effect of ethical pressure, professional expectation on job quality. Therefore, contributions and suggestion are also provided for further research.*

**Keywords:** *Ethical Pressure, Professional Expectation, Stress, Job Quality, Time Pressure, Self- Esteem*

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**2. MILITARY ENLISTMENT: A PANEL DATA SET ANALYSIS, 2003-2005**

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**ABSTRACT**

*This study investigates recent U.S. military enlistment rates in an effort to identify key factors that help explain them and the recent downturn therein. Using a state-level panel data set, the military enlistment rate is found to be a decreasing function of private-sector income (measured in this study in two different ways) and the proportion of the population with a bachelors degree or higher. It is also an increasing function of the proportion of the population without health insurance coverage and the proportion of the population who are veterans. Finally, the study adopts the casualty rate as an explanatory variable reflecting risk and finds it to be a significant factor in the declining enlistment rates over the 2003 to 2005 period.*

**Keywords:** *Enlistment; Fatalities; Veterans; Economic factors; Education; Demographic factors*

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**3. CORPORATE SOCIAL RESPONSIBILITY FROM THE EMPLOYEES' PERSPECTIVE: AN EMPIRICAL ORGANIZATIONAL ANALYSIS**

Tom Lloyd, Bluffton University, Bluffton, Ohio, USA  
Jeff Heinfeldt, Ohio Northern University, Ada, Ohio, USA  
Fran Wolf, Youngstown State University, Youngstown, Ohio, USA

**ABSTRACT**

*Using a combination of stakeholder and corporate social responsibility theories as the foundation for this study, employees of a private manufacturing firm were surveyed in an effort to obtain their thoughts regarding firm social obligation. After analyzing the sample on an aggregate level, additional analysis was conducted on data subsets differentiated by demographic characteristics such as gender, age, education*

level, and marital status. The results suggest the following: 1) the employees, both overall and in each subset, indicated general support for firm social responsibility, 2) statistically significant relationships were observed between independent variables such as age, education level, and marital status and socially reflective survey responses (dependent variables), and 3) when gender was the independent variable, female employees perceived the employer's current level of social involvement less positively than their male co-workers. In addition, females felt more strongly than males about including a "community" component as part of a firm's responsibilities. The results have implications for various constituents including managers, owners, social entities, and government agencies.

**Keywords:** Corporate Social Responsibility, Stakeholder Theory, Employees, Demographic Characteristics

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#### 4. THE EFFECT OF SENIOR DEBT ON SUBORDINATED BOND CREDIT YIELD SPREADS

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##### ABSTRACT

*This paper derives a closed-form expression for the market value of a subordinated unsecured debt claim with default risk. It modifies a well-known credit risk model class to accommodate the presence of senior debt in the capital structure of the subordinated claim issuer. The model can be used to price subordinated unsecured claims of firms with outstanding senior debt. The model is calibrated to historical bond default rate data and used to generate empirically relevant subordinated bond credit spreads for various credit ratings and proportions of senior debt. Parameter sensitivity analyses are also conducted, and empirically relevant magnitudes are obtained of the effect on subordinated bond credit spreads of financing decisions that alter a firm's debt-seniority mix and of firm credit rating deterioration.*

**Keywords:** Asset Pricing, Bond Valuation, Subordinated Bonds, Credit Risk Modeling, Credit Yield Spread

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#### 5. THE UNITED STATES-EUROPEAN UNION IMPORT TRADE IN FRESH TOMATOES

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##### ABSTRACT

*Continuous talks and negotiations initiated by the World Trade Organization (WTO), in recent years, on globalization and trade liberalization have made international trade a key issue for all nations as it has expanded the global markets with enhanced competitiveness. There exist both opportunities and costs as it expands exports on one hand and poses threats of competition from importers on the other. Agriculture being the major player in international trade has to cope with this changing trend of the global market situation. The European Union being more and more open should be of especial interest to the growers, traders and policy makers of all nations including the United States (U.S.). This analysis of import demand for fresh tomatoes into the U.S. and the European Union (EU) is an assessment and evaluation of the competition in the specialty crop industry. The sources of data for this analysis are the United Nations Statistics Division- Commodity Trade Statistics Database website, Food and Agriculture Organization Statistics Database website and other websites maintained by the United States Department of Agriculture (USDA). Data for the period 1963-2005 have been used and the European Union is considered as EU-15 because of the availability of data. A differential production approach has been*

used for estimating import demand for fresh tomatoes. Imports are considered as inputs to importing firms as they require further processing before final delivery to consumers. The cost minimization principle in the theory of firm is applied to derive conditional factor demand equations in the estimation process. The Netherlands National Bureau of Research (NBR) specification is estimated by the iterative seemingly unrelated regression (SUR) method using the well known least square procedure (LSQ) in Time Series Processor (TSP). It has been found that EU-15 has almost a 2% share in the U.S. import market for fresh tomatoes, third in position just after Mexico and Canada over the time period. On the other hand, the U.S. has only a 0.13% share in the EU-15 import market for fresh tomatoes. The U.S. is not a major exporter of fresh and processed tomatoes whereas EU-15 is (3.85% against 45.10% in 2005). However, the U.S. import share in the world's imports compared to EU for the same time period is quite sizeable (20.32% against 45.34%).

**Keywords:** Globalization, Trade Liberalization, Specialty Crop, Divisia Volume Elasticity, Cross-price Elasticity, Differential Approach

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## 6. EXPLORING STUDENTS INTEREST IN ACCEPTING A JOB ASSIGNMENT IN A FOREIGN COUNTRY

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### ABSTRACT

*The growth and expansion of international markets has expanded work opportunities for students to pursue work all over the world. Many companies that have enlarge their global markets and are now in need of finding talented, interested and capable workers to accept job assignments in their foreign offices. Identifying those who are potential candidates for foreign job assignments is an important human resource task. The purpose of this paper is to explore the perceptions of business students in relation to their knowledge and interests in working in a foreign country. The results indicate that Europe and Latin America are areas of the world that appear to be of more interest to students than others. Intuitive observation indicates that because most people are more familiar with these areas of the world, interest and motivation to work in these geographic areas would be higher. Statistical analyses are conducted. Implications for businesses are set forth in the discussions.*

**Keywords:** Career Interest, Foreign Assignment, Attitudes, Country Knowledge, Language Proficiency

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## 7. KNOWLEDGE TRANSFER IN ECONOMICS EDUCATION

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Tim Robinson, Queensland University of Technology, Brisbane, Australia

### ABSTRACT

*In a number of research studies (Dahlgren, 1997; Marton, 1988; Pong, 1999; Voss et al., 1986; Walstad, 2000) carried out in Europe and Asia, educators found that the formal knowledge acquired in the academic context often tends to become inert in real life. In economics education, students might amass sufficient knowledge to perform technical analysis in examinations in the academic context, but fail to employ it in real life, and often lapse into lay misconceptions to interpret and explain phenomena that they observe. In the semi-structured interview study reported in this paper, university economics students (n = 20) were asked to analyse two everyday-life economic scenarios, and to respond to the questions posed in each case. Phenomenographic method was used to analyse the interview data, followed by correlation analysis. The main objectives of the study were to investigate economics students'*

*conceptualisations of key economic concepts, their propensity to apply concepts and principles in real world economic situations, and whether this propensity related to their academic achievement. It is argued in this paper that current methods of assessment in economics education tend to emphasise technical skills at the expense of learning about “the intricacies of economic operations” (Voss et al. op cit.) in the real world. The roles of assessment in economics education, and business education in general, in promoting effective teaching and learning are also discussed.*

**Keywords:** Knowledge Transfer, Assessment, Economics Education

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## **8. INSTRUCTIONAL BEST PRACTICE IN FIRST YEAR COLLEGE MATHEMATICS COURSES FOR BUSINESS MAJORS**

Ryan M. Savitz, Neumann College, USA Fred R. Savitz, Neumann College, USA

### **ABSTRACT**

*The first year college experience is anxiety producing, and for college business students who represent traditionally underserved populations, particularly ethnic and linguistic minorities, the anxiety can be even more pronounced. Add to the mix a requirement for students to complete at least one course in mathematics during the first semester and the conditions are set for potential academic disaster. To mitigate against this prospect a father son team, the father a professor of education and the son a professor of mathematics, pools their discipline expertise in order to create opportunities for successful learning experiences in college mathematics. The team applies pedagogical theory to the content of college algebra with a focus on providing low stress, high achievement experiences for students from any population, but especially for those who are historically underrepresented among the ranks of college students. The team develops activities and assessments in mathematics, grounded on a foundation of classical and contemporary best practice. Theory and practice are complemented by the infusion of three Franciscan values into the teaching learning paradigm: hospitality, courtesy, and gratitude. The desired outcome of the team’s effort is to diminish anxiety and to elevate performance in first year college mathematics.*

**Keywords:** College Mathematics; Multicultural Education; Math Anxiety; Multiple Intelligence Theory

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## **9. PERSISTENCE IN MUTUAL FUND RETURNS: AN EXAMINATION OF U.S. GROWTH MUTUAL FUNDS FROM 1988-1996**

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### **ABSTRACT**

*There have been a number of studies examining whether mutual fund performance persists. Researchers using various models of regression analysis report conflicting findings. This study proposes a simpler approach – a direct annual examination of whether a fund beat the market proxy or not. As per prior research, the S&P 500 is chosen to represent the market. The sample consists of 943 mutual funds over the nine-year study period, with a low of 186 funds in 1988 to a high of 636 funds in 1996. A look at one-year persistence shows both outperformance and underperformance from 1989 to 1996. It is seen that the percentage repeat winners exceeds repeat losers in 6 out of 8 years, the exceptions being 1990 and 1996. This result supports the earlier findings of a “hot hands” phenomenon reported by Hendricks, Patel and Zeckhauser (1993) and Goetzmann and Ibbotson (1994). The two years when losers are greater in repeat percentage, 1990 and 1996, are preceded by years in which the market benchmark had very high returns. The implication is two-fold: losers in really good years, on average, are far more likely to repeat their performance, and winners in really good years are less likely to repeat their performance. While*

*survivorship bias is acknowledged, an examination of the 186 funds that have returns for the entire study period shows that 4 funds achieved a nine-year winning streak. The winning performance is still evident after adjusting for risk. The percentage of funds that have a perfect winning record are far higher than would be expected assuming that mutual fund performance is a random occurrence.*

**Keywords:** *Equity Growth Mutual Funds, Performance, Performance Persistence, Winners and Losers, Outperformance, Underperformance*

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#### **10. THE SMALL FIRMS HYPOTHESIS AND THE PERCENT OF U.S. SOCIETY WITHOUT HEALTH INSURANCE: AN INVESTIGATION USING ALTERNATIVE MEANS TESTS**

Richard J. Cebula, Armstrong Atlantic State University, Savannah, Georgia, U.S.A  
Anthony E. Bopp, James Madison University, Harrisonburg, Virginia, U.S.A

##### **ABSTRACT**

*The purpose of this study is to empirically test what is being identified as the "small firms hypothesis," i.e., a hypothesis that the greater the percentage of firms in the U.S. that are "small," the greater the percentage of the population that will be without health insurance. This is based on the premise that smaller firms face a variety of conditions that limit their ability to provide group health insurance benefits to their employees, with the result being that employees at smaller firms are relatively more likely than employees at larger firms to be without a health insurance fringe benefit. The analysis provides strong support for the hypothesis across all specifications for family economic status.*

**Keywords:** *Health Insurance; Small Firms; Bargaining Power*

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#### **11. EXPLORING DISTANCE EDUCATION AS AN ALTERNATIVE TO LOCALLY ADMINISTERED BUSINESS STRATEGY SIMULATIONS: THE CASE OF TWO UNIVERSITIES**

Luis G. Flores, Northern Illinois University, USA  
William J. Ritchie, James Madison University, VA, USA  
Joseph Wolfe, Experiential Adventures, LLC

##### **ABSTRACT**

*This paper explores the learning outcomes and associated benefits of using a strategic management simulation via the Internet. Using data gathered at two universities, findings indicate that delivery of a management simulation via distance education yields varying levels of student learning and satisfaction. The findings provide initial insights regarding when it is more effective to use distance education for business simulations and when it is more effective to keep them on site and locally administered. The paper discusses the implications for increasing the effectiveness of a simulation experience.*

**Keywords:** *Strategic Management, Strategic Management Simulations, Business Simulations, Business Games, Distance Education*

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## 12. TRANSFORMATION OF KOREA TELECOMMUNICATIONS DURING ECONOMIC CRISIS

Woonghee Lee, Hanyang University, Seoul, Korea

### ABSTRACT

*This paper traces historical process of privatization and transformation of Korea Telecommunications (KT), the largest IT company in Korea. The process which successfully ended in 2002, faced tough challenges when Asian economic crisis struck the nation in 1997. However, KT was able to achieve both privatization and organizational restructuring successfully, taking advantage of environmental turbulence as an opportunity. The result of this case study illustrates how privatization and restructuring strategy can sometimes reinforce each other to deal with external crisis.*

**Keywords:** *KT, Corporate Transformation, Privatization, IT industry*

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## 13. A CLASSIFICATION METHOD FOR REPUTATION MECHANISMS IN ELECTRONIC MARKETS

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### ABSTRACT

*Individuals who use the World Wide Web (WWW) to purchase goods and obtain information face a high level of uncertainty as to the quality of those goods and information. Reputation management systems are one way in which information about past transactions can be used to form judgments regarding the quality of goods and information obtained via the WWW. This paper describes various reputation mechanisms and how they are used in traditional and electronic markets. The goal of this paper is to extend a well-known reputation classification method for Web-based reputation systems. This is achieved by comparing Web-based reputation mechanisms with their traditional (non-Web-based) counter parts and introducing a new type of reputation mechanism – Web-based knower organizations.*

**Keywords:** *electronic markets, World Wide Web*

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## 14. MYTHS ABOUT FAMILY FIRMS: AN EXPLORATORY STUDY OF NATIVE FAMILY-OWNED FIRMS IN COLOMBIA

Carmen L. Martínez-López, The City University of New York/ BMCC, USA

### ABSTRACT

*A general statement in the literature is that family-owned firms are managed in a different way to professionally managed firms (Donckels and Fröhlich, 1991). The purpose of this study is to investigate the point of convergence between the personal managerial style and the professional managerial style adopted in 28 native family-owned large firms in Colombia.*

*This paper reports the point of convergence of the personal managerial style and the professional managerial style. The question it addresses is: Is there a point of convergence between the personal managerial style and the professional managerial style in the 28 native family-owned firms in Colombia that I studied? The conclusions are as follows: in the native family-owned firms in Colombia, the issues that are still being managed with a personal managerial style are the strategic and operational controls, which are held by outsiders, and research and development, which these firms are not investing in. The only aspect of the firms that is managed with a professional managerial style is the ties with the*

government. Aspects related to the executives, such as recruitment, level of education and the executive domination of family member, are managed with a professional managerial style.

**Keywords:** *personal managerial style, professional managerial style, and native family-owned firms in Colombia*

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## 15. THE EFFECTS OF INDIVIDUAL, INSTITUTIONAL, AND MARKET FACTORS ON BUSINESS SCHOOL FACULTY BELIEFS ABOUT GRADES

Timothy Cairney, Georgia Southern University, Statesboro, Georgia, USA

Christopher Hodgdon, University of Vermont, Burlington, Vermont, USA

Sewon O, Texas Southern University, Houston, Texas, USA

### ABSTRACT

*This study examines gatekeeper and frame-of-reference (norm versus criterion) grading beliefs of U.S. business school faculty using a web-based survey. We report that faculty in the business courses with a more theoretical pedagogy have a stronger gatekeeper and greater norm-referenced beliefs than do the faculty of the courses with a more skills-oriented pedagogy. We find that the individual attributes examined indicate that teaching load is associated with greater criterion-referenced grading beliefs. We also find that male faculty have greater gatekeeper and norm-referenced grading beliefs, and that faculty who experience more pressure from departmental grading policies revert to more criterion-referenced beliefs. Furthermore, we find that faculty in schools that service more national/international firms tend to have greater norm-referenced beliefs, and faculty whose graduates tend to go to small employers (i.e., regional and local firms) exhibit greater criterion-referenced beliefs, suggesting that larger firms would like colleges to rank students to allow for a more informed choice for their large employment needs.*

**Keywords:** *Grading Beliefs; Gatekeeper; Frame-of-Reference; Norm Reference; Criterion Reference; Individual Attributes; Institutional Factors; Market Factors*

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## 16. IMPACT OF GENDER AND AGE ON SINGLE AND MULTIPLE CELEBRITIES ENDORSEMENTS

Farida Saleem, Foundation University, FUMICS, Islamabad, Pakistan

### ABSTRACT

*Celebrity endorsement is one of the popular marketing strategies. Marketers use celebrities in ads when there is no or very little product differentiation. Multiple celebrities endorsement (more than one celebrity in a single ad) is relatively new phenomena in advertising. The purpose of the current study is to explore the perceptual difference between gender and different age groups toward single celebrity ads and multiple celebrities ads. Questionnaires were administered on a sample of 300 university students to assess if there is any difference in male and female and different age groups perception about single celebrity endorsement and multiple celebrities endorsement. Four print media ads, two containing one celebrity in them and two containing three and five celebrities in them were used as a stimulus. The results shows that there is no significant difference between male and female toward single or multiple celebrities ads similarly age is also not significantly associated with attitude toward ad, attitude toward brand and purchase intentions for both single and multiple celebrities ads.*

**Keywords:** *Single celebrity endorsement, multiple celebrities endorsement, attitude toward ad, attitude toward brand, purchase intentions*

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**17. CAUSES OF LAPSATION OF LIFE INSURANCE POLICIES IN LIFE INSURANCE CORPORATION (LIC) OF INDIA**

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**ABSTRACT:**

*After privatization significant progress has taken place in Indian insurance sector especially in life insurance business. However still lot of potential for life insurance consumption is available in India as the India's Life Insurance penetration and density is low when compared to Asian average or world average. In spite of rapid progress the sector is suffering with high rate of lapsation of policies. This study is a modest attempt to analyze the causes for lapsation after privatization on the basis of the experiences of the functionaries like branch managers, development officers and insurance agents who are the core marketing staff for LIC of India. The study reveals that forced selling of policies without caring for matching of LIC products with requirements of the policy holders plays a vital role in lapsation of policies in the first year of policy life. This is happening due to the fact that beneficiaries are unaware about the insurance products and their comparative merits and limitations. In addition the services after sale of policies are not as per the requirements of the policy holders. Hence there is a need to organize special training camps to agents and awareness camps to beneficiaries periodically. Attention has to be paid on not to yield for forced selling, target oriented last movement selling with out caring for matching of insurance products with that of the requirements of policy holder*

**Keywords:** *Lapsation insurance policies, Forced Selling, Product Mismatch, Awareness of Insurance*

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**18. PROJECT MANAGEMENT EFFECTIVENESS CONSTRUCT: PROJECT SUCCESS FACTORS**

Sheila M. Smith, Ball State University, Muncie, Indiana, USA

**ABSTRACT**

*Project management effectiveness is impacted by numerous internal and external variables. To measure a number of effectiveness factors that are essential in the field of project management, a questionnaire entitled Project Management Effectiveness Construct (PMEC,) developed by J. Morrison and C. Brown (2004,) was used to capture a holistic view of the processes and capabilities of managing projects. The PMEC was designed to assess the multiple dimensions and levels of projects. Common project variables that influence a wide variety of projects within organizations deserve closer examination. The initial results of the questionnaire are presented.*

**Keywords:** *project management, project success*

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**19. EXACT AND NEAR OPTIMAL HEURISTICS FOR THE PARALLEL BATCH PROBLEM TO MAXIMIZE CAPACITY UTILIZATION**

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R. Srinivasan, Indian Institute of Science, Bangalore, India  
N. R. Srinivasa Raghavan, Indian Institute of Science, Bangalore, India

**ABSTRACT**

*This paper deals with scheduling a set of non-identical parallel batch processors with incompatible jobs, where the items are cylindrical. The cylindrical nature of the items gives no room for orthogonal rotation, thus adding to the computational complexity. We propose a real-time mixed integer linear programming (MILP) model to optimally use the capacities of these batch processing machines (BPMs).*

*We propose a weight optimization (WO) heuristic that reduces the computational complexity and produces results comparable to that of the LP model. Finally, a decomposition algorithm (DA) that produces near optimal solutions in comparison to LP is proposed, simultaneously evaluating the efficiency of WO heuristic. This problem finds wide application in aircraft, shoe manufacturing, VLSI design and insulator manufacturing industries.*

**Keywords:** *Incompatible, MILP, WO, Decomposition*

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## 20. PERFORMANCE MEASUREMENT AND EXECUTIVE COMPENSATION

Janikan Supanvanij, St. Cloud State University, St. Cloud, Minnesota, USA

### ABSTRACT

*This paper examines the relationship between corporate performance and executive compensation during 1994-2005. It also examines whether the relationship varies across industries. Economic value added and market value added methods are employed as performance measures. Results show that the forms of managerial compensation are linked to the firm performance differently. There is no evidence that MVA is related to long-term compensation. The form of compensation is also correlated with the firm characteristics.*

**Keywords:** *Performance Measurement, Management Compensation*

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## 21. THE APPLICATION OF ATTRIBUTION THEORIES IN MARKETING RESEARCH: A CRITIQUE

Yong Jian Wang, Ohio University, Athens, Ohio, USA

### ABSTRACT

*This study presents an integrated review on major attribution theories, and reveals five aspects of critical weakness that threaten the validity of marketing research findings based on attribution theories. The critique suggests that careful evaluations need to be made on attribution theories versus attribution theories, causal attribution versus trait attribution, and attribution process versus cognition process. Furthermore, integration of different attribution theories and incorporation of motivation into the attribution process may offer a more inclusive framework when attribution is utilized in marketing research.*

**Keywords:** *Attribution Theory; Marketing Research; Marketing Communication; Correspondent Inference Theory; Covariation Theory; Self Perception Theory*

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## 22. CONSUMERS' ATTITUDES TOWARDS MOBILE ADVERTISING: THE ROLE OF PERMISSION

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Dr. Esther P.Y. Tang, The Hong Kong Polytechnic University, Hong Kong, CHINA

### ABSTRACT

*Based on the Theory of Reasoned Action, this research investigates major factors contributing to consumers' attitudes towards reading mobile advertising, including prior permission. The relationship between attitude and consumers' intention to read mobile advertisements is also examined. Data were collected from focus group interviews and a survey. Attitude is the mediator between belief and behavioral intention, and entertainment belief has the strongest effect on attitude. Surprisingly, prior permission is not significantly related to attitude. Mobile advertising was expected to be an important*

*communication channel with consumers, but the study reveals that consumers hold unfavorable attitudes towards this new advertising medium.*

**Keywords:** *Mobile Advertising, Attitude, Permission, Theory of Reasoned Action*

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### **23. MANAGING CROSS-BORDER RELATIONSHIP THROUGH A POLITICAL STRATEGY: THE CASE OF COMPETITION FOR HOLDING THE 2010 WORLD CUP**

Dr. Samir M. Youssef, American University in Cairo, Egypt

#### **ABSTRACT**

*Egypt's failure to win the right to host the 2010 World Cup, which led to a major public outrage, is used as a case study to show the dire consequences of adopting a defensive political strategy in dealing with a foreign entity like Federal International Football Association (FIFA). Failures to assess the political map of the target organization coupled with organizational shortcomings of the Egyptian bureaucracy were responsible for the failure. Comparison is made with the proactive strategies used by Morocco and South Africa, the other contending nations.*

**Keywords:** *2010 World Cup, Federal International Football Association*

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### **24. DOES DERIVATIVE USE HELP REDUCE THE COST OF DEBT?**

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J. Barry Lin, Simmons College, Boston, USA

Chia-Wei Chen, Tunghai University, Taichung, TAIWAN

#### **ABSTRACT**

*Prior studies argue that risk management may reduce the probability of bankruptcy and the expected financial distress costs, mitigate the asset substitution problem, and reduce information asymmetry. A majority of firms surveyed report that financial derivatives are used mainly for hedging. We examine whether derivative use affects debt-issuers' credit ratings, their costs of debt as measured by yield spread, market reactions to bond issue announcements, and investment banking fees. Our results show that derivative use does not improve bond issuers' credit ratings, nor affects their costs of debt. In addition, we find that, after accounting for the risk management variable, firms with more analyst coverage and better profitability have lower investment banking fees, while firms with higher leverage and more specific risks pay higher investment banking fees.*

**Keywords:** *derivative use, risk management, cost of debt, corporate hedging*

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