BALAS 2019 ANNUAL CONFERENCE- PAPER PARALLEL SESSION 3				
Thursday, April 11, 2019				
Session (time)	Track	Title	Author(s)	Abstract
PAPER PARALLEL SESSION 3 14:00 - 15:30	Corporate Finance II	Effect of corporate governance and country-level governance quality on the level of cash holdings in Latin America	Maximiliano los González, Universidad de los Andes; Alexander Guzman, CESA School of Business; Eduardo Pablo, Minnesota State University Moorhead / Paseka School of Business; Maria-Andrea Trujillo, CESA School of Business	We study the effect that company-specific governance provisions and the country-level governance quality have on the level of cash holdings in five Latin American countries over the period 2010 – 2015. Our results show that in countries with lower regulatory quality, weaker rule of law, and higher political instability and more violence, the level of cash holdings are higher. The results are statistically significant at a 1 percent level and robust to different specifications. We also show that corporate governance plays role in decreasing the cash holdings to avoid agency problems between the manager / owner and the minority investors.
		Governance, sentiment analysis and IPO underpricing	Diego Fernando Tellez-Falla, Universidad de EAFIT; Maximiliano los González, Universidad de los Andes; Alexander Guzman, CESA School of Business; Maria-Andrea Trujillo, CESA School of Business	In this paper we explore the relationship between governance, tone in language and underpricing of initial public offerings (IPOs) in Latin America. We find a positive (negative) and statistically significant relationship between board size (board independence) and IPO underpricing at the time firms go public. But more importantly, when interacting with corporate governance variables at the firm level, uncertainty in tone makes the effect stronger (board size) or weaker (board independence), which suggests that tone in communications matters more for underpricing than governance provisions at the firm level. Bigger boards seem to lead to greater underpricing, while more independent boards mitigate it. This finding stresses the relevance of functional convergence in regions such as Latin America with weak institutions. Our results also suggest that tone in communications matter more than governance for underpricing. We argue that this could be due to the minimum corporate governance provisions that firms need to meet before going public, a fact that could boost the relevance of tone in the IPO prospectus signal mechanism. Our results suggest that tone in firms' communications is relevant for market valuation. In the context of family firms in an under-researched context such as Latin America, we show that reputation effect is priced by the market valuation of the IPO.

		How Institutional Development News Move an Emerging Market?	Alexander Guzman, CESA School of Business; Vikas Mehrotra, University of Alberta School of Business; Randall Morck, University of Alberta School of Business; Maria-Andrea Trujillo, CESA School of Business	Prior work links major US stock market moves to "no news", consistent with systematic noise trading moving the market. An alternative explanation, arbitrageurs trading on private economy-level information, perhaps plausible in smaller less financially developed market, seems unlikely in the US. More powerful statistical tests require more prominent market-wide news, signals more discernible from background fluctuations. Colombia's institutions, largely collapsed by 2001, were rebuilt from 2001 through 2010. Major market moves mark major news about institutional development and setbacks, implicating economy-level news, more than noise trading or private economy-level information. This suggests that market-level event studies might usefully illuminate the importance of institutional changes in other developing economies.
		Topics and Methods in Economics, Finance, and Business Journals: A Content Analysis Enquiry	Maximiliano los González, Universidad de los Andes; Jorge Camargo; Alexander Guzman, CESA School of Business; Enrique ter Horst, Universidad de los Andes; Maria-Andrea Trujillo, CESA School of Business	This study analyzes the abstracts and titles of 33,454 business finance, economics, management, and business articles published in ISI (frequently cited) journals during 2013-14. The journals were ranked in four Q categories according to their impact factors. The analysis revealed that some topics persisted in all Q groups, but others gained frequency by Q, which suggests that Q1 journals (those with higher impact factors) create trends that are followed by other publications. All Q groups have a methodological approach that is empirical rather than theoretical. And while the business and management categories privileged case studies, economics emphasized panel data analyses.
	Marketing Management II	Brand Equity Chain and Brand Equity Measurement Approaches	Marta Olivia Rovedder de Oliveira, PPGA/DCA/CCSH/UFSM; Fernando Bins Luce, PPGA/EA/UFRGS; Rodrigo Heldt, PPGA/EA/UFRGS	Our propose is to identify areas of future research on the conceptualization of brand equity, as well as to encourage theoretical and empirical studies that assess brand equity chain. Although brand equity is a widely accepted concept, its definition is frustratingly elusive (Knowles, 2008). A study about brand equity literature could help academicians to improve their researches and practitioners to improve their brand management. The methodology focused on an extensive literature review on the subject. We found that CBBE and FBBE are related but distinct concepts. We propose antecedents and consequences of brand equity.
		Model dependency on customer lifetime value estimation	Mauricio Pozzebon de Lima, UFRGS; Fernando Bins Luce, PPGA/EA/UFRGS	Customer lifetime value appeared as a central metric for marketing. One issue was the possibility of biased estimates that could interfere managerial policy. Literature review identified 56 papers with CLV modeling and real customer data were used to compare models. Results shows that deterministic models converge

				in high retention rates, but until 50% decision making can differ depending on the model: margin impact will be greater than retention in models with infinite projection. Models with finite projection will always be more impacted by retention rates. Retaining or acquiring customers have distinct priorities, which is an issue for managerial policy.
		Firm Generated Content in Social Media Marketing and its impact on Brand Image, Purchase Intention and eWOM for Complex Decisión Making	Estuardo Lu, Universidad ESAN; Brenda Chombo, Universidad ESAN	The objective of the study was to evaluate how Social Media Marketing and Brand Image influence eWOM and the intention of students to enroll in a university. This research is pioneer in examine the relationship among these concepts for complex decision making. Results indicate that Firm-Generated-Content by a University in social media, which is Informative and Entertaining and does not propagate Anti-values influence purchase intention double mediated by Perceived Quality, Brand Associations and eWOM. These finding can enable complex decision making brands to explain their customers purchasing behavior and provide a guide to managing their marketing resources as well.
	Management Education and Teaching Cases I	Banca Comunitaria Banesco: the bank goes to the "barrio"	Nunzia Auletta, IESA; Rosa Amelia González, IESA	By December 2016, Hector Albarrán, Vice-president of Banca Comunitaria Banesco (BCB), the microfinance business unit of Banesco Banca Universal (BBU), the largest private bank in Venezuela, was concerned with the sustainability of the BCB inclusive business model and distribution channel.
		TCC: Urban Distribution of Goods in Medellín	Giuseppe Vanoni Martínez, CEIPA Business School; Julián Andrés Zapata Cortés, CEIPA Business School; Geovanny Perdomo-Charry, CEIPA Business School	Jorge García Arango, Regional Manager of TCC, a Medellín-based company dedicated to the shipping of parcels, transport, international freight, and logistics services, found himself in a complex situation upon learning about the emergency measure enforced by Medellín authorities and its Metropolitan Area due to the high levels of pollution present in the Aburrá Valley atmosphere. Therefore, he decided to undertake actions to deal with the contingency of vehicle circulation restriction resulting from the environmental pico y placa decreed by the mayor of the city. Such actions, although necessary and urgent, would modify operation and logistic costs, on the one hand, and would affect achievement of the company's value offer "TCC delivers", on the other hand. Naturally, under such situation and given the high uncertainty of what could happen with TCC's normal operation, he is in a predicament over what decisions to make regarding the organization's local logistic distribution process.

		A view of value at Davivienda	Rosa Isabel Gonzalez, Universidad de los Andes; Norma Ortiz, Universidad de los Andes; Luis Perera	Using this case, students can reconstruct and analyze Davivienda's Social Financial Statement at the end of 2017 based on the Fourth Financial Statement methodology. Case can also bring opportunity to think about the potential and usefulness of the Fourth Financial Statement methodology as a link between Corporate Social Responsibility and Finance. The case can be used for courses in corporate social responsibility, accounting, and finance on management and accounting undergraduate programs, in the corresponding master's courses (MBA, Master's in Finance, in the Master's in Environmental Management, in the Master's in Management and Development Practices), and in Executive Education programs.