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COLORADO RIVER CURTAILMENT CRISIS: PERSUASIVE COMMUNICATION TO KEY STAKEHOLDERS

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ABSTRACT

The Colorado River and its tributaries provide drinking water for more than 40 million people in the Southwestern United States (American Rivers, 2022). In addition, a $5 billion agricultural industry depends upon the river to irrigate more than 8 million acres of land in its own basin and outside of the basin (Cohen, Cristian-Smith, Berggren, 2013). Eleven U.S. National Parks and 29 federally recognized tribal reservations also rely on the river (American Rivers, 2022). After a devastating 22-year drought exacerbated by climate change, the water flows in the Colorado River have declined by more than 20 percent. In response, the United States Bureau of Reclamation, for the first time in history, ordered cuts to water use beginning in January 2022 that will impact all stakeholders (AWWA, 2021; Fountain, 2021). Farmers in Arizona, Nevada and Mexico will feel the impact of these mandated cuts first, but municipalities, recreationists, and other agricultural businesses will have to adjust also. Millions of customers who buy power generated from the dams on the Colorado River could be cut off from this hydropower source if the water level continues to fall precipitously (Metz, S., Fonseca, F., 2022). The use of persuasive educational communications to these stakeholders is key to the success of reconciling with and conforming to this new reality. This article will provide an overview of the history of the legal framework governing the Colorado River, the stakeholders who depend upon it, and the need for effective marketing and communication tools focused on those who bear the most responsibility for making changes to adapt now and in the future. It will also describe a few hopeful prospects resulting from the shrinking water supplies and disappearing reservoirs along the Colorado River basin.

INTRODUCTION

The Colorado River is one of the principal rivers in the Southwestern United States and northern Mexico. The 1,450-mile-long (2,330 km) river drains an expansive watershed of 246,000 square miles, encompassing parts of seven U.S. states and two Mexican states, making it the seventh largest watershed in the North American continent (Kammerer, 1990). The Colorado River and its tributaries provide drinking water for more than 40 million people, including large metropolitan areas like Los Angeles, Phoenix, Las Vegas, and Denver (American Rivers, 2022). The river irrigates 5.7 million acres of land in its own basin and an additional 2.5 million acres outside of the basin to places like California's Imperial Valley, supporting a $5 billion agricultural industry (Cohen, Cristian-Smith, Berggren, 2013; American Rivers, 2022). Eleven U.S. National Parks and 29 federally recognized tribal reservations depend on the river for drinking water, recreation uses and hydropower (USBR, 2012). The river and its tributaries are controlled by a system of dams, reservoirs, and aqueducts, which divert its entire flow for

agricultural irrigation, domestic water supply and hydroelectric power, generating electricity for five million households across seven states, including 50 tribal suppliers that rely on the Glen Canyon Dam for hydropower (Metz, S., Fonseca, F., 2022; Waterman, 2012; USBR, 2012).

Chronic overuse, a 22-year drought and the effects of climate change have impacted the flow of the Colorado River in a dramatic manner. The Colorado River has declined by more than 20% in the last 20 years (AWWA, 2021). Lake Powell and Lake Mead, built to help store and deliver the water from the river, are at less than 25% and 35% of capacity, respectively, and shrinking rapidly (Fountain, 2021; Lake Powell Water Data, 2022; Lake Mead Water Data, 2022). Lake Powell is at its lowest level since the lake filled more than half a century ago (Metz, S., Fonseca, F., 2022). Because of the aridification of the Southwestern U.S., the decreased snowfall and water flows into the Colorado River, the Bureau of Reclamation, a federal agency under the US Department of the Interior tasked with managing federal water rights (USBR, 2022), declared an unprecedented water shortage for the Colorado River and Lake Mead on August 16, 2021 and announced water cuts to users beginning in 2022 (Fountain, 2021). The first rounds of cutbacks, which commenced in January 2022, will first impact farmers in Arizona and Nevada as well as Mexico, but further cutbacks will affect people and industries in cities such as Phoenix, Las Vegas, Tucson, Denver, and parts of California (AWWA, 2021). Likewise, besides the water scarcity concerns to farmers and cities, the shrinking pool of water at Lake Powell is approaching the "minimum power pool"—the level at which the turbines on the Glen Canyon Dam would stop producing hydroelectric power, a shock to the 5 million customers who buy power generated at the dam (Metz, S., Fonseca, F., 2022).

The use of persuasive educational communications to these stakeholders is critical to the success of adapting to the new reality of the aridification of the West. Social marketing – which seeks to influence behavior for the benefit of society – has been effective in previous contexts and can be used to help customer orientation where radical changes in behavior must occur. Persuasive social marketing can help not only the farmers who have historically relied on the abundance of the Colorado River but will help all of those who depend on the river – from agriculture to industry and municipal use to environmental and recreational interests – adapt our behavior for the radical changes dictated by the shrinking supplies of water in the Colorado River Basin.

This article will provide an historical overview of the legal framework that has been established for stakeholders on the Colorado River with the aim of cooperation in sharing the water of this mighty river. It will describe a portrait of the many stakeholders who have engaged in cooperative agreements for drought contingency planning and detail the impact of the Bureau of Reclamation's mandate for the 2022 cuts. The article will then focus on the need for the efficacy of social marketing to draft persuasive communications to impacted stakeholders to catalyze social change. The article will conclude with describing a few hopeful prospects from the unprecedented drought on the river and the attention that it has garnered, including the introduction of the Tribal Access to Clean Water Act of 2021, the rediscovery of the ethereal beauty of Glen Canyon which has been hidden under Lake Powell since 1966, and the international cooperation between the U.S. and Mexico, spearheaded by environmental NGOs, that resulted in water flows across the U.S.-Mexico border to help farmers and nature.

HISTORICAL OVERVIEW OF THE COLORADO RIVER: LEGAL FRAMEWORK AND STAKEHOLDERS

The Colorado River spans 260,000 square miles, about eight percent of the continental United States. This grand river starts in the Rocky Mountains of Colorado and flows southwest across the Colorado Plateau and through the Grand Canyon before reaching Lake Mead on the Arizona-Nevada border where it turns south toward the border between the United States and Mexico (American Rivers, 2022). In Mexico, the Colorado used to flow through the Colorado River Delta at the tip of the Gulf of California between Baja California and Sonora and then into the Gulf of California, but the river has not reached the Gulf for decades except for 'pulse flows' coordinated through agreements of the Colorado River Water Users Association and the United States and Mexico (American Rivers, 2022; CRWUA, 2022). As mentioned, the Colorado River serves more than 40 million people in the U.S. and Mexico; it irrigates more than 8 million acres of farmland; it supplies water to 29 Native American tribes; it furnishes water to 11 national parks; it supports an estimated $1.4 trillion economy, including a $26 billion recreation industry; and it provides water to generate hydropower for more than five million customers (American Rivers, 2022). The curtailment of this resource will impact stakeholders from small and corporate agricultural operations to boaters, kayakers, and river guides, from tribes to large metropolitan areas. All stakeholders have a role to play in the changes coming as the river diminishes.

Dams, reservoirs and aqueducts control the Colorado River. Most years, the entire flow of the Colorado River is diverted for agricultural irrigation, municipal and industrial uses. The U.S. Bureau of Reclamation, charged with water management throughout the Western United States, oversees the generation of hydroelectric power that supplies electricity to millions of people in the Intermountain West and has the authority to dictate the amounts of water supplied to each stakeholder (USBR, 2022).

Legal Framework for Collaboration on the Colorado River: The Law of the River

The 1922 Colorado River Compact

During the early part of the 20th century, the seven basin states that are dependent on the Colorado River could not resolve their disputes over claims to the water of the river. In late 1921, then Secretary of Commerce, Herbert Hoover, representing the federal government, and representatives from the seven basin states convened to decide how to fairly split the limited amount of water on the river. The upper basin states—Colorado, Utah, New Mexico and Wyoming—and the lower basin states—Arizona, Nevada and California--had to find a compromise on sharing the river (CRWUA, 2022). The seven states entered an agreement on November 24, 1922 known as the Colorado River Compact where the upper basin states and the lower basin states agreed to divide the water equally at a point known as Lee Ferry Arizona, a point on the river near the Arizona/Utah border (CRWUA, 2022).The 1922 Colorado River Compact was based on an assumption that the river produced at least 16 million acre feet of water per year on average-(one acre foot is the amount of water covering an acre of land one foot deep, or 325,851 gallons of water; one acre foot of water serves approximately 4 households for one year) (CRWUA, 2022). Each basin, therefore, had the right to 7.5 million-acre feet of water; both basins agreed that the deliveries to Mexico would be split equally. Ironically, the Compact

was based on an analysis of one of the wettest ten-year periods in history, establishing a permanent deficit on the river (CRWUA, 1922).

The 1928 Boulder Canyon Project Act

The Boulder Canyon Project Act of 1928 authorized construction of a dam—Hoover Dam--in Boulder Canyon, located on the Colorado River above what is now Hoover Dam, between Clark County, Nevada and Mohave, Arizona. Construction of Hoover Dam started in 1931 and the dam started impounding water on February 1, 1935 and final construction was completed in 1936 (Walsh, 2010). The federal government-built Hoover Dam to serve many purposes: flood control, navigation, and the facilitation of agricultural development in the Colorado River Basin and outside the basin to places like the Imperial Valley, California. The dam was also key in the municipal growth of Los Angeles (Billington, Jackson, 2006). The government included the capacity for power generation from the dam to help pay for the construction of the dam; power generation continues to pay for the operation and maintenance of the dam and other infrastructure on the river (Billington, 2006). The Hoover Dam power plant produces almost 3 million units of horsepower, supplying electricity to more than 5 million people (USBR, 2022). In addition to the construction of Hoover Dam, the 1928 agreement divided the lower basin waters among the lower basin states; California has the right to 4.4 million-acre feet; Arizona could use up to 2.8 million-acre feet and Nevada was to receive the right to 0.3 million-acre feet (CRWUA, 1922).

The 1944 United States and Mexico Treaty; The 1948 Upper Basin Compact; The 1956 Colorado River Storage Project Act

In 1944, Mexico and the United States signed a treaty that gave Mexico a guaranteed allocation of the river—1.5 million-acre feet—and also included a right to more water if there was a surplus year (CRWUA, 1922). Most importantly, the 1944 Treaty made clear that "in the event of extraordinary drought…the water allotted to Mexico…will be reduced in the same proportion as in the U.S. (USBR, 2022)."

In 1948, the upper basin states signed the Upper Basin Compact that divided the upper basin share among the four upper basin states (CRWUA, 2022). Closely thereafter, Congress passed the 1956 Colorado River Storage Project Act which authorized the construction of the Colorado River Storage Project. This Act allowed for the comprehensive development of water resources in the upper basin states of Colorado, New Mexico, Utah and Wyoming. The Bureau of Reclamation spear-headed the building of four reservoirs on the Colorado River for the purpose of providing long-term regulatory storage of water and more electricity. Glen Canyon Dam is the largest of the dams that were authorized by the Colorado River Storage Project Act. It is the second highest concrete-arch dam in the United States, second only to Hoover Dam. The 26.2 million acre-feet of water storage capacity in Lake Powell, created by Glen Canyon Dam, was to serve as a "bank account" for Lake Mead to be drawn upon in years of drought (USBR, 2022; Billington, Jackson, 2005). Glen Canyon Dam was and continues to be controversial, especially as Lake Powell dwindles. At the time of the writing of this article in the spring of 2022, Lake Powell is 175 feet below "full pool"; its content is 24.35% of "full pool"; and the water inflow is 59% of average (Lake Powell Water Data, 2022).

Drought on the Colorado River, however, is not a new occurrence. Indeed, a 22 year drought, climate change and the aridification of the Southwest has motivated stakeholders in the Colorado River Basin to collaborate and compromise with renewed focus, most particularly in

drafting two key agreements known as "Minute 319," signed in 2012, and "Minute 323," signed in 2017.

The Colorado River Stakeholders' 21ˢᵗ Century Collaboration: Minute 319 and Minute 323

The interested and invested stakeholders who depend upon the Colorado River are many and varied: those who live and work in the seven basin states in the United States—Colorado, Wyoming, New Mexico, Utah, Arizona, Nevada and California--, those in the two states of Mexico in the watershed—Sonora and Baja California--, 29 federally recognized Indian tribes in the United States, eleven National Parks, seven non-governmental organizations (NGOs) focused on conservation and the environmental well-being of the Colorado River basin including the Environmental Defense Fund, The Nature Conservancy, the Sonoran Institute, Pronatura Noroeste, the National Audubon Society, Restuaremos el Colorado A.C., and the Redford Center (Minute 319, 2012; Minute 323, 2017). These stakeholders have reached two consecutive agreements since 2012—Minute 319 and Minute 323--, with the U.S. Bureau of Reclamation and the Mexican federal government leading the discussions. The stakeholders and subsequent agreements enlisted Mexico as an important participant in the sharing of the dry hydrology and all the basin states engaged in a process of drought contingency planning per the 1944 Treaty (Castle, A., Fleck, J., 2019). In addition, in 2019, the seven basin states and the Secretary of the Interior agreed to a series of measures aimed at contributing to a balance between supply and demand in the Colorado River Basin (USBR, 2019).

Minute 319 and Minute 323 are named "Minutes"—as in "minutes" of a meeting--as opposed to being called "Acts" passed by Congress because of the need to move quickly with these agreements without the obstructions presented by the U.S. Senate in voting approval of the agreements. Minute 319, effective from 2012 through 2017, described the Mexican government's commitment to take reductions from the river (Minute 319, 2012). Minute 323, effective from 2018 through 2026, restated and continued the shortage reduction provisions set forth in Minute 319 (Minute 323, 2017). Both of these agreements included participation from environmental NGOs and for the first time in the world's history, two nations made a collaborative commitment to dedicate water to a river for environmental purposes and to take conservation actions to restore a globally significant ecosystem--the Colorado River Delta (Minute 319, 2012; Minute 323, 2017). The rapid decline of the water in the Colorado River Basin has triggered the involvement of the US Bureau of Reclamation in reacting to the perils of the dwindling Lake Powell levels and the impacts on water rights for all seven basin states and Mexico (USBR, 2021). Nevertheless, despite severe curtailment of the river, the Contingency Plan of 2019 included another 'pulse flow' for the health of the Delta as described below.

US Bureau of Reclamation: Historic Curtailment of 2022

On August 16, 2021, the US Bureau of Reclamation (USBR) declared a water shortage at Lake Mead, one of the two main reservoirs of the Colorado River (Fountain, 2016). The USBR declared the shortage as it issued its predictions for the river through 2024. The declaration announced cuts in water supplies to begin in January 2022. The cuts affected Arizona farmers the harshest as they are cut off from water they have relied on for decades; smaller reductions have been ordered for Nevada and Mexico in 2022 as well. The shortage declaration will reduce Arizona's supply of Colorado River water, delivered by a system of canals and pumping stations called the Central Arizona Project, by about 20 percent (Fountain, 2021). Arizona farmers reacted by fallowing or switching to less water-intensive crops as well as pumping more

groundwater to make up for the cuts, a threat to the sustainability of the limited groundwater supplies (Fountain, 2021).

These mandatory cuts stem from the Drought Contingency Plan of 2019 described above. While these 2022 cuts affect the lower basin states, the USBR anticipates similar shortages in the upper basin states, even as early as 2022 (Fountain, 2021). It is unknown if these cuts will be enough to halt the decline in supply as climate change continues to affect the river's flow; the USBR and all stakeholders, therefore, must prepare for further reductions and more negotiations (USBR, 2021).

While Arizona farmers prepared the best, they could for a worst-case-scenario, the reduced water supply from the Colorado River will hit other communities and stakeholders who may not be prepared. An effective, successful and resounding social marketing campaign is key to persuading key stakeholders to change behaviors, react with resilience and make radical adjustments.

PERSUASIVE COMMUNICATIONS TO KEY STAKEHOLDERS: SOCIAL MARKETING

In persuasive communication, marketers use knowledge of human psychology to develop and utilize effective techniques for marketing purposes – typically in marketing either products or services. The goal of persuasion is to influence behavior, but to do so in such a way that it benefits the user or target audience itself, regardless of the scenario in which it takes place. Outside of the traditional context, persuasive communication is also a key element of *social marketing*, a distinct sub discipline of marketing. The term *social marketing* originates from a 1971 *Journal of Marketing* article entitled 'Social Marketing: An approach to Planned Social Change' (Kotler, Zaltman, 1971; Andreasen, 1994). They state "Social marketing is the design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution and marketing research" (Kotler, Zaltman, 1971). Andreasen later proposed the following definition "Social marketing is the adaptation of commercial marketing technologies to programs designed to influence the voluntary behavior of target audiences to improve their personal welfare and that of the society of which they are a part" (1994).

According to Dr. Bill Smith, Emeritus editor of Social Marketing Quarterly, it is not the job of marketers to change people's values, but rather it is the job of social marketing to "offer people something they already value in exchange for a behavior which we believe will benefit not only them as individuals, but society as a whole (Lee, Kotler, 2020)." It is the intent of social marketing campaigns to have a profound, positive impact on social issues by influencing the behavior of a broad base of key stakeholder and induce a change. This can occur in several different manners. For example, the objective may be to get the audience to: *accept* a new behavior (e.g. recycle), *reject* an unwanted behavior (e.g. vaping), *alter* a current behavior (e.g. eat more organic food) or *quit* a detrimental behavior (e.g. eating foods high in cholesterol). The purpose may be to influence a one-time behavior or to help establish a new habit that involves a change in repeated behavior (Lee, Kotler, 2020).

The focus of persuasive communication within social marketing traditionally focuses on rewarding good behavior rather than punishing the negative. Early efforts were concentrated on areas such as family planning, tobacco use and disease prevention. More recently, social marketing has been used to address a much wider variety of issues. One of the key areas where

social marketing can be effectively used is within the environmental domain, e.g. air pollution, fire prevention, composting and certainly with water conservation. There are, however, some innate challenges connected with social marketing and persuasive communications. For example, it is not possible to *promise* a direct or immediate return in exchange for the change of behavior – e.g. '*have a shorter shower now and there will be enough water for everyone in the future.*' In addition, some topics are inherently a tough sell; for example, '*change a comfortable habit*' or '*give up something pleasant.*'

In order for a persuasive social marketing campaign to be successful, it is imperative that the marketers have both an in-depth understanding of the issues at hand as well as a strong customer orientation. It is important to consider questions such as: What are the desired benefits? What is realistically possible? And what are the perceived barriers to adopting the suggested changes in behavior? When promoting a new idea using persuasive communications, there are several key steps: (i) creating audience awareness; (ii) selection and targeting of the right audience; (iii) message reinforcement; (iv) frequency of message exposure; and (v) generate interest. Messages should be vivid, concrete and personal.

The most effective persuasive campaigns focus on one single issue, e.g. water conservation. Marketers want to inspire and activate the target audience. It is important to identify a single, simple and doable behavior to cultivate. What information and facts will promote this action? What information does the audience want or need to motivate them (e.g. what are the barriers to and benefits of adoption)? While the behavioral change is focused on only one topic, the persuasive communications may – and often do – target multiple segments or audiences. This is particularly true in recent times when it is often impossible to expect significant improvement in social issues to result from changes made *only* by individuals (i.e. from final users). Thus, more and more social marketing campaigns also address upstream audiences (e.g. policy makers, NGOs, media, law enforcement, etc.) as well as midstream audiences (i.e. '*influencer*s' such as community leaders, teachers, colleagues, friends and family members, etc.). Within the area of water conservation, there are many diverse, key stakeholders. These include, for example, the agricultural industry, municipalities, households, recreationists, recipients of electricity generated by hydropower, Native American communities, and organizations located within the Colorado Basin states and Mexico as well as others. With such a wide-ranging group, it is key to reach all audiences in order to have the maximum possible impact.

There are several relevant examples of successful social marketing campaigns within the realm of water conservation. Launched in 2006, Denver Water's signature orange box '*Use only what you need*' campaign had a goal to reduce water use by 22% within ten years (Denver Water). A broad spectrum of fun and clever media were used to inspire Coloradoans to further embrace a culture of conservation. By 2011, the campaign had already reduced water use by twenty percent throughout the Denver metro and surrounding suburbs (Grenoble, 2011). The campaign remained in use until 2016 when it was retired in favor of an even more wide-reaching campaign which also includes issues such as water quality, recreation and long-range planning (Denver Water).

California is the US state with the highest level of agricultural production; it is also one that has been severely impacted by drought conditions several times over the last thirty years. While Californians have learned to navigate water scarcity in many ways, water conservation remains an area for renewed and ongoing efforts. Southern California's Metropolitan Water District has launched the *Bewaterwise.com* initiative, which offers rebates, grants, xeriscaping

classes, and many water conservation resources and tips. The campaign pays homage to the many different lifestyles that make this region unique, and attempts to empower residents to build on their already established water-saving habits. This multilingual campaign targets audiences through use of diverse media including radio, digital billboards, public transit and extensive social media (bewaterwise). Per Metropolitan Water Efficiency Manager, Bill McDonnell, "[i]f the 19 million residents of Southern California commit to making even one small change to save water, they can add up to make a big impact in how we get through this drought. This campaign is designed to provide tips and resources that anyone can take advantage of (Business Wire)." One highlighted but simple example is the installation of a water-efficient toilet at home. Other examples include doing only full loads of laundry, fixing all leaks promptly, taking shorter showers, installing low volume faucets, purchasing energy efficient appliances or installing drought-friendly xeriscaping outdoors. The campaign emphasizes bold actions, and the importance of smart planning and investments; there is also a significant educational component. Both household and commercial incentive and rebates are offered (bewaterwise).

As mentioned above, after more than twenty years of drought, combined with the impact of climate change and increased demands imposed by the growing population, the Colorado River water flows have significantly decreased. The situation is now dire, as illustrated by the mandatory water cuts ordered by the US Bureau of Reclamation. The water conservation campaigns above show the huge potential and importance of using persuasive communications to reach and influence the many diverse stakeholders.

HOPEFUL PROSPECTS

Hopeful prospects, nevertheless, appear in the waning waters of this great river. The decades long-drought, coupled with the pandemic, exposed the dire need to provide clean water to the more than half a million Native Americans who lack the water and sanitation services that most Americans take for granted. Native American households are 19 times more likely to lack indoor plumbing—no toilet, no sink or piped connection that delivers clean water to their households—than White Americans (Black and Latinx households are twice as likely to lack the same services) (Kroll, 2021). A report by the House Natural Resources Committee, for example, estimated that 30-40% of people living in the Navajos' 27,000 square mile reservation have no access to running water and must haul water for miles (Kroll, 2021). Although Native communities have chronically lacked access to clean and safe water, the involvement of the many tribes in the Colorado River negotiations along with the pending doom of further cutbacks to water sources and hydropower motivated Washington to focus on the need for infrastructure improvement (Becker, Castle, 2021). In 2021, Senator Michael Bennet of Colorado and Senator Martin Heinrich of New Mexico introduced the Tribal Access to Clean Water Act of 2021 which would fund four federal agencies that oversee programs addressing clean water infrastructure in Indian Country for a total of $6.8 billion (Becker, Castle, 2021). This may never have happened if the drought on the Colorado River had not laid bare these inequities.

Another hopeful prospect lays beneath the receding waters of Lake Powell. Before Glen Canyon Dam was built in the early 1960s and Lake Powell began filling to store the potential of more than 26 million-acre feet of water, Glen Canyon greeted the few who visited with a spectacular view of nature. The Canyon was described "as a kind of Eden, more spectacular than the Grand Canyon, more peaceful…a fairy-tale maze of side canyons…each offering a different

marvel (Kolbert, 2021)." As Lake Powell shrinks and the level of the lake drops by hundreds of feet, Glen Canyon is beginning to emerge "into the light (Kolbert, 2021)." Glen Canyon holds secrets of archeological discoveries because the Ancestral Puebloans, the Anasazi, inhabited these canyons for more than ten thousand years (Kolbert, 2021). Likewise, scientific studies of hydrology that lay hidden under the waters of Lake Powell in tree rings are beginning to reappear, offering scientists a glimpse into the history of the hydrology of the area from hundreds and thousands of years ago (Kolbert, 2021). Indeed, the river is restoring itself as the water level in Lake Powell drops. "Mother Nature is forcing the hand of people to make hard decisions" but decisions that could herald a new world and new knowledge (Kolbert, 2021).

A third hopeful prospect that resulted from the many agreements between the United States, Mexico and the many engaged stakeholders is the renewal of the 'pulse flows' from the River into the Delta in Mexico. The 2014 'pulse flow' that resulted from the Minute 319 agreement recharged the Colorado River Delta in Mexico; scientists and communities along the river in the Delta celebrated as the once dry and desolate areas came to life. As a result of the 2019 Contingency Agreement and the continued involvement of scientists and conservationists through the NGOs, another 'pulse flow' took place from May to October of 2021 where more than 35,000 acre-feet of water was released into the Delta, supporting local economies and improving riparian and wetland habitat for wildlife (Skidmore, 2021). Although only about one-third of the water was pulsed in 2014, even this small amount of water has made a difference in the ecological health of the Delta and more 'pulse flows' are part of the 2019 agreement (Skidmore, 2021).

CONCLUSION

The Colorado River is one the primary water sources in the Southwestern United States and Mexico. It provides much of the water used for agricultural purposes, supplies drinking water for more than 40 million people (American Rivers, 2022), enables the production of significant hydropower across the region, supports recreationists and the tourism industry as well as many other diverse stakeholders who reply upon its waters. Significant and immediate social change is needed from across the stakeholder continuum in order to conserve this critical resource and adapt to the West's increasing aridification. Current examples of best practices show the value and potential of social marketing efforts in creating a positive impact on water conservation habits. Persuasive educational communication to the broader stakeholder communication is essential in order to stimulate the behavioral modifications necessary to move forward in this new reality.

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A BRAVE NEW (HYBRID) WORLD: LEGAL CONSIDERATIONS IN NAVIGATING THE NEW WORKPLACE LANDSCAPE

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ABSTRACT

Two years after the pandemic forced businesses to close offices and workers went home to work remotely, long-delayed return-to-office plans are being implemented, and many organizations are increasingly adopting a hybrid work model. While this approach offers multiple advantages for flexibility with respect to when and how work is performed, it also brings challenges with respect to ensuring employees are treated fairly and equitably. This paper will discuss the key legal and ethical considerations of hybrid work models and the implications these approaches might have for designing effective workplace policies that can accommodate both remote and in-office employees. It will address challenges that can be anticipated and provide recommendations for best practices to proactively address these issues.

INTRODUCTION

The global pandemic caused a significant upheaval to the way we work, forcing many companies to pivot to fully remote working arrangements, in some cases literally overnight. Now that organizations are considering and undertaking their "return to the office" strategies, there is growing evidence that the workplace might be evolving to a new normal - the hybrid work model, which combines remote and in-office work. Over half of U.S. employees (52%) report they would prefer this approach versus continuing to work full time remotely (19%) or returning to the office full time (29%) (Gensler 2020). Worldwide, over 70% of corporate leaders are considering this approach (Steelcase, 2021). Theoretically, a hybrid work model combines the best of both worlds, providing opportunities for in-person collaboration and socialization while also affording flexibility with respect to when and where work is performed. In reality, however, this model will likely pose even more challenges than fully remote or fully in-office work arrangements. For one, "hybrid work" reflects a continuum of work arrangements (e.g., Borsellino, 2021; Fowell, 2021; Hinds, 2021). In some settings, a proportion of employees work remotely full time, while others work full time in the office. In others, all employees are able to split their time remotely and being physically in the office - affording some degree of freedom to decide which proportion of their time will be spent where. Additionally, in a hybrid model, company leaders must design policies that can accommodate both remote and in-office workers, particularly with respect to equal opportunity and fair treatment.

As companies adjust to a new reality of the hybrid work force, employers must plan ahead to avoid both legal and ethical conflicts. Regardless of whether an employee works at home or in a physical company location, the employer has legal responsibilities to all its employees. These include discrimination claims that may arise when deciding "time in office policies," or policies that might intentionally or unintentionally distinguish between protected classes such as gender, race, or age groups depending on the location of the worker. Other legal

implications that can arise include employee performance monitoring, workers' compensation obligations, Family and Medical Leave Act Requirements, mandatory vaccine or mask-wearing requirements, and compensation issues stemming from the Fair Labor Standards Act and scrutiny of hours worked and overtime payment obligations. Payroll tax issues can arise when a remote worker may have moved from one state to another and neglects to inform the company. In addition, if an employee's home is in a different country, added legal complexities can arise because the employer must comply with the laws of the country where the person is actually working.

In addition to the legal implications, companies need to consider the equity ramifications that might occur from having a hybrid workforce. Remote workers are often viewed less favorably than in-office workers (Parker, Knight, & Keller, 2020), creating a risk of inequities in how performance is managed and rewards are allocated. There is also a risk of creating an "us vs. them" mentality between those who primarily work remotely vs. those who work on site (Kelly, 2021). On site employees may become resentful of having to accommodate virtual meetings with their remote coworkers or trying to coordinate work projects asynchronously. Remote employees may start to feel left out of the loop or even overtly excluded from communications, networking, or team building activities. Companies that embrace the hybrid work model need to be aware of potential corporate cultural conflicts and issues.

If a company's HR department and management can prepare for the hybrid workplace with detailed and fair policies, it will lay the foundation so that both employer and employees can benefit without the new workplace triggering employment legal woes. This paper will discuss the key legal and ethical considerations of hybrid work models and the implications these approaches might have for designing effective workplace policies that can accommodate both remote and in-office employees. It will address challenges that can be anticipated, such as those outlined above, and identify ways companies might proactively address these issues. The paper will conclude with a summary of best practices and recommendations.

LEGAL ISSUES IN THE HYBRID WORKPLACE

Discrimination Claims and Title VII Protected Classes

Since the beginning of the pandemic when workers fled their offices, many workers have embraced the benefits of hybrid working - a better work-life balance and less commuting. However, if not managed properly hybrid models could lead to discrimination claims. Title VII of the Civil Rights Act, as amended, protects employees and job applicants from employment discrimination based on race, color, religion, sex and national origin (Civil Rights Act, 1964). A report published by *People Management* in October of 2021 notes that "[h]alf (57%) of hybrid workers are concerned that they could face discrimination because of their working arrangements (Howlett, 2021). This includes 46% who worried that working remotely "could impact their career development and progression, and 54% who were concerned they would miss out on learning from peers and seniors while working from home" (Howlett, 2021). More female staff, disabled employees or older employees reported that they preferred to work from home, which points to the danger that employees with protected characteristics who choose to work from home may become under-represented in the work place (Howlett, 2021). The same poll found that 20% of managers identified that remote working created an increased risk for women in terms of missing out on workplace opportunities and regressing towards more traditional role patterns (Howlett, 2021). In order to avoid discrimination against protected classes that prefer to

work at home, such as females with care-giving responsibilities, the disabled or older workers, employers should make sure that decision making and processes around access to opportunities for training, development and promotion, are adjusted to include hybrid workers.

In addition, a survey from January 2022, reports that "[i]n the U.S., 84% of Hispanic/Latinx respondents, 76% of Black respondents and 74% of Asian/Asian American respondents report that they're currently working either remotely or hybrid, compared with just 67% of white respondents (Wigdahl, 2022)." Therefore, the historically underrepresented employee groups could experience more harms of bias because they are the most likely to have flexible work arrangements. In fact, a new form of discrimination, labeled "officism" has entered the lexicon of discrimination, describing negative attitudes toward employees who continue to work remotely, even though remote employees are not necessarily less productive than their physical workplace counterparts. This form of "officism," according to the data, will be directed mostly to historically protected classes (Wells, 2021).

If an employer attempts to change the working arrangement of a hybrid worker who has responsibilities to care for disabled relatives, for example by bringing employees into the office on a full-time or mostly full-time basis, the employer may risk facing claims linked to associative disability discrimination. **Associative discrimination is discrimination based on an employee's known relationship with a person with a disability.** This type of discrimination is prohibited under the Americans with Disabilities Act (ADA), which applies to employers with fifteen (15) or more employees (ADA, 1990).

If an employee is working from home or at the office, workplace accommodations mean that an employer will still be required to provide the tools they need to get their work done (ADA, 1990). Employers should provide the office equipment needed to work from home to maintain safety standards which can be complicated in home environments (ADA, 1990). If an employer receives a request to work in a hybrid manner, the employer must follow the guidelines of the ADA to comply with the law; the requirements of the ADA do not change in a hybrid workplace (ADA, 1990; Howett, 2021).

A hybrid schedule for employees must not discriminate against an employee's race, age, sex, or any other protected reason. Management should work on scheduling details with human resources. Each department's specific needs must not be based on discriminatory reasons for scheduling. Keep lines of communication open with employees as schedules are made.

Hostile Work Environment and Harassment

The hybrid workplace requires managers to maintain and promote a collegial work culture both in the office and in the remote workplace. Workplace professionalism is required despite the location - barking dogs, Zoom-bombing kids, makeshift kitchen or bedroom workspaces notwithstanding. A more relaxed, less observed, and more distant workplace culture can create conditions that foster harassment. Similarly, harassment claims could arise from an increase in informal communications between employees texting or using messaging services.

Employees may feel unaccountable for their behavior in a remote environment; usual workplace policies and behavior expectations may not seem to apply outside the walls of an office. The consumption of alcohol during or around working hours can increase the likelihood of an exchange of jokes or comments on social media. Decreased formality and civility in online environments, the lack of in-person witnesses in remote workspaces, challenges in monitoring remote employee conduct and a lack of information about how supervisors should address online behavior can bring harassment conditions.

Harassment is a form of employment discrimination that violates Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, (ADEA), and the Americans with Disabilities Act of 1990, (ADA) and is defined as follows:

> "Harassment is unwelcome conduct that is based on race, color, religion, sex (including sexual orientation, gender identity, or pregnancy), national origin, older age (beginning at age 40), disability, or genetic information (including family medical history). Harassment becomes unlawful where 1) enduring the offensive conduct becomes a condition of continued employment, or 2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive. Anti-discrimination laws also prohibit harassment against individuals in retaliation for filing a discrimination charge, testifying, or participating in any way in an investigation, proceeding, or lawsuit under these laws; or opposing employment practices that they reasonably believe discriminate against individuals, in violation of these laws."

Clear policies that are part of an organization's compliance plan as well as employee handbooks and training provide an effective alternative defense to harassment claims. Setting and enforcing communication guidelines and expectations will be necessary for hybrid or fully remote teams (Howlett, 2021).

Workers Compensation Issues

Determining workers' compensation jurisdiction in the event of a workplace injury is hardly a straight-forward matter when an employer has a "presence" in more than one state. Not only does the case law on issues such as compensability, disability and medical compensation differ by state, but the question of which state determines jurisdiction in the first place varies. This can be an important legal issue as an injury in one state may cost far more in workers' compensation benefits than in another. It is even possible a workplace injury in one state may not be a compensable injury in another. In addition, new questions arise about the extension of the traditional office into a worker's home, potentially opening up questions about whether any injury that occurs in an employee's home now arises "out of and is in the course and scope of employment." Finally, insuring against the potential exposure of workers' compensation claims in an unfamiliar state raises various challenges as insurance companies may not be licensed in the new state, rate filings differ and the potential for higher minimum premiums can be likely (McVicker, Kelley, Blomfelt, 2021).

Determining workers' compensation jurisdiction in the event of a workplace injury is not an uncomplicated process when an employer has a "presence" in more than one state, as many large corporations, of course, do. Not only does the case law on issues such as compensability, disability, and medical compensation differ by state, but the question of which state determines jurisdiction in the first place varies as well (Gross, 2020). The injured employee, the employer and the insurance company must investigate multiple elements of the occurrence: what was the place where the injury occurred; what is the place where the employment relationship exists; what is the place where the employee resides; and does concurrent jurisdiction exist between the states involved? (Gross, 2020).

After reviewing several studies, the most common complaint reported was employee distraction caused by pets, children home-schooling, spouses at home, external noises

surrounding the home, technology overload with chronic negative media and blurred lines between career and personal life (Toniolo-Barrios & Pitt, 2020). Another common obstacle was the lack of dedicated workspace. Workers reported a lack of dedicated work-space in their homes and many were forced to improvise using dining room tables, family rooms or shared work spaces that are interrupted by children, noisy pets, doorbells, etc. (Toniolo-Barrios & Pitt, 2020).

FMLA Requirements

The Family Medical Leave Act (FMLA) provides certain employees with up to 12 weeks of unpaid, job-protected leave per year. It also requires that their group health benefits be maintained during the leave (FMLA). The FMLA is designed to help employees balance their work and family responsibilities by allowing them to take reasonable unpaid leave for certain family and medical reasons. It also seeks to accommodate the legitimate interests of employers and promote equal employment opportunity for men and women (FMLA).

The complication with the hybrid workplace and the FMLA arises because it applies only to companies that employ 50 or more employees within 75 miles of the main office of the organization. Employees are eligible for leave if they have worked for their employer at least 12 months, at least 1,250 hours over the past 12 months, and work at a location where the company employs 50 or more employees within 75 miles. If a remote employee who works more than 75 miles from the organization's main office needs to take time off under the FMLA, that employee risks not being covered under the FMLA: "If an employer does not employ at least 50 people "within 75 miles" of an individual's worksite, that individual is not an "eligible employee" for FMLA purposes. See 29 U.S.C. § 2611(2)(B). (Hackworth v Progressive Casualty Insurance Co., 2007)."

Mandatory Vaccinations or Mask Requirements

In January of 2022, the Supreme Court stayed an order from the Occupational Safety and Health Association that promulgated a rule dictating that all private companies with 100 or more employees must require their employees to be vaccinated against COVID-19 or test negative for the virus (National Federation of Independent Business vs. OSHA, 2022). Accordingly, a business has no federal mandate to require vaccinations or masks. These orders vary from county to county, state to state and business to business.

Focusing on safety and respect may help employers prevent conflicts from escalating between workers over vaccination status. Employers that require face masks in the workplace can set a legitimate safety policy as long as the employer considers permitting exemptions to the safety policy for fully-vaccinated employees and employees who may need an accommodation. A culture of respect in the workplace means employees respect their coworkers' choices even if they do not agree with them; employees should follow the employer's safety policies to protect themselves and their coworkers.

Compensation Issues: FLSA and Payroll Tax Issues

The Fair Labor Standards Act (FLSA) is a United States labor law that creates the right to a minimum wage, and "time-and-a-half" overtime pay when people work over forty hours a week (FLSA, 1938). It also prohibits employment of minors in "oppressive child labor." It applies to employees engaged in interstate commerce or employed by an enterprise engaged in commerce or in the production of goods for commerce, unless the employer can claim an exemption from coverage (FLSA, 1938). However, despite minimum wage laws, geographic pay policies that set

and adjust pay for far-flung workers based on local compensation factors, such as cost of labor and cost of living rates, are becoming more common among employers (Christie, 2021). A 2021 survey found that 67 percent of employees expect their compensation to reflect their location and geographic pay and has become a pressing issue for employers. Although this does not resonate with the minimum wage requirements of the FLSA, managers are finding that remote working requests demand creative responses (Christie, 2021).

Remote work has created tax compliance risks for employers. Since the COVID-19 pandemic began, 28 percent of employees have worked outside their home state or country but only one-third reported all those days to HR, a 2021 survey shows (VandenBrul, D., Karpchuk, J., 2021). The employers of those remote workers need to withhold payroll taxes appropriately and according to state and federal laws. These companies risk hefty tax penalties in the event of an IRS or state/municipal tax audit for incorrect withholdings (VandenBrul, D., Karpchuk, J., 2021).

International Worker Complexities

International employment laws vary from country to country. International tax laws, international labor laws and the differences between employees and independent contractors are of key importance to organizations that have employees who work internationally. An international business may be obligated to pay taxes in two different locations and thus be aware of two sets of tax laws to understand and work within. Some international agreements and trade deals ease the obligations that surround these laws (Global Expansion, 2020**).**
International labor laws cover the obligations and rights of employees, employers, trade unions and even governments. They are developed, maintained and altered by the International Labor Organization, the World Trade Organization, the International Monetary Fund, and the World Bank (Global Expansion, 2020). For example, if a worker is sent from the United States to Ecuador and then to work in France for a set amount of time, the employer could choose to class the contract of employment as governed by the labor laws of either country. This can be an issue for employees, as it means they could be working under a contract with the less favorable laws. An organization must be aware of international labor laws and how they can affect both you and your employees, even after a contract has been terminated or ended in any way.

EQUITY AND FAIRNESS CHALLENGES

In addition to the legal ramifications, employers must ensure that their policies and practices are perceived as fair and equitable across employees, and workers are treated consistently regardless of when and where they perform their work. Not all jobs can be effectively performed remotely, which leads to a risk of creating a "two-tiered" workplace consisting of those who work primarily from home vs. those who work on site. Given the complexities of navigating hybrid work arrangements, this is likely to pose some challenges. A 2021 survey conducted by UK-based consulting firm WorkNest revealed that only 52% of employers and 40% of employees report they are confident that remote and in-office workers "will be treated evenly and fairly in the next 12 months."

Many of the threats to equity and fairness are rooted in supervisor perceptions of remote vs. in-office workers. According to the Society for Human Resource Management (2021), 72% of supervisors report they would prefer to have all employees on site, 67% consider remote workers more easily replaceable than in-office workers, 62% believe remote work hinders employee career objectives, and 42% say they have sometimes forgotten about remote workers

when assigning tasks. There is also a belief that remote workers are, or may be, worse performers than their in-office counterparts, and may be unable to sustain long-term motivation (Parker, et al., 2020). These beliefs will no doubt pose a risk to fair and equitable treatment of remote vs. in-office workers, particularly with respect to the way in which performance is managed; allocation of performance-based rewards; and fostering workplace relationships.

Managing and Monitoring Performance

Many supervisors express doubt in their ability to manage remote workers and a lack of trust in their employees' ability to perform their jobs (Parker, et al., 2020). These perceptions, in turn, may have a differential impact on how they manage the performance of remote vs. in-office workers. There is a risk that in the absence of opportunities to directly observe employee behaviors, managers may come to develop unreasonable standards and expectations for performance and/or default to a micromanaging approach rooted in evaluating performance based on "time on task" versus productivity. Indeed, 67% of managers report they spend more time supervising their remote workers (SHRM, 2021). There is also a risk of increased bias in performance judgments relative to that of in-office workers (Gorman & Meriac, in press). Supervisor beliefs, in turn, affect the beliefs and behaviors of remote employees. Thirty-four percent of report that their manager has "expressed a lack of confidence in their work skills," which has led to them feeling they need to overcompensate by being constantly available (Parker, et al., 2020).

Allocation of Performance-Based Rewards and Outcomes

Studies have shown that remote workers receive fewer promotions and lower bonuses compared to in-office peers (Kelly, 2021). This is likely due to the fact that, compared to their remote colleagues, in-office workers are perceived more favorably, deemed more productive, have and have more opportunities to advocate for themselves. Only 44% of business leaders report they are confident that opportunities for progression and promotion will be fairly distributed across remote and in-office workers, and just slightly over half (54%) are confident that compensation and rewards will be fairly allocated (WorkNest, 2021). Employees are less optimistic, with only 37% feeling confident in progression/promotion opportunities and 40% reporting confidence in allocation of pay/rewards (WorkNest, 2021).

Workplace Relationships and Engagement

In a hybrid workplace, it can be challenging to foster engagement and workplace relationships that are inclusive of all, and there is a risk of creating an "us vs. them" mentality between in-office and remote employees. Fifty-nine percent of employees fear that remote work would reduce their networking opportunities, 55% believe their relationships would suffer, and 34% believe they would have reduced career opportunities (SHRM, 2020). In-office workers have the advantage of opportunities for informal and spontaneous interactions with their coworkers, allowing them to foster and deepen relationships. This is less likely to occur among remote workers, where opportunities for interactions must be planned ahead of time, and informal interactions such as virtual "coffee breaks" may feel more like a chore than an opportunity to connect (Microsoft, 2022). On site employees may become resentful of having to accommodate virtual meetings with their remote coworkers or trying to coordinate work projects asynchronously. Remote workers may be left out of spontaneous meetings, passed over for assignments, or even overtly excluded from key communications, networking, or team building

activities. Over time, remote workers may feel less of a connection with their coworkers and supervisors, leading to feelings of exclusion and a loss of motivation and engagement (Kelly, 2021).

HUMAN RESOURCE PREPARATION:
FAIR AND DETAILED POLICIES and BEST PRACTICES

Companies must take a proactive approach in anticipating and addressing these challenges by developing clear and specific policies and practices that will ensure that all employees are treated fairly. Virtually all employment practices will need to be reviewed and revised to ensure that they allow equal opportunity and promote equity and inclusion for all, regardless of where and when they work. While a detailed discussion of specific HR policies (e.g., recruitment, selection, compensation, etc.) is beyond the scope of this paper, some of the best practices include the following:

Ensure the Hybrid Model Supports Organizational Strategy

First and foremost, companies who choose to adopt a hybrid work model should do so because the arrangement clearly supports organizational strategy, goals, and the *work* that needs to be performed – *not* in response to employee demand or what the competition is doing (Patton, 2021). While it is important to solicit employee and leadership input in developing a hybrid strategy, this process should focus on collecting data relevant to workflow coordination, and productivity needs; not personal preferences and expectations for when and how work should be performed (Fredrickson & Byron, 2021). Clearly define jobs and roles, workflow, and productivity needs to determine which jobs can be done remotely, which need to be done on site, and how work is to be coordinated, ensuring the decisions are based on the jobs themselves, not the people who hold them. Once a decision is made regarding the particular nature and expectations for hybrid work arrangements, clearly communicate the underlying reasons for the decisions across the company to help ensure buy-in and acceptance (Patton, 2021). Communications must be clear and reflected in all letters, contracts and employee handbooks. Offer letters, employment contracts, and employment documents can specify the work environment or office location from which an employee will work, and should be updated to reflect the new work model. Similarly, employee handbooks should be updated to reflect the guidelines for hybrid and/or remote work and ensure that they set the appropriate expectations and rules for privacy, confidentiality, and data protection.

Provide Clarity with Respect to When/How Work is to be Performed

According to Microsoft's Work Trend Index (2022), only 28% of employees report they have clear team agreements defining expectations regarding when and why they should be in the office. Almost half of managers (41%) allow employees to pick their own hours (Shumway, 2021); or allow them substantial input with respect to when and how work will be performed. Microsoft's return to the office policy, for example, expects to "adopt the working preferences they've agreed upon with their managers" (Hsu, 2022). However, too much flexibility opens the door for confusion and runs the risk creating an "always on" mentality, especially for remote workers who may feel the need to overcompensate for a lack of physical presence in the office or feel overworked, pressured to respond, and unable to disconnect (Shumway, 2021). Further, in the lack of clear guidance, employees may be hesitant or to speak up and establish boundaries (Shumway,

2021). To ensure "autonomy" does not become "ambiguity," company leaders need to be decisive and directive in providing clear and specific polices for expectations for attendance, hours worked, time in office, availability, and performance expectations (Bock, 2021; Fredrickson & Byron 2021).

Establish Clear Policies for Managing Performance

Eighty percent of remote or hybrid employees report their productivity has stayed the same or improved during the last two years; however, 54% of company leaders believe productivity has been negatively impacted during this same time period (Microsoft, 2022). This discrepancy is more than likely due to differing expectations and standards with respect to what constitutes "effective performance." Thus, company leaders need to clearly identify performance standards and expectations and differentiate these from supervisor "preferences." Companies must carefully review existing performance measures/criteria to ensure the focus is on *what* is accomplished, not *where* it is accomplished, and emphasize quality of work and productivity over "time on task" (Bock, 2021). Existing measures should be reviewed to ensure neither remote or in-office workers are negatively impacted (e.g., redefining expectations for "teamwork" or other performance dimensions that might be skewed toward in-office workers) and performance standards must be consistently applied (e.g., if "time on task" or computer usage is being measured for remote workers, it should also be measured for employees who work on site). Supervisors must also be cognizant to ensure they avoid evaluating performance based on their own personal biases for remote vs. in-office work, and must be proactive in ensuring they engage in high quality performance conversations and constructive feedback to all employees, even if they don't have the opportunity to observe performance on a regular basis. Finally, performance-based decisions and policies (e.g., compensation, promotion, training opportunities) should be based on clearly defined, job-relevant criteria.

In addition, to counter the new form of discrimination of "officism" Green (2022) recommends the following:

- Move beyond traditional performance measures: rethink basic annual supervisor ratings of performance where everyone "meets expectations" and connect organizational success to team and individual performance

- Emphasize skill development, talent mobility and high potential identification. Add remote workers to the list of protected groups of individuals so everyone has equitable opportunities, and communicate success stories of remote employees who continue to grow and develop in their careers

- Foster relationships. Remote employees need avenues to build connections. Hiring for an HR role that is responsible solely for the remote employee experience will add expertise and help ease the shift to hybrid

CONCLUSION

The hybrid work model is likely to be a standard practice within many organizations by 2025 (Setty, 2021). And while it affords several potential benefits with respect to when and how work is performed, it also presents a wide range of challenges with respect to the legal and fair

treatment of employees. This paper outlined key considerations and potential challenges that organizations should anticipate in this brave new world, as well as recommendations for best practices when implementing a hybrid work model. That said, companies who choose to adopt or maintain this model should approach it with a learning mindset and an understanding that it will likely be a work in progress. Organizations should consistently evaluate their policies and practices to ensure fair and equitable treatment for all. Employment practices should be monitored to ensure they do not lead to disparate treatment or disparate impact against remote or in-office workers. Supervisors and company leaders should keep a finger on the pulse of employee satisfaction and engagement through surveys, informal meetings, and feedback. Systems and practices should be designed in a way that allows employee input, voice, correctability, and adaptability. Above all, the lines of communication need to remain clear and open to ensure that the workplace will *work* for all employees.

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ART AS THE BUSINESS OF COMMUNITY

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ABSTRACT

It is intrinsic human nature to engage in artistic expression. This is done constantly, consciously and unconsciously. Art is ever-present and manifests itself pervasively and constantly in our lives, whether appreciating a painting, listening to music, or going out to enjoy the different events that are available. However, beyond the traditional idea of l'art pour l'art, art has an intrinsic correlation with community and economic development.

In the United States, the arts have contributed heavily to the economy, generating approximately $166.3 billion in economic activity per year. The art industry is quite unique, as it not only contributes to its own industry but to other related industries as well by drawing in visitors from in and out of town. Art has the ability to create a sense of community, improve a city's appeal, and promote the celebration of civic pride.

To examine the impact of art, this research will look at several benchmark cities to analyze how community and economic development were enhanced through art as well as to identify the different key performance indicators that were used to measure such. Additionally, the authors shall undertake a meta-analysis of research correlating art with economic and community development and improvement. This will form the foundation of strategic suggestions for the Erie, PA to increase its sphere of influence and measure its positive outcomes.

BACKGROUND AND INTRODUCTION

Art is a significant element of our lives. It pervades our social, economic and even political spheres. As Friedrich Schiller wrote, "Man only plays when he is in the fullest sense of the word a human being, and he is only human when he plays" (Schiller, 1790). Kant's underlying assumption that Art is understood in terms of play, the very distinctive characteristic of humans, i.e., being able to create rules and adapt, positions art as intrinsic to human existence, its creativity, innovation and more. According to many philosophical theoreticians, art literally defines us in our want of creation. Therefore, it is also a driving force behind all that we do and create.

Art is not a trend in the modern world, artists have always attempted to find new ways of expression, in the attempt at deepening cultural and individual understanding. One of the oldest purposes of art is expressing religious rituals. Art has been used as propaganda or social commentary to pass a specific message or viewpoint to society. There have been many occasions that art has passed messages that words were not unable to convey. Art captures history in various perspectives that expound upon understanding of events, circumstances and the human condition. With that, art also allows us to capture reality and demonstrate what people see and can show individuals a storyline from the past (Jirousek, 1995). Many art pieces are not just objects with no meaning. They have the ability to show intense emotions.

The importance of art has been made *especially* evident amidst the coronavirus pandemic. As stay-at-home mandates are enforced and nonessential businesses closed around the world, the arts suddenly went dark. A study conducted by the Americans for the Arts showed

that two-thirds of artists have difficulties sourcing materials and have difficulties hosting shows due to COVID regulations. The unemployment rate of artists has doubled since before the pandemic. In the table below, the unemployment rates in arts and artist-heavy occupations are shown, which compare data between January 2020 and May 2020 (Marrone, J.V., Resetar, S.A.; Schwam, D., 2020). Artists have lost some of their income without being fully unemployed, and others may not have filed unemployment yet. Some art institutions have been able to adapt to these restrictions, i.e., holding events virtually, socially distanced, etc. However, the live events (i.e., broadway, concerts, etc.) are suffering dramatically due to restrictions set to slow the spread of the pandemic. Major aspects of artistic expression have been taken out of our lives by the pandemic, which in turn has caused devastating consequences. As Kenn McLaughlin, executive director of Stages, said, "Art is not an add-on, it's fundamental. And through this pandemic we've seen more examples of how everyday folk and professional artists alike need to express themselves to combat loneliness and depression" (Cook, 2020). In the times of uncertainty, art has the power to comfort those who are struggling to grasp our "new normal." While we are restricted to the indoors, the arts in the means of TV, video games, books, et cetera, allows us to connect to a world where *anything* is possible (Netter, 2020). As the world is scrambling to figure itself out, we lean on the arts for support and comfort during unprecedented times as seen with the COVID-19 pandemic.
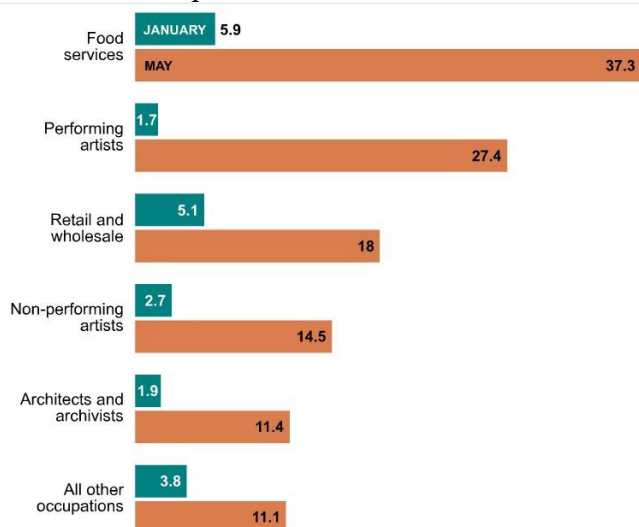
Source: Marrone, J.V., Resetar, S.A.; Schwam, D., 2020

Art's Influence on the Three Levels of Development

Personal Development

As John Vanco, the emeritus director of the Erie Art Museum, said, "A lot of people think of art as something separate. Art is a part of everyone's lives. We rotate around it." That is to say: we have the tendency to think of the arts very narrowly. However, art is broad and can take on many forms—some of which are not as apparent as others. This could include activities such as: painting, language, music, dancing, literature, video games, et cetera. Humans naturally desire to engage in artistic expression in one form or another. The arts provide us with the ability to escape from the routine of our daily lives to have fun, feel free, and take a breath. With that,

participating with the arts allows individuals to be self-expressive, learn new skills, and promote health and well-being (Sung, 2015). Overall, one's quality of life improves dramatically when regularly involved with the arts—no matter what form one's artistic engagement may take on.

Creative expression is an innate need for humans (Cook, 2020). Although art is not always on our minds, it plays a significant role in our lives without our realizing it. Art allows us to express ourselves in different, abstract, and unique ways. Additionally, embracing the arts helps improve and guide us with self-discovery, self-esteem, emotional release, and stress relief (Mental Health Foundation, n,d.). In terms of our minds, study upon study shows that engagement in the arts is essential for developing skills in critical thinking, problem solving, et cetera (Geisler, 2020). Of course, not everyone is meant to be an '*artist*', but art allows for individuals to become more creative and adaptable. Creativity fosters innovative minds, which sharpens an individuals' or entities innovative and creative thinking, an essential characteristic in this ever-changing and highly competitive global marketplace.

Art goes beyond the 'self'; it is the very foundation of the many systems that we see in the world around us. All systems depend on the arts to function in one way or another, some of which include: education, politics, businesses, et cetera. Art, in the broader sense, also including linguistic expression, gestures and etc. can clearly be envisioned as the glue which holds the various human systems together as well as being its own independently developing entity. Community and economic development initiatives are not an exception to this, as they rely heavily on the arts to be successful.

Community Development

The arts are not to be understood in isolation but are expressions of ideas, situations, happenings, emotions, i.e., the human condition and therefore are also intrinsic in community development, success, prosperity and maintenance. Art and culture exist everywhere that people live throughout the world. The nexus of art emanation is simultaneously the bulwark of community development and cohesion. In our current political, sociocultural, and economic climate, it is more important now than ever to recognize the role of art in our communities. According to the Arts Vibrancy Index IV, the graph below illustrates the interdependent relationships from individual artists all the way up to the government.

Source: SMU DataArts, 2020

It is very apparent that when a city is active in its arts community, including education, that it is a more attractive place to visit and live in. In addition to this, the arts help make a city feel safer and more unified to its residents (SMU DataArts, 2019). According to Creative City Network of Canada, there are five key reasons why art is vital to a community (Creative City Network of Canada, 2005). The first one is that art is one of the primary tools of public dialogue. Art can raise awareness of critical issues in communities and assist the public in understanding them. Secondly, art contributes to the development of a creative learning community. It can help individuals creatively express their thoughts and ideas to improve their lives and the community. Thirdly, art helps to create a healthy community capable of acting. Art can make the community be friendlier to one another and more support of one another. Fourthly, art can serve as a powerful tool for community mobilization and activism. Art can bring a community together to make necessary changes. Lastly, art can build community capacity and leadership. This means that art can inspire a community to learn new skills and achieve new goals to better themselves.

Economic Development

It is indisputable that the arts have a profound effect on the economy. The arts can provide a culturally infused experience which can be consumed by a wide market, especially being able to create communities superseding geographic location using modern media techniques and platforms. The economic impact of the arts and cultural organizations are different than other industries as they both encourage direct and indirect spending. The arts not only impact its own industry; it induces event-related spending by its audiences throughout many different sectors (Americans for the Arts, 2015). When people go out for an arts or cultural event, they quite often combine it with restaurants visits, transportation, hotel stays, etc., thereby distributing revenue across multiple industries. Additionally, the availability and proliferation of art within a city encourages tourists, employees, and businesses to visit and/or move to a location.

Despite this, there is a misconception that cities support these organizations at the expense of economic development. However, investment in the arts has proven to be beneficial for a city's economic and community development initiatives. Investment in the arts is the most cost-effective tool for communities and companies for positive social and thereby economic development (Americans for the Arts, 2007). The activities of the arts and cultural organizations and economic development are connected in several ways. The arts can improve a community's competitive edge, create a foundation for placemaking, attract new and visiting populations, integrate the visions of community and business leaders, and contribute to the development of a skilled workforce (American Planning Association, 2011). With that, arts and cultural organizations employ people locally, support local businesses, and attract tourists (Americans for the Arts, 2015). Art is one of the primary channels for public dialogue and art contributes to developing a creative a learning society. It can help create a healthy society capable of changing and serving as a powerful tool for social mobilization and activism. Also, it can build a society with capacity and leadership. (Creative City Network of Canada, 2005).

Additionally, the arts also drive tourism and encourage visitors to not only stay longer, but to also spend more during their stay. Art events attract new dollars for local retailers: 68.9% of nonresidents say they have traveled outside of their town for art events, and 41% say would have traveled outside of their town for art events if they were not available (Americans for the Arts, 2015). Among American adult travelers, two-thirds say that they include a cultural, arts, heritage, or historical activity while on a trip of fifty miles or more—which accounts for 97.2

million travelers in the United States. Of these travelers, thirty-two percent say that they have added extra time to trips because of the available and accessibility of these activities in the cities to which they have traveled to (Project for Public Spaces, 2008). Compared to other types of travelers, those who travel for the arts tend to spend more money by at least $1,000, are more likely to stay in a hotel, and stay longer than those who travel for different reasons (Americans for the Arts, 2015).

According to the American Planning Association, economic development can be enhanced by concentrating creativity through both physical density as well as human capital. When there are high concentrations of creative enterprises and workers within a geographic location, there is more competition in the area which helps to improve a community's quality of life, ability to attract economic activity, and innovation climate. In the table below provided by the American Planning Association, there are a variety of different methods that art can be used for to promote economic vitality.

Promotion of Assets	Promoting cultural amenities for the purpose of attracting economic investment and skilled workers
Development	Promoting community development through artistic, cultural, or creative policies
Revitalization	Promoting community and neighborhood revitalization through artistic measures and strategies that emphasize creativity
Economic/Job Clusters	Creating economic or job clusters based on creative businesses, including linking those businesses with noncultural businesses
Education	Providing training, professional development, or other activities for arts, cultural, or creative entrepreneurs
Arts-Oriented Incubators	Creating arts-specific business incubators or dedicated low-cost space and services to support artistic, cultural, or creative professionals
Branding	Developing visual elements that communicate a community's character; using logo development and graphic design for advertising, marketing, and promoting a community
Districts	Creating arts, cultural, entertainment, historic, or heritage districts
Live-Work Projects	Providing economic or regulatory support for combined residential and commercial space for artists
Arts-Specific and General Public Venues	Providing public or private economic or regulatory support for marketplaces, bazaars, arcades, community centers, public places, parks, and educational facilities of various types
Events	Using celebrations or festivals to highlight a community's cultural amenities
Urban Design and Reuse	Implementing the reuse of existing sites or buildings for arts and culture purposes
Public Art	Supporting temporary and permanent public-art projects

Source: American Planning Association, 2011

It is without a doubt that the arts heavily impact the economy. During economic high and lows, the arts are *always* a vital component of the economy. In the United States alone, the arts and culture sector grew more than twice the rate of the total U.S. economy (National Endowment for the Arts, 2020). The arts are the catalysts to development around the world. The true impact of the arts is not fully understood or adequately appreciated.

ART IN CONTEXT

Art in Education

Along with the immense impact on community development and our individual lives, the arts are also an extremely important aspect of education. Exposing children to the different art forms from a young age helps to build motor function skills as well as enhance the development of their communication skills. Heightened pressure from the individual states to increase standardized test scores, public schools around the country have been consistently cutting their funding for art. There is also an uneven ratio of the departments that are being cut as most cuts

are performed in the poorest communities, increasing the disparity of opportunity. No Child Left Behind, an initiative started by President George W. Bush in 2001, was supposed to ensure that students were being tested yearly to document their learning progress. Students are required under the Act to be tested in subjects such as reading and math during grades 3-8 as well as once in high school (No Child Left Behind Act, 2020.) Costs for standardized testing have supplanted expenditure for the arts in the balance sheet in already less privileged communities. The results are the reverse of the original desired outcomes as funding is removed from intrinsically important areas such as art and thereby community development and enrichment and subsequently used for standardized testing. This directly contributes to a lower level of communication and comprehension in these districts. Each generation becomes less and less socially interactive, less prone to act on their own, less likely to engage in the community. Encouraging empathy with one another instead of the division so commonly seen today is optimal and defunding the arts programs certainly does not help with this. According to Kisida and Bowen, "Among adults, arts participation is related to behaviors that contribute to the health of civil society, such as increased civic engagement, greater social tolerance, and reductions in other-regarding behavior" (Kisida & Bowen, 2019).

During a large-scale study on Houston reincorporating the arts programs back into their elementary and middle schools, some interesting findings were made by Brookings Institution. As part of this study, the test schools were given funding in a variety of forms in order to provide these students with an improved arts experience. One of the major ways they piqued the students' interest was an increased amount of arts-related field trips to events such as dances, plays, concerts, and historic centers. They were also able to add extra courses as well as bring in guest speakers with accolades and experience working in the arts community. Pursuant to this increase in exposure to the arts, The Brookings Institute Study showed clear evidence supporting the importance of arts in childhood development and education. Compared with students in the control group who did not see an increase in the arts, students involved in the study experience a drop of 3.6% in infractions on school property, were able to write at 13% better, and had 8% more compassion for each other (Kisida & Brown, 2020). By simply reincorporating arts into a schools' curriculum, it makes students more caring, more ambitious, and with a broader world view.

According to Dixon and Chalmers, "If we look at creativity as an intellectual activity of children involved in the arts, we find that they conceive creative ideas through the influence of environmental stimuli, as well as from their reaction to demands and limitations of the materials used to make painting, music and other forms of art. The creative process can be seen as a series of cognitive events for the child. It involves confrontation with obstacles and choices in a process of making and overcoming false starts." This quote, while long, truly captures the immense impact on education of art. Not only does art endow children with skills such as creativity and expression, but it shows them how to deal with problem-solving and overcoming the everyday roadblocks of life (Dixon & Chalmers, 2012). Art is a great tool in childhood education and therapy but also for dealing with students with learning disabilities. An alternate way of communication and expression may be all that is needed and may unlock a better lifestyle for the child. A excellent analogy here is learning in general but learning a language particularly. When learning a new language, the student who merely stops and exclaims that they don't understand, is usually not at the top of the class. The student who searches for queries and asks questions of meaning to keep the conversation going to is the one who continues to learn.

Art in Business

Along with attracting tourists, having an active art environment within a region also entices companies and their knowledge workers to move to a city. Most people think that art has no effect on business, but that is not true. Art is the visual identity of a business and its marketing, client relationships, stakeholders, and investors (websites, colors and languages used, channels of dispersion etc., etc.). Art is not only for customers and shareholders, but art and design greatly affect productivity of the workers of a business. The subliminal effects of the ambient conditions' effects on people are too numerous to begin speaking about here. Art conveys the company's culture and indicates the values they represent (or wish to represent). Art also can make people more open-minded and creative. Finally, art can play a significant role in the company because it shows to the world how they operate and how much innovation exists in the company. In a survey done by the Joint Legislative Committee on Cultural Affairs, 99% of CEOs who were questioned stated that the availability of arts and cultural activities is an important consideration in choosing a new location for a business (Project for Public Spaces, 2008). Art is business and the backbone of the human endeavor. Wielding this tool appropriately has immeasurable value, locally, regionally, nationally, globally, politically, economically, etc. It is not spurious that both art and business (trade, barter and other human interaction which benefits) are omnipresent in all peoples around the globe, a continuous thread across cultures. Among U.S. employers, creativity and innovation are ranked as the most relevant skills for individuals entering the workforce to have, especially as the business environment becomes ever more competitive (Americans for the Arts, 2007). According to PwC, 79% of companies worry about drawing in skilled talent (PwC, 2017). Because of this, it is crucial for companies to offer unique experiences to set themselves apart from competitors.

Benchmarking

Benchmarking is the process of evaluating cities, known as benchmark cities, through key performance indicators (KPIs) that can be compared to a similar city. Although benchmarking is used for many different functions, it is especially important for city planners and leaders. By comparing, similar cities can identify how benchmark cities have been successful to develop their own ideas and innovations. This allows for the similar cities to find new ways to make improvements within their own areas inspired by the benchmark cities. As with any benchmarking there are a few things to always keep in mind:

Understand that following what others do, does not provide a unique selling proposition, and may not have the desired effects
Benchmarking is a method of creating more standardization or understanding the standard deviation of the performance in an activity across comparable entities for the purposes of Quality Management
Benchmarking is not a strategic initiative; it is a research initiative.

For this research, we have chosen to select cities comparable to our own Erie, PA. We chose cities based on relative size of population, existence of universities and additional economic parameters, e.g.:

Approximately 100,000 residents

Presence of the arts (i.e., individual artists, attractions, events, etc.)
Funding to the arts from outside organizations (governmental and non-governmental)
High financial and non-financial performances
Recognition for the arts within location

This analysis will look at how art has influenced economic and community development within each of the benchmarked cities by pinpointing organizations involved, breadth of activities and specifying how success was measured. This allows for us to compare performance across, for us aspirational cities, to analyze the content and context of art in economic success. The benchmark cities include the following:

1. Allentown, Pennsylvania
2. Boston, Massachusetts
3. Boulder, Colorado
4. Charlottesville, Virginia
5. Cleveland, Ohio
6. Columbus, Ohio
7. Delray Beach, Florida
8. Erie, Pennsylvania
9. Ithaca, New York
10. Philadelphia, Pennsylvania

Below the best practices from the benchmarked cities:

Allentown, Pennsylvania

In the city of Allentown, Pennsylvania, there has been a significant increase in the service economy whereas their manufacturing industry has been progressively declining. Due to this, the city has invested $1B into developmental planning to bring economic growth to the area. With the help of Allentown's well-known art department, the city can provide its citizens with events, organizations, jobs, et cetera to engage in (City of Allentown, PA, n.d.).

Boston, Massachusetts

Boston, Massachusetts has developed programs to introduce the arts to its students and communities called "Artists for Humanity." This organization provides avenues for youth to become more socially conscious and engage entrepreneurs as well as aims to bridge economic and cultural differences through confidence building and business experience. Young artists work with professionals to gain experience through contracts and negotiations and are paid fully and invited to participate in client meetings. The program is not designed to solely make the artists money but to value art as an expression. By embracing both, the organization encourages the youth to tap into their intrinsic creativity, which is exactly what art can do (AFH Boston, n.d.).

Boulder, Colorado

According to the Arts Vibrancy Index IX conducted by SMU DataArts, the city of Boulder, Colorado is ranked as the eighth most vibrant art community among medium sized cities in the United States (SMU DataArts, 2019). Here, the city taxes all taxable residents approximately $13 annually to support the arts. By doing this, the city is ensuring that its arts & culture community has support as well as giving its citizens activities to participate in within the area. To adjust to the pandemic, the city of Boulder has shifted normal procedures to offer socially distanced and virtual events. This has allowed for employees of the arts sector to stay employed and for community members to participate in events that are safe.

Charlottesville, Virginia

The city of Charlottesville, Virginia is rich with arts, being ranked at the 5th most vibrant arts community amongst medium sized cities throughout the United States (SMU DataArts, 2019). Charlottesville is home to many well-known art institutions, events, and venues that are visited by major artists in the industry throughout the year. With that, schools throughout the city have a strong emphasis on utilizing arts within their educational system to establish the importance of the arts at a young age. To do this, students throughout the Charlottesville area are exposed to the arts at least once a week during school and shown how these artistic skills are pertinent to future careers in other fields like science, business, et cetera.

Cleveland, Ohio

In the city of Cleveland, Ohio, the Cleveland Museum has been a major economic factor for the region—between attracting tourists, creating jobs, and stimulate economic growth. The Cleveland Museum triggers a total of $60 million in economic impact, and another $80 million in impact comes from spending by 109,000 visitors a year who come to the museum from outside Ohio, or roughly one-third of the audience. There have been new 663 job opportunities created due to the museum. The funds for the museum came from individuals and foundations. Moreover, the museum generates $1.7 million in local, county, and state taxes in Ohio, while visitor spending generates an additional $5.7 million in taxes (Steven Litt, 2012).

Columbus, Ohio

Columbus, Ohio is rich with art, and is extremely arts focused when it comes to its tourist industry. In this city, the arts sector employs approximately 15,000 people and generates $412 million annual for the local economy. The art events in Columbus attract nearly 6 million people to the area—which is 1.6x more than the attendance of sports events.

Delray Beach, Florida

The city of Delray Beach, Florida is home to the Delray Beach Cultural Loop and History Trail—which invites individuals of all cultures to celebrate together (City of Delray Beach, FL, n.d.). Once a one-time event it has turned into something celebrated annually due to the large success and support that it has gathered. Delray Beach's Cultural Loop connected people in celebration of their own diversity. The cultural loop was a unique event that helped locals feel more like tourists discovering their own hometown by using familiar public spaces. At the same

time, it gave visitors access to the diverse cultural riches and history of this small south Florida beachside community.

Erie, Pennsylvania

Erie, Pennsylvania is a rust belt city undergoing revitalization initiatives throughout the region. One way the city is attempting to stimulate prosperity, vitality, creativity, and community is by leveraging the region's history, natural attractions, and art and cultural heritage. The city is rich with history, between the War of 1812, the presence of the Iroquois and Seneca nations, and French settlement. Erie's history, cultural institutions are the key elements in developing its economy. Within the city, the arts are already used within historic districts that provide incentives to encourage business development. By embracing a culture of creativity, Erie will be able to aid revitalization efforts by opening new career pathways, developing upon its current workforce, and attract new people and businesses looking to relocate in a vibrant community (Destination Erie, n.d.). With that, having an active arts community allows for neighbors to engage, diversity to blossom, and community pride to grow.

Ithaca, New York

Ithaca, NY has recognized the importance of art for the city's welfare, even noting it as a reason for population growth and overall success (Downtown Ithaca, 2016; SMU DataArts, 2019). With that, the Arts Vibrancy Index IX has ranked the city as the 4th most vibrant medium-sized city in the United States. Additionally, the city ranked 1st in federal art dollars per capita, receiving money from the National Endowments of the Arts and the Institution of Museum and Library Sciences. The city has invested heavily in its arts through its Public Art Plan, which contributed to the city's economy as well as its sense of community vitality. Along with tracking cash flow within the arts, the city also tracks other key performance indicators, such as foot traffic, at its events.

Philadelphia, Pennsylvania

The city of Philadelphia, Pennsylvania has a variety of art museums, organizations, and public art throughout the region. Many new artists have been opening shops around the city to take advantage of what the city offers (PHL-CVB, 2020). Large organizations always support new art organizations and encourage them to be socially engaged with the city. These efforts have been supported largely by the city's Art and Culture Grant. The organization provides new art businesses with general operating support to Philadelphia-based arts and cultural institutions and organizations. Usually, grants are determined by the organization's size and if they are eligible for the grant. The organization provides grants to encourage and increase opportunities for involvement and participation in arts and cultural activities by culturally diverse constituencies (The Philadelphia Cultural Fund, 2020).

RESULTS

After evaluating these cities, we found that communities that are very heavily arts-vibrant have a large presence of businesses and skilled workers, thereby supporting its population and

economy. With that, the tourism industries within these locations blossomed as art organizations held events. Because of this, both residents and non-residents were attracted to come to said cities to spend money at the events and at other event-related activities (i.e., dinner, taxis, haircuts, etc.)

CONCLUSION

Even though we may not initially recognize it, art is the core of all our systemics and is intrinsically correlated with all that we do. It helps to nourish the minds of humans, promote civic pride and community engagement, and support economic development around the world. It is an essential aspect within our education system, business world, and society. Being able to learn to appreciate all other peoples and languages and cultures through art could very well be the true method of a more harmonious world, artistic expression as opposed to amassed wealth or private ownership.

As the French saying goes, "L'art pour l'art," which translates to "art for art's sake." This phrase was coined in the early 19th century by French philosopher, Victor Cousin, which expresses the philosophy that the intrinsic value of *art*, and that the only 'true' *art* is divorced from any didactic, moral, political, or utilitarian function. This is where humans thrive as Kant, a German moral philosopher from the 18th century, would also agree. The creativity which is derived when the mind is freed from the constraints of the supposedly known and expected is when we create new knowledge.

I would add that understanding of science is essential as well. Only when we begin to understand the entirety and complexity of the systems which create and are our existence will we be able to resolve many of the concerns facing humans in this very volatile period of human existence. As forces of economic paradigms (which are inherently incorrect as philosophies/theories), political ideologies (predominantly only misinterpreted ones), the impact of humans on our greater environment, resource scarcity (including pollution of our environment as costs on the balance sheet) and our societal constructs all collide on a scale never before seen by mankind.

As I try and remind my students, "Never forget to take the time to frolic (ur. German: frohlocken)!...and come to grips with the meaning of life" (Bruce Kibler).

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ETHICS IN THE AGE OF ARTIFICIAL INTELLIGENCE MARKETING: MINORITY STUDENTS' PERSPECTIVE

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ABSTRACT

Artificial intelligence (AI), big data, machine-based learning, and marketing data science are all buzzwords that have captured the attention of marketers and organizations worldwide. However, few recent technological advances have created the buzz generated by artificial intelligence (AI). Moreover, few technological innovations have shown the potential to disrupt business as we know it.

Most organizations recognize that artificial intelligence can dramatically impact product development as well as customers' experiences and relationships with the organizations they choose. Scholars around the world have also touted the benefits. Therefore, it should come as no surprise that along with the benefits, many consumers have also expressed concerns about ethical issues, privacy, and how information is collected and used.

This study aimed to explore minority business students' perspectives regarding the use of AI in marketing. The study was conducted during the 2019-2020 academic year in several business courses and included students from various business disciplines, including management, marketing, accounting, finance, economics, and information systems. Forty-seven responses were received from data that were collected through online discussion forums. The results indicated that business students have multiple concerns about the use of AI in marketing, including, but not limited to, data ownership, lack of transparency regarding the algorithms and what data are collected, and who should be held accountable when problems arise.

Keywords: *Artificial intelligence, machine ethics, transparency, algorithmic discrimination.*

INTRODUCTION

Artificial intelligence, also known as machine learning, is defined as "a method that enables computers and machines to exhibit capabilities that are similar to human intelligence and behavior (Kloefkorn, 2017)." According to McCarthy, who is considered the father of AI, it is "the science and engineering of making intelligent machines." Over the years, scholars (Samuel 1959: Van Otterle, 2013; Davison, Sharna & Davison, 2019) have revised the definition numerous times since it first debuted in August 1955 in a proposal presented at the Dartmouth Summer Research Project (McCarthy et al., 1956). Bellman (1978) defined it as "the automation of activities that we associate with human thinking, such as decision-making, problem-solving, and learning." More recently, other scholars Srivastava (2018) and Argawal (2017), further modified the definition to focus on AI's ability to predict outcomes with remarkable precision.

According to Rekha, Abdullah, and Asharaf (2016), artificial intelligence marketing combines database marketing techniques with the benefits of machine learning. Forest and Bogdan (2015) describe this combination as a marketing game changer.

LITERATURE REVIEW

During the past decade, significant advances have been made in the development of technology and the numerous ways it has been applied. Businesses worldwide use the technology to develop more customer-centric communication strategies and products and identify ways to deepen customer relationships. Some scholars even credit AI-based technologies like Alexa and Siri for improving the consumer experience. However, in most cases, tremendous amounts of data are collected and warehoused in data centers across the globe. While most companies view this cache of information as essential to their businesses, ensuring the information is collected and used ethically remains a crucial concern.

According to Bostrom and Yidkowskly (2104), organizations must ensure that artificial intelligence does not harm humans or other morally relevant beings. The authors further state that to avoid many of the concerns associated with AI; algorithms must ensure transparency, audibility, and accountability and be robust against manipulation. However, Yampolskiy (2013) argues that any attempt to allow machines to make ethical decisions is misguided. Numerous scholars (Davison, Sharna & Davison, 2019: Cave & ÓhÉigeartaigh, 2019: Winfield, Pitt & Evers, 2019: Dietrich & Horvitz, 2015;) have discussed the concerns associated with AI and subsequently coined terms such as machine ethics, computational ethics, machine morals, and others to reference many of the same concerns. Can a machine make an ethical decision? Can it determine right from wrong?

Machine ethics defined

In 2011, Anderson and Anderson defined machine ethics as being "concerned with giving machines ethical principles or a procedure for discovering a way to resolve ethical dilemmas they might encounter, enabling them to function in an ethically responsible manner through their own ethical decision making." In 2019, Davison, Sharna, and Davison, also used the term "machine morality" to refer to the "behavior of artificially intelligent beings and the moral behavior of humans as they create, design and use such beings." However, Nath and Sahu's (2020) definition focuses primarily on machines' behavior toward humans and the ethicality of such interactions. One common thread linking the various definitions is whether artificial intelligence and its associated algorithms can be ethical. According to Nath and Sahu, "the ultimate goal of machine ethics is to create a machine guided by an ideal ethical principle or set of principles."

Key Challenges

According to Bostrom and Yukowsky (2014), algorithms play a significant role in the decision-making process; however, these decisions may be fraught with challenges and uncertainty (Saptawijaya & Moniz (2012). Likewise, Solata and Yampolskiy (2014) cited numerous challenges, including societal, economic, political, and potentially catastrophic and existential threats to society and humanity. Likewise, Taylor and Michael (2016) even categorize some of these innovations as potential nightmares since many overlook users' vulnerability and the information captured by these devices, especially when the users are children.

Security, invasion of privacy, accountability, and a host of potential unintended consequences have been discussed by numerous authors (Hill, 2019; Abbas, 2019; Jin, 2019;

Boden et al., 2017), including how to regulate and establish/modify codes of conduct that address contemporary problems and limit future challenges.

Governance

Winfield and Jirotka (2018) define "ethical governance as a set of processes, procedures, cultures, and values designed to ensure the highest standards of behavior. Thus, ethical governance goes beyond good (i.e., effective) governance, in that it inculcates ethical behaviors in individual designers and the organizations in which they work." According to the authors, five pillars are central to good ethical governance are listed below:

- Publish an *ethical code of conduct* so that everyone in the organization understands what is expected of them.
- Provide *ethics and RI training* for everyone, without exception.
- Practice *responsible innovation*, including the engagement of wider stakeholders within a framework of anticipatory governance.
- Be *transparent* about ethical governance. AIs must be transparent, but here we mean transparency of the process, not the product. It is not enough for an organization to claim to be ethical; it must also show *how* it is ethical as part of an annual *transparency report*.
- Really *value* ethical governance.

According to Boddington (2017), the task of developing a code of ethics is rather complex since the term is often associated with multiple applications. Hagendorff (2020) reviewed over twenty major AI guidelines and found that most were seriously deficient in addressing the risks associated with the technology, therefore supporting a higher level of regulation and a more comprehensive governance model.

Transparency

According to Bertino et al. (2019), data transparency is defined as "the ability of a subject to effectively gain access to all information related to data used in processes and decisions that affect the subject." Bertino, Kundu, and Sura stress that AI ethics transparency requires full disclosure at multiple phases: how the data was collected, classified, used, and disseminated and whether it was approved by an ethics governing body or agency. Wind, Vries, and Constantinides (2019) emphasize that disruptive technologies like AI require transparency, forward-thinking, and open communication with all the company's stakeholders.

Certain scholars (Wortham, Theodorou & Bryson, 2016) believe integrating transparency is critical to AI design. Bertino, Kunda & Sura (2019) further highlight that it is not only an essential design component but also paramount in the evaluation phase. The authors theorize that transparency is essential to effectively evaluate whether a system is trained to be or behaving ethically because it helps establish guidelines for evaluating data ethics claims.

Privacy

Data privacy remains a crucial concern for companies and consumers (McCarthy & Plummer, 2016). Since AI networks rely on massive data sets, many questions about how companies can ensure the privacy of information contained within these data sets. According to Kietzmann, Paschen & Treen (2018), AI will become the ultimate test of data privacy. However, many consumers are unaware of the vast data collected through routine online searches. Even

fewer are aware that companies aggregate data collected from social media platforms to develop profiles for their use and to share with affiliates.

Trust

According to Saiu and Wang (2016), trust is crucial in building interpersonal relationships or with other technologies such as AI-powerful networks (Zhang *et al.*, 2018). Saui and Wang postulate that there are several determinants of trust relating to AI technology. These include the technology's performance, processes, and purpose. Although these are not part of this research study, it is essential to acknowledge that building trust is a multi-faceted approach not limited to technology. Human and environmental characteristics are also essential to the trust development process. According to Saui and Wang, initial trust is fundamental to developing continuous trust. For example, in marketing, customer relationship management is built on the marketer's ability to understand the needs of consumers. Similarly, it should be noted that a lack of trust could harm customer relationships.

However, some scholars (Murdoch, Singh, Kumbier, Abbasi-Asi & Yu, 2019) have noted that AI or ML can identify and "interpret" critical relationships within the data. How will these relationships be used? Will they foster stronger continuous relationships, or will they be used in ways that may negatively impact certain consumer groups?

Bias and Discrimination

According to Yavuz (2019), artificial intelligence systematically discriminates in ways that impact the most commonly discriminated groups, women, people of color, and the LGBTQI communities. He further states that this type of discrimination is often inherently linked to training data and unequal ground truth, which occurs when risks are disproportionately distributed among protected groups such as those mentioned earlier.

 This is further compounded by the technology's ability to link specific messages to one's religious or political affiliation.

Hacker (2018) indicates algorithmic discrimination has been identified at Google and within the U.S. court system. He further states that this type of discrimination is often inherently linked to training data and unequal ground truth, which occurs when risk is disproportionately distributed among protected groups such as those mentioned earlier.

Numerous scholars (Risse, 2019; Tschider, 2018; Xi & Zhang, 2017; Bostrum & Yudkowsky, 2014) have stressed legislation addressing artificial intelligence bias or discrimination. However, no consensus has been reached or legislation prosed at the federal level in the U.S. Current data privacy laws prevent regulators from sharing critical algorithmic bias information with its victims. Although no clear solutions have been identified, numerous scholars emphasized the need for and importance of data protection laws to quell the abuses, discriminatory practices, and ethical issues associated with artificial intelligence.

METHODOLOGY

This study aimed to explore business students' perspectives on using AI and identify critical ethical concerns. The study was conducted in several business courses and included undergraduate students from various business disciplines, including management, marketing, accounting, finance, economics, and information systems. Forty-seven responses were received from data collected through an online discussion forum, which was part of course assignments.

RESULTS

The results indicate that minority students have multiple concerns, including, but not limited to, data ownership, lack of transparency regarding the algorithms, what types of data are collected, and the lack of accountability when problems arise. Other concerns expressed were bias or discrimination, the inability of a machine to make ethical decisions, and the lack of empathy when decisions are made.

Twenty-eight of the respondents indicated that data ownership is a significant concern. As one respondent indicated, "Companies should make it evident what data is being collected, how it is used, and who owns the data." Similarly, another respondent stated, "Data ownership is a huge challenge even without the extensive use of AI. While positive and negative aspects are associated with it, much of the concern centers on how it is used." Another respondent further supported this concern, stating, "The majority of people want to know how the information will be used before making their final purchasing decision. Unfortunately, most consumers are unaware of how their data is being used."

Similar to prior studies, respondents in this study indicated that the lack of transparency and data ownership concerns are among the top concerns for many consumers and companies wanting to reduce consumer mistrust and develop long-term customer relationships. Approximately 42% of respondents indicated that transparency was another primary concern. According to one respondent, "The potential problems with artificial intelligence include a lack of transparency about what goes into the algorithms. AI cannot know right from wrong, and the algorithm only sees the available information and computes a result from what it has been programmed to do."

Similarly, another respondent stated, "Artificial intelligence must show transparency to avoid ethical issues that can arise. For example, information should include who is the collector of the data and what it is being used for. In addition, let the consumers know whom they are chatting with, whether it be a robot or another human. Artificial intelligence is able to process information at a higher capacity and more quickly than humans. However, it cannot always be trusted to be fair and unbiased."

Another respondent stated, "People think that the more data included in the technology, the better. Unfortunately, more data may result in bias or consumer mistrust. "The reason why trust is such a major issue is because consumers want to know why certain things happen and how key decisions are made. If you are able to speak directly to a customer service representative, you can ask probing questions and get information explaining why something was done. Nevertheless, with AI, you receive a prompt telling you what to do without explanation. This does not build trust with consumers."

Approximately 14% of respondents indicated that bias is a major concern. As one respondent indicated, "Companies must make sure that AI is not biased." This concern was further supported by another respondent's comment, "The data that is computed into these systems must be neutral and unbiased. If any bias exists, the result is a negative consumer experience."

Seventy-one percent of respondents indicated that discrimination was also a concern. As one respondent stated, "We must make sure that the AI is paying attention to factors that matter so that there is no discrimination in the program." Other respondents indicated that "AI does raise ethical concerns because these systems gather and use consumer data, they can identify discrimination, or it can also be used to discriminate. For example, bad training data can contain

implicit racial, gender, or ideological biases." While the literature is replete with articles that focus on racial and gender discrimination, one respondent stressed the importance of ensuring that companies focus only on data that matters. One respondent stated, "Data should be unbiased or should never be used to fuel a discriminative agenda. Instead, it should be processed to allow for critical and objective interrogation."

Privacy was a prime concern for approximately 29% (28.5%) of respondents. In addition, most respondents expressed concerns about their private information being compromised due to recent cyberattack increases and the likelihood of private data being stolen or sold by advertisers.

Approximately 21% of respondents indicate that the lack of emotion and empathy are concerns that will potentially negatively impact the use of AI in marketing. One respondent explained that "AI does not have the ability to sense empathy or any emotion, no matter how much data is used. When companies use AI to handle customer concerns, the result is unhappy customers. Customer service and loyalty would decline when AI is used to replace people." Another respondent stated, "AI cannot sense empathy or emotions; it is not programmed to know how to deal with consumers in that manner if needed. I feel we give technology too much power, and we program it to act human, but it hurts us."

CONCLUSION

Throughout the literature, authors have expressed concerns about privacy, data ownership, transparency, algorithmic discrimination, and bias. Although the findings in this study are similar to prior studies, comments expressed by the respondents may shed new light on how some minorities view artificial intelligence technology.

Therefore, marketers must understand how the target audience perceives the technology before adopting it. In today's highly competitive environments, organizations struggle to keep pace with new advances and grapple with the best use of AI technology. As more and more information becomes public, consumers have become wary of how these advances may affect their privacy and whether the information garnered is sold to affiliates without their consent.

Additional research is needed to fully understand these concerns' implications and long-term effects on organizations and consumers.

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PROVIDING AN INTERNATIONAL EXPERIENCE IN THE ERA OF COVID

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ABSTRACT

The benefits from engaging students with international experiences has long been recognized. The COVID-19 pandemic created an environment where university endorsed international travel was greatly curtailed. This paper provides an account of one university's creation of a virtual international experience program, which was conceived as a stop gap measure for delivering a course alternative for a traditional study abroad program during the pandemic. This alternative proved to be a valuable learning experience that was creative, engaging, informative, culturally diverse, and accessible. Feedback suggests that the benefits from this program could extend beyond the restrictions imposed by the pandemic.

INTRODUCTION

With many changing dynamics in higher education, universities and colleges have found themselves consistently under pressure to innovate and remain competitive (Steele & Rickards 2021; Wildavsky, Kelly, & Carey, 2011). Higher education innovation is now considered to be a necessity (Penalva, 2021), and even critical to survival (Oluwatobi et al., 2020). The pressures are university-wide across a range of disciplines (Krücken, 2021; Hrabowski, 2014) and come from many sources, including changing expectations of students (Oluwatobi et al., 2020), scarce resources (Krücken, 2021), declining enrollment competition between institutions (Hrabowski, 2014), a need to grow enrollment (Brennan et al., 2014; Hrabowski 2014), and a need to be globally competitive (Penalva, 2021; Hrabowski, 2014).

For years, academic institutions have been adding concepts of global and international thinking into curricula (Perry et al., 2013). Previous innovations for training students for a global environment have often involved two important pathways: 1) bringing more international students to U.S. campuses, and 2) sending more U.S. students to other countries. As higher educational institutions tackle the need to prepare students for an interconnected world and global-mindedness (Perry et al., 2013), Lutterman-Aguilar and Gingerich (2002) recommended studying abroad as an important method for helping students become better global citizens. Short term, faculty-led study abroad programs have been accepted as a viable method for international education experiences (Lewin, 2009; Perry et al., 2103; Stearns, 2009).

STUDY ABROAD PROGRAMS

Participation in study abroad programs has continued to increase, presumably due to the well-documented benefits of cultural exposure for students (Whatley, Landon, Tarrant, & Rubin, 2020). International experience benefits include global competency (Shadowen, Chieffo, & Guerra, 2015), professional development (Mulvaney, 2017; DeGraaf, Slagter, Larsen, & Ditta,

2013), personal growth (Mulvaney, 2017; Franklin, 2010), global awareness (Kurt, Olitsky, & Geis, 2013), and intercultural knowledge (Lokkesmoe, Kuchinke, & Ardichvili, 2016). The opportunity to study abroad and have cross-cultural contact supports the understanding of cultural differences (Petrie-Wyman, Murrell, & Schultz, 2020). This can encourage students to embrace diversity and to see differences as less threatening (Wolfensberger, 2012). International experiences for students have been shown to improve learning outcomes (Regan, Howard, & Lemée, 2009), increase graduation rates (Burns, O'Rear, Rubin, & Sutton, 2015), and lead to postgraduation career prospects (Potts, 2015).

Despite the benefits to having an educational experience in another country, participation in these programs is not universal. One study documented benefits of smaller study abroad programs (Whatley et al., 2020), and many faculty-led international experiences have enrollment caps. Given increased outcomes from smaller study abroad groups (Whatley et al., 2020), it is not surprising that participation in these programs is restrictive and sometimes competitive. Study abroad participants are often wealthier students (Whatley, 2017), as financial factors can impact international experience decisions (Whatley, 2017; Albers-Miller, Prenshaw, & Straughan, 1999). Many groups of students are underrepresented in study abroad programs, including those from various ethnicities, first generation college students, financial aid students, and gender non-conforming students (Johnstone, Smith, & Malmgren, 2020). It is also well-recognized that women desire to study abroad more than men, with women accounting for about two-thirds of study abroad students (Selingo 2019). Men seem to find studying abroad as an interruption to on-campus activities and difficult to fit into their schedules (Selingo 2019). Participating in an international experience can be even more complicated for graduate students, who tend to be older, more likely to be employed full time, and more likely to have family obligations.

COMPLICATIONS FROM COVID

The 2020-2021 COVID-19 pandemic increased pressure for innovation in many aspects of higher education (Tejedor et al., 2021). Some researchers have explained that the pandemic has potentially changed higher education forever (Albers, Knotts, James, & Wren, 2021). Worldwide, educational institutions were required to make changes in content delivery with limited time to plan and execute strategies (Arora & Srinivasan, 2020). Globally, COVID-19 created a disruptive change to higher education (García-Morales, Garrido-Moreno, & Martín-Rojas, 2021; Mishra, Gupta, & Shree, 2020). One report indicates that 188 countries worldwide suspended traditional education processes during a short time window leading to widespread approaches to delivery (Basilaia & Kvavadze, 2020). The disruption was felt globally (Mishra et al., 2020), and higher education challenges were compounded by the nature of their global student populations. Liguori and Winkler (2020, p. 347) indicated that "the COVID-19 pandemic forced universities to switch their entire instructional apparatus to one of online delivery overnight."

Obviously COVID-19 altered the educational environment by forcing institutions to adopt distance learning methods, but the pandemic impacted other aspects of higher education as well. One critical area of disturbance was the ability to provide students with exposure to internationally diverse environments. International restrictions on travel imposed by governments and colleges/universities disrupted the programs designed to offer international experiences. Additionally, the CDC provided recommendations for restrictions on international educational travel, including warnings for areas with high infection rates. The CDC stressed that

health care may not be consistently available and recommended informing students of increased risks (CDC, 2021). International students faced difficulty in continuing their studies in the United States, and some universities stopped recruiting international students (Martel, 2020). Study abroad programs were canceled or postponed (Martel, 2020). Overall, COVID-19 negatively impacted international experience efforts (Dietrich, 2020).

Alternative to Traditional Study Abroad

While the pandemic created two impediments to helping students gain international exposure, reduction in the number of international students on U.S. campuses and the restrictions on U.S. students traveling abroad for an educational experience, the need for exposure did not decrease. Despite the hopefulness that the pandemic would be short lived, the reality has proven that it will take some time to return to full schedules of international travel. Unfortunately, the distribution of COVID-19 vaccines has not been uniform across the world. Vaccine deserts, areas with low vaccine availability, may make international travel risky until distribution is more widespread.

In order to maintain academic program goals for internationalizing the curriculum and providing students with exposure to a more global experience, it became necessary to create an alternative to the traditional study abroad program. For universities with requirements for international experiences, a COVID-19 pandemic alternative was time sensitive. This paper provides an account of one university's approach.

Virtual International Experience (VIE)

Our virtual international experience (VIE) was created for delivery as an alternative course for a 10-day international experience in a large MBA program. The 10-day, on-the-ground, study abroad experience provided a rich combination of executive lectures, company visits, and cultural exposure. The VIE was created to simulate the on-the-ground program. While a virtual international experience program lacks the robustness of a period of time living and learning abroad, it can provide a reasonable alternative. However, we do not suggest that a virtual international experience is directly comparable to an academic experience that takes place in another cultural environment.

An important part of the traditional study abroad course was the opportunity to learn from executives in the country visit. Typically, these executive lectures were conducted in a classroom setting in the travel location. Virtual executive lectures needed to provide a similar opportunity for students to be exposed to cultural differences in conducting business and interacting with others and to acquire career recommendations from high level international executives. To simulate the executive lecture component of the on-the-ground program, it was necessary to obtain commitments from executives to participate in our virtual program. Obtaining high quality video content from executives in other countries requires a financial commitment. Therefore, we worked with a vendor to locate executives in various content areas, secure commitments, negotiate the conditions of the agreement, obtain video content, edit the video content, and produce and deliver the individual 50 minute to 1 hour lectures.

The virtual international experience agreement required the installation of the video content to a password protected LMS site, restricted access to only the instructors and students enrolled in the class, and limited the availability of the content for a specific period of time. All videos were acquired for a single semester use. The restrictions allowed our vendor to negotiate for top tier executives and increased the willingness of the executives to share sensitive company

information. The resulting videos were more relevant to course content needs than free online video content, such as TED Talks. This approach to content development discourages repeated use of videos from a previous term. The creation of new content each term keeps the discussions relevant to current world events and challenges.

In addition to the development of academically relevant lecture series videos, other aspects of a traditional study abroad program can be supported with supplementary course materials. For example, executive lectures were often augmented with company videos, corporate promotional footage, and cultural experience videos. Another important aspect of a traditional on-the-ground international experience is the opportunity to reflect upon the experience. Comprehension checks provided an opportunity for students to reflect upon the content within each executive lecture. Other opportunities to reflect can be achieved with synchronous activities, discussion forums to share experiences, group country comparison projects, and/or company comparison projects.

An unexpected and fortuitous outcome of the virtual international experience was the ability to include a larger, more diverse group of students. The on-the-ground programs were limited in size and were highly selective, but the VIE allowed for a larger group of students (an approximate 600 percent increase), and participants were more evenly divided between men and women. It became clear that we had opened doors to students who would have chosen to forego the on-the-ground study abroad program. One student indicated that "For me personally, I do not think I could have had this experience without this class."

FEEDBACK AND REFLECTION

The student feedback was overwhelmingly positive. Although several students expressed disappointment that their planned, on-the-ground study abroad opportunity was unavailable, most students expressed sincere appreciation that an alternative was provided. The VIE proved to be a valuable learning experience that was creative, engaging, informative, culturally diverse, and accessible.

Creative Alternative

Feedback from students expressed appreciation for developing a creative learning alternative. Generally, students were thankful for the effort and quality of the program produced with a short timeline following the cancellation of a planned on-the-ground program. One student commented that the course had "very interesting subject matter from international experts. videos instead of travel - nice pivot!" Another student explained that the course was a "novel way of providing video lecture from business professionals around the world, with different cultural, social-economic-political perspective." Several students indicated that this VIE was a creative way to provide the course during the pandemic.

Engaging Course

Feedback from students demonstrated that the efforts to engage students through the video lectures were successful. The feedback indicated that students were having some comparable experiences as the previous, on-the-ground students. A student explained that they "were also encouraged to network with the executives each week." The course was described as "enthralling," "enlightening," and "an enriching experience." Students felt welcome to ask the executives additional questions and to get advice and opinions from a wide variety of

professionals. Consistent with traditional study abroad programs, one student commented "I believe that the impact (to the exposure of the experiences of the professionals presented) will be carried by each student into future careers."

Valuable Content

The vast majority of the students expressed their perception that the course content was valuable. The students expressed appreciation for the opportunity to learn from industry executives. The speakers were perceived to be genuine and informative, and the knowledge conveyed regarding conducting international business was considered to be enlightening. Students perceived that they were better prepared for "navigating the business world in different countries." The speakers were valued for sharing their own personal experiences in such a way that students felt they could apply the lessons to work and life. Despite the asynchronous format, students felt that they learned a great deal about culture and customs. The layout of the course provided the students with an opportunity for them to compare similar questions across locations and industries to learn how individuals are both different and similar. One student summarized "I have learned more about international trends and business practices in this one class than I ever imagined possible."

Variety and Diversity

Students recognized that the VIE provided a broader experience than the traditional on-the-ground program. Planning and implementing a traditional study abroad program is restricted by cost, timing, and location. Scheduling executive lecturers is severely limited by the overlap between the time in country and the schedule of the executive. In a traditional program, students are limited to the pool of executives in the immediate location or by the financial ability of the students to visit more than one country during the program. Without these limitations, the executives in the VIE program were consistently high caliber. Many students in the VIE program praised the wide range of VP and CEO presenters. Additionally, they remarked that the speakers were from a broad range of backgrounds, cultures, countries, and industries. One student summarized "I love that we were able to hear from so many different organizations and their leaders from around the world.

Conducive for Learning

Students were appreciative of the learning format during the COVID-19 pandemic. Students commented on the value of having videos that could be watched at a convenient time and paused and/or re-watched if needed to facilitate notetaking. Generally, these students expressed that the video format was consistent with their needs and/or preferred learning style. A subset of students shared that, for them, the virtual international experience was a better alternative to the traditional study abroad program offered. These students felt like they had a reasonable learning experience that provided them with a diversity of executives and locations in a format that allowed them to have a rewarding experience. Many of these students indicated that their obligations or financial situation would have prevented them from participating in an on-the-ground international experience. Additionally, because of the breadth of the speaker backgrounds, students explained that they learned about regions of the world to which they would be unable to travel. One student summarized "I realize COVID-19 altered the ordinary administration of this course, but consideration should be given to this format for future courses."

CONCLUSIONS

The creation of a virtual international experience program was conceived as a stop gap measure for delivering a course alternative for a traditional study abroad program during the COVID-19 pandemic. The utilization of an intensive series of executive lectures from worldwide organizations that were created for limited distribution, and secured as password protected, allowed for robust and candid executive lectures that proved to be highly engaging and academically pertinent. The virtual international experience lectures provided some of the same benefits to students as a traditional study abroad program, but the format, low cost, and increased capacity attracted a larger and more diverse student group to the course. This virtual format may serve as an alternative for students who might not otherwise be able to participate in on-the-ground international experiences.

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STRATEGIC AUDIT PRACTICE ENSURING IT ALIGNMENT: INTERNAL IT AUDIT AS NECESSARY EVIL OR STRATEGIC PARTNERSHIP

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ABSTRACT

Information Technology (IT) investment has been increasing and the organization's use of IT has become more strategic and business-focused (e.g., technology that enables business efficiency, service delivery, and cost reduction). Both IT academia and practice echo that IT alignment with the business strategy is one of the key factors in strategic use of IT. As a part of the endeavor to find success factors of IT alignment, with the view of IT alignment as a 'fit' requiring a dynamic, ongoing interplay between IT and the business, we see an opportunity for organizations to leverage their IT audit activities to assess, achieve, and ensure IT alignment. A vision of having higher quality IT audits and IT auditors as 'strategic partners' rather than its traditional role of 'police officers', would be of great value for organizations to achieve IT alignment via aligning reviews of IT and technical controls in a manner that focuses on coverage of technologies that are most relevant to business objectives.

This study aims to investigate innovative IT audit practices utilized by Cambia Health Solutions, as compared to traditional IT audit. Specifically, this study illustrates a true transformation of traditional IT audit practice, which encompasses direct communication between IT audit, IT and the business, in shifting the focus from IT compliance-centric reviews to assuring that adequate alignment and strategic implications of IT risks are considered by the enterprise. In so doing, the study provides 3 key elements of effective IT audit (people, technology, and process), salient techniques to manage those elements, and practical steps for organizations to consider changing their current IT audit practices to develop and/or increase alignment of their IT resources with assessing risks to achieving strategic objectives.

INTRODUCTION

After years of economic recession and consequent budget freezes, Information Technology (IT) investment has been in an upswing as organizations consider a return on their IT investment more diligently (Kappelman, McLean, Johnson, & Torres, 2016). Simultaneously, the organization's use of IT has become more strategic and business-focused than tactical and operation-focused (e.g., technology that enables business efficiency, service delivery, and cost reduction)(Kappelman, McLean, Johnson, & Torres, 2016). One of the critical factors to realize the true value of IT investment is to have IT resources properly aligned with business and strategic objectives (Kappelman, McLean, Johnson, & Torres, 2016; Kappelman, McLean, Luftman, & Johnson, 2013; Sabherwal & Chan, 2001). According to most prior Information Systems (IS) literature, IT alignment with the business is viewed as a 'fit', which is a dynamic, ongoing process involving mutual synchronization between IT and the business through a

continuous interplay across multiple dimensions, such as strategic or intellectual fit (between the organization's and IT's mission, objectives, and plans), structural fit (between business and IT decision-making), operational fit (between organizational and IT infrastructure), and social fit (between the business and IT in understanding their respective cultural environments)(Chan, 2002; Chan & Reich, 2007; Gerow, Grover, Thatcher, & Roth, 2014; Preston & Karahanna, 2009; Ullah & Lai, 2013).

However, IT alignment with the business still remains a continuing challenge (Kappelman et al. 2016) because IT and business units lack understanding of each other's roles and responsibilities (Reich & Benbasat, 2000) and often have incongruent objectives and methodologies to evaluate alignment (Ullah & Lai, 2013). To ensure and sustain alignment, IT and business units must change their mindsets and routines to integrate their specialized knowledge (Grant, 1996). Thus, it is critical that IT and the business work together to achieve alignment, by way of IT participating in business strategy, planning, and processes and business units participating in IT strategy, planning, and processes (Kearns & Sabherwal, 2007; Kearns & Lederer, 2003). Shared domain knowledge and regular communication, often via informal channels, are critical for such mutual participation (Chan, Sabherwal, & Thatcher, 2006; Sledgianowski & Luftman, 2005). This continuous communication and sharing of domain knowledge would be valuable assets not only for IT alignment but also for organizational effort of complying with ever-increasing regulations and standards as to IT security and controls (Herath, 2014; Quinn, 2002). IT must acknowledge its concerns in managing and controlling key IT resources including data (e.g., customer files, strategic business plans, budgets and financial data, etc.) and risks to the organization in an easy-to-understand framework (e.g., cost/benefit analyses, comparisons of IT risks with physical or market risks, etc.). IT, then, addresses how much IT security and control are sufficient and who should manage it (Herath, 2014).

We see an opportunity – utilizing (leveraging) the independent, objective, and integrated perspective of the corporate Internal Audit (IA) unit. If the IA unit's risk assessment and audit planning is developed in alignment with risks to the success of corporate objectives, then IT audit activities can be a vital means by which organizations assess and ensure the establishment and maintenance of mutual synchronization and interplay between IT and the business. To have higher quality IT audits and make the IT auditors' role more effective as a '*strategic partner*', the focus/scope of an organization's internal audit efforts should align reviews of IT governance and technical controls in a manner that focuses on coverage of technologies that are most relevant to business objectives, which will differ based on each organization's dependence on technology to meet strategic objectives (Amancei & Surcel, 2010; Hill, 2011; Schwering, 2002). If the relationship between IA and IT units is not optimized in partnership, there is a missed opportunity – aligning both IT audit and IT unit resources with potential risks to business goals (e.g., putting IT audit findings and recommendations in a business context easily understandable outside of IT circles) helps ensure top management understand the importance of the strategic implications of IT risk (Hill, 2011).

This study aims to investigate innovative IT audit practices, as compared to traditional IT audit, to ensure an organization's IT unit maintains alignment with its overall strategic objectives through a case study on a multi-billion-dollar health and wellness organization headquartered in the Pacific Northwest of the U.S. In so doing, the study is expected to provide practical steps for organizations to consider changing their current IT audit practices to develop and/or increase alignment of their IT resources with assessing risks to achieving strategic objectives.

Specifically, the focus of this study is to reveal how this innovative IT audit practice improves the IT unit and IA unit relationship to reach a true partnership level ultimately aimed at delivering high value services for the organization's business objectives.

IT audits used to focus on '*traditional*' objectives of IT in a silo centered on a review of applications, technical infrastructure, IT processes and control, and IT projects across the organization; however, these audits were focused more on the effectiveness of technology against IT objectives rather than the supporting role of IT resources in achieving the goals of the business – at times, these IT-specific areas were outdated or largely irrelevant to achieving current business goals (Dzuranin & Malaescu, 2016; Hill, 2011). Consequently, this tended to create an antagonistic relationship between IA and IT units, resulting in the perception of IT audit being a necessary evil focused primarily with procedural/regulatory compliance versus ensuring the delivery of efficient and secure technical solutions for business strategies. In this situation, IT units can develop a pervasive view of IA being the 'police' with audit processes conducive to more of a '*Gotcha*' approach to communicating and reporting findings/issues. Mutual mistrust can perpetuate a culture where IT is continuously challenging the adequacy of auditors' technical acumen and familiarity with specific IT systems, and, in turn, IT units are getting '*dinged*' for compliance issues that have little correlation with business imperatives. This old structure and use of IT audit unfortunately have been slow to reflect on organization strategy as organizations seem to need improvements in IT audit knowledge and IT program development/project management (Filipek, 2007). Such traditional IT audit practices have recently been in a state of continuous innovation driven both by technology and stakeholder demands trying to put proper balance between technical and people-oriented aspects. These struggles along with changing and stricter regulatory compliance requirements are changing the overall practice environment (Dzuranin & Malaescu, 2016).

Reflecting on the aforementioned trend, our case illustrates a true *transformation* of a target organization's IT audit practice in shifting the focus from IT compliance-centric reviews to assuring that adequate alignment and strategic implications of IT risks are considered by the enterprise. This innovative IT audit practice encompasses direct communication between IA, IT and the business (e.g., communication at all levels within and outside the IT unit, integrated risk assessment workshops that take a business objective focus with cross-pollination between business and IT participants, coaching IT in putting its best foot forward with a business-critical need, etc.), embracing emerging frameworks and models for IT services (e.g., customer focused digital solution delivery, which is a critical business objective, joint audits/collaboration (e.g., 'connecting the dots' work) as well as the use of technical governance, risk and control (GRC) software solutions (e.g., web-based collaborative reporting tool) that link business-centric risks and controls with audits and ultimately, findings. With these in place, timely and accurate reporting is enabled to drive ongoing follow up and remediation of risks and action plans within the IT unit and gather internal status reporting from the management teams (e.g., collaborative two-way follow up). In summary, with innovative IT audit practices, IT units can realize and leverage IA as a strategic partner given their unique value proposition as an independent, objective part of the organization with a broad/comprehensive view of risks and business processes. Our case also describes how the new practice has been measured in terms of its contribution to the organization's strategic objectives through feedback from several top management team members.

Case in Focus: Cambia Health Solutions

Background

Cambia Health Solutions ('Cambia') is a cause driven tax-paying nonprofit health and wellness enterprise headquartered in the Pacific Northwest. The enterprise's family of over 20 companies work together to make the health care system more economically sustainable and efficient for people and their families; the company's solutions empower more than 70 million Americans nationwide, including more than 2 million people who are enrolled in regional health plans. These regional health plans operate in four separate states and other companies within the portfolio operate on a national basis. Because of this dispersed geography, the company must maintain constant vigilance to address and maintain compliance with a multitude of differing regulations at a federal and state level.

IT Unit

The Cambia IT unit has over 500 full time employees. The unit manages a complex infrastructure of networks, applications, databases, and vendor relationships, largely focused on health care transformation. This complex infrastructure spans core financial applications and databases supported by vendors in remote data centers, cloud-based solutions platforms and data pipelines, and server-based applications and data warehouses managed in Cambia's data center. Cambia employs a large remote workforce of mobile users and a large 'home workplace' user community, which brings along challenges in securing and servicing a disperse workforce. In addition, the regulatory challenges noted above bring along additional IT challenges in storing, transmitting, and using data electronically throughout this complex systems environment.

IA Unit

The Cambia IA unit is comprised of 25 full time employees, and responsible for executing a diverse annual audit plan that covers strategic, operational, financial, compliance, and technology risks. The unit's mission statement is:

> *"Internal Audit is an independent and objective assurance and consulting function that is guided by a philosophy of adding value to improve the operations of the organization. We assist the organization in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control, and governance processes."*

This mission directly overlaps with the definition of internal auditing as established by the Institute of Internal Auditors (IIA), the profession's governing/standardizing body. The unit reports functionally to the Audit & Compliance Committee (A&CC) of the Board of Directors, with an administrative reporting relationship to the company CEO. This reporting relationship helps preserve the division's independence from and objectivity toward evaluating enterprise risk mitigation and threats to achieving business and technology initiatives.

The Cambia IA unit's approach to IT audit has evolved over the past 20 years. In the early 2000's the department had three or fewer employees conducting IT audits, of which the focus tended to be specific to IT general and application controls reviews for materially relevant financial systems (the 'traditional' purview of the audit profession). While this foundational

audit work served a valuable purpose and laid the groundwork for the department's credibility with management, it did not provide a strategic or forward-looking perspective on the adequacy of large and/or transformational IT work being conducted by the company. Around 2005, the unit began to add more resources and corresponding forward-looking assurance and consulting services to complement the traditional audits, such as regularly updating the A&CC regarding the status of ongoing risk management for a multimillion and multiyear enterprise system implementation. These real-time consulting engagements ('project audits') specific to the corporate project portfolio are still conducted, and consulting and audit methodologies are continually refined to maximize the value-add nature to management stakeholders. In the past five years, IT audit consulting services have expanded to include pre-implementation reviews directly benefitting the corporate IT unit's ability to pass an external review. We will spotlight IA's Service Organization Controls (SOC) 2 readiness effort in partnership with the IT unit further in this paper below.

Through this evolution of assurance and consulting services, IA has strategically cultivated a reputation as a strategic partner to business and IT management, and is highly aligned with other enterprise assurance functions, including Information Security.

Ensuring Audit and IT Alignment

Cambia's IA unit identifies people, technology and process as 3 key elements for effective IT audit (Figure 1) and employs a variety of techniques to build and continually foster partnerships with business and IT leaders and teams (Table 1).

Figure 1
Key Elements of IT Audit
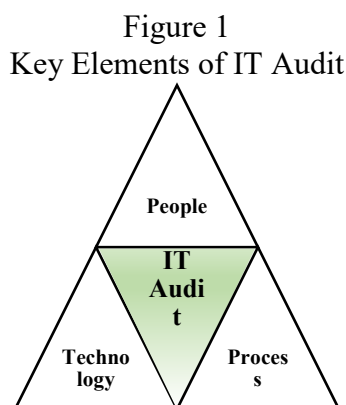
People

IA's employees are the foundation of all unit-level efforts. From a staffing perspective, the unit maintains at least six full time IT auditor positions (including manager-level). These staff members' collective breadth of experience and technical expertise allows the unit to competently engage with business and technology leaders on a wide variety of audits. Depending on the specific needs for risk mitigation assurance, the unit can scope both high level general application as well as detailed technical configuration control reviews, both system development and project management lifecycle audits, both enterprise-wide and initiative-specific governance reviews, and many other types of audits. In the event the unit does not have the requisite knowledge base to perform an engagement then the department will budget appropriately to obtain the necessary co-sourced (external) expertise.

After each completed audit, the unit surveys all key audit customers (the people auditors worked with in detail to execute and complete the audit) to gauge their satisfaction with the audit process and audit staff interactions. The survey results are aggregated and reported quarterly to the A&CC (and the company at large) on the divisional balanced scorecard. Any comments made by auditees that include improvement feedback drives follow up by the unit's management team as to whether audit process modifications should be made and/or whether staff coaching opportunities exist.

Throughout the audit plan year, feedback received regarding emerging risks can influence IA's areas of focus. On an ongoing basis, IA management evaluates the evolving potential impact of risks and adjusts the audit plan accordingly. IA keeps a "pulse" on company risk and mitigation sentiment through a variety of interactions with business stakeholders outside the context of formal audits – primary among these is direct participation as a non-voting member of various enterprise Steering Committees (e.g., the Enterprise Risk Management Committee), and through one-on-one touch base meetings with individual managers.

The IA 'Alliance' program is a formal department initiative where all IA staff are assigned key manager-level and above employees to meet with at least twice a year. The objectives of the 'Alliance' program are multiple: (1) proactively keep company management apprised of upcoming scheduled audit objectives and prior completed audit results, (2) surface any emerging risks or change management efforts that management may be concerned about, (3) remind management of IA's consulting and training services, and (4) facilitate audit staff building their soft skills (e.g., verbal communication, rapport and networking skills). IT managers are assigned to IT audit staff as 'Alliance' contacts and the audit team conducts these meetings to reinforce an open line of two-way communication between the audit and IT units. In addition to preserving the interpersonal relationship with enterprise managers, this networking channel can collectively surface valuable insights into how well business and IT management are aligned toward company objectives and risks, potentially influencing the scope of future audit activities if alignment concerns are surfaced.

Table 1 Key Elements of IT Audit and Salient Findings & Techniques	
Elements	Salient Findings & Techniques
People	• Displays adequate business and technology expertise, domain knowledge, and experience for partnership with key stakeholders/clients. • Solicits insightful feedback through detailed surveys of key stakeholders/clients. • Collects feedback, evaluates emerging business risks, and cultivates rapport with key stakeholders/clients accordingly.
Technology	• Enables development and maintenance of transparent management of data. • Stores proper documentation of key IT audit activities and results. • Facilitates creation and dissemination of comprehensive, timely reports to key stakeholders/clients. • Utilized as a liaison between IT and IA units for data regarding key findings and action plans.
Process	• Enables organizational venues (e.g., workshops, interviews, etc.) for enterprise-wide risk brainstorming and assessment.

	• Develops IT audit plan for value-add assurance, and budgets for consulting projects that focus upon business and IT initiatives and activities and integrates compliance risks inherent in those activities.

Technology

The GRC (Governance, Risk, and Compliance) application used by Cambia's IA is the system of record for audit working papers. The application facilitates documenting all aspects of audit planning, fieldwork testing, and reporting, as well as tracking audit finding remediation after each audit is closed. On a quarterly basis, IA issues a comprehensive report to executive management regarding the status of all open findings and action plans. This reporting employs a color-coded rating system articulating whether the status of management corrective action is on track for completion relative to the original commitment by management and the risk posed by the issue.

At the request of Cambia's CIO, IA routinely issues monthly reports directly to IT management regarding the status of open findings and action plans for which IT management has accountability to address. This reporting is a catalyst for routine and proactive dialogue between IA and IT regarding whether control improvement efforts are being addressed in a complete and timely manner.

IA also brings many years of experience in 'self-service' as it relates to obtaining and utilizing data and technology, which alleviates a resource burden on Cambia IT and the business in having to service a multitude of audit-related data requests. For example, Cambia IA's data analysts have access to all major data warehouses and can extract and analyze many different sets of data for audit and consulting purposes. In addition, IA staff has access and the competency to analyze the IT service request system, which houses data for all systematic changes that have occurred within Cambia's IT systems as well as a complete system access request history, which details all access changes and approvals for each Cambia employee.

Process

Annually, IA conducts an enterprise-wide risk assessment in conjunction with the other internal corporate assurance functions (such as Enterprise Risk Management, Privacy Office and the Information Security team). The risk assessment is performed with all director-level and above management discussing strategic and business risks to the organization through in-person workshops. Follow-up interviews are conducted with recipients, as needed, in order to accumulate additional information. The aggregated risks are categorized into themes, and these themes ultimately inform (1) the formal enterprise risk heat map and corresponding mitigation strategies, and (2) the IA annual audit plan.

Developing the audit plan in this risk-based manner ensures that IA conducts assurance and consulting engagements throughout the year that add value to management's understanding of the enterprise's progress toward achievement of corporate objectives and how well related risks are being mitigated. While the annual audit plan covers top compliance risks inherent in business activities, the audit plan flexes strongly to IA's reviewing the implementation and execution of new, emerging strategic areas and related business and IT efforts.

Administratively, IA management routinely earmarks at least 10% of the unit's capacity for annual consulting projects, much of which are direct requests from business and IT management. Offering consulting services that produce tangible value continues to be a unit's

objective – focus areas continue to include data analytic driven consulting and forward looking (real time) reviews of strategic initiatives.

Case Study for Internal Audit and IT partnership: SOC2 Certification Readiness Review

A case study for the business value that can arise from true IA and IT partnership is preparing for and executing an external assurance assessment. Common assessments that companies have conducted include Service Organization Control (SOC) 1 and SOC2 certifications. The output of this type of review is controls assurance reporting that can in turn be provided to key customers of the company, assuring those customers that adequate controls are in place to manage various risks. Both SOC1 and SOC2 reviews cover IT controls. A SOC2 can be utilized to assess the performance of a company's control environment as it relates to one or more 'Trust Principles', including:

- Security: the system is protected against unauthorized access (both physical and logical),
- Availability: the system is available for operation and use as committed or agreed,
- Processing integrity: system processing is complete, accurate, timely, and authorized,
- Confidentiality: information designated as confidential is protected as committed or agreed,
- Privacy: personal information is collected, used, retained, disclosed, and destroyed in conformity with the commitments in the entity's privacy notice and with criteria set forth in generally accepted privacy principles (GAPP) issued by the American Institute of Certified Public Accountants (AICPA) and Canadian Institute of Chartered Accountants (CICA).

Cambia IA has been engaged in coordinating the company's annual SOC1 review for many years, so when the company began to prepare for its first ever SOC2 assessment it was a natural fit for IA to ensure (1) that the company had the adequate controls defined prior to the review, (2) those controls were present for the numerous in-scope systems prior to the review, and (3) the actual review conducted by the external accounting firm was managed appropriately.

To better understand the population of IT controls relevant to the SOC 2, IA first mapped existing SOC1 controls to the SOC2 requirements. Next, IA worked to define all other SOC2 control requirements. This entailed sitting down with members of Information Security, IT, and the external accounting firm, and over the course of months, crafting the control language. Once all stakeholders were satisfied that each control activity was applicable to one or more SOC2 common criteria, IA then worked with the business to identify control owners and subject matter experts. The audit team double and triple checked the validity of the verbiage for each control with the control owners, and then performed walkthrough reviews and 'N of 1' type testing for each control to ensure that we could evidence effective execution of the control 'in the wild'. IA documented gaps and any obvious deficiencies and worked with leaders to get resources assigned to remediating those issues.

When the external accounting firm began actual SOC2 control testing, IA attended each and every testing session conducted with control owners during the assessment process. Audit management dedicated IT audit resources over a seven-month span for this. Generally, the audit team made sure the external accounting firm received any requests for additional information in a complete and timely manner. Through this coordination role, the IA team ensured the external accounting firm got additional details that explained away potential issues.

The SOC2 readiness effort generated a lot of goodwill and appreciation for IA's partnership and added value throughout the effort, which is evident from comments made by the Chief Information Security Officer (CISO):

"Audit team, I just wanted to wrap up the year with a note of gratitude for your partnership. I've been impressed by your team's willingness and ability to come up to speed on cloud and provide valuable, risk-informed insights across a challenging array of [Cambia IT] efforts. I'm also thankful for your skillful and detail-focused navigation of the SOC 2 effort. A single sentence doesn't do justice to that work. I'm confident [heading into next year] that our teams have a singular vision for protecting our members and the organization."

LESSONS FOR IT LEADERS

Lesson 1: Build and Maintain Rapport between Internal Audit and IT

As they say, it takes two to tango. While a company's IA and IT units inherently have different functions/roles, they must both be 'on the same team' to best ensure the success of enterprise objectives. Direct human interaction and communication between staff is a relatively easy way to break down barriers preventing partnership between these teams. Communication can be increased through a myriad of ways, from routine one on one meetings between IA and IT management to communal lunch and learn meetings focused on IT risk and control topics. Over time more informal interactions should build and reinforce trust between the two divisions, and IA can directly keep IT management apprised of upcoming audit activities while IT management can keep IA in the loop about the current state of IT and business alignment.

But what to do if the corporate IA unit still operates in a 'traditional' manner (is focused primarily on financial and compliance risks) or is not sufficiently resourced with knowledgeable IT auditors? The first step would be to ask for and demand that IA think and assess in a strategic manner that aligns with the business and IT visions of the company. This is not to say that IA should abandon 'traditional' IT auditing; however, on the contrary, consistent auditing and assessment of general IT controls is paramount to the sustainment of an effective systems environment. But consistent addition of risk-based and strategic audit and consulting efforts on critical IT areas that may be outside the bounds of traditional financial reporting relevance is key to having a valuable relationship that serves both parties' needs. It serves IA's needs to have sufficient coverage over all critical risk areas for the company and it serves IT's needs of having key risk-based feedback and consultation across all IT objectives.

On the question of sufficient knowledge, this is another ask and demand by IT of their auditors to either build that knowledge, potentially in tandem, and/or ask for sufficient 'co-sourcing' of these audit areas with external experts.

Lesson 2: Leverage Internal Audit's Strengths

Your company's IA function is an independent and objective assurance and consulting group that should be guided by a philosophy of adding value to improve the operations of the organization. Management can gain valuable insights into cross-functional or siloed efforts through IA's work. IT management is no different – IA's disciplined approach and objectivity can surface any number of control weaknesses, process improvement opportunities, or business governance concerns that ultimately benefit everyone, especially if concerns are raised and

addressed prior to the company suffering an external facing embarrassment (such as adverse regulatory audit, negative media publicity, or inordinate customer abrasion). This can be especially valuable as it relates to large transformative system implementations. Having objective and independent feedback on controls and risk mitigation throughout a large project where so much attention is being paid to scope, schedule and budget can aid in ensuring that significant value is gained by these large transformative projects in the form of meeting all requirements demanded by the new system as well as compliance with all necessary controls regulations and security effectiveness.

If the corporate IA unit does not have a strong reputation for 'value add' output, then there may not be much perceived strength to leverage here. In this case, IA may not be fulfilling its mission as defined by the IIA:

> *"To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight."*

Note that this mission references risk-based work and advising management in the spirit of audit activity described throughout this paper. If necessary, IT management can formally lobby senior management and the Board for a shift in the IA unit's mission and scope of work as noted in Lesson 1 above.

When IA operates from a basis of risk-based activity and a philosophy of adding value, senior management's perceptions of this value can be the ultimate success metric. Cambia IA routinely receives validation that the forward-looking assurance and consulting services described in this paper are valued and meeting management's need to ensure business objectives are being achieved. Examples of direct feedback received during the past year include:

> *"We appreciate the engagement and partnership of the internal audit team. We also value the insights generated by the work."* (Deputy Chief Information Officer (CIO))

> *"This was an excellent piece of work, with strong desire to dig in and understand (the) end to end, with strong communication and insights. High value add!"*
> (Chief Marketing Officer (CMO))

Lesson 3: Partner with Internal Audit to Prepare for External Assessments such as SOC2

A great example of the above lessons coming to fruition is when IT can partner with IA in advance of an effort, whether a major system/project implementation or an external assurance assessment (e.g., SOC2 certification). As partners, the two divisions can help ensure that potential adverse findings are surfaced and resolved prior to the 'go-live' date of the system or actual external assessment.

As described above, if the corporate IA unit does not include consulting capacity in their annual audit plan then the audit team is not adequately fulfilling its mission. The IT unit could seek to partner with IA to co-source the external resources necessary to advise on what control improvements are necessary to pass the assurance assessment. Cambia has experienced that the more synergies and partnerships that occur between IT and IA in these instances of seeking external assistance, the more value is achieved in expanding IA's knowledge and expertise by

learning from these external parties and providing the best consultative service and feedback to IT in critical strategic areas.

CONCLUDING REMARKS

We believe having higher quality IT audits and IT auditors as '*strategic partners*' would be of great value for organizations to achieve IT alignment. We used a case study, through which we elaborated a true *transformation* of traditional IT audit practice of the target organization from IA being a 'police officer' to a 'strategic partner'. Through this journey, the target organization focused on 3 key elements of effective IT audit (people, technology, and process) intertwined through a direct communication between IT audit, IT and the business key stakeholders and how to develop, enable, and manage these elements through the course of the year.

As evident in senior managers' comments, through this evolution of assurance and consulting services, IA has strategically cultivated a reputation as a strategic partner to business and IT management, and is highly aligned with other enterprise assurance functions, including information security to name the few. In so doing, the IT unit and IA unit creates and develops a true partnership ultimately aimed at delivering high value services for the organization's business objectives. This, in turn, helps the organization to develop strategic implications of IT risks, evaluate placement of their IT resources with assessing risks to achieve strategic objectives, and ensure adequate alignment.

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THE DISINTERESTED LEADER

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The prominent social psychologist, George Herbert Mead wrote, "To be interested in the public good we must be disinterested, that is, not interested in goods in which our personal selves are wrapped up." (www.masterteam.com/quotes, 2016)

INTRODUCTION

When asked, "If you were to lead an organization again, what would you do differently?" My answer was, "I would be more disinterested." At that time, my focus was on proving I could successfully lead an organization. I based my decisions on pleasing my superiors and checking off the boxes on the promotion checklist. My behavior was not an example of good leadership. This paper argues that good leaders focus on achieving organizational success based on doing what is best for the organization rather than self-serving actions (Paine, 2016). This paper further defines the term "disinterested leadership," explores its historical origins, and identifies the characteristics and responsibilities of disinterested leaders.

What is a Disinterested Leader?

The Merriam-Webster online dictionary defines a disinterested leader as "one who is unbiased by personal interest or advantage, not influenced by selfish motives." The concept is grounded in transpersonal psychological theory exploring how human beings can achieve their greatest potential (Cherry, 2016)[1].   The concept is predicated on William James' suggestion that humans experience stages beyond the ego, Carl Jung's studies of the collective unconscious, and Abraham Maslow's research regarding self-actualization (Kasprow & Scotton, 1999). Discussions about disinterested leaders may also be found in the disciplines of political science, law, public policy, economics, philosophy, history, and theology.

LITERATURE REVIEW

A literature review reveals that many philosophers and leaders embraced the Universalist belief of placing the good of the majority above those of individual interests. These teachers and leaders wrote about the characteristics required to achieve this disinterested aim. This literature review takes the reader to Ancient Greece, the Renaissance, the Age of Enlightenment, and the American Revolution (Bean, 1985; Rothblatt, 1993).

Ancient Greece. The early Greeks taught that "the greatest good for the greatest number depended upon the preservation of the group as a unit" (Frost, 1942, p. 199**).** Democritus encouraged humanity to apply knowledge and power obtained through reasoning to improve the conditions of those with whom one associates. The Pythagoreans and the Stoics also believed individuals should subordinate themselves to the good of the whole by "respecting authority, the

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[1] Transactional psychological theory has yet to be fully recognized as a scientific field of study.
http://www.goodtherapy.org/learn-about-therapy/types/transpersonal-psychotherapy

laws, and civic virtues of the times" (Frost, 2942, p. 199). Socrates and Plato suggested the best leaders are self-conscious. They defined self-conscious individuals as those who realize there are limits to what they know and are willing to pursue and share knowledge. In *The Republic*, Plato wrote that nations need intelligent and disinterested leaders who are humble, ambitious, open-minded, and base their decisions on achieving the majority's best interests (Goldstein, 2014; Philippousis, 1999). In the story "The Myth of the Cave," he teaches a disinterested "mind can determine what it wants, and then choose to ignore that want" (Goldstein, 2014. np). Aristotle believed the pursuit of "self-interest at the expense of the common good" led to bad government, and ethical leaders did not seek to "enhance their power" but to "create conditions allowing followers to achieve their full potential" (Gardner,   p. 667; O'Toole, 2004, np). Finally, the Realists and Nominalists emphasized the importance of understanding man's abilities do not exceed the state as a system.

13ᵗʰ-17ᵗʰ Centuries. Several pre-Renaissance philosophers warned about the effects of placing the special interests above the majority's interests. Thomas Aquinas taught organizations function effectively only when their members are united. As a public servant, Sir Thomas More represented the public good by conducting himself with dignity, encouraging equity, and making honest and principled decisions (http://www/mnewworldencyclopedia.org/entry/Thomas_More). John Locke taught the principle of majority rule and wrote conflict should be resolved through reason and tolerance. Furthermore, he suggested that individuals cannot be happy unless the group is happy.

18th and 19ᵗʰ Centuries. The revolutionaries and the founding fathers of the United States of America epitomized the disinterested notion of the country before self. Virginia politician John Taylor of Caroline (1753-1824) argued disinterested leadership required social order and a stable democracy (Hite & Hall, 1972). The Massachusetts politician James Otis, Jr., said, "The only principles of public conduct that are worthy….are to sacrifice ….to the sacred calls of the country" (McDonald, p. 174). Virginian Revolutionary George Rogers Clark believed that "serving the commonwealth was the highest good to which one could aspire, and the society would happily follow the enlightened, disinterested, benevolent direction of [its] leaders" (Fisher, 1996, p. 120).

> "The first six American presidents, did not run for office, but stood for it instead." (Gardner, 2000, p. 682)

In the book *Presidents above Party: The First American Presidency, 1789-1829*, Ralph Ketcham writes, the first six U.S. presidents were "strong disinterested leaders" who were able to distance themselves from party interests by maintaining a "consistency of thought and action" (Bean, 1985, p. 177). "They sought to construct a society and government based on virtue, and they hoped that the government they were creating would foster rule by the informed and reasoned judgments of the citizenry rather than by passion and self-interest (Gardner, 2000, p., 688). Recognizing disinterested leadership was crucial for the new nation's success, George Washington developed a "coherent vision for the colonies" and focused on establishing social stability (Klein, 1994, pp. 414-415). He understood his country, followed the rules, knew when to defer to others, and did not overuse his power (Cohen, 1969). John Adams believed that "public passion was superior to private passion" and taught that individuals must sacrifice their private interests for the rights of society (Rahe, 1994, 24). Thomas Jefferson described disinterestedness as the "ability to resist motives of interests…" and stressed the power given to

him by the people was not his but theirs (McDonald 1999, p. 174). James Madison included the disinterested values of the Enlightenment in the U.S. Constitution, practiced good citizenship, and put national interests ahead of other concerns. James Monroe was open to listening to opponents and accepting their recommendations (Miller Center, 2016; Totally History 2016). John Quincy Adams's famous quote, "If your actions inspire others to dream more, learn more, do more and become more, you are a leader," places him well within the ranks of disinterested leaders (Luttrell, 2011, n.p.).

Scholars John Stuart Mill and Herbert Spencer also expressed disinterested characteristics. Mill wrote about the importance of sharing an equal distribution of labor benefits contributed to a healthy environment (Frost 1942). Spencer argued social organizations need each other and can only survive if individual rights are subordinated to the "rights of others" (Frost, 1942, p. 227).

Leaders at the 1881 Atlanta International Cotton Expedition sought to repair relationships between the North and the South by encouraging camaraderie instead of competition. Prince writes, "Interestingly, this model of reunion posited the businessmen of both sections as paragons of selfless virtue and disinterested leadership" (Faculty, unlv.edu; Prince, p. 354).

20th Century. In the 1920s, the Rockefeller Foundation had a problem. Its prominent scholars were leaving to take positions in academia. Board member, Simon Flexner, argued a contributing factor to this problem was leadership's loss of focus on the organization's overall mission. The introduction of self-interests had resulted in the Foundation becoming fragmented and competitive. Foundation leader George Vincent wrote, "Divisional identity has been emphasized to the point of isolation . . . . The function of general oversight, of general planning, of thinking in world-terms from the standpoint of the Rockefeller Foundation as a whole, has been too largely neglected." (Koehler, 1978 p. 492).

Pragmatist John Frederick Dewey taught efficiency is achieved when individual interests balance with grouped interests. He believed attempts to "balance individual interests and group interests in such a way that both will be served and neither sacrificed to the other" (Frost, 1942, p. 231). Dewey also stressed it was important to participate in civic activities to develop collective opinions regarding the good of society.

U. S. Supreme Court Justice Felix Frankfurter described Franklin D. Roosevelt as a "symbol of strong disinterested leadership, of political courage and ability, of bold experimentation" (Cohen,1969, p. 410). Max Freedman also writes that FDR was committed to jurisprudence, humanitarianism, and applied knowledge to resolve problems (Cohen, 1969).

21st Century. Scholar Dr. Shailesh Thaker writes that leaders of the 21st Century need to be "well-grounded and have multiple intelligences" (Thaker, nd, p.1). In the article, "Now it is the Auto Industry that Needs Transpersonal Leadership," John Knight writes that ego and competition play key roles in business failures occurring during the 2000s. Finally, the organization LeaderShape Global stress leaders of the new Century need to be "radical, caring, and authentic" and lead beyond their egos (Young, 2016, p. 2).

Characteristics and Responsibilities of Disinterested Leaders

The characteristics and responsibilities of disinterested leaders can be gleaned from this literature review. Disinterested leaders are:

Self-conscious (Aware of themselves as individuals)
Intelligent (High level of mental capacity)
Knowledgeable (Insight developed through experience and education)
Wise (Exercise good judgment, know when to defer)
Rational (Reasonable and logical)
Collaborative (Sharing)
Consistent (Provide a steady course)
Open-minded (Tolerant, willing to listen to others)
Virtuous (High moral standards)
Humble (Have low opinions of their importance)
Loyal (Respect and follow the rules)

> "Disinterested intellectual curiosity is the lifeblood of real civilization."
> G. M. Trevelyan
> (Brainy Quote)

> "Responsibility to the organization overshadows individual egos"
> (Templeman, p, 56)

Disinterested leaders recognize their responsibilities are to:
Understand their organizations as a whole and place the system before the parts
Develop holistic vision and mission statements that focus on the overall good of the organization
Establish standards that embrace the whole system
Create organizational structures that discourage self- or group-interests from forming
Create stimulating work environments conducive to learning (Koehler, 1978; Masse, 1985)
Make decisions free of personal or divisional interest (Koehler, (1978))
Establish formal values statements and standards of acceptable behaviors (Templeman, 1956)
Create succession plans and prepare employees for advancement
Continuous update their and their employee's education and professional development
Critically observe, express their opinions, and take advice (Templeman 1956)
Follow the organization's policies, procedures, and rules
Apply power appropriately, including empowering employees
Participate in organizational and community activities

Why Do We Need Disinterested Leaders?
Failing to provide disinterested leadership may result in:
The practice of individualism.
Weakened organizational unity, loss of social cohesion, organizational stability.
Decreased morale, loss of ambition, and distrust of management.
Lack of influence and weakened power.
Competition between divisions and employees.

LIMITATIONS & FUTURE RESEARCH
Some individuals may view this leadership style as being unrealistic. L. Banning refers to disinterested leadership as "a nostalgic concept" (1994, p. 1264). Others write that it is irrational to expect that people will put aside their personal interests, place the interests of other divisions

ahead of their own, or ignore pressures applied by special interests (Banning 1994, Morse 1986). The standards of human behavior required of disinterested leaders may be too idealistic. The skeptical may suggest the Machiavellian belief it is challenging to get employees to follow disinterested virtuous leaders (Philosophy Pages, 2016). Another weakness is that there is little empirical testing of the concept. These criticisms may be valid, but the reader is reminded the disinterested leader is open-minded and willing to listen to new ideas.

    This paper discussed the concept of disinterested leadership. The term was defined, historical perspectives were provided, the characteristics and responsibilities of disinterested leaders were identified.

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USING ZOOM IN MARKETING EDUCATION: ARE STUDENTS ACTIVE LEARNERS OR PASSIVE VIEWERS?

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ABSTRACT

Twenty years ago, the term "zoom" was used primarily to refer to speed. Today, the term has taken on new meaning and now refers to a technology that has revolutionized the way educators communicate with their students and each other. For most educators, this technology has become a staple in virtual learning environments around the globe. During the pandemic, many institutions transitioned from face-to-face classroom to fully online platforms using Zoom, Blackboard Collaborate and Microsoft Teams to minimize exposure to Covid-19 variants. However, during the same period, many institutions also saw enrollment numbers plummet due to lack of access, students' desire for a traditional in-person collegiate experience as well as concerns regarding whether the online learning provided the same learning opportunities as in-person classes. This paper explores minority student perspectives on whether the technology provides opportunities for active engagement and learning or simply a conduit for limited engagement passive viewing.

INTRODUCTION

Zoom, a videoconferencing technology firm, was founded by Eric Yuan in 2011 and launched in January 2013 (https://www.businessofapps.com/data/zoom-statistics/). A few months after the launch, there were over a million users. Seven years later, the platform has become one of the most well-known brands in education. According to the company's website, by March 2020 it reached more than 200 million participants in daily meetings (https://blog.zoom.us/a-message-to-our-users/).

Much of this growth came as result of a seismic shift in educational content delivery methods that began in early 2020 when the Covid-19 pandemic completely disrupted the educational experience for students of all levels. Suddenly, educators around the world were thrust into unfamiliar territory and challenged with trying to ensure that face-to-face education standards transferred to online learning modalities. Two years later, the question of how to ensure a quality education while keeping students and faculty safe is still in a constant state of flux. Mobile technology has eradicated borders and allowed companies to expand into regions that were previously difficult to access. Likewise, traditional "old school" lectures have given way to more contemporary "new school" educational technologies that have expanded institutional reach beyond the physical campus limitations.

The technology enables faculty to develop online lecturers, hold office hours and not only meet with their own students but it also provides opportunities to collaborate with faculty members around the globe. For students the technology affords multiple opportunities to learn,

collaborate and interact with their peers in and outside class. Educators in K-12 as well as higher learning environments around the world have gravitated toward this platform and others such as Teams and Blackboard to try to ensure that students are on course to meet the discipline-specific learning goals and objectives outlined for their institution.

According to Lowenthal, Borup, West and Archambault (2020), countless synchronous classes were quickly transformed into long lectures and asynchronous course shells were populated with recorded lectures which were designed to help keep students engaged amid the chaos of a global pandemic. The resulting environment has sparked numerous debates about the effectiveness of online education as well as how the current technological challenges have laid bare the inequalities with the current educational system. Many educators have indicated that trying to replicate what happens in face-to-face classrooms in online environments is simply not working and is at best an unsustainable, short-term solution. This transition has been fraught with challenges, which were further exacerbated by steep learning curves and in many instances, lack of technology and a host of other issues for educators and students (Stefanile, 2020).

Online learning

Online learning, distance learning and remote learning have often been used interchangeably to describe education that is largely facilitated through a computer. However, Hodges, Moore, Lockee, Trust and Bond (2020) stress that there are distinct differences between online learning and the type of emergency remote teaching that occurred in early 2020 when the COVID-19 pandemic forced many institutions to make swift transitions to fully remote learning. Most institutions discovered that they were not fully prepared, and the results were staggering as institutions watched enrollment numbers plummet as more and more students elected to take a gap year while waiting for the return of in-person learning.

During the fall 2021 semester, some students and faculty have opted to continue remote learning amid COVID-19 surges and vaccine hesitancy concerns. While many students have reaped the benefits of online learning (Mukhtar, Javed, Arooj and Sethi, 2020) and have been able to continue their education during the pandemic, it has come with costs to academic integrity as well as concerns about the quality of online education and huge disparities in educational access for marginalized students (Adnan and Anwar, 2020).

Engagement Defined

According to Kenny et al., (1995) student engagement is one of the key indicators of student success. In 2010, Axelson and Flick defined engagement based on "how interested or connected students" were in the learning process. However, a decade later the definition has expanded to include not simply those experiences that occur within the classroom but those that happen beyond the limitations of the physical or online classroom (Alrajeh and Shindel, 2020). Although the definition of engagement varies greatly from one author to another, most agree that student engagement is closely linked to motivation, persistence, and student learning outcomes. For decades scholars have deliberated how to define online engagement.

Meyer's (2014) definition focused on three key elements include behavioral, cognitive, and emotional components. Redmond et al (2018) provided a multidimensional framework that expanded the definition to include behavioral, cognitive, emotional, social, and collaborative constructs which are essential for effective online engagement.

Alrajeh and Shindel (2020) stress that behavioral engagement focuses on such factors has attention, participation, and the number of completed activities within a course, while

cognitive engagement focuses on how much effort is exerted to ascertain knowledge. They further posit that active learners are more apt to attain higher grades that their less engaged counterparts. However, one must ask whether students are being given opportunities to experiment with new concepts in a safe, active learning environment or are they penalized when that fail to meet certain expectations?

According to Redmond et al. (2018) emotional engagement provides opportunities for participants to manage these expectations and articulate assumptions during the learning process. In order for social engagement to occur, the authors stress that it is important to provide environments that foster a sense of community that students can trust or provide a sense of belonging. Lastly, collaborative engagement provides opportunities for faculty-to-peer as well peer-to-peer learning to occur.

Although variant models, such as the Community Inquiry (CoI) Model and the Practical Inquiry (PI) Model, have been used to critique student engagement, many share some similar measures of engagement and include active learning activities such as participation in online discussions or chats, camera usage, audio/video sharing and audio/video access.

Active Learning vs. Passive Learners

Active learners are often linked to classrooms that require social interaction. These environments provide problem-based learning activities, which enable students to think critically, explore real-life, hands-on learning opportunities and peer-to-peer interactive learning. On the contrary, passive learners tend to sit idle as instructors share information (Camacho and Legare, 2015) with little or no little interaction from students. In many instances, students have turned off cameras and audio on during class. Unfortunately, this is not uncommon. In fact, according to Emelo (2013), only 10% of individuals are active learners. The remaining 90% are either passive learners or opposed to learning something new. Given these statistics, educators face enormous challenges in their quest to engage students in digital environments.

Challenges

According to Nadler, zoom fatigue is defined as "a common negative experience that results from prolonged use of computer-mediated communication platforms." Since the advent of the Covid-19, what was once a seemingly unthinkable challenge has become common as meetings, classes and even personal relationships have shifted from in-person to totally virtual environments. Finkel (2020) stress that some users can spend up to 23 hours per week on Zoom.

Contemporary scholars such as Dyer, (2020), Alevizou, (2020), Fosslien (2020) and Wiederhold (2020), have even coined terms such as digital fatigue or Zoom fatigue to describe the effects many adults experience from spending countless hours in these digital platforms.   For children, psychologists are still trying to determine the short- and long-term effects. Fosslien and Duffy (2020), Jiang (2020) and Peper et al (2021) have highlighted the dramatic reduction in student engagement that has come as a result of the pandemic and the subsequent pivot to online learning. In response to this challenge, educators from pre-K to college have been searching for the best ways to engage students. Some has tried duplicating face-to-face information in online environments; however, these efforts have largely proven to be extremely ineffective. Peper et al (2021) posit that multitasking, delays in social feedback and the lack of the nonverbal cues that are essential in face-to-face communication are often missing in virtual learning environments.

For many minorities and economically disadvantaged students, access declined significantly from January-April 2021 and resulted in huge disparities in student performance in

virtual learning environments (Oster et al 2021). These inequalities in online educational access and performance are well documented throughout the literature (Allen, Mahamed & Williams, 2020; Oana & Mitrea, 2021: Lui, 2021).

Privacy concerns are also at the forefront of the e-learning debate. According to Chawla (2020, there have been reports of "Zoom bombing" where unauthorized guests drop in on Zoom meetings. While the majority of these intrusions have been brief and fairly uneventful, some of these breaches might be considered criminal. According to John (2020), these concerns are widespread, and impact not only Zoom but many of the digital applications. Other concerns include about content being routed through international jurisdictions where privacy laws might differ significantly from other regions of the world.

METHODOLOGY

The purpose of this research was to explore student perspectives on the use of Zoom in virtual classrooms and whether students are actively engaged or simply passive viewers. The sample for this study included 43 undergraduate students from multiple disciplines in four courses during the fall 2021 and winter 2022 sessions.

Students were asked to respond to an online discussion forum which contained 15 questions and included open-ended, dichotomous, and scaled questions. Questions focused on active learning activities such as participation in online discussions or chats, camera usage, audio/video sharing and audio/video access to determine the level of engagement in Zoom classrooms. In addition, respondents were able to describe their experience during Zoom class sessions and indicate whether they rate would rate their Zoom online learning experience as effective or ineffective learning solution. Students were offered extra credit as an incentive for participation in the study.

RESULTS

Thirty students responded and 97% of respondents indicated that their instructors used Zoom in their courses. Approximately 50% of respondents indicated that their online courses were asynchronous courses, 33.3% were hybrid and the remaining 16.67% were synchronous.

Findings indicate that 2/3 (66.6%) of students did not use their cameras during class meeting unless required by the instructor. Approximately 83% of students indicated that they did participate in online discussion and 86% indicated that their shared their audio or video. Ninety percent of respondents indicated that they had their audio on during class and 10% did not.

Table 1. Student Responses to Active Learning Activities

Responses	Audio Sharing	Video Sharing	Discussion/Chat	Camera Usage
Yes	26	26	25	20
No	4	4	5	10
Total	30	30	30	30

Although student responses indicate that they are engaged in many active learning activities, most rated their level of engagement as low to moderate. Using a 5-point scale, with 5 being the highest level, 50% of students rated their level of engagement between 2-3 and 13.3%

rated their level of engagement as a 1. Only 5% of students rated their level of engagement as a 5 and 26% rated their engagement level at 4. Although many respondents indicated that they like the convenience of online courses especially during the pandemic, but many indicated that they prefer in-person courses to online courses. One respondent stated ":Zoom classes can be boring if the content or instructor is not engaging. Another indicated, "I honestly don't like them because of how easily I can be distracted". Still another respondent stated, "Zoom classes are less personal and don't help me connect with the professor as well as in person classes and I feel like I pay attention more to the lesson being taught when the professor is physically in front of me."

However, others indicated that the technology reduces scheduling conflicts. One respondent stated "It allows students to be flexible. I work so knowing that I don't have to be on campus to attend classes makes it easier for me to balance my work/life schedule". Another indicated "I think there should be an option. I don't pay any less tuition for taking an online course versus an in-person course. I think that if there is a class that is hosted on campus, it should also have a simultaneous broadcast. That just seem to be the way of the future."

Table 2. Student Overall Evaluation of Zoom Courses

Responses	Would you recommend Zoom?	Was your Zoom experience effective?
Yes	19	20
No	11	10
Total	30	30

When asked whether they would recommend using Zoom to conduct classes, 63.3% of students indicated that they support the idea citing "its collaborative features and multifunctionality" as well as "its ability to provide access for those with physical disabilities." One respondent stated, "It is an easy and convenient way to meet everyone. You can be anywhere and still be present for class meetings." Another replied, "Normally I prefer live class but when it is about safety, I do recommend Zoom."

Conversely, 36% of respondents did not support using Zoom for class meetings. One respondent indicated, "Although I think Zoom class sessions are just as engaging as a traditional setting, there are some ups and downs since some instructors seem to have some technical issues." Another respondent indicated, "Some classes require hands-on experience to fully grasp the content". This comment was further supported by another respondent's comment, "STEM classes need in person instruction where the professor can interact immediately with students and provide hands-on demonstrations." For students who prefer in-person class, one respondent's comment was particularly insightful, "A lot of us are used to learning in person and sitting in classroom and it (remote learning) has been a big adjustment."

Despite the challenges, two-thirds of the students felt that their Zoom learning experience was effective. One respondent stated, "Since we are in a pandemic, it provides an opportunity for many to continue their education rather than stepping away from learning our learning experience all together". For the remaining 1/3 of respondents, some indicated that Zoom classrooms need standards to help ensure that students don't feel that they are in a meeting or phone call rather than class.

CONCLUSION

Although the findings form this study indicate a low level of engagement for many students, this is not uncommon. To fully understand why the level of engagement is so low, additional research is essential to determine how an instructor's technical skills may impact student engagement. As indicated by respondents in this study, often factors such as camera usage is determined by the instructor and some scholars question whether making this a requirement is an invasion of privacy. In addition, other variables may need to be considered. These include rank, number of working hours, time spent on social media as well student technical skills and Internet access and stability.

As previously mentioned, most respondents appreciate the benefits that Zoom meeting provide but there are several caveats. Educators must recognize that some classes are more suitable for online learning than others and some students prefer face-to-face courses rather than online classes. This concern was voiced several times and educators must acknowledge that there are different learning styles in every classes. To ensure maximum engagement, instructors must develop online courses that ensure that each learning style is addressed during the class session. Instructor training is central to this issue not only in online course design but also in how the technology is used. Proper training must also include a comprehensive look at the technology to help faculty determine which features are most beneficial based on an institution's infrastructure (capabilities and limitations).

Implications

This study provides a glimpse into some of the issues that respondents have expressed about their level of engagement in Zoom class sessions. However, one must also acknowledge there are limitations. Convenience sampling inherently limits one's ability make generalization about the larger population of students. Although many of the concerns expressed in this study mirror other concerns expressed by other authors, the findings question how active learning should be defined in these virtual environments. As previously mentioned, there are a host of factors that may impact student engagement and their ability to become active learners. Even though students in this study were actively engaged in online learning activities identified in prior models, many respondents described their level of engagement as low to moderate. Consequently, one might question whether current models need to be revised to include additional variables or has the pandemic completely altered the way passive and active learning is defined?

Recommendations

Active learning and student engagement are often linked to course design, teaching styles and instructor training. As evidenced by some of the respondents comments, some students are not being challenged because content is considered "boring" or limited to the textbook and other partner content. To increase engagement, course design must start with student-centered observable, and actionable learning outcomes. These learning objectives should include opportunities to use Zoom breakout rooms to increase engagement, deepen thinking and encourage peer-to-peer interaction. Today's visual learners can also benefit not only from videos

that show how to navigate Zoom but those that provide assignment feedback. In addition, features such as Zoom polling can allow instructors to pose questions directly to students and the chat can also be used to engage students who may be more comfortable posting a comment in the chat than on speaking on camera.

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PERPETUATING FRAUD IN THE 21ST CENTURY: EXAMINING CHARLES PONZI'S IMMORTAL BLUEPRINT

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ABSTRACT

Over the past century, Ponzi schemes, and those that immortalize such frauds have glistened the media spotlight. The con game has become more intricate with the evolution of technology and globalization; however, the basic premise has varied little since Charles Ponzi successfully executed his investment scheme in the early 1900s. He, unwittingly, created a blueprint for investment fraud that would echo throughout the ages. As investment frauds are effectively perpetuated in the 21st century, Ponzi's scheme has become a standard for proliferating the art of the swindle. This article examines Ponzi's original strategy and techniques to provide insight for consumers and regulators.

INTRODUCTION

Investment scams have reached their highest level in a decade since Bernard Madoff was convicted of the largest Ponzi scam in history (Lacurci, 2020). In 2019, Ponzi schemes were up 30% from the previous year, and the forecast for an increase seemed imminent (Bartalos, 2021). The onset of the Covid-19 pandemic limited resources for oversight in 2020, but 2021 had an increase of 7% in SEC filings over the prior year (Shaw, Hestin, DeBona, & Fox, 2021). Charles Ponzi created a framework for investment fraud in the 1920s that has lasted through the ages and impacts our world today. For over 100 years, his strategy and method have been analyzed to determine the keys to executing investment fraud. As many things throughout history have changed in this century, it is remarkable that Ponzi's fundamental approach from the 1920s continues to be successful today. Scholars and researchers have studied several essential aspects of Ponzi schemes and tactics to caution investors in the 21st century. As investment schemes continue to rise, it is critical to explore findings and observations of Charles Ponzi's initial swindle and the strategies still used as it continues to be a blueprint for scam artists today.

THE PONZI LEGACY

Born Carlo K. Ponzi in 1882, Carlo emigrated from Italy to America in 1902 and assumed the name of Charles. He held blue-collar jobs in several cities in the Northeast. By the early 1900s, Ponzi found employment with a firm that required him to answer foreign mail and give a report. In this position, he understood the function of International Reply Coupons. The International Postal Congress developed International Reply Coupons that could be purchased in the country of origin and mailed with the letter for recipients to return correspondence without the expensive postage rate. Ponzi surmised that purchasing coupons at lower rates and redeeming them for the higher exchange rate could profit from each coupon bought and sold (Jensen &

Gerber, 2007). Ponzi executed his scam by engaging gullible high-level investors and the simple working class. He claimed the return would be up to 50% for the investments when rates averaged 5% (Zuckoff, 2005). He substantiated the returns by claiming the coupons were surrendered for cash in Switzerland for a profit. Reporters with the Boston News Bureau discovered the Swiss claims were fraudulent. Ponzi, known as the "Wizard," was slowly being exposed as a result of his outrageous claims ("Where does Ponzi stand today," 1922). Instead of investing the funds received, he used money from late investors to pay early investors, often spending the funds on his lavish lifestyle (Zuckoff, 2005). Over the next two years, from 1920 to 1922, Ponzi's scheme would unravel and land him in prison for over three years. Ponzi was the first to scam for millions and therefore had the first Ponzi scheme based upon an unprecedented amount (Jacobs & Schain, 2011).

Ponzi manipulated the uneducated and those who could not make informed decisions ("Where does Ponzi stand today," 1922). Victims had little understanding of investments and returns. As Ponzi discovered, people will buy into a good story even if it is tied to nothing of value (Walker, 2020). He concentrated on many small investors in lieu of a few large investors (Langenderfer & Shimp, 2001). Public figures and local officials had confidence in Ponzi as an individual. They invested less in evidence of return and more in personality and charisma (Marietta, 1996). Investors expressed disappointment in authority intervention in the scheme as they still felt Ponzi could legitimately come through with his promises if given a chance (Marietta, 1996).

Ponzi schemes prey on the unsophisticated investor and take advantage of minimal government regulation in the finance industry for success (Marietta, 1996). Ponzi often boasted of his ability to lure people with promises and give them what they wanted for a moment of gratification. He reveled in the ability to hoodwink so many people and loved the game as much as the benefit of the wealth (Darby, 1998). Jensen and Gerber contend, "a Ponzi scheme depends upon human greed and demonstrates the truth of one of the oldest maxims in the financial world: If something is offered that flagrantly flies in the face of common sense, it very likely is nonsensical—and probably crooked" (2007, p.234). Investors of the Ponzi schemes were not necessarily seen as victims. They did not receive a sympathetic ear from the media and public because of their propensity for greed and lack of honesty (Fulford, 2005).

Marietta (1996) writes that Ponzi never indicated that he felt his plan was irrational or impossible but instead maintained faith in his idea. Ponzi did not have prior knowledge of similar schemes at such a level of investment as his ventures. He likely had confidence in continued growth with the influx of investments.

Tennant (2012) writes that Ponzi perpetrators often exhibit a personality of charisma and charm that lures investors with manipulative tactics, often lauding the investor's unique ability to have found the secret to intelligent investing that most of the population does not possess. There is a commonality among men who execute Ponzi schemes as having personalities and traits that exude confidence, wealth, and appeal (Lavoie, 2008). These cons are often noted for their philanthropy and appearance of trustworthiness. Research supports behaviors such as the need for control, neutralization by rationalizing behaviors as necessary, and cognitive dissonance in justifying their actions (Jacobs & Schain, 2011, p.43).

Unlike Ponzi's fraud, prior schemes focused on small distinct groups and avoided the attention of fanfare and publicity (Ji, 2019). Similar schemes before Charles Ponzi and Bernard Madoff were usually aimed at a specific class of people, predominantly women, ethnic or religious groups who tend not to come forward as victims (Robb, 2012). Ponzi did not focus on

one particular audience or type of people but instead solicited funds from many different investors, from individuals to large businesses (Ponzi, 2017).

Charles Ponzi's charismatic personality, traits, and behaviors and the length and scope of his fraud that duped a broad array of victims set him apart from previous fraudsters. His scheme aligns with the points addressed in the Fraud Act of 2006, which categorizes fraud as false representation, failing to disclose, and abuse of position. Ponzi falsely represented the potential returns and continued to do so when the exchange rate of the coupons did not meet the need (Ponzi, 2017). Further, he did not disclose the specifics of the returns and claimed his ability to make a return was proprietary knowledge. Ponzi is classified as an "intermediate long firm fraudsters-people with prior convictions who started with legitimate intentions but eventually turned to fraud" (Button, Lewis, & Tapley, 2009, p.13).

Through the myriad of research devoted to Ponzi and his scheme over the decades, it is noted that the attention to the basic strategy and techniques continues to be of interest. Further, the fundamental tactics in Ponzi's swindle emerged throughout the years that followed, contributing to some of the most notorious cases. Continued research of Charles Ponzi and his infamous scam gives insight to consumers and regulators. A notion that has endured the test of time in deceiving people from all walks of life for over 100 years should continue to be analyzed and explored.

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MEDICAL TOURISM IN INDIA AND THAILAND: A CONCEPTUAL MODEL

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ABSTRACT

Medical or health tourism involves a trip to a forreign country with the primary purpose of seeking medical treatment. The patient may undergo a medical, dental, holistic improvement or cosmetic procedure, and the trip typically involves some level of sightseeing or entertainment activities in addition to the 'treatment'.

On one hand, we are witnessing escalating healthcare costs and long waiting times for medical procedures in Western Countries (Japan, Australian subcontinent, US, Canada and Western Europe). Concomitantly, with the increasing availability of healthcare resources in non-Western countries, more and more Westerners are availing of this global phenomenon called 'medical tourism'. Rising insurance costs, population growth, and urbanization in Western countries on one hand, and cheaper and less cumbersome international travel, healthcare quality and accreditation, shorter waiting times for surgery, availability of highly trained health professionals in non-Western countries on the other, have catapulted medical tourism to an exploding industry (NASDAQ OMX's News Release, 2019; Medhekar et al., 2018; MT1, 2016).

The market is expected to grow at a compounded annual growth rate (CAGR) of almost 16% during the 2019-2025 period, with the US and UK topping the list of medical tourists, while Asian (and to some extent, Latin American) countries appear to be the most popular medical tourism destinations (Bookman and Bookman, 2007; Crooks et al., 2017). Dentistry, cardiovascular procedures, oncology, and in-vitro fertilization (IVF) procedures seem to be the most sought-after procedures for medical tourists (NASDAQ OMX's News Release, 2019). Globally, more than 21million people travelled abroad to seek medical care of which, 1.4million were Americans, who travelled for cancer, heart-by-pass, dental crowns, cosmetic surgery and other short-stay outpatient procedures. Thailand itself hosted 2.4million medical tourists in 2016 (Medhekar et al. 2018). Similarly, experts predict that the Indian medical tourism market will be worth US$ 8 billion by 2020 (Thornton, 2015), and expect it to grow by 30 per cent annually (Naik & Lal, 2013). Thus, there is no question that medical tourism has flourished considerably over the recent years and keeps changing at a rapid pace. Consequently, this topic calls for further research.

It is no surprise, that there exits considerable exploration in this field. A quick search of literature in Google Scholar featuring the words 'medical tourism' in the title yielded almost 13000 results (post-2015). The literature can be categorized under the following broad topics: antecedents (demand-oriented or 'push' factors), destination- or supply-oriented (pull factors), scale development, industry trends, consequences-based, negative impacts, challenges and future of medical tourism (A de la Hoz-Correa et al., 2018; Fetscherin & Stephano, 2016; Han & Hyun, 2015; Lee & Fernando, 2015; Suess et al., 2018; Wongkit & McKercher, 2016).

However, extant research on medical tourism mostly ignores the importance of the individual's threat perception and coping mechanisms, and the roles that these perceptions play in influencing the individual's decision whether to seek treatment in the first place. In other words, extant studies leave a gaping hole in medical tourism research. What is also lacking, according to the author's finding, is a concerted effort to build a robust model that also takes into consideration the supply-oriented or 'pull' factors of medical tourism.

This is where the author feels that the Protection Motivation Theory (PMT) can play an important role in helping us better understand if and why patients seek medical treatment, because PMT addresses both the threat perception as well as coping mechanism of the patient

into account. To the best of the author's knowledge few, if any, research has looked at medical tourism from the PMT lens. A search on Google Scholar using the keywords 'medical tourism' and 'protection motivation theory' yielded only one result (Seow et al., 2018). Therefore, the current analysis will address a lacuna in extant research.

It is neither feasible nor necessary to assess all antecedents of medical tourism within the ambit of the current paper. Instead, the author analyzes how some of the most salient factors influence the individual's threat assessment from the ailment i.e. price differential, reputation of location, facility and physician and referral/word of mouth about destination. Through an extensive review of extant literature, the author presents five propositions involving key elements of the theoretical framework and makes insightful projections about the future of this flourishing industry.

The author believes that this research will immensely benefit the hospitality industry, healthcare practitioners and patients alike by putting the 'patient first'. More specifically, from a customer service point of view, this research can help us better appreciate how patients make a holistic decision as to if, when, where and how to receive medical services abroad, and gives credence to their threat perception and coping mechanism. Thus, healthcare providers and medical practitioners can market their goods and services more effectively and efficiently. As a result, more marketing dollars will be put to the best use. In addition, this line of research can potentially generate new ideas and discussion among practitioners and academics.

The next step in the author's research process is to collect data from medical tourists from Asian countries, fine tune the propositions into testable hypotheses, analyze patient responses, and subject the hypotheses to a test of significance based on such responses.

The paper is organized as follows: the introduction is followed by a review of the current state of medical tourism in India and Thailand; the next section introduces PMT, its relevance, the conceptual framework, while the subsequent section introduces the reader to the propositions designed for the current study. The penultimate section of this article is devoted towards potential concerns and implications, while the final section provides limitations and plans for further research.

Keywords: medical-tourism; branding; service-quality; India, Thailand

INTRODUCTION

Medical tourism involves seeking medical treatment abroad. The patient may undergo a medical, dental, cosmetic procedure, or holistic improvement, and the trip typically involves some degree of sightseeing or entertainment activities.

Western countries are experiencing escalating healthcare and insurance costs, and long waiting times for medical procedures. Concomitantly, non-Western countries are offering better healthcare resources, cheaper international travel, and professional accreditation of healthcare facilities. Therefore, more and more Westerners are travelling abroad for treatment. (Medhekar et al., 2019; Medical Tourism Index Asian Region, 2016).

Medical tourism is expected to grow at a compounded annual growth rate (CAGR) of almost 16% between 2019 and 2025. (Crooks et al., 2017). There were more than 21million global tourists in 2018 (US Census, 2019).

This research focuses on India and Thailand as the most popular Asian medical tourism destinations. More than 370,000 people travelled to India in 2017 on a medical visa (Medhekar et al., 2019). The Indian medical tourism market will be worth 2.3-8 billion USD by 2020

(Ebrahim & Ganguli, 2019), and is expected to attract about a million health tourists annually (Satish, 2019). In addition to advanced medical facilities and doctors (Medhekar et al.,2019), India and Thailand offer the lure of scenic landscapes. India boasts of a large pool of English-speaking talent at all levels.

Extant research, however, mostly ignores the importance of the medical tourists' threat perception and coping mechanisms. As such, the current analysis addresses a lacuna in extant research by invoking the Protection Motivation Theory (PMT) in this regard and addresses both the threat perception as well as coping mechanism of the patient.

The research paper will benefit the hospitality industry, healthcare practitioners and patients by putting the 'patient first', so goods and services can be marketed more effectively. In terms of seeking medical treatment, on the other hand, this article relies on the Theory of Planned Behavior (TPB), whereby the individual's intention to seek medical treatment is considered a robust indicator of the patient's actions.

The paper is organized as follows: the introduction is followed by a literature review; the methodology section describes the roles of branding, service quality and customer satisfaction on the patient decision-making process. The results section introduces the propositions for the current study, while the final section concludes and discusses implications, while also providing plans for future research by the author.

LITERATURE REVIEW

The PMT is based on an individuals' perception of threat from an ailment and his/her ability to respond to such threat. The antecedents of an individual's response include perception of 'severity' of the threat and how 'vulnerable' the individual feels from the threat. The outcomes of the person's decision-making process include 'response-efficacy' and 'self-efficacy', according to Hall (2014), and Rogers (1983).

The individual's coping mechanism in response to the threat of ailment shapes his/her intention to seek medical treatment. If the perceived threat is low, the person will feel less vulnerable and as such, is less likely to react, and vice versa. Wang et al. (2019) has applied the PMT to the medical tourism phenomenon as well.

The individual also assesses whether it is possible to counter the threat by following a recommended course of action. Once a feasible course of action is identified, the individual assesses his/her own capability (self-efficacy) to follow the recommended course of action. As the PMT argues, if the individual perceives that he/she can counter the threat by taking corrective action, then he/she will intend to seek medical treatment abroad. However, to the best of the author's knowledge, there is no medical tourism research citing the PMT in the context of India or Thailand. Therefore, the current paper fills a gaping void in this context. Please refer to the PMT model in Figure 1.

Figure 1: Protection Motivation Theory as Applied to Medical Tourism
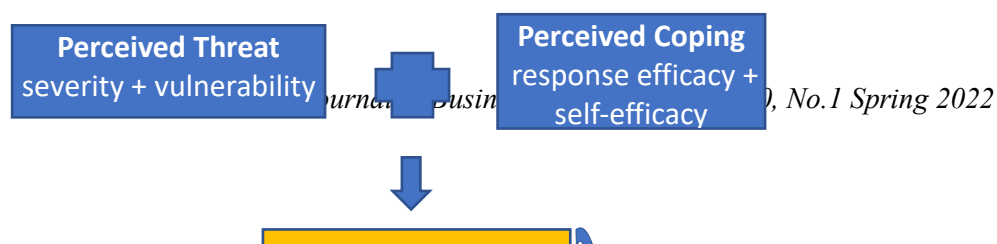
The individual response to and perception towards medical tourism is shaped by the Theory of Planned Behavior (TPB). Ajzen (1991) proposed three antecedents of the individual's intention (to perform certain actions): attitude, subjective norms and perceived behavioral control (Ajzen, 1985, 1991). Please refer to Figure 2 for a conceptual model of the TPB.

<u>Figure 2: Theory of Planned Behavior</u>
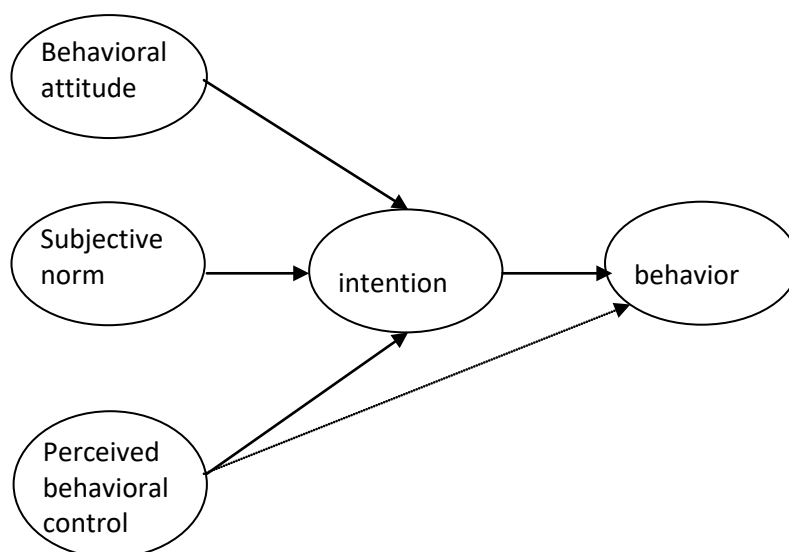
Adapted from Conner, M., & Sparks, P. (2005). Theory of planned behavior and health behavior. Predicting health behavior, 2(1), 121-162.

The individual's attitude is the disposition towards a certain action, which can be positive, negative or neutral. Subjective norms, on the other hand, suggest how the individual processes external information, which also influence the individual's intention and attitude towards such actions. Finally, perceived behavioral control is the individual's perception of whether he/she is 'in charge' of his/her behavior. Thus, if the person perceives that he/she is 'healthy', then he/she will be less likely to seek medical treatment.

Attitude, subjective norms and perceived behavioral control influence the individual's intention. Thus, if the individual has a positive attitude towards the efficacy of drugs, then he/she is more likely to patronize pharmaceutical companies. Similarly, if the person has a close associate or a physician friend abroad, then that person is more likely to seek medical treatment abroad.

Intention, in turn, has been found to be a robust indicator of the individual's actions. In other words, an individual who has a strong intention to seek medical treatment abroad is more likely to get the procedure performed. To summarize, therefore, Ajzen (2002) suggests that an individual's attitude, subjective norms and perceived behavioral control influence his/her intention to seek treatment abroad. There is considerable application of the TPB in social sciences in more recent times (Aziz et al., 2017; Morten et al., 2018).

As indicated earlier, medical tourism has been steadily gaining prominence in India and Thailand. As such, the Indian Government stepped up its efforts by adopting several initiatives (medical visa, e-visa, visa-on-arrival, and declaring India as the 'Global Health Destination' (CII-Mckinsey, 2013; India Healthcare Tourism, 2019)), which catapulted India to the fifth most popular medical tourism destination in the world, and number two in Asia (Medical Tourism Index, 2016).

As such, India received almost 290 million USD worth of foreign direct investment (FDI) in the healthcare sector (The Economic Times, 2016); during the last five years, the number of medical tourists to India increased at a rate of 30%; FICCI (2016) suggests that the medical tourism industry is expected to reach $7–8bn by 2020; the Indian health sector as a whole is expected to be worth $280 billion by 2020 and has been growing at a CAGR of 16% since 2011.

Similar to that of India, the Thai Government proactively promoted Thailand as the ultimate abode for spas, hospitals and herbal products through its 'Amazing Thailand' initiative (Wongkit & McKercher, 2016). Bumrungrad International Hospital and the Bangkok Hospital Group in Thailand are some of the most sought after among 33 medical tourism hospitals (Pan, 2017).

Thailand welcomed 3.5 million medical tourists and spent upwards of four billion euros on healthcare in 2016 (Mooter, 2017), which accounted for 40-55 percent of the private hospitals' aggregate revenue. A World Health Organization report (Noree et al., 2016) notes that in 2006, 1.2 million medical tourists visited Thailand, resulting in 1.1 billion USD revenue (9% of Thailand's total tourism revenue). Also, between 2004 and 2008, medical tourism in Thailand generated about 7.5 billion USD in revenue.

Research suggests that medical tourism impacted the domestic scenario of Thailand. Typically, private healthcare services are predominant in urban areas and comprise about 30% of the national number of healthcare facilities. Such facilities mostly cater to the elite and medical tourists, which often leads to acrimonious debate and puts a strain on the already-limited healthcare resources of Thailand.

The above discussion, therefore, strongly suggests that India and Thailand have been aggressively courting medical tourists from across the globe. While such measures have already begun to place these countries on the frontier of medical tourism, some unavoidable 'social cost' have affected the local population. Nonetheless, the next section focuses on how patients narrow down such choices to make their final selection for receiving medical treatment. As such, we focus on how the supply-based antecedents of medical tourism influence the individual's intention to seek treatment abroad, which will provide us with the appropriate background to introduce our propositions for research in the next section.

METHODOLOGY

At a very rudimentary level, the issue of service quality and challenges of measuring it are discussed by Parasuraman et al. (1994) and Zeithaml et al. (1996). Taking a cue from them, Guiry and Vequist (2011) highlight the role of medical tourists' perceptions of service quality from the SERVQUAL metric perspective (Parasuraman et al., 1994).

Medical tourism, like most other service offerings, is prone to customer perceptions of service quality and resultant customer satisfaction. Given that services are more difficult to conceptualize and measure, considerable research has been done in this regard (Debata et al., 2016; Manaf et al., 2017). Debata et al. (2015) suggest a medical tourism service loyalty (MTSL) scale to emphasize the inter-relationships between quality of medical tourism service and patient's adherence to high quality service.

As in any other service sector, the healthcare sector in general also exhibits positive association between service quality, branding and customer satisfaction. Outstanding service quality leads to brand equity and brand loyalty—which, in turn, results in enhanced customer satisfaction. When a hospital or a healthcare facility offers consistently high-quality service, patients develop an attachment to the facility, which catapults the provider to a high level of brand equity (Debata et al., 2015; Guiry & Vequist, 2011). If the facility either meets or exceeds the patient's expectations on every subsequent visit, then this leads to higher brand equity and brand loyalty (Rad et al., 2010; Ranjan et al., 2015).

Veerasoontorn et al. (2011) and Mutalib et al. (2017) argue that such positive association among service quality, brand equity and consequent customer satisfaction have been found to exist among prominent medical tourism facilities in Thailand. In addition, Veerasoontorn et al. (2011) claim that consistent, high-quality, hassle-free and pleasant patient service make a patient a 'repeat-customer'. Clearly, this is the hallmark of the top medical tourist facilities in Thailand (such as Burmungrad), which even many of their Asian counterparts try to emulate. On the other hand, Mutalib et al. (2017) found through their content analysis of medical tourists in Thailand and Malaysia that cost, local attractions and the physician's background and expertise were among the most prominent antecedents of medical tourism.

In the case of India, the issue about cost-saving is also reiterated in their investigation of marketing materials developed by Indian medical tourism hospitals and healthcare facilities. To their surprise, the authors found that cost is not necessarily touted as one of the primary actors in marketing medical tourism by India to other Western countries. The reason, as the authors surmise, is that such message might detract—and in some cases, actually undermine the 'quality' aspect of the medical service being offered by the host country.

The importance of cost, physician reputation, attraction of the spot in general and professionalism and cleanliness of the facility in particular, have also been emphasized by Medhekar et al. (2020) in the course of the authors' investigation of the Indian health tourism industry; Sultana et al. (2014) also found support for cost as one of the major antecedents of customers' decision to choose India as a medical tourism destination.

Such preponderance of research further buttresses the author's theoretical standing that Thailand and India are among the most prominent destinations for medical tourists, and the fact that service quality, branding and customer satisfaction indirectly influence the patient's intention to seek medical treatment abroad, via other factors such as reputation of the physician, healthcare facility, general location etc.

The décor of the facility, reputation of the doctors and quality of supporting staff, level of infrastructure, ability of staff to make patient comfortable, ease and transparency of grievance redressal system, safety of patient records, and individual attention to patients also influence to some extent which medical tourism facility the patient will choose.

Therefore, there exists strong competition among the medical tourism facilities in India and Thailand, who are vying for a share of the limited pie of foreign tourists. Consequently, it is surmised that the most prominent antecedents of the medical tourism industry include price differential, reputation of physician, reputation of location, word of mouth and reputation of facility, which the author uses to develop five propositions in the next section.

RESULTS

Price Differential: According to the World Health Organization (WHO), U.S. healthcare spending was estimated at 19.3% of its GDP by 2019 (US Census, 2019). Both healthcare and insurance costs are skyrocketing in the West, resulting in an increasing number of people being left without coverage. Even for those who are insured, often the insurance companies cover a miniscule percentage (or none) of certain expensive medical procedures; in other words, a significant percentage of the US population is underinsured as well.

Concomitantly, availability of a large, trained and skilled pool of personnel in the healthcare industry in Thailand and especially India have created a robust and cheaper healthcare hospitality infrastructure. For example, a single heart-valve replacement procedure would cost about $275,000 in the US (of which, less than 50% would be covered by insurance). The same procedure would cost about $9,500 in India and $10,500 in Thailand (see Table 1).

Table 1: Estimated price differential between US, India and Thailand for most common medical procedures as of 2019

PROCEDURE	US	INDIA	THAILAND
Coronary Angioplasty	28,200	5,700	4,200
Heart Bypass	123,000	7,900	15,000
Hip Replacement	40,364	7,200	17,000
Gastric Bypass	25,000	7,000	16,800
Hysterectomy	15,400	3,200	3,650
Lasik (2 eyes)	4,000	1,000	2,310
Dental Implant	2,500	900	1,720
Breast Implant	6,400	3,000	3,500

Adapted from Cost of Medical Treatment in Bangkok; accessed at
http://www.thaiwebsites.com/cost-medical-treatment.asp on February 11, 2020

Healthcare—like most other 'normal goods', tends to follow the *Law of Demand* i.e. lower the price, higher the demand for the product and vice versa (for an economics perspective, see Evans and Popova (2017) and Mohamad et al. (2019)). As such, it is no surprise that patients from Western countries are easily attracted to Asian countries for medical treatment. While there have been some references to price differential and perceived price reasonableness (Han & Hyun, 2015) as mediating factors in medical tourism, no research seems to highlight how such factors might influence the individual's *intention* to seek treatment. As such, it is proposed that

higher the price differential of medical procedures between two countries, higher the intention of the individual to seek medical tourism in the cheaper country, leading to our first proposition as follows:

P1: Higher the price differential of medical procedures between two countries, higher the intention of the individual to seek medical tourism in the more affordable country

Reputation of Medical Facility: Like most other services, the healthcare industry and its potential patients adhere extra importance to the reputation of the service provider. Such vetting process includes patient feedback, malpractice complaints, lawsuits and the like. Research shows that potential medical tourists feel more comfortable about seeking treatment at a facility of repute compared to one that is obscure or one that is of questionable reputation.

Some governments have undertaken proactive steps to bring their infrastructure and credentials to standards of the Joint Commission International (JCI) accreditation of medical facilities. Research suggests that such accreditation has a positive impact on the perception of expected quality of medical service by foreign patients (Ebrahim & Ganguli, 2019). For example, India currently has as many as 35 (increasing from an earlier number of 28) JCI-accredited medical facilities. Similarly, Thailand currently has 62 JCI-accredited medical facilities, both of which bear testimony to the growing demand and popularity of medial tourism in these two Asian hotspots (Joint Commission International, 2020; Top Hospitals, 2017).

Moreover, medical tourists perceive the risks of medical or surgical errors and/or post-operative infection as minimal at facilities that are JCI certified (Canaway et al., 2017). However, no research seems to highlight how such reputation might influence the individual's intention to seek treatment, which motivates our second proposition as follows:

P2: Higher the reputation of the facility delivering the service, higher the intention of the individual to seek medical treatment in a foreign country

Reputation of Physician: Reputation precedes a person, more so for physicians than for most other service providers, simply because physicians deal with human lives. Reputation is established through the physician's credentials (e.g. type of certification, degree earned, the degree-granting institute, reputation of affiliated medical facility, years of experience, success rate and feedback from patients and colleagues). Positive reputation not only reflects competence (Han & Hyun, 2015; Nikbin et al., 2019) but also builds trust with patients. High trust (Barreda et al., 2015; Goodman, 2019), in turn, results in the patient's increased satisfaction and eventual loyalty towards the physician.

An attending physician's reputation, knowledge and expertise also has a direct bearing on his/her ability to explain the nature of the disease, the course of treatment, desirable outcomes as well as the potential risks involved, if any. Such qualities of the physician are regarded highly by the patient and puts the latter at ease, resulting in repeat visit. As indicated earlier in the PMT, words and acts of confidence and assurance from the physician can positively influence the patient's *coping mechanism*. As such, it is surmised that a positive correlation exists between physician reputation and intention to seek treatment, hence the next proposition:

P3: Higher the reputation of the physician, higher the intention of the individual to seek medical treatment from that physician

Reputation of location: 'Medical tourism' is as much about 'tourism' as it is about seeking a 'treatment'. The popularity, prestige and image of the destination play an equally important role in influencing the individual's intention to seek treatment at a foreign location. Consequently, India and Thailand have gone to great lengths to preserve and enhance their images in the eyes of their Western clients (Medhekar et al., 2019; Nikbin et al., 2019).

The image of a medical tourism destination is enhanced by political stability (Fetscherin & Stephano, 2016), law and order (Temenos & Johnston, 2016), terrorist activities (Andrews, 2016), cleanliness (Shukla et al., 2019), medical malpractice (Cohen, 2015), visa restrictions (Ile & Tigu, 2017; Jain & Ajmera, 2018; Sankar, 2019) and transportation system (Rydback & Hyder, 2018).

Nonetheless, the research appears to be more geared towards 'tourism' in general and less towards 'medical tourism', with almost no focus on how such factors influence the customer's intention to seek treatment. As such, this motivates our fourth proposition as follows:

P4: Higher the reputation of the foreign location, higher the intention of the individual to seek medical treatment at that location

Referral/recommendation: Positive word of mouth leads to brand loyalty (Karjaluoto et al., 2016), and building of trust and confidence (Barreda et al., 2015; Goodman, 2019). A medical tourist who has a good experience overseas, typically comes back home and shares his/her positive outcome with friends and relatives. This may positively influence the intentions of the patient's acquaintances to seek a medical procedure in that country. Perhaps, this behavior can be attributed to the role of subjective norms on the individual's behavioral intention i.e. how the individual's friends and acquaintances influence his/her attitude towards (the outcomes of) an action (i.e. seeking treatment abroad), according to the Theory of Planned Behavior (Ajzen, 1985; 1991). This line of reasoning motivates our fifth and last proposition as (see Figure 2):
P5: Higher the referral of the location, higher the intention of the individual to seek medical treatment at that location. See Figure 3

CONCLUSIONS AND IMPLICATIONS

An epidemic outbreak is not very uncommon these days, such as the Ebola virus, or Coronavirus, to name a few (MPH Online, 2019). While such epidemics cannot be eliminated, host countries must be better able to control such occurrences. Pandemic management becomes more challenging because of the popularity of medical tourism, which is characterized by frequent travel across borders and consequent interchange of physicians, patients, personnel and medical equipment (Cooper et al., 2015; WHO, 2015, 2016). Strict quarantine rules and travel embargoes need to be in place to handle such situations on one hand, while reasonable exceptions and accommodations need to be made for foreign travelers who need to be repatriated, on the other hand.

In some cases, medical tourists might be caught off-guard due to sudden political unrest in the destination (for example, the coup d'etat of September 2006 in Thailand). Consequently, it is important that prospective tourists review international travel warnings of their respective countries before departure. Similarly, the host country has a moral and legal obligation to provide protection and consular services to medical tourists caught off-guard due to the situation.

Some authors have also expressed concerns about surrogacy, child trafficking (Cooper et al., 2015), and human organ extraction rackets (Caulfield et al., 2016; Columb, 2018; Pascalev et al., 2016). Therefore, the host countries must tighten or revamp their healthcare and peripheral service industry laws to minimize such incidents.

Another concern is that significant resources are channelized towards medical tourists at the cost of the local population. This starts to affect the local patients, straining the local health resources. India has only 0.8 physicians per 1,000 people, compared to 2.6 in the US (Widyahening et al., 2019). Therefore, dearth of physicians in India and Thailand is a severe concern. Hospitals geared towards medical tourists operate on a for-profit basis, so they arguably attract the best medical talent, and further shrink the already-scarce resources available to the common people in the destination country (referred to as the 'social cost' of medical tourism by Burkett, 2007). Consequently, the host medical institutions and governments need to draw a healthy balance of resources between medical tourism and the local population' healthcare.

Another concern is that of regulation and ethics. In some instances, procedures such as reproductive health, in-vitro ferritization techniques, cosmetic surgeries, euthanasia etc. that are either banned or under trial in Western countries are often *legally* offered in Asian destinations. Thailand, for example, specializes in sex-change procedures, which is banned in many Western countries. The host countries, therefore, need to follow proper international guidelines, healthcare treaties and protocols that exist between the guest country and the host country. Above all, there must be full disclosure at each stage of the medical tourism paraphernalia.

If there is wide price differential in the cost of services and insurance premiums between Western countries and their Asian counterparts, medical tourism will survive and thrive. It is in the best interest of both who seek and those who offer treatment, to work collaboratively on addressing some of the concerns discussed in the literature, especially with regard to accreditation, standardization and certification (Adabi et al., 2016; Rydback & Hyder, 2018). Therefore, the medical fraternity needs to address such concerns. Thus, the host countries will be able to leverage their unique advantages to benefit their local patients and economies. With more standardized procedures, streamlining of paperwork and documentation, and international accreditation in place, more countries can cater to the increasing demand of medical tourism and potentially reduce the burden on a handful of countries.

The author's future plans include collecting, customer feedback on why they chose to receive treatment at those locations. The instrument for data collection will be based on Das and Mukherjee, (2016); Fetscherin and Stephano, (2016); Momeni et al., (2018) and Wongkit and McKercher, (2016).

Once the data is analyzed, a factor analysis will be conducted to ascertain the existence of the five factors identified in the current study, and make necessary changes, if required, to convert those 'propositions' into testable hypotheses. The final stage will be to conduct regressions analyses with the *intention to avail medical treatment* as the dependent variable and each of the five factors as independent variables. Depending on whether the null hypotheses are rejected or not, further avenues for advanced research will be offered.

One limitation of this approach is the author's ability to collect data that will be usable and reliable. For this purpose, the author's professional contacts in the focal countries -- India and Thailand—will be leveraged.

The second challenge is to have the instrument translated appropriately into the local language for which, translation and back translation need to be conducted (Epstein et al., 2015; Prabhumoye et al., 2018). Specifically, questionnaires for India will be translated into Hindi,

India's national language and those for Thailand will be translated to Thai, the most spoken language in that country (Royal Thai Honorary Consulate General, 2020).

Third, since the data will be collected only from India and Thailand, it remains to be seen if and how the results can be generalized to other countries as well. Arguably, there may not be significant differences between Asian and non-Asian medical tourism destinations. Despite the limitations, appropriate steps have been adopted, such that most of these hurdles can be minimized, and the expectation is that this research will germinate new interest in the field of medical tourism.

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THE PANDEMIC & TIPPING BEHAVIOR

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ABSTRACT

This longitudinal study focuses on consumer propensity to tip prior to and during the COVID-19 pandemic when faced with positive or negative customer service experiences. Previous research shows that tipping is tied to emotions, individual economics, and even the distance in which a server comes into contact with its patrons. Data was collected in 2019 before the coronavirus pandemic as restaurants were forced to close, people were required to work from home, and all socialization seemed to stop. Again, data was collected in 2020 and 2021 as the United States continued to combat the coronavirus pandemic. Home delivery and takeaway meals from restaurants appeared to be the closest option to eating out for several months. Hospitality workers were temporarily and some permanently laid off, along with thousands of restaurant business closures. The researchers were interested in determining if and how tipping behavior was changing for those who were continuing to eat out by ordering delivery and take-away meals and those beginning to dine in when restaurants could reopen with a minimal capacity.

INTRODUCTION

This study expands the Fait & Andrus article, "The Impact of Perceived Hard Work on Consumer Tipping Behavior"." Their 2020 study explored consumers' propensity to recognize and reward servers' hard work through tipping. As 2020 unfolded, an expansion of this study to look at tipping behaviors pre, during, and post-pandemic became an exciting proposition.

At this point, the concept of tipping and gratuity is built into our daily lives as much of an instinct or habit. Many individuals struggle to answer the question: Why do we tip? Whom do we tip? How much do we tip? Others have a set metric and methodology for how they tip, whether a firm twenty percent of a total bill or simply one dollar per drink. This methodology is often a learned phenomenon whether taught by one's parents or perhaps a realization made after working in the hospitality industry.

Pre-pandemic tipping accounted for over $42 billion in spending annually (Azar, 2010), allocated to an estimated 1.4 million tipped workers (Seiter, 2007). However, hospitality closures impacting the restaurant industry and beyond brought traditional tipping to a halt and, in most cases, changed the dynamic relationship between tipping and servers. On average, restaurants facing various state-imposed mandates closed for several months at the beginning of 2020 and then again at the end of 2020 going into January 2021. Consumer fear added to this, and as the hospitality industry re-opened, consumers opted for more delivery services than ever before. This paradigm shift allocated consumer tips once received by restaurant employees to third-party contractors working for food delivery services such as Door Dash and Uber Eats.

While the business closures have ended, consumers have a new set of dining expectations. These expectations include a high cleanliness profile, increased delivery, pick-up options, and online ordering options. For restaurateurs and servers, this shift adds extra expenses to tight margins and a continuation of tips going to third-party delivery providers.

How will these new expectations impact an individual's propensity to tip in relation to perceived hard work? What inherent hospitality industry implications will follow?

The longitudinal study explores the hypothesis that a positive correlation exists between perceived hard work in a server and the amount of gratuity a customer leaves. The greater the perceived work effort, the greater the tip received. This same study was conducted on four different dates: August 30th, 2019; April 17th, 2020; November 16th, 2020; and August 2nd, 2021, which hit pre-pandemic and various times throughout the pandemic.

The following two scenarios were presented to respondents:

Scenario A:

You receive superb service from your server. The entire table is greeted and sat promptly, drinks are provided within just a few minutes, and the group is entertained with witty humor, service, and an overall wonderful experience. In addition, during the dining experience and while the table was completely taken care of and meals were being prepared, the server was witnessed straightening out the menus, wiping down tables, folding linens, wrapping silverware, and helping his/her associates deliver meals to another table. Overall, the table felt like they received good service and a wonderful experience.

Scenario B:

You receive superb service from your server. The entire table is greeted and sat promptly, drinks are provided within just a few minutes, and the group is entertained with witty humor, service, and an overall wonderful experience. During the dining experience and while the table was completely taken care of and meals were being prepared, the server was witnessed sitting in an empty booth on his/her cellular phone. This behavior did not negatively impact the level of service or frequency of his/her visits to the table. Overall, the table felt like they received good service and a wonderful experience.

After each of the presented scenarios, respondents are asked: As the person picking up the bill, how much would you tip on a $100 bill? Data were then examined to determine the impact of tipping behavior during various stages of the pandemic for each scenario.

LITERATURE REVIEW

The research focused on tipping theory continues to be small and lacking depth in any facet. Additionally, studies analyzing tipping and the effects of the pandemic are minimal. The field of study predominantly focuses on server appearance, sex of server, dining party size, group's total expenditure, greeting customers by name, touching customers, receipt personalization, and the effect of complimenting customers.

A Cornell University scholar has found that a party or table imbibing alcohol positively correlates to tipping (Lynn, 1988). Interestingly, the amount of alcohol or the number of drinks consumed was determined to have a more negligible correlation than simply the fact that the table ordered drinks. Several theories can be drawn upon this conclusion: 1.) Uncertainty of whether the bill paid is imbibing or not, 2.) a tipping bell curve with a correlation to

consumption, or 3.) drinkers as a population has the propensity to tip higher as opposed to non-drinkers.

Azer (2010) concluded that one of his initial tipping hypotheses bared no correlation. Initially, he proposed that there were: 1.) Strategic motivations to earn future good service and 2.) social/psychological motivations. An example of strategic motivation to earn future good service is when an individual tips a high dollar amount prior to receiving any service. Examples of social psychological motivations include society's expectation of tipping, guilt for not, and what others will think of a non-tipper. Ultimately, he found that strategic motivations bore no correlation and were purely social and psychological.

The current body of literature indicates a positive correlation between receipt personalization and the amount of gratuity. Receipt personalization is simply the act of a server writing a personalized message on a customer's receipt, whether it is a smiley face and their name or a 'Have a nice day'. Kinard and Kinard also found in their 2013 study that there is a positive correlation between receipt personalization and the amount of gratuity (Kinard & Kinard, 2013). However, they concluded this was only the case in good service scenarios, and there is an inverse correlation in the amount of gratuity in poor service scenarios.

Kerr and Domazlicky (2009) found that demographics, such as age, race, and income level, positively and significantly affected the tip amount received by delivery drivers. They found that older customers tipped less than younger customers. African Americans tipped lower than whites, and "for every $1,000 increase in the customer's income, the tip percentage increased by 0.064 percentage points" (Kerr & Domazlicky, 2009, p. 1509). However, they concluded that gender was not a significant factor in a customer's tipping behavior. The same demographic conclusions have been found in other tipping research studies by Banks et al. (2018) and Shatnawi et al. (2019) that gender was not a determining factor in the amount a customer tipped, nor was age a significant factor.

Lynn (2021) found in his study of the effects of the 2020 COVID-19 global pandemic on customer tip behavior that "the tipping model remains a viable means of employee compensation even during periods of public health and economic crises as long as the nature of the services provided does not change." Other research focused on the effects that the pandemic had on tipping behaviors focused on the effects of servers' wearing masks and genuine friendless attractiveness levels of the server with and without masks (Wang et al., 2021) all concluded that tipping behaviors did not change from pre-pandemic tipping behaviors.

DEFINITION OF TERMS

Server- the employee who is responsible for ensuring patrons have an enjoyable experience by providing quality customer service, delivery of food and beverages, and other duties defined by the establishment.

Tips/Gratuity - customary monetary compensation paid directly from customer to server in exchange for service

Service – the act of waiting on a customer, whether in a food service, hospitality, or bar scenario

Venue – the physical location of a restaurant, hospitality

Perceived – one's recollection of an occurrence

Hard Work – work behavior of a server who is going beyond the normal set of expectations

Table/Party – a group of customers that arrive together and pay together

EXPLANATION OF STUDY

The study design and narratives were developed through a collaboration of hospitality industry professionals including hospitality academics. Originally the study was designed with photographs however, the collaborative group felt that narrative scenarios would better serve an unbiased study. Additionally, the collaborative group determined that each scenario should be two completely different sample populations to rule out any order bias. Lastly, they determined that this study necessitated a response group that was eighteen years or older.

The researchers used Amazon Mechanical Turk for data collection, compensating the participants at the rate of $.25 per respondent. All survey responses were collected on the same day they were deployed. Study participants in Scenario A were asked: You receive superb service from your server. The entire table is greeted and sat in a timely manner, drinks are provided within just a few minutes, and your group is entertained with witty humor, service, and an overall wonderful experience. During the dining experience and while the table was completely taken care of and meals were being prepared, the server could be seen straightening out the menus, wiping down tables, folding linens, wrapping silverware, and helping his/her associates deliver meals to another table. Overall, the table felt like they received good service and a wonderful experience. As the person picking up the bill, how much would you likely tip on a $100 bill?

Study participants in Scenario B were asked: You receive superb service from your server. The entire table is greeted and sat in a timely manner, and drinks are provided within just a few minutes. Your group is entertained with witty humor, service, and a wonderful experience. During the dining experience and while the table was completely taken care of and meals were being prepared, the server could be seen sitting in an empty booth on his/her cellular phone. This behavior did not negatively impact the level of service or frequency of his/her visits to the table. Overall, the table felt like they received good service and a wonderful experience. As the person picking up the bill, how much would you tip on a $100 bill?

This study sought to examine two hypotheses:

H 1: A positive correlation exists between perceived hard work and the amount of gratuity a customer leaves.

H 2: During the pandemic, consumers will become more generous in tipping than in normal circumstances.

This same study was conducted and repeated on four different dates: August 30, 2019, April 17, 2020, November 16, 2020, and August 2, 2021, which hit pre-pandemic and various times throughout the pandemic.

STUDY FINDINGS

The study found that respondents for Scenario A (Tipping Percentage on High Perceived Hard Work) produced two interesting trends or observations longitudinally. The first trend that you can see in the graph below is that individuals responded that their tip at the 5% level diminished each time over the four collection points.

The second observation is that in the third collection period, which happens to be at the height of the pandemic, the 25% and 30% tipping categories received the largest number of responses than any other range.

The study found that respondents for Scenario B (Tipping Percentage on Low Perceived Hard Work) produced upward trends in the 25% and 30% tipping categories while producing a downward trend in the 20% category.

The male-to-female ratio averaged 65:35 when considering the four collection points. With little variability, little can be surmised based on gender in this study, and this holds true for other studies conducted regarding tipping behaviors (Shatnawi et al., 2019; Banks et al., 2018). During all four collection points, the majority of respondents were overwhelmingly in the 25-34 age group, followed by a second in all iterations but one by the 35-44 age group. The researchers believe this phenomenon is more due to the age group of individuals utilizing Amazon Mechanical Turk than any other factor.

When reviewing the respondents' level of education across the four collection periods it is apparent that the overwhelming majority of respondents have obtained a bachelor's degree. Additionally, the percentage of respondents shows a positive longitudinal trajectory for individuals with a master's degree. Again, these demographics most likely have more to do with the collection tool than anything else.

Regarding dining frequency, the most notable trend is a decrease in the few times a month category and an increase in the few times a week category. This could lead one to believe that individuals are dining out with more frequency. To validate this belief a much larger sample size is necessary.

In terms of income levels, no notable trends were identified. Again, the income levels seen in the chart below are most likely more descriptive of the income levels of individuals choosing to and willing to do tasks on Amazon Mechanical Turk. Moss, et al. (2020) support this conclusion through their study of demographics of Amazon Mechanical Turk respondents during the same time period that the present study was conducted.

The final demographic the researchers examined was respondents with work experience in the hospitality industry. Only one of the four iterations of the study had any significant differentiation between Scenario A and Scenario B. That was the first iteration pre-pandemic, where Scenario A had 75.89%, and Scenario B had 45.45% work experience in the hospitality industry. You will see that this also has a correlation with the first two charts, where respondents in Scenario A indicated that a greater percentage would tip in the 25% and 30% range than in Scenario B.

ASSUMPTIONS AND LIMITATION

With any study, there are inherent assumptions and limitations present. These need to be recognized by researchers, practitioners, and anyone attempting to utilize this study in research or practice.

The first assumption is that the surveyed population is representative of the general public in the United States. Simply due to the composition of the sample populations, it can reasonably be determined that it is not due to the homogeneity of respondents. For this reason, any generalization of the findings should be generalized to a demographic that is representative of the sample. Furthermore, this longitudinal study selected four strategic sampling dates. The assumption is that the composition of the samples allows for comparison between them.

The second assumption is that respondents are perceptive enough to see the differing work effort in the two presented scenarios. Individuals or respondents with differing levels of observation and perception may or may not be observant enough to realize the differing levels of hard work described in the two differing narratives.

AREAS FOR FUTURE RESEARCH

This study, in particular, leaves many opportunities for growth and future studies in the hospitality industry's consumer tipping analysis field. The researchers have identified four areas for future research in which they would like to see the field grow: larger sample size, geographic analysis, generational analysis, and chain v. family-owned venues.

The first, larger sample size concerns the study design, methodology, and generalizability. If a larger sample size could be accomplished, the results could become more valid and generalizable to a larger population.

The second, geographic analysis, would be developing a study that could segment respondents by the region that they live in to determine if tipping patterns and individuals' perception of hard work differs from one region to the next. Plenty of studies examine this phenomenon across countries and cultures, but relatively few investigate this across regions of the United States.

The third, a generational analysis, would examine whether there is an inverse relationship between age and tipping behavior or if this is more of a generational trend. Generational analysis would be a useful tool for practitioners in the hospitality industry as they strategically plan for their next decade of business and beyond.

Lastly, when examining the field of tipping behavior studies, it is clear that just the surface has been scratched in the differentiation between chain vs. family-owned venues. There are two rather conflicting schools of thought amongst consumers: 1.) Chain restaurants have deeper pockets, and therefore our tipping is less meaningful as the servers are taken care of by the chain, and 2.) I do not tip an owner/server as they are already making their money on the profit of the restaurant. Again, a greater understanding of these consumer mindsets could help inform practitioners about how they position their hospitality industry businesses.

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WELCOME TO THE AMERICAN BUSINESS HALL OF FAME

The ANBHF is a nonprofit education and research organization dedicated to creating an awareness, understanding and appreciation of exemplary business leadership. We research and promote outstanding examples of business leadership, exposing students and the public to their stories. The ANBHF also supports specific areas of academic research in management and business leadership.

One of the great strengths of the free enterprise system is its ability to create the conditions under which entrepreneurship and managerial leadership thrive. Our laureates demonstrate that lasting business success is usually based, not only upon hard work and a concern for the bottom line, but also upon a willingness to make unpopular decisions when necessary, a concern for the customer and a concern for employees. Moreover, they demonstrate that capitalism is consistent with a high standard of ethics. Established in 1972, The American National Business Hall of Fame is dedicated to creating an awareness and appreciation of America's rich heritage of exemplary business leadership. Our organization revolves around several key programs. The foundation is our ANBHF Laureate program. We identify and induct outstanding American business leaders into the ANBHF. These exceptional business leaders' case histories offer the practical management techniques to which the laureates and historians attribute their success. In addition, the laureates' lives provide inspiration -- to take risks, to strive for excellence and to set high ethical standards.

The organization also recognizes living laureates as ANBHF Fellows. These leaders represent a career story which will be reclassified as laureates after their death. Finally, the organization recognizes Situational Role Models. These individuals represent business leaders whose careers have episodes worth remembering and celebrating but whom, for various reasons, the selection committee of the ANBHF did not feel comfortable naming the individual fellows or laureates. In this case the selection panel decided that specific ethical lapses in an otherwise memorable career were too serious to justify elevating the individual to the status of laureate. In other cases, the individual committed a management error so serious as to be of major concern to the panel of judges. Henry Ford is an example of a business leader whose extraordinary positive contributions to American economic development were seriously tarnished by several noteworthy ethical lapses and management errors. The ANBHF board recognizes the possibility that judges erred in placing persons in this category and welcomes public requests for reconsideration.

The American National Business Hall of Fame program is managed by an executive office and a Board of Representatives from universities throughout the United States.
Our laureates and fellows exemplify the American tradition of business leadership. The ANBHF has published the biographies of more than 40 of our laureates and fellows. Several biographies are available online at www.anbhf.org.

SAMPLE PAPER FOR THE JOURNAL OF BUSINESS LEADERSHIP OR PROCEEDINGS PUBLICATION

Jane Smith, University of Abcdef

ABSTRACT

Each paper must start off with an abstract (with the exception of case studies). The abstract should be approximately 300 words and summarize the topic and findings of the paper. It should also be italicized and be formatted in the same manner of the rest of the document (see instructions below).

When you complete your manuscript, we will ask you to submit the "camera ready" manuscript as a MS Word file (.doc or .docx). Please work with us to make the document look great! Follow these directions carefully, and the result will be a highly professional appearance.

INTRODUCTION

The following sections of this document will give you some insight into how you can use this document as a template to create an attractive paper. However, you do not need use this file as a template if you are mindful in how you format your own document. The aim is to make your document look "**camera ready**" so that we do not need to make any modifications. For your convenience a summary of the key elements is as follows.

- The page size for the document should be set to 8.5 by 11 inches.
- The margins should be set at one inch all around.
- The document must be single spaced.
- Turn on Widow/Orphan control and avoid headings to break over a page.
- Do not use headers or footers.
- The font used should be Times New Roman, 12 point (with the size exceptions mentioned below for quotes, tables, and references).
- The document must use full justification throughout (with the excepting of the headings that need to be centered).
- Each paragraph should begin with a left tab or first line indent of one half inch (typically the default tab option).
- There should not be any extra blank lines between paragraphs unless there is a section of text that needs to stand out from the other paragraphs.
- Title of the paper must be in ALL CAPITAL LETTERS, bolded, centered and in 18 point font.
- The Author's names and affiliations should be in 14 point font, bolded and centered. Please do not use honorifics for author names (i.e. PhD, Dr., etc.)
- Main Headings in the document should be in ALL CAPITAL LETTERS, bolded and centered in the default 12 point font. Subheadings should be in Initial Capital

Letters, bolded and left justified. Pay attention not to orphan a heading from thetext that follows at the bottom of a page. More information on headings can be found in the sections below.

If the paper contains hypotheses, lists, formulae, tables, figures, footnotes, etc., please read those sections below for more information.

- References should be APA style in 10 point font, single spaced between references, with hanging indents.

The important thing is to make your document look consistent with this document before it is submitted for publication.

FORMULAE

Below we have inserted some meaningless formulae just to serve as an example. In this example we offset the equation by one half inch, then set a left tab on the ruler bar at the margin to handle the display of the equation number. You change the type of tab on the ruler bar by clicking on the little icon at the far left edge of the ruler bar. The type of tab will change, and then you can click on a location within the ruler bar to insert the newly defined tab.

$$\sqrt{a^2 + b^2} \quad x \lim_{x \to \infty} \left(\frac{-b \pm \sqrt{b^2 - 4ac}}{2a} \right) \tag{1}$$

$$\sum_{i=1}^{n} X_i = \frac{1}{n}$$

When you have certain formulaic characters that are simply italicized letters (i.e. r, z, etc.) that you would like to include in the body of a paragraph, it is best just to use the letter rather than a formula box. Formula boxes in the body of paragraphs can alter the line spacing, which we would like to avoid, if at all possible.

TABLES

We encourage you to submit your tables just as you would like them to appear. With that in mind, we do have a few requests to maintain some consistency from one paper to the next. We would like for the table contents to be in 10 point font (or smaller if the size of the table calls for it) and centered on the page. Tables should NOT exceed the width of the one inch margins of the document. Please include the table's title **inside** the borders of the table as shown below. The table title should be centered and bolded, and in the same size font as the rest of the table.

Left justify, center, or right justify columns in your table to make your material more readable, as you desire. Please note that an auto indent setting in your "Normal" tab will affect the contents of your table. To correct this, highlight the table, open the "Paragraph" box in the "Home" tab, and remove the first line indent instruction. Also, please place the tables in the body of the document where you would like them to appear. If the table breaks a page, move

text material from above or below to keep the table on one page. If the table cannot fit on one page, set the title and descriptive rows to "repeat" on the following page.

| Table 1 DESCRIPTION OF STUDY Table Title on the Inside		
COMPANY	Name	DATE
ABC	A Name	1/1/2010
DEF	B Corp.	1/2/2009
GHI	C. Name	5/5/2008
WXY	D. Inc.	7/21/2007

If your table is extremely complex, or extremely large, you can try to get it to work by sizing down the font to 9 point, or even 8 point. Do NOT go below 8 point type as that will make it extremely difficult to read your table. If you are still unable to get your table to work on the page, then you must create it as a jpg and shrink it to fit.

We do not accept landscape tables or figures. You must scale the table to fit in portrait mode. If you are unable to handle this yourself, you may contact us for advice or engage us to handle the conversion.

We might advise you concerning tables, that extremely complex, or busy tables are difficult to read, and do not add to the manuscript. It is better to use simple tables, even if you need more of them, than to create something that no one can understand.

FIGURES

Your figures should always be centered, and should have a title for reference purposes. When you create figures, remember to use Times New Roman as the font in the figure, and think about how it will look in the journal. Generally, figures should not exceed 6 inches in width. Put the figures where you want them to appear and format them the way you want them to look in the final document.

Figure 1

My Figure

ABC   DEF   GHI
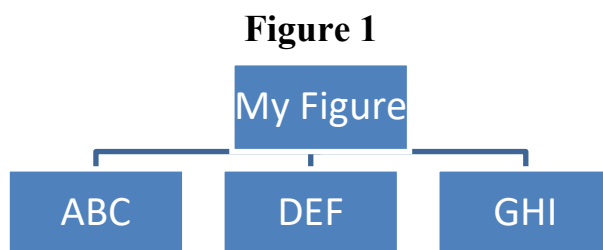
If you have extremely complex figures, or if you have trouble placing them in the manuscript, you may need to consider engaging us to process the figures. You may contact us for a price quote for any aspect of the formatting process.

GUIDELINES FOR CASES

Prepare cases as described above with these exceptions. First, instead of an abstract, begin the case with a "Case Description" and a "Case Synopsis," both in italics as illustrated below. Technical information is in the Description, while the Synopsis should gain the reader's

interest. The body of the case should follow the synopsis, separated by a heading. Prepare the "Instructors' Note," described more fully below, in accordance with these instructions as well.

AMERICAN NATIONAL BUSINESS HALL OF FAME PUBLICATION POLICIES AND PROCEDURES

Review Process

All journal submissions undergo the double blind, peer review process by members of the Editorial Review Board. The Editor strives to maintain an acceptance rate of 20-25% or less for first time submissions. The review process is as follows:

1. The journal Editor will review papers for appropriateness, and use a plagiarism verification tool to ensure the work has not been plagiarized.
2. The Editor will send the manuscript to two reviewers, without disclosing the identities of the authors or second reviewer.
3. The review results are confidentially delivered to the Editor, who then reviews the feedback to ensure the comments are relevant and non-discriminatory. The reviewer comments are sent to the author(s) with the Editor's decision regarding publication.
4. The reviewer feedback and Editor's decision is sent to the authors. Submissions are either Accepted, Accepted with Minor Revisions, Accepted with Major Revisions, or Rejected for publication.
5. Author(s) receiving an accepted with revisions determination are instructed on the process to revise and resubmit the article.
6. Revised papers are returned to the Editor who returns the revisions to the original reviewers.
7. Feedback from the second round of reviews are processed in the same manner. In some cases, author(s) are given a second opportunity to revise and resubmit papers should they not be found acceptable after the first revision.
8. If accepted for publication, the author(s) are notified by the Editor and provided with instructions on the submittal process.

Accepted Journal Article Requirements

The requirements for journal publication include:
1. The submission must be formatted according to **SAMPLE PAPER FOR THE JOURNAL OF BUSINESS LEADERSHIP OR PROCEEDINGS PUBLICATION.**
2. All author(s) must read and agree to the **ASSIGNMENT OF COPYRIGHT TO THE JOURNAL OF BUSINESS LEADERSHIP.**

Ethics Policy

The Journal of Business Leadership publication ethics policy follows the Committee on Publication Ethics (COPE) Best Practice Guidelines for Journal Editors, reviewers and authors. The JBL attests journals remain transparent and neutral to regions, religion, and will not discriminate based on the age, gender, race, and people that are physically challenged. The journal

strictly abides by the review for publication ethics as recommended by the COPE and remain transparent in acknowledging the source while publishing the information on a collaborative mode.

Authors verify: Submitted manuscripts are the original work of the author(s), and that all contributing authors are listed and given credit. Manuscripts have not been published nor are under consideration by another journal concurrently. All sources of data used in the development of the manuscript are properly cited.

Reviewers verify: Manuscripts are reviewed based on the intellectual content of the paper without regard of gender, race, ethnicity, religion, citizenry or political values of author(s). Conflicts of interest during the review process must be communicated to the Editor. Manuscript information is kept confidential. Any concerns regarding the review of a manuscript are communicated to the Editor.

Editors verify: Manuscripts are evaluated in fairness based on the intellectual content of the paper without regard of gender, race, ethnicity, religion, citizenry or political values of authors. Conflicts of interest pertaining to submitted manuscripts must be disclosed. Manuscript information is confidential. Publication decisions of submitted manusripts are based on the reviewer's evaluation of the manuscript, policies of the journal editorial board and legal restrain acting against plagiarism, libel and copyright infringement rest with the Editorial Board.

Right of Editors and Reviewers to Publish in Journals

Editors and reviewers are allowed to publish their original research in the journal. If an Editor wishes to have a paper considered for publication, the Co-Editor or Associate Editor will send the paper out for review. The review process for papers by Editors and Reviewers is the same as any other paper and no preference is given. A strict blind review process is maintained in all cases.

Retractions and Corrections

Should any paper need to be removed or edited from the journal, the issue will be updated accordingly and republished.

The description and synopsis are important as they communicate basic information about the case to the reader. Never forget that the Note is actually more important than the case, at least in the perspective of accrediting agencies for your university!

CASE DESCRIPTION

*The primary subject matter of this case concerns (**describe the most important subject, ie, entrepreneurship/conflict management/ethics/etc.**). Secondary issues examined include (**list as many as the case contains just like for the primary subject**). The case has a difficulty level of (**choose one of the following:** one, appropriate for freshman level courses; two, appropriate for sophomore level; three, appropriate for junior level; four, appropriate for senior level; five, appropriate for first year graduate level; six, appropriate for second year graduate level; seven, appropriate for doctoral level). The case is designed to be taught in (**indicate how many**) class hours and is expected to require (**indicate how many**) hours of outside preparation by students.*

CASE SYNOPSIS

*In this section, present a brief overview of the case (**a maximum of 300 words**). Be creative. This section will be the primary selling point of your case. Potential case users are more apt to choose cases for adoption which catch their fancy.*

The Case Description and Case Synopsis are not used when the case is assigned to students. Their purpose is to inform instructors and prospective users of the case.

CASE BODY

The body of the case will follow the description and synopsis, and should be formatted in accordance with the forgoing instructions. Avoid using photographs or extensive exhibits which will make reading the case more difficult. The general rule of thumb is, if looking at this exhibit is not important to the decision point of the case, then omit it.

Please do NOT include assignment questions in the body of the case. These should be in the Instructors' Notes. Leaving them in the case body will prejudice student readers, as they will seize on the assignments, ignoring much of the content of the case.

INSTRUCTORS' NOTES

Instructors' Notes are an important part of the referee process and must be included with all cases submitted for review or for publication in any form. Notes should be prepared in accordance with these publication guidelines and prepared as a separate manuscript and a separate file because the case notes are published in a different issue from the case.

Prepare Instructors' Notes for use by instructors who are not familiar with the case issues. The note should allow the instructor to teach the case without additional research. Begin the note with a **REPEAT** of the Case Description and Case Synopsis. Follow the Case Synopsis with Recommendations for Teaching Approaches. Specific questions, assignments or teaching methodologies should follow. Be sure to **INCLUDE ANSWERS** for all questions or

assignments. Please do not include the questions and assignments in the case, but include them in the Instructor's Note instead. This gives instructors more flexibility in what to assign. Epilogues, if appropriate, should close the note. If your case is from library research, include the references for all material used in a **REFERENCES** section.

REFERENCES

References should be completed using APA style. They are to be single spaced left justified and completed in Times New Roman 10 pt font.