QRBD

QUARTERLY REVIEW OF BUSINESS DISCIPLINES

August 2026

Volume 13
Number 1 & 2

A JOURNAL OF INTERNATIONAL ACADEMY OF BUSINESS DISCIPLINES
SPONSORED BY UNIVERSITY OF NORTH FLORIDA
ISSN 2334-0169 (print)
ISSN 2329-5163 (online)

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FROM THE EDITORS

From Economic Incentives to Classroom Dialogue: International Research and Instructional Guidance

This double issue of the *Quarterly Review of Business Disciplines* offers the reader both research articles and book reviews to inform their work as educators. The articles and reviews in this issue truly represent the diversity that is a strength of the readers of *QRBD* as well as the membership in the International Academy of Business Disciplines (IABD). In the first article, Perla Zapata and Thomas Snyder look at the effectiveness of incentives offered to entice businesses and compares their effectiveness to income tax cuts. This important research tests the effectiveness of state incentive programs that are increasing in popularity despite previous research demonstrating that they have limited effect.

In the second article Assad Raza examines the differences and relationship between corporate social responsibility orientations (CSRO) and responsible leadership orientations (RLO) among U.S. and Vietnamese business students. Cross-cultural comparisons like this are critical to determine the role of cultural differences and help to fulfill the IABD mission to expand business research outside of the US.

Marc Uguet Bonet continues our look at international research in the third article with an analysis of digital crime headlines in European newspapers. This content analysis evaluated indicators of informational rigor and sensationalism in the headlines and contributes to future research by providing an empirical operationalization for the indicators of sensationalism.

Continuing with the theme of representing the diversity of fields represented in IABD, Young Ha Ki offers in the fourth article the results of research in the scholarship of teaching. Ki studied the integration of the Bloomberg terminal into two undergraduate corporate finance classes and then assessed the students' technical readiness, their experience with the Bloomberg terminals and their perceptions of the learning experience. The results indicate that integrating the terminals may help instructors to achieve one of the most sought-after outcomes in a business course, the ability to bridge academic instruction with professional practice through the use of experiential learning.

In the final research article, Arpit Sharma and Denise McWilliams investigate the theoretical constructs of social sharing and social competing as they relate to fitness wearable technologies (FWTs). While past research has found that social sharing and social competing are distinct constructs as related to the FWT products, the current research found that the two constructs

"…are empirically difficult to distinguish in this sample" (p. 83). The results lead the authors to suggest that affordance bundling may provide a superior theoretical framework for future investigations related to wearable technology.

In this issue, *QRBD* continues a relatively new service to our readers – reviews of books, software and other educational materials. In the issue we offer reviews of two very different books that may help our colleagues in the classroom. First, Lori Costello reviews "Try to Love the Questions: From Debate to Dialogue in Classrooms and Life" by Laura Hope Schwartz. In an era where increasing polarization of opinions and adversarial tones can move into higher education classrooms, Schwartz offers a framework that moves the conversations related to controversial subjects away from debates to discussion where the class participants "explore the reasoning, values, and assumptions underpinning those positions" (p. 86). Because students are not being asked to defend a position, as you would in a debate, this process allows the students to hold onto their strongly held beliefs while still understanding competing viewpoints.

The second book review is by Chris Lindquist and it analyzes a more traditional textbook, "Principles of Emergency Services Management" by John R. Fisher. Lindquist offers a detailed look at the content and uses for Fisher's work. Of particular note is Lindquist's contention that the work while titled to be for emergency services courses might be an excellent source of material for more general classes in management and leadership. Lindquist points out that the text covers all the topics that one would normally discuss in a management course and that the examples from and application to the emergency services field may offer topics that, because of their nature, are inherently interesting to students.

We encourage our readers to suggest other educational materials to review and/or to volunteer to write future reviews.

Charles A. Lubbers, *University of South Dakota,* Editor-in-Chief

John Fisher, *Utah Valley University,* Associate Editor

H. Paul LeBlanc III, *The University of Texas at San Antonio,* Associate Editor

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ASSESSING LARGE STATE ECONOMIC DEVELOPMENT EXPENDITURES

Perla Zapata, University of Central Arkansas
Thomas Snyder, University of Central Arkansas

ABSTRACT

Many states in the U.S. provide substantial incentives to entice large businesses to locate in their state. The economic literature has mostly concluded that firm-specific incentives are not effective at bringing in new businesses. Yet, these incentives remain popular, and state economic development expenditures are increasing. This paper takes a fresh look at the evidence of the effectiveness of economic development spending with a focus on episodes of large increases in expenditures by state governments. We find that large expenditure increases on economic development are not correlated with lower prime-age employment rates in a state the year after the expansion of funds. We also find no statistical relationship between GDP per capita and large increases in economic development spending. In addition, we provide a simulation to estimate the impact of an alternative use of the economic development funds: income tax cuts. In a case study with Arkansas data, we find that economic development spending increases employment at twice the cost of an equivalent income tax cut.

Keywords: Economic development, State government, Development incentives, employment

INTRODUCTION

State governments have been increasing their spending on economic development in both nominal and real terms. According to data from the Council for Community and Economic Research (C2ER), state governments annually spent an average of $207,057,990 per state on economic development between 2007 to 2023. In 2023, state governments spent an average of $426 million on economic development. On a per-capita basis, the level of state economic spending more than doubled recently from 2017 ($41) to 2023 ($96).

In addition to these large increases in spending over the years, some states drastically increase their economic development spending over a one-year span. In the C2ER data from 2007 to 2023, we found 95 episodes of increases of $75 million or more on economic development from the previous year. Large expenditures on economic development, such as "Megadeals," are typically justified by two objectives: 1) increased employment, or 2) higher-paying jobs. We investigate whether these large expenditures have been effective in achieving those goals.

Some megadeals for specific firms are very large, such as Boeing's $8.7 billion package in Washington in 2013 or Micron Technology's $6.36 billion package for Micron Technology in 2022 (Good Jobs First Subsidy Tracker). Those packages catch the eye, but most states have dozens of economic development programs, such as tax credits, loans, grants, workforce development, and infrastructure funding, which can add up to a significant amount of money for a firm, but do not always make the news. It's essentially impossible to study the effectiveness of one

Acknowledgement: This research was supported by the Arkansas Center for Research in Economics

economic development program, since many programs simultaneously try to achieve the same or similar outcome of increasing jobs or productivity. Our study instead focuses on large increases in state economic development spending overall over the years. The overall spending focus allows us to evaluate the success of economic development programs in general.

From a standard economics textbook, government subsidies create a deadweight loss unless the government is funding a market or firm with positive externalities. Even before the standard textbook, Adam Smith argued against the government favoring a firm:

> The statesman who should attempt to direct private people in what manner they ought to employ their capitals would not only load himself with a most unnecessary attention, but assume an authority which could safely be trusted, not only to no single person, but to no council or senate whatever, and which would nowhere be so dangerous as in the hands of a man who had folly and presumption enough to fancy himself fit to exercise it. (Smith, 1789 ed. *Wealth of Nations*, Book IV, Ch. II)

A more sophisticated argument in favor of a state government subsidy would be the "but for" argument. This argument is that the government is not really losing government tax money with the incentive package, since the firm would not have located in the state "but for" the economic development assistance. In other words, the government may subsidize the firm to locate in the state, but the firm will more than pay back the subsidy by coming to the state, paying taxes, and generating positive spillovers. This argument rests on the marginal case - one where the business is torn between locating in two places that would yield a very similar profit, and the incentive package is the tipping point. Such a case seems very unlikely, as economic incentives are not a top priority for business location decisions. A survey by Jolley, Lancaster, and Gao (2015) in North Carolina found that incentivized firms ranked the economic incentives as the 15th priority among business climate factors. More important factors were skilled labor, the regulatory environment, and general tax rates.

Under certain parameters, such as externalities or marginal business decisions, state spending on government economic development could in theory achieve its objectives. Therefore, we need an empirical investigation. In the next section, we examine the current literature on government economic development spending. In Sections III and IV, we will add our contribution to the literature by providing a fresh look at the empirical relationship between large economic development spending and employment and economic growth. We will not find such evidence. In addition, even if economic development spending is bringing in jobs, we use the literature to estimate the per-job costs of such spending. In Section V, we find the cost per job to be excessive with government spending compared to an alternative: lowering the income tax rate. We find that the private sector creates jobs at a lower cost than government spending. Section VI concludes.

LITERATURE ON ECONOMIC DEVELOPMENT INCENTIVES

The literature on economic development incentives is large and fairly consistent. A study by Bartik (2018) reviewed 30 papers that examined economic development incentives. He concluded that the literature estimates that 2 to 25 percent of incentivized firms made their decision location based on the incentive. This finding means that 75-98% of the incentivized firms would have made their ultimate location decision regardless of the incentive package. In addition, Bartik found that the 2-

25% may be a generous number, as many studies are biased toward overestimating the “but-for-the-incentive” percentage.

Not only is the evidence weak regarding the effectiveness of economic development incentives, but there could also be other unseen adverse effects of such spending. Firms and individuals may put time and effort trying to acquire economic development funding. The evidence shows that the politically-connected firms are the ones most likely to receive incentives (Aobdia, Koester, & Petacchi, 2024). Slattery & Zidar (2020) also find that subsidies increase during an election year with an incumbent governor. All sorts of lobbying and other rent-seeking behavior means fewer resources are being employed in productive work. Special deals by state governments via economic development programs encourage unproductive work (Calcagno & Hefner, 2018; Baumol, 1990).

Are Megadeals more successful than standard economic development incentives? Consistent with the literature (Mattera, Tarczynska, & LeRoy, 2013; Calcagno & Hefner, 2018), we define a megadeal as $75 million. In short, the evidence does not support megadeals, though there are not many studies that examine big expenditures overall. Lincicome, Joffe, and Chanwong (2024) used the Good Jobs First Subsidy total data as a percentage of GDP and did not find a positive relationship between economic growth and subsidy size. In fact, they found a negative relationship. They also point to several megadeals that are not working out as promised, such as Ford Motor in Michigan, Rivian Automotive in Georgia, and VinFast in North Carolina.

Calcagno and Hefner (2018) examined multiple megadeals and found they ultimately did not achieve their goal of increasing employment. Slattery and Zidar (2020) found high cost-per-job promises, such as the basic chemical manufacturing subsidies costing more than $900,000 per job. They also did not find any strong evidence that firm-specific tax incentives increased economic growth at the state level, nor at the local level. Mitchell, Farren, Horpedahl, and Gonzalez (2019) examined Wisconsin’s megadeal with Foxconn and estimated that it would lower economic activity with deadweight losses by billions of dollars over 15 years.

Even if economic development spending is found to have positive relationships with employment or economic activity, we must consider it in relation to alternative policies. Public spending is fungible. Wang (2016) found that economic development “expenditures are associated with decreases in expenditures on productive public goods such as education and highways as well as corrections, police, and fire protection and sanitation.” McDonald, Decker, and Johnson (2020) found that economic development incentives negatively affect the fiscal health of the state.

We add to the literature in two important ways. First, we examine large increases in economic development spending overall and with updated data on prime-age employment and GDP per capita. The previous literature mostly tried to identify subsidy deals or used a simulation to estimate the expenditures on economic development. We take the total economic development spending outlays as summarized by the Council for Community and Economic Research. We also examine the changes in prime-age employment rates as opposed to the overall employment rate, which allows us to narrow in on the group most likely affected by employment opportunities. Second, we take advantage of data in Arkansas and use the literature to simulate the cost per job with economic development spending versus a reduction of taxes. To our knowledge, we are the first to use this technique and data in estimating the cost per job.

DATA

To examine the effectiveness of state spending on economic development, we look at the typical two main goals of the spending: 1) employment and 2) economic growth. The usual arguments for increased expenditure on economic development are to increase the number of jobs or to create better jobs. In other words, a successful economic development expenditure would either show up in the employment rate or in per-capita output.

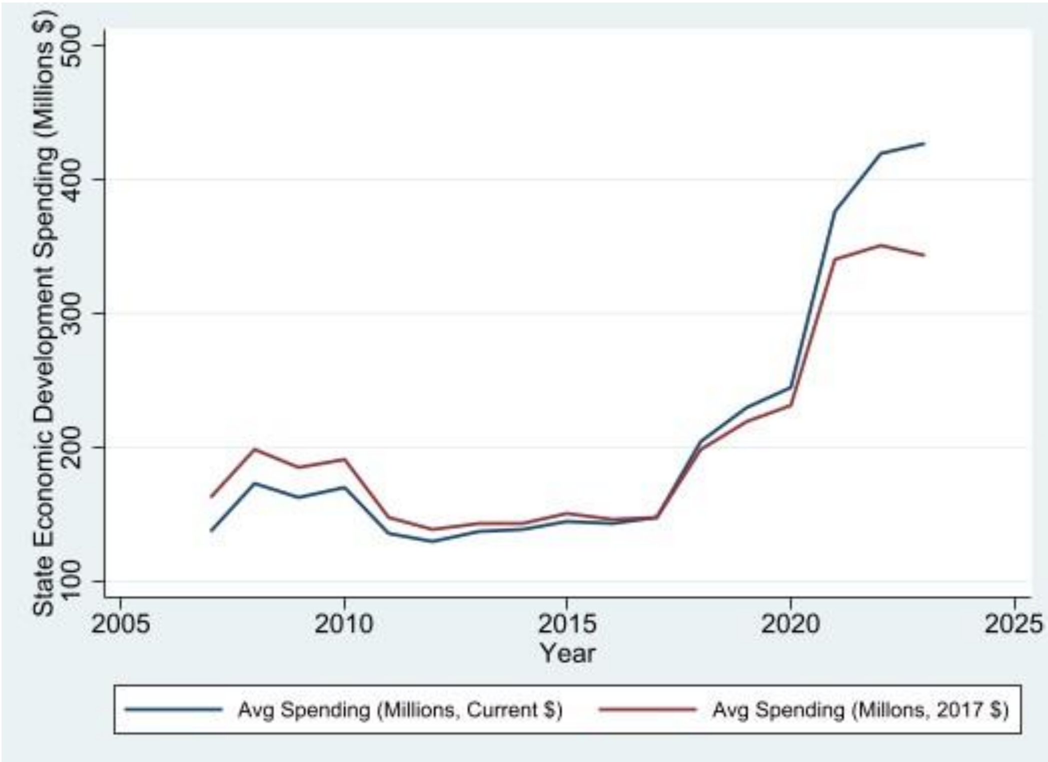
To measure employment, we focus on the state-level prime-age employment rate, which is the percentage of 25-54 year-olds in the state who are employed. The prime-age employment rate has advantages over the typical unemployment measure, including 1) avoiding demographic trends that have nothing to do with economic health, and 2) avoiding the labor force participation bias that may occur if discouraged people leave the labor force. To measure economic output, we use state real GDP per capita (2017 chained dollars).

As a measurement of state economic development spending, we use annual total state economic development spending from the Council for Community and Economic Research (C2ER). Our paper is focused on large increases in expenditures, equivalent to "Mega" deals. Here, we use $75 million to designate a large expenditure, consistent with the Good Jobs First definition. Sometimes the purpose of large spending increases is to lure a firm to locate in a state. We use a dummy variable that is equal to "1" if state economic development expenditures increased by at least $75 million from the previous year or 0 if it did not. We lag the variable by one year, to give the expenditures time to work and to avoid reverse-causality issues. Using further lags could eliminate important years of observation, but it's not unforeseeable that projects need more time. Jobs may also happen sooner, as building plants could increase employment. We settled on a one-year lag compromise, but we did run alternative lags which did not overturn any insights. We observed 95 episodes of mega spending, which is to say about 11% of the years for a state will result in a large increase in economic development expenditure.

From a quick scan of the data, we can easily observe that state-level economic development spending has increased in recent years in nominal and real terms. Figure 1 graphs the average annual state government expenditure on economic development in millions of dollars. Spending was relatively flat for about 10 years, but then it increased rapidly, outpacing general inflation. We seek to see if these large increases were effective.

The available data for government expenditures is 2007 to 2023, therefore, that is the year of our state-level panel data for most of our regressions. For our control variables, we include educational attainment (% of population age 25+ with a bachelor's degree), population level, and state-level economic freedom (overall subnational score), where a larger number (0 to 10) represents more economic freedom. The economic freedom variable incorporates government spending, taxes, and labor market regulation (including state minimum wage).

Figure 1. Average Annual State Government Spending on Economic Development (Millions $)



We also use GDP per capita as a control in employment rate regressions. As an additional consideration, we include the per-capita spending on economic development in one of the models. This variable can allow us to isolate the impact of a large expenditure change for a given change in the level of spending per capita. Table 1 describes and summarizes the data.

Table 1. Summary Stats and Key for State-Level Data 2007-2023

Variables	**Description**	**Obs**	**Mean**	**Std. Dev.**	**Min**	**Max**
Employment Rate	Data is at the state level and provides the yearly prime age (25-54 y/o) employment rate. Data obtained from the U.S. Bureau of Labor Statistics: https://www.bls.gov/lau/ex14tables.htm	850	78.67	4.11	67.4	88.1
Mega (lag)	1 of Economic Development Spending grew by $75 Million or more from previous year (then lagged). Data is from the Council for Community and Economic Research (C2ER). https://www.c2er.org/	750	0.12	0.33	0	1

Variables	**Description**	**Obs**	**Mean**	**Std. Dev.**	**Min**	**Max**
Educational Attainment	The % of adults (age 25+) at the state level with a bachelor's degree or higher. The 2008-09 data was obtained from the Federal Reserve Bank of St. Louis (FRED) and the Census Bureau.	850	30.23	5.69	17.1	47.8
Population (log)	The natural log of the yearly state level population. Data from the U.S. Census Bureau.	850	15.18	1.01	13.19	17.49
GDP per Capita (log)	Natural log of state real GDP per capita (2017 chained dollars). Bureau of Economic Analysis	850	10.92	0.19	10.48	11.42
Per-Capita Economic Development Spending (lag)	Per-Capita total economic development spending. Data from the Council for Community and Economic Research (C2ER).	800	51.23	69.19	2.14	775.32
Economic Freedom	Economic Freedom overall score - Subnational. 0-10. 10 is highest economic freedom. Scores from Economic Freedom of North America. 2007-2022. https://www.fraserinstitute.org/studies/economic-freedom-north-america-2024	800	6.17	0.944	3.78	8.12

MODEL AND RESULTS

To estimate the effectiveness of large economic development expenditures, we run a two-way fixed effects model for state-level data, 2007-2023, controlling for year effects. This time period is chosen as this is the available data for economic development expenditures. Table 2 displays the estimates for four models where the dependent variable is the state prime-age employment rate.

In the first model, we include mega spending as the only independent variable. This variable is equal to 1 if the previous year the state increased spending on economic development by $75 million when compared to the year before. The coefficient is negative, but not statistically different from zero.

In the second model, we control for educational attainment and population. We do not find any of the coefficients, including mega spending, statistically different from zero.

In the third model, we add GDP per capita. We find that variable to be positively correlated with the employment rate, as expected. Still, we do not find any statistical significance from lagged mega spending.

In the fourth model, we attempt to control for state-level institutions, including taxes and labor market regulations. To do so, we include the economic freedom variable from the Fraser Institute. This is an overall measure (subnational measure, ignoring federal government institutions), 0 to 10, where a higher number means lower taxes, less government spending, and/or a less restrictive labor market. In addition, the fourth model includes lagged per-capita economic development spending. This means that the coefficient on a mega expenditure ($75 Mil +) on the employment rate, will take into consideration the changes in per-capita economic development expenditure.

Table 2. Mega Spending and Prime-Age Employment Rate: Two-Way Fixed Effects. State-Level Data, 2007-2023

Variable	Prime-Age Employment Rate (1)	Prime-Age Employment Rate (2)	Prime-Age Employment Rate (3)	Prime-Age Employment Rate (4)
Mega Spending (lag)	-0.12	-0.11	-0.14	-0.22**
	0.11	*0.11*	*0.10*	*0.11*
Educational Attainment		0.17	0.05	0.070
		0.17	*0.16*	*0.16*
Population (log)		0.23	-3.50	-4.70
		5.06	*4.80*	*5.44*
GDP Per Capita (log)			7.53**	7.03**
			3.01	*3.24*
Economic Freedom				0.56
				0.38
Per-Capita Economic Development Spending (lag)				0.00
				0.00
Constant	77.09***	*69.03****	47.11	67.00***
	0.19	*74.52*	77.13	*87.44*
N	750	750	750	700
Year Effects?	Yes	Yes	Yes	Yes
rho	0.90	0.89	0.91	0.94
Notes: Robust standard errors in italics. *, **, *** represent p-values < .10, .05, and .01 respectively.				

One reason for doing this is that we can isolate the effect of big changes from the small and medium changes in economic development spending. With these control variables, lagged mega spending has a negative and statistically significant relationship with the prime-age employment rate. If a state increased its economic development spending by over $75 million, its prime-age employment, on average, decreased the following year by 0.225% points, controlling for other relevant factors. This result does not provide supportive evidence for large increases in economic development spending.

A possible explanation for the negative relationship between the lagged mega spending and employment is the crowding out effect. The government could be competing against and replacing productive enterprises with government-subsidized ones. If government subsidization leads to higher taxes, we also have the classic deadweight loss – loss of production (and employment) from higher taxes.

In Table 3, we examine the relationship between economic development spending and economic output, as measured by real GDP per capita. This is a similar two-way fixed effects model, but with real state GDP per capita as the dependent variable. In none of the three models do we find a statistically-significant relationship between mega spending and real GDP per capita. Educational attainment, Population, and the Prime-Age Employment Rate were all positively related to GDP per capita and statistically significant at the 5% level. The per-capita economic development spending had a marginally significant relationship with real GDP per capita when controlling for mega spending. A possible interpretation of this is that maintaining development programs with incremental increases is more effective than large increases in spending.

Table 3. Mega Spending and GDP per Capita (log): Two-Way Fixed Effects. State-Level Data, 2007-2023

Variable	Log GDP Per Capita (1)	Log GDP Per Capita (2)	Log GDP Per Capita (3)
Mega Spending (lag)	0.002	0.004	0.002
	0.006	*0.005*	*0.005*
Educational Attainment		0.016***	0.015***
		0.0054	*0.005*
Population (log)		0.5***	0.49***
		0.15	*0.16*
Employment Rate			0.006**
			0.002
Per-Capita Economic Development Spending (lag)			0.00006*
			0.00003
Economic Freedom			0.01

Variable	Log GDP Per Capita (1)	Log GDP Per Capita (2)	Log GDP Per Capita (3)
			0.01
Constant	10.84***	2.91	2.44
	0.0085	*2.21*	*2.37*
N	750	750	700
Year Effects?	Yes	Yes	Yes
rho	0.96	0.995	0.996
Notes: Robust standard errors in italics. *, **, *** represent p-values < .10, .05, and .01 respectively.			

ARKANSAS CASE STUDY: THE OPPORTUNITY COSTS OF ECONOMIC DEVELOPMENT SPENDING

Despite the lack of evidence for the effectiveness of economic development spending, it is still popular and growing in the U.S. This spending does come with opportunity costs. For this section, we take a look at Arkansas, where we have available data on economic development spending and "job creation." One example of an Arkansas program designed to affect business location is the Quick Action Closing Fund (QACF). It is a program for which published information regarding (promised) employment creation and job retention is available. The QACF is for Arkansas to "compete with other states to attract new business and economic development to the state or to retain existing business in the state" (Arkansas General Assembly, 2007).

During the 2007 to 2022 period, the Arkansas Economic Development Commission (AEDC) estimated that the QACF created 33,992 jobs on a budget of $358,263,198.08 (AEDC FY 23 Annual Report). It is difficult to know whether such a claim is true, as there is no way to know if those jobs would have existed without the spending. Our panel analysis suggests that the program likely did not produce those jobs. We generously assume those jobs were at least created. However, we look at other research to get an estimate of how many of these jobs were created because of the economic development spending, as opposed to being created regardless of the spending.

Suppose we consider Bartik's (2018) range of effectiveness: 2% to 25% of incentivized firms made their move based on the incentive. On average, this would imply that only 2% to 25% of the jobs created by Quick Action Closing Fund were actually created by the program. At these success rates, the cost per job can be demonstrated below by taking the total spending and dividing it by the number of jobs created or retained, discounting the jobs number with estimates from the literature:

(1) At 2% success: $358,263,198.08/(33,992*0.02) = $526,981.60
At 25% success: 358,263,198.08/(33,992*0.25) = $42,158.53
At 13.5% success: 358,263,198.08/(33,992*0.135) = $78,071.35

Note that the QACF may be the tip of the iceberg in terms of costs. These programs are often combined with other funding in the form of interest-deferred or preferential-rate capital loans, property and sales tax credits, and other forms of subsidies. Given the literature on economic development incentives, we estimate that the cost per job created ranges between $42k and $527k. If we used the mid-point of the literature, the cost of job created is $78k. All of these calculations are likely low-end estimate of the cost-per-job figure, given other costs associated with implementing the subsidies.

An Alternative: Reducing the Individual Income Tax Rates

To understand the effectiveness of a government program, we must consider alternatives. When we are examining the success of subsidizing job creation, we must do so considering other ways to create jobs. According to C2ER data, Arkansas spent $2,803,809,502 on economic development between FY2007 and FY2022. This is equivalent to $175,238,094 per year. Suppose Arkansas, for example, were given full autonomy to spend those economic development funds to increase employment. One alternative to government spending is reducing taxes and letting the private sector spend the money as it sees fit. We look at the literature to find an estimate of employment effects from changes in taxes.

Economist Owen Zidar (2019) found that a tax cut for the bottom 90% of earners equivalent to 1% of the Gross State Product would increase employment by 3.42 percentage points within two years of the rate reduction. We seek to simulate this estimation for the state of Arkansas using tax data from fiscal year 2022. Drawing from C2ER data, we calculated that Arkansas spent $479,348,063 in 2022 on economic development. The employment effects of using that money for tax cuts on the bottom 90% were estimated utilizing the methodology from Zidar and FY 2022 IRS Statistics of Income (SOI) Tax State data.

First, we divided total economic development spending in FY 2022 by 1% of the Arkansas 2022 Gross Domestic Product (Bureau of Economic Analysis):

(2) ($479,348,063/$1,659,893,000) = 0.2888

We do this so that it gives us the fraction of the 1% of GDP that is available for a tax cut, which allows us to use Zidar's 3.42 coefficient. In other words, we can't reduce taxes by 1% of GDP by eliminating economic development funding, but we can reduce it by 0.2888 of the 1% of GDP. Therefore, instead of increasing employment of the bottom 90% by 3.42%, we can increase it by:

(3) 0.28*3.42% = 0.9576%

This means that a reduction of taxes on the bottom 90% equivalent to the annual economic development spending is predicted to increase employment of the bottom 90% of earners by 0.9576%. To see how much more employment this means for the bottom 90%, we first took 90% of the number of individual income and employment tax filers (IRS 2022) in Arkansas, which was 1,686,053. This 90% is calculated as follows:

(4) 0.90*1,686,053 = 1,517,448.

Next, we took 0.9576% of those individuals to get the following:

(5) 0.009576*1,517,448 = 14,531 jobs

This calculation says 14,531 more Arkansans would have been employed in 2022 if the economic development spending had been devoted to tax relief for the bottom 90%.

To get the cost per job if the economic development spending was devoted to tax cuts for the bottom 90%, we do a simple division of the total money spent on economic development by the number of jobs created if the money was given back to taxpayers:

(6) $479,348,063/14,531 = $32,988

The $32,988 is less than even the most generous (lowest) cost estimates we have for cost-per-job-created from the Quick Action Closing fund. Allowing people to spend their own money creates jobs at a lower cost than when the government subsidizes job creation.

Using national figures of the cost of federal tax rate reductions and national labor force participation rates, Zidar (2019) found that the average cost per job created from such a tax cut was $31,500. Notably, our simulations of cost per job using Arkansas data show that the cost per job in Arkansas in 2022 was similar to the estimate computed by Zidar.

CONCLUSION AND POLICY IMPLICATIONS

Economic development spending typically aims to increase employment and increase wages; however, the empirical evidence suggests it does neither. We analyzed the effect of large expenditure increases on economic development. Our study finds no change or a negative change in prime-age employment rates the year after a large expenditure of $75 million or more on economic development. Lastly, we found no statistically significant relationship between large economic development spending and GDP per capita. These findings are consistent with previous literature and should encourage policymakers to consider alternative courses of action in their goals of increasing employment, attracting or retaining businesses, and spurring economic growth. Expenditures on ineffective economic development spending could be spent in areas that are typical public goods, such as infrastructure and education.

Alternatively, the money spent on economic development could be returned to the taxpayers. With Arkansas data, we estimate the private sector can create jobs at half the cost when compared to the public sector, even when generously taking the job creation numbers published by the government agency. Overall, the empirics do not support government subsidization of job creation.

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A CROSS-CULTURAL COMPARISON OF CSR AND RESPONSIBLE LEADERSHIP ORIENTATIONS: UNITED STATES VS. VIETNAMESE STUDENTS

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ABSTRACT

This study examined the differences and relationship between corporate social responsibility orientations (CSRO) and responsible leadership orientations (RLO) among U.S. and Vietnamese business students to support the conceptualization of responsible global leadership. Despite cultural differences, both groups ranked CSR responsibilities (economic, legal, ethical, and philanthropic) consistent with Carroll's (1979, 1991) CSR model and scored highest on the opportunity seeker and integrator responsible leadership orientations, consistent with Pless, Maak, and Waldman's (2012) model. No statistically significant differences were found between the two groups of business students. The results of this study suggest that future global leaders from both individualistic and collectivist cultures are likely to implement CSR policies and activities as a means to align with internal financial goals and non-economic stakeholder expectations, contributing to the conceptualization of the responsible global leadership field.

Keywords: Corporate Social Responsibility, Cross-Cultural Studies, Responsible Leadership, Responsible Global Leadership

INTRODUCTION

Global corporations increasingly operate across multiple geographic and cultural boundaries, requiring leaders to balance diverse stakeholder interests. The challenge of managing competing interests is increased by grand societal challenges, such as climate change, inequality, and conflict, which require more responsible approaches to leadership in a global context (Pless, Maak, & Waldman, 2012; Voegtlin, Scherer, Stahl, & Hawn, 2022).

Responsible global leadership (RGL), a nascent subfield within global leadership studies, has emerged in response to these challenges (Mendenhall, Miska, & Stahl, 2020). However, as a nascent field, there is no agreed-upon definition of RGL among scholars of global leadership. For this reason, I define RGL as "an orientation or mindset taken by organizational leaders to meet the societal and organizational expectations and interests of their multinational/multicultural stakeholders in those countries where the organization has an operating presence or other areas where the organization has a human impact" (Raza, 2024).

Acknowledgement: The results in this article were first presented during my doctoral dissertation defense in November 2024 and later at the 36th Annual Conference of the International Academy of Business Disciplines (IABD) in April 2025. I would like to acknowledge my dissertation chair, Dr. J. Basil Read, and committee members Dr. Robert Waller, Dr. Earl Ingram, and Dr. Linyuan Guo-Brennan from Troy University. I also wish to thank Dr. Robert Bennett III of Georgia Southwestern State University, who served as the session chair for the Leadership Track at the IABD conference.

In practice, global leaders often demonstrate RGL through corporate social responsibility (CSR) policies and activities (Stahl, Miska, Noval, & Sully de Luque, 2023; Stahl, Miska, Puffer, & McCarthy, 2016). However, leadership perspectives toward their responsibilities can vary at the individual level and impact the implementation of a business's CSR policies (Aupperle, Carroll, & Hatfield, 1985; Aupperle, 1982, 1984; Pless et al., 2012; Tang & Tang, 2018). For this reason, this study explores the intersection of CSR and responsible leadership by comparing business students' orientations from two culturally different countries, the United States and Vietnam.

LITERATURE REVIEW

Carroll's CSR Model

Carroll's (1979, 1991) CSR model used in this study outlines four categories of business responsibility: economic, legal, ethical, and philanthropic. Carroll's (1991) pyramid metaphor places economic responsibility as the base, implying that profitability supports all the other responsibilities. Hence, businesses must remain economically viable to meet their legal obligations and societal expectations and contribute to communities through voluntary initiatives.

Economic responsibility involves producing goods, services, and jobs that meet societal needs while generating profits to sustain operations and attract investment (Carroll, 2016). These profits also enable companies to support philanthropic efforts in the areas where they operate. However, in a global context, economic expectations for businesses may vary by country or region based on their standards of living and economic growth (Carroll, 2004, 2025).

Legal responsibility reflects society's "codified ethics" (Carroll, 2016), requiring firms to operate within established laws and regulations. However, legal standards vary globally, and businesses in countries with weaker governance must often rely on internal ethical guidelines. For example, businesses that operate in a developing country with weak governance may find that labor laws are not enforced or may experience some level of corruption (Carroll, 2004, 2025).

Ethical responsibility includes meeting societal expectations beyond the minimum legal requirements. Businesses are expected to operate ethically within the norms and values of society, even though these expectations may not be formalized by laws or regulations (Carroll, 2016). Globally, this requires businesses operating across multiple countries to incorporate recognized ethical standards, such as the U.N. Global Compact, which promotes the integration of human rights, labor, environmental, and anti-corruption policies into business strategies to meet ethical expectations across diverse cultures (Carroll, 2004; U.N. Global Compact, 2025).

Philanthropic responsibility encompasses those voluntary contributions, such as monetary gifts, services, and community engagement (Carroll, 1979, 1991). Although optional, many businesses strategically engage in these activities to reinforce their public perception and fulfill societal expectations of being a good corporate citizen within the areas where they operate. These activities in a global context should be guided by the needs of local communities, which can vary across cultures, regions, and living standards (Carroll, 2025).

Responsible Leadership

The second model used in this study is based on Pless et al.'s (2012) responsible leadership orientations (RLO). Responsible leadership is grounded in stakeholder theory, emphasizing the leader's role in managing the interests of their economic and non-economic stakeholders (Maak & Pless, 2006; Pless et al., 2012). Moreover, these stakeholder interests can influence a business's CSR policies and activities, as leaders must balance diverse and competing interests (Pless, 2023). Pless et al. (2012) categorized these leadership orientations into four types: traditional economist, opportunity seeker, integrator, and idealist.

Traditional economists are those leaders who prioritize business owners' or shareholders' profits with little regard for other stakeholders. They are unlikely to be committed to CSR activities or may only engage at the industry's minimum standard (Pless et al., 2012; Pless, 2023). This is because in the contemporary environment, business leaders may feel pressured by society to engage in some CSR-type activities (Pless, 2023).

Opportunity seekers are leaders who consider the broader needs of stakeholders when they provide competitive or economic benefits to the business (Pless et al., 2012). Hence, these business leaders strategically engage in CSR activities for financial gains rather than altruistic reasons. However, as a secondary benefit, these profit-motivated CSR activities can provide short-term solutions and support to social and environmental issues (Pless, 2023).

Integrators are leaders who genuinely include non-economic stakeholder needs in decision-making for altruistic reasons and mutual value creation (Pless et al., 2012). Compared to the opportunity seeker, these leaders authentically support CSR initiatives and have a broader sense of accountability to those non-economic stakeholders within society without compromising profits (Pless, 2023).

Idealists are leaders whose priorities are guided by moral purpose, leveraging their leadership and businesses to address broader societal concerns that matter to them and their stakeholders. These leaders are motivated by their commitment to humanitarian causes and are typically seen as service-oriented (Pless, 2023). Hence, their businesses are used to support the causes important to them, rather than to maximize profits.

These four RLOs provide a nuanced perspective on leadership motivations towards stakeholders, which can be applied across different cultures (Pless et al., 2012). In the contemporary environment, the most common RLOs are the opportunity seeker and integrator orientations because most businesses are expected to engage in CSR activities (Pless, 2023). Although there are leaders with the traditional economist and idealist orientations, these leaders are anomalies in the current business environment. Additionally, other factors, such as industry, generation cohort (e.g., Gen X, Gen Z), and national culture, can influence a leader's RLO.

Generation Z

The sample population for this study comprises of business students from the United States and Vietnam who belong to the Generation Z (Gen Z) cohort. Gen Zs (born between 1997 and 2012) are entering the global workforce with different expectations for business and leadership compared to previous generations (Eldridge, 2024; Gabrielova & Buchko, 2021; Le, Duc Tran, & Hoang, 2022). Studies suggest that Gen Zs, representing diverse cultures, place a strong emphasis on ethical business practices, sustainability, and social justice (Eldridge, 2024; Le et al., 2022; Ngoc Thang, Rowley, Mayrhofer, & Anh, 2022). Hence, this cohort is more likely to support companies that have a genuine commitment to CSR activities addressing social and environmental issues important to them and their communities (Gabrielova & Buchko, 2021; Ngoc Thang et al., 2022).

Unlike previous generations, Gen Zs were raised with access to information online and increased awareness of social and environmental issues from a younger age (Gabrielova & Buchko, 2021; Mohr & Mohr, 2017; Ngoc Thang et al., 2022). In the United States, Gen Zs entering the workforce were raised during the 9/11 terrorist attacks and the 2008 financial crisis, which influenced their preference for greater flexibility and work-life balance (Gabrielova & Buchko, 2021). In Vietnam, a recent study found that Gen Z job seekers were more attracted to companies with CSR programs because they are more concerned with social and environmental issues affecting their country (Ngoc Thang et al., 2022).

As emerging leaders, the Gen Z cohort's perceptions of businesses' obligations towards various stakeholders from two distinct cultures can contribute to the conceptualization of responsible global leadership. For this reason, the differences and relationships between corporate social responsibility orientations (CSRO) and RLO are examined among U.S. and Vietnamese business students. To better understand the cultural differences between the United States and Vietnam, the following section describes each national culture based on Geert Hofstede's six cultural dimensions (Hofstede, Hofstede, & Minkov, 2010).

Cultural Comparison

Culture is primarily viewed as the fundamental system of meanings that influence the thoughts and behaviors of people of a specific society or nation (Burton, Farh, & Hegarty, 2000; Nguyen & Truong, 2016). Hofstede (1993) described culture as "the collective programming of the mind which distinguishes one group or category of people from another" (p. 89). This study uses Hofstede's six cultural dimensions to compare U.S. and Vietnamese business students' orientations toward CSR and responsible leadership (Hofstede et al., 2010). Each of the six dimensions is measured on a scale of 0 to 100 to facilitate comparisons across different national cultures.

Vietnamese Culture

Vietnamese culture is influenced by Confucianism, which was spread by the Chinese Han Dynasty (206 B.C. – 220 A.D.), emphasizing hierarchy, moral conduct, and social harmony (Nguyen, Minh, Bensemann, & Kelly, 2018; Tran, 2020; Tuan & Anh, 2023). Confucianism in Vietnamese society is reflected across several areas, including family, business, and community life (Nguyen et al., 2018; Tuan & Anh, 2023). Kane, Akbari, Nguyen, and Nguyen (2022) suggest that Confucianism and collectivism may also influence Vietnamese business practices toward CSR in the form of philanthropy, as a way to give back to their communities. Vietnam's scores across Hofstede's dimensions show a collectivist, hierarchical society with restrained tendencies and moderate uncertainty avoidance (Hofstede et al., 2010).

Power Distance (70): Vietnamese society accepts hierarchical structures. Employees typically defer to authority and expect centralized decision-making by their leadership (Hofstede et al., 2010; Nguyen & Truong, 2016). Hence, employees usually are obedient and comply with orders without questioning or challenging their superiors (Nguyen & Truong, 2016).

Uncertainty Avoidance (30): Vietnamese culture exhibits moderate discomfort with ambiguity. In Vietnam, people tend to prefer structured work environments and are generally more risk-averse. Employees may hesitate to make decisions at work, but do exhibit some flexibility in their daily life decision-making (Hofstede et al., 2010; Nguyen & Truong, 2016; Nguyen & Aoyama, 2013).

Individualism (20): Vietnam is a highly collectivist society. Group harmony is valued, and most decisions are made with group benefit in mind (Hofstede et al., 2010; Nguyen & Truong, 2016). However, localized autonomy, as seen with village independence from neighboring villages, can explain some competition among employees, which can lead to disagreements at work (Nguyen & Aoyama, 2013).

Masculinity (40): Vietnam scores moderately on this index. Vietnam is a male-dominant society, with leadership roles predominantly held by men, and wage disparities persist along gender lines (Nguyen & Truong, 2016). Masculine countries are considered assertive and competitive, as observed by Vietnamese managers who emphasize work for the incentives that benefit them and their families (Hofstede, 2011; Nguyen & Aoyama, 2013).

Long-Term Orientation (57): Influenced by Confucian values, Vietnamese culture emphasizes perseverance, thrift, and moral integrity, although to a lesser extent than other Confucian cultures, such as China (87) or Korea (100) (Hofstede et al., 2010; Nguyen & Truong, 2016). Hence, Vietnamese people place a high value on moral integrity and ethical behavior to avoid shame, which are values associated with Confucianism (Nguyen & Truong, 2016).

Indulgence (35): Vietnam is a restrained culture. Societal norms discourage gratification and encourage discipline, hard work, and emotional self-control (Lee & Ande, 2023). Thus, the restrictive nature of Vietnamese culture can impact the feelings of freedom and happiness with members of their society (Hofstede et al., 2010; Lee & Ande, 2023).

United States Culture

The United States culture is based on the values of independence, achievement, and individual rights (Saenz, McGregor, & Nguyen, 2017; Shearer, 2008). According to Shearer (2008), most Americans believe financial independence comes from individual hard work and success. Similarly, Saenz et al. (2017) note that Americans are competitive and are motivated by individual successes to reach the “American Dream” (p. 228). The United States scores across Hofstede’s dimensions show an individualistic, more equal society with fewer restraints compared to Vietnam (Hofstede et al., 2010).

Power Distance (40): The U.S. has relatively low power distance. Authority figures are often questioned, and open communication between employees and leaders is common in the workplace (Hofstede et al., 2010; Saenz et al., 2017). Hence, people from the United States are more comfortable with challenging authority (e.g., parents, bosses, etc.) in all aspects of life because power is distributed more equally than in cultures with large power distances, such as Vietnam.

Uncertainty Avoidance (46): Americans tolerate ambiguity and are more willing to take risks (Hofstede et al., 2010). This fosters innovation but can also enable unethical behavior in competitive environments (Bergiel, Bergiel, & Upson, 2012; Hofstede et al., 2010; Saenz et al., 2017). Additionally, people from the United States tend to be more tolerant of differing opinions and less confined by rules than those in moderate countries like Vietnam (Hofstede et al., 2010).

Individualism (91): The U.S. is among the most individualistic cultures globally, prioritizing individual goals over collective interests (Hofstede et al., 2010). Autonomy, self-reliance, and personal achievement are central to Americans (Bergiel et al., 2012; Hofstede et al., 2010; Saenz et al., 2017). However, more recent studies may yield lower individualism scores, as they represent a broader range of ethnicities and cultures integrated in American society (Hofstede et al., 2010).

Masculinity (63): American culture places a high value on competition, assertiveness, and material success (Hofstede et al., 2010). These masculine-associated traits are evident in areas such as workplace ambition and consumer behavior, demonstrating their success within U.S. society (Saenz et al., 2017).

Long-Term Orientation (26): The U.S. tends to favor short-term results, as evident in quarterly business metrics and national decision-making patterns (Hofstede et al., 2010; Saenz et al., 2017). According to Hofstede et al. (2010), impulsive actions, such as the 2003 Iraq invasion or the 2008 financial crisis, demonstrate a short-term orientation focused on immediate goals without considering the long-term implications of their decisions.

Indulgence (68): Americans are more likely to seek happiness through leisure and consumption (Hofstede et al., 2010). Saenz et al. (2017) described this as "Americans want to reward themselves for the hard work they do – 'work hard, play hard'" (p. 228). Bergiel et al. (2012) also noted that in the United States, "overspending on cars and luxury is considered part of life" (p. 73).

This literature review presented existing knowledge on the relevant literature of CSR, responsible leadership, and Hofstede's six cultural dimensions, which were used to examine the differences and relationships between the CSRO and RLO of U.S. and Vietnamese business students (Carroll, 1979, 1991; Hofstede et al., 2010; Pless et al., 2012). The following sections present the methodology, data, and results of the study used to help conceptualize the emerging field of responsible global leadership.

RESEARCH QUESTIONS AND HYPOTHESES

The central question for this study was: *How do the differences and relationships between the CSRO and RLO of two nationalities, representing individualistic and collectivist cultures, inform the conceptualization of responsible global leadership?* To examine these orientations, the following sub-questions (SQs) and hypotheses (H) were used for this study:

SQ1: Are there differences in the orientations of U.S. business students among the four components of CSR (economic, legal, ethical, and philanthropic) as determined by the CSRO instrument compared to Vietnamese business students?

$H1_0$: There is no statistically significance difference in the mean vector of U.S. business students among the four components of CSR as determined by the CSRO instrument compared to Vietnamese business students.

$H1_a$: There is a statistically significance difference in the mean vector of U.S. business students among the four components of CSR as determined by the CSRO instrument compared to Vietnamese.

SQ2: How do the relationships among the four components of CSR (economic, legal, ethical, and philanthropic) differ between U.S. business students and Vietnamese business students as determined by the CSRO instrument?

$H2_0$: The relationships among the four components of CSR do not significantly differ between U.S. business students and Vietnamese business students as determined by the CSRO instrument.

$H2_a$: The relationships among the four components of CSR significantly differ between U.S. business students and Vietnamese business students as determined by the CSRO instrument.

SQ3: Are there differences in the orientations of U.S. business students among the four responsible leadership orientations (traditional economist, opportunity seeker, integrator, and idealist) as determined by the RLO instrument compared to Vietnamese business students?

$H3_0$: There is no statistically significance difference in the mean vector of U.S. business students among the four responsible leadership orientations as determined by the RLO instrument compared to Vietnamese business students.

$H3_a$: There is a statistically significance difference in the mean vector of U.S. business students among the four responsible leadership orientations as determined by the RLO instrument compared to Vietnamese business students.

METHOD

Sample

This study's population consisted of currently enrolled college-aged (Gen Zs) business students from the United States and Vietnam. Business students from both countries were purposely chosen for three reasons. First, business students are likely to become emerging leaders within the business sector (Jorge & Peña, 2014). Second, the population represented a mix of individualistic and collectivist cultures, enabling the exploration of cultural influences on the results. Third, I could conveniently access the population through a U.S. university system (Creswell & Creswell, 2018), which offered a better opportunity to ensure an adequate amount of data was collected for the research.

Instruments

The instruments used in this two-part survey comprised of two validated instruments. The first part consisted of a 15 forced-choice weighted survey to examine the participant's corporate social responsibility orientations (CSRO) (Aupperle, 1982, 1984; Aupperle et al., 1985). Aupperle's (1982, 1984) instrument is based on Carroll's (1979, 1991) CSR model, which comprises of four components: economic, legal, ethical, and philanthropic responsibilities. The Cronbach's alpha coefficients for the four components, based on Carroll's (1979) model, are: economic = 0.901, legal = 0.858, ethical = 0.865, and philanthropic = 0.835. These values indicate strong internal consistency, well above the commonly accepted threshold of 0.70 for reliability.

To examine U.S. and Vietnamese business students' responsible leadership orientations (RLO), the second part of this survey employed a 20-item scale measured on a seven-point Likert scale ranging from 1 = "strongly disagree" to 7 = "strongly agree" (Javed, Akhtar, Husnain, Lodhi, & Emaan, 2020). Javed et al.'s (2020) instrument is based on Pless et al.'s (2012) responsible leadership model, which comprises of four orientations: traditional economist, opportunity seeker, integrator, and idealist. The composite reliability (CR) for each of the orientations are: traditional economist = 0.96, opportunity seeker = 0.80, integrator = 0.84, and idealist = 0.86. Each group of items was above the acceptable CR value of 0.70.

The two instruments were used with permission of their original authors: Dr. Kenneth E. Aupperle, Professor (Retired), Department of Management, University of Akron, for the CSRO. Dr. Muhammad Waheed Akhtar, Assistant Professor, Rabat Business School, International University of Rabat, Morocco, for the RLO. Instruments are included in Appendix A.

Data Analysis

The quantitative data collected were analyzed using the Statistical Package for the Social Sciences (SPSS) software, version 28.0, for Windows. The data for SQ1 and SQ3 were analyzed using a Multivariate Analysis of Variance (MANOVA) with alpha set at the ≤ 0.05 level of significance. The data for SQ2 was analyzed using the Pearson correlation coefficient (r) to examine the relationships among the four components of CSR within each group of students. Fisher's *z-test* was also used to compare the correlation coefficients between U.S. and Vietnamese business students. Alpha was set at the ≤ 0.05 level of significance.

RESULTS

Demographic Statistics

The population estimate prior to the study was 150 (75 U.S. and 75 Vietnam), with an estimated minimum sample size of $n = 109$ at a 95% confidence level. A total of 162 business students participated in the study. However, the preliminary frequency analysis of the dataset found 53 missing responses from the 162 respondents in the study. These missing responses resulted from some participants only completing the demographic portion while others skipped several questions and did not fully complete the survey. These responses were not used in the hypotheses tests because they did not provide sufficient information to examine the differences and relationships between the independent and dependent variables. Due to the missing data, a total of 109 (67%) subsamples of the sample were included in the analyses.

The majority of participants were between 18 and 24 years old (*n* = 99, 91%) and male (*n* = 59, 54%). More U.S. business students (*n* = 74, 68%) participated in the study compared to Vietnamese business students (*n* = 35, 32%). Majority of the participants were in their fourth year of college (*n* = 52, 48%), pursuing a degree in Business Administration (*n* = 80, 73%).

Dependent Variable Statistics

The descriptive statistics for the CSRO include the mean of each respondent's scores for each of the four components of CSR as described by Carroll (1979, 1991), as seen in Table 1. The CSR component with the highest average value was the economic component (*M* = 2.82, *SD* = 0.76), followed by the legal component (*M* = 2.80, *SD* = 0.48). The CSR variable with the lowest average value was the philanthropic component (*M* = 1.99, *SD* = 0.60).

Table 1. Descriptive Statistics of CSRO

CSR Components	*n*	Min	Max	*M*	*SD*
Economic	109	1.20	7.47	2.82	0.76
Legal	109	1.80	3.93	2.80	0.48
Ethical	109	0.73	4.13	2.39	0.50
Philanthropic	109	0.00	3.33	1.99	0.60

The descriptive statistics for the RLO are the means of each respondent's scores for each of the four responsible leadership orientations described by Pless et al. (2012), as shown in Table 2. The responsible leadership orientation with the highest average value was the opportunity seeker (*M* = 5.07, *SD* = 1.18), followed by the integrator (*M* = 4.73, *SD* = 1.07). The idealist was the responsible leadership orientation with the lowest average value (*M* = 4.21, *SD* = 1.10).

Table 2. Descriptive Statistics of RLO

Responsible Leadership	*n*	Min	Max	*M*	*SD*
Traditional Economist	109	1.00	7.00	4.45	1.11
Opportunity Seeker	109	1.00	7.00	5.07	1.18
Integrator	109	1.00	7.00	4.73	1.07
Idealist	109	1.00	7.00	4.21	1.10

Sub-Questions Statistics

Results for SQ1. A one-way MANOVA was conducted to examine the differences in the orientations of U.S. business students across the four components of CSR, as measured by the CSRO instrument, compared to those of Vietnamese business students. Four dependent variables were assessed: economic, legal, ethical, and philanthropic. U.S. business students' scores were higher in legal and philanthropic (*M* = 2.83, *SD* = 0.50; and *M* = 2.01, *SD* = 0.63) than the Vietnamese business students' scores (*M* = 2.73, *SD* = 0.42; and *M* = 1.95, *SD* = 0.55). However, U.S. business students' scores were lower in economic and ethical (*M* = 2.80, *SD* = 0.80; and *M* = 2.36, *SD* = 0.52) than the Vietnamese business students' scores (*M* = 2.87, *SD* = 0.67; and *M* = 2.45, *SD* = 0.45), as seen in Table 3.

Table 3. CSRO Mean Vector Comparison

	Economic		Legal		Ethical		Philanthropic	
Nationality	*M*	*SD*	*M*	*SD*	*M*	*SD*	*M*	*SD*
U.S	2.80	0.80	2.83	0.50	2.36	0.52	2.01	0.63
Vietnamese	2.87	0.67	2.73	0.42	2.45	0.45	1.95	0.55

Note. This table shows the mean for each CSRO dependent variable by nationality.

There was no statistically significant difference in the mean vector between U.S. and Vietnamese business students, $F(3, 105) = 0.746$, $p = 0.527$; Wilks' $\Lambda = 0.979$; partial $\eta^2 = 0.021$, as seen in Table 4.

Table 4. CSRO Multivariate Tests

Multivariate Test	Value	*F*	Hypothesis *df*	Error *df*	Sig.	Parta Eta Squared
Wilk's Lambda	0.979	0.746	3.000	105.000	0.527	0.021
Pillai's Trace	0.021	0.746	3.000	105.000	0.527	0.021

Note. The Wilk's Lambda test results were used for the findings.

Based on the data obtained, there was no statistically significant difference in the mean vector of U.S. business students across the four components of CSR, as determined by the CSRO instrument, compared to Vietnamese business students. Therefore, based on the data obtained in this study, it is appropriate to fail to reject the null hypothesis for SQ1.

Results for SQ2. A Pearson's correlation coefficient (*r*) was run to assess the relationships among the four components of CSR (economic, legal, ethical, and philanthropic) that differ between U.S. business students and Vietnamese business students as determined by the CSRO instrument. The study participants included 74 U.S. and 35 Vietnamese business students. Preliminary analyses revealed a linear relationship, although not all variables were normally distributed, as indicated by Shapiro-Wilk's test ($p < 0.05$), as shown in Table 5.

For the U.S. business students, there was a statistically significant, strong negative correlation between economic and ethical, $r(72) = -0.644$, $p < 0.001$, a strong negative correlation between the economic and philanthropic, $r(72) = -0.699$, $p < 0.001$, a moderate negative correlation between legal and ethical, $r(72) = -.0303$, $p = 0.009$, and a moderate negative correlation between legal and philanthropic, $r(72) = -0.427$, $p < 0.001$, and a weak positive correlation between ethical and philanthropic, $r(33) = 0.231$, $p = 0.048$, as seen in Table 6.

Table 5. CSRO Shapiro-Wilk's Results

	Nationality	*W*	Sig.	Normality
Economic	U.S.	0.805	<0.001	No
	Vietnamese	0.959	0.216*	Yes
Legal	U.S.	0.982	0.371*	Yes
	Vietnamese	0.949	0.107*	Yes
Ethical	U.S.	0.973	0.110*	Yes
	Vietnamese	0.934	0.036	No
Philanthropic	U.S.	0.979	0.263*	Yes
	Vietnamese	0.984	0.871*	Yes

Note. * = values greater than .05 ($p > 0.05$) are normally distributed.

For the Vietnamese business students, there was a statistically significant, moderate negative correlation between economic and legal, $r(33) = -0.353$, $p = 0.037$, a moderate negative correlation between economic and ethical, $r(33) = -0.418$, $p = 0.013$, and a strong negative correlation between economic and philanthropic, $r(33) = -0.612$, $p < 0.001$, as seen in Table 6.

Table 6. CSRO Pearson Correlations for U.S. and Vietnamese

Nationality		Economic	Legal	Ethical
U.S.	Legal	-0.091		
Vietnamese		-0.353*		
U.S.	Ethical	-0.644*	-0.303*	
Vietnamese		-0.418*	-0.191	
U.S.	Philanthropic	-0.699*	-0.427*	0.231*
Vietnamese		-0.612*	-0.171	-0.156

Note. * = statistically significant at $p < 0.05$ level.

To compare the correlation coefficients between the U.S. and Vietnamese business students, a Fisher's *z*-test was conducted for each CSRO dependent variable pair using a Fisher's *z* online calculator (Weiss, 2011). There were no statistically significant differences between the correlation coefficients of U.S. and Vietnamese business students among the four components of CSR, economic/legal: $z = 1.30$, $p = 0.19$, economic/ethical: $z = 1.50$, $p = 0.13$, economic/philanthropic: $z = 0.72$, $p = 0.47$, legal/ethical: $z = 0.56$, $p = 0.58$, legal/philanthropic: $z = 1.33$, $p = 0.18$, and ethical/philanthropic: $z = 1.84$, $p = 0.07$ as seen in Table 7.

Table 7. CSRO Fisher's z-test Results

Dependent Variable Pair	*z*	*p*	Difference
Economic/Legal	1.30	0.19	No
Economic/Ethical	1.50	0.13	No
Economic/Philanthropic	0.72	0.47	No
Legal/Ethical	0.56	0.58	No
Legal/Philanthropic	1.33	0.18	No
Ethical/Philanthropic	1.84	0.07	No

Note. Alpha was set at the ≤ 0.05 level of significance.

Based on the data obtained, there was no statistically significant difference between the correlation coefficients among the four components of CSR between U.S. business students and Vietnamese business students as determined by the CSRO instrument. Therefore, based on the data obtained in this study, it is appropriate to fail to reject the null hypothesis for SQ2.

Results for SQ3. A one-way MANOVA was conducted to examine differences in the orientations of U.S. business students across the four responsible leadership orientations, as identified by the RLO instrument, compared to those of Vietnamese business students. Four dependent variables were assessed: traditional economist, opportunity seeker, integrator, and idealist. U.S. business students' scores were lower in all four variables, traditional economic, opportunity seeker, integrator, and idealist (M = 4.31, SD = 1.22; M = 5.03, SD = 1.29; M = 4.66, SD = 1.20; and M = 4.17, SD = 1.23) than the Vietnamese business student's scores (M = 4.74, SD = 0.78; M = 5.17, SD = 0.93; M = 4.86, SD = 0 .74; and M = 4.28, SD = 0.77) as seen in Table 8.

Table 8. RLO Mean Vector Comparison

	Traditional Economist		Opportunity Seeker		Integrator		Idealist	
Nationality	*M*	*SD*	*M*	*SD*	*M*	*SD*	*M*	*SD*
U.S	4.31	1.22	5.03	1.29	4.66	1.20	4.17	1.23
Vietnamese	4.74	0.78	5.17	0.93	4.86	0.74	4.28	0.77

Note. This table shows the mean for each RLO dependent variable by nationality.

There was no statistically significant difference in the mean vector between U.S. and Vietnamese business students, $F(4, 104) = 1.368$, $p = .250$; Wilks' $\Lambda = 0.950$; partial η2 = 0.050, as seen in Table 9.

Table 9. RLO Multivariate Tests

Multivariate Test	Value	*F*	Hypothesis *df*	Error *df*	Sig.	Parta Eta Squared
Wilk's Lambda	0.950	1.368	4.000	104.000	0.250	0.050
Pillai's Trace	0.050	1.368	4.000	104.000	0.250	0.050

Note. The Wilk's Lambda test results were used for the findings.

Based on the data obtained, there was no statistically significant difference in the mean vector of U.S. business students across the four responsible leadership orientations, as determined by the RLO instrument, compared to Vietnamese business students. Therefore, based on the data obtained in this study, it is appropriate to fail to reject the null hypothesis for SQ3.

DISCUSSION

This study examined differences and relationships between the CSRO and RLO of U.S. and Vietnamese business students, representing individualistic and collectivist cultures. No statistically significant differences or relationships emerged, and thus the study failed to reject the null hypotheses (SQ1–SQ3).

Although there are cultural differences between the United States and Vietnam, both groups of students ranked the four CSR responsibilities according to Carroll's (1979, 1991) hierarchy, with economic responsibility being considered foundational. Therefore, the results indicate that regardless of national culture, U.S. and Vietnamese business students view their CSR responsibilities from a Western perspective. This shared perspective on CSR may suggest that a business curriculum based on U.S. standards could have an influence on higher education in Vietnam.

The strong negative correlations found between economic and both ethical and philanthropic responsibilities (SQ2) suggest that when economic concerns take precedence, regardless of national culture, other areas, such as philanthropy, receive less emphasis. In the U.S. sample, the strong correlation between economic and ethical responsibilities may be attributed to the assertive and competitive nature of high masculinity, as reflected in U.S. culture (Hofstede et al., 2010; Saenz et al., 2017).

Regarding RLO (SQ3), both groups scored highest on opportunity seeker and integrator orientations, describing leaders who consider non-economic stakeholder interests and align CSR initiatives with business goals (Pless, 2023; Pless et al., 2012). These results further support the notion that the primary orientations of responsible leadership within the contemporary business environment are the opportunity seeker and integrator, as most businesses and their leaders are expected to implement CSR policies and activities (Pless, 2023).

CONCLUSION

The results of this study contribute to the emerging field of responsible global leadership (RGL) by examining CSRO and RLO among U.S. and Vietnamese business students. Although there are cultural differences, both groups of students prioritized economic responsibilities as foundational, aligning with Carroll's (1979, 1991) model. This supports earlier findings that a business's economic responsibility is the foundation for its broader role within society (e.g., Burton et al., 2000). It is worth noting that Carroll's (1979, 1991) model was originally developed in a U.S. context. However, its consistent application across cultures suggests that it remains relevant, but may require contextual flexibility based on culture.

Both groups of students also scored highest in the opportunity seeker and integrator RLOs, consistent with prior research suggesting that contemporary leaders adopt CSR for both economic and altruistic reasons (Pless, 2023; Pless et al., 2012). These findings suggest that future global leaders from both individualistic and collectivist cultures are likely to implement CSR policies and activities as a means to align with internal financial goals and non-economic stakeholder expectations (Stahl et al., 2023; Stahl et al., 2016).

One likely explanation for these similar results across U.S. and Vietnamese business students is the influence of globalized business education. Business school curricula and literature in many countries emphasize European and U.S. scholarship more than regional business norms (Everett, 2023). Hence, business students from different national cultures may be socialized into more Western business models through their higher education systems.

These results also demonstrate that future leaders with different cultural backgrounds have a similar perspective on their responsibilities towards stakeholders. This study suggests that RGL may not be rooted in the national culture of the individual leader, but rather is shaped by global business norms and the complexity of stakeholder relationships. As I defined in the introduction, responsible global leadership reflects a mindset that integrates both societal and organizational expectations across borders (Raza, 2024). The consistent prioritization of economic responsibility and responsible leadership orientations (opportunity seeker and integrator) suggests that both groups of business students are aware of the grand societal challenges facing society and the importance of balancing diverse stakeholder interests (Pless et al., 2012; Voegtlin et al., 2022).

LIMITATIONS AND FUTURE RESEARCH

One limitation of this study was the use of business students from the United States and Vietnam. Moreover, the Vietnamese university was partnered with a U.S. institution, with some business courses taught by U.S. faculty. This institutional affiliation may have influenced students' perceptions towards CSR and responsible leadership, reducing cultural variation. Broader insights might emerge by sampling students from purely local Vietnamese universities that are not affiliated with U.S. programs.

Another limitation was the focus on only two national cultures, the United States and Vietnam, used to represent individualistic and collectivist cultures. Future research should include participants from a broader range of countries and cultural contexts to better assess the global applicability of CSR and responsible leadership orientations in the conceptual development of responsible global leadership.

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APPENDIX A

Assessing Corporate Social Responsibility Orientation (CSRO) Based Upon Carroll's Four-Part CSR Model

Based on their relative importance and application to your firm, allocate up to, but not more than, 10 points to each set of four statements. For example, you might allocate points to a set of statements as follows:

A = 4		A = 1		A = 0	
B = 3		B = 2		B = 4	
C = 2	or	C = 0	or	C = 3	etc.
D = 1		D = 7		D = 0	
Total = 10 points		Total = 10 points		Total = 7 points	

1. It is important to perform in a manner consistent with:
   A. expectations of maximizing earnings per share.
   B. expectations of government and the law.
   C. the philanthropic and charitable expectations of society.
   D. expectations of societal mores and ethical norms.

2. It is important to be committed to:
   A. being as profitable as possible.
   B. voluntary and charitable activities.
   C. abiding by laws and regulations.
   D. moral and ethical behavior.

3. It is important to:
   A. recognize that the ends do not always justify the means.
   B. comply with various federal regulations.
   C. assist the fine and performing arts.
   D. maintain a strong competitive position.

4. It is important that:
   A. legal responsibilities be seriously fulfilled.
   B. long-term return on investment in maximized
   C. managers and employees participate in voluntary and charitable activities within their local communities.
   D. when securing new business, promises are not made which are not intended to be fulfilled.

5. It is important to:
   A. allocate resources on their ability to improve long-term profitability.
   B. comply promptly with new laws and court rulings
   C. examine regularly new opportunities and programs which can improve urban and community life.
   D. recognize and respect new or evolving ethical/moral norms adopted by society.

6. It is important to:
   A. provide assistance to private and public educational institutions.
   B. ensure a high level of operating efficiency is maintained.
   C. be a law-abiding corporate citizen
   D. advertise goods and services in an ethically fair and responsible manner.

7. It is important to:
   A. pursue those opportunities with will enhance earnings per share.
   B. avoid discriminating against women and minorities.
   C. support, assist, and work with minority-owned businesses.
   D. prevent social norms from being compromised in order to achieve corporate goals.

8. It is important that a successful firm be defined as one which:
   A. is consistently profitable.
   B. fulfills its legal obligations.
   C. fulfills its ethical and moral responsibilities.
   D. fulfills its philanthropic and charitable responsibilities.

9. It is important to monitor new opportunities which can enhance the organization's:
   A. moral and ethical image in society.
   B. compliance with local, state, and federal statutes.
   C. financial health.
   D. ability to help solve social problems.

10. It is important that good corporate citizenship be defined as:
   A. doing what the law expects.
   B. providing voluntary assistance to charities and community organizations.
   C. doing what is expected morally and ethically.
   D. being as profitable as possible.

11. It is important to view:
   A. philanthropic behavior as a useful measure of corporate performance.
   B. consistent profitability as a useful measure of corporate performance.
   C. compliance with the law as a useful measure of corporate performance.
   D. compliance with the norms, mores, and unwritten laws of society as useful measures of corporate performance.

12. It is important to:
   A. recognize that corporate integrity and ethical behavior go beyond mere compliance with laws and regulations.
   B. fulfill all corporate tax obligations.
   C. maintain a high level of operating efficiency.
   D. maintain a policy of increasing charitable and voluntary efforts over time.

13. It is important to:
   A. assist voluntarily those projects which enhance a community's 'quality of life.'
   B. provide goods and services which at least meet minimal legal requirements.
   C. avoid compromising societal norms and ethics in order to achieve goals.
   D. allocate organizational resources as efficiently as possible.

14. It is important to:
   A. pursue only those opportunities which provide the best rate of return.
   B. provide employment opportunities to the hard-core unemployed.
   C. comply fully and honestly with enacted laws, regulations, and court rulings.
   D. recognize that society's unwritten laws and codes can often be as important as the written.

15. It is important that:
   A. philanthropic and voluntary efforts continue to be expanded consistently over time.
   B. contract and safety violations and not ignored in order to complete or expedite a project.
   C. profit margins remain strong relative to major competitors.
   D. 'whistle blowing' not be discouraged at any corporate level.

Responsible Leadership Orientations

Please select the extent to which you agree or disagree with each of the following statements on leadership by selecting a number from 1 to 7:

1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 = Neutral, 5 = Somewhat Agree, 6 = Agree, 7 = Strongly Agree

	1	2	3	4	5	6	7
1. I create economic value for shareholders only							
2. I create long term economic value for shareholders							
3. I create long term value for a number of stakeholders							
4. I create long term social value for targeted stakeholders							
5. I focused on saving cost and maximizing profit							
6. I also focus on stakeholders that can help in the satisfaction of shareholders							
7. I practice shared moral values and principles							
8. I help stakeholders for my psychological satisfaction							
9. I do not aim at creating value for other stakeholders							
10. I try to develop competitive advantage for the organization/firm							
11. I focus on all relevant and salient stakeholders							
12. I try to serve my stakeholders							
13. I strictly adhere to cost benefit analysis							
14. I also create value for other stakeholders if it is beneficial							
15. I have minimal use of cost benefit analysis							
16. I feel emotionally attached to my stakeholders							
17. My focus is economic performance							
18. I have some use of cost benefit analysis							
19. I try to empower stakeholders							
20. I do not use cost benefit analysis							

Responsible Leadership Scoring Key

Traditional Economist	Score
1	
5	
9	
13	
Total	

Opportunity Seeker	Score
2	
6	
10	
14	
Total	

Integrator	
3	
7	
11	
19	
Total	

Idealist	
4	
8	
12	
20	
Total	

BALANCING INFORMATIONAL RIGOR AND SENSATIONALISM IN THE CRIME HEADLINES OF *LA VANGUARDIA ONLINE*

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ABSTRACT

This paper examines how digital crime headlines balance informational rigor and sensationalist strategies in a European legacy newspaper. Focusing on the Crime section of *La Vanguardia Online*, the study analyzes a sample of 50 headlines using a coding framework based on theoretically grounded indicators of informational rigor and sensationalism, including emotional or evaluative language, focus on shocking or violent elements, exaggeration, ambiguity, curiosity gaps, and sensational narrative framing. The study asks: To what extent do crime headlines in *La Vanguardia Online* balance informational rigor and sensationalist discursive strategies during the study period? The findings reveal a predominance of hybrid headlines, with 31 out of 50 (62%) classified as mixed, indicating a moderate and selective integration of sensationalist elements within an overall informative structure. The results suggest that digital crime headlines do not operate within a strict dichotomy between informational rigor and sensationalism, but rather through intermediate constructions that combine both logics. The study provides an initial empirical basis for interpreting this pattern as a form of selective sensationalism, understood as the controlled incorporation of attention-oriented elements within otherwise informative headline structures. The findings illustrate how a European legacy newspaper can navigate attention-driven digital environments while maintaining recognizable journalistic standards.

Keywords: Crime journalism, Digital headlines, Media ethics, Informational rigor, Sensationalism.

INTRODUCTION

Since the late 1990s, the rapid digitalization of communication processes has profoundly transformed the global media landscape. The emergence and mass adoption of the Internet, followed by mobile technologies and social platforms, have reshaped the media ecosystem, altering not only how news is distributed but also how newspapers operate and sustain their audiences. As Canavilhas (2015) argues, the incorporation of new “species” such as the Web and mobile devices has disrupted previous media balances and redefined the relationships between journalists, audiences, and information flows, and journalism has not remained unaffected by this transformation. Traditional newspapers have been compelled to adapt to a digital environment characterized by immediacy, permanent connectivity, and intensified competition for public attention. In this new ecosystem, information no longer waits for audiences to seek it; instead, it must constantly reach users across multiple platforms and devices (Canavilhas, 2015). As a consequence, news outlets compete within increasingly saturated communicative environments, where capturing and retaining audience attention has become a central challenge.

Acknowledgement: This article originated from an initial research idea developed in the author’s undergraduate Journalism thesis at Universitat Abat Oliba CEU. The research presented here was subsequently developed as an independent line of inquiry, substantially expanding the initial approach through additional literature, methodological development, data analysis, and theoretical discussion. The present study therefore represents a substantially expanded research project beyond the scope of the original thesis.

This scenario has been described by several scholars as a context of infoxication, a term originally coined to refer to the excessive accumulation of data and stimuli that saturates individuals and hinders their ability to process and interpret information effectively (Casas-Mas, 2014, p. 3). In environments characterized by informational overabundance, audiences are exposed to continuous streams of content, reducing the time and cognitive attention dedicated to each news item. Consequently, media outlets compete not only for visibility but for seconds of fragmented attention within saturated communicative spaces. Within this context, headlines acquire a particularly strategic role. As the primary entry point to digital news, headlines function not only as summaries of information, but also as discursive devices designed to attract the reader's attention and guide interpretation. This dual function becomes especially relevant in sections dealing with sensitive topics such as crime, where the balance between informational rigor and audience engagement raises important ethical questions.

This study focuses specifically on the Crime section of *La Vanguardia Online*, a prominent European legacy newspaper with more than 150 years of history in the Spanish media system. Founded in 1881 and among the first Spanish newspapers to adopt a digital presence in the 1990s, *La Vanguardia* represents a paradigmatic case of a traditional news organization adapting to the demands of the contemporary digital environment. Its digital edition maintains a structured and frequently updated Crime section authored by multiple journalists, which allows the collection of a diversified sample of headlines and provides an appropriate corpus for examining discursive tendencies in crime reporting within the digital press.

To investigate how these dynamics materialize in journalistic practice, this study examines the construction of headlines in the Crime section of *La Vanguardia Online*. By focusing specifically on headline formulation, the research seeks to assess whether these textual entry points prioritize informational clarity and journalistic rigor or whether they incorporate attention-oriented strategies commonly associated with sensationalist digital news discourse.

The main objective of this study is therefore to determine whether a prominent legacy newspaper prioritizes informational rigor in the construction of crime headlines or whether it incorporates sensationalist strategies associated with click-driven digital environments. By examining how these discursive mechanisms operate in crime reporting, this study aims to contribute to the broader discussion on media ethics, digital competition, and the evolving role of headlines in shaping how audiences encounter and interpret sensitive news content.

LITERATURE REVIEW

New Digital Media Ecosystem and Attention Competition

The digital transformation of the media ecosystem has profoundly altered the conditions under which journalistic content is produced, distributed, and consumed. The proliferation of online platforms, mobile devices, and social networks has created an environment characterized by permanent connectivity and an unprecedented circulation of information. In this context, audiences are exposed to a continuous stream of content originating from multiple sources simultaneously, which has intensified competition among media organizations for public attention (Canavilhas, 2015). As a result, the presentation of news increasingly responds to the need to capture and retain the interest of users navigating highly saturated informational environments. This transformation has reinforced what several scholars describe as a situation of informational overload or infoxication, a phenomenon in which the volume of available information exceeds individuals' cognitive capacity to process it effectively (Casas-Mas, 2014). Under such conditions, users tend to dedicate only limited time and attention to each piece of content they encounter. Consequently, media organizations must compete not only with other news outlets but also with the broader digital ecosystem composed of social media platforms, entertainment content, and algorithmically curated information flows. Within this context, attracting and retaining the user's attention becomes a central challenge for contemporary digital journalism.

Digital Headlines in an Attention Economy

One of the most visible manifestations of this competition for attention is the increasing strategic importance of headlines. In digital news environments, headlines frequently function as key entry points through which audiences encounter journalistic content. Their functions have also adapted to digital forms of news distribution, where headlines operate across websites, search engines, social media, and other online platforms (García Orosa & López García, 2015, 838). In this context, headlines must simultaneously provide information and attract attention within an environment characterized by multiple competing sources of content. From a functional perspective, Dor (2003, p. 696) conceptualizes headlines as relevance optimizers, emphasizing their role in guiding readers toward the most relevant aspects of a news story.

The growing competition for audience attention has encouraged the development of linguistic strategies aimed at increasing the attractiveness of headlines. Research on digital journalism shows that headlines increasingly incorporate attention-oriented elements such as emotional language, suspense structures, or curiosity gaps that stimulate users to click on the article (Lischka & Garz, 2023). These strategies are commonly associated with the phenomenon of clickbait, understood by authors such as Lischka and Garz (2023, p. 2075) as the use of textual formulations designed to arouse curiosity and stimulate user interaction by withholding key information or emphasizing emotionally engaging elements. In this sense, clickbait can be interpreted as a discursive strategy that prioritizes audience attraction and engagement over purely informative headline construction in highly competitive digital media environments. This strategy primarily aims to generate user clicks rather than to optimize engagement after users access the linked content. Its purpose is therefore distinct from measuring the amount of time users spend engaging with that content. Its purpose is not to quantify the amount of time that the user spends reading the content that is inside the link.

From an analytical perspective, focusing on headlines also allows the study of discursive tendencies in journalistic production through a clearly identifiable unit of analysis. Given the scope and length limitations of this research, analyzing headlines provides a practical methodological approach that enables the systematic examination of textual strategies used in crime reporting without requiring the analysis of entire news articles. This approach makes it possible to evaluate patterns of sensationalist framing while maintaining a corpus that is methodologically manageable within the constraints of the present study.

Sensationalism and Tabloidization in Contemporary Journalism

Sensationalism has long been identified as a distinctive mode of journalistic production characterized by the prioritization of emotionally engaging, dramatic, or shocking elements in the presentation of news. Although its presence has become especially visible in contemporary digital media environments, where competition for audience attention is particularly intense, sensationalism is not a new phenomenon. As noted in earlier research, processes such as tabloidization already pointed to a shift toward more commercially driven forms of journalism. In this regard, Esser (1999, p. 291) defines tabloidization as "The direct result of commercialized media, most often promoted by the pressures of advertisers to reach large audiences", highlighting the structural conditions that encourage the incorporation of attention-oriented strategies into news production. Building on this perspective, sensationalism can be understood as a discursive and communicative practice that transforms the representation of reality in order to maximize its impact on the audience. In her work on sensationalist journalism, Pedroso (1983) argues that this type of discourse does not merely report events but reconstructs them through expressive, narrative, and stylistic resources that emphasize their emotional, exceptional, or striking dimensions. This transformation often involves the intensification of certain aspects of reality, the prioritization of what is unusual or extreme, and the presentation of events in ways that appeal directly to the reader's curiosity, emotions, or sense of shock.

From a discursive standpoint, sensationalism is associated with a set of identifiable linguistic and narrative strategies. Among these, previous research highlights the use of emotionally charged or evaluative language, exaggeration and dramatization, the selective emphasis on violence or deviance, and the construction of narratives that foreground impact over contextual explanation (Jewkes, 2004, pp. 40-62; Lischka & Garz, 2023). In line with Pedroso's analysis, headlines play a particularly central role in this process, as they concentrate a significant part of the communicative and persuasive effects of news discourse, functioning as key elements in attracting attention and guiding interpretation.

Moreover, sensationalist discourse frequently relies on strategies such as ambiguity, omission of key information, and the creation of suspense, which encourage the reader to seek further information and engage with the content. As Pedroso highlights, the headline itself becomes a fundamental site where these effects are concentrated, often privileging impact, curiosity, and emotional engagement over purely informational clarity. These mechanisms are closely related to the logic of contemporary digital media, where headlines must compete within highly saturated informational environments and where attracting user attention becomes a fundamental condition for visibility and economic sustainability. In this sense, sensationalism can be interpreted not only as a stylistic feature of journalism but also as a strategic response to the structural dynamics of the digital media ecosystem. The need to capture fragmented attention, increase engagement, and generate traffic reinforces the use of discursive strategies that enhance the perceived relevance, urgency, or emotional impact of news content.

While these dynamics can be observed across different journalistic domains, previous research suggests that certain types of news are particularly prone to the use of sensationalist strategies. Among them, crime journalism stands out as a field in which the inherent characteristics of the events reported, such as violence, deviance, and risk, make it especially susceptible to forms of representation that emphasize drama, fear, and emotional impact. This makes crime news an especially relevant context for examining the tension between informational rigor and sensationalist discourse.

Crime Journalism

Crime journalism occupies a distinctive position within the media landscape due to the inherent characteristics of the events it covers. Incidents involving violence, deviance, or threats to social order are typically perceived as highly newsworthy because they directly relate to issues of safety, morality, and collective concern. Jewkes (2004, pp. 40–62) identifies a set of news values that shape the construction of crime news, including threshold, predictability, simplification, individualism, risk, proximity, violence, and spectacle or graphic imagery. Elements such as violence, risk, immediacy, and the presence of identifiable victims or offenders increase the likelihood that a story will be reported and prominently featured. As a result, crime news tends to attract significant media attention and occupies a visible position within news agendas. At the same time, these characteristics shape the way crime is narratively constructed in the media. The emphasis on dramatic, unusual, or emotionally impactful aspects of events facilitates the transformation of complex realities into accessible and engaging stories. As previous research has shown, media coverage of crime often highlights elements such as danger, fear, and conflict, which enhance the perceived relevance and immediacy of the event for the audience (Cere, Jewkes & Ugelvik, 2014; Jewkes, 2004). These news values may also create opportunities for sensationalist treatment, particularly when violence, spectacle, or other highly dramatic elements are foregrounded.

RESEARCH QUESTION

To frame the research question, the following section first identifies the specific gap addressed by the study.

Previous research has examined digital headlines from different perspectives, including their role in attracting audience attention, the use of click-oriented strategies, and the relationship between headline construction and sensationalist discourse (Dor, 2003; Lischka & Garz, 2023). Research on crime journalism has also established that the characteristics of crime events, particularly violence, risk, deviance, and conflict, contribute to their newsworthiness and shape their media representation (Jewkes, 2004, pp. 40-62). However, these strands of research are not always examined together at the level of individual crime headlines. In particular, there is limited empirical attention to how informational and attention-oriented strategies coexist within crime headlines produced by legacy news organizations in contemporary digital environments.

This study addresses this gap by examining the extent to which crime headlines in *La Vanguardia Online* combine informational and sensationalist discursive strategies. Rather than treating informational rigor and sensationalism as mutually exclusive categories, the study examines their coexistence through a set of theoretically grounded textual indicators. In doing so, it examines whether sensationalist strategies appear as dominant features of headline construction or whether they coexist with predominantly informative structures. Based on this research gap, the following research question guides the present study:

To what extent do crime headlines in *La Vanguardia Online* balance informational rigor and sensationalist discursive strategies during the study period?

METHODS

Study Design

This study employs an exploratory descriptive content analysis to examine the presence of informational and sensationalist discursive strategies in 50 crime headlines published in *La Vanguardia Online*. The analysis is based on a set of theoretically grounded textual indicators used to identify and describe recurring features of sensationalist headline construction.

Content analysis is particularly suitable for this study as it enables the systematic and replicable examination of clearly defined units of analysis. In this case, each headline is treated as an autonomous and self-contained textual unit, allowing for the identification of recurring discursive patterns in the way news is framed in digital environments (Dor, 2003). As key entry points to news content, headlines provide a concise yet meaningful representation of how events are constructed and presented to audiences, making them especially appropriate for detecting underlying discursive tendencies.

Given the exploratory and descriptive nature of the study, the analysis relies on descriptive statistics, specifically frequencies and percentages, to summarize the distribution of headline classifications and individual sensationalist indicators. No inferential statistical tests were applied because the study does not formulate statistical hypotheses or involve comparison groups.

Sample and Data Collection

The empirical analysis focuses on a purposive sample of 50 headlines published in the Crime section of *La Vanguardia Online* between December 10, 2025, and March 23, 2026. The sampling frame consisted of the crime-related headlines published in the section during this period. The sample was purposively constructed to ensure temporal coverage across the study period and to avoid concentrating the corpus within a limited temporal window. The final corpus included nine headlines from December 2025, 12 from January 2026, 17 from February 2026, and 12 from March 2026. Given the exploratory and descriptive purpose of the study, the sample is intended to provide a focused corpus for identifying and describing recurring discursive patterns rather than to support statistical generalization beyond the analyzed headlines.

The selection criteria focused on publication in the Crime section of *La Vanguardia Online* during the study period. No specific crime-news format or crime subtype was systematically excluded, allowing the sample to reflect the diversity of events and coverage represented in the section.

During the collection period, no duplicate publications referring to the same article were identified. Updates to existing articles did not appear as separate news items and therefore did not result in duplicate observations in the corpus.

Coding Procedure

Each headline constitutes the unit of analysis and is examined according to the presence or absence of a set of predefined indicators associated with sensationalist discourse. These indicators, grounded in the works of Dor (2003), Esser (1999), Jewkes (2004), and Lischka and Garz (2023), among others, reflect recurrent linguistic and narrative strategies identified in research on news discourse, tabloidization, crime reporting, and click-driven journalism. Importantly, these features are not treated as isolated or mutually exclusive elements; rather, as previous research on clickbait has shown, multiple strategies can coexist within a single headline, contributing cumulatively to its overall communicative effect. The coding process was conducted manually by the author, who systematically evaluated each headline according to the defined indicators. This manual approach allows for a context-sensitive interpretation of the textual features under analysis, ensuring consistency in the application of the coding criteria across the dataset following a predefined protocol for all headlines of this study.

In order to ensure transparency and replicability, the coding process was structured through a data collection template developed in *Excel*. This template includes identification variables for each headline (such as publication date, author, and URL), as well as the presence or absence of each analytical indicator. It also incorporates a final classification column based on the cumulative number of indicators. All headlines were originally published in Spanish and were translated into English. The translations were subsequently reviewed to ensure accuracy and preserve the original meaning.

Coding Framework

To systematically evaluate this balance, the study applies a coding framework based on a set of textual indicators derived from established literature on sensationalism, tabloidization, crime news values, and clickbait practices in digital journalism. Drawing on the work of scholars such as Dor (2003), Esser (1999), and Jewkes (2004), among many others, the framework identifies several discursive strategies commonly associated with sensationalist headline construction. These include the use of emotionally evaluative language, exaggeration or dramatization of events, the creation of curiosity gaps through the withholding of key information, the prioritization of shocking or violent elements, ambiguous or vague formulations, and narrative framing that emphasizes danger or fear. For analytical purposes, headlines are evaluated according to the presence or absence of these indicators. When three or more of these elements are identified within the same headline, the headline is categorized as sensationalist; otherwise, it is considered informational or mixed.

To ensure consistency and transparency in the coding process, each indicator was operationalized through a specific decision rule defining the conditions under which it was coded as present or absent. The coding framework presented in Table 1, also includes examples and counterexamples to clarify the application of each indicator and distinguish conceptually related categories.

Table 1. Coding Framework

Indicator	Operational Definition	Theoretical Basis	Decision rule	Example	Counter example
Emotional or evaluative language	The headline includes emotionally charged adjectives or expressions that amplify the emotional reaction of the reader rather than neutrally describing the event.	Sensationalist media discourse often relies on emotionalization to increase audience engagement (Esser, 1999; Jewkes, 2004).	Code as present when the headline uses explicitly emotionally charged, morally evaluative, or affectively loaded wording that goes beyond a neutral description of the event and is likely to intensify the reader's emotional response.	*"The assistant to the carer who murdered an elderly man helped move the body without realizing it: 'It broke my heart'"*	*"The TSJC has upheld a 57-year prison sentence for the man who raped his underage cousins and forced one into prostitution"*

Indicator	Operational Definition	Theoretical Basis	Decision rule	Example	Counter example
Exaggeration	The headline intensifies the perceived impact or danger of an event using hyperbolic or dramatic expressions that go beyond the factual information of the news.	Tabloidization processes often involve exaggeration and dramatization to increase the perceived news value of events (Esser, 1999).	Code as present when the event is presented in an exaggerated or hyperbolic manner rather than described literally.	*"He smashed up the terrace of a bar in Palma after being refused a drink"*	*"A pile-up on the AP-7 has left 10 people injured: 2 are in a critical condition"*
Curiosity gap	The headline intentionally withholds key information or constructs suspense to provoke curiosity and encourage the reader to click on the story.	Clickbait headlines frequently use curiosity gaps as a linguistic strategy to attract attention (Lischka & Garz, 2023, pp. 2073-2094).	Code as present when key information is deliberately withheld to create curiosity.	*"They lived for weeks with a dead body in the building's meter room"*	*"Seven people, including three children, were injured in a house fire in Girona"*
Focus on shocking or violent elements	The headline selectively foregrounds a particularly shocking or violent aspect of the event rather than presenting it as part of a balanced informational summary.	Crime news reporting often prioritizes negativity and dramatic elements as part of news values (Cere et al., 2014; Jewkes, 2004).	Code as present when shocking or violent details are selectively foregrounded.	*"The bodies of two sisters were found buried inside two suitcases in Cleveland"*	*"A shootout between two cars in Vila-seca leaves one person injured and one vehicle damaged"*
Ambiguity	The headline lacks precise information (such as actors, location, or context), generating ambiguity or suspense about the event withholding key contextual elements.	Headlines sometimes foreground intrigue or uncertainty to attract readers rather than provide clear informational summaries, also known as "clickbait" (Dor, 2003; pp. 695-721).	Code as present when key aspects of the event remain unclear or open to interpretation.	*"Ordered to pay more than 2,600 euros for throwing a trash bag at a car's windshield at a crosswalk"*	*"Marijuana ring broken up in Tarragona: 11 arrested and drugs worth €80,000 seized"*

Indicator	Operational Definition	Theoretical Basis	Decision rule	Example	Counter example
Sensational narrative framing	The headline frames the event using narrative elements associated with danger, scandal, fear, or moral panic rather than straightforward reporting.	Sensationalist crime coverage frequently constructs dramatic narratives around crime events (Jewkes, 2004, pp. 40-62).	Code as present when the event is framed through drama, fear, danger, or moral alarm.	*"A travelling gang that moved around in a convoy and burgled luxury homes along the coast has been arrested"*	*"A man has been arrested on suspicion of murdering his partner in Pedreña, Cantabria"*

Importantly, the presence of violence or other inherently newsworthy characteristics of crime was not considered sufficient, on its own, to classify a headline as sensationalist. Violent events such as stabbings, shootings, deaths, or serious injuries may constitute legitimate news values without involving sensationalist treatment. The coding therefore focused on how such elements were presented in the headline rather than on their mere presence. A violent element was coded as sensationalist only when it was selectively foregrounded, dramatized, emotionally intensified, or otherwise presented in a manner that went beyond straightforward factual reporting. This distinction was applied consistently across the coding process.

Classification Criteria

To classify headlines according to their overall degree of sensationalist orientation, the six binary indicators were combined to identify the number of sensationalist features present in each headline. Headlines containing no indicators were classified as informational, those containing one or two indicators were classified as mixed, and those containing three or more indicators were classified as sensationalist. This approach was based on the assumption that a single sensationalist feature may represent an isolated stylistic characteristic, whereas the co-occurrence of several indicators provides stronger evidence of a broader sensationalist orientation. The threshold of three indicators was retained as the primary classification criterion after descriptively examining alternative thresholds. Specifically, the distribution of the corpus was tested using thresholds of two and four indicators for classification as sensationalist. A threshold of two indicators would substantially increase the number of headlines classified as sensationalist, whereas a threshold of four indicators would result in a very small sensationalist category. The three-indicator threshold therefore provides an intermediate and more conservative criterion that preserves the distinction between isolated or limited sensationalist features and the cumulative presence of multiple indicators.

As an additional descriptive measure, the number of indicators present in each headline was also considered as a sensationalism score, ranging from zero to six. This score provides a more granular indication of the concentration of sensationalist features while allowing the three-category classification to be retained for the main analysis.

Taken together, these criteria provide a structured framework for assessing whether headlines primarily fulfill an informative and summarizing function or incorporate attention-seeking mechanisms associated with sensationalist or click-driven digital journalism. The analytical model therefore allows the study to examine how digital crime headlines negotiate the tension between journalistic rigor and audience attraction within the specific context of *La Vanguardia Online*.

Methodological Limitations

Finally, it is important to acknowledge certain methodological limitations. As an exploratory study based on a relatively small sample and manual coding, the findings should be interpreted with caution. Future research could expand the dataset, incorporate multiple coders to enhance inter-coder reliability, and apply the model to different media outlets or national contexts in order to strengthen the generalizability of the results.

RESULTS

In order to systematically examine the presence of sensationalist and informational strategies, a coding framework based on six theoretically grounded indicators was applied to a sample of 50 crime headlines. Each headline was manually evaluated according to the presence or absence of these indicators, following the criteria outlined in the analytical model. The full heading coding template was developed in *Excel*. This approach enables a structured and replicable analysis of discursive patterns, allowing for the identification of dominant tendencies in digital crime headline construction.

Out of the 50 analyzed headlines, 31 (62%) were categorized as mixed, 11 (22%) as informational, and 8 (16%) as sensationalist. A more detailed examination of the distribution of indicators further reinforces this pattern. Of the total sample, 11 headlines (22%) did not present any sensationalist indicators, while 15 (30%) contained one indicator and 16 (32%) contained two. In contrast, 7 headlines (14%) presented three indicators, and only 1 (2%) contained four sensationalist indicators**.** The distribution was concentrated at one and two indicators, which accounted for 30% and 32% of the sample, respectively.

Table 2. Results of the Study in Terms of Sensationalist Classification

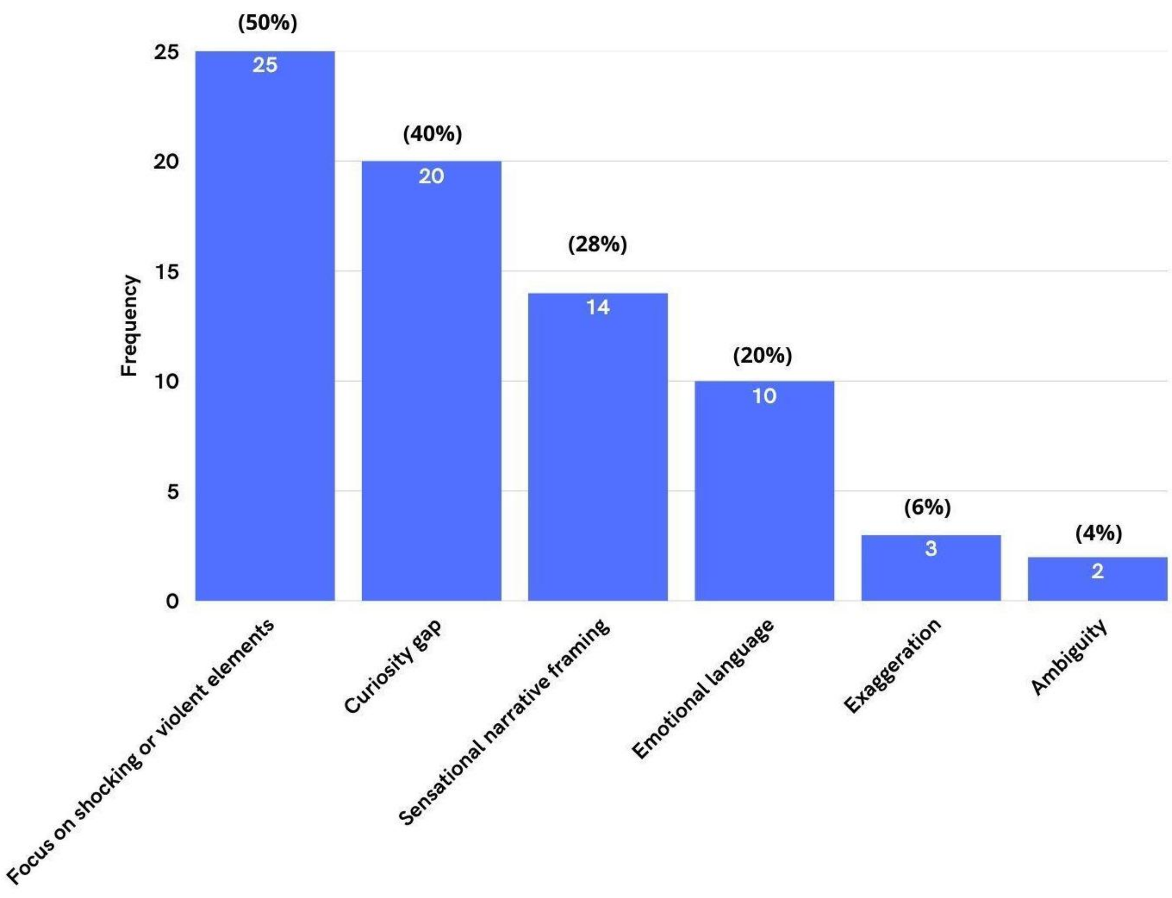
	Number of sensationalist elements	Number of headlines	Total Headlines
Informational	0	11 (22%)	11 (22%)
Mixed	1	15 (30%)	31 (62%)
	2	16 (32%)	
Sensationalism	3	7 (14%)	8 (16%)
	4	1 (2%)	

To assess the robustness of the classification criterion, alternative thresholds were also examined. Using two or more indicators as the threshold for sensationalist classification would result in 24 headlines (48%) being classified as sensationalist, whereas a threshold of four or more indicators would identify only 1 headline (2%) as sensationalist. Under the primary threshold of three or more indicators, 8 headlines (16%) are classified as sensationalist, while 31 (62%) are classified as mixed and 11 (22%) as informational. The three-indicator threshold therefore provides an intermediate classification between the more inclusive two-indicator threshold and the more restrictive four-indicator threshold. As a complementary descriptive measure, a sensationalism score, calculated from the six binary indicators, could range from 0 to 6. In the analyzed sample, observed scores ranged from 0 to 4. The distribution presented in Table 2 provides a more granular view of the concentration of sensationalist features than the three-category classification alone.

Predominant Sensationalist Indicators

The analysis of indicator frequency reveals a clear pattern in the discursive construction of digital crime headlines. The most recurrent elements identified in the sample were the focus on shocking or violent aspects, present in 25 out of 50 headlines (50%), and the use of curiosity gaps, identified in 20 cases (40%). These were followed by sensational narrative framing (14 occurrences, 28%) and emotional or evaluative language (10 occurrences, 20%). In contrast, more explicit strategies such as exaggeration (3 cases, 6%) and ambiguity or vagueness (2 cases, 4%) appeared only marginally within the dataset. The frequency of the six sensationalist indicators across the analyzed corpus is presented in Figure 1.

Figure 1. Frequency of Sensationalism Indicators



DISCUSSION

Hybridization of Digital Crime Headlines

The results of this study reveal a clear predominance of hybrid headline constructions within the analyzed sample. With 31 out of 50 headlines (62%) classified as mixed, the findings suggest that the headlines examined do not operate within a strict dichotomy between informational rigor and sensationalism. Instead, they reflect a continuum in which elements of both approaches coexist within the same textual unit. This pattern is consistent with the understanding of digital headlines as texts that must simultaneously communicate the relevance of an event and attract audience attention (Dor, 2003; Canavilhas, 2015). Rather than indicating a clear shift toward sensationalism, the predominance of mixed headlines suggests that informational and attention-oriented strategies can coexist within the same headline construction.

The distribution of sensationalist indicators provides further insight into how this hybridization is achieved. The most frequent indicator was the focus on shocking or violent elements, identified in 25 headlines (50%), followed by curiosity gaps, present in 20 headlines (40%). Narrative framing appeared in 14 headlines (28%), while emotional or evaluative language was identified in 10 (20%). By contrast, exaggeration and ambiguity were considerably less frequent, appearing in only 3 (6%) and 2 (4%) headlines, respectively. This distribution suggests that the headlines examined relied more frequently on selective emphasis and attention-oriented strategies than on explicit forms of exaggeration or ambiguity.

The high frequency of the “focus on shocking or violent elements” indicator requires particular consideration because violence is also an established news value in crime reporting. As Jewkes (2004, pp. 40-62) argues, characteristics such as violence, risk, immediacy, and deviance contribute to the newsworthiness of crime events. Consequently, the presence of a violent event should not, by itself, be interpreted as evidence of sensationalism. In the present study, this indicator was assigned only when the violent or shocking aspect was selectively foregrounded rather than simply reported as part of the event. The fact that this indicator appeared in 25 headlines (50%) therefore reflects the prominence of selectively emphasized violent elements in the analyzed headlines, while acknowledging that violence itself may constitute legitimate informational content. This distinction is important for avoiding the conflation of the subject matter of crime reporting with the discursive treatment of that subject matter.

The comparatively lower frequency of exaggeration and ambiguity, identified in only 3 (6%) and 2 (4%) headlines, respectively, further suggests that more explicit forms of sensationalism were less common in the analyzed corpus. Instead, the headlines examined appear to rely more heavily on subtler strategies, such as the selective emphasis of impactful elements and curiosity-oriented formulations. This pattern may partly reflect the inherently newsworthy nature of crime reporting, as crime events frequently involve violence, injury, death, or other forms of social deviance that can provide substantial information and news value in themselves. As a result, there may be less need to rely on explicit exaggeration or distortion to establish the relevance of an event. However, this interpretation should be treated cautiously, as the present study does not independently measure the intrinsic newsworthiness or impact of each event. What the data demonstrate more directly is that explicit exaggeration and ambiguity occurred less frequently than selective emphasis and curiosity gaps. The contrast between these illustrative cases further highlights the intermediate position occupied by most headlines in the sample: rather than fully conforming to either category, they tend to incorporate selected sensationalist elements without abandoning their underlying informational structure. In the analyzed sample, sensationalist indicators were most often present alongside informational features, while more explicit forms of exaggeration and ambiguity remained uncommon. Rather than suggesting a complete shift from informational to sensationalist journalism, this pattern points to the coexistence of different communicative logics within the same headline.

Nevertheless, the analysis also identifies a subset of headlines that adhere more closely to traditional journalistic standards of informational clarity. The 11 headlines classified as informational (22%) are characterized by a neutral and descriptive tone, the inclusion of key contextual elements, and the absence of the attention-oriented strategies included in the coding framework. In these cases, the headline functions primarily as a concise summary of the news event, providing essential information without relying on emotional language, ambiguity, exaggeration, or curiosity-inducing formulations. A representative example is the headline "A shootout between two cars in Vila-seca leaves one person injured and one vehicle damaged," which presents the event in a predominantly neutral and descriptive manner and does not exhibit any of the identified sensationalist indicators.

Dor's (2003, p. 696) conceptualization of headlines as relevance optimizers also provides a useful framework for interpreting these findings. Rather than encouraging curiosity through omission or dramatization, these headlines prioritize clarity and accuracy, allowing audiences to understand the event at a glance. Their presence within the sample indicates that, despite the attention pressures associated with digital environments, conventional informational practices remain visible in crime headline construction.

In contrast to these informational constructions, the analysis also identifies a smaller group of headlines that incorporate multiple attention-oriented strategies, resulting in a sensationalist classification. The 8 headlines classified as sensationalist (16%) provide a contrasting example of how several indicators can accumulate within the same headline. A representative case is the headline "They lived for weeks with a dead body in the building's meter room." The headline illustrates the accumulation of several indicators. The reference to "a dead body" introduces an emotionally charged and disturbing element, while the foregrounding of the morbid aspect of the event corresponds to the focus on shocking or violent elements. The use of "they" without immediately identifying the actors also creates a curiosity gap by withholding contextual information. Finally, the unusual and dramatic presentation of the event contributes to sensational narrative framing, emphasizing its exceptional character and emotional impact.

From a discursive perspective, this type of headline aligns with what Pedroso (1983) describes as the transformation of reality through expressive and narrative resources that amplify its emotional and exceptional dimensions. Similarly, it reflects the dynamics identified by Jewkes (2004), in which crime news tends to emphasize elements of deviance, shock, and impact that contribute to newsworthiness. In digital environments, such strategies are also closely related to click-oriented practices, where the withholding of information and the emphasis on striking details function as mechanisms to attract user attention (Lischka & Garz, 2023).

The example illustrates how the accumulation of multiple discursive strategies can shift a headline toward a more attention-driven construction. Unlike predominantly informational headlines, which prioritize clarity and contextualization, this type of headline relies on emotional impact, narrative tension, and selective emphasis to engage the audience.

Selective Sensationalism and the Balance Between Information and Attraction

Taken together, the findings indicate that, in the analyzed corpus, informational rigor and sensationalist strategies were balanced to a moderate and selective extent. Rather than showing a dominance of either purely informational or overtly sensationalist constructions, the results reveal a strong concentration of headlines within the intermediate category defined in this study as mixed. Most headlines maintain a core informative structure while incorporating a limited number of attention-oriented elements. The predominance of headlines containing one or two sensationalist indicators further supports this interpretation, as these headlines do not fully abandon informational clarity nor rely on extreme or exaggerated forms of sensationalism.

The predominance of mixed headlines, which accounted for 31 of the 50 headlines (62%), indicates that the balance between informational rigor and sensationalism is not resolved in favor of one dimension, but instead negotiated through hybrid headline constructions. Most of these headlines maintain a core informative structure while incorporating a limited number of attention-oriented elements. As a result, informational clarity is generally preserved but complemented by selective strategies designed to enhance audience engagement. This dynamic can be understood within the broader context of the contemporary digital media ecosystem, characterized by high levels of competition and informational overload. As discussed in the theoretical framework, processes of "infoxication" (Casas-Mas, 2014) expose users to a constant flow of stimuli, reducing the time and cognitive attention dedicated to each piece of content. In this environment, headlines become crucial strategic devices, as they must capture attention within seconds while still fulfilling their informative function. This attention-oriented environment creates a structural tension between the need to attract audience attention and the normative foundations of journalism, which emphasize accuracy, clarity, and informational responsibility. The results of this study suggest that, in the analyzed corpus, this tension is not resolved by prioritizing one dimension over the other, but rather through a negotiated balance reflected in hybrid headline constructions. The predominance of headlines containing one or two indicators, which together account for 31 of the 50 headlines (62%), reinforces this interpretation. These headlines do not fully abandon journalistic standards, nor do they rely on extreme or exaggerated forms of sensationalism. Instead, they reflect a controlled integration of discursive features such as the emphasis on impactful elements or the creation of curiosity, allowing them to remain informative while increasing their attractiveness.

The comparison of alternative classification thresholds further supports the interpretation of the corpus as predominantly intermediate rather than overtly sensationalist. While applying a threshold of two or more indicators would classify 24 headlines (48%) as sensationalist, the more restrictive threshold of four or more indicators would identify only 1 headline (2%). The selected threshold of three or more indicators therefore identifies 8 headlines (16%) as sensationalist while preserving the larger mixed category of 31 headlines (62%). This distribution suggests that the classification is sensitive to the degree of indicator accumulation, and that the identification of sensationalist headlines as a distinct category depends on the simultaneous presence of multiple discursive features rather than on isolated indicators alone. The sensationalism score, based on the six binary indicators, could range from 0 to 6, although observed scores in the sample ranged from 0 to 4. This measure provides a complementary view of the degree to which multiple indicators converged within individual headlines.

These patterns may be interpreted as an emerging form of what this study provisionally refers to as "selective sensationalism." The term is used here to describe the selective incorporation of attention-oriented elements within headlines that generally retain an informative structure. In the analyzed corpus, these elements were not applied uniformly, but appeared in a measured and context-dependent manner, most often alongside informational features. Rather than representing a rupture with journalistic norms, this pattern may reflect an adaptive response to the competing demands of digital news environments, in which attracting attention must coexist with credibility and informational rigor.

In the specific case examined, *La Vanguardia Online* appears to navigate this tension by maintaining a recognizable journalistic standard while incorporating moderate and strategically selected sensationalist elements. This observation should not be interpreted as evidence that the same pattern characterizes European legacy newspapers or digital journalism more broadly. Rather, it illustrates how the balance between informational rigor and audience attraction can manifest within the specific media context examined in this study.

Overall, these findings provide an initial empirical basis for considering “selective sensationalism” as a possible interpretation of how attention-oriented and informational strategies coexist in crime headlines. However, the concept should not be regarded as an established theoretical category on the basis of the present study. Its theoretical validity and broader applicability require further examination through larger samples, multiple news outlets, and comparative studies across different media contexts. Such research could determine whether the pattern identified here extends beyond the analyzed corpus and whether “selective sensationalism” provides a useful framework for understanding similar forms of headline construction in other contexts.

CONCLUSION

This study set out to examine to what extent crime headlines in *La Vanguardia Online* balance informational rigor and sensationalist discursive strategies during the study period. Within the analyzed corpus, 31 of the 50 headlines (62%) were classified as mixed, indicating a moderate and selective balance between informational rigor and sensationalist strategies. The majority of headlines, with 31 headlines (62%) containing one or two sensationalist indicators, incorporated attention-oriented strategies while generally maintaining an overall informative structure. This pattern can be understood within the broader logic of the contemporary attention economy, where news organizations compete for visibility in highly saturated digital environments. In this context, the need to produce attractive and engaging content becomes a structural condition of journalistic production. However, this demand coexists with the normative foundations of journalism, which prioritize accuracy, clarity, and informational responsibility. Within the analyzed corpus, this tension was not resolved in favor of one dimension but was instead reflected in hybrid headline constructions that combined both logics. Across the 50 headlines examined, sensationalist elements were generally limited rather than dominant, appearing selectively alongside predominantly informative constructions. In the case of *La Vanguardia Online*, this pattern may be interpreted as a form of “selective sensationalism”, in which elements such as the emphasis on shocking aspects or the use of curiosity gaps are incorporated selectively without fully compromising informational clarity. Rather than necessarily representing a deviation from journalistic standards, this pattern may reflect an adaptive response to the structural pressures of the digital environment, where attracting attention must coexist with professional norms.

The study also provides an empirical operationalization of sensationalist indicators for the analyzed corpus, showing that their presence varied across the 50 headlines and that different combinations of indicators contributed to the classification of headlines as informational, mixed, or sensationalist. These findings highlight the value of examining sensationalist strategies at the level of individual headline construction rather than treating sensationalism as a uniform characteristic of crime reporting. However, the study should be understood as a qualitative, descriptive analysis supported by descriptive frequency counts rather than statistical inference. The relatively small sample size, the use of manual coding by a single coder, and the absence of statistical analysis limit the generalizability and reliability of the findings. In this sense, future research could expand the scope of analysis by examining larger datasets, incorporating multiple coders to improve reliability, and conducting comparative studies across different media outlets and national contexts. Additionally, further research could move beyond headlines to analyze the relationship between headline construction and the content of the full news article, in order to better understand how sensationalist strategies operate throughout the entire journalistic narrative. Such approaches would help determine whether the patterns identified in this study, including the tentative interpretation of "selective sensationalism", extend beyond the analyzed corpus and across different digital journalism contexts.

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INTEGRATION OF TEACHING CORPORATE FINANCIAL POLICIES WITH THE BLOOMBERG TERMINAL

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ABSTRACT

This study examines the integration of the Bloomberg terminal into undergraduate corporate finance instruction through four data-driven case studies covering capital budgeting, corporate governance, mergers and acquisitions, and seasoned equity offerings. The cases are structured around Bloom's Taxonomy to connect corporate finance theory with professional financial data, analytical tools, and decision making. The instructional intervention was implemented across two intermediate corporate finance courses with 60 survey participants. Anonymous before and after surveys provide descriptive evidence of students' technology readiness, Bloomberg terminal experience, perceived proficiency, applied learning, and professional relevance. Although most students entered with little or no Bloomberg terminal experience, post-survey responses indicate favorable perceptions of the learning experience, Bloomberg terminal-related skills, and the application of corporate finance concepts to real world settings. Students also reported perceived value for professional development and career readiness. The findings suggest that structured Bloomberg terminal-based case studies offer a promising experiential approach to bridging academic corporate finance instruction and professional practice.

Keywords: Corporate Finance Education, Bloomberg Terminal, Financial Case Study, Finance Pedagogy, Experiential Learning, Financial Technology

INTRODUCTION

Financial literacy in higher education extends beyond financial knowledge to analytical proficiency, ethical judgment, and digital fluency. The OECD (2016) defines it as the knowledge, skills, attitudes, and behaviors needed for informed financial decisions, competencies increasingly relevant to contemporary finance education.

Digital platforms such as the Bloomberg terminal have reshaped finance pedagogy by giving students direct access to real-time data and professional analytics (Sharma, 2015; McCann & Russon, 2019). Bloomberg terminal-based instruction can complement static textbook models with authentic financial analysis, helping bridge theory and practice as universities expand trading rooms and Bloomberg labs (West et al., 2021; Lei & Li, 2012). This applied exposure is increasingly important as finance careers demand both conceptual knowledge and proficiency with professional data and analytical tools.

Despite Bloomberg's growing presence in business education, its systematic use in core undergraduate corporate finance remains limited, while access and implementation costs remain concerns (Pullaro & Jalajas, 2018). Prior applications have concentrated largely on trading, portfolio management, and simulations. Structured use in corporate governance, capital budgeting, M&A, and seasoned equity offerings remains comparatively uncommon, despite the importance of these topics to corporate finance, investment banking, and financial consulting.

This study addresses this gap through four Bloomberg terminal-integrated case studies designed for upper-level corporate finance. Using live and historical data, the cases place Bloomberg terminal at the center of strategic financial analysis rather than treating it as a supplementary tool. The framework links terminal functions with course objectives and decision-oriented assignments to provide a professionally grounded setting for applying corporate finance concepts.

Bloom's Taxonomy (1956) structures the progression from foundational knowledge to higher-order analysis and evaluation. The objective is therefore not simply to teach Bloomberg terminal functionality, but to use professional data and analytics to deepen students' application of corporate finance concepts.

LITERATURE REVIEW

Experiential learning emphasizes experience, reflection, conceptualization, and application, a cycle that Bloomberg terminal can support through direct engagement with market data. Prior studies associate Bloomberg terminal use with stronger engagement and analytical capability (McCann & Russon, 2019), improved understanding through real-time data interpretation (Croushore & Kazemi, 2019), and support for self-directed learning through terminal-based tutorials (Godfrey, 2020). These findings establish Bloomberg terminal as a potentially valuable platform for applied finance education.

Early Bloomberg terminal applications in finance education focused primarily on student-managed funds and trading simulations (Dolan & Stevens, 2010). Scott (2010) proposed broader uses in cost of capital, industry comparison, and executive compensation, while Sharma (2015) identified institutional and instructional barriers to integration. Moreale and Zaynutdinova (2018) later mapped functions such as ***BETA***, ***CRPR***, and ***FA*** to intermediate finance concepts, although their approach remained largely functional rather than case driven. McCann and Russon (2019) reported favorable engagement and learning outcomes, and West et al. (2021) linked Bloomberg terminal access to student performance in intermediate and advanced finance. Collectively, this literature supports Bloomberg terminal's educational value but leaves room for a structured framework centered on corporate financial policy decisions.

Pedagogical literature and practices alike recognize the complexity and strategic significance of corporate governance, capital budgeting, M&A, and SEOs, but the integration of Bloomberg terminal into these topics has been limited. Lei and Li (2012) documented that Bloomberg terminal-based portfolio management exercises improve understanding of valuation models such as CAPM and DCF. Similarly, Athavale et al. (2016) showed that exposure to Bloomberg terminal's real-time analytics correlates with higher employability and confidence in corporate finance applications. Duterme (2023) observed that Bloomberg terminal's user interface and news integration contribute to the democratization of financial information, enabling students to understand complex market behaviors more intuitively. Gaughan (2002) provides an authoritative treatment of M&A in theory and practice, while Rosenbloom (2010) highlights the critical importance of due diligence and financial modeling in cross-border transactions. Both underscore the pedagogical relevance of Bloomberg terminal's ***MA*** and ***EVT*** functions, though neither implements them directly in teaching.

Joshipura and Mathur (2024), in their compendium of corporate finance cases, emphasize the power of scenario-based analysis, particularly in capital budgeting and SEO decision-making. They argue that without access to current data, students struggle to appreciate the timing, risk, and valuation nuances of strategic financial decisions. Fernandes (2014) similarly links pedagogical effectiveness to the use of Bloomberg terminal in projecting cash flows and calculating terminal values. In corporate governance, Kahan and Rock (2006) and Dallas (2011) both highlight the increasing complexity of ownership structures and board oversight mechanisms. Bloomberg terminal's ***OWN*** and ***MGMT*** functions provide students with access to institutional shareholder data, executive compensation metrics, and proxy voting patterns, thus enriching governance instruction with real, analyzable inputs. For SEOs, Brown et. al (2012) demonstrate the intricate dynamics between issuance timing, hedge fund behavior, and market response, elements that can be replicated through Bloomberg terminal's ***DDIS***, ***DVD***, and ***BETA*** functions. These studies collectively argue for data-rich instruction in corporate finance but stop short of providing a structured pedagogical model for doing so.

Although recent research affirms Bloomberg terminal's educational value, empirical analyses quantifying its effect on financial literacy remain scarce. Few studies explore behavioral dimensions such as confidence and ethical decision-making, and most focus on postgraduate contexts (McCann & Russon, 2019). This study addresses these gaps by evaluating how Bloomberg terminal-integrated case studies enhance financial literacy outcomes among undergraduate corporate finance students, focusing on both cognitive and behavioral impacts. This study builds on Sharma's (2015) analysis of institutional challenges by providing a replicable, case-driven strategy for core subjects. I integrate authoritative theoretical frameworks, such as Gaughan (2002) on M&A and Kahan and Rock (2006) on governance, directly with Bloomberg terminal functions like ***MA***, ***OWN***, and ***MGMT*** to provide a data-rich instructional model.

This study makes four primary contributions to the literature on finance pedagogy and technology-enhanced learning. First, it repositions the Bloomberg terminal from a supplementary analytical tool to a core pedagogical framework within undergraduate corporate finance instruction. Whereas prior studies largely confine Bloomberg terminal to portfolio management and trading applications (e.g., Dolan & Stevens, 2010; McCann & Russon, 2019; West et al., 2021), this study embeds Bloomberg terminal systematically across core corporate finance domains, including capital budgeting, corporate governance, mergers and acquisitions, and seasoned equity offerings, thereby extending its application to areas central to corporate financial decision-making yet underdeveloped in the existing literature. Second, the study introduces a theoretically grounded instructional design by explicitly aligning Bloomberg terminal-based case studies with Bloom's Taxonomy. This framework moves beyond tool-centric implementations by structuring the progression from foundational knowledge to higher-order analytical and evaluative capabilities, offering a replicable and scalable model for integrating professional-grade financial tools into finance curricula.

Third, the study provides descriptive survey evidence on students' reported Bloomberg terminal proficiency, analytical confidence, applied understanding of corporate finance concepts, and career-related perceptions following the case studies. Importantly, the analysis extends beyond engagement to capture career-relevant outcomes, including students' reported intentions to pursue Bloomberg terminal certification and incorporate technical competencies into professional signaling, addressing a gap in the evaluation of financial education tools (Moreale & Zaynutdinova, 2018; Sharma, 2015). Finally, the study contributes to the broader literature on bridging the theory–practice gap in finance education. By integrating real-time data, institutional-grade analytics, and decision-oriented case studies, it illustrates a structured approach through which experiential learning may support applied reasoning and workforce preparation. The proposed framework offers a practical approach that warrants further evaluation across courses and institutions before broader claims regarding generalizability are made.

METHODOLOGY WITH BLOOM'S TAXONOMY INTEGRATION

This research introduces a purpose-built instructional framework grounded in Bloom's Taxonomy (1956), applying its hierarchical model of cognitive development to guide the learning journey in corporate finance. The case studies developed in this research are not only domain-specific but also explicitly scaffolded across the six cognitive domains: *Knowledge, Comprehension, Application, Analysis, Synthesis,* and *Evaluation*. Each domain is aligned with pedagogical goals and observable, assignment embedded learning outcomes, allowing student performance to be examined across progressively higher levels of cognitive complexity.

Knowledge and Comprehension

Students begin by identifying key variables relevant to corporate finance decisions, including ownership structure, WACC, governance composition, and dividend policy, retrieved via Bloomberg terminal functions such as ***OWN***, ***FA***, and ***GP***. This stage cultivates vocabulary, functional fluency, and basic comprehension of concepts foundational to corporate finance.

Application

Students use Bloomberg terminals to implement theoretical models in live contexts. They apply DCF analysis using terminal data, calculate capital costs, and examine deal multiples for proposed mergers and acquisitions (M&A) targets. Functions like ***MA***, ***CRPR***, and ***DDIS*** allow students to transition from theory to application with precision and relevance.

Analysis

Students are tasked with breaking down Bloomberg terminal outputs to evaluate financial statements, market reactions, or shareholder control patterns. For instance, in the SEO case study, students isolate dilution effects and cross-analyze them with peer benchmarks and event-driven volatility.

Synthesis

Students synthesize data from multiple Bloomberg terminal functions to construct investment recommendations or governance reform proposals. In the capital budgeting case study, they create investment memos that integrate cost forecasts, revenue projections, and risk assessments.

Evaluation

At the highest level, students must defend their conclusions in both written and oral formats. They critique executive decisions, justify board recommendations, and debate capital structure policies, using real-time data to support or challenge corporate strategies.

Operationalization and Assessment of Bloom's Cognitive Levels

Bloom-level performance is operationalized through observable tasks and deliverables embedded in the four cases rather than a separate standardized Bloom assessment. Knowledge and Comprehension are observed through accurate identification, retrieval, and explanation of financial, governance, capital structure, transaction, and market information. Application is observed when students use firm-level Bloomberg data to conduct DCF analysis, assess cost of capital and financing structure, examine ownership, evaluate transaction multiples, and analyze SEO outcomes. These outputs provide direct evidence of the cognitive performances required by the instructional design.

Higher-order performance is reflected in progressively integrative requirements. Analysis involves decomposing outcomes, benchmarking firms or transactions, identifying relationships, and interpreting valuation, governance, market, or operating differences. Synthesis requires combining evidence from multiple Bloomberg terminal functions into coherent investment, governance, M&A, or SEO assessments. Evaluation requires evidence-based judgments about value creation, incentive alignment, acquisition outcomes, or equity issuance. Progression therefore reflects a shift from identification and application to interpretation, integration, and judgment.

These assignment-embedded outcomes differ from the survey measures reported later. Case tasks provide direct evidence of required cognitive performance, whereas the surveys provide indirect, self-reported evidence on Bloomberg terminal proficiency, perceived learning, real-world relevance, and career readiness. Because separate mastery scores were not assigned to individual Bloom levels, the study does not claim statistically measured gains at each level; Bloom's Taxonomy serves as the instructional and assessment-alignment framework.

Overall, the Bloom-aligned framework links corporate finance theory with professional analytical practice and progressively demanding financial judgment.

EMPIRICAL CASE STUDY WITH BLOOMBERG TERMINAL

Students are asked to select one publicly traded company to conduct each case study. As case studies related to capital budgeting, corporate governance, M&A, and SEO are assigned, students are asked to be cautious in selecting their own companies that should be able to provide rich and relevant information for each case study. Case studies for corporate governance and M&A are provided as examples in Appendix I and II. The other case studies may be provided upon request.

Case Study I (Capital Budgeting): This case study presents a structured, applied framework for teaching capital budgeting and strategic investment analysis to undergraduate finance students using the Bloomberg terminal. Designed to closely mirror professional analytical practice, the case integrates financial statement analysis, valuation techniques, capital structure assessment, and risk evaluation to provide students with a comprehensive, real-world decision-making experience. The instructional design intentionally progresses through the levels of Bloom's Taxonomy, ensuring that students develop both technical proficiency and higher-order financial judgment.

At the foundational stage, students establish a working understanding of the firm's financial position and operating performance using the Financial Analysis (***FA***) function. By examining detailed income statements, balance sheets, and cash flow statements, students identify patterns in operating cash flows and capital expenditures. Particular attention is given to cash flows from investing activities, which serve as a direct proxy for long-term capital allocation decisions. This stage emphasizes financial literacy and contextual understanding, enabling students to clearly distinguish between internally generated funds, external financing, and investment outlays. Building on this foundation, students apply capital structure concepts through the Debt Distribution (***DDIS***) function. By analyzing the firm's debt composition, maturity structure, and coupon characteristics, students assess how large-scale capital investments are financed and how leverage influences financial risk. This applied case study reinforces the relationship between funding decisions and corporate flexibility. Concurrently, students evaluate the firm's Weighted Average Cost of Capital using the ***WACC*** function, establishing the minimum required return against which all investment projects must be assessed.

At the analytical level, the case study requires students to evaluate whether capital investments have generated value more than their cost of capital. This is achieved through a comparative analysis of WACC, Return on Invested Capital (ROIC), and Economic Value Added (EVA). Enterprise Value (EV) analysis further allows students to decompose changes in firm valuation and distinguish between market-driven effects and performance attributable to operational efficiency or investment success. This stage sharpens analytical reasoning and encourages disciplined interpretation of financial metrics.

The evaluative component of the case study centers on discounted cash flow analysis using Bloomberg terminal's MS Excel-based valuation tool, ***XLTP XDCF***. Students estimate net present value under varying assumptions related to growth rates, discount rates, and valuation multiples, incorporating sensitivity analysis to assess downside risk and robustness. This case study mirrors professional valuation practice and requires students to exercise informed judgment rather than rely on point estimates alone.

Finally, students synthesize financial, valuation, and strategic insights to formulate investment recommendations. Strategic activity, including mergers and acquisitions analyzed through the ***MA*** function, is evaluated as part of the firm's broader capital allocation strategy. Visualization tools such as ***GP*** are employed to examine long-term trends in capital expenditures (CAPEX), profitability (EBITDA), and returns (ROIC), reinforcing the linkage between strategic investment decisions and firm performance. By completing this case study, students will gain hands-on experience applying capital budgeting theory with professional-grade tools and develop practical skills widely used in financial analysis and corporate finance roles.

Case Study II (Corporate Governance): This case study is designed to introduce undergraduate students to the analysis of corporate governance using professional-grade financial data available through the Bloomberg terminal. The objective of the case study is to bridge theoretical discussions of governance, agency problems, and stakeholder alignment with real-world firm-level evidence, thereby strengthening students' analytical reasoning and decision-making skills. By structuring the case study in alignment with Bloom's Taxonomy, the study progressively guides students from foundational understanding to evaluative and judgment-based conclusions commonly required in professional finance and corporate advisory roles.

At the introductory level of learning, students begin by developing a factual understanding of the firm's organizational and governance structure. Using the Company Management function (***MGMT***), students examine board composition, committee structure, and leadership roles, including the separation of the Chairperson and Chief Executive Officer positions. This stage emphasizes comprehension of governance mechanisms and their intended role in mitigating agency conflicts. Students then supplement this overview with company profile information obtained through the Security Description function (***DES***), reinforcing their understanding of ownership structure and voting rights. Moving into the application stage, students analyze ownership concentration and shareholder influence using the Holdings and Ownership functions (***HDS*** and ***OWN***). These tools allow students to identify major shareholders, insider ownership, and institutional participation, thereby applying agency theory concepts to observable data. Through this process, students evaluate whether ownership concentration may enhance monitoring efficiency or exacerbate conflicts between controlling and minority shareholders.

At the analytical level, the case study introduces students to governance quality metrics and peer benchmarking. Bloomberg terminal's ***ESG***, ***FA-ESG***, and ***DES-ESG*** functions are employed to assess board independence, governance scores, and transparency indicators. Students analyze changes in governance scores over time and compare the firm's governance profile to industry peers using Relative Valuation (***RV-ESG***). This comparative analysis encourages students to distinguish firm-specific governance strengths from broader industry norms and to recognize how governance quality is assessed by external stakeholders. The evaluative component of the case study focuses on executive compensation and incentive alignment. Using Bloomberg terminal's executive compensation data available through ***FA-Comp*** and related functions, students examine the structure of performance-based compensation and its linkage to shareholder value creation. This stage requires students to critically assess whether compensation design effectively aligns managerial incentives with long-term performance, rather than relying solely on headline compensation figures.

At the highest level of Bloom's Taxonomy, students synthesize governance structure, ownership data, ESG metrics, and compensation design to form an integrated assessment of corporate governance effectiveness. Students are asked to articulate strengths, identify governance risks, and propose realistic, data-supported recommendations aimed at improving board independence, transparency, and stakeholder alignment. This final stage mirrors the analytical expectations placed on governance analysts, institutional investors, and corporate advisors. Through this case study, students will gain hands-on experience applying corporate governance theory using professional-grade Bloomberg terminal tools commonly employed by investors, analysts, and corporate boards.

Case Study III (M&A): In this case study, students will conduct a comprehensive merger and acquisition analysis of the acquisition of Slack Technologies by Salesforce using the Bloomberg terminal. The objective is to evaluate the strategic rationale, valuation, and financial impact of the transaction and determine whether the merger created value for the acquiring firm. Students will begin by identifying and reviewing the transaction using ***MA*** and ***EVT***, documenting key deal characteristics such as deal type, transaction value, premium paid, and completion date. Next, students will perform a pre-transaction analysis of both firms using ***FA*** to examine financial performance, growth, and valuation, and ***HP*** and ***GP*** to analyze stock price behavior leading up to the announcement. Where applicable, students will use ***RV*** to compare valuation multiples with industry peers and assess whether the target appeared over- or undervalued before the deal.

Students will then complete a post-transaction analysis to evaluate deal financing, synergies, and market reaction. Using ***WACC***, ***LOAN***, and ***FA***, students will assess the financing structure and any changes in capital structure following the merger. Students will analyze synergy expectations and free cash flow implications using ***MA*** and ***MODL*** and will determine whether the transaction was earnings accretive or dilutive using ***EEG***. Market reaction and investor sentiment will be examined through ***HP*** and ***HDS***, while deal-related risks, including credit risk, regulatory issues, and integration challenges, will be evaluated using ***CRPR***, ***DRSK***, and ***CN***. By integrating strategic, financial, and market-based evidence, students will form an overall conclusion on the success of the merger and gain hands-on experience applying professional-grade Bloomberg terminal tools commonly used in corporate finance and investment analysis.

Case Study IV (Seasoned Equity Offering): In this case study, students will analyze seasoned equity offerings to evaluate their impact on stock prices, firm performance, and market perception using the Bloomberg terminal. The objective is to determine whether SEOs create or destroy shareholder value and to understand why firms choose to issue additional equity after going public. Students will begin by identifying at least three U.S. companies that conducted SEOs within a recent multi-year window using the ***IPO*** function. One firm may be selected freely, the second should be similar in market capitalization but in a different industry, and the third should be in the same industry as the first firm but smaller in size. Using the ***IPO*** screen and its filters (announcement date, geography, industry breakdown), students will document each SEO's announcement date, offering size, and stated motivation, ensuring that firm size comparisons are based on market capitalization rather than the offering amount. Next, students will assess the financial and market impact of each SEO. Using ***FA***, students will examine company fundamentals and changes in key financial ratios before and after the offering, including EPS, leverage, ROE, and profit margins. Students will analyze stock price performance and trading behavior around the SEO announcement using ***GP*** or ***GPO***, focusing on short-term market reaction and longer-term performance, including buy-and-hold abnormal returns relative to a benchmark index. To capture market perception and investor sentiment, students will review analyst recommendations and revisions using ***ANR***, along with changes in trading volume and volatility. Finally, students will compare results across the three firms to identify how firm size and industry characteristics influence SEO outcomes, and students will draw conclusions and recommendations for both corporate managers considering SEOs and investors evaluating equity issuance decisions.

METHODS

The surveys were adapted, rather than adopted, from Moreale and Zaynutdinova (2018) and Ki and Wendling (2024). The pre-survey extends prior instruments by separating general analytical software readiness from Bloomberg terminal-specific experience and by measuring confidence, training source, and prior analytical use. The post-survey shifts the focus to advanced corporate finance, adding measures of real-world application, intended use in internships or employment, professional signaling, and perceived career readiness. These changes tailor the instruments to Bloomberg terminal-based corporate financial policy cases while retaining their emphasis on technology readiness, learning experience, proficiency, and professional relevance.

The adapted items map conceptually to three outcome constructs. Technical proficiency reflects reported Bloomberg terminal skill, satisfaction with acquired skills and knowledge, and perceived learning. Applied analytical learning reflects the terminal's perceived relevance to advanced corporate finance and real-world applications. Professional readiness reflects intended continued use, certification and résumé signaling, application in internships or employment, and perceived career readiness. Because respondent-level joint item data are not analyzed, these classifications represent theoretically grounded content mappings rather than statistically validated factor structures.

Across the two intermediate level corporate finance courses, total enrollment consisted of 64 junior and senior students. After attrition of two students in each section, 60 students were invited to participate in both the pre and post surveys, and all survey results are reported as percentages. Because the surveys were administered anonymously, individual responses were not matched between the pre- and post-survey administrations. Anonymity was maintained to minimize potential instructor student coercion or concerns that survey responses could influence grading of the case studies. Although the surveys were conducted without IRB approval or exemption, the survey administration followed a consistent protocol under which students were clearly informed of the survey name and purpose, method of administration, completion period, voluntary nature of participation, anonymity of responses, and absence of any effect on course grades.

The instructional intervention consisted of four Bloomberg terminal-based corporate finance case studies completed over a semester, with 60 students participating in the surveys. At the beginning of the semester before the Bloomberg terminal case studies were assigned, students were given the pre-survey. After the Bloomberg terminal case studies were completed at the end of the semester, students were given the post-survey. The delivery of the survey was made through web-based survey tools such as SurveyMonkey or Microsoft Forms. Students were given the link to the survey page to engage in the survey. The instructor implemented the Bloomberg terminal case studies and administered the surveys, providing standardized instructions before each administration but not being involved in students' responses. The pre- and post-surveys were each available for one week and were completed anonymously to minimize potential instructor influence. Consequently, individual responses were not matched across survey administrations. Rather, the pre-survey establishes cohort level baseline characteristics, including prior Bloomberg terminal exposure, technology readiness, confidence, and relevant experience, while the post-survey assesses students' reported proficiency, learning experience, applied corporate finance understanding, and professional relevance following the Bloomberg terminal-based case studies. Because the two instruments contain related but not necessarily identical measures, the results are interpreted descriptively as differences between baseline conditions and post intervention outcomes at the cohort level rather than as estimates of individual student improvement. Survey item responses were summarized by category rather than combined into composite scores. Accordingly, the empirical analysis is descriptive and reports response frequencies and percentages to evaluate students' proficiency to Bloomberg terminal, applied learning, perceptions, and professional relevance rather than estimating matched individual changes or latent factor structures.

EFFECTIVENESS OF THE CASE STUDIES WITH THE BLOOMBERG TERMINAL

In summary, 83.3% of students reported no prior Bloomberg terminal exposure for analytical purposes, while 63.3% had never used the terminal for financial analysis and another 8.3% reported no confidence in doing so. Nevertheless, 78.3% expressed interest in Bloomberg terminal-related certification. After the four cases, 71.7% rated their Bloomberg terminal skills as "satisfactory" or "good," and 83.3% reported that the cases improved their understanding of real-world corporate finance applications "a lot" or "a good deal." In addition, 68.3% were likely or very likely to include Bloomberg terminal experience on their résumés, and 63.3% reported improved perceived career readiness.

A Look into Expectations Before the Bloomberg Terminal Case Studies

Academic Preparedness and Self-Directed Learning

The pre-survey indicates that students entered the case studies with a generally strong foundation for independent and technology-based learning. 80% rated their comfort with learning independently as more than average or higher, while 71.67% reported at least more than average comfort with learning new software. General analytical software proficiency was more varied, with 28.33% rating their ability as intermediate, 41.67% as beginner, and 30.00% reporting that they had never used such software for analysis. Academic characteristics were also favorable. 88.34% reported GPAs of at least 3.0, and 78.33% were seniors. These results describe a predominantly upper-level cohort with relatively strong academic standing and willingness to learn independently, although prior analytical software proficiency varied considerably.

Prior Bloomberg Terminal Exposure and Confidence

In contrast to their general readiness for technology-based learning, students reported very limited Bloomberg terminal experience. Only 16.67% had previously accessed the Bloomberg terminal for analytical purposes, while 83.33% had not. Consistent with this limited exposure, 66.67% reported never having used Bloomberg terminal for analysis and another 30.00% characterized their ability as beginner level. Bloomberg terminal-specific confidence was similarly limited. 63.33% had never used the Bloomberg terminal for financial analysis and 8.33% reported no confidence, compared with 28.33% who reported some degree of confidence. Formal training was also uncommon, with 83.33% reporting no Bloomberg terminal training and none reporting university provided training. The contrast between students' broader technology readiness and their limited Bloomberg terminal-specific experience provides an important baseline for interpreting their post-survey assessments.

Motivation, Professional Orientation, and Capacity for Engagement

Despite limited prior Bloomberg terminal experience, students entered the case studies with considerable professional interest and sufficient capacity to engage in the assignments. Specifically, 78.33% expressed interest in pursuing a Bloomberg terminal-related certificate before graduation, and 70.00% had previously used an online trading platform. One quarter reported prior professional experience in accounting or finance. Students also anticipated devoting meaningful time to the case studies, with 53.33% expecting to spend one to two hours per week outside class and 46.67% expecting to spend more than two hours. Taken together, these responses characterize a cohort with limited Bloomberg terminal-specific preparation but substantial interest in acquiring professionally relevant skills.

A Look into Expectations After the Bloomberg Terminal Case Studies

Engagement, Workload, and Learning Experience

Post-survey responses indicate substantial engagement with the four Bloomberg terminal case studies. A total of 91.66% reported spending at least one hour per week on each case study outside class, including 53.33% who spent more than two hours. This realized commitment closely corresponds to the pre-survey, in which all respondents anticipated devoting at least one hour per week to the assignments. Students nevertheless viewed the case studies as demanding. 91.66% reported that they required somewhat or much more effort than assignments in their other courses, and 75.00% characterized them as challenging or extremely challenging. Despite this workload, 75.00% rated the overall learning experience as good or excellent, and 80.00% reported that Bloomberg terminal met their expectations. These findings suggest that students generally viewed the rigor of the assignments as compatible with a favorable learning experience.

Perceived Technical Proficiency and Applied Learning

Post-survey provides descriptive evidence of students' perceived development in Bloomberg terminal-related proficiency and applied corporate finance learning. After completing the case studies, 38.33% rated their Bloomberg terminal skill level as good and 33.33% as satisfactory, compared with the pre-survey in which 66.67% reported never having used Bloomberg terminal for analysis and 30.00% characterized themselves as beginners. Because individual respondents were not matched, this comparison represents a cohort level contrast rather than measured within student improvement. Consistent with these self-assessments, 61.66% reported above average or extreme satisfaction with the Bloomberg terminal-related skills and knowledge acquired, while 71.66% rated Bloomberg terminal as more than average or extremely relevant to understanding advanced corporate finance topics. In addition, 65.00% reported learning a lot or a good deal relative to their initial Bloomberg terminal knowledge, and 83.33% indicated that the case studies helped them understand real-world applications of corporate finance concepts to a high degree. Collectively, the post-survey responses suggest favorable perceptions of both technical skill development and the application of corporate finance concepts in a professional data environment.

Professional Orientation and Career Readiness

Post-survey also indicates that students associated their Bloomberg terminal experience with future academic and professional applications. 60% reported that they were likely or very likely to use Bloomberg terminal in the future, while 61.67% indicated that they were likely or very likely to use Bloomberg terminal certification or related experience on their résumé. Similarly, 68.34% reported that they were likely or very likely to list Bloomberg terminal experience on their résumé. These responses are consistent with the strong certification interest observed before the case studies, when 78.33% expressed interest in pursuing a Bloomberg terminal related certificate. Beyond professional signaling, 48.33% reported being likely or very likely to feel confident using Bloomberg terminal for finance related tasks in internships or employment, and 63.33% reported that the case studies improved their perceived career readiness. The findings therefore suggest that students viewed the Bloomberg terminal experience not only as a course-based learning activity but also as a potentially useful component of their preparation for finance-related employment. Summary tables for both surveys are presented in Appendix III.

Limitations and Directions for Future Research

Several limitations should be considered when interpreting the findings. The study is based on a relatively small sample from two corporate finance courses, relies primarily on self-reported survey responses, and does not include a control or comparison group. In addition, the anonymous survey design precluded matching individual responses between the pre- and post-surveys, limiting the analysis to cohort level response patterns rather than within student changes. Because the reported results consist primarily of marginal response frequencies, the data also does not permit statistical validation of the proposed constructs through factor or principal component analysis. Potential instructor and student selection effects further limit causal interpretation and broader generalizability. Accordingly, the findings should be interpreted as descriptive evidence supporting the pedagogical potential of Bloomberg terminal-integrated corporate finance case studies, while the adaptability and scalability of the framework should be examined through future multi-institutional research using larger samples, matched observations, comparison groups, objective learning measures, and respondent level data suitable for construct validation.

CONCLUSION

This study presents a Bloomberg-integrated framework for teaching capital budgeting, corporate governance, M&A, and SEOs in undergraduate corporate finance. By aligning professional data and analytics with Bloom's Taxonomy, the cases move students from identifying and applying financial concepts to interpreting evidence and forming data-supported judgments. Survey responses from 60 participants provide descriptive evidence of limited initial Bloomberg exposure followed by favorable perceptions of technical proficiency, real-world application, and professional relevance. Because the surveys were anonymous and unmatched and no comparison group was used, these findings should not be interpreted as causal or statistically demonstrated gains. Rather, the study contributes a structured experiential model for connecting corporate finance theory with professional analytical practice. Future research should evaluate the framework across institutions using matched observations, objective performance measures, and comparison designs to assess learning effects and generalizability more rigorously.

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Appendix I. ***A case study of corporate governance***

Case Study: Corporate Governance Using Bloomberg Terminal – Tesla, Inc.

1. Company Overview
Tesla, Inc., led by Elon Musk, is a global leader in electric vehicles (EVs), energy storage, and renewable energy solutions. Known for innovation and market disruption, Tesla's governance practices have drawn attention for both their strengths and controversies.

2. Corporate Governance Framework
2.1 Board Structure

- **Composition**: Tesla's board comprises 8 directors as of 2024, with 6 identified as independent.
- **Chairperson**: Robyn Denholm serves as Tesla's Chairperson; a role separated from the CEO position to enhance governance and reduce potential conflicts of interest.
- **Committees**:
    - Audit Committee
    - Compensation Committee
    - Disclosure Control Committee
    - Nominating and Corporate Governance Committee

<MGMT> Company Management – *Board* and *Committees* Tab

Q1: What is the conclusion regarding the efficiency of the board of directors of your company reflecting the structure and the composition of the board of directors?

2.2 Ownership Structure

- **Major Shareholders**: Elon Musk is the largest shareholder, holding 411 million shares outstanding, approximately 13% of shares. % held by insiders is 12.90% and Elon Musk currently is a primary insider holder.
- **Voting Rights**: Tesla maintains a "one share, one vote" policy, ensuring equitable shareholder influence.

<DES**-Issue Info*> Security Description and ***<HDS> Security Ownership

Q2: Can you detect any types of the agency conflict or problem that might cause the cost?

3. Key Corporate Governance Metrics
3.1 Board Independence

- According to the Bloomberg Terminal functions of <***ESG***>, <***FA-ESG***> and <***DES-ESG***>, Tesla Board Composition score has risen from moderate to leading (score of 7.74) due to the restructure of the BOD toward the independency. Board structure and independence can be checked with <***FA***> function.

<ESG> ESG Analysis and ***<FA – ESG>*** Financial Analysis

<DES-ESG> Security Description : Equity - ESG

Q3: How is the board independence of your company? Do you conclude that the board of directors can perform well independently? If so, under what circumstances/reasons?

3.2 Corporate Governance Scores
Tesla's ESG governance score, as reported by Bloomberg's <***RV-ESG***> and <***ESG***> function:

- **Governance Score**: 5.72 and 61.3/100
- **MSCI ESC Score**: BBB
- **Peer Comparison**: Tesla lags peers like General Motors (8.31 and 100/100), Lucid (7.71 and 98.80), and Ford (6.53 and 86.20/100) due to perceived weaker board independence and transparency.

<RV-ESG> Relative Valuation and ***<ESG>*** ESG Analysis

Q4: How well has the board of directors of your company been performing in the social responsibility and environment?

3.3 Executive Compensation

- Tesla's executive compensation is heavily performance- and stock-option based, as detailed in <***FA-Exec & Dir Comp***>. Especially, Elon Musk's 2018 compensation package, valued at over \$2.2 billion, was tied to ambitious market capitalization and revenue targets. There have been board compensations over the past 10 years, majorly in the form of stock compensation.

<FA-Comp> Financial Analysis and Compensation Analysis

Q5: Do you believe the board of directors structured the compensation plan well so that the management team is aligned with the company's interest?

3.3 Shareholder Engagement

- Data from <***OWN***> with Ownership Summary tab shows Tesla actively engages with institutional shareholders: approximately 49% of outstanding shares are owned by institutions. Some have raised concerns about transparency in shareholder meetings.

<OWN> Security Ownership

4. Governance Highlights and Controversies
4.1 Strengths

1. **Innovative Compensation Structure**: Tying executive rewards to company performance aligns leadership incentives with shareholder value.
2. **Separation of Chairperson and CEO Roles**: Enhances oversight and accountability.
3. **Shareholder Voting Rights**: Equal voting rights promote fairness among investors.

4.2 Challenges

1. **Board Composition**: Critics point to potential conflicts of interest due to some directors' close professional relationships with Elon Musk.
2. **Transparency**: Limited disclosure on specific ESG and governance initiatives has been noted. However, transparency in BOD has been improved as having more independent members.
3. **CEO Influence**: Elon Musk's strong influence raises concerns about centralized decision-making.

Q6: What are the strengths and challenges of corporate governance in your company?

5. Analysis and Recommendations
5.1 Strengths

- Tesla's governance framework emphasizes innovation and alignment with shareholder interests through performance-linked compensation.
- The separation of the Chairperson and CEO roles reduces the risk of unchecked leadership power.

5.2 Weaknesses

- Board independence could be improved by appointing more directors without ties to the CEO.
- Greater transparency in shareholder communications and ESG reporting is necessary to bolster investor confidence.

5.3 Recommendations

1. **Strengthen Board Independence**: Recruit directors with diverse backgrounds and minimal ties to the company leadership.
2. **Improve ESG Disclosures**: Provide clearer insights into governance initiatives and environmental performance through regular reporting.
3. **Diversify Leadership**: Increase diversity on the board to better reflect global stakeholder interests.

6. Conclusion
Tesla demonstrates an innovative approach to governance yet faces challenges typical of founder-led organizations. By addressing board independence and transparency issues, Tesla can better align its governance practices with shareholder and stakeholder expectations.

Q7: What is your overall conclusion from the analysis on the board of directors and corporate governance of your company? What could be the recommendations that you can make to your company?

Bloomberg Terminal Tools Used in This Case Study:

- **MGMT** (Company Management): For company-specific data and information.
- **DES** (Security Description): For the company profile, and security-related description and information.
- **HDS** (Security Ownership): For the detailed information on the security ownership.
- **ESG** (ESG Analysis): Environment, Social, and Governance analysis.
- **FA** (Financial Analysis): For company-specific financial information.
- **RV** (Relative Valuation): To check the peer-comparison.
- **OWN** (Security Ownership): To trace the security ownership by insider, institutions, and other related information.

Appendix II. *A case study of M&A*

Case Study: M&A Analysis Using Bloomberg Terminal — Salesforce & Slack Technologies

1. Case Study Overview

This case study focuses on the acquisition of **Slack Technologies, Inc.** (Ticker: **WORK**) by **Salesforce.com, Inc.** (Ticker: **CRM**), which was announced on December 1, 2020. The transaction, valued at approximately $27.7 billion, was an all-stock deal. The acquisition aims to enhance Salesforce's position in the enterprise collaboration space and expand its ecosystem to compete more effectively with Microsoft's Teams product.

2. Transaction Overview: Transaction can be checked up with the <EVT> function

- **Deal Type**: All-stock acquisition
- **Acquirer**: **Salesforce.com, Inc. (CRM)**
- **Target**: **Slack Technologies, Inc. (WORK)**
- **Transaction Value**: $27.7 billion
- **Premium Paid**: 54% premium over Slack's 30-day average stock price before the announcement.
- **Closing Date**: The transaction was completed on July 21, 2021.

Strategic Rationale for Acquisition:

Salesforce acquired Slack to accelerate its vision of becoming the "customer 360" for businesses, offering more seamless collaboration and communication tools for enterprises. The goal was to integrate Slack's collaboration platform with Salesforce's cloud software, thereby enhancing Salesforce's competitive position against Microsoft Teams and other workplace collaboration tools.

2.1. To find if your company had M&As and to find a company that went through the M&A, use the **<MA>** function. Seach for your company in <*Search*> to check if your company had M&As. If not, you need to choose another company. The ***"Advanced Search"*** menu can help the company selection. Clicking the ***"Advanced Search"*** gives a new window presenting specific criteria with which you can narrow down your search. To select one company with the M&A information, choose ***"Last 12 Months and Completion Date"*** in Data Range, click ***"Completed"*** in Deal Status, choose ***"United States"*** in Region/Country, and choose ***"United States"*** in Exchange. Then, on the right column, you can see the result of the selection criteria. By clicking ***"Results"*** at the bottom, you can find the search results in the other windows. By choosing one industry in ***"Industry Breakdown"***, you can find the industry specific M&A information, from which you can choose one company for this case study.

3. Pre-Transaction Analysis Using Bloomberg Terminal

3.1 Financial Data (Company Profiles)

- **Salesforce (CRM)**
  - **Market Capitalization**: Approximately **$240 billion** at the time of the acquisition announcement.
  - **Revenue Growth**: Salesforce reported robust growth in its cloud offerings, generating significant cash flow, and a strong recurring revenue base. **<FA>** function can review Salesforce's financials (Revenue, EBITDA, EPS) and key valuation multiples (EV/EBITDA, P/E, P/S) compared to peers.

<*FA*> Financial Analysis

- **Slack (WORK)**
  - **Market Capitalization**: Approximately **$22 billion** at the time of the deal.
  - **Revenue Growth**: Slack was rapidly growing but had not yet reached profitability. <FA> function analyzes Slack's revenue growth, margins, and valuation relative to other SaaS (Software as a service) companies.

3.2 Valuation Analysis (Pre-Transaction)

- **Pre-Merger Share Price and Market Value**:
  - Slack's stock had been trading lower in the months leading up to the acquisition announcement. **<HP>** and **<GP>** can analyze Slack's stock price to evaluate any trends or patterns leading up to the deal announcement. ***What is your target firm's price trend and reasons behind it?***

<*HP*> Historical Price and <*GP*> Line Chart

- **Comparable Company Analysis**:
  - Use the <*RV*> (Relative Valuation) function to compare Slack's multiples with other SaaS companies such as Microsoft Teams, Zoom, and Atlassian, to assess its market valuation. However, since Slack is merged, **<RV>** is unavailable. If it is not available for your target firm on BLBG, you can use other sources to check it.
- **Premium Paid**:
  - As referenced in Section 2.1, you can find detailed information regarding your M&A transaction, including the deal price and the associated premium.
  - If not, you can calculate the premium by comparing the 30-day average price before the deal to the price that the acquirer agreed to pay per share.
  - ***Can you find the reason why there is no information on the deal price and the premium on your M&A if you cannot find them?***

4. Post-Transaction Analysis Using Bloomberg Terminal

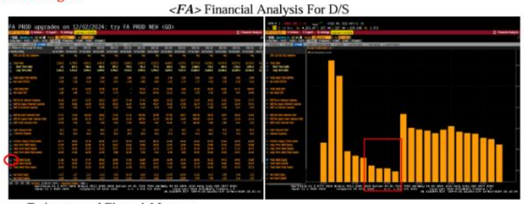
4.1 Deal Financing and Impact on Salesforce

- **All-Stock Deal**:
  Salesforce financed the entire deal with stock. You can use the **<LOAN>** (Syndicated Loan Monitor) and **<WACC>** functions to check if any debt financing was involved (e.g., for working capital) or if it was purely stock based. ***Check your firm if it is an all-stock deal or not.***

<*LOAN*> Syndicated Loan Monitor and <*WACC*> Weighted Average Cost of Capital

- **Post-Deal Leverage**:
  Use the **D/S** (Debt/Equity) function to analyze any changes in Salesforce's leverage post-deal, even though this was an all-stock transaction, and Salesforce had minimal debt. It is necessary to check for any future changes in debt or equity dilution due to stock issuance. ***Do you find any changes in the capital structure due to merger?***

<*FA*> Financial Analysis For D/S



4.2 Synergy Estimates and Financial Impact

- **Synergy Estimates**:
  Use the **<MA>** (Mergers and Acquisitions) function to track analyst reports and commentary regarding expected synergies from this acquisition. This would include cost savings in product development, integration of Slack's team into Salesforce, and potential cross-selling opportunities. ***Is your firm's merger a financial merger or an operational merger? Under what circumstances?***

<*MA*> Mergers and Acquisitions

- **Free Cash Flow (FCF) Analysis**:
  Using the **<MODL>** function to trace the free cash flows pre- and post-deal to measure the impact of the M&A to the combined entity. M&A obviously caused Salesforce's FCF to decline drastically. ***What is your acquiring firm's FCF changing?***

<*MODL*> Company Financials and ***Free Cash Flow Graph***

- **Accretion/Dilution Analysis**:
  Calculate the earnings accretion/dilution by reviewing Salesforce's post-deal earnings estimates and comparing them with pre-deal projections. This analysis will show whether the deal is expected to be accretive (boost EPS) or dilutive (reduce EPS) to Salesforce's earnings per share. As can be checked below, the deal resulted in the accretion of the EPS. ***Do you find the accretion or dilution for your acquiring firm? Any reasons behind it?***

<EEG> Earnings Estimates Graph

4.3 Market Reaction and Stock Performance

- **Stock Price Performance**:
  Salesforce's stock price moved relatively modestly post-announcement. Compare the pre- and post-announcement performance of Salesforce and Slack stock prices using the <**HP**> function. M&A between Salesforce and Slack was announced on December 1. 2020. Salesforce stock price declined by $20 near the announcement date, while Slack showed the increase in stock price by $10. ***Check your firms.***

<HP> Historical Price for Salesforce and Slack

- **Investor Sentiment**:
  Check function **<HDS>** to see how institutional investors reacted post-announcement, including any changes in institutional holdings.

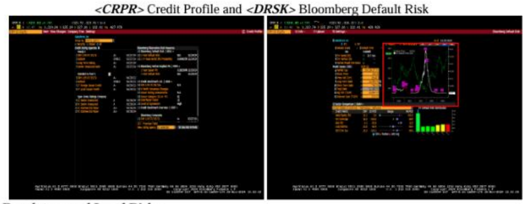
<HDS> Security Ownership – *Ownership Summary* Tab – Pre- and Post- announcement

The institutional holdings show the negative opinion on this M&A as the holdings in % has been slightly decrease from around 80% to 72.91%. ***How did the institutional investors see your firm's merger?***

5. Risk Analysis

- **Credit/Default Risk Impact**:
  Monitor any changes in Salesforce's credit/default risk rating post-announcement using the <**CRPR**> and <**DRSK**> (Credit Ratings and Default Risk) function. Although this deal was stock-based, analysts may still adjust their ratings based on the strategic rationale and integration risks. The function **<CRPR>** can only show the current status of the credit ratings, while **<RATC>** can present the changes in credit ratings of companies but only for the most recent 30 days. Therefore, those two functions may not be able to help us to trace the credit changes by the M&A. Although different type of risk, **<DRSK>** function can check the historical default risk.

<CRPR> Credit Profile and *<DRSK>* Bloomberg Default Risk



- **Regulatory and Legal Risks**:
  Given the size of the transaction, Salesforce and Slack had to go through a regulatory review process. Monitor regulatory developments or antitrust concerns using Bloomberg's <**C**N> (News Feed) function for any updates on potential delays or challenges in the approval process after adjusting with the AI News Importance and date. ***What do you find for your firm's merger?***
- **Cultural and Integration Risks**:
  Cultural integration was a key risk. Salesforce had to ensure that Slack's product and culture were integrated effectively into Salesforce's broader ecosystem. While not directly available in Bloomberg, analyst reports and news can provide insights into integration risks. ***Find some relevant news about the cultural integration for your firm's merger.***

<CN> News Feed

6. Conclusion ***(Summarize your conclusion in four factors as shown below for your firm using the findings above)***

- *Strategic Fit:*
  The merger between Salesforce and Slack made strategic sense. Salesforce aimed to create a more comprehensive suite of enterprise software that integrates customer relationship management (CRM) with collaboration tools, enabling a more seamless user experience. The acquisition helped Salesforce expand its capabilities in enterprise communication, competing more effectively against Microsoft Teams.
- *Financial Impact:*
  The acquisition was initially dilutive to Salesforce's EPS, but analysts projected it would become accretive in the long term as synergies from cross-selling and cost efficiencies materialized. Given the all-stock nature of the deal, Salesforce's share price remained relatively stable, and there was no significant increase in leverage.
- *Market Reaction:*
  The market generally reacted positively to the deal, with analysts lauding the strategic fit but cautioning about the challenges of integration. Slack's share price reflected the premium paid, while Salesforce's stock showed moderate fluctuations post-deal announcement.
- *Integration Risks:*
  As with any acquisition, integration risks were present, particularly in terms of combining the two companies' product offerings, aligning corporate cultures, and ensuring that Slack's brand identity remained intact.

Bloomberg Terminal Tools Used in This Case Study:

- **FA** (Financial Analysis): For company-specific financial data and valuation metrics.
- **HP** (Historical Price): To track stock price performance pre- and post-deal.
- **GP** (Line Chart): For the graphical illustration of historical prices.
- **RV** (Relative Valuation): For peer comparisons of valuation multiples.
- **HVG** (Historical Volatility): To track stock price volatility pre-and post-announcements or deal.
- **LOAN** (Syndicated Loan Monitor): To check the debt financing status.
- **WACC** (Weighted Average Cost of Capital): To check the capital structure of a company.
- **MA** (Mergers & Acquisitions): To track M&A deal activity and synergy analysis.
- **MODL** (Company Financials) and **FCF** (Free Cash Flow): For DCF analysis and cash flow projections.
- **EEG** (Earnings Estimates Graph): To review the post-deal earnings estimates and assess the impact of the merger on EPS.
- **HDS** (Security Ownership): To check the investor sentiment by looking at institutional investors' reaction.
- **CRPR** (Credit Ratings): To track credit ratings pre- and post-deal.
- **DRSK** (Bloomberg Default Risk): To track the credit-related risks pre- and post-announcements and deal.
- **CN** (News): For news updates on the regulatory process, integration, and any other relevant events.

Appendix III. *Tables for the survey results*

Before taking the case study with Bloomberg terminal (pre-survey)

	Extremely	**Quite a lot**	**More than average**	**Less than average**	**Very little**
1. How comfortable are you with learning on your own?	5.00%	25.00%	50.00%	20.00%	0.00%
2. How comfortable are you with learning about new software in general such as computer technologies?	8.33%	21.67%	41.67%	28.33%	0.00%
	Yes	**No**	**Not Sure**		
3. Have you accessed the Bloomberg terminal for analysis purposes before these case studies?	16.67%	83.33%	0.00%		
	Financial analysis	**Economic analysis**	**Industry analysis**	**Risk analysis**	**Not used it for analysis**
4. What types of analysis have you used the Bloomberg terminal for?	11.67%	5.00%	0.00%	0.00%	83.33%
	Advanced	**Intermediate**	**Beginner**	**Never used**	
5. How would you rate your ability to navigate and use software for analysis?	0.00%	28.33%	41.67%	30.00%	
6. How would you rate your ability to navigate and use the Bloomberg terminal for analysis?	0.00%	3.33%	30.00%	66.67%	
	Very confident	**Somewhat confident**	**Not confident**	**Never used it for analysis**	
7. How confident are you in using the Bloomberg terminal for financial analysis?	3.33%	25.00%	8.33%	63.33%	
	Yes, through University	**Yes, through self-study**	**No, through trial and error**	**Not at all**	
8. Have you received any formal training in using the Bloomberg terminal for analysis?	0.00%	5.00%	11.67%	83.33%	
	Yes	**No**	**Not sure**		
9. Are you interested in pursuing a Bloomberg terminal-related certificate before you graduate?	78.33%	0.00%	21.67%		
10. Have you ever used online trading platforms?	70.00%	21.67%	8.33%		
11. Do you have any previous professional experience outside the university?	25.00%	75.00%	0.00%		
12. Do you have any previous professional experience in the accounting or finance sector?	25.00%	70.00%	5.00%		
	2 hours +	**1-2 hours**	**Less than 1 hour**		
13. How many hours per week will you be able to dedicate to these case studies outside of this course?	46.67%	53.33%	0.00%		
	3.5 - 4	**3 - 3.5**	**2.5 - 3**	**Less than 2.5**	
14. Your current GPA range on a 4.0 scale	41.67%	46.67%	11.67%	0.00%	
	Senior	**Junior**	**Sophomore**	**Freshman**	

15. Your current academic status	78.33%	21.67%	0.00%	0.00%	
After taking the case study with Bloomberg terminal (post-survey)					
	2 hours +	**1-2 hours**	**Less than 1 hour**	**None**	
1. On average, how many hours per week did you spend working on each Bloomberg terminal case studies outside of class?	53.33%	38.33%	8.33%	0.00%	
	Much more	**Somewhat more**	**About the same**	**Less than**	
2. Compared to assignments in your other current courses, how would you rate the effort required for the Bloomberg terminal case studies?	23.33%	68.33%	8.33%	0.00%	
	Extremely challenging	**Challenging**	**Average**	**Easy**	
3. How would you rate the level of difficulty of the Bloomberg terminal case studies?	6.67%	68.33%	25.00%	0.00%	
	Excellent	**Good**	**Satisfactory**	**Fair**	**Poor**
4. Overall, how would you evaluate your learning experience through the Bloomberg terminal case studies?	25.00%	50.00%	16.67%	8.33%	0.00%
	Yes	**No**	**Not sure**		
5. Now that you are familiar with Bloomberg terminal and its uses, did the Bloomberg terminal meet your expectations?	80.00%	5.00%	15.00%		
6. Are you planning on continuing your self-education with Bloomberg terminal?	25.00%	25.00%	50.00%		
	Excellent	**Good**	**Satisfactory**	**Fair**	**Poor**
7. How would you rate your current skill level using Bloomberg terminal after completing the case studies?	0.00%	38.33%	33.33%	28.33%	0.00%
	Extremely	**More than average**	**Average**	**Some**	**Very little**
8. How satisfied are you with the Bloomberg terminal-related skills and knowledge you acquired from case studies?	8.33%	53.33%	25.00%	13.33%	0.00%
9. How relevant do you think the use of Bloomberg terminal is to our course in helping you understand advanced corporate finance topics?	33.33%	38.33%	16.67%	11.67%	0.00%
10. How open are you to learning other platforms like Bloomberg terminal?	21.67%	58.33%	5.00%	11.67%	3.33%
	A good deal	**A lot**	**A moderate amount**	**A little**	**Nothing**

11. Compared to your initial knowledge of Bloomberg terminal, how much did you learn through case studies?	25.00%	40.00%	30.00%	5.00%	0.00%
	Very likely	**Likely**	**Somehow**	**Indifferent**	**No**
12. How likely are you to use the Bloomberg terminal in the future?	8.33%	51.67%	20.00%	16.67%	3.33%
13. How likely are you to use the Bloomberg terminal certificate such as BMC or BFF certificates or related experience on your resume?	30.00%	31.67%	25.00%	8.33%	5.00%
14. How likely are you to list Bloomberg terminal experience on your resume?	16.67%	51.67%	13.33%	10.00%	8.33%
15. To what extent did the Bloomberg terminal case studies help you understand real-world applications of corporate finance concepts?	23.33%	60.00%	10.00%	6.67%	0.00%
16. Which Bloomberg terminal functions/tools did you find most helpful for your analysis?	**FA**	**RV**	**DES**	**WACC**	**BETA**
	58	23	25	25	8
	HP	**GP**	**MODL**	**CN**	**Others**
	30	35	22	18	0
	Very likely	**Likely**	**Somehow**	**Indifferent**	**No**
17. After completing the Bloomberg terminal case studies, how confident are you in using the Bloomberg terminal for finance-related tasks in internships or jobs?	8.33%	40.00%	26.67%	25.00%	0.00%
18. Do you feel that completing the Bloomberg terminal case studies has improved your career readiness in finance?	15.00%	48.33%	28.33%	8.33%	0.00%

SOCIAL ENGAGEMENT IN FITNESS WEARABLE USE: RECONCEPTUALIZING SOCIAL SHARING AND SOCIAL COMPETING THROUGH AFFORDANCE ACTUALIZATION

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ABSTRACT

Social sharing and social competing are widely treated as distinct constructs in fitness wearable research, reflecting the discrete feature architectures of modern wearable platforms. This paper challenges that assumption by drawing on affordance-actualization theory, which holds that the structure of enacted user behavior is shaped by user goals and interaction contexts rather than by technology feature categories. When multiple affordances serve a common motivational purpose, they actualize as a unified behavioral bundle rather than separate behaviors. The observed pattern supports that sharing activity data and competing with peers constitute such a bundle in the fitness wearable context and introduces Social Engagement (SENG) as a proposed reconceptualized construct capturing this unified enactment. Drawing on data from 1,028 users of fitness wearables and applying affordance-actualization theory, we report that social sharing and social competing items may be empirically difficult to distinguish. We examine whether it may also reflect theoretically meaningful convergence in how these social behaviors are enacted in fitness-wearable use. Users actualize social affordances of fitness wearables as an integrated behavioral disposition. We provide an empirical and theoretical basis for this reconceptualization, thus extending the affordance-actualization framework by demonstrating that insufficient discriminant validity may signal construct-level bundling rather than measurement error.

Keywords: Social Sharing, Social Competing, Social Engagement (SENG), Competing Models Analysis, Affordance-Actualization, Social Comparison, Self-Determination

INTRODUCTION

Fitness wearable technologies (FWTs) have become the fastest-growing consumer health-related technologies (IDC, 2024; Sharma et al., 2024). These devices converge individual health-tracking capabilities, including step counting, heart-rate monitoring, sleep analysis, goal management, and performance feedback, along with social features that enable users to share achievements and compete with peers. Advanced analytics and AI algorithms enable contemporary platforms from Apple, Fitbit, and Samsung to integrate social functionality, including activity sharing, peer challenges, leaderboards, and encouragement feeds. These social capabilities are not peripheral add-ons, rather, they represent a deliberate design strategy based on evidence that interpersonal interaction sustains physical activity over time (Beckett et al., 2025; Kidman et al., 2024; Sharma et al., 2024). For Information Systems (IS) researchers, this poses an important measurement challenge, that is, how should the social dimension of wearable use be operationalized as a construct for structural modeling?

Extant IS and health-informatics literature have treated *social sharing* (dissemination of personal fitness data and achievements) and *social competing* (engaging in goal-directed performance challenges with peers) as theoretically and empirically distinct constructs (Suh & Li, 2022; Venkatesh et al., 2003; Venkatesh et al., 2012; Zhu et al., 2017). This distinction appears conceptually reasonable. *Sharing* is disclosure-oriented, while *competing* is performance-oriented and has informed separate hypothesis paths in wearable adoption models (Zhu et al., 2017). However, this separation rests on an assumption that users experience these two behaviors as distinct. Limited wearable literature has subjected the sharing–competing distinction to discriminant validity testing, particularly in post-adoption continuance and habit formation models.

This assumption may also distort the technological architecture of wearable platforms. Social sharing and competing features are not presented to users as separate modules. They are co-located in the same interface pathways, activated by the same goal-directed actions, and embedded in overlapping social networks. For example, a user posting workout data simultaneously broadcasts performance for social scrutiny and feeds the data infrastructure that enables competitive rankings. If users enact these features as a unified behavioral episode rather than as distinct activities, modeling them as separate constructs may produce both a measurement and theoretical misspecification issue. We investigated this directly in this study by examining social sharing and social competing and testing their influence on habit formation in the model.

When we estimated a structural model of fitness-wearable continuance, social sharing, and competing, the criterion for discriminant validity was insufficient. The Heterotrait-Monotrait (HTMT) ratio between the two constructs substantially exceeded the conservative threshold (Henseler et al., 2014). The inter-construct correlation exceeded both constructs' square roots of average variance extracted (AVE), and both constructs registered inner-model variance inflation factor (VIF) values indicative of multicollinearity in their joint prediction of habitual use (Hair et al., 2019; Hair Jr et al., 2021). The two constructs were, in Henseler et al. (2014)'s terms, empirically indistinguishable.

Although the findings provide empirical results for questioning the separate existence of these two constructs, we also found some support in the literature. The observed lack of discriminant validity may reflect theoretically meaningful convergence between social sharing and social competing rather than measurement error alone. We present three converging theoretical perspectives (in addition to the empirical justification) to explain why *sharing* and *competing* would be empirically inseparable for wearable users, and the literature should account for this.

First, the affordance-actualization framework (Markus & Silver, 2008; Strong et al., 2014) highlights that technology affordances exist as bundles. In wearable ecosystems, social sharing features and competitive challenge features are co-located in the same interface pathways, triggered by the same goal-oriented actions (e.g., user posting their workout data), and actualized jointly as part of a single interpersonal engagement episode. Treating them as discrete affordances misrepresents the technological architecture.

Second, social comparison theory (Festinger, 1954) provides a deeper motivational explanation. Both *sharing* and *competing* are expressions of the same fundamental behaviors, i.e., comparative self-evaluation against relevant others. Sharing one's performance publicly invites comparison, and competing formalizes it. The underlying psychological motive is similar, and it is this shared motivational substrate, not measurement error, that suggests reconceptualizing the constructs.

Third, self-determination theory (Ryan & Deci, 2000) identifies relatedness and competence as universal psychological needs that motivate interpersonal behavior. In the fitness wearable context, both sharing (satisfying relatedness through affiliation and visibility) and competing (satisfying competence through performance benchmarking) fulfill these needs as an integrated behavioral orientation rather than as separable activities.

Social Engagement (SENG) is proposed as an integrated reconceptualization of social sharing and social competing in the fitness-wearable context, defined as an integrated behavioral pattern through which the users of fitness wearable devices actualize social affordances by sharing performance data with and competing against others within their social network. SENG is distinguished from three adjacent constructs, i.e., social influence, social encouragement, and social capital, that appear in the relevant literature.

One, SENG differs from social influence as conceptualized in the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2003), which captures normative perceptions of what important others think one should do, a cognitive belief construct, not a behavioral one.

Two, it differs from social encouragement, a one-directional supportive sub-dimension of social affordances (receiving motivation from peers) that does not encompass the active, bidirectional participation captured by SENG. Social encouragement captures a unidirectional experience, i.e., users passively receive motivational signals from peers, such as congratulations or cheering, rather than actively engaging with social features. Suh and Li (2022) illustrate this distinction in the fitness technology context, treating social support as an external input that influences user well-being rather than a behavior that users themselves enact. SENG is fundamentally different. It captures what users actively do with social affordances, involving sharing performance data and competing with others. Both of which require initiating outward actions while simultaneously receiving social feedback. This bidirectional dynamic reflects Festinger (1954) social comparison process, where self-evaluation requires actively attending to others' performance while exposing one's own standing to scrutiny. In short, social encouragement measures what others do to the user. SENG measures what users do with their devices' social affordances (Strong et al., 2014).

And three, it differs from social capital, which refers to the structural properties and resources embedded in social networks (Nahapiet & Ghoshal, 1998) rather than the enacted behaviors through which users engage with the social features of a technology artifact. Moreover, Nahapiet and Ghoshal (1998) discussed it in an organizational context. SENG is specifically reconceptualized as a behavioral-actualization construct at the individual level. It captures what users do with the social features of their wearable device, not what they perceive, believe, or possess.

Accordingly, the primary purpose of this study is measurement reconceptualization. We evaluate whether social sharing and social competing warrant treatment as distinct constructs in fitness-wearable research. Affordance-actualization theory provides the theoretical explanation for why these behaviors may converge in use, while competing-model analysis provides the empirical basis for evaluating the alternative operationalizations.

This study examines whether social sharing and social competing, although previously conceptualized as distinct behaviors, remain empirically distinguishable in the context of fitness wearable use and whether their integrated operationalization as Social Engagement provides a theoretically and empirically defensible alternative. (1), it introduces and formally defines SENG as an integrated operationalization, addressing a gap in the conceptualization of social technology use that is likely to recur as wearables, health apps, and gamified fitness platforms become increasingly prevalent. (2), it evaluates a nine-item (combined from social sharing and competing) reflective measure for SENG demonstrating internal consistency (Cronbach's α, composite reliability, and AVE), convergent validity, and discriminant validity against the habitual use construct. And (3), it provides a competing models analysis demonstrating that the unified SENG specification achieves greater global fit and a larger structural effect size (f^2) than the two-construct baseline model, demonstrating the practical and psychometric advantages of the unified operationalization.

THEORETICAL FOUNDATION

Social Affordances in Fitness Wearable Research

Affordance theory was introduced into IS research by Markus and Silver (2008) from ecological psychology (Gibson, 1979). It conceptualizes the relationship between a technology and its users not in terms of features but in terms of possibilities for goal-directed action. An affordance exists relationally. It is neither the device's property nor the user's alone but emerges from their interaction in pursuit of a goal. Volkoff and Strong (2013) elaborated this framework using critical realism, treating affordances as generative mechanisms that activate observable behavioral outcomes. Strong et al. (2014) extended this to address actualization, thereby converting affordance potential into immediate concrete outcomes, and introduced the concept of affordance bundles to capture cases in which multiple affordances are co-activated during a single goal-directed episode.

Affordance actualization does not inherently require organizational use. Its central theoretical mechanism is relational; action possibilities emerge through the relationship among the technological artifact, actor capabilities, and goals. In organizational settings those goals may be work-related. In consumer wearables they are self-directed health, performance, social comparison, relatedness, and social competing. Unlike organizational systems, where actualization may be shaped by mandated use, formal roles, and organizational objectives, fitness-wearable actualization occurs largely through voluntary, self-directed use. This context therefore provides a useful boundary condition for examining whether affordance bundling also occurs when users independently select which technological possibilities to enact.

In the context of fitness wearables, two broad categories of affordances are recognized. The first category is individual affordances, comprising features such as data collection, data analysis, performance feedback, goal management, and reminders. Individual affordances support self-regulatory behavior and the pursuit of personal health goals (Suh & Li, 2022).

The second category is social affordances, comprising features such as social sharing, social comparison, social competing, coaching, and social encouragement. Social affordances support interpersonal interaction and peer-referenced self-evaluation. Wearable platforms, including ones from Apple, Fitbit, and Samsung, all provide dedicated social infrastructure for these activities, including leaderboards, challenge systems, and activity broadcast feeds. Despite this design emphasis, the theoretical and empirical treatment of social affordances in IS research is still developing relative to individual affordances, with prior studies treating social sharing and social competing as independent predictors without questioning their discriminant validity.

Social Comparison as the Shared Motivational Substrate

We draw on Festinger (1954), whose social comparison theory (SCT) states that individuals are driven to evaluate their own opinions and abilities. Lacking objective standards, this evaluation is accomplished by comparing themselves to others. Festinger distinguished between opinion and ability comparisons, but in both cases, the motivational substrate is identical, which is, the desire to assess the self through reference to relevant social benchmarks. In the fitness wearable context, both social sharing and social competing can be expressions of the same motivational substrate. Sharing one's step count, workout duration, or activity data publicly is, in effect, an invitation to comparison, i.e., it exposes the user's performance to social scrutiny and implicitly invites others to assess their own performance in relation to it. Social competing formalizes this process. It structures the comparison with explicit rankings, time-bounded goals, and mutual visibility of outcomes. Both behaviors may serve a common underlying evaluative motive, which is why users who engage in social sharing are also those who engage in self-directed health, performance, social comparison, and relatedness goals.

Self-Determination Theory and the Integrated Behavioral Disposition

Self-determination theory (SDT) (Ryan & Deci, 2000) identifies three universal psychological needs that motivate human behavior. One, autonomy (the need to experience one's actions as self-endorsed), Two, competence (the need to feel effective in producing outcomes). And three, relatedness (the need to feel connected to and valued by others). In the fitness wearable context, social sharing and social competing fulfill relatedness and competence. They do so as part of an integrated behavioral orientation, not as independent activities. Sharing a workout achieves relatedness by broadcasting effort to peers. Entering a step challenge achieves competence by benchmarking performance. SDT predicts that these needs are not experienced in isolation. Individuals oriented toward social interaction with a wearable device tend to satisfy both needs simultaneously through its social features. This joint activation of relatedness and competence offers a second theoretical explanation for why social sharing and social competing are empirically difficult to distinguish. We propose they are not two distinct behaviors but two expressions of a unified social engagement disposition.

Prior Construct Treatments and the Theoretical Gap

IS and health informatics research have treated social features in wearable technology through three main construct families. First, social influence, in the UTAUT (Venkatesh et al., 2003), captures users' perceptions of whether important others believe they should use technology. This cognitive belief construct is not behavioral and applies to the technology acceptance rather than post-acceptance engagement. Second, social support in the literature (Suh & Li, 2022) is an external input that positively influences health outcomes. Rooted in the emotional support dimension of social support theory, this framing is unidirectional. The user passively receives peers' motivational signals instead of actively participating in social technology use. Third, social sharing and social competing have been treated as separate behavioral constructs in a few behavioral intention studies (Zhu et al., 2017). There is limited literature on providing a theoretical basis for treating these constructs as integrated, even though wearable platforms typically bundle their motivational and technological features.

The gap is not merely empirical, it is theoretical. Relevant research is limited in conceptualizing a construct to capture the integrated behavioral pattern through which users actualize the social affordances of their fitness wearable. This gap has consequences. First, it produces violations of discriminant validity when social sharing and social competing are modeled as separate predictors, as the competing models analysis in this study shows. Second, it may misrepresent the technological architecture of wearable platforms, where social sharing and competing features are co-located and jointly activated. Third, it may underspecify the psychological mechanism driving sustained social engagement, conflating a behavioral actualization construct with normative and supportive constructs.

A fourth, architectural explanation reinforces the theoretical convergence above. On contemporary wearable platforms, social competing is not independently accessible. It is structurally dependent on social sharing. For example, a user cannot participate in a Fitbit step challenge, an Apple Watch Activity Competing, or a Garmin Connect group challenge without first having a shared profile with disclosed activity data. Sharing is the technical prerequisite for competing. The platform routes competitive interactions through the same data-broadcast infrastructure as social sharing. This functional sequencing, where sharing enables competing, means the two behaviors are not merely co-occurring but co-constitutive. The architectural inseparability of these features at the platform level is what Strong et al. (2014) describe as affordance bundling, where multiple affordances are co-located and jointly activated during a single goal-directed episode.

RECONCEPTUALIZING SOCIAL SHARING AND SOCIAL COMPETING AS SOCIAL ENGAGEMENT (SENG)

The evaluation focused on the foundational steps for the reconceptualization of SENG. First our focus was on specifying the conceptual domain, second, we focused on defining its content boundaries, and third we focused on distinguishing it from adjacent constructs with which it might be confused (MacKenzie et al., 2011). Each are addressed in this section.

Social Engagement is described as the integrated behavioral pattern through which fitness wearable users actualize social affordances by sharing performance data with and competing against others within their social network. Three elements of this definition warrant elaboration.

First, SENG is a behavioral operationalization, not a perceptual or attitudinal one. It captures what users do with the social features of their device, i.e., the frequency and regularity with which they share activity data, post workout results, enter competitive challenges, and track rankings, rather than what they think, believe, or intend. This positions SENG within the actualization layer of Strong et al. (2014)'s affordance-actualization framework, where actualized affordances produce immediate, concrete outcomes (in this case, social engagement episodes), distinguished from just potentials and from downstream outcomes such as habitual use.

Second, SENG is integrated. It does not treat sharing and competing as separate behavioral dimensions that can be independently low or high. Rather, it captures a unified disposition toward social participation through the wearable. We elaborate this integration theoretically in the convergence of social comparison theory (Festinger, 1954) and self-determination theory (Ryan & Deci, 2000), as elaborated in the previous section, and is empirically supported when the two behaviors are modeled separately. A user who scores high on SENG is one who regularly and actively uses the social infrastructure of their wearable device as a site of interpersonal engagement, both disclosing their own performance and attending to others.

Third, SENG is device-mediated and goal-directed. It is not general sociability or social media use, but specifically the actualization of social affordances embedded in fitness wearable platforms. This domain restriction is intentional. It maintains construct precision and avoids conceptual conflation with broader social-technology-use constructs.

NOMOLOGICAL POSITIONING

SENG is positioned within a broader nomological network by identifying the relationship examined empirically in this study and the broader relationships proposed for future research. It is important to note at this point that this paper does not model or test the antecedents of SENG. The empirical scope is limited to the competing models analysis, which tests SENG's predictive relationship with Habitual Use as a criterion for nomological validity. The broader affordance-actualization model, in which social affordances are theorized as antecedents of SENG, is proposed as a theoretical proposition for subsequent structural modeling and is not estimated here.

A reconceptualized construct achieves theoretical credibility by demonstrating a coherent nomological network, i.e., a set of theoretically based relationships with antecedent, concurrent, and consequent constructs (Cronbach & Meehl, 1955; MacKenzie et al., 2011). We position SENG within a broader affordance-actualization model of fitness wearable continuance and identify its primary antecedents and consequences (antecedents are only theoretically proposed, not tested in this study).

Antecedents such as Social Affordances are the relational potentials for interpersonal action arising from wearable device features such as leaderboards, challenge systems, activity feeds, and social sharing interfaces, and are the theoretical antecedents of SENG. Following the affordance-actualization logic (Volkoff & Strong, 2013), social affordances represent the potential, and SENG represents its actualization. Users who perceive richer social affordances in their devices should exhibit higher SENG, because the breadth and accessibility of social features determine the ease with which interpersonal engagement can be enacted. We suggest social affordances to be specified as a formative higher-order construct comprising first-order dimensions, including data sharing, social encouragement, coaching, competing, and comparison (Suh & Li, 2022).

We focus on consequences such as Habitual Use (HU) or Continuous Use (CU) (CU only proposed here, not tested). Following Limayem et al. (2007)'s conceptualization, habitual use is the degree of automaticity with which users incorporate wearable device use into their daily routines, i.e., use that occurs without deliberate conscious initiation. We theorize that SENG is positively associated with HU and social engagement with the reciprocal accountability structure. When users regularly share and compete through their devices, peers expect continued participation, creating social obligations that sustain device use beyond the point at which initial motivation might otherwise attenuate. This mechanism is consistent with evidence that social accountability is among the strongest predictors of sustained physical activity behavior (Suh & Li, 2022). Social engagement further habituates use by embedding the device in interpersonal routines, including checking rankings, responding to challenges, and acknowledging peers' activity posts, which recur often enough to become automatic. In the broader model, HU can, in turn, predict continuous use intention (CU) (we do not test this in this study), consistent with Bhattacherjee (2001)'s expectation-confirmation model of IS continuance. Table 1 shows how SENG is differentiated from the three adjacent constructs with which it is most likely to be conflated in the wearable literature.

Table 1. Differentiating SENG with Other Adjacent Constructs

Construct	Definition/Domain	Key difference from SENG
Social Influence (SI) (Venkatesh et al., 2003)	Normative perception that important others believe one should use a technology.	This is a cognitive belief construct. Pre acceptance stage. This is not behavioral, and not wearable use enacted.
Social Encouragement (Suh & Li, 2022)	Receiving motivational signals and emotional support from others through the device.	It is unidirectional as the user is the passive recipient.
Social Capital (Nahapiet & Ghoshal, 1998)	Structural and relational resources embedded in a social network.	Network-level construct. Captures what users possess, not what they do with the device features.
Social Engagement (SENG) (This paper)	Integrated behavioral pattern of sharing performance data and competing with others via the wearable.	Behavioral actualization construct. Post-acceptance, not pre. It is bidirectional and it is device-mediated and goal-directed.

Measurement Specification and Evaluation

This study does not undertake new scale development. Rather, it reconceptualizes and evaluates an integrated measurement specification using items previously developed to assess social sharing and social competing. The initial ten-item pool therefore consisted of five social-sharing and five social-completing items adapted from Zhu et al. (2017). MacKenzie et al. (2011) informed the evaluation/specification process. This study uses PLS-SEM for model analysis. Measurement model assessment followed established PLS-SEM procedures for reflective constructs (Hair et al., 2019; Hair Jr et al., 2021).

As mentioned, the initial pool comprised ten items. Five capturing social competing behaviors (SC1–SC5) and five capturing social sharing behaviors (SS1–SS5). Following measurement model assessment in SmartPLS 4, item SC5 was dropped due to diffuse cross-loadings in the full model, leaving a nine-item final measure. All nine retained items loaded on the SENG measure with outer loadings ≥ 0.846, indicating strong indicator reliability. The final item set is presented in Table 2.

Table 2. SENG Scale Items Adapted from Zhu et al. (2017)

Item Code	Description/wording	Loading Model A	Loading Model B
SS1	I upload my fitness data (e.g., steps, miles, and running trajectory) on social media, leaderboard, or other mobile fitness app.	0.870	0.847
SS2	I comment under others' updates regarding fitness data.	0.857	0.846
SS3	I tend to share my physical activity using social media, leaderboard, or other mobile fitness app.	0.909	0.894
SS4	I volunteer to inform others about the benefit of using fitness trackers/devices on social media, leaderboard, or other mobile fitness app.	0.850	0.828
SS5	I share about the benefits I experience from using my fitness tracker/devices on social media, leaderboard, or other mobile fitness app.	0.901	0.875
SC1	I compete with others for steps using social media	0.861	0.885
SC2	I engage in friendly competing with friends, family, coworkers, or anyone else using my device	0.852	0.832
SC3	I feel left behind if I do not accomplish the team challenge goal	0.865	0.839
SC4	I am motivated by competing with others	0.850	0.808
SC5 (Excluded)	*I feel a great sense of achievement when I complete competitive goals and receive achievements and badges.*	*0.737*	*Excluded*

Note. All items rated on a seven-point Likert scale (1 = Strongly Disagree, 7 = Strongly Agree). SC1–SC4 = Social Competing items; SS1–SS5 = Social Sharing items. SC5 excluded due to diffuse cross-loadings in the full structural model. Zhu et al. (2017) presented these separately as Social Sharing and Social Competing constructs.

SENG as a latent disposition is positively associated with sharing and competing among users. This is consistent with the theoretical account discussed in previous sections, in which SENG is defined as an integrated behavioral orientation rather than a formative composite of distinct activities. Under a formative specification, dropping an item would change the construct's meaning. Under the reflective specification it does not imply that sharing and competing are behaviorally identical activities. Rather, it proposes that, within this sample and technological context, responses to these activities covary as manifestations of a broader social-engagement orientation sufficiently strongly that modeling them as distinct latent variables may not be empirically warranted.

This specification does not imply that sharing and competing cease to be conceptually identifiable behaviors. The question is whether they function as empirically separable latent constructs in this context. A higher-order specification would preserve them as distinct first-order dimensions. That specification presupposes meaningful dimensional distinctiveness. The observed insufficient discriminant-validity calls that assumption into question. Therefore, the parsimonious reflective specification is evaluated. Future research should compare reflective, reflective-reflective higher-order, and composite/formative specifications across populations and platforms.

COMPETING MODELS ANALYSIS

Data and Method

Evidence for SENG comes from an online survey of 1,028 US adults who actively use smart fitness devices. Participants were recruited via a Qualtrics panel identifying the device used and degrees of usage. Data quality was protected by retaining only complete responses and by enabling Qualtrics' automated safeguards against automated, duplicate, and fraudulent submissions. Eligible participants were required to own and actively use a fitness wearable device, which by design excludes non adopters. This inclusion criterion is appropriate given that SENG captures post adoption behavioral actualization, where the research objective concerns the nuances of sustained usage rather than the initial adoption decision. This design choice does, however, introduce a form of self-selection bias, as the sample likely over-represents highly motivated or technology literate individuals, which could inflate scores related to behavioral actualization. The sample did span a wide age range of US based users, providing diversity across age, though this does not by itself offset the motivational self-selection noted above. Consistent with the study's focus on construct reconceptualization, the analysis does not employ demographic or usage related covariates; although these characteristics were collected, their moderating influence on the SENG-Habitual Use relationship is examined separately in a companion multi group analysis, and the self-selection concern is acknowledged in the limitations.

All questions used a seven-point scale, and analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) in SmartPLS 4. Because all measures were self-reported in a single cross-sectional survey, common method bias was assessed using the full collinearity approach; all variance inflation factors fell below the threshold, indicating that common method bias does not threaten the findings. This is reinforced by the pattern of results itself: a general method factor would affect inter-construct correlations uniformly, yet discriminant validity held between SENG and habitual use and failed only between social sharing and social competing.

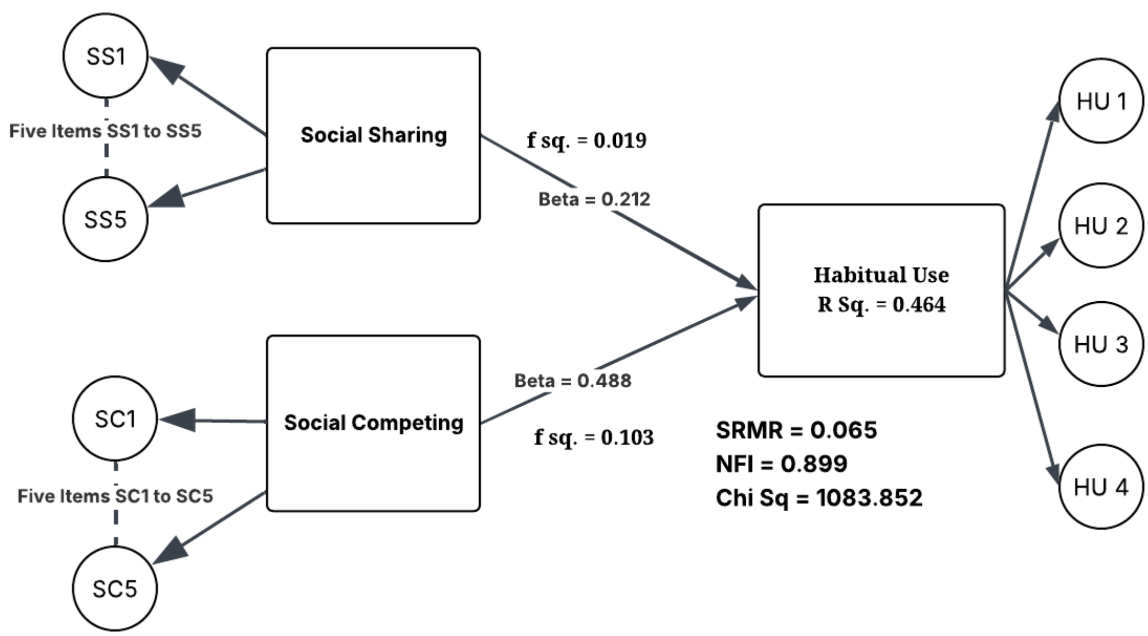

Figure 1. Model A

Next, we empirically justify the operationalization of the SENG construct. We present a competing models analysis by comparing two models in this section. Model A retained social sharing and competing as distinct constructs, whereas Model B combined the two and eliminated one (SC5) item due to diffuse cross-loadings. Both models were estimated in SmartPLS using PLS-SEM with n=1,028 (user data). The outcome variable, Habitual Use, was adopted from Oc and Plangger (2022) and Venkatesh et al. (2012). Both Figures 1 and 2 highlight this operationalization.

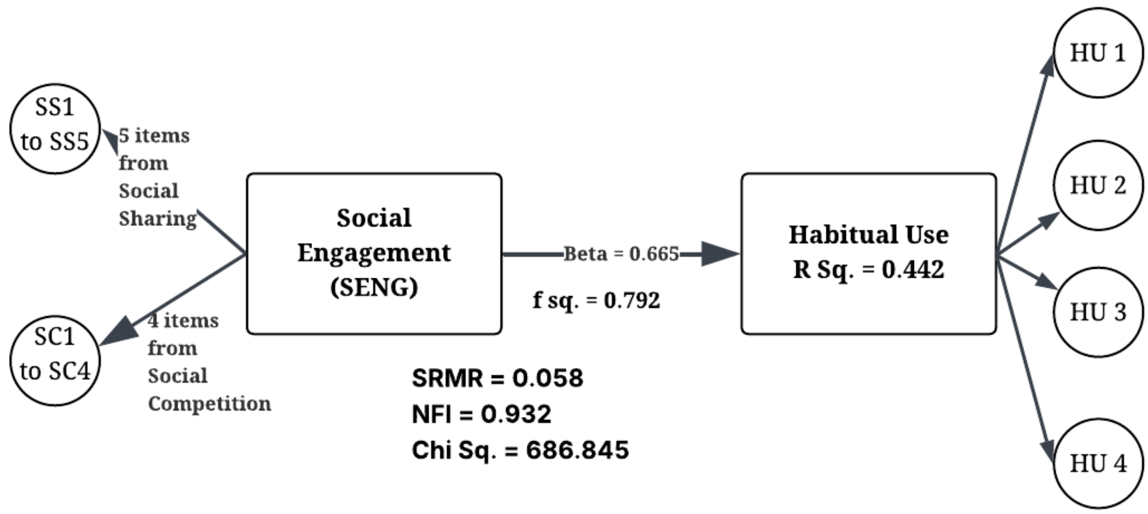

Figure 2. Model B

Based on Figures 1 and 2, we present the consolidated and comparative path coefficient data in Table 3. In Model A, both social competing and social sharing were statistically significant predictors of Habitual Use. However, the effect sizes diverged markedly. Social competing yielded a small-to-medium effect ($f^2 = 0.103$), while social sharing produced only a negligible effect ($f^2 = 0.019$), suggesting that the two constructs do not contribute equally or distinctly to the outcome (HU).

Table 3. Path Coefficients Model A, Versus Model B

Path	Beta value (β)	T-stat	P-value	95% CI
Model A: Two-Factor (Social Competing + Social Sharing → Habitual Use)				
Social Competing→Habitual Use	0.488	9.085	< .001	[0.382, 0.593]
Social Sharing→Habitual Use	0.212	3.831	< .001	[0.103, 0.319]
Model B: Unified SENG Construct (Social Engagement → Habitual Use)				
SENG→Habitual Use	0.665	34.475	< .001	[0.627, 0.703]
SENG 9 items: Composite reliability (rho_c) = 0.959; Cronbach's alpha = 0.952; Average Variance Extracted (AVE) = 0.724				
Discriminant validity: SS-SC (Model A) = 0.965 (HTMT Violated); SENG – HU (Model B) = 0.738 (Satisfied)				

Note. SENG = Social Engagement, all bootstrapping based on 10K subsamples. Confidence intervals are bias-corrected. β = standardized path coefficient; CI = confidence interval.

In Model B, the unified SENG construct demonstrated a stronger path to Habitual Use with a large effect size ($f^2 = 0.792$), well above the threshold of 0.35 for large effects. Model fit comparisons further support Model B. Model B achieved a greater Standardized Root Mean Square Residual (SRMR) of 0.058 compared with 0.065 for Model A. Both values are below the 0.08 threshold recommended by Henseler et al. (2014). The Normed Fit Index (NFI) for Model B (0.932) exceeded that of Model A (0.899) and approached the conventional 0.95 benchmark. The chi-square statistic, which assesses model fit, was also lower for Model B (686.85 vs. 1083.85), consistent with improved global fit. Although Model A produced a marginally higher R-squared (R^2) for Habitual Use (0.464 vs. 0.442), this small gain came at the cost of discriminant validity, parsimony, and conceptual coherence. Notably, Bayesian Information Criterion (BIC) favored Model A (−622.11 vs. −586.63).

Table 4. Model Fit and Selection Criteria Comparison

Criterion	Model A	Model B	Preferred
R^2 (Habitual Use)	0.464	0.442	Model A (marginal)
f^2 (effect size)	0.103 / 0.019	0.792 (large)	Model B
SRMR	0.065	0.058	Model B
NFI	0.899	0.932	Model B
Chi-square	1083.85	686.85	Model B
BIC (Habitual Use)	−622.11	−586.63	Model A
No. of predictors	2	1	Model B (parsimony)
Discriminant validity (HTMT)	Violated	Satisfied	Model B

Note. SRMR = Standardized Root Mean Square Residual; NFI = Normed Fit Index; BIC = Bayesian Information Criterion. Lower SRMR, lower chi-square, and more negative BIC indicate better fit. Higher NFI indicates better fit.

Taken together, the competing-model results provide mixed but generally supportive evidence for the unified specification. Model A retains a modest advantage in explained variance and BIC, whereas Model B demonstrates stronger performance on SRMR, NFI, chi-square, parsimony, effect size, and most critically, discriminant validity. These findings therefore do not establish the unified model as uniformly superior; rather, they indicate that the SENG operationalization represents a theoretically coherent and empirically defensible alternative when the distinction between social sharing and social competing cannot be sustained.

DISCUSSION

This study focusses on whether social sharing and social competing, two theoretically and technologically distinct social affordance features of fitness wearables (Zhu et al., 2017), constitute separate constructs or converge into a unified behavioral pattern. The theoretical argument grounded in Strong et al. (2014)'s affordance-actualization predicted convergence, and the empirical analysis of 1,028 user data suggest that responses are empirically difficult to distinguish. This section discusses theoretical contributions and practical implications.

Theoretical Contributions

This study attempts to contribute to the theory in the following ways. First, this study questions the assumed empirical distinctiveness of social sharing and social competing in fitness-wearable research and provides evidence that the distinction may not hold in this sample or context. Affordance theory explains this by focusing on how users interact with the device, rather than its features alone (Markus & Silver, 2008). Actual user actions depend on their goals and context, not simply on what the technology offers.

Second, it proposes Social Engagement as an integrated reconceptualization and alternative operationalization of those behaviors and evaluates that specification against the traditional two-construct representation. While Strong et al. (2014) was based on organizational case studies, this study shows that even individual users of consumer technology, such as fitness wearables, naturally combine sharing and competing into a single Social Engagement behavior with strong measurement support. This means, affordance bundling isn't just due to organizational settings, rather, it's a common way users interact with technology when multiple features support the same goal. The findings attempt to broaden the reach of Strong et al. (2014)'s framework.

Third, it uses affordance actualization to offer a theoretical explanation for why technologically distinguishable features may become behaviorally intertwined in voluntary consumer technology use, while recognizing that this integration may be context-and user-dependent. This is an opportunity for IS researchers to use these situations to check if constructs truly reflect distinct user behaviors.

Practical Implications

For fitness wearable designers, the observed convergence suggests that designers may benefit from considering sharing and competing as related components of social engagement rather than assuming that users experience them as entirely distinct. Products such as Apple Watch (activity sharing), Strava (leaderboards), and Garmin (connect) challenges, demonstrate the benefits of merging these social elements. Instead of tracking, sharing, and competing separately, using a single Social Engagement metric better reflects behavioral nuances supporting post-adoption usage. For researchers and practitioners, the SENG construct provides a simpler way to measure social behavior related to sharing and competing. Using the nine-item SENG measure yields more accurate and reliable data, and future research should examine whether it also works well across different ages and device brands.

LIMITATIONS

This study has several limitations. First, it used a single online survey at one point in time. Although the sample size (N = 1,028) was large, collecting data over time would help show whether the link between sharing and competing stays consistent or changes as people use wearables longer. Early users might see sharing and competing as more distinct than experienced users do.

Second, the model focused narrowly on social engagement and habitual use. The SENG construct should be tested more broadly in future studies alongside other factors, such as social influence and accomplishment. And third, all data came from U.S. users. Social norms about sharing and competing differ across cultures, so it's important to repeat this work in other countries to see whether the results remain consistent. Future research should also examine whether SENG relates to wearable use differently across brands and consider how new features, such as AI coaching, could expand or alter the construct.

Additionally, the competing models analysis does not control for user-level heterogeneity. Usage intensity, device brand, age, and gender may moderate the degree to which sharing and competing are perceived as unified. For instance, competitive users may show stronger behavioral integration of SENG, while passive social users may exhibit more separation. Further, item wording, common-method effects, and sample self-selection may contribute to the observed empirical relationships. Future research should replicate the competing model's designs, including control variables and across user subgroups, to assess boundary conditions of the SENG construct.

Importantly, the observed convergence may also be context-dependent, reflecting the extent to which particular wearable platforms technologically integrate sharing and competing features. Some users may share activity information primarily for accountability, encouragement, or social connection without competitive motivation, whereas others may engage strongly in challenges and rankings while engaging minimally in broader sharing.

CONCLUSION

This study reconceptualizes Social Engagement (SENG) as an integrated operationalization of social sharing and social competing in fitness-wearable use. Grounded in affordance-actualization theory and evaluated through a competing-models analysis, the findings indicate that social sharing and social competing are empirically difficult to distinguish in this sample. Although the two-construct specification retains advantages on R^2 and BIC, the integrated SENG specification demonstrates advantages on several other model criteria and provides a theoretically coherent alternative when discriminant validity between sharing and competing cannot be established. The findings further suggest that affordance bundling may provide a useful theoretical lens for examining voluntary consumer technology use, which future research should determine whether this convergence persists across users, platforms, and contexts.

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Book Review: Try to Love the Questions: From Debate to Dialogue in Classrooms and Life

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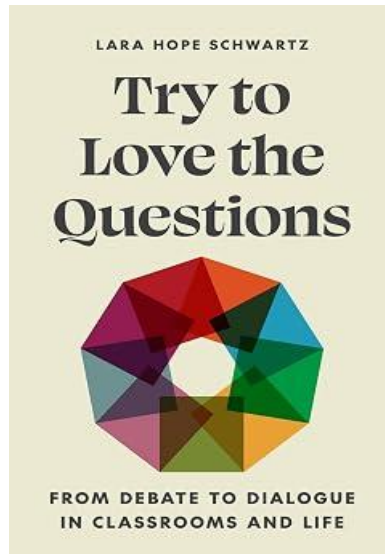
Publisher: Princeton University Press
Publication date: 2024
ISBN-13: 978-0691240015



Introduction & Context:

What does it mean to engage productively with a question when there may be no universally accepted answer? The book *Try to Love the Questions: From Debate to Dialogue in Classrooms and Life* by Lara Schwartz presents how individuals can engage constructively with complex questions, competing viewpoints, and disagreement. Schwartz's work is particularly relevant at a time when disagreement can become adversarial and complex issues are may be reduced to binary positions. Rather than seeking to eliminate disagreement, Schwartz describes ways for individuals to engage with disagreement more thoughtfully and productively. Although written primarily within the context of higher education, the book addresses competencies that extend beyond the classroom. Schwartz's (2024) emphasis on asking better questions, listening generously, examining assumptions, and engaging productively across differences has relevance for students, educators, and practitioners across business disciplines.

Schwartz, a constitutional scholar and educator, draws on her experiences with campus discourse, law, politics, and higher education to offer a framework for reinventing the classroom. Rather than approaching controversial subjects as debates, where participants select and defend opposing positions, Schwartz (2024) encourages dialogue in which participants explore the reasoning, values, and assumptions underpinning those positions. In doing so, students, who are the next generation of business professionals, will become better at engaging with questions for which there are no simple answers. Schwartz encourages students to approach disagreement with curiosity rather than treating every difficult conversation as a debate to be won. Instead of immediately defending a position, individuals can examine their own assumptions, listen to opposing perspectives, and try to understand how someone else arrived at a different conclusion (Schwartz, 2024). This approach has wide applicability, from the classroom to the boardroom and beyond.

Summary of Content:

Following a prologue, Schwartz organizes the 242-page book into six chapters that move from the broader challenges surrounding campus discourse toward practical and reflective approaches to dialogue. Chapter 1 establishes the context for productive discourse. Subsequent chapters encourage individuals to embrace questions while continuing to seek answers, understand the rules and norms governing discourse, listen and read with informed generosity and grace, communicate to be understood, and engage in self-reflection (Schwartz, 2024). Throughout the book, Schwartz incorporates discussion questions and writing exercises that encourage application of the concepts presented.

Although all six chapters contribute to Schwartz's classroom framework, Chapters 4 and 5 are arguably the book's strongest and most broadly applicable to workplace practice. Together, they address the reciprocal responsibilities involved in effective communication: understanding others and making oneself understandable.

Chapter 4 makes the case for reading and listening with a mindset of informed generosity and grace (Schwartz, 2024). The concept moves beyond simply tolerating opposing perspectives or waiting politely for an opportunity to respond. Instead, Schwartz encourages people to make a good-faith effort to understand differing viewpoints before refuting them. This emphasis on listening is especially valuable in environments where disagreement can quickly lead individuals to categorize or dismiss opposing viewpoints rather than engage with the reasoning behind them.

Chapter 5 complements this principle by focusing on the responsibility to communicate to be understood. Effective dialogue, in Schwartz's framework, does not place the entire burden on the listener. Communicators also have a responsibility to express their ideas in ways that make understanding possible (Schwartz, 2024). Together, Chapters 4 and 5 conceptualize communication in the classroom, boardroom and beyond as a reciprocal process: individuals should engage generously with the ideas of others while also considering how their own communication will be received and understood.

Analytical Evaluation:

Several of Schwartz's concepts translate readily to the kinds of communication challenges practitioners face and students may encounter in business careers. Exercises and reflection questions at the end of each chapter make it possible to practice the concepts presented rather than simply giving them theoretical consideration. Her examples also illustrate that productive disagreement does not require individuals to abandon strongly held beliefs. Instead, the audience is encouraged to question their assumptions, clarify their reasoning, and remain open to understanding competing perspectives (Schwartz, 2024).

Additionally, the book's cross-disciplinary orientation is both a strength and a potential limitation for business educators. Educators seeking direct instruction in business pedagogy will not find discipline-specific cases or applications throughout the text. Much of Schwartz's discussion originates in higher education, campus discourse, constitutional principles, and related contexts. Consequently, educators in business disciplines will need to make some of the connections to their own subject areas. However, that required translation may also be part of the book's value. Because Schwartz does not prescribe how the framework should operate within a particular business discipline, educators have considerable flexibility in adapting its principles to their own courses and students.

Some readers may also find the emphasis on dialogue difficult to reconcile with situations in which decisions must ultimately be made despite persistent disagreement. Dialogue does not eliminate competing interests, power differences, institutional constraints, or the need for decisive action. The book is most useful, therefore, not as a prescription for achieving consensus but as a framework for improving the quality of inquiry that precedes decisions.

Interdisciplinary Contribution:

The interdisciplinary value of *Try to Love the Questions* lies less in the specific contexts Schwartz examines than in the communication and reasoning skills her framework develops. Schwartz's framework positions the college classroom as a place where students can practice engaging across differences, asking questions that uncover underlying assumptions, and communicating productively when consensus may not be possible. These skills can prepare students not merely to navigate difficult classroom conversations, but to participate more effectively in the complex interpersonal and organizational environments they will encounter throughout their careers. For example, adding the phrase "under what circumstances (Schwartz, 2024, p. 26)" to questions that can be answered with yes or no can move business discussions or case analyses beyond simplistic determinations of right and wrong and toward analysis of context, competing responsibilities, and stakeholder interests. Turning positions into rules or interests (Schwartz, 2024, p. 28–29) can help students identify the principles underlying organizational decisions rather than focusing solely on outcomes. Likewise, the paired responsibilities of listening with informed generosity and communicating to be understood are applicable to collaboration, leadership, negotiation, conflict management, and organizational decision-making.

Conclusion:

Try to Love the Questions is not a traditional business education text, yet its central themes have clear relevance to business education. The communication challenges Schwartz examines—disagreement, competing perspectives, strongly held beliefs, and questions without simple answers—are not confined to college campuses. They also characterize professional environments where graduates must communicate with colleagues, customers, clients, and stakeholders whose assumptions and priorities may differ from their own. Ultimately, *Try to Love the Questions* encourages readers to reconsider not only the answers they reach, but the process through which they reach them. Although business educators will need to make their own connections between Schwartz's higher education context and their individual disciplines, the book offers a thoughtful perspective on a challenge shared across classrooms and workplaces: how to engage productively when reasonable people disagree.

Book Review: Principles of Emergency Services Management

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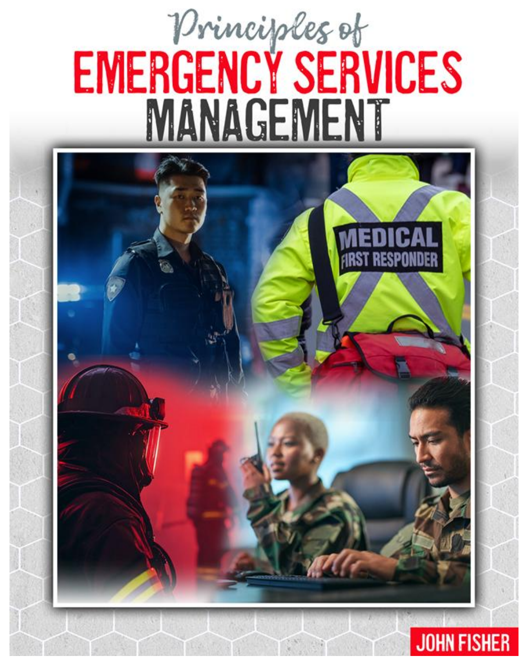
Author: John R. Fisher
Publisher: Kendall Hunt Publishing Company
Publication date: 2006
ISBN-13: 979-8-3197-1372-8



Introduction

Emergency services organizations present a unique environment for examining management. Like other organizations, police departments, fire departments, emergency medical services, emergency management agencies, dispatch centers, and related organizations must plan, organize, staff, lead, allocate resources, communicate, develop employees, manage organizational culture, and maintain accountability. Unlike most organizations, however, they must sometimes perform these functions under conditions in which information is incomplete, time is severely constrained, the operating environment is dangerous, and managerial failure may result in injury, loss of life, or widespread disruption. John R. Fisher's *Principles of Emergency Services Management* uses this distinctive organizational environment to examine established principles of management and leadership and how they apply to public safety and emergency-service organizations.

The book is designed primarily for students and practitioners preparing for leadership and management responsibilities in emergency services. However, its potential use extends beyond that audience. Many of the problems explored in the text, such as leadership, organizational culture, ethics, communication, employee well-being, resource allocation, collaboration, decision-making under uncertainty, and organizational adaptation, are fundamental concerns of business and management. The emergency-services setting provides an especially demanding context for examining them.

Management Principles in an Emergency-Services Context

A central premise of the book is that effective emergency-services leadership requires individuals to manage successfully during both routine operations and periods of disruption. Fisher describes this distinction through the useful concepts of **"blue-sky" and "grey-sky" operations**. During blue-sky periods, managers engage in familiar organizational activities such as planning, training, budgeting, staffing, prevention, employee development, and organizational improvement. Grey-sky conditions require immediate action when emergencies, crises, or disasters demand rapid decisions and operational coordination. The effective manager must function in both environments and, perhaps more importantly, recognize when circumstances require a transition from one managerial approach to another.

This distinction is one of the book's strongest contributions to management education. Traditional management texts commonly teach contingency and situational approaches to leadership, but emergency services offer an unusually tangible demonstration that managerial behavior cannot remain constant across circumstances. A collaborative leadership style appropriate during planning and organizational development may be inadequate when an incident requires immediate direction. Conversely, the command style necessary at an emergency scene can become dysfunctional when transferred indiscriminately to routine personnel management. The distinction therefore has implications well beyond public safety. Organizations facing cyber incidents, product failures, healthcare emergencies, infrastructure interruptions, reputational crises, or other major disruptions may face similar questions about when routine organizational processes should yield to crisis-oriented decision structures.

One strength of *Principles of Emergency Services Management* is the intentional connection between traditional management theory and emergency-services practice. The text then translates management concepts into emergency-services applications involving staffing, equipment, training, operational readiness, incident objectives, resource management, and accountability. This approach makes the text particularly appropriate for students who already possess technical or operational expertise but are beginning the transition into supervisory and managerial positions. Fisher therefore distinguishes management from leadership and emphasizes that supervisors need both. Management contributes structure and accountability; leadership provides influence, trust, and direction.

The connection with the Incident Command System (ICS) is particularly useful. The text gives students a way to recognize management principles in systems many emergency-services practitioners already know. For business educators, this relationship is noteworthy. ICS can be viewed as an example of temporary organizational design created to manage complex and volatile conditions. As such, the emergency-services example can stimulate broader discussions involving organizational design, project management, high-reliability organizations, cross-functional teams, and crisis management.

Leadership and the LEAP Framework

Leadership is central to the text. A distinctive feature is its use of the LEAP framework—Legitimacy, Ethics, Affect, and Persistence—to examine leadership behavior. Rather than reducing leadership to a position, personality trait, or preferred style, the framework encourages students to examine credibility, ethical behavior, relationships, emotional competence, resilience, and sustained effectiveness.

This framework's applied character is pedagogically important and a significant strength of the book. Students are encouraged not only to learn leadership theory but also to interview emergency-services leaders and analyze their experiences through the LEAP dimensions. Leadership education can easily become an exercise in memorizing theories and classifying leadership styles. Fisher instead asks students to examine leadership as practiced by real people confronting organizational problems. Other exercises similarly ask students to complete a LEAP self-assessment, identify areas for personal development, and apply the framework to crises. These activities move the text toward experiential learning and make it useful in leadership courses outside emergency services.

Communication, Inquiry, and Problem Solving

Another valuable feature is the emphasis on listening and problem solving as managerial competencies. Supervisors in emergency services often encounter operational, organizational, and employee problems simultaneously. Fisher’s treatment recognizes that technical knowledge alone does not resolve many of these situations. Managers must determine who owns a problem, gather information, listen effectively, create a climate in which employees can communicate concerns, and select responses appropriate to both the problem and the individual.

The communication material incorporates active listening, supportive versus defensive communication climates, structured problem-solving approaches, collaborative problem solving, goal setting, employee evaluation, and reflective practice. This content has considerable general-business applicability. Managers in virtually every industry must use these communication practices. The emphasis on inquiry is particularly appropriate for contemporary management education. Organizations increasingly require leaders who can diagnose problems rather than merely impose solutions. In this respect, the emergency-services setting reinforces a broader managerial lesson: decisiveness and inquiry are not opposites.

Organizational Culture, Ethics, and Human Behavior

The book's treatment of organizational culture is another area of particular value. Fisher recognizes that emergency-services organizations develop strong occupational cultures shaped by danger, discipline, teamwork, trauma, professional identity, tradition, and dependence upon coworkers. These characteristics can produce exceptional cohesion and performance, but they can also create organizational blind spots and are not inherently positive. As the text observes, loyalty can become silence, courage can become unnecessary risk-taking, and tradition can become resistance to change.

The discussion clearly parallels organizational behavior and human-resource management. Strong professional cultures exist in healthcare, aviation, the military, technology, finance, construction, and many other industries. Fisher's emergency-services examples show the managerial challenge of preserving the cultural characteristics that contribute to organizational effectiveness while confronting those that discourage dissent, conceal mistakes, exclude outsiders, or resist necessary change.

The book also introduces emergency-services organizations as **high-reliability organizations (HROs)**—organizations that operate in environments where errors can produce severe consequences. This creates another important connection with general business scholarship. Reliability, organizational learning, communication, deference to expertise, resilience, and failure prevention are important not only in public safety but also in healthcare, aviation, nuclear power, transportation, utilities, manufacturing, cybersecurity, and other complex systems.

Breadth of the Emergency-Services Concept

Fisher also adopts a broader definition of emergency services than the traditional police-fire-EMS model. The introductory framework includes not only tactical first responders but also emergency managers, dispatchers, healthcare personnel, public works and utility employees, nonprofit and voluntary organizations, mental-health personnel, and other actors who help stabilize and restore essential community functions.

This expanded perspective strengthens the book's management orientation. No individual agency has all the authority, knowledge, people, equipment, or resources needed to manage a large disaster. Effective response therefore depends on coordination among organizations with different missions, professional cultures, organizational structures, and sources of authority. This feature makes the book useful for courses on collaborative governance, network management, healthcare administration, nonprofit management, organizational resilience, and interorganizational relations.

Pedagogical Value

The strongest pedagogical characteristic is the recurring attempt to move from theory to application, and the organization of the text reflects its applied purpose. The introductory roadmap describes the early chapters as establishing foundations of management and leadership and introducing the LEAP framework; subsequent material examines management functions, communication, and problem solving; later chapters address organizational culture, ethics, technological change, and workforce issues. The appendices extend the instructional content through resources addressing academic writing and the ethical use of artificial intelligence, leadership assessment, cultural assessment, inquiry, and interviewing.

The writing style also appears intentionally accessible. The text introduces theoretical concepts without assuming that students have extensive prior exposure to management scholarship. This should make it particularly suitable for upper-division undergraduate students and practitioners transitioning into supervisory roles.

Limitations and Opportunities

The book's specialization is simultaneously its greatest strength and its most obvious limitation. Readers seeking comprehensive treatment of every functional area represented in a traditional business-school principles-of-management text will not find equivalent depth in areas such as finance, marketing, accounting, operations analytics, or strategic market analysis. Those subjects are peripheral to the book's purpose. The text is better understood as a management and leadership book focused on organizations responsible for public safety and community stability.

Likewise, instructors using the book outside emergency-services programs may need to make the transferability of some concepts explicit. Examples are understandably drawn primarily from police, fire, EMS, emergency management, dispatch, and related organizations. Business students unfamiliar with those institutions may require additional cases demonstrating how the same principles operate in corporations, healthcare systems, nonprofit organizations, or other industries.

The breadth of topics covered also creates an inevitable tradeoff between scope and depth. Instructors seeking advanced treatment of any single topic will likely want to supplement the book with peer-reviewed research and specialized readings. These limitations do not diminish the book's primary contribution. Rather, they define its appropriate role. *Principles of Emergency Services Management* is not intended to replace a specialized text in organizational behavior, human resource management, business strategy, or emergency management. Its contribution lies in bringing major management and leadership concepts together and examining them through the distinctive organizational realities of emergency services.

General Business and Interdisciplinary Application

For readers of the *Quarterly Review of Business Disciplines*, the most interesting question may be whether a textbook focused on emergency services has relevance to business education more broadly. The answer is yes, although its value is strongest in particular areas.

The book is especially relevant to courses in leadership, organizational behavior, public administration, crisis management, healthcare management, organizational resilience, high-reliability organizations, business continuity, and nonprofit or public-sector management. It could also serve as supplementary reading in general management courses when instructors wish to demonstrate how familiar management theories perform under extreme conditions.

Fisher demonstrates that management principles do not cease to operate when an organization enters crisis. Instead, their importance becomes more apparent. Planning, communication, trust, organizational design, leadership, employee well-being, ethics, and resource management remain essential, but the time available to exercise them contracts dramatically.

The distinction between routine and crisis management also invites an important question for managers in all sectors: **Can an organization change the way it leads and manages as rapidly as its environment changes?** Emergency-services organizations face this question routinely, but contemporary businesses increasingly confront analogous challenges generated by technological disruption, cyberattacks, supply-chain failures, natural disasters, public-health emergencies, reputational crises, and rapid workforce change.

Overall Assessment

Principles of Emergency Services Management provides an applied introduction to management and leadership for individuals working in or preparing to enter supervisory roles across the emergency-services professions. Its principal strength is not that it offers a separate theory of management for emergency services, but that it demonstrates how established management and leadership principles operate in an unusually demanding organizational context.

The book should be particularly well suited as a primary textbook for undergraduate courses such as Principles of Management for Emergency Services, Emergency Services Leadership, Public Safety Administration, Fire Service Administration, Police Leadership and Administration, EMS Administration, and Emergency Management Leadership. It could also support courses in homeland security, crisis leadership, organizational behavior in public safety, and high-reliability organization management. For programs outside emergency-services, selected chapters could provide useful supplementary material in courses addressing leadership, organizational behavior, crisis management, public administration, healthcare management, organizational resilience, ethics, and interorganizational collaboration.

Fisher's most useful pedagogical accomplishment is connecting management theory to the realities people face when leading organizations under both routine and extraordinary conditions. Students are asked not simply what management and leadership theories say, but what those theories mean when managers must make decisions with incomplete information, limited resources, competing priorities, public scrutiny, stressed employees, and potentially severe consequences.

For emergency-services students, this makes management theory more immediately relevant to professional practice. For the broader business audience, it provides a different and valuable perspective: organizations operating under extreme conditions can reveal fundamental principles of leadership, culture, communication, coordination, ethics, and resilience that are sometimes less visible during ordinary organizational life. In that respect, *Principles of Emergency Services Management* is not only a textbook about managing emergency-service organizations. It is also a case study in what management requires when circumstances place extraordinary demands upon organizations and the people who lead them.

QUARTERLY REVIEW OF BUSINESS DISCIPLINES

VOLUME 13 NUMBER 1/2 AUGUST 2026

This issue is now available online at www.QRBD.net.

A JOURNAL OF INTERNATIONAL ACADEMY OF BUSINESS DISCIPLINES
SPONSORED BY UNIVERSITY OF NORTH FLORIDA
ISSN 2334-0169 (print)
ISSN 2329-5163 (online)