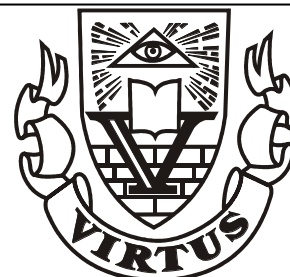


RISK GOVERNANCE & CONTROL: Financial markets and institutions

VOLUME 6, ISSUE 2, SPRING 2016

CONTENTS



EDITORIAL

GOVERNANCE AND REGULATION OF THE TOURISM INDUSTRY: AN INTERNET MARKETING PERSPECTIVE

7

MM Lebambo, R Shambare, R Matlala, R Costa Mousinho

The purpose of this qualitative study is to establish governance and regulation issues pertaining to Internet marketing approaches within the South African tourism sector. The study focuses on the norms and practices of Internet marketing among small-scale lodging establishments in Bushbuckridge – a small tourist town in northeast South Africa. In-depth interviews were collected from eight participating bed and breakfast (B&B) owners. Findings revealed that, while Internet awareness was quite high, only a few B&Bs utilised the Internet for marketing.

THE INFLUENCE OF GENDER AND OPERATIONAL LOCALITY ON ENTREPRENEURIAL KNOWLEDGE AND BUSINESS PERFORMANCE

14

Catherine Oluwatoyin Chovwen, Sunday Samson Babalola

This study set to examine the influence of gender and entrepreneur's operational locality on entrepreneurial knowledge and business performance. A quantitative approach using a cross sectional survey design is utilised for the study. The findings indicate that male micro-entrepreneurs score significantly higher on areas of planning and risk assessment while micro-entrepreneurs from Delta State of Nigeria have higher significant mean scores in six of the seven parameters of entrepreneurial knowledge and business performance.

PUBLIC SECTOR ACCOUNTING IN THE EDUCATION SYLLABI OF LEADING CHARTERED ACCOUNTANT PROFESSIONAL BODIES: A COMPARATIVE STUDY

21

Ahmed Mohammadali-Haji, Zafeer Nagdee

This study explored the nature and extent to which public sector accounting features in the education syllabi of the leading chartered accountant professional bodies that form part of the IFAC contingent. By following an explorative approach, the study identified international trends within the ambit of public sector accounting education and provides guidance for other professional bodies in assessing the nature and extent of their public sector accounting education requirements.

IMPACT OF CREDIT INFORMATION ON THE BANKS STABILITY: GLOBAL EXPERIENCE AND LESSONS FOR UKRAINE

28

Inna Bielova, Taras Savchenko

In this paper, we propose to focus on a group of factors of credit risk that are connected with the availability of information about the borrower. The low efficiency of the national system of collecting information about borrowers in Ukraine in comparison with foreign models was confirmed by the quantitative analysis. This tendency cases the high level of credit risks and low financial stability level of domestic banks. It is necessary to make active efforts on improving the effectiveness of credit bureaus in Ukraine by establishing public credit registry and also to focus on solving other problems associated with the collection and use of information about borrowers.

INFLATION IN NIGERIA: POSSIBLE DETERMINANTS AND REMEDIES TO TACKLE IT IN NIGERIA **35**

Godly Otto, Wilfred I. Ukpere

This study examined the factors responsible for increasing cost of production and spending behaviour in Nigeria. It was able to identify 13 factors that impact on inflation. However, the degree of impact of each factor is left for another study. The study recommends that government should concentrate on providing social infrastructure that would encourage the private sector to invest and expand output, taking advantage of existing unemployed resources. This would help to stem inflation in Nigeria which is usually caused by scarcity.

RISK ASSESSMENT AND MITIGATION AT THE INFORMATION TECHNOLOGY COMPANIES **44**

Ben Marx, Deon Oosthuizen

The study investigated the recommended approaches for the task of software patching, with a view to balancing the sometimes conflicting requirements of security and system availability. The study found that there are a number of key aspects that are required to ensure a successful patching process and that the internal auditors of the 'big four' South African banks considered most of these factors to be important.

GOVERNANCE OF THE VENTURE CAPITAL INVESTMENT: FACTORS INFLUENCING SELECTION OF AN IT FIRM **52**

Shailendra Kumar, Amar Johri

This study was conducted in 2014 to find out the important aspects affecting decision making process while selecting an Information Technology firm. We have analyzed the qualitative and quantitative aspects suggested by the previous studies and studied the relationship between choice of factors among different investors and assigning weightage for them with respect to screening of an IT firm for investment.

ASSESSING ORGANISATIONAL GOVERNANCE MATURITY: A RETAIL INDUSTRY CASE STUDY **58**

Hendrik Marius Wessels, Naomi Wilkinson

This study aims to determine whether the organisational governance maturity framework (developed by Wilkinson) can be applied to the selected retail industry organisation to assess the maturity of the organisation's governance, limited to the 'leadership' attribute. The empirical results confirmed that the organisational governance maturity framework can be used to determine the maturity level of organisational governance for the selected attribute of 'leadership'.

DISTRESS RISK AND LEVERAGE PUZZLES: EVIDENCE FROM TAIWAN **72**

Kung-Cheng Ho, Shih-Cheng Lee, Po-Hsiang Huang, Ting-Yu Hsu

This study investigates whether the relationship between distress risk and leverage puzzles exists in the Taiwan market. When examined separately, distress intensity is found to be negatively related to stock returns, but leverage is found to not be significantly related to stock returns. The results are the same when distress intensity and leverage are examined simultaneously. After assessing the robustness by using O-scores, distress risk puzzle is found to exist in the Taiwan market, but the leverage puzzle is not.

ALARMING OF EXCHANGE RATE CRISIS: A RISK MANAGEMENT APPROACH **79**

Da Zhao, Tianhao Wu

This paper attempts to build an econometrics model so as to forecast and manage risks in foreign exchange market, especially during the eve of turbulent periods. By following McNeil and Frey's (2000) two stage approach called conditional EVT to estimate dynamic VaR commonly used in stock and insurance markets, we extend it by applying a more general asymmetric ARMA-GARCH model to analyze daily foreign exchange dollar-denominated trading data from four countries of different development levels across Asia and Europe.