

Letter from the Editor

BY ALBERT J. MILLS

Welcome to the Workplace Review for Spring, 2019. As many people may realize, for several years now the Sobey School of Business' *Workplace Review* has largely served to showcase some of the best work presented at the annual meetings of the Atlantic Schools of Business. As such, the papers have all been previously peer reviewed for acceptance for presentation at the annual conference – in this case the 2012 Moncton conference, hosted by the Département administration of the Université de Moncton.

In this Spring (2019) edition we present papers by Ken MacAulay and Mary Oxner of the Department of Accounting and Finance of the Gerald Schwarz School of Business at St. Francis Xavier University; William C. ('Bill') Murray from the School of Hospitality, Food and Tourism Management at the University of Guelph; Robert A. MacDonald of the Faculty of Business Administration at Crandall University; and Mary Beth E. Doucette of the Shannon School of Business at Cape Breton University, with Nicholous ('Nick') M. Deal of the Sobey School of Business at Saint Mary's University.

In the first article Ken and Mary study "the relationship between corporate governance and dividend policy in Canada." While they conclude that "corporate governance is positively related to the size of the dividend paid," they "do not find support for a relationship between corporate governance and the propensity to pay a dividend."

Switching gears, in our second paper Bill Murray "explores the motivations of Canadian hotel employees by measuring self-reported rankings of preferred job rewards using the Ten Factor Model." The study revealed that "job reward preferences varied by job level." Murray found "three motivators identified in the top job positions – good wages, working conditions, and job security. However, he also found that across four identified job levels good wages differed significantly from working conditions which, in turn, differed from job security. Thus, for example, while supervisors ranked the top three motivations in the order of good wages, working conditions, and job security, managers ranked good wages and working conditions as the top two but ranked job security fifth.

In the third paper Mary Beth and Nick explore the extent to which a focus on Canadian data features in the presented work at the annual Administrative Sciences Association of Canada (ASAC) and in publication in the associated journal – The Canadian Journal of Administrative Sciences (CJAS). To that end they build on the tensions between becoming internationally viable while being centrally focussed on Canadian interests and concerns, moving the exploration of conference presentations to study of the various discourses and themes that appear in CJAS. They conclude that "it is a critical premise to the argument that Canadians are exceedingly not satisfied with multiplicity and are moving toward more pluralistic ways of operating and will require governance structures that can adapt and accommodate this way of operating in a complex world."

Our final contribution is in our case research feature. Here Robert provides three case studies of Pinecone Construction, focusing on 1) Getting it together, 2) Making it work and 3) Keeping it going. The cases are useful for developing critical thinking, entrepreneurial motivation and ownership forms.

Finally, we encourage new submissions especially from papers presented at recent ASB conferences but also from outside of those forums. Workplace Review aims to publish high-quality articles from authors in Atlantic Canada, or on topics pertinent to the Atlantic Canadian and Canadian context. We are also pleased to consider special issues. If you have an idea for a special issue of the Workplace Review, please contact myself (albert.mills@smu.ca) and/or Ellen Shaffner (ellen.shaffner@smu.ca). To submit a paper for review, please contact Ellen Shaffner, Managing Editor, at the email above.

Ken MacAulay
Mary Oxner
Department of Accounting and Finance
Gerald Schwarz School of Business
St. Francis Xavier University

THE RELATIONSHIP BETWEEN CORPORATE GOVERNANCE AND DIVIDEND PAYOUTS IN CANADA¹

This paper studies the relationship between corporate governance and dividend policy in Canada. We find that corporate governance is positively related to the size of the dividend paid for dividend paying companies. We do not, however, find support for a relationship between corporate governance and the propensity to pay a dividend.

Introduction

A number of studies have examined the relationship between corporate governance and dividend policy (for example, Jiraporn et al (2011) and Chang et al (2017)). In these studies, corporate governance and dividends are seen as mechanisms to reduce agency costs arising from the free cash flow problem (Jensen, 1986). The argument is that, to the extent that there is excess cash available, management can use/waste the cash on transactions/perks that benefit their interests at the expense of the shareholders' interests. Two possible solutions to this problem exist. The first solution is to reduce the cash available to managers for consumption/waste. This is most easily accomplished by paying the cash directly to shareholders (dividends). The second solution is to monitor management decisions. This monitoring should improve the quality of management decisions and, as a result, reduce the consumption/waste of corporate resources by management. Management can be monitored by a number of different parties: financial analysts, holders of company debt, and shareholders (through the board of directors) being the more important sources. Our interest for this study is the relationship between the monitoring exercised by existing shareholders (i.e., corporate governance) and dividends. Both of these decisions, the quality of governance exercised over management and the decision to pay a dividend, are decisions made by the same body representing the shareholders, that is, the board of directors. Because both decisions are made explicitly by the board, we are interested in exploring how they interact. More specifically, does the level of corporate governance impact dividend policy?

LaPorta et al (2000) have proposed two hypotheses (outcome and substitution) to explain how the level of governance may interact with dividend decisions. Under the outcome hypothesis, firms subject to a stronger governance environment are more likely to pay higher dividends. Higher corporate governance would mean that management is less likely to consume/waste the cash resources and therefore the excess cash will be returned to shareholders via dividends. In our study, the implication would be that firms whose boards exhibit greater corporate governance should pay higher dividends.

¹ We wish to acknowledge the helpful comments of Dr. Shantanu Dutta, University of Ottawa in the development of this paper.

Under the substitution hypothesis, LaPorta et al (2000) view dividends as a substitute for a strong governance environment. Under this view, firms with weaker corporate governance reduce agency costs by paying higher dividends. Dividends are effective at reducing agency costs because they represent a credible signal to the market. They are costly to pay due to either the potential lost investment opportunities or the high costs of externally financing these investment opportunities (Jiraporn et al, 2011 and Borokhovich et al, 2005). Further they also effectively pre-commit the firm to continue to pay them in the future because of the high costs associated with dividend cuts (John and Knayzeva, 2006). All else equal, firms with low corporate governance should be more likely to pay greater dividends to reduce agency costs whereas firms with high corporate governance should be less likely to pay dividends given that they are costly to pay.

Our results are consistent with the outcome hypothesis. Similar to Jiraporn et al (2011), for dividend paying firms, we find evidence that firms with higher levels of corporate governance have higher dividend payout ratios. These firms have the capacity to pay dividends and they have corporate governance structures in place to represent the interests of existing shareholders. The effectiveness or strength of these structures directly and positively influences dividend payout ratios.

Unlike Jiraporn et al (2011), we do not find evidence that the propensity to pay a dividend is related to corporate governance. We argue that this is not surprising for two reasons. First, the decision to pay a dividend is heavily influenced by factors other than corporate governance such as a firm's strategy and/or investment opportunities. Second, the nature of the non-dividend paying firms is that on average they had negative retained earnings and experienced negative earnings. Many of these firms were incapable of paying a dividend. Cash balances in many of these firms are likely the result of financing efforts in the debt and equity markets. The need to go to the market will impose its own discipline on management. Thus we conclude that dividend non-payers can have completely different governance dynamics.²

Our paper makes two contributions. First, we provide additional empirical evidence of the importance of corporate governance to dividend policy. This builds on the recent work supporting the outcome hypothesis by authors such as Jiraporn et al (2011) and Chang et al (2017). Second, we extend recent Canadian studies by Adjaoud and Ben-Amar (2010) and Chang and Dutta (2012). We are the first Canadian study to examine this issue using both a comprehensive measure of corporate governance and a sample that includes small and large Canadian firms in the same study.

The remainder of the paper proceeds as follows. Section 2 reviews the relevant empirical literature and Section 3 describes the variables used in the study and the sources of data. Section 4 presents the empirical results of our study and Section 5 concludes the study.

Literature Review

Much of the previous research on the impact of corporate governance on dividends has been conducted in the United States. While Canada shares many similarities with the United States, several significant differences exist in the institutional environment. First, Canadian firms are smaller than US firms and therefore may have fewer resources to spend on governance. Second, compliance with corporate governance standards is voluntary in Canada (i.e., firms are subject to a “comply or explain” approach) (MacAulay et al, 2009) whereas compliance is mandated in the US. In addition, the equity market is less liquid in Canada (higher information asymmetry), dividends are taxed differently in Canada, and the

² In fact, traditional corporate governance as exercised by the board of directors may be lower for these firms. Monitoring by other parties (debt holders, potential new equity holders) may mean not as many resources have to be invested in monitoring by the board. Thus the fact that corporate governance is on average lower for dividend non-payers does not necessarily mean that the level of monitoring is lower.

ownership structure (i.e., presence of blockholders) differs in Canada (Chang and Dutta, 2012). These differences in the institutional environment could have an impact on the relationship between corporate governance and dividend policy.

Using an agency theory perspective, a number of studies have examined the relation between firm-specific corporate governance and dividend policy. These studies have found evidence to support both the substitution and outcome hypotheses as developed by LaPorta et al (2000). Earlier work by Jiraporn and Ning (2006), John and Knyazeva (2006), Officer (2006) and Aivazian et al (2003) found evidence supporting the substitution hypothesis. More recently, Jiraporn et al (2011) and Chang et al (2017) found evidence supporting the outcome hypothesis.

In Canada, Adjaoud and Ben-Amar (2010) and Chang and Dutta (2012) examined the relation between corporate governance and dividend policy. Adjaoud and Ben-Amar (2010) found evidence of a positive relation between corporate governance and dividend policy, consistent with the outcome hypothesis. Similar to Jiraporn et al (2011), Adjaoud and Ben-Amar (2010) used a comprehensive measure of corporate governance to avoid the problems of associated with using only a few items to assess corporate governance. Unfortunately, the use of this measure restricted their sample to only the largest companies in Canada. Adjaoud and Ben-Amar (2010) also included both dividend payers and non-payers together in their analysis. In contrast, Jiraporn et al (2011) analyzed separately the decision to pay a dividend (i.e., propensity to pay) from the decision of how much to pay (i.e., size of the dividend).

Chang and Dutta (2012), in contrast to Adjaoud and Ben-Amar (2010), found evidence of a negative relation between corporate governance and dividend policy. Their finding is consistent with earlier studies and is not particularly surprising given that they did not use a comprehensive measure of corporate governance (like Adjaoud and Ben-Amar (2010) and Jiraporn et al (2011)). Their corporate governance measure however allowed them to study small, medium and large companies, a much larger range than Adjaoud and Ben-Amar (2010) could. Chang and Dutta (2012) also restricted their sample to only dividend paying companies and therefore ignored the 'decision to pay a dividend' decision.

LaPorta et al (2000) originally proposed the outcome hypothesis and the substitution hypothesis to explain how the level of governance may interact with dividend decisions. Recent studies in Canada have found evidence consistent with both hypotheses. The purpose of this paper is to extend this work by examining the decision to pay a dividend separately from the decision of how much to pay using a cross-section of different sized companies and a comprehensive measure of corporate governance.

We argue that the decision to pay a dividend is different from the decision of how much to pay. The decision to pay a dividend tends to be a permanent decision that, once made, is very difficult to reverse. As noted earlier, dividends are costly due to potential lost investment opportunities or the high costs of externally financing these investment opportunities. Further most firms continue to pay dividends once instituted because of the high costs associated with dividend cuts. In summary, the decision to pay a dividend is likely more heavily influenced by factors such as the firm's strategy and/or investment opportunities and likely less so by the level of its ongoing corporate governance. As such, we suspect that the current level of corporate governance may be a secondary factor in the decision to pay a dividend. We therefore propose to test the following null hypothesis:

H1: The decision to pay a dividend is unrelated to its level of corporate governance.

Consistent with Jiraporn et al (2011), we also argue that the amount of the dividend paid will be influenced by the level of corporate governance exerted by the board of directors of the firm. Given that evidence has been found to support both the substitution and the outcome hypotheses, we propose to test the following null hypothesis:

H2: The amount of the dividend paid by a company is unrelated to its level of corporate governance.

Data

The financial data for this study is retrieved from Stock Guide. All publicly listed firms that traded on the TSX in the period 2003 to 2007 are included except for utilities (Stock Guide industry groups 71 to 73) and financials (Stock Guide industry groups 91 to 94). This results in the coverage of approximately 650 companies per year in the period.

CORPORATE GOVERNANCE

Corporate governance is determined using a 20 item index based on NP58-201 guidelines that we label “CG-rank”. The details of its construction can be found in MacAulay et al (2009) but essentially one point is assigned if a firm complies with one of the 20 recommended guidelines in the index. This ranking covers roughly 500 companies per year after eliminating financials and utilities in the 2003 to 2007 period.

DIVIDENDS

This study analyzes separately the decision to pay a dividend (i.e., propensity to pay) from the decision of how much to pay (i.e., size of the dividend). To analyze the decision to pay a dividend, we created a dummy variable that was assigned a value of 1 if the common dividend reported in the Stock Guide database was positive and assigned a value of 0 otherwise. To analyze whether the amount of the dividend is related to the level of corporate governance, we used the common dividend paid deflated by total assets as reported in the Stock Guide database as our measure of dividends.

DESCRIPTIVE STATISTICS

The descriptive statistics for key firm characteristics can be found in Table 1. These characteristics are further broken into dividend payers and non-payers in Table 2. As can be seen from Table 2, dividend payers are larger, more levered and more profitable than dividend non-payers. Dividend non-payers are characterized by greater research and development expenditures, greater capital expenditures and negative retained earnings. This is in agreement with the literature; higher capital expenditures and higher research and development expenditures are consistent with dividend non-payers having greater investment opportunities. Thus it appears that non-payers do not pay dividends because either the costs are too high (costs associated with lost investment opportunities or externally financing investment opportunities) and/or they are incapable of legally paying dividends (because retained earnings are negative). Finally, it should be noted that dividend payers have less cash and higher corporate governance rankings than non-payers. These findings are all consistent with Jiraporn et al (2011).

Further we note that although the average cash balance for non-dividend payers is greater, on average they had negative retained earnings and negative earnings (see Table 2). Many of these firms would be incapable of paying a dividend and therefore there could be no interaction between the level of corporate governance and the decision to pay a dividend.

Results

We first examine whether corporate governance is related to the decision to pay a dividend. To do so, we test the following general logistic regression model.

$$\text{Dividend Decision} = \alpha + \beta \text{ Corporate Governance} + \sum \delta_i (\text{Control Variables}) + \varepsilon$$

A model consistent with Jiraporn et al. (2011) is used first to examine the relationship between corporate governance and the dividend decision. More specifically the model is of the following form:

$$\text{DivDec} = \alpha + \beta_1 \times \text{CG-rank} + \beta_2 \times \text{Size} + \beta_3 \times \text{Leverage} + \beta_4 \times \text{Profitability} + \beta_5 \times \text{CapitalExpRatio} + \beta_6 \times \text{R\&DExpRatio} + \beta_7 \times \text{TaxRatio} + \beta_8 \times \text{CashHoldings} + \beta_9 \times \text{RetainedEarnings} + \beta_{10} \times \text{RepurchaseDummy} + \beta_{11-14} \times \text{YearDummy} + \beta_{15-21} \times \text{IndustryDummy} + \varepsilon$$

where:

DivDec =	Dividend Decision, a dummy variable that is assigned a value of 1 if the firm pays a dividend during the year, and 0 otherwise.
CG-rank =	The governance score obtained from hand collecting compliance with NP58-201 guidelines from company filings in SEDAR. The score can range from 0 to 20.
Size=	Ln of total assets. ³
Leverage=	Ln of Debt ratio. It is calculated as (Longterm Debt + current portion) divided by (bank loans + short and long debt + total equity).
Profitability=	Ln of net profit margin. Net profit margin is (net income - minority interest) divided by revenue and multiplied by 100.
CapitalExpRatio=	Ln of the ratio of capital expenditures to total assets.
R\&DExpRatio=	Ln of the ratio of research, development, exploration expenses to total assets.
TaxRatio=	Ln of the ratio of income tax to total assets.
CashHoldings=	Ln of the ratio of the cash position, (cash + marketable securities) to net total assets (total assets less cash+market securities).
RetainedEarnings=	Ln of the ratio of retained earnings to total equity.
RepurchaseDummy=	Dummy variable assigned a value of 1 if the change in capital stock for a firm is negative.
YearDummy=	Dummy variable assigned a value of 1 for years 2003, 2004, 2005 and 2006. The year 2007 is the base case.
IndustryDummy=	Dummy variable assigned a value of 1 for industry groupings by stock guide. The following categories were used. Energy was Industry20 (included stock guide industries 21 to 27), Industrials was Industry30 (included stock guide industries 31 to 47, Consumer Discretionary was Industry50 (included stock guide industries 51 to 59), Consumer Staple was Industry60 (included stock guide industries 61 to 69), Telecommunications Services was Industry75 (included stock guide industries 76 to 79), Information Technology was Industry80 (included stock guide industries 81 to 89), Healthcare was Industry95 (included stock guide industries 96 to 99). Materials, Industry10 (included stock guide industries 11 to 19) was the base case. Utilities (stock guide industries 71 to 73) and Financials (stock guide industries 91 to 94) were excluded from the study.

³ We also note that nature of our sample (many small firms) resulted in outliers and skewed distributions for the financial variables used. We transformed all our financial variables using the natural logarithm and further we trimmed the top and bottom 1% of all observations (unless it was censored).

The model above controls for variables identified in previous studies as potentially affecting dividend policy. We include controls for standard variables such as size, leverage and profitability for similar reasons to those used in Jiraporn et al (2011) and Adjaoud and Ben-Amar (2010). We expect larger firms and more profitable firms to be more likely to pay dividends while we expect more levered firms to be less likely to pay dividends. We also include the variables for capital expenditures and R&D expenditures to act as proxies for growth opportunities and investment opportunities respectively (Jiraporn et al, 2011). We expect both to be negatively related to the propensity to pay dividends for reasons mentioned earlier. In addition, to be comparable to Jiraporn et al (2011) we also include variables to account for the tax efficiency of dividends and the amount of cash but we make no prediction as to the relationship with dividend policy.

Importantly for our sample, we include a variable (RetainedEarnings) to capture the amount of earned capital to contributed capital. This variable is especially important for our study because we include many smaller companies in our sample that are not typically studied. Many of these smaller companies are start-ups or exploration companies that are not yet profitable. They often need to go to the equity market to raise the cash to fund their operations. As such, they are characterized by negative retained earnings and are therefore not legally able to pay dividends.⁴ We suspect that this variable will have a strong positive relationship to the decision to pay a dividend.

Finally, we also include a variable to estimate the impact of stock repurchases. Stock Guide did not have a variable to identify stock repurchases. The database did have a variable that captures the changes to capital stock. It is the sum of the common shares and preferred shares that were issued or repurchased. We created a dummy variable and assigned a value of 1 if the change in capital stock for a firm is negative. We expect this variable to be positively related to the decision to pay a dividend. Many companies will use stock repurchases as a way to return cash to shareholders without committing to the return of the cash on an ongoing basis. Thus we expect that it will be part of a firm's dividend decision and therefore it will be mostly firms that are already paying cash dividends that repurchase stock.

The results of the panel data logistic regression can be found in Table 3. Because of uncertainty as to the accuracy of our repurchase dummy, we report on two models. Model 1 reports the results without the repurchase dummy in the analysis and Model 2 reports the results with the repurchase dummy included. The results for both models are virtually identical. Size and leverage are important factors related to the decision to pay a dividend, as predicted, but corporate governance is not. Further, the capital expense variable and the retained earnings variable are both significant. These findings are consistent with our argument that corporate governance may not be a significant determinant of the decision to pay a dividend.

It appears that firms with greater growth opportunities (as proxied by the capital expenditure ratio) are less likely to pay a dividend. Further, it appears that firms with less retained earnings are less likely to pay a dividend, and given the nature of our sample, it is likely that they are unable to pay a dividend because these firms have negative retained earnings. As such, these findings are consistent with our argument that the decision to pay a dividend is heavily influenced by factors such as the firm's strategy and/or investment opportunities. Further, the legal ability to pay a dividend also appears to be a significant determinant.

We also examine whether corporate governance is related to the size of the dividend paid. To do so, we test the following general regression model.

$$\text{Dividend Size} = \alpha + \beta \text{ Corporate Governance} + \sum \delta_i (\text{Control Variables}) + \varepsilon$$

⁴ In fact, the average of retained earnings to total equity for our entire sample was negative (-1.93) which is considerably less than in Jiraporn et al (2011) which was +0.12. For dividend non-payers, it was -2.82 versus -.39 for Jiraporn et al.

A model consistent with Jiraporn et al. (2011) is used initially to examine the relationship between corporate governance and the size of the dividend. More specifically the model is of the following form:

$$\text{DivSize} = \alpha + \beta_1 \times \text{CG-rank} + \beta_2 \times \text{Size} + \beta_3 \times \text{Leverage} + \beta_4 \times \text{Profitability} + \beta_5 \times \text{CapitalExpRatio} + \beta_6 \times \text{R\&DExpRatio} + \beta_7 \times \text{TaxRatio} + \beta_8 \times \text{CashHoldings} + \beta_9 \times \text{RetainedEarnings} + \beta_{10} \times \text{RepurchaseDummy} + \beta_{11-14} \times \text{YearDummy} + \beta_{15-21} \times \text{IndustryDummy} + \varepsilon$$

where:

DivSize = Ln of the common dividend paid deflated by total assets.
Other variables = Same as the variables used in the previous model.

The results of the panel data regression can be found in Table 4. The corporate governance variable (CG-rank) is significant and positively related to the size of the dividend paid for both Model 1 and Model 2. Thus, it appears that better governed firms pay larger dividends, consistent with the outcome hypothesis. This finding is inconsistent with earlier work by Jiraporn and Ning (2006), John and Knyazeva (2006), Officer (2006) and, in Canada, Chang and Dutta (2012). This is not particularly surprising because many of the earlier studies did not use a comprehensive measure of corporate governance. Our study, using a comprehensive measure of corporate governance, finds evidence consistent with more recent studies that also used comprehensive measures of governance (see for example Jiraporn et al (2011), Chang et al (2014) and, in Canada, Adjaoud and Ben-Amar (2010)).

ROBUSTNESS CHECK – ENDOGENEITY

The issue of reverse causality is a possible problem for this study. Potentially, dividends could impact the level of corporate governance. To control for endogeneity, we identify an instrumental variable and use a two-stage least squares approach. Consistent with previous studies (John and Knyazeva, 2006 and Jiraporn et al, 2011), the instrumental variable used is industry level corporate governance. It is argued that industry level corporate governance should be related to a firm's corporate governance but not related to the firm's dividend decision. The results of both stages of the regression are reported in Table 5.

In the stage one regression, industry median CG-rank is positively and significantly related to the corporate governance variable CG-rank. This stage therefore provides strong evidence that industry-level governance influences firm level governance. In the stage two regression, the variable "predicted CG-rank" is used in place of the original measure of corporate governance, CG-rank. Consistent with our original findings, the variable "predicted CG-rank" is found to be significantly and positively related to the size of the dividend payout. Thus it is unlikely that reverse causality is an issue.

Another potential problem is that both the size of the dividend and the level of corporate governance could be determined simultaneously. We repeated our analysis in Table 4 using a fixed-effects regression. The coefficient on the corporate governance variable, CG-rank, remained positive and significant ($t=2.78$, $p=0.006$). Thus it is unlikely that simultaneity is an issue.

Conclusion

In this paper, we study the relationship between corporate governance and dividend policy in Canada. Our paper makes two contributions. First, we provide additional empirical evidence supporting the outcome hypothesis on the role of corporate governance with respect to dividend policy. We find that for dividend

paying companies, corporate governance is positively related to the size of the dividend paid. This finding is consistent with recent work by Jiraporn et al (2011) and Chang et al (2017). Second, we extend recent Canadian studies by Adjaoud and Ben-Amar (2010) and Chang and Dutta (2012). We are the first Canadian study to examine both dividend payers and non-payers using a comprehensive measure of corporate governance and using a sample that includes both large and small Canadian firms.

Our results differ from previous studies in that we do not find support for a relationship between corporate governance and the propensity to pay a dividend. We argue that this is not surprising given the nature of our sample. We are one of the few firms to include small firms in this type of study of dividend policy. These small firms are characterized by greater investment opportunities and therefore it is costly for them to pay dividends. Further, many of these firms have negative retained earnings and are therefore incapable of paying dividends. As such, we conclude that dividend non-payers may have completely different governance dynamics than larger more established firms.

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Table 1: Descriptive Statistics

The descriptive statistics for key firm characteristics are shown in this table. All data is obtained from the Stock Guide database. Leverage is calculated as LTD+current portion divided by bank loans+short and long debt+total equity. Profitability is net income - minority interest divided by revenue and multiplied by 100. Capital Exp Ratio is the ratio of capital expenditures to total assets. R&D Ratio is the ratio of research development exploration to total assets. Tax Ratio is the ratio of income tax to total assets. Retained Earnings is the ratio of retained earnings to total equity. Cash Holdings is the ratio of the cash position (cash+market securities) to net total assets (total assets less cash+market securities). CG-rank is the governance score obtained from hand collecting compliance with NP58-201 guidelines from company filings in SEDAR.

	Obs	Mean	Median	S.D.	25th	75th
<i>Financial</i>						
Revenue	3239	1,218	93.66	3,570	19.3	600.7
Total Assets	3255	1,595	166.58	4,677	47.5	755.3
Leverage	3217	0.2159	0.1700	0.21	0.02	0.35
Profitability	2940	-0.2494	0.0304	1.19	-0.07	0.09
Capital Exp Ratio	3241	0.0924	0.0470	0.12	0.02	0.11
R&D Ratio	3255	0.0446	0.0188	0.13	0	0.02
Tax Ratio	3128	0.0134	0.0073	0.04	0	0.03
Retained Earnings	3255	-1.9272	0.0475	21.02	-0.7	0.46
Cash Holdings	2478	0.6619	0.1177	4.35	0.02	0.42
<i>Governance</i>						
CG-rank	2540	13.03	13.0000	4.13	10	16

Table 2: Dividend Payers versus Dividend Non-payers

The descriptive statistics for dividend payers and non-payers are shown in this table. All data is obtained from the Stock Guide database. Leverage is calculated as LTD+current portion divided by bank loans+short and long debt+total equity. Profitability is net income - minority interest divided by revenue and multiplied by 100. Capital Exp Ratio is the ratio of capital expenditures to total assets. R&D Ratio is the ratio of research development exploration to total assets. Tax Ratio is the ratio of income tax to total assets. Retained Earnings is the ratio of retained earnings to total equity. Cash Holdings is the ratio of the cash position (cash+market securities) to net total assets (total assets less cash+market securities). CG-rank is the governance score obtained from hand collecting compliance with NP58-201 guidelines from company filings in SEDAR.

	Dividend non-payers		Dividend Payers		Difference	
	Obs	Mean	Obs	Mean	t-stat	
<i>Financial</i>						
Revenue	2365	334.4	874	3608.3	-16.07	***
Total Assets	2381	477.2	874	4641.6	-15.5	***
Leverage	2352	0.1989	865	0.2620	-7.87	***
Profitability	2068	-0.3922	872	0.0895	-15.39	***
Capital Exp. Ratio	2370	0.1017	871	0.0673	10.29	***
R&D Ratio	2381	0.0587	874	0.0059	16.65	***
Tax Ratio	2254	0.0066	874	0.0311	-16.2	***
Retained Earnings	2381	-2.8245	874	0.5174	-6.65	***
Cash Holdings	1840	0.8283	638	0.0156	3.24	***
<i>Governance</i>						
CG-rank	1849	12.77	691	13.72	-5.24	***

(* p<.05, ** p<.01, *** p<.001)

Table 3: Impact of Corporate Governance on the Propensity to Pay Dividends

The panel data logistic regression results on the decision to pay a cash dividend⁵ are shown in this table. CG-rank is the governance score obtained from hand collecting compliance with NP58-201 guidelines from company filings in SEDAR. All financial data is obtained from the Stock Guide database. Size is total assets. Leverage is LTD + current portion divided by bank loans + short and long debt + total equity. Profitability is net income - minority interest divided by revenue and multiplied by 100. Capital Exp Ratio is the ratio of capital expenditures to total assets. R&D Exp Ratio is the ratio of research development exploration to total assets. Tax Ratio is the ratio of income tax to total assets. Cash Holdings is the ratio of the cash position (cash+marketable securities) to net total assets (total assets less cash+market securities). Retained Earnings is the ratio of retained earnings to total equity. Repurchase Dummy is a variable assigned a value of 1 if the change in capital stock for a firm is negative. Model 1 contains the results of the regression excluding the repurchase dummy. Model 2 contains the results of the regression including the repurchase dummy. Model 3, consistent with LaPorta et al (2000), excludes any firms that reported a loss in the year or that had dividends larger than total revenues.

Variables	Model 1			Model 2			Model 3		
	Coeff	z-stat		Coeff	z-stat		Coeff	z-stat	
Intercept	-313.477	-6.52	***	-308.716	-6.32	***	-365.26	-3.44	**
CG-rank	0.0143	0.20		0.0037	0.05		-0.0779	-0.78	
Size	2.2205	6.16	***	2.1883	6.01	***	3.0016	6.42	***
Leverage	-11.4617	-2.49	*	-11.4749	-2.47	*	-13.441	-2.05	*
Profitability	16.953	1.19		17.295	1.19		4.6753	0.12	
Capital Exp Ratio	-25.2989	-2.78	**	-25.1121	-2.73	**	-37.174	-3.10	**
R&D Exp Ratio	18.1091	0.85		19.314	0.9		-29.435	-0.52	
Tax Ratio	15.0214	0.74		14.0254	0.68		22.132	0.70	
Cash Holdings	-0.8484	-0.37		-0.7476	-0.32		0.7389	0.22	
Retained Earnings	30.1550	8.15	***	29.5641	7.91	***	42.670	7.77	***
Repurchase Dummy	-	-		0.8648	1.58		0.8747	1.19	
Ind / Year Dummy	yes			yes			yes		
Wald Chi2 (21)	106.90	***		102.97	***		112.25	***	
N	1803			1798			1169		

(* p<.05, ** p<.01, *** p<.001)

⁵ In addition to cash dividends, companies return cash to shareholders through share repurchases. Share repurchases however do not have the same level of commitment associated with them as cash dividends and as such are not likely to be viewed as effective a pre-commitment as cash dividends. Despite this, we attempted to determine if the propensity to pay any type of dividend (cash or repurchase) would be impacted by corporate governance. Stock Guide did not directly disclose share repurchases in the 2003 to 2007 period. They did however disclose the changes to capital stock. This variable included the value of all shares (common and preferred) issued or repurchased. To approximate cases where repurchases may have occurred, we deemed any cases where the changes in capital stock was less than zero to have been a year when the company repurchased its stock. The dependent variable for the logistic regression was recorded as 1 if a cash dividend or repurchase occurred in the year and zero otherwise. The resulting regression (n=1803) yielded qualitatively similar results to the regression for cash dividends. The corporate governance variable was not significant (coefficient was -0.0031, z-stat was -0.08).

Table 4: Impact of Corporate Governance on the Size of the Dividend

The panel data regression results for dividend payers only are shown in this table. Corporate governance and other control variables are regressed on the amount of the cash dividend. CG-rank is the governance score obtained from hand collecting compliance with NP58-201 guidelines from company filings in SEDAR. All financial data is obtained from the Stock Guide database. Size is total assets. Leverage is LTD + current portion divided by bank loans + short and long debt + total equity. Profitability is net income - minority interest divided by revenue and multiplied by 100. Capital Exp Ratio is the ratio of capital expenditures to total assets. R&D Exp Ratio is the ratio of research development exploration to total assets. Tax Ratio is the ratio of income tax to total assets. Cash Holdings is the ratio of the cash position (cash+marketable securities) to net total assets (total assets less cash+market sec). Retained Earnings is the ratio of retained earnings to total equity. Repurchase Dummy is a variable assigned a value of 1 if the change in capital stock for a firm is negative. Model 1 includes all firms that paid a cash dividend. Model 2, consistent with LaPorta et al (2000), excludes any firms that reported a loss in the year or that had dividends larger than total revenues.

Variables	Model 1			Model 2		
	Coefficient	t stat		Coefficient	t stat	
Intercept	0.5513	6.75	***	0.5158	3.61	***
CG-rank	0.0004	3.03	**	0.0004	3.05	**
Size	-0.0026	-6.03	***	-0.0027	-5.87	**
Leverage	-0.0043	-0.57		-0.0049	-0.61	
Profitability	0.0435	1.49		0.0591	0.99	
Capital Exp Ratio	0.0283	1.56		0.0253	1.29	
R&D Exp Ratio	0.0736	1.46		0.0293	0.46	
Tax Ratio	0.1031	2.83	**	0.0981	2.31	*
Cash Holdings	0.0015	0.34		0.0018	0.38	
Retained Earnings	-0.014	-2.58	**	-0.0086	-1.39	
Repurchase Dummy	0.0005	0.57		0.0002	0.22	
Year/Industry Dummy	yes			yes		
Pseudo R2	0.2053			0.1787		
Wald Chi2 (21)	117.84	***		95.87	***	
N	513			465		

(* p<.05, ** p<.01, *** p<.001)

Table 5: Endogeneity Tests (2SLS) Impact of the Size of the Dividend on Corporate Governance

The panel data regression results for dividend payers only are shown in this table. The dependent variable in Stage 1 is CG-rank and the dependent variable in Stage 2 is the amount of the cash dividend divided by total assets. CG-rank is the governance score obtained from hand collecting compliance with NP58-201 guidelines from company filings in SEDAR. All financial data is obtained from the Stock Guide database. Size is total assets. Leverage is LTD + current portion divided by bank loans + short and long debt + total equity. Profitability is net income - minority interest divided by revenue and multiply by 100). Capital Exp Ratio is the ratio of capital expenditures to total assets. R&D Exp Ratio is the ratio of research development exploration to total assets. Tax Ratio is the ratio of income tax to total assets. Cash Holdings is the ratio of the cash position (cash+marketable securities) to net total assets (total assets less cash+marketable securities). Retained Earnings is the ratio of retained earnings to total equity. Repurchase Dummy is a variable assigned a value of 1 if the change in capital stock for a firm is negative.

Dependent Variable	Stage 1			Stage 2		
	CG-rank			Div/TA		
Variables	Coefficient	z stat		Coefficient	z stat	
Intercept	5.4931	.21		0.5520	7.07	***
Industry median CG-rank	0.4894	7.23	***			
Predicted CG-rank				0.0021	5.08	***
Size	0.7774	6.01	***	-0.0039	-7.35	***
Leverage	-2.2128	-0.90		0.0013	0.18	
Profitability	4.6697	0.49		0.0447	1.56	
Capital Exp Ratio	5.6920	1.05		0.0279	1.64	
R&D Exp Ratio	-3.8586	-0.26		0.0509	1.13	
Tax Ratio	1.3076	0.12		0.0987	2.78	**
Cash Holdings	0.7069	0.52		-0.0003	-0.07	
Retained Earnings	-2.5579	-1.53		-0.0129	-2.59	**
Repurchase Dummy	0.4802	1.82		-0.0005	-0.59	
R2	0.2711			0.1952		
Wald Chi2 (21)	122.15	***		109.55	***	
N	523			542		

(* p<.05, ** p<.01, *** p<.001)

William C. Murray, PhD
School of Hospitality, Food and Tourism Management
University of Guelph

MOTIVATIONAL DYNAMICS: UNDERSTANDING THE PERCEPTIONS OF SELF AND OTHERS IN THE CANADIAN LODGING INDUSTRY

This study explores the motivations of Canadian hotel employees by measuring self-reported rankings of preferred job rewards using the Ten Factor Model. Responses were compared specifically between job levels, as well as against perceived reward preferences of both peer and management groups. Results showed that job reward preferences varied by job level, from line employees to executives. Management groups demonstrated a keen insight of the rewards most valuable to their frontline employees; however, while peer groups seemed to understand the ordered preferences of job rewards, numerous misinterpretations of weighted value appeared.

Introduction

The hospitality field is a highly interpersonal industry which relies heavily on people to produce goods, provide services, and create experiences while customers value (Kusluvan et al., 2010). Yet, this industry faces multiple human resource challenges, including lower than average compensation (Hinkin & Tracey, 2000) with working hours that are inconsistent and varied (Kusluvan & Kusluvan, 2000), contributing to high turnover rates (Chikwe, 2009) and a current labour demand that exceeds available supply (CTRI, 2016). Owners and operators have stated that one of their most pressing issues is finding and keeping highly talented, motivated workers (Murray et al., 2017), as this talent is vital to running successful, profitable hospitality businesses (Curtis, Upchurch, & Severt, 2009).

To address these important operational issues currently facing the hospitality field, this research seeks to capture up-to-date information about employee motivation within the Canadian lodging industry by looking specifically at the preferred job rewards identified directly by hotel workers. Earlier work has provided snapshots of reward preferences within the hospitality sectors of the United States (Simons & Enz, 1995), China (Fisher & Yuan, 1995; Wong, Sui, & Tsang, 1999), and the Caribbean (Charles & Marshall, 1992), as well as outside the hospitality field (Silverthorne, 1992; Mohibbifar et al. 2014). Yet, the clear majority of this work is quite dated and, as such, unreflective of more modern pressures and issues faced by workers. Additionally, few studies have been conducted in North America and none have focused exclusively on the Canadian hospitality labour market. While prior research has built on Kovach's work (1987) to surface espoused job reward preferences of employees at certain times and within concentrated regions, it has failed to

further explore potential gaps in understanding between employees and supervisors in regards employee motivation. Understanding the motives of employees and their preferred rewards should have a positive influence on job satisfaction and tenure of workers.

This study fills some contextual gaps in time and culture by measuring the preferred job rewards of Canadian hotel workers in 2016. As well, it explores how well the perceptions held by both managers and peers about job rewards valuable to frontline staff align with ranking of rewards made by line employees. As an iterative examination, this study attempts to address the following research questions:

1. What are the preferred job rewards of workers within the Canadian lodging industry?
2. Are workers at different levels within the organization motivated by the same job rewards?
3. Do managers at all levels understand which job rewards are most valued by their employees?
4. Is there are difference between how employees self-report their preferred job rewards and how they perceive those same job rewards are valued by their peer groups?

Literature Review

Motivation

Understanding what drives someone to exert effort and maximize their talent as part of an organization's workforce has been a long-studied topic. It continues to be explored and remains a salient topic of research because it is based around variabilities in human choice, feelings, perceptions, experiences and context. Early work in scientific management (Taylor, 1911) sought to discover the best ways to maximize workers' outputs by measuring time and physical actions. The underlying belief was that productivity would decline if workers were provided freedom about what to do, when, and how (Harrington, 1999). In this perspective, the role of managers was to direct and control workers, and not to consider their personal preferences and volition about work (Drucker, 1992). Workers were seen to be naturally lazy with little ambition to work without external pressures and oversight, more commonly called 'Theory X' (McGregor, 1960). However, a second view emerged in counterpoint, called 'Theory Y' (McGregor, 1960) which held that workers were driven internally to satisfy unmet needs of relative value to them.

The idea of an individual seeking to satiate unmet needs, exerting their volition, and making these choices within context began appearing throughout motivational research. Maslow's framework (1943) of unmet needs is a common example of a motivational heuristic, with human needs roughly organized into five categories: physical, safety, social, esteem, and self-actualization. Others have adapted his model into something slightly more compact; one example is the reduction of categories down to three, including existence, relationship, and growth needs (Alderfer, 1972; Mullins, 2002). Exploring the ubiquitous nature of hierarchies and interpersonal influence in organized work has also allowed the ideas of power and control to be brought forward as another need category (McClelland, 1965). As well, it has been found that fulfilling certain workplace factors, such as

opportunities for learning and providing interesting work, can increase overall job satisfaction, while meeting other factors, such as maintaining good working conditions and paying appropriate wages, can reduce job dissatisfaction (Herzberg, 1968). Job satisfaction and motivation research has also focused on intrinsic factors found in job enrichment (Hackman & Oldham, 1980), with positive responses coming from workers when their work offers them strong meaning, provides them with greater responsibility, and allows them to see the positive impacts their efforts have on other people and the organization (Gagné & Deci, 2005).

The quest to better understanding motives and preferred job rewards in the hospitality industry can be seen in the ongoing, sector-specific research. Employee motivation has been strongly linked to how an employee perceives the quality of their work and their overall job satisfaction (Wildes & Parks, 2005). When hospitality workers feel personally fulfilled and have valuable needs satisfied, there is a corresponding increase in employee retention (Milman, 2002). The value of meeting the needs of workers is clearly quite high as ‘people cannot be motivated to do something if there is nothing in it for them’ (Zopiatis & Constanti, 2007:137). Consistent among motivational theories is the influence that context (Simon & Enz, 1995) and situational constraints (Christensen Hughes, 1999) play on shifting what is valued by workers in a particular moment in time (Maslow, 1943; McClelland, 1965). As such, it is very importance for managers to understand, in the context of their own business operations, the preferred needs and rewards valued by their employees.

Three assumptions appear consistently around employee motivation (Wiley, 1997). First, how well an employee performs their work is mixture of a) the person doing the work, b) the task they are completing, and c) the situational constraints faced in the moment, also called context (Kovach, 1987; Christensen Hughes, 1999). Second, the motives and rewards that inspire someone to perform do not necessarily flow linearly or hierarchically, but instead move more contextually and fluidly (Upchurch et al., 2010), with the most prepotent needs (Maslow, 1943) for that individual surfacing as the most important to be satisfied in the moment. For example, foodservice workers have expressed preferences towards higher pay and job security (Wildes, 2008) while employee in the attractions sector show a preference for appreciation and doing interesting work (Wildes & Parks, 2005). Third, motivation enacts behavior which in turn impacts performance, such as providing excellent customer service (Zeithaml & Bitner, 2000). Managers who possess an understanding of the preferred motivators have better chances to engage their workforce, tapping into the willingness and volition of employees to behave in certain ways and ultimately influence job performance.

Ten Factor Model

Looking at the job rewards preferred by employees as an extension of their motivational preferences is well established in multiple industries, cultures, and time periods (Murray, 2018). Following the end of World War II, the Labor Relations Institute (LRI) studied job reward preferences of industrial workers in New York (Hersey & Blanchard, 1969) to better understand the internal drivers of workers during this growth in the United States economy. Forty years later (Kovach, 1987), the same methodology and measurement tool, now known as the Ten Factor Model, was replicated with the purpose of surfacing differences and similarities in employee

motivations over time (Table 1). The context of time clearly had some effect on the results, although it was only one of multiple contextual changes at play.

Several studies came forward around this time, all exploring the difference in preferred job rewards in context. One large project focused on the context of culture, focusing on shifts in motivational preferences between industrial workers in China, Russia, and the United States (Silverthorne, 1992). The Ten Factor Model has also been applied across the context of industry, with numerous applications made across the hospitality sector in China (Wong, Siu, & Tsang, 1997), the Caribbean (Charles & Marshall, 1992; DiPietro, Kline, & Nierop, 2014), and the United States (Simons & Enz, 1995), all highlighting differences in job reward preferences. Each study attempted to uncover what employees valued from their own perspective, taking on the methodological perspective expressed by Simons & Enz: “if you really want to facilitate the motivation of a particular individual... ask them what they want’ (1995, p.27).

Perceptions of Self and Others

Prior research has also revealed a series of challenges surrounding understanding others and the biases that may influence how we perceive the actions and preferences of those around us, even in close relationships such as peer-to-peer connections and work colleagues. For example, Baer, Stacy, and Larimer (1991) found that post-secondary students estimated their peer groups consumed significantly higher volumes of alcohol compared to their own personal consumptions, seemingly exaggerating the negative behaviors of others close to them while simultaneously minimizing their own actions. Interpretations of these results infer that the self-reports of respondents may reflect a bias for perception management purposes. However, respondents were confident that their understanding of others was accurate. This was further surfaced by Pronin,

Table 1	1946	1987	1992			1992	1995	1999	2014
Ten Factor Model: Prior Studies	LRI	Kovach	Silverthorne			Charles & Marshall	Simons & Enz	Wong, Siu, & Twang	DiPietro et al.
	USA	USA	USA	Russia	China	Caribbean	North America	China	Caribbean
Full appreciation of work done	1	2	1	7	4	3	6	6	1
Good wages	2	5	5	10	2	1	1	3	7
Good working conditions	3	7	6	9	7	2	4	5	10
Job security	4	4	3	6	1	7	2	4	4
Growth in the organization	5	6	4	1	3	5	3	1	2
Interesting work	6	1	2	3	5	4	5	7	6
Feeling of being in on things	7	3	7	2	8	6	8	8	5
Personal loyalty to employees	8	8	8	4	9	8	7	2	8
Tactful discipline	9	9	9	5	10	10	9	9	3
Sympathetic help with problems	10	10	10	8	6	9	10	10	9

Kruger, and Savitsky (2001) who showed perceptual biases between groups, demonstrating that that people believed their knowledge of others, including close friends, to be much better than those same people knew them. Markus, Smith, and Moreland (1985) noted that several biases can impact perceptions simultaneously, including the false consensus effect, wherein people may often assume that others think and feel the same way they themselves do. These multiple biases may lend to unintended but poor management decisions when supervisors and operators assume to understand the needs and desires of their workforce.

This was showcased by Kovach (1987) who, using the Ten Factor Model, asked 1000 industrial workers to rank their preferred job rewards, followed by 100 supervisors who were asked to rank the same job rewards as they believed would be most important to their subordinates. Results from that study revealed that supervisors failed to accurately understand the motives of their workers. While employees ranked interesting work, appreciation, and feeling in on things at work as their top three rewards respectively, supervisors believed that the top three job rewards preferred by their workers were good wages, job security, and opportunities for promotion and growth within the organization. As Kovach noted in his discussion, “Managers seem to operate under a self-reference system; they rank rewards as they would want them for themselves and assume that their employees would subscribe to the same rewards” (1987, p.62). Revisiting this comparison between self-ranking and the perceptual ranking by others warrants attention after almost 30 years.

Past work and gaps

Earlier studies have applied the Ten Factor Model to uncover job rewards valued by lodging employees in various geographic locations, such as the United States (Simon & Enz, 1995), China (Fisher & Yuan, 1995; Wong, Sui, & Tsang, 1999), and the Caribbean (Charles & Marshall, 1992), as well as workers in different industries (Silverthorne, 1992; Mohibbifar et al. 2014). Yet, most of this research is quite dated and none has been conducted with Canada, a unique context within North America. Additionally, much of the prior research surrounding the preferred job rewards of employees have been, understandably, captured solely from the perspective of employees. Frontline employees are the face of a business to the customer and are arguably the single most important group of people who can express an organizations brand, value proposition, and message. Researchers have sought to understand what was of value to those frontline, with the goal of increasing practical outcomes for industry operators. However, the question remains, do others have an accurate understanding into the desires and preferences of frontline workers? Do supervisors and managers have insight into the motives of their employees? Do peers at the front even perceive the drivers of their coworkers to be the same as their own? An iterative examination of preferred job rewards through the lenses of those working in the hospitality industry, from frontline workers through to executive managers, should shed valuable insight into these research questions.

Methodology

As part of a larger research initiative on employee perceptions of human resource matters within the hospitality industry, the data from this study was collected from multiple sources through the

Canadian lodging sector in 2016. Twelve branded hotel properties from across the country formed the initial population group, from which the random sample method was applied to connect with employees at those properties. At each location, invitations to participate in an online survey through Qualtrics were sent out by either the General Manager or Director of Human Resources through their internal email distribution system. Results from these 12 properties yielded 204 engagements, with a net result of 191 usable surveys after a 3% listwise deletion due to incomplete responses. An additionally 224 surveys were collected using random selection through panel data services, screening specifically only for people who were currently working in the Canadian lodging industry and had not previously responded to the questionnaire. The total sample for this study was 415.

For this research project, respondents were asked to provide demographic information which included gender, age range, position level within the company, length of service, employment status (full time versus part time), as well as levels of income and education. For this study, position level within the company (line employee, supervisor, manager, executive) was the primary determinant for both differences in collection and analysis. Each respondent was asked to forced rank ten job rewards twice; higher ranked items represented rewards more preferred while lower items were less preferred. Line employees first completed this ranking of rewards based on their personal preferences within their current job; they were then asked to re-rank rewards based on how they believed their peers at the same job level would answer. All other managers, from supervisors to executives, were asked to rank their personal preferred job rewards first; their second request was to prioritize the job rewards based on how they believed line employees working for them would answer.

Results

The first research question sought to uncover the motivations of those working in the Canadian lodging industry. When comparing expressed job reward preferences aggregated across all four employee job levels, three motivators were identified in the top positions. In order, these were good wages, working conditions, and job security. Paired t-tests comparing mean rankings revealed that the top ranked reward of good wages differed significantly from the second ranked reward of working conditions ($t_{414} = -1.95, p < 0.10$), while working conditions and the third reward of job security ($t_{414} = -3.459, p < 0.001$) also showed significant differences. The third, fourth, and fifth rewards of job security, opportunities for promotion and growth, and interesting work grouped together as a cluster, only showing demonstrating significant differences after the sixth preference, appreciation for work done ($t_{414} = -2.582, p < 0.010$).

The second research question focused on any potential differences in job reward preferences between workers at different job level. Within groups (Table 2), the overall top five rewards remained the same for the aggregated as for supervisors, managers, and executive members, although each level demonstrated a unique ranking structure and weighted mean values within their top ranked items. Supervisors most closely reflected with overall results, showing the same ranking order with the only change in order showing between working conditions and job security, the second and third ranked rewards respectively. Managers maintained a consistent top two with

overall results, identifying good wages and working conditions in those positions. However, for managers, job security dropped to the fifth ranking, while opportunities for promotion and interesting work both moved ahead in rank. Executive members revealed the most diverse reordering of the top five rewards. For this group, interesting work and working conditions ranked first and second respectively, with opportunities for growth and job security filling in the next two ranking positions. Good wages landed in the fifth ranked position, showing a large departure from the orders of both other level groups and overall rankings. For line employees, rankings diverged from the overall results beyond the third ranking. Matching the aggregate results, good wages, working conditions, and job security composed the top three ranked rewards respectively. However, neither opportunities for promotion nor interesting work were included in this groups top five. The fourth ranking reward was instead appreciation for work done, while the fifth was supervisor’s loyalty towards employees.

Between groups, seven of the ten preferred job rewards demonstrated significant differences, determined using one-way ANOVA between groups with Tamhane’s T2 post hoc test (Table 2). Good wages ranked first for all groups yet showed significant differences between groups ($F(3,411)=5.584$, $p=0.001$), with the value of wages ranking higher in value for line employees (3.49 ± 2.4 , $p=0.013$), supervisors (3.36 ± 2.3 , $p=0.013$) and managers (3.48 ± 2.3 , $p=0.018$) over executives (5.13 ± 3.0). Job security rankings fluctuated across job levels, showing significant differences between groups ($F(3,411)=22.811$, $p=0.027$), with supervisors valuing security in the employment (3.79 ± 2.54 , $p=0.025$) more highly than front line workers (4.81 ± 2.76). The differences for promotion and growth opportunities ($F(3,411)=5.508$, $p=0.001$) centered exclusively on the higher ranking by managerial employees (4.12 ± 2.6 , $p=0.001$) over line employees (5.4 ± 2.9). Interesting work shifted dramatically in importance, with significant differences ($F(3,411) = 10.797$, $p=0.000$) appearing from lower to higher job levels. Interesting work was significantly lower for line employees (5.55 ± 2.84 , $p=0.00$), supervisors (5.08 ± 2.59 , $p=0.000$), and management workers (4.54 ± 2.63 , $p=0.009$) compared to executive members (3.03 ± 2.40); additionally, management workers valued interesting work significantly higher than line

Table 2 Results by Job Level	Line employee		Supervisory		Managerial		Executive		Overall	
	N=200		N=75		N=100		N=40		N=415	
	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank
Good wages**	3.49	1	3.36	1	3.48	1	5.13	5	3.62	1
Good working conditions	3.80	2	4.04	3	4.04	2	4.40	2	3.96	2
Job security**	4.81	3	3.79	2	4.61	5	5.10	4	4.60	3
Promotion and growth within the organization**	5.40	6	4.64	4	4.12	3	4.45	3	4.86	4
Interesting work**	5.55	7	5.08	5	4.54	4	3.03	1	4.98	5
Appreciation and praise for the work you have done	5.00	4	5.20	6	5.17	6	5.35	6	5.11	6
Supervisor's loyalty towards employees**	5.22	5	6.23	7	6.27	7	6.08	8	5.74	7
Feeling of being 'in' on things at work**	7.23	9	6.92	8	6.99	8	5.60	7	6.96	8
Sympathetic help with personal problems**	6.90	8	7.75	9	7.72	9	7.85	9	7.34	9
Tactful discipline	7.62	10	8.00	10	8.06	10	8.03	10	7.83	10

**Job rewards demonstrating statistically significant differences btw groups at $p<0.05$

employees ($p=0.016$). With an overall seventh place ranking, the desire for supervisor’s loyalty towards employees still showed significant differences between groups ($F(3.411) =6.336$, $p=0.000$). This reward was significantly less desirable by both supervisors (6.23 ± 2.40 , $p=0.013$) and management workers (6.27 ± 2.27 , $P=0.001$) when compared to line employees (5.22 ± 2.31) who ranked this much higher in value. Two other job rewards, having a feeling of being ‘in’ on things at work and receiving sympathetic help with personal problems, both showed some significant differences between groups; however, as both rewards were consistently ranked in the bottom three of ten, those differences have not been further explained.

The third research question focused on whether managers across levels (supervisors, managerial workers, and executives) had a clear understanding of the job rewards preferred by their front-line employees. Significant differences between line employees self-reported preferences and managements report on what they believed was of value to their employees was determined through one-way ANOVA testing, using Tamhane’s T2 post hoc test, containing the examination of differences to those between line employees and the three levels of management. Comparing the job rewards preferred by line employee to the perceptions of what they prefer as expressed by each level of management only revealed three significant differences (Table 3). The value to line employees for opportunity for promotion and growth within their organization (5.40 ± 2.89 , $p=0.041$) was shown to be significantly higher than the perceptions held by supervisors (6.49 ± 2.95) of line employees. When compared to how managerial workers perceived the value of interesting work to line employees (6.46 ± 2.66 , $p=0.049$), it was revealed that line employees held this reward in significantly higher regard (5.55 ± 2.84). However, executives perceived interesting work to be mildly significantly more important (4.39 ± 2.31 , $p=0.085$) than expressed by line employees. All other comparisons between the self-reported value of job rewards by line employees and the perceptions of value to them made by managers at various levels should no significant difference. In summary, the comparisons of management perceptions of reward preferences against what line

Table 3 Comparison of LE values with Mgmt perceptions	Line employee (LE)		Supervisor perception of LE		Line employee (LE)		Management perception of LE		Line employee (LE)		Executive perception of LE	
	N=200		N=73		N=200		N=91		N=200		N=38	
	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank
Good wages	3.49	1	3.11	1	3.49	1	3.00	1	3.49	1	4.08	1
Good working conditions	3.80	2	4.52	2	3.80	2	4.10	2	3.80	2	4.47	4
Job security	4.81	3	5.08	5	4.81	3	4.33	3	4.81	3	5.21	5
Appreciation for work done	5.00	4	4.77	4	5.00	4	4.91	4	5.00	4	4.29	2
Supervisor's loyalty	5.22	5	4.73	3	5.22	5	5.93	6	5.22	5	5.63	6
Promotion and growth	5.40**	6	6.49**	8	5.40	6	5.77	5	5.40	6	5.66	7
Interesting work	5.55	7	5.77	6	5.55**	7	6.46**	8	5.55*	7	4.39*	3
Help with problems	6.90	8	6.47	7	6.90	8	6.16	7	6.90	8	6.39	8
Feeling of being 'in'	7.23	9	6.81	9	7.23	9	6.46	8	7.23	9	6.92	9
Tactful discipline	7.62	10	7.26	10	7.62	10	7.86	10	7.62	10	7.95	10

**Significant differences btw groups at $p<0.05$; *Significant differences btw groups at $p<0.10$

employee stated they preferred only showed one significant different for each of the three levels of management, and those differences only appears at rewards ranked at sixth or lower.

The final research question is this study looked to unpack whether there is an alignment between the job rewards that line employees state have value to themselves and those they perceived to be of value to their peer group. Results highlight four rewards that demonstrate significant differences at $p < 0.05$ and two additional rewards which show a significant difference at $p < 0.10$ (Table 4). Although ranked first in both ranking processes, results for good wages showed a mildly significant difference in value importance ($F(1,390)=3.809, p=0.052$). Line employees perceived that good wages were more strongly valued by their peer group (3.02 ± 2.44) than it was when they only considered themselves (3.49 ± 2.42). The significant difference in scores for good working conditions ($F(1,390)=6.253, p=0.013$) demonstrated that line employees believed working conditions to be of greater value to themselves (3.80 ± 2.53) than how their perception of the value to their peers (4.42 ± 2.39) with a large enough shift between mean scores to alter the ranking levels of the job reward between the two measured categories.

There was a mildly significant difference for the job reward of appreciation for work done ($F(1,390)=3.591, p=0.059$), showing that line employees more greatly valued appreciation and praise (5.00 ± 2.35) than they believe to be the case for the colleagues (5.47 ± 2.55). There was a significant difference found for the reward of interesting work ($F(1,390)=9.314, p=0.002$). Line employees ranked this as the seventh most valuable job reward to them and of much greater value (5.55 ± 2.84) than they believe it to be for their peer group (6.40 ± 2.68) which was instead ranked ninth. Significant differences were found between with two additional job rewards: sympathetic help with personal problems ($F(1,309)=3.965, p=0.047$) and feeling 'in' on things at work ($F(1,390)=13.842, p=0.000$). For these rewards, line employees perceived their peers to value help with personal problems (6.39 ± 2.54) and feeling 'in' (6.21 ± 2.81) more than line employees valued these two rewards respectively ($6.90 \pm 2.52; 7.23 \pm 2.60$). This data appears to show that line employees had twice as many instances of significant differences between the rewards they perceived to be important to their peers versus their own self-ranking than when the perceptions of value made by the three levels of management were compared against line employee self-rankings.

Table 4 Comparison of LE values with peer group perceptions	Line employees - perception of self		Line employees - perception of peers	
	N=200		N=192	
	Mean	Rank	Mean	Rank
Good wages*	3.49	1	3.02	1
Good working conditions**	3.80	2	4.42	3
Job security	4.81	3	4.33	2
Appreciation and praise for the work you have done**	5.00	4	5.47	4
Supervisor's loyalty towards employees	5.22	5	5.49	5
Promotion and growth within the organization	5.40	6	5.79	6
Interesting work**	5.55	7	6.40	9
Sympathetic help with personal problems**	6.90	8	6.39	8
Feeling of being 'in' on things at work**	7.23	9	6.21	7
Tactful discipline	7.62	10	7.49	10

**Significant differences btw groups at $p < 0.05$; *Significant differences btw groups at $p < 0.10$

Discussion

Motivational preferences for Canadian lodging workers in 2016 show some unique overall characteristics and, through these results, the value of re-examining reward preferences becomes clear. As an aggregate of all responses, good wages were the most preferred job reward across job levels, indicating that workers were, at this specific context of time and location, seeking to fulfil money as the most preferred and/or unmet of all needs. The most recent study of job rewards examining Caribbean hotel workers (DiPietro et al., 2014) had money in the 7th overall position and appreciation for good work sitting in the top-ranking slot. Wages has been highly ranked in studies back in the 1990's (Table 1) and has returned to that position in 2016. Working conditions, in the 2nd ranked position, has only been ranked this high once before and within the top 5 ranked rewards only approximately half of the times since the original work by the LRI in 1946. Job security surfaced in the third position, and reward that has consistently been ranked in the top five rewards. Money, decent conditions of work and security of employment surface as the most valuable rewards, indicating that hotel workers overall appear to be most interested in lower level needs. In Maslow's hierarchy of needs, these would fall in the lower categories of physiological and safety, while viewing them through Alderfer's ERG framework, existence needs are being highlighted as unmet and most valued for satisfaction.

When workers are viewed by their job levels, certain similarities remain across motivational drivers; however, the intensity of value for certain job rewards shows movement (Table 2). Good wages, for example, are ranked as the top desired job reward for line employees, supervisors and managers, but for executives, it is ranked fifth with a significant different in mean ranking score from the lower three levels. As executives have the highest wages among the four job levels, their lower ranking of good wages as a valuable reward demonstrates the idea that once a need is satiated, the value of that need is reduced and/or removed. This revaluing of rewards appears numerous times. Managers and executives tend to rank job security much lower in value than line employees and supervisors, perhaps signaling that the upper level managers believe they already possess a certain amount of security or have such a level of transferrable skills that they are less concerned with job stability. Conversely, line employees and supervisors are two groups that earn comparably lower wages and possess relatively few transferrable skills, thereby increasing the value of job security to them.

However, executives place the greatest value on interesting work. Perhaps this is because other, more basic needs, have already been adequately satisfied. As their salaries are already quite healthy, they have a relatively comfortable sense of job security, and their opportunities for promotions within the organization are somewhat limited with their high management position, executives appear to seek interesting work as motivation. The ranking of interesting work continues to significantly drop for each subsequent job level, reinforcing the prepotent nature of motivational needs; Although line employees might think is nice to have interesting work, they place significantly more value in the rewards of pay, working conditions, and job security, as these items have yet to be satisfied sufficiently. This highlights not only what job rewards are preferred by level within the organization, but that as people are situated at different levels, how they value certain rewards shift within context. Understanding this contextual influence might help people to

appreciate differences, but there is a question as to whether or not employees can properly perceive and interpret what others might see as important.

When asked which job rewards they believed were most important to line employees within their organization, managers at all levels showed a surprisingly keen awareness of their frontline workforce (Table 3). Although a few small ranking differences did appear between ranked motivators as made by line employees when compared to the perceptions of those same workers by managers, there were no differences in means for any of the top five job rewards. Managers at all levels appeared to demonstrate insight, an encouraging revelation for the relationship between reporting groups. Only three differences were identified. Supervisors believed that employees would place less weight on the value of opportunities for promotion and growth; management perceived interesting work to be of lesser value to line employees, yet executive members inferred interesting work would be of greater value to frontline staff.

It is fascinating to note that the perceptual rankings of the line employee rewards made by either supervisors or managers appeared to be swayed somewhat by their own relative positions on reward values. Supervisors appreciated promotion and growth opportunities much higher for themselves but classified this reward much lower when evaluating it through the eyes of their employees, much as managers personally valued interesting work higher for themselves than they believed employees would value this reward. Only executives seemed to infuse some of their own value ratings into their evaluation of frontline staff in the form of interesting work. Yet, overall, the alignment of management perceptions of valuable rewards to those expressed by line workers was exceedingly strong as showed little job level perception bias. Perhaps this can be accounted for by the ongoing labour shortages and high turnover levels faced for numerous years by operators. The pressures to retain workers may well be increasing their attunement to the needs of their workers, forcing them to pay better attention, showing greater empathy and richer understanding for others.

With such close overlap between the needs of line employees and the perceptions of their management group, it is reasonable to posit that similar overlaps should exist between people within the same job level. One would think that the overlap between how line employees rank their personal reward preferences with their perceptions of reward values for other line employees would be as close, if not closer, than the alignment between the frontline workers and the management group. However, results show a somewhat larger gap predominantly in the intensity of values on job rewards (Table 4). The ranking order of motivations for line employee self-reports and their perceptions of peer preferences remain identical for the top six rewards. However, three reward categories show difference concentrations. Line employees perceive good wages to have greater value intensity for their peers but believe their peers value both good working conditions and appreciation for good work less than they do themselves. Although the ranking orders are consistent, the significant variations in numerous mean level values indicate that some perceptual biases could be influencing reporting between out-groups (Pronin et al, 2001). As such, it appears that managers should feel confident in their own assessments of employee motivational preferences at the moment. Although they should still take on the advice of asking employees direct what they want and prefer (Simons & Enz, 1995), it would be wise to not ask those employees to generalize about the preferences of their peer group to avoid the pitfalls of a false consensus effect.

Limitations

The results from this study are insightful in multiple ways. However, they are similar to previous studies in the context-specific nature of the data. The data represents a moment in time within the Canadian lodging industry, limited to interpretations at this time and in this space. The quest to make broader, more generalizable statements of employee motivation cannot be made, nor are they sought out. This limitation is one of the fundamental aspects of this study, that motivations shift based on situational constraints. As one set of needs are satisfied, other unmet needs surface in the quest to be met. Additionally, research in the study did draw on multiple data sources. Some responses came from selected hotels through Canada, while others were collected through screened panel data. The data collected blends industry respondent data across regions and hotel categories but could benefit from a larger sample size across job levels. However, there remains a larger enough data set to draw some conclusions about preferred job rewards at this place and point in time. Future research will strive to expand the data set and continue to showcase the shifting natures of employee motivation while exploring the accuracy of others about what line workers desire.

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Mary Beth E. Doucette
Shannon School of Business
Cape Breton University

Nicholous M. Deal
Sobey School of Business
Saint Mary's University

CJAS CONSTRUCTIONS OF CANADIAN PLURISM

The Administrative Sciences Association of Canada (ASAC) is comprised of management educators and practitioners interested in advancing Canadian management scholarship, teaching and practice. It has been challenged by a weak definition of one of its core institutional logics, Canadian, but has balanced it with a seemingly incompatible logic of international relevance. The Canadian Journal of Administrative Science (CJAS), part of the ASAC model, is ideal example of Canadian organizing in practice. Through a discourse analysis of CJAS editorials and Canadian articles, we propose these logics should not be viewed as incompatible, they demonstrate an acceptance of plurality in Canadian management.

Introduction

The Administrative Sciences Association of Canada (ASAC) is an organization comprised of educators and practitioners who are interested in advancing scholarship, teaching and practice in in Canada (www.asac.ca/MissionStrategies). Since ASAC emerged as a collaborative project of Business School Deans from across the country almost 50 years ago, the central purpose of the association is to support Canadian scholars to develop within the profession by creating a network of collegial relationships in the field (Austin, 1998). It was part of the early responses of Deans to meet the demand in Canada for more educated and people who were prepared to operate in the rapidly changing industrial economies (Austin, 2000b). An integral part of the purpose of ASAC is also the desire to be recognized as an academic institution that is a source of top-tier academic research in Canada (McLaren & Mills, 2013). This drive to establish an interdisciplinary institution uniquely informed by a Canadian-based business body of knowledge in the 1960's was a demonstration of an emergent set of Canadian nationalist discourses. The three main discourses of the era included maintaining historical ties to commonwealth ideals, defining the new Canadian mosaic, and demonstrating socially active citizenship (Pashby, 2014). The Deans had collectively agreed that the legitimacy of business as a scholarly field in Canada had to improve if they were going to successfully compete against American schools for the attention of leading Canadian scholars who were moving south of the boarder to learn and teach (Austin, 1998; Boothman, 2000).

Supporting the development of Canadian scholars and gaining international recognition for Canadian scholarship continue to be of great importance to ASAC members. These two objectives have emerged as two defining institutional logics within the organization despite the lack of clarity concerning the meaning and use of the term ‘Canadian’ (McLaren & Mills, 2013).

Institutional logics have become a key term in institutional theory generally (Greenwood, 2017; Thornton & Ocasio, 2013) and a fundamental concept of institutional pluralism (Kraatz & Block, 2013, 2017). Institutional logics provide behavioural guidelines for social actors within organization but multiple discrete logics within organizations often conflict and create tension as they compete for priority (Thornton & Ocasio, 2013). ASAC has responded to the two logics by focusing activities in two key organizational events: (1) the annual conference, and; (2) supporting the publication of the Canadian Journal of Administrative Science (CJAS). ASAC’s annual conference is a signature event that provides a venue that encourages collegial dialogue around research through paper presentations and the publication of conference proceedings. The ASAC conference also requires members to participate in the organization in multiple ways as division chairs and reviewers, creating ‘professional development’ opportunities for members at all stages of their career. CJAS compliments the efforts of ASAC by making space for and encouraging the publication of research that concerns and informs the broad Canadian business field. The CJAS editorial teams also strives to establish the journal as an outlet for publication of high quality research to maintain a perception of legitimacy within the field of administrative science internationally (McLaren & Mills, 2013). Though both the conference and the journal accept a wide array of interdisciplinary topics from international audiences, the nationalist Canadian identity maintains a central position. Research on topics of interest to Canadian scholars and business practitioners are strongly encouraged. Those in formal positions of influence at ASAC and CJAS repeatedly present the two missions as not only compatible but essential to the organizational purposes (Brooks, Fooladi, & Rosson, 2005; Fooladi, 2000; Hackett, 2006; Sexty, 2008). However, for some members, these logics are at odds with one another; the local Canadian mission is somehow believed to conflict with their ability to achieve international top-tier academic recognition (Austin, 1998; McLaren & Mills, 2013). ASAC’s institutional logics represent the debates that commonly occur within the Canadian Academy about the history and meaning of the multicultural identity (Wong & Guo, 2011); they also represent the nationalist discourse that continues to be present within most other Canadian institutions and society about the problematic ‘Canadian’ identity (Driedger, 2011; Leung, 2015; Lévesque, 2011; Stein, 2007; Winter, 2015). McLaren and Mills (2013) propose these commonly held notions within ASAC reflect a Canadian inferiority complex that creates tension when held up against the individual commitment to a nationalist identity that in many respects does not exist. In this way, an ASAC discourse represents the Canadian challenge of reinforcing an ambiguous National Canadian identity (Adams, 2006, 2009; Jedwab, 2008; Winter, 2015), that Canadian governments have been attempting to (re)create as multi-cultural so as to re-affirm Canada as an independent of the European State (Pashby, 2014).

This paper builds on the notion introduced by McLaren and Mills (2013) that briefly alluded to the problem of the ambiguous Canadian nationalist identity for ASAC and ‘Canadian organizations’ generally. It extends their work by considering the construction of the Canadian identity within CJAS. We review CJAS literature for portrayals of the Canadian identity logic adopting an institutional perspective that adheres to a notion that institutions are rationalized ‘myths’

(Greenwood & Meyer, 2008). We will consider how has the association enacted the Canadian identity using elements of institutionalism, which is based in an understanding of the world that is constructed through social action of participants (Deephouse, Bundy, Tost, & Suchman, 2017; Kraatz & Block, 2013, 2017). Acknowledging that organizational identity is socially constructed, the process of creating ASAC as a Canadian organization reflects the broader Canadian identity discourses and the influence of the Canadian regulatory fields (Hinings, Logue, & Zietsma, 2017). The networks of federal and provincial organizations that provide political oversight and maintain administrative standards for Canadians and Canadian organizations (Fleras & Elliott, 2003; Stein, 2007) is an example of how the influence of a distinct ‘Canadian’ project attempts to legitimize a national identity discourse. ASAC and CJAS are ideal cases to consider the field level pressures of national identity on Canadian organizations because it has unapologetically promoted and encouraged the study of Canadian organizations and Canadian issues for decades. The process of academic publication has a significant normative influence in the field of social science, which includes management studies (Bedeian, 2004; Harley & Acord, 2011; Miller, Taylor, & Bedeian, 2011). Therefore, this discourse analysis primarily focuses on the journal publications because articles published in CJAS provide an indication of the type of information and research that was of interest to member reviewers at the time of printing after being subjected to significant influence from field level norms (Moizer, 2009). The purpose of this study is to uncover prevailing attributes of the Canadian identity constructed within CJAS so that we can better articulate the strategic value Canadian perspectives add to the management field. In addition to shedding some light on these issues, it may also help Canadian scholars and organizations, who are struggling with the inconsistent expression of a Canadian nationalist identity within society; especially so for those whose research agenda is driven by issues of globalization, postcolonialism, and public policy.

ASAC – by Canadians for/of Canadians – Institutional Foundations

Canada as a nation has a complex institutional history which merits further consideration beyond the scope of this paper. We feel it suffice to say that ‘Canada’ is an identity project rooted in a socially constructed logic of colonization vis-à-vis the British Empire that is now known as North America. The histories of Canada – and Canadian business for that matter – refer to a complicated series of treaty negotiations, industrial development, political conflict, and social invention that span at least two centuries if one also includes the influence of pre-contact trade and exchange in modern means of organizing (Brown, Tulk, & Doucette, 2016). However, the commonly accepted concept of Canada as an independent state and multicultural society is an outcome of modernity and depends on an interpretation of Canada as a sociological ‘fact’ embedded in ideological and political prescriptions of the nation state (Dewing, 2009). Canadian multiculturalism recognizes and attempts to incorporate a wide range of linguistic diversity (primarily French and English), shared regional and territorial characteristics, and various other displays of cultural heritage which influence what are broadly, but vaguely, understood as Canadian values (Adams, 2006, 2009, 2017). They developed in relation to the Canadian constitution post World War II (Foster, Helms Mills, & Mills, 2014) as part the nation building process of establishing and normalizing a shared identity for Canadians that was described as ‘multi-cultural’ society (Stein, 2007; Winter, 2015). These sociological discourses have immediate influence on Canadian academic and organizational fields and are of great interest for the purposes of this analysis in which we strive to identify the

extent of their influence in the sub-field of a distinctly ‘Canadian’ management and organizational studies.

As a project of ASAC, CJAS has adopted a sense of Canadian identity as being broadly situated in support of Canadian administrative scholarship. Like Canada, ASAC (and by extension CJAS) has chosen to reinforce an institutional identity that represents diverse cultures and histories, described by Canadians as multiculturalism (Dewing, 2009; Fleras, 2015). ASAC was first established as a project of the Association of Business School Deans with the intention of adding more legitimacy to Canadian business scholars. It was, and is, guided by Canadian societal norms (Hinings et al., 2017), including its organizational structure, which was heavily influenced by the governance structures and systems through which founding members (business school deans) had been trained: the American business school model. With respect to the Canadian field of business education, ASAC was looking to gain normative legitimacy by focusing on Canadian issues and regulatory legitimacy, as a Canadian scholarly organization that must adhere to formalized rules of Canada. The process of gaining and maintaining regulatory legitimacy involved the establishment of an membership structure that met national academic regulatory criteria set by governance systems in the Canadian field which influenced ASAC’s ability to receive funding and support from the Canadian government directly via the Social Sciences and Humanities Research Council (SSHRC) and indirectly via members affiliated with federally supported institutions (Austin, 1998). To achieve normative legitimacy in the Canadian academic and business fields, ASAC established an elaborate system of organizational processes to encourage scholars to present and publish research relevant to Canadian organizations. The ASAC conference developed as an annual venue to showcase scholarship, network with colleagues from across the country, and support the association through voluntary service in one of its many discipline-specific divisions or executive. The ASAC membership network also administratively supports CJAS and ideally ASAC conference material would eventually be published in CJAS, further legitimizing the Canadian system. However, for some members submitting a high-quality paper for publication in CJAS is seen as a ‘lost opportunity’ if it might be accepted elsewhere with higher ‘impact’ or ‘quality rating.’ Therefore, while ASAC is seen as a friendly place to develop and network with peers locally, it is not always seen as a place to make a strategic career building presentation of work.

After sixty years of development, being Canadian and understanding Canadian issues still matters to ASAC members and the association’s mission continues to focus on Canadian business issues and supporting Canadian scholars. ‘Canadian business’ is a central institutional logic but it is also a problematic one that is often discussed and debated at conferences, among executive and conference divisions, and in CJAS (Austin, 1998; Baba, 2016; Ng & Rumens, 2017). We will argue the way in which ASAC has continued to organize for 60 years and adapt to complex Canadian identity logics is exactly what makes it Canadian in the first place. We will show the response to logics evident in CJAS publications, present a Canadian discourse that supports plurality, complexity, and collaboration. The editors, authors, ASAC members, and others who read the journal are influenced by the normalization of research approaches that are localized, plural, and complex, as well as the portrayals of Canadian identity as multi-cultural, regional, French and English, whose ‘business’ uniquely straddles the public-private enterprise. The research here adds to the body of work that explores the relationship between political public policy and Canadian forms of organizing (McLaren & Mills, 2015).

Organizational Institutionalism – ASAC’s Past

Studies of ASAC have used elements of institutional theories to consider and explain how it has emerged in the past 60 years (Austin, 1998; McLaren & Mills, 2013). For example, Austin (1998, 2000b) applied theories of institutional isomorphism to describe the evolution and changing nature of ASAC as a professional association. She demonstrated that organizations like ASAC are influenced by international business norms at the field level and that Canadian management values are determined outside of the country because the association needed to meet international (which is to say, *American*) standards to gain legitimacy. McLaren and Mills (2013), also applying elements of institutional theory, later used institutional logics and organizational legitimacy to consider intellectual pluralism performed at ASAC. They demonstrated that although ASAC has struggled to achieve a desired level of academic legitimacy internationally, the value of its Canadian identity has always been recognized by members who support its core mission to encourage Canadian business scholars. However, it was noted that without a comparison to the United States, a single nationalist Canadian identity may not exist (McLaren & Mills, 2013).

Organizational Institutionalism

Organizational institutionalism has developed as a field of study in recent years. The areas of study included within its scope have extended into various dimensions such as legitimacy (Alajoutsijärvi, Juusola, & Siltaoja, 2015; Deephouse et al., 2017; Hinings et al., 2017; McKee, Mills, & Weatherbee, 2005), governance (Hinings et al., 2017; Kraatz & Block, 2017), and change (Boxenbaum & Jonsson, 2017; McKee et al., 2005; Ocasio, Loewenstein, & Nigam, 2015; Pache & Santos, 2013; Smets, Morris, & Greenwood, 2012; Wedlin & Sahlin, 2017). These concepts are interrelated aspects of a more complex understanding of organizational institutionalism which acknowledges that governments influence organizations directly and indirectly at a societal level (Hinings et al., 2017; Kraatz & Block, 2017). That said, organizational institutionalism also creates space to consider plurality by accepting that multiple fields simultaneously influence organizations and that actors within organizations prioritize various demands differently (Kraatz & Block, 2013, 2017). Pluralism, then, should be of particular interest in the context of Canadian organizations (like ASAC) whose organizational identity is connected to a nationalist identity that has consistently been characterized as ‘multi-cultural’ for quite some time (Canada, 1988; Dewing, 2009; Guo & Wong, 2015).

Multiculturalism has been a central organizing principle of Canada pre-dating Confederation. Since then, it generally accepted by the populous as a demonstration of a set of shared social values, such that Canadians can be described as morally liberal minded, accepting of diversity, and socially conscious of ethics (Adams, 2006, 2009, 2017). Canadian organizations who hope to maintain legitimacy must operate in ways that adhere to legitimate this logic. Studies in institutionalism are informative because they consider the various ways organizations tend to respond to conflicting logics in order to maintain field level legitimacy in multiple fields (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011; Kodeih & Greenwood, 2014; Raffaelli & Glynn, 2014).

Institutional Pluralism

The framework Kraatz and Block (2017) provide to explain institutional pluralism encompasses three fundamental assumptions: reality is isomorphic (legitimacy), institutions are socially constructed symbols that change over time, and they are influenced by society at a field level (governance). Institutional pluralism has been defined as the situation in which organizations enact multiple institutionally given identities and mythologies that legitimate identities (Yu, 2013). It recognizes that governance (Kodeih & Greenwood, 2014) and values (Kraatz and Block, 2017) are underexplored dimensions of institutionalism. Institutional pluralism is like institutional complexity (Greenwood et al., 2011; Kodeih & Greenwood, 2014) and institutional hybridity (Pache & Santos, 2013; Santos, Pache, & Birkholz, 2015) because it recognizes the role of multiple and often competing institutional logics. It also acknowledges the dynamic and interrelated nature of individual identity and field level governance structures which influence of processes required to attain and maintain sociopolitical legitimacy. In this essay, Canada is not understood not as a “nation-state actor” (Scott, 2017, p. 862); instead, it is a conceptual tool referred to as an organizational field, a “collection of interdependent organizations sharing broad cultural frames and common relational system or network of interactions” (Scott, 2017). By extension, the notion of Canadian identity is also socially constructed by Canadian citizens. Therefore, Canadian identity logics at ASAC are the result of “bringing institutional and identity logics into conversation together” (Glynn, 2017) where institutional logics are the socially constructed ‘rules of the game’ that define appropriate behaviour (Kodeih & Greenwood, 2014; Ocasio, Thornton, & Lounsbury, 2017) within the fields of Canadian business scholarship.

Other studies discuss how ASAC gained evaluative (pragmatic and moral) legitimacy and cognitive legitimacy (McLaren & Mills, 2013). Cognitive legitimacy in this case focuses on adherence to collectively valued purposes and goals (Deephouse et al., 2017), also referred as informal legitimacy (Hinings et al, 2017). The cognitive legitimacy of ASAC is demonstrated by high levels of participation at the annual conference and ongoing membership from scholars and practitioners from the field of administration in Canada. Another applicable dimension of legitimacy is formal (Hinings et al, 2017) which includes regulatory or sociopolitical legitimacy (Deephouse et al., 2017). Evidence of ASAC’s formal legitimacy is demonstrated by the continued funding it received from national bodies and business schools that sponsor the annual conference. Although legitimacy of ASAC has been considered in depth, the means through which it has been socially constructed as a symbol of Canadian management scholarship and how the association has adapted over time in response to field level pressures from society require further exploration.

Methodology

The primary activities of ASAC relate to either organizing the annual conference or supporting the publication of CJAS. The annual conference is an important part of ASAC’s maintaining legitimacy among members, providing a place to network and discuss common areas of interest. Supporting CJAS has also been an important part of gaining and maintaining legitimacy in the field of business studies internationally. Acknowledging that organizational identity is socially constructed, the process of academic publication has a significant normative influence in the field of social science, which includes management studies. The ways in which the academic business school logic is enacted by the organizers to create a journal that is of interest to academics and ASAC members is

informative. Therefore, this discourse analysis primarily focuses on the journal publications because articles published in CJAS provide an indication of the type of information and research that was of interest to member reviewers at the time of printing after being subjected to significant influence from field level norms (Miller et al., 2011; Moizer, 2009).

Discourse Analysis

The published issues of CJAS can plausibly form what Rowlinson and colleagues (see Rowlinson, Hassard, & Decker, 2014; Rowlinson & Hassard, 2013) term an ‘organizational archive.’ These texts are also a source for information from the past that can be used to create plausible history-as-sensemaking process for ASAC via CJAS (Suddaby & Foster, 2017). As ‘the’ Canadian association that focuses exclusively on administrative scholarship, CJAS in many ways is the primary accessible ‘face’ of ASAC. We suggest that those who choose to be publish their work in CJAS rather than elsewhere are more committed to the Canadian identity project because the do so despite the perceived academic risk.

The published content of CJAS provides a primary source of data in the following way. We took to a thorough review of published peer reviewed articles, which are subject to significant influence from the field at a conference or collegial feedback prior to publication. These articles have contributed to ASAC’s ability to achieve legitimacy within the academic business school logic and increased the legitimacy of Canadian academics in the academic field (McLaren & Mills, 2013). However, CJAS does not publish exclusively Canadian cases or Canadian authors. To maintain legitimacy in the academic field they deliberately encourage publication from a variety of sources and on a variety of topics. In contrast, CJAS editorial teams have significant influence on what research is made public and how it is presented (Harley & Acord, 2011; Moizer, 2009). Editors are responsible for ensuring the balance between logics in CJAS published material, therefore their discourses are informative, because they have a position of influence and power. They are also slightly less constrained by the norms of the academic field and review process. The processes enacted within their editorial support teams determine what is deemed ‘Canadian’ management scholarship, or at least what is to be regarded as palatable among Canadian management scholars. Papers may be ‘desk rejected’ because they do not meet the mandate of CJAS (Hackett 2007).

We reviewed all editorials from 1991 to 2017. Unlike the practice in some business journals, not every issue had an editorial. A sample of articles that referenced Canada or Canadian as a subject term was reviewed considering the context in which Canada and Canadian was presented within them. Introductions to special issues were also considered along with award winning essays and special features.

Analysis

Although CJAS does not publish exclusively Canadian issues, the articles written about Canada and published in CJAS present a view of Canadian business scholarship that fits with the mission of ASAC. Published articles meet criteria set by CJAS which means they are high quality conceptual and empirical papers in the variety of business disciplines supported by ASAC divisions (Anonymous, 2007, 2008; Area Profile, 2016; Oh, 2015). The work published tends to be multi-disciplinary and interdisciplinary work written in English, primarily, and French (<http://cjas->

rcsa.ca/about-cjas/). Therefore, what is published in CJAS is reflective of a network of contributors, who together collaboratively within a broadly defined field to create and legitimize the notion of Canadian business scholarship that is interesting and worthy of discussion. What has been submitted to be reviewed or what was rejected is not accessible, but the resulting output of the editorial review process must be deemed the highest quality of all that was submitted. In this context editors have a unique position because they have more access to understand what is submitted overall and can present their perspectives in the routine editorial prefacing the articles within a particular issue. They reflect on the state of the journal, their agency in enacting the mission, and the challenges and opportunities which they see.

CJAS Articles

Published peer reviewed articles are subject to significant influence from field level norms. What is published and how it is written are considerably influenced by reviewers before being shared. Work is submitted and read, but in the majority of the cases are rejected (Moizer, 2009). Rejection is not necessarily a commentary on the quality of the idea but the whole package; how an idea is 'put together' and presented (Baba, 2016). CJAS had a rejection rate of 70 percent in 2017 (Laroche, 2017). Editors often point out the value of maintaining an internationally competitive acceptance rate (Baba, 2016; Hackett, 2006a, 2009; Jalilvand, 1999). Acceptance and publication in CJAS represent what is deemed worthy by a network of informed and critical reviewers from the Canadian field of business management and administration. The outcome of their review and recommendation is a result of comparing what they review with their perception of the CJAS purpose, to maintain a level of legitimacy within the Canadian business studies (Elliott, 2013; McKee et al., 2005).

A database search was completed of CJAS articles available through the EBSCO Host Business Source Premier (which include articles from 1997 through 2017). Searching the key text "Canad*" as a subject term returned over 150 results, more than half of all the CJAS publications. The way Canada is presented in the articles varies from one article to the next the position of the authors tending towards one of four perspectives. The articles provide Canadian context by considering case studies of organizations operating in Canada. In this case, the organizations are assumed to be Canadian by virtue of their location and the legal, environmental, and local societal influences (Burke, 1998; Scales, Kelloway, & Francis, 2014; Thun & Kelloway, 2011). A second common approach is to treat Canadians demographically, sorting and organizing people residing in Canada as using different common traits or apparent physical or social identifiers. The common traits used by those in the field of marketing include language, age, region of residence, ethnicity, or an occupational area (Adler & Graham, 1987; Laroche, Tomiuk, Bergeron, & Barbaro-Forleo, 2002; Latham & Millman, 1997; Partridge & Nolan, 2005). A third position considers the structure and macro level influence of Canadian industries and the implications of public policy on the economy. In this situation Canada is a unique context defined by the legal structures and macro level influence of public policy on organizations associated with Canadians (Carlson & Nolan, 2005; Davis, 2003; Lightstone & Driscoll, 2008; Marche & McNiven, 2003; McNiven, 2006; Serenko, Cocosila, & Turel, 2008). A final common group of articles is concerned with business school organizing within the Canadian academic field (Austin, 1998; Chen & Liu, 2012; Elliott, 2013; Erkut, 2002a; Finch et al., 2016; McKee et al., 2005; McLaren & Mills, 2013; Mesny, Pinget, & Mailhot, 2016; Mills, Weatherbee, & Colwell, 2006). This fourth body of work presents a view of the academic field

from the inside by including case studies and research projects that highlight the interaction effects of the other three areas that are of personal professional interest to ASAC members. They illuminate the influence of public policy, demographics, and international standards on academic institutions. These articles will be considered in greater depth because they are most relevant to the topic of Canadian administrative knowledge creation and the context for ASAC and CJAS.

CJAS the Business School Logic Presented by Articles

The Canadian management and organizational studies field is influenced not only by the legal organizational structures of business schools, and imposed accreditation structures (Coleman, Wright, & Tolliver, 1994; McKee et al., 2005; Helms Mills et al., 2006) but also funding agencies as well as industry partners who support ‘action’ (‘knowledge mobilization’) research (Mesny et al., 2016). The multiple field level logics must be navigated by leaders who set the vision. The logics are also enacted socially by ASAC members who establish field level standards of practice as they organize and attend conferences, review conference presentations and article submissions, and present and refine their research efforts to conform to the expectations presented by their peers. Canadian business scholarship continues to be operationally dependant on powerful local social networks such as Deans of business schools who revere ‘research impact’, funding agencies whose goal is to mobilize research praxis, and industry partners who capitalize on evaluative scholarship (Mesny et al., 2016).

The articles that consider the influence of public policy on achieving legitimacy in the academic field discuss that CJAS is positioned in an internationally regulated industry that is at the mercy of dominantly American standards (McLaren & Mills, 2013). When Erkut (2002a) attempted to measure the impact of Canadian researchers in the field of management studies, his study briefly introduced – vis-à-vis the published pages of CJAS – the ongoing debate about the importance of scholarship metrics. It raised many insightful questions about what constitutes valuable contributions in the field and what constitutes the field itself. Though the study was not highly cited initially, it has since been cited as a method for considering ‘impact’ (Serenko et al., 2008). At the time, the study revealed something about Canadian management values and the social construction of impact metrics noting: “Canadian academics publish quite a few papers in Canadian journals, but they do not cite many papers published in Canadian journals” (Erkut, 2002a, p. 103). It summarizes a common discourse at ASAC which presents the influence of an American knowledge system that informs Canadian field level logics. In order to remain competitive in the international academic industry, Canadian schools have tended to adopt (and adapt) American structures and standards (Boothman, 2000; McKee et al., 2005) which, uncritically, reproduce values and contexts of the United States (McLaren & Mills, 2015). Likewise, Canadian academics have tended to strive for recognition, through publication in journals whose ‘base’ is in the United States, again accepting that the standard of academic rigour and value can be proved by conforming to American academic norms (Elliott, 2013). The immediate response to Erkut’s (2002) study from the CJAS editorial team was to invite Deans of business schools from across to jointly-respond to the study. The editor’s invitation process was an attempt to engage CJAS readers with diverse perspectives from across the country. As one would expect, the responses generated a discussion vis-à-vis subsequent CJAS articles that demonstrated the uniqueness of the complex plurality of Canadian business scholarship (Baba, 2002; Erkut, 2002b).

CJAS the Business School Logic presented by Editorials

Inviting and publishing responses to articles is just one example of the unique and influential position Editors hold in journals (Bedeian, 2004; Moizer, 2009). Editors shape the strategic direction of the journal and are often seen as the authority of scholarship published in their respective journals, narrating the editorial story of issues published and theoretical progress. Through our study we found reoccurring topics in CJAS editorials to include: (1) reflections on impact (Baba, 2015; Hackett, 2006, 2008; Jalilvand, 1999); (2) increasing international representation (Hackett, 2008; Jalilvand, 1999); (3) the value of supporting and encouraging new scholars through the ASAC conference (Hackett, 2006, Hackett, 2009); (4) finding new ways of promoting Canadian interdisciplinary management studies (Baba, 2015; Brooks & Fooladi, 2003), and; (5) a desire to produce research with academic and practical value (Baba, 2014; Fooladi, 2002).

Among these topics, we draw upon two emerging themes from the data. The first theme is the gatekeeping strategy editors deploy to reinforce the value Canadian business identity. This is achieved by inserting their editorial content into the journal in ways that do not require blind peer review. For example, they present perspectives of business field by conducting practitioner interviews (Brooks & Fooladi, 2005). They may also include the key note addresses from conferences (d'Aquino, 2007; Hinings, 2006), invite commentary from business school deans (Baba, 2002; Erkut, 2002b), or present special editorial essays (Baba, 2016; Ghauri & Park, 2017). They create space for ideas that may not fit the mainstream academic logic by publishing 'calls' for special issues (Baba, 2013b; Fooladi, 2000; Tae Hoon Oum & Chunyan Yu, 2005), or printing special features (Davis, 2003; Montazemi, 2009; Tae Hoon Oum & Chunyan Yu, 2005).

A second theme also emerged about the editor's role in the knowledge production enterprise of scholarship. It is expected of editors to translate and promote the value of ASAC as a venue for showcasing conference manuscripts, and CJAS as a publication outlet for high quality academic research. The editorial team do this by awarding best paper awards (Armstrong-Stassen & Schlosser, 2008; Chen & Liu, 2012; Scales et al., 2014) or encouraging certain organizational values by interpreting metrics. For example, in the 25th anniversary edition of CJAS, Hackett (2008) noted it was a milestone year due to the significant changes in strategic direction, branding, quality, and new paths for the journal.

Editors have been keenly focused on the topics of quality and impact and tie metrics to the goal of the publication to make valuable contributions to the field. The metrics that editors have used to represent the influence of CJAS include those that are most common in the field of academic publishing (e.g., submission rates, rejection rates, citation counts, and impact factors). Hackett (2007) offers CJAS-specific metrics and, according to those numbers, the influence of the journal is growing. Indeed, it is increasingly being seen as a source of quality, international, and interdisciplinary research (Laroche, 2017). Despite repeated efforts and 'nudging papers in a direction of greater relevance to the profession' (Baba, 2013b), it seems CJAS editors continually struggle to convince ASAC members and readers to actively support their vision of interdisciplinary research in Canada by submitting their findings to the journal (Baba, 2016). In turn, Canadian business scholars also have a role to play in this by responding to editorials or engage in the editorial process itself (Moizer, 2009). These important stakeholders must

“send...papers, agree to serve as reviewers, speak highly of the journal among colleagues, and take ownership of this superb journal” (Hackett, 2007a).

Combing Evidence: Reflection of Canada through CJAS

There is value in the organizational lesson experiences by CJAS to meet the ASAC goals. Like management scholars internationally, Canadians are concerned with the challenge of defining value for multiple networks and stakeholders (Finch et al., 2016) yet the uniqueness of Canadians and Canadian organizations is the way they respond to and manage diversity. Regional representation requires constant change and deliberate effort to make space for alternative perspectives, and is often presented as dichotomous (e.g., urban and rural, English and French, and professional and academic, see Hackett, 2006a). Sexty (2006) noted that while ASAC has expanded since the initial cooperative efforts 60 years ago the values have not. The current mission “to advance scholarship, teaching and practice in the administrative sciences in Canada by facilitating a collegial, inclusive and vibrant community for the rigorous exchange of ideas in our two official languages (“Mission Strategies,” 2018)” is reflective of the initial intent of the business school Deans. ASAC is a collectivist professional organization in which change is the result of consensus building and takes several years to achieve (Austin, 1998).

Throughout the papers that have been written about ASAC, and about Canadian business scholarship, Canada refers to a locale or is positioned in relation to the United States. The Canadian ‘modifier’ is used to identify either a school’s or researcher’s location in Canada or they are uncritically presented as alternative to American but with incomplete consideration of aspects attributable to unique ‘Canadian’ contexts. This way of understanding Canada within CJAS and ASAC is too limiting. In response to organizational pluralism, the membership at ASAC could have prioritized activity differently, articulate an identity construct with clarity, and position the conference more clearly within the international business studies fields. However, the lack of clarity around the Canadian identity did not stop ASAC from being Canadian in practice. The goal of ASAC and CJAS was to contribute new ideas to the academic field and create something for people who share common spaces, histories, and political contexts. The perceived conflict between Canadian issues and international relevance did not result in fracture as predicted by institutional theory (McLaren & Mills, 2013). They have been balancing multiple logics – namely academic, practitioner, and Canadian. In fact, Editors of CJAS actively solicit paper submissions that consider Canadian contexts (Baba, 2013b; Hackett, 2006a). However, it seems there is limited response to their requests. Members, in choosing to present a Canadian identity logic that is in tension with the logic of top tier academic status continue to socially construct tension.

Discussion

Editorials in CJAS demonstrate that editors accept the Canadian multidisciplinary logic and the plurality of the field, and they try to encourage it (Baba, 2013a; Hackett, 2006a). Editorial teams at CJAS deliberately continue to accept and encourage article submissions in both French and English despite normalizing pressure from publishers to publish exclusively in English and the additional expense associated with translation (Hackett, 2006a, 2007a). Editors also consistently request interdisciplinary and theoretical work, efforts that encourage CJAS readers to consider lessons from a variety of subject matter areas (Baba, 2013b; Hackett, 2007b), often through calls for special

issues (Brooks & Fooladi, 2003; Fooladi, 2000; Jalilvand, 1999). It is also common to see articles in CJAS that demonstrate Canadian based partnerships that integrate diverse regional perspectives as research topics as well as in project organizing structures (Finch et al., 2016). The development of and ongoing adaptiveness of ASAC as an organization recognizing CJAS as a fundamental component of change in a dynamic Canadian/International environment has defied predictions of theories of institutional plurality (McLaren and Mills, 2013). They have multiple goals to meet high quality standards of the academic field, to create knowledge by presenting interesting interdisciplinary work, and to be Canadian. Their calls for submissions do not present these three logics as contradictory or competing, they can be complementary. CJAS publications demonstrate the uniqueness of the Canadian multicultural logic when they make a deliberate effort to include opinions from across Canada (Austin, 1998, 2000a; Finch et al., 2016), move the annual conference to different locations (Austin, 1998; McLaren & Mills, 2013), and include research written in French (Hackett, 2007a). Unquestioningly there is a desire to understand Canada and Canadian contexts, and to adhere to the social rules of Canada, by focusing on how Canadian laws, policies, and socio-cultural norms influence business management and business research. The assumption must be accepted that there is clarity around what it is to 'be' Canadian.

Canada is a nation of local communities with unique value in localized contributions. ASAC is an organization that was established around an idea, and ideal, a vision or a belief that there is something unique and different about Canadian organizing. We have tried to show that the CJAS network, editors, authors, and readers reproduce their understanding of a Canadian identity that recognizes the value and necessity of plurality and complexity. They have repeatedly explained that business in Canada is different from business in other places because government policy, regional boundaries, and local cultures (community contexts) influence how organizations operate. The uniqueness lies in the approach to organizing, the deliberate efforts to include diverse regions and languages (a Canadian model), recognition of group effort required to pull it off, acknowledgement of individuals who work particularly hard, and the effort to adapt through innovation attempts to see what sticks.

We proposed CJAS as an ideal example of Canadian organizing in practice. It has been challenged by a weak definition of one of its core logics, Canadian, but refused to sacrifice it for the sake of legitimacy (Kraatz & Block, 2017; Pache & Santos, 2010). Instead organizational members have repeatedly chosen to negotiate a balance between two seemingly incompatible logics, international relevance while maintaining a focus on Canadian contexts. The analysis of CJAS revealed that editors and those who study theories of Canadian management present Canadian discourses of plurality, complexity, and bi-lingual (English and French) often interchangeably presented as interdisciplinary research. We have provided an argument that these logics should not be viewed as incompatible. They may be able to co-exist and maintain what appears to be a truce (Nicolini et al., 2016) or CJAS and ASAC can focus on deliberately changing the discourses that have been constructed around the two logics (Pache & Santos, 2013; Santos et al., 2015; Smets et al., 2012; Yu, 2013), positioning Canadian management as a field of plurality.

Often reproductions of 'Canadian' often critiques the 'American way' yet it seems unable to provide an alternative that so significantly different to deny it entirely. Values are embedded in the structures that arrived with historic colonial ties. Although many Canadian organizational models

appear to mimic other dominant models of Europe and later America, they have differed in subtle yet significant ways. Incremental change occurs over extended periods of time and Canada is emerging as something different, something alternative by building on Canadian policies and political structures that demonstrate a uniquely Canadian approach to organizing. The perhaps subtle differences between Canadian compromise approaches have resulted in increasingly diverse shared societal values, over time they have created alternatives that have been difficult to articulate. They are related to a shared logic, governance system, and acceptance of plurality. They are evident in ASAC but may require some digging.

The discourses considered indicate that Canadian management scholarship operates in a context that demands plurality, and the ASAC/CJAS network does not require a single determining identity construct. It is not a stretch to describe the dominant Canadian identity logic present in ASAC as multicultural, complex, plural or innovative. In many ways they have already done so. There is opportunity in reframing Canadian this way too. There is space to deliberately strategize to strengthen identity of innovation, interdisciplinary, and interagency uniqueness of Canada and position ASAC as a potential venue where critical de-colonial theories can be discussed, challenging Canadian identity logic while providing an alternative to the standard American managerialist practice globally. Multiplicity and plurality provide a new way of socially organizing without relying on the outdated structures of the past (Leung, 2015), it is a discourse Canadians have been silently managing for a long time.

Implications for Canadian Identity

The Canadian government has been actively reconstructing a nationalist Canadian identity around the concept of multiculturalism since the 1960's. However, does Canada need a single consistent point of reference? The processes required to achieve legitimacy in the Canadian field involve navigating and adapting to plurality. The ASAC case demonstrates a practical example the kind of 'generative process' (Yu, 2013) required to respond to ever more plural and complex international business environments (Kymlicka, 2007). An inconsistent Canadian identity can create challenges for Canadian organizations and those who study them. It also creates opportunities to learn about managing cultural diversity and bring value to Canadian organizations by understanding diversity needs (McLaren & Mills, 2015). They cannot achieve that kind of legitimacy without acknowledging and engaging with the history of Canada and the way 'Canadian' is constructed and reified in organizations, especially those who self-identify as Canadian.

Canadian identity

A multicultural identity has emerged within Canadian society (Adams, 2017; Guo & Wong, 2015; Stein, 2007) and that identity has influenced ASAC, whose identity was formed to recognize the influence of local context in business studies, specifically Canadian. There are many valid critiques of multiculturalism, it can be divisive, marginalizing, a hoax, and hegemonic (Guo & Wong, 2015). There is also potential for it to be unifying, inclusive, hybridizing, or catalytic, offering counter-hegemony (Fleras & Elliott, 2003). There are strong advocates on both sides of the debate, but it seems people in Canada are prepared to debate, consider, respond, and find compromise and are becoming increasingly more willing to do so (Adams, 2017). It has become the uniquely Canadian

way, but it is still finding its way. We encourage business scholars in Canada to engage in this debate; it is not going away anytime soon.

Recent publications concerning the sociology of Canada have concluded that multiculturalism has become synonymous with the Canadian identity (Adams, 2006, 2009, 2017; Guo & Wong, 2015; Stein, 2007). It is problematic because the dominant understanding of culture refers to cultural practices - religious symbols, language, national heritage, music and dance- which does not consider the deeper more fundamental influence of values (Kraatz & Block, 2017). Meanwhile, many of the current public policy and legal structures of Canada have been built upon colonial nationalist ideologies and outdated conceptions that no longer represent the values of most Canadians (Stein, 2007). They are inadequate to respond to the rapidly changing global experiences. In order to move beyond the surface meaning of culture as outward displays of diverse histories and relationships with nations, Fleras (2011, 2015) proposes movement towards a post-Canada. Fleras suggests that “multicultural governance models for managing complex diversities rarely resonate with meaning or relevance” (2015, p. 327). Therefore, a pluralist post-Canada would be a leader in the management of complex diversities and multiversal communities of stakeholders. If he is correct, this Canada is also a good thing for ASAC.

The question of how Canadian identity influences management knowledge in Canadian schools has been raised by others (McLaren & Mills, 2013, 2015). They have advocated for research and theory building that helps develop management body of knowledge that considers Canadian contexts. The goal of this paper is to consider how ASAC, an explicitly Canadian association, reflects what is Canadian and socially creates it as a discourse in the field. We propose CJAS as an ideal example of Canadian organizing in practice. It has been challenged by a weak definition of one of its core logics, Canadian, but refused to sacrifice it for the sake of legitimacy (Kraatz & Block, 2017; Pache & Santos, 2010). Instead organizational members have repeatedly chosen to negotiate a balance between two seemingly incompatible logics, international relevance while maintaining a focus on Canadian contexts. Through the analysis of CJAS, which focused on the discourse presented by editors and those who study theories of Canadian management, we have provided an argument that these logics should not be viewed as incompatible. Although they may be able to co-exist and maintain what appears to be a truce (Nicolini et al., 2016) or CJAS and ASAC can focus on deliberately changing the discourses that have been constructed around the two logics (Pache & Santos, 2013; Santos et al., 2015; Smets et al., 2012; Yu, 2013), positioning Canadian management as a field of plurality.

Conclusion

Kraatz and Block (2017) explain that pluralism is different than multiplicity. We believe it is a critical premise to the argument that Canadians are exceedingly not satisfied with multiplicity and are moving toward more pluralistic ways of operating and will require governance structures that can adapt and accommodate this way of operating in a complex world. To be a Canadian management scholar is to recognize the influence of context, and the value of considering alternative ways of operating to create better, more innovative and interesting, managers. ASAC has always been a plural venue. It has been ahead of its time in what is becoming a new normal for Canada and the world – ‘post-national multiplicity’ (Fleras, 2015). The Canadian management identity is not problem but an example of pluralistic global futures that are not confined to cultures

of ethnicity, or geography, or singular dominant identity constructs. Instead pluralistic institutions like ASAC that are adaptive to changing environments are valuable, though not normative, because complexity is a global concern. CJAS is positioned and has evolved to tackle the emergent future of the digital world of online communities, social media, globalized, big data, and sharing economies. (Laroche, 2017)

Finally, we also encourage the continued critical investigation of historical political discourses in Canada. We propose that Canadian business managers are more open and considerate of diversity and multiplicity. However, we have not considered what has been neglected, ignored, or deliberately written out of the history. It was beyond the scope of this paper to problematize the ongoing influence of unethical political policy that was strategically designed to support the eradication of Indians, the First Peoples of Canada. Although, there has been an increased awareness and tendency for public servants and Canadian authors to recognize three founding peoples/cultures/nations: English, French, and Indigenous. It is not enough to acknowledge the First Nations as the third founding nation of Canada and continue operating the status quo. It does not consider the residual impact of dominance of assimilation policies prior to 1971 (Dewing, 2009) or the impact of the past actions on relationships and organizing in Canadian society today. There is a federal archive of royal commissions, federal public apologies, and crown court rulings that demonstrate the power and ongoing influence of public policy on organizations and business in Canada that challenge multicultural values of Canadians. The ongoing need to seek a way to eliminate the injustices and unfair treatment toward (those communities) must be met, along with the need to find a means to coexist in a way that is mutually honourable and respectful for all citizens of Canada, Aboriginal and non-Aboriginal alike.

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**PINECONE CONSTRUCTION (A) (B) (C):
THREE CASE STUDIES EXAMINING BASIC BUSINESS
CONCEPTS AT THE INTRODUCTORY LEVEL**

The following case studies – Pinecone Construction (A): Getting It Together, Pinecone Construction (B): Making It Work, and Pinecone Construction (C): Keeping It Going – were developed for use in undergraduate introduction to business classes. In addition to providing students with a context in which to practice rudimentary case analysis, each narrative also (a) permits the application of theory in a real, integrated situation, (b) provides a relatively simple context for exploration suitable to education level, and (c) creates opportunity for critical thinking and decision making.

Each case is field researched and decision-based, placing the student in entrepreneurial, small business situations. The problem in each narrative is clearly identified, and multiple criteria are provided to assist with decision making. The case studies are intended to be used sequentially, with the (B) and (C) scenarios building upon the events and decisions of the previous. Each case is preceded by an abstract providing a brief summary of the narrative and outlining student learning objectives.

**PINECONE CONSTRUCTION (A): GETTING IT TOGETHER
*INVESTIGATING FORMS OF BUSINESS OWNERSHIP***

Facing the challenge of finding employment as an older worker, experienced carpenter Ian Mackenzie is considering starting his own small renovation business. On the advice of his MBA graduate son he has put together a basic business plan inclusive of thoughts about the services he will offer, the kind of customer he will target, and preliminary (and aspirational) financial projections. He is unsure, however, as to what form of organization to adopt – with each seemingly having its own advantages, which one should he choose?

Designed as the first in a series of critical thinking cases exploring basic business concepts, this narrative is intended for use in undergraduate Introduction to Business courses, and provides opportunity to discuss entrepreneurial motivation and forms of ownership. Specific student learning objectives include the assessment of a small business opportunity and the comparison of three basic organizational ownership forms, i.e. sole-proprietorship, partnership, and corporation.

PINECONE CONSTRUCTION (A): GETTING IT TOGETHER

Ian Mackenzie ran his fingers through his silver hair as he scanned the computer screen in front of him. He didn't recall construction work being quite so complicated "back in the day." The 58 year old had spent most of his life working in the building trade, beginning as an apprentice carpenter in his early twenties and then working his way up through a number of companies to ultimately become a project estimator. He had developed a solid reputation for honesty and integrity, and if it hadn't been for an unfortunate fall down a set of steps at a job site a year and a half ago he had thought he would retire with Fairmont and Sons Construction. Alas, after a year of rehabilitation Ian had felt ready to get back to work, only to be informed by his boss that his position "had been eliminated."

Ian had spent the intervening months looking for work, thinking that surely an estimator of his reputation and ability would be in high demand. As the rejection letters piled up, he came to the conclusion that it might just be his age working against him. At the same time an idea had seized him: why not start his own small renovation business? He had a lifetime of tools and training to draw upon, and while he had never managed a business himself, his son Alan had both an MBA and experience in the commercial finance world, and surely could be leaned upon for advice.

On Alan's recommendation Ian had begun putting together a rough plan for the business that followed a template his son had given to him. The first section was simple: a name for the business. "Pinecone Construction," Ian thought, "after the tall Scotch Pine trees that border my property."

The next section had called for a description of the products or services that Pinecone Construction would offer. "My focus is going to be on the residential market," Ian thought. "Renovations and new construction." He made a list:

- Roofing repairs (patching leaks, installing flashing around chimneys, re-shingling)
- Interior construction (remodeling existing rooms, constructing new rooms)
- Patio construction / repair
- Construction / repair of sheds or garages
- Installation of doors and windows
- Any other "small" projects that can be done by one person

"I'll need to be careful not to take on projects that are too big for me to handle," Ian thought. Over the years he had witnessed a number of small contractors get themselves into a bind by taking on jobs they couldn't complete, running out of money part way through and – in more than a few cases – going bankrupt. "That's definitely something I want to avoid," he thought.

Ian didn't spend a lot of time on the next section of the plan – competition. "I know that competition in the home renovation market is fierce," he thought, smiling as he remembered the old joke about how you only needed a ladder and a pickup truck to be a contractor.

While he knew he would need some help from Alan with the financial part of the plan, Ian felt that he could fill in the blanks provided by the template with reasonable "guesstimates." While the template contained spots to input projected information on a monthly basis, Ian opted to keep it simple and estimate numbers representing what he thought a reasonable first year in business would look like. "Alan can help me with the breakdown," he thought. "What's important at this point is having a sense as to whether or not I can make a go of this." He came up with the following:

Revenue	300,000
Cost of Sales	
Material	100,000
Labour	125,000
Taxes	?
Gross Income	<u>75,000</u>
Expenses	
Overhead	20,000
Depreciation	?
Marketing	1,000
Interest	?
Bank Charges	?
Telephone	500
Accounting	300
Travel (Gas)	2,500
Insurance	1,000
Vehicle Expenses	1,000
Payroll	35,000
Total Expenses	<u>61,300</u>
Net Income	<u><u>13,700</u></u>

“It doesn’t look too bad,” Ian thought to himself. “There are a few lines where I’m not one hundred percent sure what to put down, but still, a profit of over \$10,000 would not be a bad thing, and might help top up my pay a bit.”

He continued to mull over the numbers, asking himself whether he had been objective in his assessment. While he didn’t want to fall victim to “over-promising and under-performing” he also felt confident in his ability to do the work that would be required to drive his projected revenue. “One cost that’s not in there is the purchase of a truck,” Ian thought. “My SUV can get me by in the short term, but once things get going it can’t really haul building materials and equipment like a truck can. That’s going to mean a loan... but I’ll give that more thought later.”

The template wrapped up by challenging Ian to determine how much of his own money he would invest in the business, and what form of organization he would register Pinecone Construction as with the Province of New Brunswick. “In terms of my own contribution, I’ve got about \$10,000 in savings to get the ball rolling. I think my tools are worth at least \$5,000, and the SUV... well, it may be seven years old but it’s in pretty good shape. I’d ask at least \$4,000 for it if I put it up for sale.”

On the other hand, what form of organization to adopt had Ian stumped. Alan had pointed him to information pages on the Service New Brunswick Corporate Registry website which he had printed and now had spread out on the table in front of him (Appendices 1-4). The name registration seemed straightforward enough, but he found the rest of the information confusing. He had always understood that there were three basic types of company – a sole-proprietorship, a partnership, and a corporation – but he didn’t see anything here about sole-proprietorships. “That was the direction I was leaning,” he thought. “I’ve always understood corporations to be too expensive and too complicated for little guys like me, and I don’t have a partner, so a partnership doesn’t make any sense. But which of these am I supposed to go with?”

Ian took off his glasses and rubbed the bridge of his nose wearily. “Maybe it’s time to call it a day... Alan is coming over for lunch tomorrow – maybe he can make some sense out of all of this.”

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**Appendix 1:
Service New Brunswick – Registration of a Business Name (Excerpted)**

**PARTNERSHIPS AND BUSINESS NAMES REGISTRATION ACT
PROCEDURAL REQUIREMENTS TO REGISTER A BUSINESS NAME**

GENERAL INFORMATION

The registration of a business name in the Province of New Brunswick is normally done by a person engaged in business for trading, manufacturing or mining purposes within New Brunswick and who carries on business under a business name. Registration may be done by filing the enclosed Form 5, Certificate of Business Name. Such registration is required to be done within two months of commencing business in New Brunswick under a business name. Notwithstanding that the time period for registering the certificate has expired, the Registrar may permit the registration of the certificate.

The filing fee for registration is \$112 (\$100 registration fee and \$12 for publication in the Royal Gazette). Your cheque should be made payable to Service New Brunswick.

ELECTRONIC FILING

You are now able to file your business name registrations electronically with Corporate Registry. Please note certain conditions apply to on-line filing. Check our web site at <http://www.snb.ca>

SELECTING THE NAME

Before registration, you must select the proposed business name. Attached you will find a pamphlet entitled "Selecting a Proposed Name", which details the steps that should be followed in this process.

CERTAIN OBLIGATIONS FOLLOWING REGISTRATION

Once registered, the business becomes subject to the provisions of the Partnerships and Business Names Registration Act. A copy of the Act may be obtained by writing to The Queen's Printer, P. O. Box 6000, Fredericton, N.B., E3B 5H1 or by calling (506) 453-2520.

1) The Business Name and Number

Upon registration the business name will be assigned a number and will be inserted into a computerized database, along with pertinent information. All future inquiries may be dealt with faster if the business name and number are set out on all documents forwarded to our Branch.

2) Renewal Requirement

Once a Certificate of Business Name is registered, a Certificate of Renewal must be registered in compliance with this Act every five years from the date the certificate was registered. Failure to do so constitutes an offence under the Act and may result in the cancellation of the certificate of registration by the Registrar.

3) Ceasing to Carry on Business

Where a Certificate of Business Name has been registered and the registrant ceases to carry on business under that name, the registrant is required to file, in compliance with the Act, Form 6, Certificate of Cessation of Business Name or Use of Business Name, setting out that it has ceased carrying on business or has ceased carrying on business under that business name.

IMPORTANT

The above sets out procedural requirements to register a business name. You may wish to consult with a legal advisor as to legal aspects of the registration. Please also note that the procedural requirements for registration may change from time to time.

**Appendix 2:
Service New Brunswick – Selecting a Proposed Name (Excerpted)**

**SELECTING A PROPOSED NAME FOR A PROVINCIAL COMPANY/CORPORATION,
PARTNERSHIP AND/OR BUSINESS NAME**

THE STEPS

Set out below are the chronological steps which are followed regarding selecting and incorporating/registering a proposed name under which you intend to carry on business. Likewise, an existing company/corporation or partnership may wish to change its existing name by filing appropriate amendment documents. In that case, the steps below apply on a similar basis.

- 1) Select a proposed name.
- 2) Obtain a name search report from a private sector name search firm. This report must be an Atlantic based NUANS search report. Review the report and the firm's covering letter to determine whether the proposed name continues to seem to be suitable from your perspective.
- 3) Send in the name search report, covering letter and the incorporating/registration documents to the Corporate Registry. Note: The name search report must be a current report, i.e. one done within 90 days of receipt by the Branch.
- 4) The Corporate Registry will determine whether the proposed name is suitable for incorporation/registration. It will also review the incorporation/ registration documents to ensure they are acceptable for filing. If the proposed name and the other documents are suitable, the Branch will file the incorporation/ registration documents.

I BACKGROUND

Prior to incorporating a company/ corporation or registering a partnership and/or business name with this Branch, you should ensure that the proposed name is suitable for incorporation and/or registration.

In determining whether a proposed name is suitable, you, as a businessperson, will take many factors into account in selecting a proposed name. (Does it describe the product or service offered? Is the name distinctive? Can customers identify and remember the name?) One major factor to take into account is the provisions in various Acts and Regulations of the Province of New Brunswick, which deal with the suitability of a name for incorporation and/or registration.

A major emphasis of these provisions is to prohibit the incorporation or registration of a name that is either identical or deceptively similar to a name already on record in New Brunswick with the Branch. These provisions attempt to alleviate the public confusion and inconvenience which would likely result with having identical or deceptively similar names on record.

It should be noted that in circumstances where it is determined a name has been incorporated and/or registered and is identical or deceptively similar to an existing name on record, provisions exist under the Acts to order a change in the name of the more recently “recorded” name.

II MANDATE OF THE BRANCH

The Branch is required by legislation, as set out above, to determine the suitability of a name prior to permitting the incorporation and/or registration of the name. Likewise, you, as a businessperson, will be interested in ensuring the proposed name for your business is not identical to or deceptively similar to one

on record. In the end, the ultimate responsibility falls upon the incorporator or registrant to choose a name that is not identical to or deceptively similar to another name existing on our records.

III THE NAME SEARCH REPORT

The Branch requires an original name search report setting out your proposed name to be sent to it. The Branch will review the report and determine whether the proposed name is suitable for incorporation/registration. The name search report that the Branch receives from you must be a current report, i.e. a report generated within the last 90 days. Failure to comply with the 90-day rule will result in the Branch requesting from you another report which must be current.

If upon review, the Branch determines the proposed name is not suitable, it will contact you by phone or fax. In this case, it will be necessary to propose another name for the incorporation/registration. Due to this possibility, the Branch advises you that prior to ordering letterhead, signage, etc. for your business, to ensure that the Branch has determined that the proposed name for your business is suitable and that the incorporation/ registration has taken place.

IV OBTAINING A NAME SEARCH REPORT

It is your responsibility to obtain a name search report and to send the report to this Branch. You may obtain a report from one of the private sector name search firms set out in the attached list. It is your choice as to which firm you deal with. Each firm will charge a fee for providing you a name search report.

Upon receipt of the name search report from the name search firm, you should examine it to determine whether the proposed name still seems to be suitable from your perspective. You may need assistance from such firm in order to interpret some of the symbols and content of the report. Likewise, all name search firms will attach a covering letter to the report indicating, in their opinion, whether or not the proposed name seems suitable for incorporation and/or registration in New Brunswick. (Note: This covering letter from the name search firm must be forwarded to this Branch along with the actual Report. It facilitates our review process of any proposed name.)

V REVIEW OF THE NAME SEARCH REPORT

The name search report contains the names of corporations, partnerships and business names incorporated, filed or registered in New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Federal corporations and trademarks. For purposes of the Branch review, we compare the proposed name with the names set out as recorded for the Province of New Brunswick. As well, the Regulations prohibit the incorporation and/or registration of a name that is identical or deceptively similar to a Nova Scotia based business. We, therefore, compare your proposed name against Nova Scotia based businesses as well.

**Appendix 3:
Service New Brunswick – Registration of a Partnership (Excerpted)**

**PARTNERSHIPS AND BUSINESS NAMES REGISTRATION ACT
PROCEDURAL REQUIREMENTS TO REGISTER A PARTNERSHIP**

GENERAL INFORMATION

The registration of a partnership in the Province of New Brunswick is normally done by persons engaged in a partnership for trading, manufacturing or mining purposes within New Brunswick. Registration may be done by filing the enclosed Form 1, Certificate of Partnership. This registration is required within two months of commencing business in New Brunswick. Notwithstanding that the time period for registering the certificate has expired, the Registrar may permit the registration of the certificate.

The filing fee for registration is \$112 (\$100 registration fee and \$12 for publication in the Royal Gazette). Your cheque should be made payable to Service New Brunswick.

SELECTING THE NAME

Before registration, you must select the proposed name of the partnership. Attached you will find a pamphlet entitled "Selecting a Proposed Name", which details the steps that should be followed in this process.

DISCLOSURE OF NAMES OF PARTNERS

Where there are a significant number of partners in, for example, a national or international partnership, the Registrar may permit the registration of a certificate of partnership that does not set forth the name and address of each partner in the partnership upon such terms and conditions as the Registrar directs.

LIMITED LIABILITY PARTNERSHIP

Provisions of the Partnerships and Business Names Registration Act permit the designation of a partnership registered under the Act as a limited liability partnership. Only partnerships that practice an eligible profession, i.e. a profession that is regulated by an Act of the Legislature, are eligible to file a Certificate of Designation.

1) The Partnership Name and Number

Upon registration, the partnership will be assigned a number and it will be inserted into a computerized database along with pertinent information. All future inquiries may be dealt with faster if the partnership name and number are set out on all documents forwarded to the Branch.

2) Change of Partners or Name of the Partnership

If the partnership amends its membership or its name in New Brunswick, it must notify our office within two months after the time the change takes place by filing Form 2, Certificate of Change of Partnership or Form 3, Certificate of Change of Firm Name and pay the appropriate filing fee. As well, the availability for use of the proposed new name of the partnership should be confirmed with the Branch.

3) Renewal Requirement

Once a certificate of partnership is registered, a certificate of renewal must be registered in compliance with this Act every five years from the date the certificate was registered. Failure to do so constitutes an offence under the Act and may result in cancellation of the certificate of registration by the Registrar.

4) Ceasing to Carry on the Partnership

Where a partnership has been dissolved, one of the members of the partnership must file, in compliance with the Act, Form 4, Certificate of Dissolution, with this office.

**Appendix 4:
Service New Brunswick – Incorporation of a Business Corporation (Excerpted)**

**BUSINESS CORPORATIONS ACT
INCORPORATION OF A BUSINESS CORPORATION**

GENERAL INFORMATION

The incorporation of a business corporation under the Business Corporations Act in the Province of New Brunswick may be done by filing the enclosed forms:

- Form 1 - Articles of Incorporation
- Form 2 - Notice of Registered Office
- Form 4 - Notice of Directors

ELECTRONIC FILING OF THE APPLICATION

You are able to file your incorporation documents electronically with Corporate Registry. Check our web site at <http://www.snb.ca> . Certain conditions apply to online filing.

The majority of incorporations are done by e-filing. By doing it online, you save time and money. The cost to incorporate by e-filing is \$262.00 (a saving of at least \$50.00). E-filed applications are processed by our office on an expedited basis without additional charge.

PAPER FILING OF THE APPLICATION

The cost to incorporate is \$312. Your cheque should be made payable to Service New Brunswick. Our normal turnaround time is 10 business days.

If you wish the application to be expedited, an additional \$50 is required to be paid. In that case, we will review the application and issue the Certificate of Incorporation within 2 business days of receipt of the application or request thereof.

SELECTING THE NAME

Before incorporation, you must select the proposed name of the corporation. Attached you will find a pamphlet entitled "Selecting a Proposed Name", which details the steps that should be followed in such a process.

OTHER

A corporation may wish to carry on business in New Brunswick under a designation other than its own name. In such cases, the provisions of the Partnerships and Business Names Registration Act should be referred to as to registration requirements when carrying on business under a business name. This office can supply information on procedural requirements for such registration.

CERTAIN OBLIGATIONS FOLLOWING INCORPORATION

Once incorporated, a corporation becomes subject of the provisions of the Business Corporations Act. A copy of the Act may be obtained by writing to the Queen's Printer, P.O. Box 6000, Fredericton, N.B., E3B 5H1 or by calling (506) 453-2520.

1) The Corporation Name and Number

Upon incorporation the corporation will be assigned a number which will be entered into a computerized database along with pertinent information. All future inquiries may be dealt with faster if the corporation name and number are set out on all documents forwarded to our Branch.

2) Annual Return

Workplace Review, April 2019 Issue, 55-73.

The Act requires that the corporation file an annual return each year. Form 24.3, Annual Return of Corporation, will be mailed by this Branch each year to the corporation approximately 30 days prior to the anniversary month of the corporation. The anniversary month is the month the corporation was incorporated.

3) Change of Directors or Registered Office

If there is a change among the directors of the corporation or with the address of its registered office, our office must be notified within fifteen days of the effective date of the change by filing Form 4, Notice of Change of Directors or Form 2, Notice of Change of Registered Office.

PINECONE CONSTRUCTION (B): MAKING IT WORK
EXPLORING THE BREAK-EVEN ANALYSIS

Having chosen an organizational form for his small renovation business, entrepreneur Ian Mackenzie is challenged by his son to think hard about how the business is going to “make money.” While he has a number of different services in mind that he believes he can offer profitably, Ian is unsure as to which will help him to achieve financial success he needs to survive in the time frame he requires.

The second in a series of critical thinking cases exploring basic business concepts, this case is intended for use in undergraduate Introduction to Business courses. The narrative serves as a forum for the consideration of fixed and variable costs, the impact of product/service mix decisions, as well as the effect of price on revenue generation. The execution of break-even analysis is the specific learning objective.

PINECONE CONSTRUCTION (B): MAKING IT WORK

Ian Mackenzie whistled contentedly as he finished sanding the board that would soon become the top to a custom built tool box for the back of a future truck. “One step at a time,” he thought. The last two weeks had passed by quickly as he had worked with his son Alan to get Pinecone Construction “legit” (as Alan described it). After successfully completing a name search and registering “Pinecone Construction” as a business name, Ian had opted to set up the business as a sole-proprietorship. “After weighing the pros and cons of each form it seemed like the most reasonable way to go,” Ian said.

Now that the business was organized, Ian was busying himself with organizing his workspace and seeking to get the word out about his new endeavour. Several years ago he had built a 20’ x 35’ barn shaped garage in the backyard to provide parking space for two vehicles and a small workshop for himself. Now he wanted to expand the workshop and make the barn Pinecone’s base of operations. Last week he had installed an old woodstove he had taken out of the house a couple of years back, and cleared out the loft space under the gambrel roof. “That stove will make this a good space to work in during the winter months,” he thought, “And the loft is an ideal storage space for surplus lumber – it’ll be warm and dry up there.”

On the main level of the building Ian had positioned some of his larger tools, which included a table saw, sliding compound miter saw, and router table. Along the perimeter walls he had built a workbench, shelves, and other storage solutions for his large collection of hand tools. He was beginning to feel ready to get to work. To this end he had spent a few evenings on his computer designing a flyer to advertise the business (Appendix 1) – something that would work as a mail out in various neighborhoods he might target that he also could pass out to friends and family members or even send electronically. “It’s nothing fancy,” he thought after putting it together, “But it gets the point across.”

Ian frowned slightly when he recalled Alan’s comments. “I think that’s ok,” he said, “But what are you going to build your plan on?”

“What do you mean?” Ian said.

“Well, the flyer says renovations, additions, decks, gutters, doors, windows, roofs... that’s a lot of stuff. Which type of work makes you money?”

“It all makes me money,” Ian said.

“That’s not what I mean,” said Alan. “In that planning document I gave you a couple of weeks ago you estimated that you could generate \$300,000 in revenue in the run of a year. But that’s not going to come simply from building decks, or installing windows alone. Which of these generate the most return versus cost? It seems to me that you should be targeting “high margin” business when you do your marketing – it will help you get to profitability faster.”

“But I can’t predict what kind of work is going to come my way... and it’s not like I’m going to turn any work down just because it gives me a smaller return,” said Ian.

“And I don’t disagree,” said Alan. “But I do think that figuring out what could get you to profitability sooner will help you to better manage your business. Plus, when the time comes to sit in front of a banker you’ll be able to talk a lot more confidently about how you’re going to meet your loan payments. You did tell me that you wanted to finance a truck purchase.”

Ian looked thoughtful. “I suppose it would give me a better handle on my business.”

“It sure would,” said Alan. “Try to get some numbers down on paper, and be sure to let me know if you want me to take a look at them.”

That night Ian made a list of annual costs he expected he would have to cover regardless of whether he did any business or not.

<i>Overhead</i>	<i>20,000</i>	<i>(things like electricity, etc.)</i>
<i>Marketing</i>	<i>1,000</i>	<i>(mostly printing costs for my flyers)</i>
<i>Telephone</i>	<i>500</i>	
<i>Accounting</i>	<i>300</i>	
<i>Travel</i>	<i>2,500</i>	<i>(mostly gas for travelling to jobs)</i>
<i>Insurance</i>	<i>1,000</i>	
<i>My Pay</i>	<i>35,000</i>	<i>(675/week for me, give or take)</i>

“Hmm,” thought Ian, “here’s where it gets a little tricky. While I have a good sense of what most jobs cost and what kind of profit I should be after, I don’t think it makes sense to estimate costs for every kind of project. I’ll choose the four most common types of project I foresee me doing and see if I can make sense out of those numbers. That would be building new patio decks, installing exterior solid core doors, installing new windows, and replacing asphalt shingled roofs.”

Estimating the materials cost was easy enough, but Ian paused when it came to projecting labour cost. “I’ve listed what the cost would be if I was paying someone else to do the job, but the reality is that I’m planning to work the projects with maybe a helper... that should cut the labour cost in half.” He then added a final column that comprised what he thought would be a competitive price for the project.

	<u>Materials Cost per Project</u>	<u>Labour Cost per Project</u>	<u>Labour Cost Ian Working</u>	<u>Estimated Price Charged</u>
10'x10' Decks	500	500	250	1,500
Exterior Doors	300	100	50	600
Windows	250	100	50	525
Roofs	1,350	1,000	500	3,525

“Well, that’s that,” Ian thought. “I can see Alan’s point... I need to figure out what is going to help me make the most money. Doors and windows are more frequent projects than decks and roofs – sometimes you only end up doing one deck a month on average, but you could be installing windows every week. Should I concentrate on just one or two things? I wonder...?”

Ian looked at the clock. “11:30pm,” he thought. “Time to turn in for the night. Maybe I’ll give Alan a call tomorrow and see what he thinks about all of this.”

Appendix 1:
Pinecone Construction Flyer



**PINECONE
CONSTRUCTION**

7540 Highway # 8
Carrier's Lake, NB E1E 2K2

Ian A. Mackenzie

*Renovations – Additions –
Patio Decks – Gutters –
Doors – Windows – Roofs*

Free
Estimates

Quality
Craftsmanship

**Over 35 Years Experience... Call Today!
Office: 433-2232 Cellular: 499-4570**

PINECONE CONSTRUCTION (C): KEEPING IT GOING
UNDERSTANDING HUMAN RESOURCE MANAGEMENT

Ian Mackenzie's small renovation business has been operating profitably for some four months – in fact Ian has been so busy that he has hired two part time employees. Yet all is not well as conflict and productivity have become unwelcome issues that Ian will need to address.

As the third in a series of critical thinking cases exploring basic business concepts, this narrative is intended for use in undergraduate Introduction to Business courses and is designed to stimulate discussion regarding employee relations. Under the broader arc of human resource management, specific student learning objectives include the execution of rudimentary performance appraisal, assessment of employee morale and motivation, and consideration of factors contributing to the retention and/or dismissal of employees.

PINECONE CONSTRUCTION (C): KEEPING IT GOING

Ian Mackenzie hummed contentedly to himself as he made the turn off the highway and onto a residential street. Now three months into the operation of Pinecone Construction things were going very well – he had been blessed with a steady stream of home renovation projects. Customers seemed pleased with his work, and many had referred business his way. Perhaps most importantly his bills were being paid – there had been a steady stream of cash such that Ian had been able to build a modest bank balance.

The project to which he was travelling was the biggest one he had landed to date. One customer for whom he had built a deck had given his name to friend who was completely re-doing the upstairs of her home, and Ian's estimate had been accepted. The task was to completely demolish the plaster walls and ceilings in five rooms, and then install drywall, tape, crack fill and sand the drywall, and finally apply paint throughout. With all of the other work he had ongoing Ian had decided to hire two workers for the project – Phil Weisman and Lise Doucette – who could execute the job while he checked in and lent a hand from time to time.

Today was one such check-in. As Ian turned into the driveway of the stately 100-year old home he noted that Lise's car was parked there, but Phil's truck was nowhere to be seen. "That's odd," Ian thought. "It's not lunch time, and all of the materials were delivered last week, so there shouldn't be any need to go to the building supply store. I wonder what's up."

Ian entered the front door of the home and began walking upstairs. "Hello?" he called.

Lise's muffled voice came back, "Up here – in the master bedroom."

As Ian entered the room he was surprised to see Lise struggling with an eight foot sheet of drywall – with one end propped on a rough 2x4 brace she was perched on a ladder with the gypsum board balanced across her back, lifting it toward the ceiling.

"Whoa!" Ian exclaimed. "Let me give you a hand with that." Pulling a sawhorse to one end of the room he hopped up and grabbed the end of the board, holding it in place as Lise used her drill to quickly fasten it to the overhead strapping. With the drywall secured to the ceiling both of them hopped down to floor level.

“Thanks Mr. Mackenzie – that one was heavy and awkward.”

“No problem Lise, but you shouldn’t be lifting drywall sheets alone. Where’s Phil?”

Lise looked uncomfortable. “Umm, he had to go out,” she said.

“Go out where?” said Ian.

“Maybe you had better ask him,” Lise said, looking beyond Ian toward the gypsum board stacked against a nearby wall.

“I’m asking you,” said Ian. “What’s up?”

“Well, to be honest... and please don’t tell him I said anything... I think Phil has a drinking problem. For the last three days he’s been leaving the job in the morning, then at lunch, and then in the afternoon. Every time he says something like ‘I need to run an errand,’ but when he gets back he smells like alcohol. I notice that before he leaves he seems a little shaky, but when he gets back he seems really jolly and gets right to the work.”

“Wow,” said Ian. “But the job has been staying on track – in fact you’re a little bit ahead of schedule.”

Lise looked uncomfortable again. “Well, I’ve been working hard to pick up the slack. I really need this job to go well, and I’ve really enjoyed working for you so far. But I will admit that I’m feeling a little let down by all this.”

“That only makes sense Lise,” said Ian, “and you’ve been doing fine work. Why don’t you take a coffee break while I try to sort this out?”

While Lise headed off to a nearby coffee shop Ian sat on a sawhorse and turned the situation over in his mind. The 50-year old Phil had been recommended to him by a friend who owned a drywall company. “He’s a great guy,” Sharon had said. “He’s been doing this work for over thirty years and there’s nothing he doesn’t know about plastering and drywall.” The job interview that Ian conducted with Phil went well – Phil appeared confident and certainly demonstrated a good knowledge of the trade, a fact for which Ian had been willing to pay a couple of dollars more an hour than was “industry standard.”

Lise had actually sent Ian a resume, stating that she had seen one of his flyers and as a recent graduate of the New Brunswick Community College Carpentry program was very interested in gaining hands on experience in a variety of settings. What the 21-year old Lise lacked in experience she had made up for in enthusiasm and hard work – Ian had immediately been impressed by her quick understanding of the project’s parameters and by the fact that she had shown up early on the first day.

Ian’s mind wandered to a document (Appendix 1) that his son Alan had given him when he had heard that Ian was going to be hiring helpers. “It’s an excerpt from the Employment Standards Act,” he said. “You should get familiar with it, just in case you experience trouble... because you never know.”

“No, I guess you never know,” Ian thought. “I’ve worked with guys with substance abuse problems before... some of them managed it really well and did some great work. But more often than not it got the better of them and resulted in nothing but grief. Maybe I should just let Phil go... though I hate to lose a good tradesperson.”

Ian stood up and looked out the window to the driveway below – Lise had returned and was getting out of her car with two cups of coffee in her hands. “But if I keep Phil there’s no guarantee he’ll improve, and that might cost me Lise,” he thought. “Young, motivated tradespeople can be hard to come by – if things go well she could be with the company for a long time.” Ian dragged the sawhorse across the floor to where the next sheet of drywall needed to be installed. “I’m definitely going to have to figure this out soon,” he thought.

References

Province of New Brunswick Department of Post-Secondary Education, Training, and Labour. Employment Standards. https://www2.gnb.ca/content/gnb/en/departments/post-secondary_education_training_and_labour/People/content/EmploymentStandards.html. Retrieved September 28, 2018.

Appendix 1:

**Province of New Brunswick – Regulations Regarding Notice of Dismissal, Layoff, or Termination
(Excerpted)**

How are the terms dismissal, layoff, termination, suspension, and period of employment defined in the New Brunswick Employment Standards Act?

Dismissal – the termination of the employment relationship for cause at the direction of the employer.

Layoff – a temporary interruption of the employment relationship at the direction of the employer because of lack of work.

Termination – the unilateral severance of the employment relationship at the direction of the employer.

Suspension – a temporary interruption of the employment relationship other than a layoff at the direction of the employer.

Period of employment – the period of time from the last hiring of an employee by an employer to the termination of his/her employment, and includes any period of layoff or suspension of less than 12 consecutive months.

What are the requirements should an employer choose to dismiss an employee for cause?

When an employer dismisses an employee for cause, the employer must give the employee the reasons for the dismissal in writing. The Employment Standards Act does not have any provisions as to when this notice should be provided, however the Labour and Employment Board has established criteria in this regard. As such, the notice should be provided upon dismissal or within a reasonable time depending on the circumstances. The employer will need to prove that the employee received a dismissal notice.

Where the employer does not provide the reasons in writing, the dismissal becomes a termination and for an employee employed with an employer for 6 months or more, the employer will be required to pay the employee what he would have earned during the applicable notice period.

What are the requirements should an employer choose to terminate or layoff an employee?

Where an employee has been employed with an employer for less than six months, the employer is not required to give the employee advance notice of the termination or layoff.

Where an employee has been employed with an employer for a period of at least six months but less than five years, the employer must give the employee at least two weeks written notice of the termination or layoff.

Where an employee has been employed with an employer for a period of five years or more, the employer must give the employee at least four weeks written notice of the termination or layoff. The employer may choose to pay the employee the wages the employee would have earned during the applicable two or four week notice period instead of providing a written notice.

Period of employment	Layoff or termination
Less than 6 months	No notice required

More than 6 months, less than five years	2 weeks notice in writing, or 2 weeks pay
5 years or more	4 weeks notice in writing, or 4 weeks pay

Are there any exceptions to the requirement noted above for an employer to give an employee a written notice of termination or layoff?

Yes, an employer can terminate or lay off an employee without notice where:

- the termination of employment is due to the completion of a definite assignment the employee was hired to perform over a period not exceeding 12 months;
- the employee has completed a term of employment fixed in the employment contract, unless the employee is employed for a period of three months beyond that period;
- the employee retires under an established retirement plan;
- the employee is doing construction work in the construction industry;
- the termination or layoff results from the normal seasonal reduction, closure or suspension of an operation; or
- the employee has refused reasonable alternative employment offered by the employer instead of being terminated or laid off.

In addition, an employer can lay off an employee without notice where:

- the layoff is for a period not exceeding six days, or
- there is lack of work due to any unforeseen reason: Please contact the Employment Standards Branch for clarification of “unforeseen reason”.

Can the employer pay the employee what he would have earned during the notice period instead of giving him a written notice?

Yes, instead of providing the employee with a written notice, the employer can pay the employee what he would have earned during the applicable notice period.

Is an employee required to give notice to his employer when quitting?

No, an employee is not required to provide notice to his employer when quitting a job. It is recommended that the employer keep a copy of the employee’s notice of quit in their file.