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AUSTRALIAN ACADEMY OF BUSINESS RESEARCH

The Fear of Missing Out in Finance: A Bibliometric Study

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Abstract

The Fear of Missing Out (FoMO) is a personality trait grounded in psychological theory (Baumeister & Leary, 1995; Deci & Ryan, 1985) that has been defined as "a pervasive apprehension that others might be having rewarding experiences from which one is absent and is characterized by the desire to stay continually connected with what others are doing" (Przybylski et al., 2013, p. 1841). Recently, Clor-Proell et al. (2020) noted that while the outcome in traditional FoMO is psychological well-being, for investment-related FoMO (I-FoMO), the outcome is the potential monetary reward (Clor-Proell et al., 2020). As such, FoMO and I-FoMO are different psychological constructs. Research on I-FoMO has grown rapidly over the recent half a decade, yet the conceptualization and research structure remain disintegrated. To the best of our knowledge, no other bibliometric study of I-FoMO exists. This study aims to identify the current state of knowledge of I-FoMO in finance using a bibliometric analysis. Data was collected using the Scopus and Web of Science (WoS) databases to identify the corpus of articles associated with the topic with the ultimate objective of elucidating the main research venues, such as the most relevant countries, keywords, and journals as well as the most influential authors. The results are analyzed visually using VOSviewer software to reveal the current state of knowledge on the topic of I-FoMO in finance. The findings also highlight specific themes and elucidate gaps for future research associated with I-FoMO. The study has important implications for investors as it underlies the importance of I-FoMO in the context of behavioral finance. This study, like all others, has limitations. We only consider the Scopus and WoS databases and only consider articles published in English to avoid comprehension issues.

Keywords: Investment Fear of Missing Out, Finance, Bibliometric Study

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Crisis-Induced Reconfigurations of Global Medicine Trade: A Network Perspective on Structural Shifts and Systemic Risk (2019–2022)

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Abstract

The international trade of pharmaceutical products is vital for global health, enabling countries to secure essential medicines, particularly during crises. However, recent disruptions such as the COVID-19 pandemic and the Russia–Ukraine war have exposed vulnerabilities in global medicine trade systems. While trade volumes may recover, the underlying structure and equity of trade networks remain underexplored. Existing studies predominantly use qualitative or econometric approaches and often overlook network structures. There is limited research treating global medicine trade as a dynamic and interdependent system, particularly under conditions of global crisis. This study employs a network analysis framework to examine pharmaceutical trade flows (HS codes 3001–3006) from 2019 to 2022. We construct annual directed, weighted networks at the country-pair level and compute global metrics such as connectance, modularity, assortativity, and the rich-club coefficient. In addition, country-level analyses were conducted for Egypt, Brazil, Russia, and the United States to capture differences across income groups. The global medicine trade network became more interconnected and cooperative post-2020, with rising connectance and declining modularity. However, centralization around a few high-income countries (e.g., U.S., Germany, China) increased. High-income countries maintained diversified networks, while low-income countries like Egypt remained vulnerable, dependent on a narrow supplier base. Russia demonstrated trade reorientation post-2021, and Brazil showed adaptive diversification. The findings advance our understanding of global trade resilience and structural inequality during compound crises. Practically, they suggest that strengthening redundancy, diversifying suppliers, and regional cooperation are essential to ensure equitable access to medical goods. The analysis relies on import-reported data, which may underrepresent certain trade flows. Product categories are aggregated, potentially obscuring therapeutic-specific dynamics.

Do Auditors Care About Clients' Non-public Investigation by SEC?

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Abstract

We investigate how auditors manage client risk during the private stage of SEC investigations. Prior literature has predominantly focused on how SEC enforcement actions affect auditor behaviour, due to data limitation. However, these actions constitute only a small fraction of all SEC inquiries. For example, while the SEC investigates roughly 11% of public firms annually, fewer than 1% results in enforcement actions (Blackburne et al. 2021). This narrow focus in previous studies may bias our understanding of the SEC's overall impact on auditors by highlighting only the most severe cases, potentially overstating litigation risk and auditors' responses. Moreover, overlooking the private phase of SEC investigations also likely understates auditors' initial and arguably most significant pre-emptive risk management measures. Our study fills this important research gap by examining the implications of undisclosed SEC investigations on audit practices. Using novel SEC's private investigations data, we analyse the impact of SEC non-public investigation on audit fees, modified opinions, and auditor resignations, employing an Ordinary Least Squares and logit models. Auditors tend to raise fees and issue more modified opinions when clients are under non-public SEC investigations, but these investigations do not significantly lead to auditor resignation unless they escalate to enforcement actions. We conclude that a pecking order exists among auditors' risk management strategies—auditors escalate their responses based on the severity of the client's issues, reserving resignation for the most extreme cases. This suggests that auditors view clients under private investigation as having elevated, but not yet critical control risk. Our findings offer new insights into how auditors manage uncertainty and mitigate client risk when SEC regulatory actions are not publicly disclosed.

Keywords: SEC investigations, private Information, auditor risk management

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Free Speech and Corporate Misconduct: Evidence from Anti-SLAPP Laws

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Abstract

We examine whether and how enhanced public participation affects corporate misconduct. To test our hypothesis, we leverage the enactment of state anti-SLAPP (Strategic Lawsuits Against Public Participation) legislation as a shock to freedom of speech and explore its impact on a wide range of corporate violations from 2001 to 2020. The adoption of anti-SLAPP legislation aims to deter corporate wrongdoing by increasing public scrutiny and regulatory compliance. Specifically, when a firm initiates a defamation suit against a critic for exposing unethical practices, anti-SLAPP laws allow for the early dismissal of such lawsuits, thereby protecting open discourse and subjecting firms to enhanced reputational risks. However, the efficacy of these laws may be limited if firms opt to disguise their violations or distract stakeholders' attention from negative fallouts rather than addressing misconduct. In literature, Giles and Murphy (2016) report that firms justify using SLAPP suits by increasing ESG reporting on the issues directly pertinent to their SLAPP actions, suggesting how firms prioritize appearances over genuine compliance with societal or regulatory expectations. Consequently, it remains unclear to what extent increased public oversight under anti-SLAPP laws mitigates corporate misconduct. We use a stacked difference-in-differences model. Stronger public participation reduces both the severity and frequency of corporate violations, with a more pronounced effect on operational violations (e.g., work safety concern) than financial violations (e.g., accounting misconduct) that is often less visible and harder for external stakeholders to detect. Public participation can improve corporate compliance, yet firms navigate increased public monitoring through selective noncompliance by weighing the costs of different violations rather than striving for full adherence. This challenges conventional assumptions that increased public scrutiny, or better informational environment leads to higher compliance levels.

Keywords: Free speech; Corporate governance; Information asymmetry; Misconduct

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Did Bicton Prices Show Abnormal Returns Different from Zero on the Election of President Trump in 2016 and 2024?

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Abstract

Research work has shown that the sentiments expressed by President Trump in Twitter posts can be a predictive factor in the return of Bitcoin (Huynh, 2021). However, no work exists in the literature that documents the abnormal returns of Bitcoin around the election days of President Trump. The current research shows that the hypothesis of the median abnormal return of Bitcoin being zero cannot be rejected within a short period around the day of the election of President Trump. As the samples of abnormal returns of Bitcoin are not normally distributed, non-parametric hypothesis tests have been used in this work. The results from this work will be of importance to portfolio managers who will be encouraged to use the information presented here to predict the return of Bitcoins on days of political significance.

Keywords: Bitcoin, Presidential Election, President Trump, event study, abnormal returns

Unconditional Asset Pricing Models: Performance of Indian Equity Mutual Funds

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Abstract

This study evaluates the performance of Indian Mutual Funds using various risk-adjusted models. Here we used 167 actively managed equity schemes over fourteen years retrieved from the most prominent openly available database maintained by the AMFI since its inception. Instead, we used the daily data rather than the low-frequency monthly or quarterly data. The active managers make decisions proactively regarding macroeconomic events, which the high-frequency data can better explain. We have estimated scheme-wise and the overall performance using CAPM, Fama-French, Carhart, 3M, and 4M models. Results contribute to the literature by proving the existence of superior Indian fund performance. Further, the study concludes that the 4M model is a better model for capturing the performance of Indian Mutual Funds.

Keywords: Performance Evaluation, Risk -Adjusted Models, Indian Mutual Funds, AMFI

JEL Classification: G11, G12

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Optimizing Service Models: The Case for AI-Human Collaboration in Customer and HR Functions

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Abstract

As businesses get increasingly reliant on technology and artificial intelligence (AI) to replace or supplement human labor, specifically in the fields of customer support and human resources (HR), organizations face important decisions about when to use AI versus humans in HR. This research paper explores the cost benefit trade-offs between human-led and AI-led service models in HR and customer operations. While AI promises significant cost savings, scalability, and around the clock availability, it often lacks the genuine human connection, empathy, and trust-building capabilities that human agents provide. Humans can develop a relationship with customers, whereas AI does not have those capabilities. This is especially true in emotionally charged queries with upset or angry customers or sensitive HR interactions. On the other hand, humans lack constant around the clock availability, and potential slower execution of certain tasks. This research paper examines variables such as task complexity, customer expectations, brand identity, and risk tolerance as critical factors in determining optimal deployment. The findings of this paper suggest that hybrid models where AI handles simpler routine tasks and humans address high-impact touchpoints strike the most effective balance. The paper offers a detailed decision-making matrix and highlights broader implications for organizational ethics and workforce planning. Future research should explore long-term customer sentiment regarding an AI-human hybrid workplace, and the respective implications.

Keywords: Artificial Intelligence, Human Resources, Customer Support, Cost-Benefit Analysis, Hybrid Models, Organizational Strategy

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