



Academy of Marketing Science

POST-CONFERENCE WORKSHOP 2016 Academy of Marketing Science (AMS) Annual Conference

Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3

Saturday, May 21, 2016, 9.00 am – 2.00 pm
Disney's Contemporary Resort

Joe Hair, Christian Ringle, and Marko Sarstedt



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Partial least squares structural equation modeling (PLS-SEM) has recently received considerable attention in a variety of disciplines, including marketing (Hair et al 2011, *according to Google scholar the most-cited article ever published in JMTP*; Hair et al. 2012a, *according to Google scholar the most-cited JAMS article since 2012*), strategic management (Hair et al. 2012a, *according to Google scholar the most-cited LRP article since 2012*), and management information systems (Ringle et al. 2012, *according to Google scholar the second-most cited MIS Quarterly article since 2012*).

The goal of PLS-SEM is the explanation of variances (prediction-oriented approach of the methodology) rather than explaining covariances (theory testing via covariance-based SEM). The application of the PLS-SEM method is of special interest if the premises of covariance-based SEM are violated and the assumed relationships of cause-and-effect are not sufficiently explored. An additional advantage of the PLS-SEM method is the unrestricted incorporation of latent variables in the path model that draws on either reflective or formative measurements models. PLS-SEM is a particularly useful method when researchers aim at analyzing success factors and the sources of competitive advantage.

This post-conference workshop provides an introduction to the following aspects of PLS-SEM:

- Model development and fundamentals of PLS-SEM
- Assessment and reporting of measurement and structural model results
- Examples and special problems in marketing research

The course is based on the PLS-SEM textbook:

Hair, J. F., Hult, G. T. M., Ringle, C. M., and Sarstedt, M. 2016. *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*. 2nd edition, Thousand Oaks, CA: Sage.

Practical applications and the use of the software SmartPLS 3 are an integral part of the workshop. Each course participant will get a *free* two-month professional license for the SmartPLS 3 software.

Place: *Disney's Contemporary* Resort at the *Walt Disney World* Resort®, Lake Buena Vista, FL 32830-8413, United States (Room to be determined)

Date: Saturday, May 21, 2016

Time: 9.00 am – 2.00 pm

Cost: AMS members: \$150 US; Non-members: \$350 US (includes AMS membership)

Registration: Participants need to register on the AMS website.

Course set-up:

- The workshop builds on the contents and the data from the 2nd edition of the *PLS-SEM book* by Joe F. Hair, G. Tomas M. Hult, Christian M. Ringle and Marko Sarstedt (Sage, 2016). Handouts with major concepts will be provided.
- Most of the workshop will involve “hands-on” analysis of real-world datasets using the SmartPLS 3 software. The SmartPLS 3 software output diagnostics and interpretation of the results will be covered.
- Potential obstacles and “rules-of-thumb” to ensure appropriate application of the techniques will be addressed.

Requirements:

- Prior exposure to PLS-SEM is recommended but not required.
- Participants must bring a laptop with the SmartPLS 3 software readily installed. The software is available from <http://www.smartpls.com>. If you encounter any software related problems, please create a support ticket here: <http://support.smartpls.com/>.
- Course participants will obtain a free two-month license for SmartPLS 3 Professional.

Who should attend? Individuals wishing to learn more advanced PLS-SEM topics and the SmartPLS software for their PhD research and/or top-tier journal publications.

Instructors:

Joe Hair is Founder and Senior Scholar of the Coles College of Business DBA Program at Kennesaw State University. He has authored over 50 books, including market leaders *Multivariate Data Analysis*, Prentice-Hall, 7th edition, 2010, cited 130,000+ times; *A Primer on Partial Least Squares Structural Equations Modeling*, Sage, 2014, and *Principles of Marketing*, Cengage, 12th edition, 2013, used at over 600 universities globally. He also has numerous publications in journals such as *Journal of Marketing Research*, *Journal of Academy of Marketing Science*, *Journal of Retailing*, *Long Range Planning*, and *Journal of Marketing Theory & Practice*. He is a Distinguished Fellow of the Academy of Marketing Science and the Society for Marketing Advances. In 2011 he was recognized as the Academy of Marketing Science Marketing Educator of the year, in 2009 he was the Academy of Marketing Science/Harold Berkman Lifetime Service Award recipient, in 2007 he was named the Innovative Marketer of

the Year by the Marketing Management Association, and in 2004 he received the Academy of Marketing Science Outstanding Marketing Teaching Excellence Award.

Christian M. Ringle is a Professor of Management and the Director of the Institute for Human Resource Management and Organizations at the Hamburg University of Technology (TUHH) and Visiting Professor at the Faculty of Business, and Law Professor at the University of Newcastle (Australia). His research has been published in well-known journals such as *Information Systems Research*, *International Journal of Research in Marketing*, *Journal of Business Research*, *Journal of Marketing Theory & Practice*, *Journal of Service Research*, *Journal of the Academy of Marketing Science*, *Long Range Planning*, *MIS Quarterly*, and *Organizational Research Methods*. Dr. Ringle co-authored the textbook on PLS-SEM and is co-founder of SmartPLS, a software tool with a graphical user interface for the application of the PLS-SEM method. More information: <http://www.tuhh.de/hrmo/team/prof-dr-c-m-ringle.html>.

Marko Sarstedt is a Professor of Marketing at the Otto-von-Guericke-University Magdeburg (Germany) and Adjunct Professor at the Faculty of Business and Law of the University of Newcastle (Australia). His main research interest is in the advancement of research methods to further the understanding of consumer behavior. His research has been published in journals such as *Journal of Marketing Research*, *Journal of the Academy of Marketing Science*, *International Journal of Research in Marketing*, *MIS Quarterly*, *Organizational Research Methods*, *Journal of Business Research*, *Journal of Marketing Theory & Practice*, *Journal of World Business*, and *Long Range Planning*. Dr. Sarstedt has co-edited several special issues of leading journals and co-authored the textbook on PLS-SEM. More information: <http://www.marketing.ovgu.de/marketing/en/Marketing.html>

References and suggested readings:

Hair, Joseph F., G. Tomas M. Hult, Christian M. Ringle, and Marko Sarstedt. 2016. *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*. 2nd edition, Thousand Oaks: Sage. <http://www.pls-sem.com/>

Hair, Joe F., Marko Sarstedt, Christian M. Ringle, and Jeannette A. Mena. 2012a. "An Assessment of the Use of Partial Least Squares Structural Equation Modeling in Marketing Research." *Journal of the Academy of Marketing Science* 40 (3): 414-433.

Hair, Joseph F., Marko Sarstedt, Torsten M. Pieper, and Christian M. Ringle. 2012b. "The Use of Partial Least Squares Structural Equation Modeling in Strategic Management Research: A Review of Past Practices and Recommendations for Future Applications." *Long Range Planning* 45 (5-6): 320-340.

Hair, Joseph F., Christian M. Ringle, and Marko Sarstedt. 2011. "PLS-SEM: Indeed a Silver Bullet." *Journal of Marketing Theory and Practice* 19 (2): 139-151.

Henseler, Jörg, Theo K. Dijkstra, Marko Sarstedt, Christian M. Ringle, Adamantios Diamantopoulos, Detmar W. Straub, Dave J. Ketchen, Joe F. Hair, G. Tomas M. Hult, and Roger J. Calantone 2014. "Common Beliefs and Reality about Partial Least Squares: Comments on Rönkkö & Evermann (2013)." *Organizational Research Methods* 17 (2): 182-209.

Ringle, Christian M., Marko Sarstedt, and Detmar W. Straub. 2012. "A Critical Look at the Use of PLS-SEM in MIS Quarterly." *MIS Quarterly* 36 (1): iii-xiv.

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