Abstracts of Papers
Presented at the
9th European Conference on
Management Leadership
and Governance

Klagenfurt, Austria
ECMLG 2013

14-15 November 2013

Edited by
Dr. Maria Th. Semmelrock-Picej
and
Dr Ales Novak
Conference Co-Chairs
Copyright The Authors, 2013. All Rights Reserved.

No reproduction, copy or transmission may be made without written permission from the individual authors.

Papers have been double-blind peer reviewed before final submission to the conference. Initially, paper abstracts were read and selected by the conference panel for submission as possible papers for the conference.

Many thanks to the reviewers who helped ensure the quality of the full papers.

These Conference Proceedings have been submitted to Thomson ISI for indexing. Please note that the process of indexing can take up to a year to complete.

Further copies of this book and previous year’s proceedings can be purchased from http://academic-bookshop.com


The Electronic version of the Proceedings is available to download at ISSUU.com. How to use Issuu for the first time

1. Go to the ISSUU home page at www.issuu.com and from there click “log in” - if this is your first visit click “sign up now” on the log in screen.
2. Enter your name, e-mail address and choose a password.
3. You should then almost immediately receive an e-mail from ISSUU asking you to confirm your details. Do not close screen until verified on e-mail.
4. There will be a “Welcome back message to verify your account – click verify account. Clicking on the link sent in the e-mail will take you to the ISSUU homepage.
5. Type http://issuu.com/acpil into the search box at the top of the screen.
6. The proceedings will be displayed they can be opened with various options printing/saving the proceedings being one of them. Note: click on the Share button at the bottom of the screen in order to access and download the proceedings.
7. When you return to ISSUU.com as a subscriber you will be able to log in straight away.

Published by Academic Conferences and Publishing International Limited, Reading UK
44-118-972-4148
www.academic-publishing.org
<table>
<thead>
<tr>
<th>Paper Title</th>
<th>Author(s)</th>
<th>Guide Page</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preface</td>
<td></td>
<td>viii</td>
<td>iv</td>
</tr>
<tr>
<td>Committee</td>
<td></td>
<td>ix</td>
<td>v</td>
</tr>
<tr>
<td>Biographies</td>
<td></td>
<td>xvi</td>
<td>viii</td>
</tr>
<tr>
<td>Personality and Expectations for Leadership</td>
<td>Tiina Brandt, Piia Edinger and Susanna Kultalahti</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>The Effect of Ownership Structure on Corporate Financial Performance in the Czech Republic</td>
<td>Ondřej Částek</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Value Co-Creation in the Organizations of the Future</td>
<td>Eng Chew</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>The Free State Department of Education: An Audit and Corporate Governance Perspective</td>
<td>Cornelie Crous</td>
<td>4</td>
<td>24</td>
</tr>
<tr>
<td>The Relationship Between Governance and Performance: Literature Review Reveals new Insights</td>
<td>Peter Crow, James Lockhart and Kate Lewis</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td>Creative Industries and Creative Index: Towards Measuring the &quot;Creative&quot; Regional Performance</td>
<td>Lukáš Danko and Pavel Bednář</td>
<td>6</td>
<td>42</td>
</tr>
<tr>
<td>The Challenges and Benefits of the Multi-factor Leadership Questionnaire (MLQ), in Terms of Gender and the Level of Analysis: A Critical Review of Current Research</td>
<td>Amir Elmi Keshtiban</td>
<td>7</td>
<td>58</td>
</tr>
<tr>
<td>Paper Title</td>
<td>Author(s)</td>
<td>Guide Page</td>
<td>Page No.</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Role of Internet in Supply Chain Integration: Empirical Evidence From</td>
<td>Hajar Fatorachian, Malihe Shahidan and Hadi Kazemi</td>
<td>8</td>
<td>66</td>
</tr>
<tr>
<td>Manufacturing SMEs Within the UK</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emerging Organisational Forms:</td>
<td>Bryan Fenech</td>
<td>9</td>
<td>76</td>
</tr>
<tr>
<td>Leadership Frames and Power</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsible Internationalisation of Management Education: Understanding</td>
<td>Tatiana Gladkikh, Mark Lowman, Marija Davis, Mike Davies, Mandy Jones,</td>
<td>10</td>
<td>84</td>
</tr>
<tr>
<td>International Students’ Learning and Teaching Needs at a UK Business School</td>
<td>Phill Jennison and Amy Tan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT Governance, Decision-Making and IT Capabilities</td>
<td>Kari Hiekkanen, Janne Korhonen, Elisabete Patricio, Mika Helenius and Jari</td>
<td>10</td>
<td>92</td>
</tr>
<tr>
<td>Collin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective Leadership – can Soft Skills Contribute to the Effectiveness of</td>
<td>Miloslava Hirsova, Veronika Zelena, Lucie Vachova and Michal Novak</td>
<td>11</td>
<td>100</td>
</tr>
<tr>
<td>an Organization?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Technology Leadership on Electronic Records Management: The</td>
<td>Rusnah Johare, Mohamad Noorman Masrek and Haziah Sa’ari</td>
<td>12</td>
<td>105</td>
</tr>
<tr>
<td>Malaysian Experience</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determining the Most Significant Contributing Risk Factors to Petrochemical Project Failure</td>
<td>Seyed Amirhesam Khalafi, Erfan Haji Akhoondi, Javad Abyar Ghamsari and Parisa Ansari</td>
<td>13</td>
<td>114</td>
</tr>
<tr>
<td>Getting Inside the Minds of the Customers: Automated Sentiment Analysis</td>
<td>Tomáš Kincl, Michal Novák and Jiří Přibil</td>
<td>14</td>
<td>122</td>
</tr>
<tr>
<td>The Impact of the Customer Relationship Management on a Company’s Financial Performance</td>
<td>Karel Kolis and Katerina Jirinova</td>
<td>15</td>
<td>129</td>
</tr>
<tr>
<td>Paper Title</td>
<td>Author(s)</td>
<td>Guide Page</td>
<td>Page No.</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Personnel Planning Reflecting the Requirements of Sustainable Performance of Industrial Enterprises</td>
<td>Kristína Koltnerová, Andrea Chlpeková and Jana Samáková</td>
<td>16</td>
<td>136</td>
</tr>
<tr>
<td>Doing IT Better: An Organization Design Perspective</td>
<td>Janne Korhonen and Kari Hiekkkanen</td>
<td>17</td>
<td>144</td>
</tr>
<tr>
<td>Expectations for Leadership-Generation Y and Innovativeness in the Limelight</td>
<td>Susanna Kultalahti, Piia Edinger and Tiina Brandt</td>
<td>17</td>
<td>152</td>
</tr>
<tr>
<td>Managing Organizational Culture Through an Assessment of Employees’ Current and Preferred Culture</td>
<td>Ophillia Ledimo</td>
<td>18</td>
<td>161</td>
</tr>
<tr>
<td>Stakeholder Participation: Legitimization Strategies in Political and Economic Ethics</td>
<td>Michael Litschka</td>
<td>19</td>
<td>169</td>
</tr>
<tr>
<td>An Exploration of the Board Management Nexus: From Agency to Performance</td>
<td>James Lockhart and Peter Crow</td>
<td>20</td>
<td>177</td>
</tr>
<tr>
<td>A Framework for Business-IT Fusion</td>
<td>Rob Malcolm and Nina Evans</td>
<td>21</td>
<td>184</td>
</tr>
<tr>
<td>Business-IT Fusion: Developing a Shared World View</td>
<td>Rob Malcolm and Nina Evans</td>
<td>22</td>
<td>191</td>
</tr>
<tr>
<td>Māori Women Moving Into Leadership Roles: A New Zealand Perspective</td>
<td>Zanele Ndaba</td>
<td>22</td>
<td>198</td>
</tr>
<tr>
<td>Barriers to Implementation of Batho Pele Framework for Service Delivery in the Public Sector, a Case of South Africa</td>
<td>Telesphorous Lindelani Ngidi and Nirmala Dorasamy</td>
<td>23</td>
<td>205</td>
</tr>
<tr>
<td>Relations Between the Business Model and the Strategy</td>
<td>Aleš Novak</td>
<td>24</td>
<td>214</td>
</tr>
<tr>
<td>Women Managers in Croatia: Leadership Style Analysis</td>
<td>Morena Paulišić and Marli Gonan Božac</td>
<td>25</td>
<td>223</td>
</tr>
<tr>
<td>Selected Views on the Organizational Culture of Multinational Corporations</td>
<td>Petr Pirozek and Alena Safrova Drasilova</td>
<td>26</td>
<td>231</td>
</tr>
<tr>
<td>Paper Title</td>
<td>Author(s)</td>
<td>Guide Page</td>
<td>Page No.</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>------------------------------------------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>The Relationship Between Team Performance, Authentic and Servant Leadership</td>
<td>John Politis</td>
<td>27</td>
<td>237</td>
</tr>
<tr>
<td>What’s Love got to do with Leadership?</td>
<td>Angela Senander</td>
<td>27</td>
<td>245</td>
</tr>
<tr>
<td>Human Resources Management and Efficiency in the Public Service: A Nigerian Experience</td>
<td>Olalekan Anthony Sotunde and Akeem Olanrewaju Salami</td>
<td>28</td>
<td>252</td>
</tr>
<tr>
<td>Managerial Capability Valuation of the University Management</td>
<td>Jana Stefankova and Oliver Moravcik</td>
<td>29</td>
<td>257</td>
</tr>
<tr>
<td>The Influence of Quality Management on Corporate Performance</td>
<td>Petr Suchánek, Jiří Richter and Maria Králová</td>
<td>30</td>
<td>266</td>
</tr>
<tr>
<td>Economic Development of Company in Creative Cluster</td>
<td>Eva Šviráková</td>
<td>31</td>
<td>274</td>
</tr>
<tr>
<td>Development of a Philosophy and Practice of Servant Leadership Through Service Opportunity</td>
<td>Simon Taylor, Noel Pearse and Lynette Louw</td>
<td>32</td>
<td>283</td>
</tr>
<tr>
<td>Multiple Stakeholder Orientation and Corporate Entrepreneurship: An Empirical Examination</td>
<td>Darko Tipurić, Danica Bakotić and Marina Lovrinčević</td>
<td>33</td>
<td>290</td>
</tr>
<tr>
<td>Relationship Between the Supervisory Board Efficiency and Stakeholder Orientation: Do Stakeholders Matter?</td>
<td>Darko Tipurić, Marina Mešín and Marli Gonan Božac</td>
<td>34</td>
<td>299</td>
</tr>
<tr>
<td>Proper Strategy Selection as Essential Survival Prerequisite for Small Sport Clubs</td>
<td>Stanislav Tripes, Pavel Kral and Veronika Zelena</td>
<td>35</td>
<td>308</td>
</tr>
<tr>
<td>Significance of Corporate Communication in Change Management: Theoretical and Practical Perspective</td>
<td>Asta Valackiene and Dalia Susnenė</td>
<td>36</td>
<td>317</td>
</tr>
<tr>
<td>The Role of top Management Teams Heterogeneity in the IPO Process</td>
<td>Emil Velinov and Ales Kubicek</td>
<td>37</td>
<td>325</td>
</tr>
<tr>
<td>Paper Title</td>
<td>Author(s)</td>
<td>Guide Page</td>
<td>Page No.</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>The Process of Socialization in Relation to Organizational Performance</td>
<td>Tereza Vinsova, Lenka Komarkova, Pavel Kral, Stanislav Tripes and Petr Pirozek</td>
<td>38</td>
<td>332</td>
</tr>
<tr>
<td>The Walls Between us: Exploring the Question of Governance for Sustainability</td>
<td>Philippa Wells, Coral Ingley and Jens Mueller</td>
<td>39</td>
<td>338</td>
</tr>
<tr>
<td>Global key Performance Best Practice</td>
<td>Paul Woolliscroft, Martina Jakábová, Katarína Krajčovičová, Lenka Púčiková, Dagmar Cagáňová and Miloš Čambál</td>
<td>40</td>
<td>346</td>
</tr>
<tr>
<td>Gender, Trust and Risk-Taking: A Literature Review and Proposed Research Model</td>
<td>Rachid Zeffane</td>
<td>41</td>
<td>357</td>
</tr>
<tr>
<td><strong>PHD Papers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>43</td>
<td>365</td>
</tr>
<tr>
<td>Selection of Employees: Multiple Attribute Decision Making Methods in Personnel Management</td>
<td>Iveta Dockalikova and Katerina Kashi</td>
<td>45</td>
<td>367</td>
</tr>
<tr>
<td>Transformational Leadership, Occupational Self Efficacy, and Career Success of Managers</td>
<td>Chandana Jayawardena and Ales Gregar</td>
<td>46</td>
<td>376</td>
</tr>
<tr>
<td>Manager’s Core Competencies: Applying the Analytic Hierarchy Process Method in Human Resources</td>
<td>Katerina Kashi and Vaclav Friedrich</td>
<td>47</td>
<td>384</td>
</tr>
<tr>
<td>Determining Performance Target Using DEA: An Application in a Cooperative Bank</td>
<td>Manuela Koch-Rogge, Georg Westermann and Chris Wilbert</td>
<td>48</td>
<td>394</td>
</tr>
<tr>
<td>Strategic Governance of Moroccan State-Owned Enterprises: Constitutional Changes and new Challenges</td>
<td>Abdelmjid Lafram</td>
<td>48</td>
<td>402</td>
</tr>
<tr>
<td>Paper Title</td>
<td>Author(s)</td>
<td>Guide Page</td>
<td>Page No.</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Implementation of CRM in the Industrial Markets in the Czech Republic (Liberec)</td>
<td>Jana Marková and Světlana Myslivcová</td>
<td>50</td>
<td>412</td>
</tr>
<tr>
<td>Tracking Interactions in Collaborative Processes</td>
<td>John Rose</td>
<td>51</td>
<td>423</td>
</tr>
<tr>
<td>An Empirical Study of the Contribution of Managerial Competencies in Innovative Performance: Experience from Malaysia</td>
<td>Haziah Sa’ari, Rusnah Johare, Zuraidah Abdul Manaf and Norhayati Baba</td>
<td>52</td>
<td>432</td>
</tr>
<tr>
<td>Critical Path Method Applied to the Multi Project Management Environment</td>
<td>Mircea Şandru and Marieta Olaru</td>
<td>52</td>
<td>440</td>
</tr>
<tr>
<td>Retention of Aging Employees and Organizational Performance: Comparative Study EU Countries and US</td>
<td>Binal Shah and Ales Gregar</td>
<td>53</td>
<td>449</td>
</tr>
<tr>
<td>Application of AHP Method in Service Quality Management</td>
<td>Irena Sikorová and Igor Nytra</td>
<td>54</td>
<td>455</td>
</tr>
<tr>
<td>Understanding the Process of Managerial Entrenchment: The Role of Managerial Social Capital in Corporate Governance of a Post-Socialist Economy</td>
<td>Tanja Slišković, Darko Tipurić and Domagoj Hruška</td>
<td>55</td>
<td>465</td>
</tr>
<tr>
<td>Masters Paper</td>
<td></td>
<td>57</td>
<td>473</td>
</tr>
<tr>
<td>A Review of Project Managerial Aspects Influenced by Emotional Intelligence</td>
<td>Mojde Shahnazari, Zohreh Pourzolfaghar and Muhammad Nabeel Mirza</td>
<td>59</td>
<td>475</td>
</tr>
<tr>
<td>WIP Paper</td>
<td></td>
<td>61</td>
<td>485</td>
</tr>
<tr>
<td>The more trust, the fewer transaction costs: Searching for a new management perspective to help solve the challenge of ever rising health care costs</td>
<td>Henny van Lienden and Marco Oteman</td>
<td>63</td>
<td>487</td>
</tr>
<tr>
<td>Paper Title</td>
<td>Author(s)</td>
<td>Guide Page</td>
<td>Page No.</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Late Submission</td>
<td></td>
<td></td>
<td>65</td>
</tr>
<tr>
<td>Comparative Corporate Governance Practices by Islamic and Conventional Banks in Pakistan</td>
<td>Sanaullah Ansari and Muhammad Abubakar Siddique</td>
<td>67</td>
<td>493</td>
</tr>
<tr>
<td>Improving Leadership Training Effectiveness through Action Learning Program</td>
<td>Eko Budi Harjo, Yulmartin and Agus Riyanto</td>
<td>67</td>
<td>498</td>
</tr>
<tr>
<td>Development of an organization by adopting the integrated management systems</td>
<td>Dorin Maier, Marieta Olaru, Andrei Hohan and Andreea Maier</td>
<td>68</td>
<td>507</td>
</tr>
<tr>
<td>Abstracts only</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Cultural Embeddedness of Entrepreneurial Orientation - a Multi-Level Investigation</td>
<td>Michael Buchsteiner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Crime and Related Prevention Measures</td>
<td>Ulrike Hugl</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How Uncertainty Avoidance Affects Effectual Decision Making – a 12-Country Examination</td>
<td>Klaus Willmann</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Preface

These Proceedings represent the work of contributors to the 9th European Conference on Management Leadership and Governance held this year in Klagenfurt, Austria, on the 14-15 November 2013. The Conference Co-Chairs are Dr Ales Novak from the University of Maribor, Faculty of Organizational Sciences, Slovenia and Dr. Maria Th. Semmelrock-Picej, Austria.

The conference will be opened with a keynote address by Dr Julia Sloan, from Sloan International Inc., USA on the topic of *Learning to Think Strategically: A Leadership Imperative for the 21st Century*. The second day will be opened by Prof. Vlado Dimovski from the University of Ljubljana, Faculty of Economics in Slovenia with a presentation on the topic of *Authentic Leadership*.

The Conference offers an opportunity for scholars and practitioners interested in the issues related to Management, Leadership and Governance to share their thinking and research findings. These fields of study are broadly described as including issues related to the management of the organisations’ resources, the interface between senior management and the formal governance of the organisation. This Conference provides a forum for discussion, collaboration and intellectual exchange for all those interested in any of these fields of research or practice.

With an initial submission of 145 abstracts, after the double blind, peer review process there are 46 academic papers, 12 PhD Papers, 1 Work in Progress paper in these Conference Proceedings. These papers reflect the truly global nature of research in the area with contributions from Australia, Austria, Belgium, Croatia, Cyprus, Czech Republic, Finland, Germany, Greece, India, Indonesia, Iran, Lithuania, Malaysia, Morocco, New Zealand, Nigeria, Pakistan, Philippines, Romania, Slovakia, Slovenia, South Africa, The Netherlands, UK, United Arab Emirates, and the USA.

We wish you a most interesting conference.

Dr. Maria Th. Semmelrock-Picej and Dr Ales Novak
Conference Co-Chairs
November 2013
Conference Committee

Conference Executive
Dr. Maria Th. Semmelrock-Picej, Klagenfurt, Austria
Dr Ales Novak, University of Maribor, Slovenia

Mini track chairs
Dr. Maria Th. Semmelrock-Picej, Klagenfurt, Austria
Dr Martina Jakabova, Slovak University of Technology, Slovak Republic
Prof Dr John Politis, Neapolis University, Pafos, Cyprus
Dr Aleš Novak, University of Maribor, Slovenia
Dr James Lockhart, Massey University, New Zealand
Dr Coral Ingley, Auckland University of Technology, New Zealand
Prof Eng Chew, University of Technology (UTS), Sydney, Australia
Prof. Mag. Dr. Larissa Krainer, University of Klagenfurt, Austria

Committee Members
The conference programme committee consists of key individuals from countries around the world working and researching in the management, leadership and governance fields especially as it relates to information systems. The following have confirmed their participation:

Paul Abbiati (Fellow of the European Law Institute, Member of the CIPS (Chartered Institute of Purchasing & Supply) Contracts Group , UK); Dr Mo'taz Amin Al Sa'eed (Al - Balqa' Applied University, Amman, Jordan); Prof Ruth Alas (Estonian Business School, Tallin, Estonia); Dr. Morariu Alunica ("Stefan cel Mare" University of Suceava, Faculty of Economics and Public Administration, Romania); Mr Sanaullah Ansari (Shaheed Zulfikar Ali Bhattu Institute of Science and Technology , Pakistan); Maria Argyropoulou (Boudewijngebouw 4B , Greece); Dr Leigh Armistead (Edith Cowan University, Australia); Ahmet Aykac (Theseus Business School, Lyons, France); Dr Daniel Badulescu (University of Oradea, Romania,); Egon Berghout (University of Groningen, The Netherlands); Svein Bergum (Lillehammer University College, Norway); Prof. Dr. Mihai Berinde (University of Oradea, Romania); Malcolm Berry (University of Reading, , UK); Professor Douglas Branson (university of Pittsburgh, PA, USA); Prof. Kiymet Tunca Caliyurt Department of Accounting & Finance (Trakya University - Faculty of Business Administration and Economics, Turkey); Dr Akemi Chatfield (University of Wollongong, New South Wales, Australia); Prof Prasenjit Chatterjee (MCKV, India); Prof Eng Chew (University of Technology, Sydney, Australia); Dr Mei-Tai Chu (La Trobe University, Australia); Dr. Serene Dalati (Arab International University, Syria); Dr. Phillip Davidson (University of Phoenix, School of Advanced Studies, Arizona, USA); Dr Benny M.E.
De Waal (University of Applied Sciences Utrecht, The Netherlands); Mr John Deary (Independent Consultant, UK & Italy); Andrew Deegan (University College Dublin, Ireland, Ireland); Dr Charles Despres (Skema Business School, Sophia-Antipolis, Nice,, France); Dr Sonia Dias (Faculdade Boa Viagem, Recife, Brazil); Elias Dinenis (Neapolis University Pafos, Cyprus); Mrs. Prof. Dr. Anca Dodescu (University of Oradea, Romania); Prof Philip Dover (Babson College, USA); Katarzyna Durniat (Wrocław University, Poland); Dr Th Economides (Neapolis University Pafos, Cyprus); David Edgar (Caledonian Business School, Glasgow, UK); Assistant professor Hossien Fakhari (UMA university, IRAN); Prof Niculae Feleaga (Academy of Economic Studies, Romania); Prof Liliana Feleaga (Academy of Economic Studies (ASE), Romania,); Dr Aikyna Finch (Strayer University, Huntsville, USA); Shay Fitzmaurice (Public Sector Times, Ireland); Dr Silvia Florea (Lucian Blaga University of Sibiu, Romania,); Prof Meenakshi Gandhi (IITM, GGSIPU, India,); Associate Prof. Dr Adriana Giurgiu (University of Oradea, Faculty of Economic Sciences, Romania); Professor Ken Grant (Ryerson University, Toronto, Canada); Paul Griffiths (Director, IBM, Santiago, Chile); Adam Gurba (WSZ Edukacja Management Department, Poland); Prof Ray Hackney (Brunel Business School, UK); Joe Hair (Louisiana State University, USA); Memiyanty Haji Abdul Rahim (Universiti Teknologi MARA, Malaysia); Dr Liliana Hawrysz (Opole University of Technology, Poland); Jack Huddlestone (Cappella University, USA); Dr. Professor Eun Hwang (Indiana University of Pennsylvania, USA,); Dr Katarzyna Hys (Opole University of Technology, Poland); Associate Professor Coral Ingle (Faculty of Business and Law, AUT University, New Zealand); Ms Martina Jakábová (Slovak University of Technology in Bratislava, Faculty of Materials Science and Technology in Trnava, Slovakia,); Prof Nada Kakabadse (Northampton Business School, UK); Georgios Kapogiannis (Coventry University, UK); Dr Husnu Kapu (Kafkas University, Turkey); Dr. Panagiotis Karampelas (Hellenic American University, Athens, Greece); Dr. N.V. Kavitha (St. Ann's College for Women, India); Alicja Keplinger (Institute of Psychology at the University of Wroclaw, Poland); Prof Zdzisław Knecht (Wroclaw College of Management, Poland); Maria Knecht-Tarczewska (Wroclaw College of Management “Edukacja”, Poland); Prof Jesu Ko (Gwangju University, Korea); Dr Dimitrios Koufopoulos (Brunel University, UK); Jolanta Kowal (College of Management and Wroclaw University, Poland); Larissa Krainer (Klagenfurt University Biztec, Austria); Aleksandra Kwiatkowska (College of Management and Wroclaw University, Poland); Dean Mieczysław Leniartek (Technical University in Cracow, Poland); Dr James Lockhart (Massey University, Palmerston North, New Zealand); Prof Sam Lubbe (University of South Africa, South Africa); Dr Camelia Iuliana Lungu (Academy Of Economic Studies, Bucharest, Romania, Romania,); Ahmad Magad (Marketing Council, Asia, Singapore, Singapore); Dr Virginia Maracine (Bucharest University of Economic Studies, Romania); Bill Martin (Royal Melbourne Institute of Technology, Australia); Dr Xavier Martin (ESSEC, France,); Dr. Aneta Masalkovska-Trpkoski (Faculty of
Administration and Information Systems Management, Macedonia); Dr Roger Mason (Durban University of Technology, South Africa); Michael Massey (International Centre for Applied EQ Leadership, UK); Prof. Luis Mendes (Beira Interior University, Portugal); Mr Philip Merry (Global Leadership Academy, Singapore); Dr Kevin Money (Henley Business School of the University of Reading, UK); Aroop Mukherjee (King Saud University, Saudi Arabia); Dr Birasnav Muthuraj (New York Institute of Technology, Bahrain); Timothy Nichol (Northumbria University, UK); Ales Novak (University of Maribor, Slovenia); Maciej Nowak (University of Wroclaw, Poland); Ass. Prof. Dr Birgit Oberer (Kadir Has University, Turkey); Abiola Ogunyemi (Lagos Business School, Nigeria); Associate Professor Abdelnaser Omran (School of Housing, Building and Planning, Universiti Sains Malaysia, Malaysia); Dr Nayantara Padhi (Indira Gandhi National Open University, New Delhi, India); Eleonora Paganelli (University of Camerino, Italy); Dr Jatin Pancholi (Middlesex University, UK); Ewa Panka (College of Management and Wroclaw University, Poland); Mr Christos Papademetriou (Neapolis University, Cyprus); Dr Stavros Parlalis (Frederick University, Cyprus); Prof Noel Pearse (Rhodes Business School, South Africa); John Politis (Neapolis University, Pafos, Cyprus); Dr Nataša Pomažalová (FRDIS MENDELU in Brno, Czech Republic); Dr. Dario Pontiggia (Neapolis University Pafos, Cyprus); Adina Simona Popa (Eftimie Murgu, University of Resita, Romania); David Price (Henley Business School of the University of Reading, UK); Dr Irina Purcarea (The Bucharest University of Economic Studies, Romania); Dr. Gazmend Qorraj (University of Prishtina, Kosovo); Prof. Dr Ijaz Qureshi (JKF Institute of Technology and Management, Islamabad, Pakistan); Mr. Senthamil Raja (Pondicherry University, India); Dr George Rideout (Evolution Strategists, LLC, USA); Prof., Dr Vitalija Rudzkiene (Mykolas Romeris University, Lithuania); Prof. Chaudhary Imran Sarwar (Creative Researcher, Lahore, Pakistan); Dr Ousanee Sawagvudcharuee (Centre for the Creation of Coherent Change and Knowledge, Liverpool John Moores University, UK); Dr. Simone Domenico Scagnelli (University of Torino, Italy); Dr. Maria Theresia Semmelrock-Picej (Klagenfurt University Biztec, Austria); Kakoli Sen (Institute for International Management and Technology (IIMT) Gurgaon, India); Irma Shyle (Politechnic University of Tirana, Albania); Samuel Simpson (University of Ghana Business School, Accra, Ghana); Dr, Raj Singh (University of Riverside, USA); DR Gregory Skulmoski (Cleveland Clinic Abu Dhabi, United Arab Emirates); Mateusz Sliwa (Wroclaw University, Poland); Dr Roy Soh (Albukhary International University, Malaysia); Peter Smith (University of Sunderland, UK); John Sullivan (School of Information, University of South Florida, USA); Professor Reima Suomi (University of Turku, Finland); Dr Dalia Susniene (Kaunas University of Technology, Lithuania); Ramayah Thurasamy (Universiti Sains Malaysia, Malaysia); Dr Xuemei Tian (Swinburne University, Australia); Prof Milan Todorovic (Union Nikola Tesla University, Serbia); Dr. Savvas Trichas (Open University Cyprus, Cyprus); Alan Twite (COO Vtesse Networks, UK); Dr. Gerry Ur-
win (Coventry University, UK); Prof Theo Veldsman (University of Johannesburg, South Africa); Dr Hab Mirosława Wawrzak-Chodaczek (Institute of Pedagogy, Wrocław University, Poland); Dr Lugkana Worasinchai (Bangkok University, Thailand); Brent Work (Cardiff University, Uk); Dr. Zulnaidi Yaacob (Universiti Sains Malaysia, Malaysia); Dr Monica Zaharie (Babes-Bolyai University, Romania);
Biographies

Conference Co-Chairs

Dr Maria Th. Semmelrock-Picej is formerly a senior researcher at the Alpen-Adria Universität Klagenfurt, Austria. Her research topics are eBusiness and customer knowledge management, information and knowledge management, cooperation management.

Dr Ales Novak is an Associate Professor of Accounting and Business Economics at University of Maribor in Slovenia. In the academic year 2008/2009 he worked for European Financial Reporting Advisory Group (EFRAG) in Brussels on a full time basis. He holds a PhD in Accounting from University of Ljubljana (Slovenia) and was in 2004/2005 a Fulbright predoctoral researcher at Fordham University in New York City. His fields of research are financial reporting, business models and pensions. He is currently actively involved in the EFRAG’s pan-European proactive research project the role of the business model in financial reporting.

Keynote Speakers

Dr Julia Sloan is a leading authority on the cognitive aspect of strategic thinking; Dr. Julia Sloan is widely recognized for her pioneer work in the application of complex cognitive theory to everyday global strategy practices. She is the author of a definitive book, Learning to Think Strategically (Elsevier, 1st ed.), (Routledge, 2nd ed.), nominated as Best Business Book of the Year (2007) by The Financial Times; contributing author to Democratic Practices as Learning Opportunities (Sense Publishing, 2007), and a forthcoming book on strategic thinking in 2013. She has also authored numerous privately commissioned articles on the topic of strategic thinking. As a result of her research on strategic thinking, Julia was twice invited to speak on behalf of the late Nobel Prize economist, Milton Friedman. Julia is principal of Sloan International Inc., a New York-based global executive development firm specializing in strategic thinking for organizations operating in Asia, Europe, the Middle East, Africa and the US. Her client base consists of major corporations representing sectors of finance, technology, manufacturing, consumer products, petroleum, international agencies and government leaders. Julia's research interests include strategic thinking in relation to learning theory and socio-cultural theory;
and her approach integrates cultural and cognitive aspects drawn from global leadership principles, cross-cultural theory, and organizational development.

Dr Vlado Dimovski is a full professor of management and organizational theory at the University of Ljubljana, Faculty of Economics in Slovenia. Dimovski received his B.A. degree in Economics, B.A. degree in Philosophy, M.A. degree in Economics at University of Ljubljana, and the Ph.D. degree in Management and Finance at Cleveland State University. His primary areas of expertise are organizational learning, management, organizational behavior and leadership. His academic research interests cover modern management theory, organizational learning, learning organization, competitiveness, and labor markets. Besides his university position professor Dimovski was the State Secretary for Industry in the Government of Slovenia (1995-1997), the president of the Centre for International Competitiveness of Slovenia (1997-2005), and the Minister of Labor, Family and Social Affairs (2000-2004). He was also the consultant to the Prime Minister of Macedonian Government. Dimovski has been a visiting scholar at universities in the United States, Latin America and major European Universities (according to EQUIS membership) he has also lectured at universities and conducted workshops for managers in several other countries.

Mini Track Chairs

Eng Chew is Professor of Business and IT Strategy at the University of Technology, Sydney (UTS), and a part-time Industry Advisor. A former Chief Information Officer of SingTel Optus, Eng had held various executive roles, over 25 years, in high-tech industries in Australia. His achievements included delivery of several hundreds of million Australian dollars of business value through business process re-engineering and organizational transformation. Currently, Eng leads the Organizations of the Future Research Group in UTS, and is active in Service Innovation on which he recently co-authored a textbook. He received B.E. (University of Melbourne) and Ph.D. (University of Sydney).

Dr Coral Ingley is Associate Professor: Management at Auckland University of Technology, New Zealand and holds a PhD in Corporate Governance from RMIT University, Melbourne, Australia. She is a professional member of the Institute of Directors, is Founder and Director of the Corporate Governance Centre in the University’s Faculty of Business and Law and teaches corporate governance and responsibility in the MBA programme.
Her research focuses on board behaviour, the role of governance in stakeholder engagement and corporate social responsibility, governance in small firms and urban governance, the outputs from which are published regularly in academic journals and presented at refereed conferences. She is also a member on editorial boards of scholarly journals and has been a regular visiting professor and researcher at universities and business schools in France, Italy, Spain and the Netherlands.

Larissa Krainer studied Philosophy and Media and Communication Science in Klagenfurt and graduated with an MA in 1994 with a dissertation on magazines for women in Austria. From 1986-1995 she worked as a journalist, 1995-1997 she was regional manager of amnesty international. Since 1998 she has been working at the University of Klagenfurt and is currently in the Department of Intervention Research and Cultural Sustainability. Her research interests include Process Ethics, Transdisciplinary and Intervention Research, Sustainable Sciences, Conflict Management and Organizational Communication (especially sustainability).

Dr John Politis is an Associate Professor of Management at Neapolis University, Pafos, and holds a Ph.D. in Management from the University of Technology, Sydney, Australia. He also holds a Graduate Certificate in Enterprise Management from Swinburne University of Technology, Australia; a Diplom-Ingenieur-Mechanical (German equivalent to M.S. degree) from Aristotelion University of Thessaloniki, Greece; and a Bachelor of Mechanical Engineering from the University of Melbourne. He regularly publishes peer reviewed academic papers in quality journals and his research output is presented at refereed conferences. He is currently a member of a number of editorial boards, including The Leadership and Organisational Development Journal and the Knowledge Management Research and Practice Journal. Before taking up this position, Professor Politis was an Executive MBA faculty for the Centre of Excellence for Applied Research and Training, and a Pioneering Faculty of Business and Engineering Management programs at the Higher Colleges of Technology in the United Arab Emirates. He was also a lecturer and consultant in a number of Australian universities. John has also spent more than 18 years in Australia and Europe in a wide range of managerial roles and has been elected a Fellow of a number of professional associations.
Biographies of Presenting Authors

Sanaullah Ansari is an academician and currently working as Assistant Professor with SZABIST, Islamabad, Pakistan. His area of research is Islamic Banking and Finance and he has contributed a lot in this field. Mr Ansari has presented several research papers in international conferences in Malaysia, Turkey, Qatar, Jordan, Poland, Azerbaijan and Finland.

Tiina Brandt works as an associate professor at Department of Management and Organization at University of Vaasa, Finland. Her interest areas are leadership, personality, teams and lately also psychological capital. She has published several articles and conference papers of this field.

Eko Budiharjo is Manager of Strategic HR Capability Development at PT Telkom who responsible in developing and deploying leadership development program for Telkom’s employees. His master degree is in Human Resource Development from Gadjah Mada University, Indonesia.

Ondrej Castek is an assistant professor in the Department of Corporate Economy at the Faculty of Economics and Administration, Masaryk University in Brno, Czech Republic, where he received his MA and Ph.D. His research focuses on corporate economics and management, more specifically on the search for factors of corporate competitiveness and the aspects of this search.

Cornelie Crous is a qualified Chartered Accountant in South Africa and is currently a senior lecturer at the Free State University in Bloemfontein, South Africa. She has completed her Masters dissertation in 2012, Cum Laude, and is currently busy with a PhD in Auditing, specializing in Governance in Higher Education Institutions in South Africa.

Peter Crow is an experienced governance advisor, researcher and practitioner, with a particular interest in governance effectiveness the commercial and not-for-profit sectors. He is currently enrolled at Massey University as a PhD candidate, where he is hoping to identify the causal mechanisms that explain how governance affects subsequent company performance.

Lukáš Danko is a Slovak born PhD student of management and economics at Tomas Bata University in Zlín. As a member of the Department of Regional Development, Public Sector Administration and Law, his research interest is mainly in regional development through creative, cultural industries and clusters.
Iveta Dockalikova is currently studying first year of doctoral study at the Economic faculty of Technical University of Ostrava, department of Business Economics. Within her research work she is concentrating on quality strategy as a new trend of company’s strategic management. With the connection to strategy she also deals with the selection of employees.

Alena Šafrová Drášilová is a full-time PhD student in the Department of Corporate Economy, Faculty of Economics and Administration, Masaryk University, Brno. Her work has involved dealing with the issue of multinational companies. She was a member of the research team at the Research Centre for the Competitiveness of the Czech Economy.

Amir Elmi Keshtiban is a PhD student in management studies at Essex Business School. His area of interest is leadership in leaderless groups and current social movements which are dubbed as leaderless movements specially the Occupy movements in United States and United Kingdom.

Nina Evans holds qualifications in Chemical Engineering, Education, Computer Science, Master of IT, MBA and PhD. She is Associate Head of the School of Information Technology and Mathematical Science at the University of South Australia. She teaches and conducts research in Knowledge Management, ICT Leadership, Business-IT fusion, Stakeholder Engagement, Women in ICT, CSR and Information Asset Management.

Hajar Fatorachian is final year PhD researcher at Sheffield Hallam University. Having worked in industry in managerial positions, she started the MBA programme at Sheffield Hallam University in 2008, and after teaching for a while, in 2010 she started a PhD on integration of E-business and supply chain management.

Bryan Fenech is a researcher, speaker and consultant with a passion for organisational design. He is the Founder and Director of Building the Organisation of Tomorrow (BOOT), an organisation which aims to increase awareness of progressive organisational models for the 21st century, and a lecturer at the University of Technology, Sydney.

Tatiana Gladkikh is a Senior Lecturer in Business Management at the University of Winchester Business School (UK). Areas of interest: identity and leadership development in cross-cultural context (leadership discourse and global identity) and internationalization of HE. Tatiana is a also consultant for the Edinburgh Business School (global MBA).
Kari Hiekkanen has a strong industry background with 20 years of practical experience with IT consulting, management and governance issues as a CTO of a large IT service provider. Presently he is a faculty member of Aalto University conducting research and lecturing in the areas of Enterprise Information Systems, Enterprise Architecture and IT Governance.

Ulrike Hugl studied economics and social sciences at the University of Innsbruck and worked for several years in the fields of personnel development, organization, and marketing. Her university affiliations: project coordinator of an entire university reform project (University of Innsbruck), researcher and lecturer at the University of St. Gallen, and guest professor at Portland State University. At present, she works at the Innsbruck School of Management. Her research focuses on information security (e.g. malicious insiders) and economic, corporate and industrial espionage.

Chandana Jayawardena is presently a doctoral researcher attached to the Department of Management and Marketing, Faculty of Management and Economics, Tomas Bata University in Zlin, Czech Republic. His research interests focus on Career Development, Managerial Competencies, and Employees Behaviour at work. He is an academic staff member of the University of Peradeniya, Sri Lanka.

Katerina Jirinova is a PhD student in the Department of Management, Faculty of Business Administration, University of Economics in Prague. She focuses mainly on the management of innovation. She is co-author of the first Czech book about innovation in services.

Rusnah Johare received her MA in archival studies from University College London and her PhD in records management from Northumbria University, Newcastle, UK. She has many years of professional and academic experience in records and archives management, and is currently an Associate Professor in the Faculty of Information Management, University Teknologi MARA, Malaysia. Her major areas of research are in electronic records management and long-term preservation of corporate memory.

Katerina Kashi is currently studying first year of PhD study, department of Business Economics and Management at VSB – Technical University of Ostrava. She specializes in human resources issues, especially employees’ education and development linked to competency models. Her working experience includes office assistant and office manager in the USA, where she lived for nearly a decade. Katerina has six years’ work experience in Project management fields.
Seyed Amirhesam Khalafi is a graduate student of Industrial Engineering and has six years’ work experience in Project management fields.

Tomas Kincl is a researcher and lecturer at the Faculty of Management, University of Economics in Prague, Czech Republic. He is interested in human-computer interaction, social media and sentiment analysis and cultural differences in online environment.

Manuela Koch-Rogge is a research assistant at Hochschule Harz, Germany and is PhD student at Lord Ashcroft Business School, Anglia Ruskin University UK. She also works as a lecturer for process management and quality management. Her research focuses on performance management and operations research.

Karel Kolis is a PhD student in the Department of Management, Faculty of Business Administration, University of Economics in Prague. The main field of his study is customer relationship management which he studied also at the University of Victoria, BC, Canada.

Kristína Koltnerová, Ph.D. is an assistant professor at Slovak University of Technology in Bratislava, Faculty of Materials Science and Technology in Trnava, Institute of Industrial Engineering, Management and Quality. Her professional expertise lies in the fields of human resource management and business management.

Janne Korhonen is a doctoral researcher at Helsinki University of Technology with specialization in enterprise architecture, organization design, and governance models. Mr. Korhonen also brings industry experience as an independent consultant, whose enterprise architecture and governance consulting encompasses systemic co-development of business, organization and information technology.

Susanna Kultalahti is a Millennial herself, preparing her doctoral thesis on Generation Y, concentrating on motivational and supervisor issues. The aim of her dissertation is to provide theoretical contribution, and also practical information with strong empirical background. She is working as a doctoral student in the University of Vaasa, Finland, in the Department of Management.

Ophillia Ledimo has a PhD in Industrial and Organisational Psychology and is currently working at the University of South Africa; Department of Industrial and Organisational Psychology. Her field of specialization is Organisational Psychology and has presented papers at several national and international conferences within this field.

Michael Litschka is Professor at the Departement for Media Economy at the University of Applied Sciences St. Pölten, Austria and teaches Media Ethics, Business Ethics and Media Economics. His research interests are ethics in economics, media ethics as business ethics and political ethics. He has published several monographies and journal papers on these subjects.

Marina Lovrinčević, PhD, is an Assistant Professor at Department of Management, University of Split, Faculty of Economics (Croatia). She is an author or co-author of dozen papers in the fields of management, strategic management, corporate governance and entrepreneurship.

Nadine Lybaert is a professor of accountancy at the Faculty of Business Economics at Hasselt University and guest professor at Antwerp University in Belgium. She is associated with the Research Center for Entrepreneurship and Innovation (KIZOK) at Hasselt University. Her research focuses on the intersection of accounting topics and family firms.

Dorin Maier is a PhD student at the Bucharest University of Economic Studies, Bucharest, Romania. He has two BSc in engineering, an MSc degree in management and a PhD in Civil Engineering. His researches are oriented towards innovation and integrated management systems.

Jana Marková is a PhD student of in the economic faculty of the Technical University of Liberec, Department of Organization and Management. Her studies are based on engineering studies related to business management, specializing in marketing. The main content of her doctoral studies is CRM (customer relationship management) as a tool for enhancing the competitiveness of enterprises in the Czech Republic.

Charu Mathur is Business Policy/Law Adjunct faculty with Institute of Management Technology- Centre for Distance Learning, Ghaziabad, UP, India. She is academically inclined professionally qualified lawyer. Dr Mathur’s areas of interest include Corporate Governance, Cyber laws, IP Laws, Business Laws and Employment laws.
Oliver Moravcik from 1972-1976 Oliver was at the Technische Hochschule Ilmenau/Germany, Dipl.-Ing. in Automation, 1978-1982 Technische Hochschule Ilmenau/Germany, Dr.-Ing. in Computer Science, 1990 Slovak University of Technology, assoc. Professor/ Applied Informatics and Automation, visiting profesor in Koethen and Darmstadt/Germany, 1998 Professor/Applied Informatics and Automation at Slovak University of Technology Bratislava, 2006 Dean of Faculty of Materials Science and Technology in Trnava, Slovak University of Technology Bratislava

Zanele Ndaba is a senior lecturer at Wits Business School, University of the Witwatersrand. Her research interests are Gender, Race, and Indigeneity in Organisational Studies.

Telesphorus Lindelani (Zamani) Ngidi is a teacher in South Africa. His qualifications are a B.Ed. Honours degree in Education Management, University of KwaZulu-Natal (2004) and a Masters degree in Public Management, Durban University of Technology (2012). His research interest is service delivery both in the public sector and private sector.

Morena Paulišić, senior assistant at the Juraj Dobrila University of Pula, holds a PhD degree in organization and management. Her research interests include organization and management especially factors that have influence on organizational behavior. She is also a member of IMSS - research network of business schools.

Noel Pearse is an associate professor in the Rhodes Business School at Rhodes University, South Africa. He lectures primarily in Leadership, People Management, Strategy Implementation, Change Management and Research Design. His research interests lie mainly in the areas of leadership development, tacit knowledge, voluntary organisations, organisational change and development.

Jiří Richter is a doctoral student at the Faculty of Economics and Administration of Masaryk University, Department of Corporate Economy. His research is focused on business performance and methods of performance evaluation. Jiří is currently dealing with Czech and Austrian food and construction industries.

John Rose has over 34 years of experience as a general systems engineer and enterprise architect. He joined Astute Technologies as its Chief Research Officer in September 2012. In 2011 John Rose became a PhD candidate at the University of Technology, Sydney. His research is focused on facilitating knowledge creation collaborations.
Haziah Sa’ari is a full time student under the Faculty of Information Management, Universiti Teknologi MARA (UiTM) Malaysia. She has working experience of about 14 years in Library and Information Management field with multiple companies such as broadcasting and architectural organisations.

Mircea Sandru is an Economics Engineer, MBA graduated. He is now completing his PhD with the topic, Improvement of the Business Processes Performances through Integrated Project Management. The PhD research activity is developed within the Research Center for Business Administration, Head Professor Marieta Olaru, at the Bucharest University of Economic Studies, Romania.

Angela Senander is an associate professor at the University of St. Thomas in St. Paul, Minnesota in the United States and a research fellow at the Berkley Center for Religion, Peace and World Affairs at Georgetown University. She is the author of Scandal: The Catholic Church and Public Life.

Binal Shah is a doctoral student with an emphasis on Human Resource Management at Tomas Bata University in Zlin. She received her Bachelor of Science in Mathematics and Master of Human Resource Development from Veer Narmad South Gujarat University, India. Her research interests include age management issues, retention strategies, training and development, and organizational performances.

Mojde Shahnazari is a Master’s Degree candidate in the area of Project management at Limkokwing University of Creative Technology, Cyber Jaya, Malaysia. Her research interests include, Emotional intelligence, study of Human behavioral patterns in interaction with management ideas and creativity in leadership.

Irena Sikorová is currently studying in the PhD program Business Economics and Management at VSB - Technical University of Ostrava. Her research is aimed at quality in service. In her work she concentrates on issues pertaining to quality, specifically customer satisfaction, ECSI method, SERVQUAL method, their comparison and modification.

Tanja Sliskovic is a PhD candidate in Croatia, at the University of Zagreb, Faculty of Economics and Business. She is currently a visiting Fulbright researcher at the Columbia Business School in New York City. Her research interests are managerial egocentric social networks, corporate governance of state owned companies and management practices in post-socialist economies.
**Petr Suchánek** is an associate professor at the Faculty of Economics and Administration of Masaryk University, Department of Corporate Economy. His research is focused on business performance, quality management, product quality and consumer satisfaction. Petr is currently dealing with Czech food industries.

**Eva Svirakova** is a lecturer at the Tomas Bata University in Zlin, Czech Republic. Since 2008 she has been working on projects dealing with systems thinking and system dynamics. Lately she has focused especially on cultural events and cultural ecosystem of companies that concentrate on creative industries. Lectured courses in Project Management, Donator Management.

**Darko Tipurić** is a Full Professor of Management and Organization at Faculty of Economics and Business, University of Zagreb and a Visiting Fellow of Leeds Metropolitan University. He is the author of more than a hundred papers in the field of management in Croatia and abroad and is the author, co-author and editor of 11 books.

**Stanislav Tripes** is a Ph.D. student in Department of Business Sciences at Faculty of Management in Jindrichuv Hradec, University of Economics Prague. He is a teaching assistant and a researcher on several projects in this department. He specializes in field such as Strategic Management, Project Management and management in sports clubs.

**Asta Valackiene**, Professor, Doctor of Social Sciences (Sociology; Management and Administration) is Dean of Faculty of Management and Administration, Kaunas University of Technology. Scientific research areas: sociology, change management, crisis management, social responsibility. The author has published 8 articles in referred Social Sciences Citation Index and 46 articles in other reviewed journals.

**Henny van Lienden** has been working at the Hogeschool Utrecht for 24 years now. His special interest is in economical and sociological aspects of health and health care. He has written several books about the subject. Together with Marco Oteman he is now combining aspects of institutional economics with aspects of the social capital theory.

**Emil Velinov** graduated from the Technical University of Sofia with a Master’s Degree in Industrial Management. His PhD thesis is focused on Top Management Teams diversity in the Czech Republic and Switzerland. He has carried out research in the area of TMT and IPOs for the CEE region.
Tereza Vinsova is a PhD candidate and lecturer at University of Economics, Prague, and Faculty of Management. She obtained a Master’s degree in management at University of Economics, Prague in 2006. Her current research is focused on organizational culture and performance. She also teaches several courses at mentioned university such as Human Resources Management, Economics or Project Management.

Klaus Willmann graduated from the University of Cologne with a Master’s degree in business administration. He started in January 2012 as research assistant at the chair for strategic management of the Technical University of Dortmund. His research is focused on effectual and causal decision making in companies and its influence on business success.

Paul Woolliscroft, MSc, is a Ph.D. student and young researcher at the Slovak University of Technology, Bratislava, Slovakia. His Ph.D. study area is Industrial Management and his current research interests focus upon knowledge management and the application of tacit knowledge. He holds a Masters Degree in Marketing from Staffordshire University, England.

Dr Rachid Zeffane is Associate Professor in Management in the College of Business Administration (University of Sharjah, UAE). He received his Masters and PhD from the Cardiff Business School (U.K). His research interests are in the areas of Management, OB and HRM.

Veronika Zelena is a Ph.D. student in Department of Exact Sciences at Faculty of Management in Jindrichuv Hradec, University of Economics Prague. She is a teaching assistant and a researcher on several projects in this department. She specializes in field such as Crisis Management, Strategic and Knowledge Management.
Personality and Expectations for Leadership

Tiina Brandt, Piia Edinger and Susanna Kultalahti
University of Vaasa, Vaasa, Finland

Abstract: The previous studies indicate that different personalities have tendency to use different kind of leadership style, thus it would be expected that there are dissimilarities in wishes for most preferred leadership style also. The leader is among the most crucial factors in motivating people at work, hence it is important to know how leaders could be even more effective in their motivating behavior. Thus the purpose of this study is to examine, if different personalities expect different kind of leadership. The personality was measured with Myers-Briggs Type Indicator (MBTI), which categorizes personality in four dimensions: Extraversion-Introversion, Sensing-Intuition, Thinking-Feeling, and Judging-Perceiving. Previous studies indicate that the MBTI has an impact on leadership behavior, and especially transformational leadership behavior, thus the MBTI was selected to be used in this study as well. The leadership questionnaire contained items of preferred leadership style. The questions were formed and modified according to Bass’ MLQ, Kouzes and Posner’s LPI and transformational leadership literature overall. The questionnaire included the following leadership styles: Transformational leadership, Passive and Active Management by Expectation and Laissez-Faire. Altogether 137 economic students answered the questionnaire. The results indicated that personality has an influence on leadership expectations. There were statistically significant results in the preference-pairs of extraversion-introversion, sensing-intuition and thinking-feeling. According to this study personality impacts on the wishes for leadership, and this is especially in the case sensing and intuition preferences. It is important to pay special attention to understand different personalities at work, since the wishes and expectations can be extremely different. For example, leadership training programs should take these differences into account.

Keywords: personality, expectations, transformational and transactional leadership, laissez-faire and management by exception

The Effect of Ownership Structure on Corporate Financial Performance in the Czech Republic

Ondřej Částek
Faculty of Economics and Administration, Masaryk University, Brno, Czech Republic

Abstract: The relationship between ownership structure and corporate performance is a matter of on-going attention among researchers. Although a lot has
been published on this topic, this paper aims to provide additional evidence on
the effects of such characteristics as ownership concentration, managerial own-
ership and foreign capital on the corporate financial performance. The findings are
based on a representative sample of more than 400 corporations based in the
Czech Republic with 50 employees or more from the manufacturing and construc-
tion industries. Their performance is evaluated using financial data from up to a 7-
year long period, specifically return on assets and growth of assets, which are
founded on Kaplan and Norton’s (2004) theory of two incompatible ways of in-
creasing financial performance. It is controlled for firm size, industry and legal
form. Correlations, ANOVA and t-tests are employed to evaluate the size and
shape of the relationships. Some of the results correspond to the findings of other
authors in other countries (foreign investments) while some suggest that hypo-
thesis proven elsewhere (effect of ownership concentration) might not be valid in
the Czech Republic. Corporate governance and economic conditions in the Czech
Republic are quite different from the conditions most researches of this topic car-
rried out their research. Furthermore, not many researches in the Czech Republic
have devoted their attention to this field recently. Therefore, this paper should
constitute an additional contribution – prove or disprove findings based on data
from other countries. In order to achieve the set goal, to verify the effect of own-
ership structure on corporate financial performance in the Czech Republic, the
paper is structured as follows: the introduction and theoretical background pro-
vide support for the tested relationships, then the evaluation of financial perfor-
mance is discussed, the data used are described, and finally the results are pre-
sented and discussed. Throughout the article, if appropriate, specifics of the
Czech Republic are pointed out and used to explain different results than that can
be found in available literature.

**Keywords:** managerial ownership, ownership concentration, ownership structure,
corporate governance, corporate financial performance, empirical research

---

**Value Co-Creation in the Organizations of the Future**

**Eng Chew**

University of Technology, Sydney, Australia

**Abstract:** The organizations of the future (OOTF) are conceptualized as a net-
worked ecosystem of autonomous, modular, value cells. These value cells collabo-
rate dynamically, inter- or intra-organizationally to co-create value in line with, or
in anticipation of, the emerging or latent market needs. This paper seeks to an-
swer the question: How do OOTF co-create value collaboratively for the partici-
pating partners? We conduct an exploratory literature review of diverse disci-
plines including IT, management, and service sciences to uncover and crystallize
the underlying principles and mechanisms for OOTF value co-creation. The prelim-
inary literature-review findings are summarized below. Value-creation activity in the OOTF is “organized around information” focused on customer value. The underlying IT is conceptualized as a social object that has “an action potential” known as affordance. Affordances enact the requisite value-creation organizational capabilities and other social capacities within and outside the boundary of the focal firm. Through IT, in line with strategy, the firm is enmeshed with its external environments in a value constellation or industry architecture of stakeholders comprising market ties with its customers and competitors; referential ties with other institutions; affective ties with its partners; and hierarchical ties with the regulators. These stakeholder ties would be organized in either loosely (flexibility strategy) or tightly (efficiency strategy) coupled forms. Each strategy calls for varied leadership and governance models for value co-creation between stakeholders, which involves mutual alignment of stakeholder value propositions and leveraging and integration of one another’s capabilities and resources. Inter-organizational systems data and process standards and joint production governance will facilitate value co-creation across the ecosystem. OOTF leadership is socially constructed where actors interact in a dynamic and fluid leading-following adaptive process interchanging leader-follower identities and relationships contingent on the value creation contexts. OOTF may possess open or closed boundaries and/or memberships, defined by its innovation strategy and associated organizational capabilities. The former is superior in value creation when the product-customer mapping complexity is medium to low; the latter when complexity is high. The focal firm’s information-intensive social structure will tend to exhibit “small-world system” dynamic characteristics. Its value creation potential is determined by its network reach (extent of tie to distant, different, and diverse partners), richness (value of network resources available) and receptivity (capacity to leverage network resources across inter-organizational boundaries), individually and interactively. The value creation process is closely linked with the firm’s capability development process through orchestration of diverse resources across the ecosystem. It must simultaneously balance the conflicting “global-vs-local” demands in terms of markets, and regulative, social and cultural mechanisms to create sustained value. This capacity is linked to its strategies, structure and dynamic capabilities – especially the leaders’ ability to manage paradox – the tension between efficiency and flexibility. In sum, value creation in dynamic environments requires the OOTF firm to possess the capacity to structure its resource portfolio, bundle the resources to create capabilities and leveraging/reconfiguring the capabilities to (efficiently) exploit market opportunities and (flexibly) explore innovations for latent market demands.

**Keywords:** value co-creation, future organizations, collaboration networks, innovation, dynamic capabilities
The Free State Department of Education: An Audit and Corporate Governance Perspective

Cornelie Crous
University of the Free State, Bloemfontein, South Africa

Abstract: Education is one of the main objectives in the South African Growth Plan as announced by the minister of Economic Development in October 2010. The financial performance and compliance to corporate governance principles of provincial departments of Education in South Africa is therefore crucial. This paper investigates the financial performance of the Free State Province’s Education department over the ten year period 2000/2001 until 2009/2010. The audit reports of this department was analysed to determine the aspects of concern regarding financial performance. The results indicate that aspects of concern include non-compliance to laws and regulations, poor governance, lack of supporting documentation and unauthorised, irregular, wasteful and fruitless expenditure. Based on these results a questionnaire was developed to test the perceived historical and current aspects of concern in the department. Results from the questionnaire on perceived historical and current aspects of concern for the department included non-compliance to laws and regulations, poor asset management, lack of fraud prevention and detection, lack of supporting documentation for transactions, lack of accountability, lack of integrity and supply chain management. Further aspects perceived as historical and current aspects of concern included lack of tender procedures and occurrence of tender fraud, lack of discipline and a culture of corruption within the department. All of the aspects identified could be traced back to poor compliance to corporate governance principles. The results indicate that the non-compliance can be associated with management’s inability to ensure compliance to laws and regulations, improper working of the internal audit departments and ineffective audit committees. Possible solutions that are recommended include employment of skilled and experienced personnel; proper and timely disciplinary action; continuous training; effective performance evaluations; early detection mechanisms, like an effective internal audit department and implementation of effective corporate governance principles such as a well-functioning audit committee and internal audit departments.

Keywords: aspects of concern, corporate governance, audit committees, department of education, internal audit departments, non-compliance to laws and regulations
The Relationship Between Governance and Performance: Literature Review Reveals new Insights

Peter Crow¹, James Lockhart² and Kate Lewis²
¹Massey University, Palmerston North, New Zealand
²College of Business, Massey University, Palmerston North, New Zealand

Abstract: The topic of governance has been the attraction of much research for the last four decades. Governance has proven to be difficult to study, and attempts to explain how boards actually contribute to business performance have failed to produce definitive results. Much of the research to date has employed the statistical analysis of large quantitative data sets based on conventional hypothetico-deductive approaches to knowledge development. Numerous variables have been isolated that have appeared to be significant in a normative input-output sense, even though assumptions of congruence within the black box of governance cannot be relied upon. Qualitative data and interpretive approaches have also been used. Some of this later research has produced fascinating results, yet the difficulties of developing theory from case research remain. The aim of this paper is to summarise the governance literature, and to introduce critical realism as an alternative approach within which to explore governance, especially research into the relationship between governance and performance. A review of the governance, methodology and decision-making literature has revealed new insights. First, several mechanisms that appear to be significant to the governance-performance relationship are apparent in the literature when the governance phenomenon is considered holistically. These include active engagement; an involvement in the development of strategy; the making of strategic decisions; and, the adequate monitoring of strategy implementation. Second, critical realism, a philosophy of social science, appears to be a viable alternative philosophy within which to explore governance, and the supposed relationship between governance and performance in particular. Finally, the longitudinal multiple-case study methodology – informed by empirical data collected from boardroom observations, semi-structured interviews and the inspection of archival governance records – has the potential to provide the deep understanding necessary to make causal inferences about the governance-performance relationship. Together, these insights provide an interesting basis for future governance research efforts; particularly research that moves beyond the limitations of positivist and interpretivist approaches and the extant theories of governance, towards an explanation of the elusive governance-performance relationship and, potentially, a refined conceptualisation of governance.

Keywords: governance, strategy, decision-making, critical realism, causal mechanism, case study
Creative Industries and Creative Index: Towards Measuring the "Creative" Regional Performance

Lukáš Danko and Pavel Bednář
Department of Regional Development, Public Sector Administration and Law, Tomas Bata University in Zlín, Czech Republic

Abstract: Czech society does not predominantly consider the level of culture as a dominant factor for economic development. Moreover, it is considered as superstructure according to Marxist theory. Thus, inherited “communistic” perception of culture, associated with the influence of the former Soviet Union, is bearing emphasis on folk culture, “high art” professional scene, cultural heritage, and independent production vice versa. However, the importance of creative industries is being discovered in the last decade. The first aim of this paper is to reveal and explain disparities within creative industries and the New Creative Index in Czech regions employing multidimensional scaling to evaluate the concept of smart specialization. Furthermore, it is focused on modelling the links between the New Creative Index and creative circles using correlation to measure the "Creative" Regional Performance. The West–East gradient, previous development trajectories and the structure of higher education in Czech regions lead to an increasing divergence, even the support of all cultural activities was declared. The results presented in this paper reflect the link of the structural base support, related to the concept of clustering and regional development of certain creative industries in particular regions. This leads into the specialised regional support of selected creative industries according to the NCI and the structure of creative industries. Thus, it is supposed that regional cultural or cluster policy shall employ various tools in terms of priorities and provide support to fulfil the concept of smart specialization.

Keywords: cluster development, creative industries, Czech Republic, new creative index, regional competitiveness, regional performance

Human Resource Control Systems and Family Firm Performance: The Moderating Role of Generation

Julie Dekker¹,², Nadine Lybaert¹ and Tensie Steijvers¹
¹ Hasselt University (KIZOK), Diepenbeek, Belgium
² Research Foundation Flanders (FWO), Brussels, Belgium

Abstract: Within the general management literature, the importance of Human Resource (HR) practices has been generally recognized. Yet, when shifting the focus to the domain of family businesses, the topic of HR becomes highly under-
researched. Taking into account that general management literature often infers a positive effect of HR practices on business performance, this paper further explores this relation in the family business research field. Family firms play a significant role in the global economy, and within the SMEs they are the predominant form of organization. Family businesses are by virtue of their unique business construction – which encompasses besides the business system also a family system – an interesting setting to explore the impact of HR practices. As family firms have a tendency to remain independent and keep close control over the business, they are in general less eager to implement formal HR control systems, as this is associated with a loss of control over the employee relations. Despite of their overall hesitance, the importance of HR practices within the family business context should not be disregarded. This paper contributes to the existing literature by assessing the impact of the use of formal HR control systems on business performance. Using a representative sample of 532 small to medium-sized private Belgian family businesses, the regression results show a significant positive effect of implementing HR control systems on firm performance. In addition, we find that this positive effect is moderated by the family generation controlling the business. The positive effect of HR control systems on firm performance decreases in the second and later generations compared to the first generation. Through a socioemotional wealth (SEW) perspective, first generation family firms will place higher priority on the preservation of their SEW, referring to the importance of nonfinancial goals of family owners. SEW may lead to the hiring of potentially incapable family managers and providing high remunerations for family employees based on kinship instead of their accomplishments. Introducing formal systems of control in first generation family firms coping with high SEW will therefore have a greater positive impact on business performance than in second or later generation family firms where SEW is low.

Keywords: human resource control systems, private firms, family firms, performance, generation, socioemotional wealth (SEW)

The Challenges and Benefits of the Multi-factor Leadership Questionnaire (MLQ), in Terms of Gender and the Level of Analysis: A Critical Review of Current Research

Amir Elmi Keshtiban
University of Essex, Colchester, UK

Abstract: Currently, there is a steady rise in the adoption of leadership as a socially constructed phenomenon and investigating it by qualitative methods. However, quantitative methods are still dominant tools for investigating leadership and undeniably the Multi-factor Leadership Questionnaire (MLQ) is one of the most
dominant methods for researchers and practitioners to investigate leadership. As a result, this paper’s aim is to analyze the challenges and benefits of the MLQ and more generally to investigate whether or not the MLQ can be used for studying leadership in the 21st century despite all the new approaches of leadership. To do so, 166 articles of the academic journal ‘Leadership Quarterly’ have been analyzed by using qualitative content analysis in order to interpret those texts to answer the research question. The findings of this research demonstrate that the MLQ is suffering from some shortcomings including lack of consideration of the gender balance, level of analysis, and contexts. However, this paper argues that, even taking into account those shortcomings, the MLQ cannot be a proper method for gathering data because of its emphasis on leader-follower relations and more specific leader behaviour for investigating leadership which cannot cover the whole leadership phenomenon. As a result, this paper suggests that leadership should be considered as a broader concept rather than focusing on leaders’ and followers’ relations and leaders’ behaviour.

**Keywords:** leadership, MLQ, transformational leadership, gender, level of analysis

---

**Role of Internet in Supply Chain Integration: Empirical Evidence From Manufacturing SMEs Within the UK**

Hajar Fatorachian, Malihe Shahidan and Hadi Kazemi  
Sheffield Business School, Sheffield Hallam University, Sheffield, UK

**Abstract:** Purpose - Technology and market forces as well as increasing complexity of supply networks require companies to apply internet-based tools to support their business processes. Developments in information systems and technologies allow the virtual integration of the entire supply chain, facilitating the coordination between different parties in supply chain. The Information System (IS) in general and Internet in particular influence all aspects of organizational strategy from formulation and implementation into production, innovation, delivery of products and customer relationship management. From the resource-based point of view, supply chain integration is essential for creating competitive advantage. Therefore, internet needs to be incorporated into all stages of supply chain management in order to result in supply chain integration. This research aims to investigate the role of internet in improvement of each part of supply chain as well as overall supply chain integration. Design/Methodology/Approach - The quantitative approach of survey methodology, which involves designing questionnaires, was applied in this research. Based on simple random sampling of around 500 manufacturing SMEs in the UK, the data gathered from 67 companies was analysed through testing 2 null hypotheses. Findings - Using SPSS software for data analysis the majority of companies emphasized the helpfulness of internet and e-
business technologies on integration of their supply chains and improvement of supply chain management, with internet having the most impact respectively on integration of business processes in "logistics and returns process", "order processing", "planning synchronization", "procurement", "inventory management", "production" and "customer relationship management". Practical implications – Supply chain integration, resulted from adoption of E-business technologies allows companies to integrate operational strategies, coordinate business processes and effectively share information and resources. This study highlights the main issues for supply chain managers faced with implementing E-supply chain management, illustrating the impact of internet on improvement of supply chain processes. Originality/value – This research indicates the extent to which internet technologies are used in different parts of supply chain. Supply chain management literature emphasises the importance of E-business technologies in improving integration of supply chain. However, there is limited research or evidence on how this occurs.

Keywords: internet, e-business technologies, supply chain integration, SMEs, deductive methodology

Emerging Organisational Forms: Leadership Frames and Power

Bryan Fenech
University of Technology, Sydney Australia

Abstract: This paper seeks to understand leadership awareness of, openness to, and power to effect organisational renewal through a series of semi-structured interviews conducted with C-level executives. The focus is upon large, prominent and publicly owned organisations operating in Australia. Findings indicate significant awareness of the need for change but limited means to act. The role of leadership frames of reference, leadership power to effect fundamental change and the effectiveness of management learning programs are considered. The findings suggest the need for developing frames of reference in leaders that highlight and enable their role as organisational architects. Such a project will require dissemination of this knowledge to other organisational stakeholders so that it becomes an expected part of the repertoire of leadership practice.

Keywords: organisational renewal, 21st century organisations
Responsible Internationalisation of Management Education: Understanding International Students’ Learning and Teaching Needs at a UK Business School

Tatiana Gladkikh, Mark Lowman, Marija Davis, Mike Davies, Mandy Jones, Phill Jennison and Amy Tan
The University of Winchester, Business School, UK

Abstract: Management education is an on-going process which for many managers starts at university. There the students equip themselves with main theoretical understanding of management issues that they later apply in their practical management roles. The paper addresses the issue of educating international students within the Higher Education system of the United Kingdom and specifically considers approaches to responsible management education of international students at a UK business school. The in-depth qualitative study of the students’ learning and teaching needs aims to contribute to our fuller understanding of the main areas of concern, establishing the hierarchy of their importance and providing a framework for developing further actions in order to enhance and maintain the quality of the learning experience of the overseas students. This research examines students’ personal understanding of their education in a UK university. The semi-structured interviewer-administered format of questionnaire is the main method of enquiry. The analysis of the findings outlines main international students’ learning and teaching needs on Business and Management programmes. The paper then proposes a model to guide and develop further teaching and learning methodologies in management education.

Keywords: management education, internationalisation, PRME, learning and teaching needs

IT Governance, Decision-Making and IT Capabilities

Kari Hiekkanen, Janne Korhonen, Elisabete Patricio, Mika Helenius and Jari Collin
Department of Computer Science and Engineering, Aalto University, Espoo, Finland

Abstract: Organizations are increasingly dependent upon IT for competitive advantage through extensive use of information, effective operational control, rapid innovation, speed to market, and increased customer satisfaction. In order to succeed in planning, organizing, controlling, and directing the IT organization, top management needs to have an understanding of individual business and IT capabilities for current and future business needs. As IT has become crucial in support-
ing, sustaining and enabling business models, there is a need for better governance of related IT assets, competencies and capabilities. Recently, IT research has placed much emphasis on how resources and capabilities affect organizational performance. As an organization’s performance is dependent on its IT capabilities, the strategic management of IT is about making informed choices based on an understanding of both the relative benefits of different options and the organization’s ability to deliver those benefits. IT capability can be defined as the organization’s ability to acquire, deploy and leverage IT-related resources in combination with other resources and capabilities that support the conduct of business in value-adding ways. In this paper, we review the literature on IT capabilities, how they are defined in different streams of research and discuss the findings of our review in the context of IT governance research and frameworks. We note that the notion of IT capability in the literature is prevalent, but what actually constitutes IT capabilities and determines their roles in different strategic orientations and organizational settings remains unclear. From an IT governance perspective, the multifaceted, cross-organizational nature of IT capabilities increases the contingency factors to be considered when designing and implementing respective governance structures and arrangements. By recognizing the complexity of IT capabilities and their relationship to organizational performance, academics and practitioners alike can better understand the implications of different IT governance practices on IT capabilities and their development.

Keywords: IT governance, IT capabilities, business value of IT, resource-based view

Effective Leadership – can Soft Skills Contribute to the Effectiveness of an Organization?

Miloslava Hirsova, Veronika Zelena, Lucie Vachova and Michal Novak
University of Economics, Prague, Faculty of Management, Jindřichův Hradec, Czech Republic

Abstract: Our paper deals with the relationship between “soft factors” in management and organization effectiveness. We have chosen the construct of organizational identity as a comprehensive concept conceived as the form of sharing of fundamental values, which allows the organization to determine itself vis-à-vis others and to stay one’s own. Organizational identity represents the output of processes of staff identification with the organization and thus we presume that it is closely related to leadership styles, organizational atmosphere, forms of communication and other organizational processes aimed at human resources management. The organizational identity itself is described by the means of attributes referring to relations of the organization to outer and inner stakeholders and carrying the potential to generate different social values (individualistic, group and
collective orientation) and by the rate of their sharing. There are other factors included in our analyses, namely the organization’s environment, structure, culture and its strategy. Effectiveness is described as an aggregate of selected economic indicators. Most research on this topic has a qualitative character, which does not allow capturing the nature of complex relations among the elements and processes in organizations. We presume that the factors in view interact, which leads us to the choice of finding a methodology which would respect this fact and allow us to identify the subset of those factors, the concurrence of which carries the greatest weight for organizational effectiveness. In this paper, the results of pilot research in selected organizations in the Czech Republic are discussed. One discussed method of analysis is the method of feature selection (also known as variable or attribute selection). It is the process of selecting a subset of relevant features for use in model construction. A feature selection algorithm can be viewed as a search technique for proposing feature subsets, by means of which those subsets are assessed, enabling us to recognize key factors in an organization in relationship to its efficiency.

**Keywords:** soft factors, organizational identity, feature selection algorithm

**Information Technology Leadership on Electronic Records Management: The Malaysian Experience**

Rusnah Johare¹, Mohamad Noorman Masrek² and Haziah Sa’ari¹
¹Faculty of Information Management, Universiti Teknologi MARA, Shah Alam, Malaysia
²Accounting Research Institute, Universiti Teknologi MARA, Shah Alam, Malaysia.

**Abstract:** Managing records in electronic environment is not only a major challenge but also increasingly a strategic issue for organizations in both the public and private sectors. The success of electronic records management (ERM) in an organization depends greatly on partnership of the different key players on managing these specialized records namely records managers, archivists, administrators and most importantly the IT personnel. A strong IT leadership on electronic records management would provide an excellent foundation towards developing a credible electronic records management in an agency. This paper presents the findings of a study carried out pertaining to the IT personnel involvement in electronic records management in sampled agencies in Malaysia and how IT leadership could have an impact on the management and preservation of these records as part of the organizational memory and collectively as memory of the nation.
Determining the Most Significant Contributing Risk Factors to Petrochemical Project Failure

Seyed Amirhesam Khalafi¹, Erfan Haji Akhoondi², Javad Abyar Ghamsari³ and Parisa Ansari⁴
¹Department of Industrial Engineering, Islamic Azad University, South Tehran Branch, Tehran, Iran
²Department of Management, Islamic Azad University, South Tehran Branch, Tehran, Iran
³Department of Management, Islamic Azad University, Science and Research Branch, Tehran, Iran
⁴Department of Chemistry, Sharif University of Technology, Tehran, Iran

Abstract: Past studies have indicated that project managers may be less likely to continue failing Petrochemical projects if they are able to identify project risks accurately. Literature suggests risk identification - risk identification is about identifying the factors or events that could potentially have a negative impact on project outcomes - for managing risks in project. However, research on risk factors contributing to petrochemical project failure context is scarce. This method helps the petrochemical company achieve its strategic goals through the effective use of a project-oriented approach. Since petrochemical companies are project-based companies, prioritization of risk factors that provide the minimum failure of projects seems to be necessary. However, establishment and prioritization of risk factors contributing to petrochemical project failure are real challenges in practice. This study aims to develop a new combined approach based on ANP and FCM techniques to assist companies determine and identify the risk factors, especially in petrochemical companies. First of all, the dimension and the elements of project risk factors are determined. Then, the Fuzzy Cognitive Map (FCM) approach is applied, in order to establish interrelations among the criteria. The weight of criteria is obtained through the Analytical Network Process (ANP). Ultimately, an empirical case study of the petrochemical industry is given to examine the impact of the proposed method.

Keywords: project risk management, ANP method, FCM method, risk identification
Getting Inside the Minds of the Customers: Automated Sentiment Analysis

Tomáš Kincl, Michal Novák and Jiří Přibil
Faculty of Management, University of Economics, Prague, Czech Republic

Abstract: Sentiment analysis and opinion mining is being perceived as one of the major trends of the nearest future. This issue follows up on the spontaneous and massive expansion of new media (esp. social networks). The amount of the user-generated content published on social networks significantly increases every day and becomes an important source of information for potential customers. More than 75% of the users confirm that customer’s reviews have a significant influence on their purchase and they are willing to pay more for a product with better customer reviews. Furthermore one third of the users has posted an online review or rating regarding a product or service and thus became an influencer himself. Using sentiment analysis, company can take advantage to get insight from (social) media, recognize company or product reputation or develop marketing strategy responding to the negative sentiment and positively impact consumer’s perception. Moreover, top influencers and opinion makers can be identified for further cooperation. Even though social media monitoring is commonly carried out automatically (by tracking selected channel or by crawling the web and searching for given keywords) the analysis and interpretation of retrieved data is still often performed manually. Such unsystematic approach is then prone to subjective error and is dependent on the experience and skills of the person performing the analysis. Thus there is a strong call for automated methods (based on computer-based processing and modeling) which would be able to classify expressed sentiment automatically. Good results can be obtained with supervised learning models (i.e. support vector machine models). However, for a good performance a good training set is needed. Such approaches also often work with lexical databases (i.e. WordNet) or sentiment vocabularies (identifying polarity keywords with the sentiment clearly distinguished i.e. “horrible”, “bad”, “worst”). These models do not work very well when the training set comes from different domain than the testing data and also not many studies have addressed sentiment analysis issue for morphologically rich languages, i.e. Arabic, Hebrew, Turkish or Czech. This experiment tries to develop and evaluate a sentiment analysis model for Czech language (which is morphologically rich) which is not dependent on any prior information (lexical databases or sentiment vocabularies which are not available for Czech language) and works well on different domains. As training set data from Czech-Slovak Film Database were used. The support vector machine based classification model has been then tested on different domain (data from an e-shop selling a wide range of products from electronics to clothing or drugstore goods). With a good results (accuracy around 80 %), the model has been
also tested on other languages, including Amazon customer reviews in English (Amazon.com, Amazon.co.uk), German (Amazon.de), Italian (Amazon.it) and French (Amazon.fr). Even on other languages, the model still provided a good performance ranging from 70 to 80%. This may not sound impressive but there are studies reporting that human raters typically agree about 80% of the time. Thus if an automated systems were absolutely correct about sentiment classification, humans would still disagree with the results about 20% of the time (since they disagree at this level about any answer).

**Keywords:** sentiment analysis, opinion mining, automated model, morphologically rich languages, support vector machine

---

**The Impact of the Customer Relationship Management on a Company’s Financial Performance**

**Karel Kolis and Katerina Jirinova**

University of Economics in Prague, Czech Republic

**Abstract:** This paper and further research describe the link between Customer Relationship Management and the company’s financial performance. The main aim of this paper is to discover whether improved customer orientation leads to better financial (and other performance) results. The authors use quantitative research at small and medium sized Czech companies in the service industry. This particular industry has been selected because of its intangibility which makes for a more competitive environment and therefore produces a need for corporate diversity. This diversity may be fulfilled by a customer-oriented approach – the active seeking and retention of customers. In his book Marketing Management Philip Kotler wrote that retaining a current customer is five times less expensive than acquiring new one. It is therefore less expensive to increase the strength of a relationship resulting in a better relationship between the customer and the company. The research data were collected via quantitative questionnaires covering four main dimensions of customer relationship management – customer satisfaction, loyalty, value and equity. Each dimension consists of several questions on the topic and is graded on a scale. This grade is tested for correlation with financial performance indicators. ROS (return on sales) which describes how effectively the company transforms sales into profit was chosen as the main financial performance indicator.

**Keywords:** CRM, customer relationship management, loyalty, customer, financial performance
Personnel Planning Reflecting the Requirements of Sustainable Performance of Industrial Enterprises

Kristína Koltnerová, Andrea Chlpeková and Jana Samáková
Slovak University of Technology in Bratislava, Faculty of Materials Science and Technology in Trnava, Institute of Industrial Engineering, Management and Quality, Trnava, Slovak Republic

Abstract: The article deals with the issues of personnel planning in industrial enterprises. The ability of management of industrial enterprises to plan their personnel activities is one of the key preconditions for ensuring the long-term prosperity and competitiveness of the enterprise, especially from the point of view of sustainable performance and reducing costs in an environment of frequent changes and competition. Human resources are crucial for enterprise because only with a quality staff background can enterprise achieve required flexibility, creativity and the ability of the enterprise to adapt to the changes that arise as a result of ever more intensive globalization and volatility of the business environment. On the basis of these facts, it is necessary to plan human resources. This means to ensure that the enterprise has adequately large and appropriately qualified staff at all levels for the fulfilment of set objectives and thus contribute to the continuous improvement of sustainable performance. On the basis of the above mentioned facts and theoretical knowledge was realised empirical research in industrial enterprises in Slovakia. Research has been divided into two parts - qualitative and quantitative research. Qualitative research was carried out on the basis of the interviews in business practice in Slovakia and quantitative research was carried out with use of questionnaire survey. The aim of the research was to determine to what extent and with what efficiency works the process of personnel planning in medium-sized and major industrial enterprises in Slovakia.-The results of the research showed that management of surveyed enterprises are engaged in process of personnel planning and consider this planning as an integral part of effective company functioning but 72% of these enterprises do not have processed any written document incorporating some methodology or procedure for the creation of personnel plan. Methodology of personnel planning designed for medium-sized and major industrial enterprises represents system for the creation of personnel plan - it is described below in the paper. Methodology includes concrete steps supported by useful methods and instrument and it was created on the basis of carried out research and theoretical knowledge. Well prepared personnel plan brings savings in time as well as costs and makes human resource performance and utilization more efficient what ultimately ensures the sustainability of company performance.

Keywords: human resources, personnel planning, methodology, sustainable performance, industrial enterprise
Doing IT Better: An Organization Design Perspective
Janne Korhonen and Kari Hiekkanen
Department of Computer Science and Engineering, Aalto University, Espoo, Finland

Abstract: While the literature is replete with theories and explanations on the organizational value of IT, there are, to our knowledge, few systemic accounts that would help structure the variety of observations, perspectives and paradigms. The purpose of this conceptual paper is to provide a starting point for metatheoretical inquiry in the field. To this end, we draw from well-grounded theories in sociological analysis and organization design to construct a tripartite framework of metaphysical “IT realms” that are also vertically contextualizable with the organizational structure: Technical Realm is reductionist in nature and aimed at efficiency and reliability. It pertains to the operative levels of the organization that create value in the present. Socio-Technical Realm is about creating enterprise flexibility and capability to change: the focus on reliability is balanced with focus on validity in anticipation of changes, whose exact nature cannot be accurately predicted. It bears relevance at the expert and managerial levels of the organization that create value for the future. Ecosystemic Realm transcends a single, self-governing organization and addresses the resilient renewal of IT in step with continually shifting, semi-coherent strategy and the changing environment. We view that contemporary information systems (IS) research calls for more sophisticated assumptions on the nature of the social world and on the way in which it may be investigated. On the other hand, we posit that the ontological underpinnings of IT and the organization should be isomorphic. Our framework provides a meta-level perspective on the relationship between IS and organization design and helps contextualize extant and future research both in their structural scope of inquiry as well as in terms of their metaphysical underpinnings.

Keywords: information systems (IS), information technology (IT), organization design (OD), organizational structure, ontology, epistemology

Expectations for Leadership- Generation Y and Innovativeness in the Limelight
Susanna Kultalahti, Piia Edinger and Tiina Brandt
University of Vaasa, Department of Management, Vaasa, Finland

Abstract: The aim of this study is to examine the leadership preferences of Generation Y’s innovators and non-innovators in comparison with older groups. Further, our interest is also to see if some dimensions of transformational leadership are more preferred among young people than among older employees. Thus, this
study focuses on the expectations of leadership of Generation Y, and investigates whether tendency for innovativeness has any relationship with these expectations. The next and the youngest generation now entering the workforce is the Generation Y, who were born between 1981–2000 (Arsenault, 2004). They will be affecting the working life, thus it is important to examine the preferred leadership style of Generation Y’s innovators, and the needs of this group should be recognized. Past 30 years the transformational leadership has shown very strong position in organizations’ life. It is suitable for various organizations, and it has gained almost only positive results. The questionnaire of leadership contained the items of wishes for leadership. The leadership questions were formed and modified according to Bass’ MLQ, Kouzes and Posner’s LPI and transformational leadership literature overall. The questions included the leadership styles of Transformational Leadership, Transactional Leadership (including Passive and Active Management by Exception) and Laissez-faire. Innovativeness scale was used to determine respondents’ innovativeness tendency; it is a self-report and was developed by Hurt, Joseph and Cook (1977). The data contained answers of 132 Finnish university students and working professionals; 90 of them being Gen Y-ers. These two groups, Gen Y-ers and older respondents, and further innovators and non-innovators were compared statistically with ANOVA. Results indicate that there are statistically significant and important differences in the preferred leadership style between Generation Y innovators and others. These results strongly indicate that it is important to pay attention to the leadership among young innovative and non-innovative professionals. According to this study, Gen Y-ers expect more from their leader than the older ones, and they challenge the leader when preferring Transformational leadership over the other styles. But the more innovative the person is, the less active inspiring and involvement they want from their leader. Interestingly, innovativeness does not seem to affect leadership expectations amongst older generations.

**Keywords:** Generation Y; innovativeness; leadership style; transformational leadership; transactional leadership

---

**Managing organizational culture through an assessment of employees’ current and preferred culture**

**Ophillia Ledimo**
**University of South Africa, South Africa**

**Abstract:** In the field of human resource management, organizational culture is crucial in understanding employee behaviour. Literature review indicates that organizational culture has strong influence on employees’ behaviour and attitudes (Arnold 2005; Martins & Martins 2009; Werner 2007). It involves standards,
beliefs and norms that prescribe how employees should behave (Robbins 1996). Thus, it is essential for organizations to assess organizational culture in order to develop strategies to address aspects of organizational culture affecting employee behaviour negatively and to leverage on the positive aspects. The main objective of this study was to assess the current and preferred organizational culture dimensions (as measured by Organizational Culture Questionnaire), within a manufacturing organization. Most studies on organizational culture studies focus only on employee perceptions of the current organizational culture. These limit organizations from engaging employees further to determine their preferred organizational culture. It is against this background, this article poses this question: What are the differences between current and preferred organizational culture dimensions within a sample of employees in a manufacturing organization? This question is addressed through a quantitative study of current and preferred organizational culture dimensions. The data was collected using a survey on a random sample size of N=371, employees of manufacturing South African organization. Results of this study indicate that there are significant differences regarding current and preferred organizational culture dimensions namely; achievement, power, role and support cultures. These findings provide valuable information that can be used to propose human resource management interventions to create and manage the ideal organizational culture vital for improved employee performance and organizational survival.

**Keywords:** organizational culture, preferred culture, current culture, human resource management

**Stakeholder Participation: Legitimization Strategies in Political and Economic Ethics**

Michael Litschka
Department for Media Economy, University of Applied Sciences St. Pölten, Austria

**Abstract:** Organizational participation processes are discussed in several disciplines, among them Business Administration, Organizational Communication, and Business/Economic and Media Ethics. This paper deals with stakeholder participation processes and their legitimization strategies. After giving a short literature overview on the different views on possible legitimization theories (especially contrasting economic/strategic with ethical efforts), it describes arguments against a purely economic view. The so called “business case” for stakeholder participation is discussed and refuted. The main arguments are the impossibility to “measure” ethics and the logical primacy of ethical considerations when dealing with stakeholders. A stronger role for political and economic ethical ap-
approaches when analyzing and legitimizing stakeholder relations is suggested. The results of the paper are first a framework of possibilities to include stakeholder interests into organizational strategies, presented as an overview which can be used as a starting point for managerial decisions. Secondly, the consequences for organizational management and the processing of stakeholder participation are discussed, devising some “rules” for management and organizations to govern their relations with stakeholders.

**Keywords:** stakeholder participation, stakeholder value added, stakeholder legitimization strategies, political ethics, economic ethics

**An Exploration of the Board Management Nexus: From Agency to Performance**

James Lockhart and Peter Crow  
Massey University, Palmerston North, New Zealand

**Abstract:** For its first half century, examination of business performance by the strategic management discipline largely focused on activities conducted or led by the CEO. Since the mid-1990s that examination has widened to include the board of directors. Unfortunately, empirical research exploring the board – business performance relationship has produced limited new knowledge. From this deterministic attempt the discipline appears little the wiser in establishing the root cause of business success. Throughout the period normative propositions have proliferated (e.g., Peters & Waterman, 1982; Hamel & Prahalad, 1994). Latterly these propositions have expanded to include the role and responsibility of the board and its contribution to performance (Huse, 2007; Leblanc & Gillies, 2005; Nicholson & Kiel, 2007; Lockhart, 2012). Despite the normative limitations embedded in some of these works the practitioner community of shareholders, regulators, and stakeholders are increasingly holding boards responsible for unsatisfactory performance. It is notable that the lack of reliable and repeatable empirical evidence to support this relationship has not deterred increasing expectations on both communities’ behalf. That causality is rarely mentioned, let alone researched, should concern both parties. Exploration of the board management interface has been dominated by agency approaches (Daily, Dalton & Rajagopalan, 2003). The dominant logic of that research is the continued need for managerial opportunism to be constrained by the board. Quite how such activity would contribute to business performance appears to have escaped the attention of many contributors. However, if the board management interface is motivated by the common pursuit of business performance, agency problems could be of little consequence. Under such circumstances other theories in the middle range (Merton, 1956) appear to provide more credible explanations of the causative
nature of the board’s contribution to business performance. The aim of this paper is to briefly explore the board management nexus from the division of labour (Lockhart, 2012); emerging perspectives of power (Peebles, 2010); and, ownership (Andersen, 2012). Efforts with black box research (Forbes & Milliken, 1999) have produced correlations between variables and robust descriptions but rarely explanations or quantifiable empirical output. The inevitable case study approach required for black box research, however rich, continues to abet theory building (cf., Eisenhardt, 1989). Results of the sustained pursuit of black box research, now into its second decade, suggest that the common pursuit of performance can be described first, as a function of the division of labour between board and management. Second, power exercised by a subset of the board and management appears to provide an explanation of what gets discussed and, therefore, what gets implemented. Third, the role of owners in setting and maintaining the purpose of the firm, while often neglected in practice, has recently been re-recognised as important. Of more concern than the lack of any unifying theory in governance is the continued pursuit of research from the agency perspective, implicit now in much of the plethora of best practice recommendations for governance. Shifting the lens from agency to a common desire for business performance, as demonstrated here, is identified as being rewarding for the common good of researchers and practitioners alike.

Keywords: board management nexus, black box

A Framework for Business-IT Fusion

Rob Malcolm¹ and Nina Evans²
¹Rob Malcolm Consultants, Adelaide, Australia
²School of Information Technology and Mathematical Science (ITMS), UniSA, Adelaide, Australia

Abstract Contemplating the growing gap between corporate Information Technology (IT) functions and their parent organisations is of increasing concern to business and IT professionals alike. Business leaders have long been aware of the increasing inflexibility and rising support cost of their IT Capability. IT resources are limited due to the need to cut costs, coupled with an increasingly challenging business environment under pressure of constant change. Simultaneously, the need for information technology to support business growth and innovation is increasing. This paper discusses how the many IT changes over the last twenty years resulted in unintended consequences such as systems issues and people issues. A way forward is suggested that entails more than just aligning the business and IT strategies and projects, but an approach that allows organisations to simultaneously meet business environmental change and build a more sustaina-
ble and responsive IT Capability. The roadmap takes the form of a Business-IT Fusion Framework consisting of three integrated elements that holistically help organisations meet key criteria for Business-IT Fusion.

**Keywords:** business-it abyss, business-it gap, strategic alignment, business-it alignment, business-it fusion

### Business-IT Fusion: Developing a Shared World View

Rob Malcolm¹ and Nina Evans²

¹Rob Malcolm Consultants, Adelaide, Australia
²School of Information Technology and Mathematical Science (ITMS), UniSA, Adelaide, Australia

**Abstract** The gap between corporate IT functions and their business clients have been a topic of research interest for many years. Business-IT relationships are complex, with many types of interactions, at many levels of the organisation and between both individuals and business units. The term ‘fusion’ can be used to refer to the process by which the elements of the IT function and the rest of the business work continuously together to achieve a common goal. This paper explores one of the three elements of a Business-IT Fusion Framework, namely the need for a ‘Shared World View’ and how a shared understanding of the business environment can break down the communication barriers and ‘fuse’ IT and the business together. A common language is required to build common knowledge and mutual awareness, trust and respect. Building, capturing and applying a Shared World View can therefore be done through the organisation’s language, as well as diagrams and pictures, both structured and unstructured. These tools allow the role-players to capture and express the complex ideas and structures that form a shared representation of the organisation.

**Keywords:** business-IT fusion, alignment, knowledge management, shared understanding, trust

### Māori Women Moving Into Leadership Roles: A New Zealand Perspective

Zanele Ndaba

Wits Business School, Faculty of Commerce, Law and Management, University of the Witwatersrand, Parktown, South Africa

**Abstract:** The project examines the intersection of gender and ethnicity in top leadership positions of organisations. It asks the question: how do gender and ethnicity impact on promotion to top leadership roles? In response to this ques-
tion, I conducted empirical research with Māori indigenous women, in predomi-
nately white owned organisations, in New Zealand. The project investigated is-
ssues and experiences of indigenous women entering top leadership roles. It also
examined factors that assisted the career development of the participants into
their current jobs. I used a qualitative research methodology focusing on an in-
digenous perspective, the Kaupapa Māori Framework, which drew on Māori cul-
tural protocols to explore the experiences of six Māori women in top leadership
jobs of organisations. My participants were interviewed individually to collect
data using semi-structured, with open-ended questions. The data was analysed
using thematic analysis. The findings were that hard-work and mentors were im-
portant in assisting the careers of these women, which is consistent with current
studies focusing on gender and leadership. In addition, all my participants were
shoulder-tapped, meaning that they were approached to apply for their current
positions. They were also the first Māori women to occupy their roles; either a
white or Māori man was previously employed in the position. In the gender and
leadership literature, there are very limited studies that suggest that successful
women get shoulder-tapped into leadership roles. The findings provide an under-
standing on the experiences of indigenous women in leadership. The project
brings forth knowledge and awareness of the experiences of a female group, in-
digenous women in leadership positions, who are often not largely represented in
gender and leadership literature. The research also contributes to the literature
through its methodological design. I used the Kaupapa Māori Framework, indige-
nous research methodology, to reflect the interpretation of the experiences of
indigenous women within their cultural backgrounds. The value of the project is
that my participants are the first wave of Māori women in top jobs of predomi-
nately white organisations and very little research has been conducted on them.

**Keywords:** gender, ethnicity, leadership, indigenous women, Māori

---

**Barriers to Implementation of Batho Pele Framework for Service Delivery in the Public Sector, a Case of South Africa**

Telesphorous Lindelani Ngidi and Nirmala Dorasamy
Department of Public Management and Economics, Durban University of Tech-
nology, South Africa

**Abstract** The White Paper on the transformation of the Public Services (1995)
spoke to the need to improve the efficiency and effectiveness of the public ser-
vice and its overall quality, while the White Paper on the Transformation of Public
service delivery (1997) went further and outlined a service delivery framework of
eight principles for implementation across the public service. In the same manner,
the Integrated National Disability Strategy White Paper (1997) called for the inte-
gration of disability issues into government planning processes, including the delivery of services. The Public Service Regulations (2001) took this process forward and vested control of the service delivery improvement process and the modalities thereof on the executing authority (EA). The Batho Pele principles (The White Paper on Transformation) were launched in 1997 to promote quality and efficient service to all citizens. Under colonialism and apartheid, the guaranteed quality services were reserved for the minority whites only at the expense of the great majority population, for example, Home Affairs (Ndabazabantu), the core government department was an instrument of repression and control. As a form of reform, the transformation of the Public Service had to be underpinned by the Batho Pele principles which constitute the culture of consultation, service standards, access, courtesy, information, openness and transparency, redress and value for money. The thread tying all of these legislative initiatives together was the idea of a societal entitlement to quality public service as the key principle along which services should be arranged with the necessary accountability arrangements. Lack of empathy in the public service has created something totally different than what the South African Public service ought to achieve. This paper therefore seeks to investigate barriers to implementation of Batho Pele Framework for service delivery in the Public Sector, a case of South Africa. Batho Pele principles aim to progressively raise standards of public service, especially for those whose access to public services have been limited in the past and whose needs are greatest. The paper adopted an interpretive qualitative, observation and document analysis approaches. The data suggests that while initiatives are in place to ensure the application of the Batho Pele principles, challenges still exist. Recommendations focus on enhanced procedures and processes relating to Batho Pele to improve service delivery in South Africa.

Keywords: ethics, democracy, poverty, passion, attitude, effective, efficient, economic, quality, transformation, corruption, fraud, creativity and innovative

Relations Between the Business Model and the Strategy

Aleš Novak
University of Maribor, Faculty of Organizational Sciences, Kranj, Slovenia

Abstract: Business academics and consultants have been writing about strategy for many years. Yet, there are still many interpretations about what strategy is. The ‘business model’, however, is a more recent notion which became more frequently used in relationship with the Internet from the 1990s onwards (Osterwalder, 2005). Literature on business models is quite diverse and has been conducted in largely isolated fashion, and no generally accepted definition of the term ‘business model’ has emerged. Authors debating the differences between
strategy and business models differ widely in their opinion. Some use the terms ‘strategy’ and ‘business model’ interchangeably (Magretta, 2002), but a majority of authors provide distinguishing features for these two terms. This paper makes the following contributions to the literature. First, it complements previous review papers on the business model. Second, it contains a clear position on the distinction between the notions of business model and strategy. In our opinion, the term ‘strategy’ is a dynamic and forward-looking notion, a sort of directional roadmap for future courses of action. On the other hand, a business model is a static notion reflecting the conceptualisation of the firm’s underlying core logic.

Keywords: business model, distinction, dynamic, element, relation, static, strategy

Women Managers in Croatia: Leadership Style Analysis
Morena Paulišić and Marli Gonan Božac
Juraj Dobrila University of Pula, Pula, Croatia

Abstract: The literature argues that women tend to employ a more democratic, participative style and have a tendency to focus on negotiating, mediating, facilitating (Powell, 2010), so that this "feminine" style reduces hierarchy, satisfies subordinates and achieves results. For women, a leadership style is, in fact, an individual and practical method in everyday work. In addition, we can often read how personal qualities and traits make someone a great leader and, according to some authors (Appelbaum et al., 2003; Powell, 2010, etc.), women could be considered natural leaders since they always tend to be more relationship-oriented; hence women can become great leaders. However, as women progressively enter leadership roles and management positions in big companies and organisations that traditionally used to be held by men, many pose questions about leadership styles and gender. Differences between the genders and their attitude toward leadership remain a key focus for many researchers and the present paper attempts making a contribution toward answering the leadership-gender diversity question. This is a longitudinal research supported by literature and some empirical findings in Croatia. The 2013 research builds on the research done in 2003, and it includes key comparisons. The field research was carried out in March 2013 through a web-based questionnaire. The purpose of the research was to test whether the women leadership style in Croatia has changed over the past ten years. The goal of the research was to identify traits (characteristics) of the leadership style of women managers in the Republic of Croatia. This ongoing research study is an attempt to follow the changing attitudes and understanding of women leadership styles in Croatia. Our findings are focused on the characteristics of women managers, attitudes and traits that influence leadership styles. The au-
Authors also seek answers to the question: What are the limits for successful women managers? How do they compete in a traditionally male-dominated world? Clearly, there is a long way to go to equalise men and women managers in Croatia.

**Keywords:** women managers; characteristics and traits; leadership; Croatia

**Selected Views on the Organizational Culture of Multinational Corporations**

Petr Pirozek and Alena Safrova Drasilova

Faculty of Economics and Administration, Masaryk University, Brno, Czech Republic

**Abstract:** In the European market, we often encounter companies that were purchased by multinational groups as operating companies with their own history, culture and traditions or companies with an exclusively local sphere of action. However, this approach is usually not sufficient for larger multinational corporations operating in a diverse environment. For this reason, there is more intensive enforcement of the culture of the parent company, which seeks to establish its basic principles and values in the minds and behaviour of all its branches. The most frequently used approach is to apply uniform codes, particularly the Code of Ethics, in which elementary rules of employee behaviour in the workplace, for staff as well as for business partners are anchored. Codes of Ethics were found in 70% subsidiaries of multinational corporations in the Czech Republic. The aim of the research was to measure the impact of the headquarters’ organizational culture on the culture of its branches in relation to potential conflicts that may arise between those two cultures. Influence on the culture of the branch related to the implementation of the Code of Ethics of the group was also investigated. The core set consisted of 2,509 branches of multinational companies operating in the Czech Republic and meeting the requirements for size (50 and more employees), legal form (joint stock companies and limited liability companies) and the origin of foreign capital (full or partial share of foreign capital in the corporate stock). The object of the research was a sample of 335 Multinational Corporations (MNC) subsidiaries self-selected from a core set. The companies filled in a questionnaire which covered issues related to the research. The results were verified in a set of 10 MNC branches by controlled interviews with the branch top manager and by processing the internal materials. Primary results indicate that a stronger influence from headquarters on the culture of a branch causes more conflict situations and it is also often linked with implementation of the unified Code of Ethics of the group.

**Keywords:** business ethics, MNC, empirical research
The Relationship Between Team Performance, Authentic and Servant Leadership

John Politis  
Neapolis University Pafos, Pafos, Cyprus

Abstract: This study examines the effects of authentic and servant leadership on team performance using a sample obtained from the United Arab Emirates (UAE). Structural equation modelling determined whether the influence of servant leadership on team performance is greater compared to that of authentic leadership. The findings from 181 respondents indicate that servant leadership had a significantly greater effect on team performance compared to authentic leadership. Furthermore, authentic leadership affected team performance and the influence of consideration leadership on team performance was found to be comparable to that of authentic leadership. Results also showed that authentic and servant leadership accounted for 59% of the variance in team performance, suggesting organisations should train and/or hire those leaders who are vested with ethical leadership behaviours (authentic and servant leadership) if they wish to maintain and/or increase team performance. Direction for future research and practical implications for leadership and business approaches are discussed.

Keywords: authentic leadership, consideration, initiating structure, performance, servant leadership

What’s Love got to do with Leadership?

Angela Senander  
University of St. Thomas, St. Paul, USA

Abstract: The leadership of Pope Francis, Gregory Boyle, SJ and Klaus Mertes, SJ invite reflection on love as a foundation for leadership. Ignatian spirituality from the Christian tradition informs their leadership. These cases challenge definitions of spirituality and religion that identify the terms in opposition to each other. They also invite reflection on the contribution of Ignatian spirituality to reflection on love as a foundation for leadership. Often absent from the management literature is the place of love in leadership. This is not true of Chris Lowney’s book Heroic Leadership: Best Practices from a 450-Year-Old Company that Changed the World. In this book, Lowney, a former senior executive at J.P. Morgan, brings his knowledge of Jesuit spirituality into conversation with his experience of leadership in the business world. He does this to promote a style of leadership characterized by love. His avoidance of religious language in his presentation of Jesuit spirituality invites examination of Ignatius of Loyola, founder of the Jesuits, and Ignatian spirituality. Not only has Lowney recognized the significance of love for
business leadership but so too has Benedict XVI. Reflecting on integral human development after the financial crisis of 2008, Benedict XVI called for further reflection on the role of love (caritas) and the logic of gift in business. Interdisciplinary seminars resulted in the Pontifical Council for Justice and Peace’s *Vocation of the Business Leader* in 2012. Addressed to people of good will and at times particularly to Christians, this reflection highlights both a human call to promote the common good through one’s leadership in business and a Christian call to discipleship that should not be separated from the Christian business leader’s work. This paper analyzes the contributions of these three sources to reflection on the virtue of love in business leadership.

**Keywords:** Ignatian spirituality, Christian spirituality, love, leadership, human dignity, spiritual exercises

### Human Resources Management and Efficiency in the Public Service: A Nigerian Experience

**Olalekan Anthony Sotunde and Akeem Olanrewaju Salami**  
Department of Business Administration, Federal University of Agriculture, Abeokuta, Nigeria

**Abstract:** Human resources have been adjudged to be the most important factor of production as it is the factor that harnesses other factors of production. One of the most important shifts in the emphasis of human resources management in the past few years has been the recognition of human resources as a strategic business contributor. Even organization that are not-for-profit such as governmental, social services entities, must manage their human resources. This study seeks to investigate the impact of human resources management (HRM) on effective and efficient performance of public workers in Nigeria with a study of one hundred and sixty (160) respondents. Data collected with questionnaire was analyzed with descriptive statistics while hypotheses formulated were tested with correlation and t-test statistics. The study revealed that human resources management (HRM) has a significant impact on efficiency in public service in Nigeria.

**Keywords:** human resources, strategy, effectiveness, public service, performance
Managerial Capability Valuation of the University Management

Jana Stefankova¹ and Oliver Moravcik²
¹Tomas Bata University in Zlin, Faculty of Management and Economics, Department of Management and Marketing, Zlin, Czech Republic
²Slovak University of Technology, Bratislava, Faculty of Materials Science and Technology in Trnava, Trnava, Slovakia

Abstract: Quality assurance of higher education institutions and objective evaluation of their quality are topical issues nowadays. Educational and scientific institutions equally and significantly contribute to the creation of wealth in a country just like any other technologically advanced areas, such as informatics, new materials and alike. The universities and institutions providing education are therefore at the centre of interest of politicians and governments. The impact of both the level of higher education institutions and their influence on the society is indubitable. Regarding the above-mentioned, each new and progressive element and a new procedure positively affecting the quality should be examined, developed and subsequently applied in practice. The first part of this paper contains theoretical background and description of the current state of academic institutions’ quality in relation to the quality of the human resources and personalities of their managers in particular and briefly compares the state of the issue in the higher education sphere and entrepreneurial area. Then, the basic issues of the theory of holistic management capability of entities are explained and the need for the valuation of the complex managerial competence in academic institution is justified. The authors emphasise quality of universities and quality of their management, while presenting the opinions of various interested parties regarding individual traits of the university managers’ personalities. The questions arose of how managers are needed today and what general competences they have in general and relating to science, and particularly what their personal traits are. Defined is a personality of a manager of higher education institution as well as what is expected and demanded of him in comparison with a manager in the entrepreneurial sphere. Briefly defined are three pillars of holistic managerial competence: general and specific knowledge, practical and application skills and personal qualities. Since the topic of personal qualities of managers is rather a taboo in post-communist countries, our goal was to find the opinions of interested parties of the possibility of introducing changes into the methods and procedures for selection of managerial positions in our relatively conservative academic environment, with the aim to prepare a progressive model of selection procedure. The important part of the article is therefore devoted to the results of the questionnaire survey into the opinions of three groups of respondents: representatives of the academic institutions’ management, of enterprises’ management, and academics – not involved in the university management. The questions
were focused on the application of the method of assessing managerial competences in the selection of the academic and scientific managerial positions in higher education institutions. The results reflect the current views of the respondents regarding the above-mentioned issues. The final section discusses the survey results and draws conclusions regarding the potential applications of the acquired information and knowledge in practice of a higher education institution, or their integration into legislative documents. The research results presented in the current contribution represent a platform for the subsequent articulation and modelling of an acceptable process of selection procedure for managerial positions in academic institutions.

**Keywords:** quality of academic institution, university management, managerial capability, valuation, competency

---

**The Influence of Quality Management on Corporate Performance**

Petr Suchánek, Jiří Richter and Maria Králová  
Masaryk University, Faculty of Economics and Administration, Brno, Czech Republic

**Abstract:** The subject of this paper is an analysis of quality focused on quality management (QM) and its influence on business performance. The article’s objective is to ascertain the level of QM in various businesses and identify quality factors affecting business performance. The resulting interconnection between the parameters of quality and performance should guarantee that the selected parameters will be reflected in the quality of business performance possible through simultaneous QM and the influence on future corporate performance. The research is based on primary data obtained from a survey using a structured questionnaire. The questionnaire contains questions relating to QM and to product quality. Financial data were obtained from financial statements. Answers collected were processed with statistical methods of univariate and bivariate analyses. Considering the relatively low number of respondents, the results are mostly based on a variety of contingency tables, i.e. on identification of the varying occurrence of the phenomena controlled for the groups (clusters) of companies in the research. To examine the financial performance of companies, a method of a financial analysis, specifically a ratio indicator analysis, was applied. Indicators were selected to allow evaluation of all key areas of an enterprise, i.e. profitability, activity, indebtedness and liquidity. To divide companies into a high performing group and a low performing group, a cluster analysis was used. Clusters are formed by companies which demonstrate the greatest concordance in the selected financial indicators. To guarantee full comparability of the financial indicators,
it was necessary to standardize the individual coordinates (indicators) before carrying out the cluster analysis itself. So called z-scores are used for the standardizations. To achieve maximum objectivity in dividing individual companies into clusters, a retrospective progression of data from a combination of financial indicators was used. The analysis was fed with data from a five-year period, 2007-2011.

**Keywords:** corporate performance, financial analysis, quality management, product quality

---

**Economic Development of Company in Creative Cluster**

Eva Šviráková  
Tomas Bata University in Zlín, Zlín, Czech Republic

**Abstract:** The article aims to create an economic model of a company and thus introduce a dynamic perspective in strategic decision-making of a company which is trying to enter a cluster of companies focused on creative industries. The research problem is the projection of future company development, including the model of key factors contributing to company success, such as cooperation of companies within the cluster, gathering information, improved access to innovations. The main research method is the system dynamic modelling that enables the study of complex feedback systems with the objective to manage these systems. This method opens new possibilities to research the effectiveness of tools encouraging the development of company economy with respect to the benefits the company gains from participating in the cluster activities. A subject for discussion is the comparison of companies’ economic performance presented on two models: a company doing business without participation in the creative cluster and a company that became a part of the cluster and benefits from its activities. The model also counts with soft parameters caused by the cluster activities: impact on the company’s product innovation, growth of business and job opportunities and staff education. The resulting economic model presented in the article is a proposal of a new system of doing business in culture and creative industries. It also aims to demonstrate the advantages of being a creative cluster member and the impact of cluster activities on the company’s future economic prosperity.

**Keywords:** creative company, creative cluster, feedback loop diagram, model of creative company, system dynamics, competitiveness

---

31
Development of a Philosophy and Practice of Servant Leadership Through Service Opportunity

Simon Taylor, Noel Pearse and Lynette Louw
Rhodes University, Grahamstown, South Africa

Abstract: Servant leadership is increasingly being promoted as an effective approach to leadership, with some proponents arguing that leaders need to serve something beyond themselves. Modern servant leadership theory owes its origins to Greenleaf (1977) who proposed a new leadership paradigm in contrast to the ‘leader’ centred focus, which has tended to adopt a command-and-control approach. However, there is relatively little known about how to develop servant leadership. A grounded theory study was conducted, investigating the development of a philosophy and practice of leadership amongst young adults who had attended Hilton College – a private, boys-only boarding school in KwaZulu Natal, South Africa – where they had been exposed to a servant leadership development programme. The Strauss and Corbin (1990) version of the grounded theory method was followed to collect incidents during 36 interviews with students, teachers, housemasters, the headmaster and the Hiltonian Society Board members. The findings indicated that years after leaving the school, the boys still adhered to a servant leadership approach. A key factor shaping the development and ongoing practice of servant leadership was having been provided with the opportunity to serve others while at school, and seeking out service opportunities thereafter, during their tertiary education and working life. Exercising service shaped the development of a philosophy and practice of servant leadership, shaping an attitude of service, characterised by a concern for others and a readiness to serve. Service behaviour was evident in a responsiveness to the needs of others, and genuineness. The results are discussed in relation to the literature on the role of service in leadership development. The implications for the practice of leadership development are discussed and recommendations made for further research.

Keywords: servant leadership, leadership development, service, grounded theory, community engagement
Multiple Stakeholder Orientation and Corporate Entrepreneurship: An Empirical Examination

Darko Tipurić1, Danica Bakotić2 and Marina Lovrinčević2

1Faculty of Economics and Business, University of Zagreb, Zagreb, Croatia
2Faculty of Economics, University of Split, Split, Croatia

Abstract: The need to understand corporate entrepreneurship has never been greater. The scope of corporate entrepreneurship is becoming wider as organizations, not previously recognized as entrepreneurial, have to become so in order to survive and succeed in increasingly competitive environments. Available literature in the domain of corporate entrepreneurship clearly points to a general lack of consensus regarding the meaning of the concept; proliferation of definitions is to be highlighted but also the lack of clear research paradigm in the field becomes evident. There has been very little comment in the literature on the relationships between firm-level entrepreneurial behavior and firm’s orientation toward multiple stakeholder groups. Stakeholders, at least in what is commonly regarded, are defined as those groups or individuals who can affect or are affected by the achievement of firm’s objectives. Stakeholders participate in the decision making processes because it is normatively right but also because of the instrumental value of stakeholder participation concept: stakeholder participation will facilitate strategy implementation and achievement of firm’s objectives. Stakeholders actively engage in firm’s entrepreneurial activities, determining the scale and scope of firm’s entrepreneurial behavior and its economic and financial effects. From this perspective, stakeholder is not seen just as owner of firm’s resources but as the owner of full spectrum of services a resource can contribute to firm’s entrepreneurial activity. In that sense, firms that are more oriented toward relevant stakeholder groups might be in position to find better ways of motivating stakeholders to actively contribute firm-level entrepreneurial initiatives. Stakeholder orientation has rarely been quantified. In this paper we use survey methodology and perceptual measures of stakeholder orientation and empirically test the relationship between multiple stakeholder orientation and corporate entrepreneurship. With respect to theoretical and empirical contributions within the field of stakeholder theory and context specificity in which Croatian companies operate we have identified eight relevant stakeholder groups to capture multiple stakeholder orientation in Croatian companies: (1) shareholders, (2) employees, (3) customers, (4) suppliers (including creditors), (5) government, (6) communities, (7) media and (8) universities. The results of our research indicate that there are differences in the level of corporate entrepreneurship regarding company’s position towards relevant stakeholder groups.

Keywords: stakeholder orientation, corporate entrepreneurship, innovation, Croatian companies
Relationship Between the Supervisory Board Efficiency and Stakeholder Orientation: Do Stakeholders Matter?

Darko Tipurić¹, Marina Mešin¹ and Marli Gonan Božac²
¹Faculty of Economics & Business, University of Zagreb, Zagreb, Croatia
²Department of Economics and Tourism Dr. Mijo Mirkovic, Juraj Dobrila University of Pula, Pula, Croatia

Abstract: Although the motivation for the establishment of the Supervisory Board in the continental system of corporate governance is primarily related to the improvement of the process of control over the management, the Supervisory Board in its work assumes multiple roles: control, strategic and service or resource provision. The control role of the Supervisory Board consists of a range of activities and mechanisms by which the board protects the interests of shareholders and other stakeholders. The role of the Supervisory Board is not exhausted in supervision. Except the control function, the board assumes a broader, more inclusive role. This is primarily related to the advisory role of the board and the role of improving and enhancing the discussion on strategic issues. The service or resource provision role of the Supervisory Board is primarily concerned with maintaining the formal and informal relationships with firm’s stakeholders. The Supervisory Board can help the firm connect with the relevant segments and environmental constituencies and in securing important resources. The Supervisory Board is expected to take into account the relevant interests of other stakeholders, especially employees, creditors, customers, suppliers and the local community, and in performing its duties should apply essential social standards and environmental protection principles. A Supervisory Board with a strong service or resource provision role can help better articulate the interests and overcome the inherent conflict between the various stakeholders. With that respect, a stakeholder orientation of a firm is determined by the degree of understanding the interests, needs, demands and expectations of stakeholders and the level of participation of relevant stakeholders in shaping the firms’ goals and strategy. In this paper we examine the relationship between the Supervisory Board efficiency and the degree to which the interests of stakeholders are promoted and protected by the decisions and actions of the Supervisory Board as well as the representation of stakeholders in the Supervisory Board, as measures of a firm’s stakeholder orientation. We have empirically tested the relationship on a sample of Croatian nonfinancial listed companies using primary data obtained by a survey. In order to operationalize the efficiency of the Supervisory Board we have constructed an index of the supervisory board efficiency as a composite measure consisting of five key areas. Results of our research show that there is a positive relationship between the Supervisory Board efficiency and the measures of firms’ stakeholder orientation. Just having representatives of key stakeholders in the Supervisory Board is not
sufficient. The higher degree of promoting and protecting the interests of stakeholders by the decisions and actions of the Supervisory Board positively affects its efficiency.

**Keywords:** supervisory board, stakeholder interests, board efficiency, board roles

**Proper Strategy Selection as Essential Survival Prerequisite for Small Sport Clubs**

Stanislav Tripes, Pavel Kral and Veronika Zelena  
University of Economics, Faculty of Management, Jindrichuv Hradec, Czech Republic

**Abstract:** The positive impact of sport on health is no longer being questioned. Information on health and other benefits of sport has been spreading through lifestyle media what increases the demand on sport services and sport facilities. Recently, there has been a boom of new fitness clubs and private sport facilities what threatens traditional sports organizations. Thus, the sport market has become more varied and also more competitive as some clients demand for lower prices while others are willing to pay huge sums of money for exceptional services. Accordingly, each sport manager is faced with the problem to choose a business-level strategy based on Porters generic strategies. Each manager has to decide whether to employ low cost strategy and attract customers seeking for low prices or, whether to employ differentiation strategy and focus on exceptional quality of services. Such a strategic decision should be based on deep knowledge of internal processes and external environment. Thus, our paper brings a system dynamic model evaluating internal and external influences as a tool to choose an appropriate strategy for sport managers. In our previous research, we found satisfaction is the most important tool for sport client sustainability. However, sustainability may be influenced by both low-cost and differentiation strategies. Hence, first think for a manager to consider is competitive advantage. Competitive advantage results from the relationship between internal processes and external environment. Our model embodies important aspects of internal processes, such as quality and quantity of staff, strong leadership, and organizational culture, capacity of facilities, marketing approach, creativity and financial strength and, aspects of external environment such as knowledge of population and behaviour of competitors. In the final paper, different competitive strategies will be incorporated to the system dynamics implementation of small sport club performance management system. Our system dynamic framework is based on extended Balanced Score Card and is validated by historical data and experts’ knowledge. We have tested five scenarios derived from Porters’ generic strategies (i) low-cost strategy, (ii) “stuck in the middle” strategy, (iii) differentiation strate-
gy, (iv) focused low-cost and (v) focused differentiation strategy. We found that current potential or active population is more sensitive about differentiation strategy based on bringing emerging sports. Launching emerging sports as competitive advantage is not sustainable in long term period because of very dynamic environment and fashion effect. Some of emerging sport (such as Spinning program or Zumba) became popular and in such case competitors offer same services within a season or two. Apart from those, a lot of emerging sports does not take hold or, goes out of fashion within a short period of time. On the other hand, the low-cost strategy could be successful under particular conditions as well. For example, a manager decides to offer unlicensed sport without massive marketing. On the whole, our model covers a variety of possible situations and helps managers to choose the right strategy utilizing available resources in particular environment.

**Keywords:** sport management, Porters' generic strategies, small sport clubs, balanced score card

---

**Significance of Corporate Communication in Change Management: Theoretical and Practical Perspective**

**Asta Valackiene and Dalia Susnienė**

**Kaunas University of Technology, Panevėžys Institute, Panevėžys, Lithuania**

**Abstract:** The paper moderates an in-depth scientific discussion, as a response to the epoch-shaped business environment and managerial challenges in Change Management, outlines the strategic guidelines in Corporate Communication and executes the functions ensuring Business Continuity Management. Corporate Communication is presented as a Strategic Management function, focusing on modern-day challenges: the necessity to build confidence between the internal and external audience of a company; to activate a business-forming responsible corporate culture. The axis of the issues discussed and positions reasoned is based on how changes are strategically managed, while communication is identified as a strategic managerial function. As modern-day changes in business environment are obvious (enterprises experience transformational changes, mergers and multinational capital enterprises are established; a wide enterprise geography and high-mobility of employees predominate; global economic crises come into focus) therefore, the ability to manage communication processes, as well as generate communication ideas on both the enterprise level and business environment in order to ensure business continuity management is required. The authors of the paper construct new methodological insights of the social phenomenon under discussion. A contemporary worldwide management outlook is constructed based on a new logical matrix, seeking to highlight the conceptual under-
standing and practical perspectives of Communication within the Change Management. It helps to disclose a new management area, i.e. corporate communication and highlights the benefits of this area and application possibilities in business environment. A great deal of conceptual work has been accomplished as follows: extended concepts of the terms “Communication”, “Corporate Communication” and “Crisis Communication” were introduced; the phenomenon of organizational Identity Change and Process of Change was designed; Business Continuity Management is discussed referring to incident communication planning with ISO 22301.

Keywords: corporate communication, change management, internal and external communication systems, effective crisis communication, business continuity management

The Role of top Management Teams Heterogeneity in the IPO Process

Emil Velinov and Ales Kubicek
University of Economics, Prague, Czech Republic

Abstract: The purpose of this paper is to investigate the influence of top management teams (TMT) characteristics on the firm performance in the initial public offering (IPO) process. Many scholars have investigated the general relationship between firm performance and top management teams but only few of them have tried to examine the link between these factors in the IPO context. However, an IPO process poses a critical moment in the company development as the company enters public market. Relying on signaling theory, we examine the relationship between various TMT heterogeneities and IPO underpricing. The signaling theory suggests that the issuing firm is better informed on its future development and strategy than the potential investors. The aim of firm undertaking an IPO is to convince the investors through signals about its value. Within the signaling theory the quality and composition of top management team may represent such a signal for the potential investors. The data sample consists of the 37 realized initial public offerings in the following European countries - Switzerland, Germany, the Czech Republic, Estonia, and Bulgaria for the period 2008-2012. Correlation and multivariate regressions analyses were employed to test the sample on four hypotheses. Findings suggest that heterogeneity in the TMT nationality is negatively associated with IPO underpricing and thus improves firm performance in IPO process. Remaining heterogeneities in age, gender, and tenure of TMT members were found to not be significant for investors, and these results are consistent with prior research. The paper extends existing empirical research based on signaling theory in the context of IPO by focusing on the issues of top management
teams which unveil the research gap in the area of IPOs and TMTs for further investigation.

**Keywords:** top management teams, signaling theory, initial public offering, upper echelon

---

**The Process of Socialization in Relation to Organizational Performance**

Tereza Vinsova, Lenka Komarkova, Pavel Kral, Stanislav Tripes and Petr Pirozek  
University of Economics, Faculty of Management, Jindrichuv Hradec, Czech Republic

**Abstract:** Organizational culture has been considered one of the variables which significantly affects both individual and organizational performance. Organizational culture determines the direction and intensity of individual behaviour and thus encourages employees to strive to fulfil organizational goals. Considering the range of problems in organizational culture and the great number of components of organizational culture, we have focused on the process of the socialization of key organizational values and their relation to organizational performance, as key organizational values cannot be passed down without an effective process of socialization. Particularly, we study the process of socialization in the Czech Republic (as a representative of a post-transformational country) where socialization was not inherent in organizational processes before 1990. The main research question is whether there is a significant influence of the process of socialization on organizational performance. Based on a sample of 178 organizations (the sample covered organizations of all sizes and from all sectors of the economy), a quantitative survey was carried out in order to analyse the relation between the process of socialization and organizational performance. A questionnaire was distributed to representatives of organizations that are doing business in the Czech Republic and the degree of the socialization process was evaluated. The organizational performance was assessed using Return on Assets (ROA) indicator. The data were analysed using standard statistical methods. The results indicate that the prevalence of the socialization process (associated with the integration of key organizational values) not only preserves but also enhances sharing and development of key components of organizational culture and thus creates strong organizational culture. Moreover, strong organizational culture is related to higher organizational performance.

**Keywords:** organizational culture, process of socialization, key values of organization, organizational performance, return on assets, corporate sector in the Czech Republic
The Walls Between us: Exploring the Question of Governance for Sustainability

Philippa Wells¹, Coral Ingle² and Jens Mueller³
¹School of Business, University of Ballarat, Victoria, Australia
²Management Department, Business and Law, AUT University, Auckland, New Zealand
³Management School, The University of Waikato, Hamilton, New Zealand

Abstract: The question of how to achieve and further the cause for environmental sustainability is increasingly an issue for society and, more particularly, for some of the main players within society: business corporations. Increasingly too, the protective wall constructed by traditional concepts of governance - shareholder primacy – is being challenged in academic, popular and political spheres with corporations subject to criticism for their failure to account satisfactorily or even at all for the broader environmental impacts of their activities. Governments and policy setters have been asked, with varying levels of success, to require or at least encourage directors of these organisations to incorporate considerations of sustainability within their decisions and strategy setting processes. Corporations also have responded in varying ways and degrees to such demands. However, to advocate that corporations address those impacts via the governance process requires an appreciation of the legal framework within which such governance takes place. It is also necessary to identify how the scope of the two opposing foci for governance - shareholder primacy and stakeholder theory - may restrain those responsible for governance in pursuing sustainability principles. This paper contributes to understanding of the limitations, issues and potential for such pursuit with particular reference to a director’s duty, to act in good faith and in the best interests of the company. In providing context the paper defines sustainability then reflects on the issues for such a governance focus that emerge from the shareholder primacy and stakeholder theory models. The third section reflects on where (or not) policy makers have implemented sanctions or requirements that corporate governance include consideration of environmental impacts, followed by an exploration and assessment of the extent to which the directors’ fiduciary duty either condones or restricts the adoption and implementation of environmental sustainability principles in corporate governance. This discussion then forms the basis on which to reflect on the present state of governance for sustainability.

Keywords: sustainability, governance, shareholder primacy, stakeholder model, fiduciary duty
Global key Performance Best Practice

Paul Woolliscroft, Martina Jakábová, Katarína Krajčovičová, Lenka Púčiková, Dagmar Cagáňová and Miloš Čambál
Slovak University of Technology in Bratislava, Faculty of Materials Science and Technology in Trnava, Institute of Industrial Engineering, Management and Quality, Slovak Republic

Abstract: Performance Management as a discipline, practice and area of study started in the 1990s and today adoption and application of performance practices continues to grow. It is a broad term and as a result, different groups understand the concept in different ways – is comprised of a collection of principles, tools and techniques to help an enterprises achieve its objectives. This paper presents a review of the literature in the field of performance management in various industries with the aim of transferring best practice into enterprises. The following paper is divided into four main parts. In the first part, we introduce some basic and key terms and definitions, including measures, indicators, metrics, performance measures or performance indicators, performance standards, performance management, key performance indicators. In this context, the key performance indicators are examined in the different functional areas, for example: finance, operations, customer, employees, sales/marketing, information technology, leadership and culture (management competence), environmental, corporate social responsibility and health & safety and supply chain effectiveness. In the second part, the research design and research methodology is described. The paper is based on an extensive review of secondary sources, including analysis and synthesis of domestic and foreign professional literary sources, mainly standards, methodologies, frameworks and models, studies, documents, journals related to this topic, monographs, handbooks, textbooks and websites. It is a descriptive investigation. The methods for preparation of scientific research are applied (study of scientific literature, working out the literature retrieval, working out the excerpts, their processing and classification, using the literature), the methods of gaining new data (document analysis), methods of data processing (such as analysis and synthesis, induction and deduction, comparison and generalisation are used. Additional methods used are the analysis and interpretation of key performance characteristics and published data. In the third part of this paper, an overview is presented of the current key performance indicators usage and introduces key performance indicators best practices in selected enterprises. Although the best practices are specific for different industries, they can be applied and adapted to other public or private industry enterprises. In the final part, we clarify the findings – firstly, we summarize the key results and secondly we discuss the limitation of our work and suggest area for future research. The paper is a part of submitted VEGA project No. 1/0787/12 „The Identification of Sustainable Performance Key Parameters in
Industrial Enterprises within Multicultural Environment“, which is currently being dealt at the Slovak University of Technology in Bratislava, Faculty of Materials Science and Technology in Trnava, Institute of Industrial Engineering, Management and Quality.

**Keywords**: performance management, performance measurement, industry, best practice, KPI

---

**Gender, Trust and Risk-Taking: A Literature Review and Proposed Research Model**

**Rachid Zeffane**  
Department of Management, Marketing and Public Administration, College of Business Administration, The University of Sharjah, Sharjah, United Arab Emirates

**Abstract**: In recent years, the issue of gender and its effect on entrepreneurship has been the subject of much debate and controversies. While some studies have shown that gender differences tend to affect intentions to become an entrepreneur other studies deny any significant differences in this regard. Among these, a significant number of studies reveal that women are less likely to engage in entrepreneurial activities than their male counterparts. One of the major reasons provided for these gender-disparities is the tendency of women to be less predisposed to taking risk than their male counterparts. This may in itself be the resultant of gender-differences in their predisposition to trust. To shed some light on these relationships, we paper review and discuss the current literature on gender, trust, risk-taking and entrepreneurship. Based of literature evidence and arguments, we propose a hypothetical model as a basis for theoretical and hypothetical development in future research.

**Keywords**: gender, risk-taking, risk-aversion, trust, entrepreneurship, entrepreneurial potential
PHD Papers
Selection of Employees: Multiple Attribute Decision Making Methods in Personnel Management

Iveta Dockalikova and Katerina Kashi
VSB-Technical University, Department of Economics and Management, Ostrava, Czech Republic

Abstract: An organization’s HRM function focuses on the people’s side of management. Human resource planning helps managers to anticipate and meet changing needs related to the acquisition, deployment, and utilization of employees. Such information enables a company to plan its recruitment, selection, and training strategies. The hiring phase of human resource management involves policies and procedures used by organizations to recruit and select employees. The aim of recruitment practices is to identify a suitable pool of applicants quickly, cost-efficiently, and legally. Selection involves assessing and choosing among job candidates. To be effective, selection processes must be both legally and technically sound. The main concern of the hiring phase, both for HR manager and applicants, is the transparency of the process. It is difficult to reasonably hire people based only on the experience and intuition when dealing with a large number of applicants in places with high volume of unemployment. This paper presents a model of selection of candidates with application of multiple attribute decision making (MADM) methods; in particular Analytic Hierarchy Process (AHP) for weight estimation and finding the optimal solution, Technique for the Order of Prioritization by Similarity to Ideal Solution (TOPSIS) and Complex Multicriteria Optimization and Compromise Solution (VIKOR) for job candidates’ ranking and selection. In the first phase the relevant criteria of the hiring process are structured and weights are estimated. Actual results of evaluation of particular applicant in all criteria are then summarized and the TOPSIS and VIKOR techniques are applied to determine the ranking of the whole list of candidates and both rankings are compared. Based on the results the HR manager can decide which candidates are the best and put them through the next phase of the recruiting process where selected applicants are pair-wise compared using AHP method to reveal the optimal solution i.e. the most suitable applicant. This model is tested in a medium-sized company in cooperation with the HR department.

Keywords: employees’ selection, personnel management, AHP, TOPSIS, VIKOR
Transformational Leadership, Occupational Self Efficacy, and Career Success of Managers

Chandana Jayawardena¹² and Ales Gregar¹
¹Faculty of Management and Economics, Tomas Bata University in Zlin, Czech Republic
²Faculty of Agriculture, University of Peradeniya, Sri Lanka

Abstract: Individuals spend a great deal of their lives focused on a chosen occupation, and finds self-worth through career development. With career progression employees develop a sense of their career satisfaction. Occupational Self Efficacy (OSE) reflects the conviction or the confidence of a person’s ability to fulfill his or her job related behaviour at a perfectly acceptable level to the employer. During their careers employees have to play leadership roles at work. Transformational leadership improves followers’ commitment by influencing their needs, values, and self-esteem. Empirical evidences suggest that improved levels of performance, effort, and satisfaction, can be expected from subordinates, when managers adopt transformational leadership patterns. Study was conducted amongst one hundred and twenty two (122) managers who were employed in the banking sector in Sri Lanka. They were selected based on multi-stage (seniority in the hierarchy, gender, department-wise etc.) stratified random sampling. Major objectives of this study were to analyze the impact of Transformational leadership style, and OSE along with Socio-demographic factors, and Career, Job and Organizational experience, to the Career satisfaction of managers. Schyns and Von Collani’s scale was used to measure the OSE of managers. Multifactor leadership questionnaire was used to measure the Transformational leadership style of managers. SPSS software was used for parametric and non-parametric statistical analyses. A positive relationship was inferred between the Transformational leadership style and Career satisfaction of employees. Impact of socio-demographic factors, career exposure, and OSE of managers to their Career satisfaction was assessed. Limitations of the study and future research areas have also been discussed.

Keywords: transformational leadership, occupational self-efficacy, career success
Manager’s Core Competencies: Applying the Analytic Hierarchy Process Method in Human Resources

Katerina Kashi and Vaclav Friedrich
VSB-Technical University, Department of Economics and Management, Ostrava, Czech Republic

Abstract: Currently and especially now in the time of economic crises it is very important for every business to be able to survive or sustain the competition. Companies today have to think about their business strategy, especially when it comes to the kind of competencies a business needs to have in order to compete in a specific environment. Company employees are one of the most important assets any company can have. Many companies today use the competency models in human resources management. Well-designed competency models can be used by the company in many ways; it can provide and aid the human resources management in the following: recruitment, performance management, training and development, recognition and awards, compensation and succession planning. Competency models, which should be designed for all key positions in the company, show what competencies are necessary for individual position(s). The question is what the core competencies in each position are and which competencies should be most developed and improved. Main objective of this paper is to present results from a research dealing with the determination of core competencies for top manager position and ranking them in order of importance and consequently comparing the results in small, medium and large company. The method AHP (analytic hierarchy process) – method which enables its users to decompose a problem into several criteria and sub criteria, will be used to evaluate top manager’s core competencies in small, medium and large manufacturing company in the Czech Republic, Moravian-Silesian region, in order to find out if there are any similarities or differences among the ranking of key competencies based on the company’s size. Firstly, the authors deal with the description of competency models, its development and utilization. Secondly, the AHP method is described. Thirdly, the authors illustrate how the competencies can be decomposed using AHP to determine and rank core competencies in small, medium and large company. At the conclusion of this article the authors deal with the models’ evaluation results and their interpretation.

Keywords: competency model, core competency, analytic hierarchy process, AHP
Determining Performance Target Using DEA: An Application in a Cooperative Bank

Manuela Koch-Rogge$^{1,2}$, Georg Westermann$^1$ and Chris Wilbert$^2$

$^1$Department of Business Studies, Hochschule Harz – University of Applied Sciences, Wernigerode, Germany
$^2$Lord Ashcroft Business School, Anglia Ruskin University, Cambridge, UK

Abstract: This paper addresses an issue, which is regarded with ambiguity by most managers and employees: the process of determining performance targets. Especially when target achievement is linked to pay or rewards, target agreements must meet objective standards. In practice, there are many obstacles to the creation of objective target agreements. This accounts in particular for the service sector industry, where many non-financial figures (e.g. quality of advice, experience) have a major effect on the quality and outcome of the service process. Furthermore, not all factors that affect the achievement of targets can be entirely influenced by the employees themselves. To be perceived as achievable and fair, targets need to consider multiple and non-financial figures as well as uncontrollable factors. Additionally, they should be determined in a non-biased manner. A promising approach to meet those requirements is the Data Envelopment Analysis (DEA), a mathematical-based instrument, that has widely been applied on institutional or branch level. Yet, there is still little experience about its application on an individual level. An empirical example of a German cooperative bank with a cohort of 44 employees illustrates the application of DEA with the purpose of determining individual target agreements. The results indicate that DEA is a suitable method to provide valid and adequate results on an individual basis. Furthermore, it enables managers to give detailed feedback information. Findings also show a need for further research regarding a multi-process approach and a comprehensive assessment of results by the employees.

Keywords: data envelopment analysis (DEA), performance targets, service sector, performance measurement

Strategic Governance of Moroccan State-Owned Enterprises: Constitutional Changes and new Challenges

Abdelmjid Lafram
University Mohammed V, Souissi, Rabat, Morocco

Abstract: The purpose of this paper is to determine the extent to which the new Constitution of Morocco adopted in July 2011 reinforces strategic governance of State Owned Enterprises (SOEs) and at what levels that occurs. The analysis of the
Moroccan Constitution highlights particularly the main changes introduced by the new constitutional provisions and challenging public policies impacting consequently strategic governance of the public portfolio of SOEs. Indeed, the new Constitution drafted in the context of “Arab Spring” can be described as a Constitution of good governance. We concluded that it impacts on strategic governance of SOEs at three key levels (3KL) defined as constitutional determinants of the “Moroccan model”: constitutional values, constitutional players and constitutional mechanisms and processes. The first key level concerns the fundamental constitutional principles and values of public governance that can be defined as a key values’ system of strategic governance of SOEs. Thus, the new Constitution emphasizes the fundamental principles of freedoms and rights that SOEs, as well as state and local authorities, should guarantee for an equal access for citizens to conditions that enable the enjoyment of their rights. In addition, it introduces principles of good governance focusing basically on accountability, transparency, integrity and responsiveness. The second key level concerns players that have strong role in the strategic governance of the SOE. For each key player a set of processes affecting directly the strategic governance of SOEs is identified. The third key level is related to procedures, mechanisms and devices introduced for appointing CEOs and managers of SOEs according to the status of each public corporation. The new Constitution offers a framework to Moroccan Code of Good Governance Practices of Public Establishments and Enterprises considered as an important step towards enhancing governance practices in Morocco. The Head of Government has been given more abilities to manage public affairs and more responsibilities. In this context, all SOEs are urged to implement good governance practices. The role of Parliament is empowered by the new mechanism of public policies’ assessment in addition to its traditional mission of control and legislation. However, as any change the new Constitution presents obviously new challenges facing strategic governance of SOEs as implementation of constitutional changes in line with the spirit of the new era of good governance, producing efficient public policies, having well executed strategies and spreading culture change in harmony with key values and principles, especially those of accountability, responsibility, transparency and responsiveness.

**Keywords:** strategic governance, state-owned enterprises (SOEs), new constitution, constitutional changes, good governance, Morocco
Implementation of CRM in the Industrial Markets in the Czech Republic (Liberec)

Jana Marková and Světlana Myslivcová
Technical University of Liberec, Liberec, Czech Republic

Abstract: Currently, when there is a significant excess of supply over demand, many companies are trying to find new methods in the battle for customers. One potential opportunity is to find a competitive advantage over their competition. One of the possible methods that can help this approach is the use of customer relationship management (CRM). Customer relationship management (CRM) is a comprehensive communications solution with individual customers for maintaining long-term beneficial relationships with them. With this system, the company not only gets better and more valuable information about their customers, but also about themselves and their activities. This information can be a means of self-knowledge and a way to learn about processes and activities, communication strategies, etc. The article describes the results obtained from primary data collection in the Czech Republic, specifically in the Liberec Region, among companies in the business to business market with more than 50 employees. It is aimed at assessing whether industrial companies in the Liberec Region (Czech Republic) use the CRM system and, if so, to what extent and how they work further with the stored data. On the one hand it focuses primarily on identifying the reasons for the use of CRM systems and on the other hand to identify obstacles to the implementation of CRM systems. The cornerstone for primary data collection was thorough analysis of the outcomes of research already carried out in the Czech Republic, which dealt with issues of CRM systems. These outputs were used for the creation of knowledge bases for in-depth interviews. In-depth individual interviews were conducted in consultation with CRM specialists in selected companies (upon adherence to the conditions of implementation of in-depth individual interviews), where all the specialists were asked the same questions. The responses obtained from these interviews formed the basis for the compilation of the questionnaire. This was followed by the creation of a questionnaire, subsequent testing and elimination of identified deficiencies. In June 2013 a survey was initiated in 177 companies in the Liberec Region and after its collection the data were analyzed. The survey shows that companies realize the importance of a CRM system in the battle with competitors for customers. Customer data in the CRM system are stored and sorted so that the customer portfolio can be thoroughly segmented. Great importance is placed on the preservation of customer data that they can be used to communicate with them in such a way that the individual customer has a feeling of importance and uniqueness with respect to the given customer. For these reasons, the company appeals to the customer satisfaction survey (in most cases, immediately after the act), thanks to which they have
knowledge of the factors that are important to customers. Based on these data, which are stored in the CRM system, the customer's relationship with the company can be deepened and prolonged, thus achieving a competitive advantage for the company. This article is one of the outputs of the Student Grant Competition of the Technical University in Liberec called: "The use of CRM (customer relationship management) in B2B markets in the Liberec Region".

Keywords: competitive advantage, competition, customer relationship management, marketing research, industrial markets, customer

Tracking Interactions in Collaborative Processes

John Rose
School of Systems, Management & Leadership, Faculty of Engineering and Information Technology, University of Technology, Sydney, NSW, 2007, Australia

Abstract: This research is concerned with how groups collaborating in loosely coupled organisations establish and perform inter-organisational processes to resolve conflict and create value through effective messaging. To address this question, we devised an adaptable framework to support measuring improvements the collaboration’s state that we refer to as its “Collaborative Wellness (CW)”. CW is a qualitative assessment of the gap between the current state of the collaboration and its desired state as outlined in the collaboration’s purpose. The principles of Design Science Research aid researchers in using the framework for deploying and validating customised architectures that support CW measures to study and compare particular kinds of collaborations and their processes in various organisational contexts. Our research approach starts with a working definition of collaborations as dynamic, purposeful, human co-operative processes characterised by the messaging relationships binding participants to each other and the actions they are performing. The definition determines the dimensions of the collaboration. The Human dimension takes into account the exercise of free-will that is central to collaborations and this paper focuses on human participants occupying roles; their role performance; and the interactions between roles. Three case studies have been conducted as a start to validating the framework and deployment of CW measures. A significant outcome is that CW can be used to identify and track impacts of conflicts in purpose; and trace changes as facilitation strategies are introduced. The research supports the view that the creation of value in a collaboration between groups of knowledge workers depends upon the effectiveness of reconciling the differences between the purposes of participant groups.

Keywords: Human Communications, Role Performance, Collaborative Wellness
An Empirical Study of the Contribution of Managerial Competencies in Innovative Performance: Experience from Malaysia

Haziah Sa’ari, Rusnah Johare, Zuraidah Abdul Manaf and Norhayati Baba
Faculty of Information Management, Universiti Teknologi MARA (UiTM), Malaysia

Abstract: Managerial competencies are the needed skills, knowledge and attributes to perform managerial tasks effectively and efficiently with readiness and dexterity. This paper identifies managerial competencies and the outcomes measured as innovative performance demonstrated by academic librarians. By using a literature review, purposive sampling, multiple case studies and interviews we discovered that the antecedents of managerial competencies include leadership, information technology (IT) and Islamic work ethics (IWE) competencies. These antecedents influence academic librarians’ innovative performance which was evaluated based on generativity or idea generation, championing and formative investigation. This study explores managerial competencies and innovative performance in Malaysian research universities.

Keywords: managerial competencies, leadership, information technology, ethics, innovative performance

Critical Path Method Applied to the Multi Project Management Environment

Mircea Şandru and Marieta Olaru
Bucharest University of Economic Studies, Bucharest, Romania

Abstract: This paper highlights the results of the research carried out in case of multi project management in order to build and manage the master plan for achieving the completion of the target milestones. One of the objectives of this research was to determine the procedure to facilitate the multi project management, to determine the interrelationships, the free floats and total floats and in the resulted Master Plan the critical and longest paths. A secondary objective was to define the working procedures for updating with the actual status of the activities and a continuously monitoring of the progress.-The main result of our original research is represented by the building of an working environment able to configure multi project cross over reports and thus, gaining access to structured and summarized information for monitoring the progress of works and reaching the project’s milestones. The result of our study could be a versatile tool for end users, offering the possibility to to build a project
Keywords: critical path method; multi project management; longest path; time impact analysis; project integration; project master plan

Retention of Aging Employees and Organizational Performance: Comparative Study EU Countries and US

Binal Shah and Ales Gregar
Department of Management and Marketing, Faculty of Management and Economics
Tomas Bata University in Zlin, Czech Republic

Abstract: Both the developed and the developing countries face problem due to the aging employees (i.e. those aged 50 and above). It is expected that by 2020, people in the 50-64 age group in the U.S. labour force will be 25.2% and in European Union countries the number of people in the 50–64 age group will increase by 25%, while those in the 20–29 year age group will decrease by 20%. A further factor contributing to an aging workforce is the fact that employment rates among older workers are increasing. The reason for these changes is due to two demographic trends: decreasing fertility levels and higher life expectancy. This development will affect the performance of organization next decades. The aging employees will mainly affect the organizations ability to be productive. Although growing number of older workers are willing to extend their working career, but the evidence suggests that employers favour early retirement rather than retention of older workers. This paper address a comparative study of European Union countries and United States on the importance of aging employees to current and future labour markets, relatively about the ways in which employers’ attitudes, policies and practices influence their recruitment and retention. It is essential to retain the aging workforce in an organization in order to avoid the labour shortages and also to retain the knowledge and expertise of the employees. When older experts leave the workforce, they take with them significant experience and critical knowledge essential for the smooth management of organizations. Employers, however, are often unaware of who possesses expertise, or the nature of that expertise. Strategies such as workforce development, altered workforce policies and practices can be implemented to retain the senior employees in an organization. The policies should be changed in order to manage the aged workforce like increasing the retirement age, altering the retirement incentives to meet the expectations of greater longevity, flexibility and old-age pension agreements. Also, cultural and legal efforts should be taken to avoid age discrimination issues between the aged and the youth. Moreover, training can be provided to
meet the labour shortage and to ensure professional development among the senior employees. Approaches to recover or recreate knowledge after it is lost are not sustainable in terms of prudent knowledge management. Organizations need to develop a deeper understanding of where expertise resides and how it is retained. This paper presents the retention processes of an individual expert.

**Keywords:** retention, aging employees, organizational performances, EU countries and US

---

**Application of AHP Method in Service Quality Management**

Irena Sikorová and Igor Nytra

VŠB – TUO, Ostrava, Czech Republic

**Abstract:** This paper deals with the combination of multicriteria decision making method, specifically the AHP and SERVQUAL method and application of this combined model in business practice, in the area of service quality management. In the beginning both methods will be theoretically described and incorporated into wider context in the connection to their usage in real conditions. Main aim of this paper is combining multicriteria decision making method (specifically AHP method) and service quality measurement method (specifically SERVQUAL). This interconnection will be executed by changing the way weights are determined in SERVQUAL method. The methods’ combination will be carried out by interconnecting five dimensions of SERVQUAL method, which will be used as initial criteria for AHP method and this combined system will be applied in selected organizations. The outcome will be combined system for measuring service quality with the application in the multicriteria decision making process. The research will be done in three organizations providing services. In these companies the quality will be measured by the customer’s satisfaction in five areas determined by SERVQUAL method and then scales will be determined for each area. The scales will not be determined by individual respondents by assigning points like in SERVQUAL method but they will be determined by AHP method. One organization providing the best service based on given criteria will be selected based on the scale combination determined by AHP method and average customer’s satisfaction evaluation by SERVQUAL method. This created model should be further applicable to measure service quality in different areas with taking into consideration more than one criterion to choose high-quality service provider.

**Keywords:** decision making, analytic hierarchy process, services, quality, SERVQUAL
Understanding the Process of Managerial Entrenchment: The Role of Managerial Social Capital in Corporate Governance of a Post-Socialist Economy

Tanja Slišković¹,², Darko Tipurić² and Domagoj Hruška²
¹Columbia Business School, Columbia University, New York, USA
²Faculty of Economics and Business, University of Zagreb, Zagreb, Croatia

Abstract: The aim of our qualitative study of managers in private and state owned companies is to understand how managers use their social capital to entrench themselves, taking into consideration different ownership structures of the companies they govern. We hold that the phenomenon of managerial entrenchment should be observed through social capital theory lens, looking into the type and nature of the relationship between the manager and the entity holding corporate. We identified mechanisms that influence the creation and mobilization of managers’ social capital with regard to the specific context of the Croatian transition economy and the large stake of state-owned companies present in the Croatian business sector. The primary cause why managers dominantly entrench themselves through their social ties is the fact that Croatian economy is characterized with concentrated ownership and, thus, they have an easier time to create relationships with the shareholders. Secondly, because of the strong bond between the manager and the owner(s), managers strongly identify themselves with the company. We argue that, in the context of Croatian economy, managers don’t necessarily work towards entrenching themselves as a strategic and conscious entrenchment act. That claim is in contrast with the majority of research on managerial entrenchment which implies the agency problem between managers and the entity holding corporate control, which makes our research results unorthodox, but pertinent to contemporary corporate governance literature.

Keywords: entrenchment, top management, social capital, corporate control, post-socialist economies
A Review of Project Managerial Aspects Influenced by Emotional Intelligence

Mojde Shahnazari, Zohreh Pourzolfaghar and Muhammad Nabeel Mirza
Limkokwing University of Creative Technology, Cyber Jaya, Malaysia

Abstract: For many years the meaning of intelligence was associated with intellectuality in academics and specified by IQ or intelligence quotient. Researchers later found out that there are more dimensions to intelligence than a single score. During the 90s Emotional Intelligence was recognized in published literature as one of the assets of human intelligence. According to the recent studies from 2008 till 2013, it has been realized that emotional intelligence is one of the influential factors of effective project management. Different project management competencies have been mentioned to have a connection with level of emotional intelligence in each individual. However there are no compact researches accumulating these different competencies with a conclusion on how the notion of emotional intelligence can help organizations present better project managers and in which aspects. Accordingly the main purpose of this study is to review the emergence of emotional intelligence as an aspect in regards to project management, and to provide a convincing explanation of this association and collect the different point of views. This is achieved by a comparison and compilation of findings in various related literature. The present study clarifies that the relationship between emotional intelligence and project management is inevitable; based on the findings it is indicated that Project management competencies such as team performance management and leadership are proved to be influenced by emotional intelligence. However, it becomes evident through this study that there are details about these statements that seek further research to become more reliable; specially in order to aid organizations thrive on training better individuals and improve their organizational success in the area of project management.

Keywords: emotional intelligence, management effectiveness, team work, leadership style, personnel management
Work In Progress Paper
The More Trust, the Fewer Transaction Costs - Searching for a new Management Perspective to Help Solve the Challenge of Ever Rising Health Care Costs

Henny van Lienden and Marco Oteman
Faculty of Economics and Management (Hogeschool Utrecht Business School)
Hogeschool Utrecht, Utrecht, Nederland

Abstract: Based on reflection of elements of theories of social capital, institutional economics, presence and prosocial motivation, the authors are developing a conceptual model to reduce costs in health care leading to the hypothesis: more trust leads to fewer transaction costs. Furthermore, a case study in a new form of cooperation within a new to construct hospital is presented in order to explore the hypothesis.

Keywords: trust, transaction costs, social capital, institutional economics, Triple Aim, presence, prosocial motivation
Late Submissions
Comparative Corporate Governance Practices by Islamic and Conventional Banks in Pakistan

Sanaullah Ansari and Muhammad Abubakar Siddique
Shaheed Zulfikar Ali Bhutto Institute of Science and Technology (SZABIST), Islamabad, Pakistan

Abstract: There are several corporate governance practices being followed by Islamic and conventional banks in the world. Similarly, both types of banks follow different practices in Pakistan to enhance their efficiency and profitability. The purpose of this paper is to analyze the performance of Islamic and conventional banks of Pakistan particularly about corporate governance issues. Economic conditions of banks and the country are also considered for analysis. For further analysis, profitability, operational efficiency, asset quality, capital adequacy and liquidity are used to determine the efficiency of both Islamic and conventional banks. A total of 10 banks are considered for analysis out of which five are Islamic and five are conventional banks. Financial data of all these banks have been taken for the period of 2008 to 2012. Different statistical tools have been used to measure the impact of corporate governance practices on the efficiency and profitability of both Islamic and conventional banks. Descriptive statistics is used to find the difference in characteristics of two types of banks. T-test is used for all variables to find out whether these differences are significant or not. Finally, regression statistics is used to analyze the effect of variables on efficiency and profitability. The results of the study indicate that conventional banks are performing better than Islamic banks in respect of return on average assets, board size and size of banks. Similarly, Islamic banks are performing better than conventional banks in respect of asset quality, capital adequacy, operational efficiency, liquidity and board independence. The overall results indicate that the corporate governance practices of Islamic banks are better than conventional banks in Pakistan which leads to the efficiency growth and profitability growth of Islamic banks.

Keywords: corporate governance, Islamic banks, conventional banks, Pakistan

Improving Leadership Training Effectiveness through Action Learning Program

Eko Budi Harjo, Yulmartin, Agus Riyanto
PT. Telekomunikasi Indonesia, Tbk

Abstract: This paper is a case study on how Action Learning Program can improve leadership training effectiveness in PT.Telekomunikasi Indonesia Tbk (Telkom), the largest telecommunications operator in Indonesia. Since year 2008, Telkom
has been transforming itself, due to the business change, from a telecommunications legacy company to a new prospective operator providing additional services such as information platform, media, edutainment and services. To overcome challenges arising from running the new businesses, Telkom believes that the Human capital advantages will be the key to achieve successes. This means that the human capital development program should be tailored accurately; the employees learning programs should be planned based on the operational field performance gaps, and delivered using proper methods. The discussions upon prioritization between attending a pre-setup training program and executing daily operational duties never come to a solid conclusion. They mostly because of the lack of trust from the employees’ super ordinates of the effectiveness of the learning programs prepared by the management to the employees. Action Learning Program is one of the methods introduced by the company to improve the leadership training effectiveness. The leadership training program is typically divided into 2 (or if necessary into 3) sessions, which each session runs for 3 until 5 days. After attending the first session, the participants will be going back to their operational life, implementing skills and knowledge they achieve from the training based on their individual action plan. They will be invited to attend the second session after a certain period of time (typically 1 up to 3 months). The participants will be monitored and mentored by selected mentors during the periods. The study shows the facts that delivering trainings using action learning program increase the level 3 (behavior level) of the training effectiveness measurement values by a significant percentage. The conclusion we could draw is that the action learning program improves the training effectiveness.

**Keywords**: Learning effectiveness, action learning, leadership training

**Development of an organization by adopting the integrated management systems**

**Dorin Maier¹, Marieta Olaru¹, Andrei Hohan¹, and Andreea Maier²**

¹The Bucharest University of Economic Studies, Romania

²Technical University of Cluj Napoca, Romania

**Abstract**: The new challenges for successful business management in the new millennium are growing. The success can be achieved only in conditions of a systematic approach of processes. A successful integration of management systems depends on good planning and efficient implementation. Companies are struggling to reduce production cost, make more profit, and still meet with all the environmental, quality or health and safety demands or create a better image to overcome competition. Several standards have been developed to help companies in their efforts to improve the sustainability of their systems and products. However,
implementing several standards simultaneously and independently can be a costly and human resource demanding. Integrating the standards is the mean of overcoming these difficulties. The effectiveness of Integrated Management Systems (IMS) is becoming more important for the organizations lately. Integrating two or more management systems into an integrated management system can have the following advantages: the simplification of existing management systems; increasing the benefits of each system; optimization of resource consumption; reduction of the maintenance costs of several management systems; establishing a single framework for the continuous improvement of all processes in your organization. This paper examines various models of integrated management systems in accordance with professional references ISO 9001, ISO 18001 and OHSAS 18001, highlighting strengths and weaknesses. This study creates a base for future development of a model for evaluating the effectiveness of integrating management systems, and their influence on other components in the company, such as the ability to innovate. This paper offers a base for future study, regarding the integrating of various management systems, and highlights the most important aspect of the most known model of integrated management systems so that, in the future researches, a framework for evaluating the efficiency of those models, can be created. This framework can bring multiple benefits to all organizations.

**Keywords:** management systems, integrated management systems, quality management system, environmental management system, occupational health and safety management system, information security management system
Abstracts Only
The Cultural Embeddedness of Entrepreneurial Orientation - a Multi-Level Investigation

Michael Buchsteiner
Technical University Dortmund, Dortmund, Germany

Abstract: Research on Entrepreneurial Orientation (EO) has reached a status of prominence in organizational and management literature, with empirical research generally supporting the idea that higher levels of EO lead to better firm performance. Various contingency contexts have previously been examined, a selection of which specifically show that culture on national and organizational levels impact a firm’s level of EO. Motivated by recent calls for a more fine-grained analysis of culture as antecedent to EO and prominent studies relating organizational culture to firm outcomes, we develop 10 hypotheses regarding the relationship cultural factors on national, industry and organizational level have with EO. We test our hypotheses leveraging a unique multi-source data-set that combines survey responses from top management team members of 900 small and medium enterprises from nine countries from the Anglo Saxon, Latin, Germanic, South Asian and East Asian cultural clusters with secondary data on national culture and national wealth. Our findings indicate the dominance of organizational culture and industry-driven cultural assumptions. National culture factors play a subordinate role in determining a firm’s level of EO.

Keywords: entrepreneurial orientation, national culture, industry culture, organizational culture, cross-cultural research

Corporate Crime and Related Prevention Measures

Ulrike Hugl, University of Innsbruck, Innsbruck, Austria

Abstract: Economic crime exits since the early days of commercial life - but nowadays, opportunities of misuse in all forms have changed dramatically. Several reasons play a part in contributing to this situation: On the one hand, globalization and global networks of trade partners, new surveillance technologies as well as the digitalization of knowledge enable (hidden) access to huge data bases in an easy and comfortable way. On the other hand, more and more misuse also comes from employees inside the organization, from so-called malicious insiders. Based on related studies (mainly focusing on German-speaking countries), this paper first highlights the motivation and profile of a fraudster, second it presents organizational prevention measures like anti fraud management with its endogenous and exogenous influencing factors, whistle-blowing structures and influencing fraud triangle and cultural factors.

Keywords: corporate crime, misuse, malicious insider, organizational prevention, anti fraud management
How Uncertainty Avoidance Affects Effectual Decision Making – a 12-Country Examination

Klaus Willmann
Technical University Dortmund, Dortmund, Germany

Abstract: Our research uses survey data of 1151 firms from 12 countries in 6 cultural areas to examine the relationship between uncertainty avoidance and effectuation as well as causation. Sarasvathy (2001) established the effectuation concept, which could be used for decision making under high uncertainty. Central of the entire discipline of effectuation research is that entrepreneurs decide in a causal or effectual way or use both approaches of decision making (Sarasvathy, 2001; Chandler et al., 2011). There is increasing scholarly agreement that effectuation is relevant both for entrepreneurs and in the corporate context. Much research to date has tended to focus on analysing the relationship uncertainty avoidance has with causation and effectuation (Wiltbank et al., 2009, Dew, 2009). A first study of effectuation in the corporate context gives reason to believe that effectuation positively influences firm performance (Brettel et al., 2012). However, a clear understanding of the main drivers of effectuation on the corporate level remains missing. A major concern of scholars and practitioners is to better understand the factors that influence causal and effectual decision making. So far little attention has been paid to the investigation of the influence of national culture on causal or effectual behaviour in decision making processes. National culture has a strong influence on the behaviour of individuals in organizations (Rauch et al., 2000). We argue that a causal or effectual response to an action, environment or person is influenced by the cultural values of the individual itself. Our model tests 5 hypotheses and showed positive significance between uncertainty avoidance and causation as well as affordable loss, flexibility and pre-commitments. A significant negative influence was found between uncertainty avoidance and experimentation. Our study contributes to research on effectuation by providing an international cultural view on top management team decision making in a corporate context. While previous empirical research focused on studying effectuation in the USA and North-Europe, this study is the first to integrate the Asian and Latin-European perspective.

Keywords: effectuation, causation, uncertainty avoidance, top management, corporate level