

Small and Medium Sized Enterprises: Management – Marketing – Economic Aspects

Abstract Book

From the 8th Annual International
Conference on Small and Medium
Enterprises: Management – Marketing
– Economic Aspects,
1-4 August 2011,
Athens, Greece.

Edited by Gregory T. Papanikos



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Preface

This abstract book includes all the abstracts of the papers presented at the *8th Annual International Conference on Small and Medium Sized Enterprises: Management – Marketing – Economic Aspects, 1-4 August 2011*, organized by the Athens Institute for Education and Research. In total there were 32 papers and 34 presenters, coming from 22 different countries (Botswana, Canada, Czech Republic, Denmark, France, Germany, India, Iran, Italy, Japan, Latvia, Malaysia, Mexico, the Netherlands, Poland, Portugal, Romania, Slovakia, South Africa, Thailand, the United Kingdom, and the United States of America). The conference was organized into 10 sessions that included areas such as Clusters, Innovation, Marketing, e.t.c. As it is the publication policy of the Institute, the papers presented in this conference will be considered for publication in one of the books of ATINER.

The Institute was established in 1995 as an independent academic organization with the mission to become a forum where academics and researchers from all over the world could meet in Athens and exchange ideas on their research and consider the future developments of their fields of study. Our mission is to make ATHENS a place where academics and researchers from all over the world meet to discuss the developments of their discipline and present their work. To serve this purpose, conferences are organized along the lines of well established and well defined scientific disciplines. In addition, interdisciplinary conferences are also organized because they serve the mission statement of the Institute. Since 1995, ATINER has organized more than 100 international conferences and has published over 100 books. Academically, the Institute is organized into four research divisions and nineteen research units. Each research unit organizes at least one annual conference and undertakes various small and large research projects.

I would like to thank all the participants, the members of the organizing and academic committee and most importantly the administration staff of ATINER for putting this conference together.

Gregory T. Papanikos
President

Abstract Book from the 8th Annual International Conference on Small and Medium Sized Enterprises:
Management - Marketing - Economic Aspects, 1-4 August 2011, Athens, Greece.

FINAL CONFERENCE PROGRAM

Athens Institute for Education and Research

Sponsored by

The [Business Division](#) and the [Economics Research Unit](#) of ATINER

**8th Annual International Conference on Small and Medium
Sized Enterprises:
Management - Marketing - Economic Aspects
1-4 August 2011, Athens, Greece**



**Conference Venue: St George Lycabettus Boutique Hotel, 2 Kleomenous Street,
Kolonaki, Athens**

Organization and Scientific Committee

- Dr. Gregory T. Papanikos, President, ATINER.
- Dr. Peter Yannopoulos, Academic Member, ATINER & Professor, Brock University, Canada.
- Dr. Peter Koveos, Head, Management Research Unit, ATINER & Professor, Syracuse University, USA.
- Dr. Angelos Tsaklanganos, Professor, University of Nicosia, Cyprus & Emeritus Professor, Aristotle University of Thessaloniki, Greece.
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- Dr. John Roufagalas, Head, Economic Research Unit, ATINER & Professor, Troy University, USA.
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- Ms. Lila Skountridaki, Researcher, ATINER & Ph.D. Student, University of Strathclyde, U.K.
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C O N F E R E N C E P R O G R A M

(The time for each session includes at least 10 minutes coffee break)

Monday 1 August 2011

08:30-09:00 Registration

09:00-09:15 Welcome and Opening Remarks

- Dr. Gregory T. Papanikos, President, ATINER.
- Dr. Peter Yannopoulos, Academic Member, ATINER & Professor, Brock University, Canada.

09:00-10:30 Session I (Room A): Management and Strategic Issues

Chair: Papanikos, G.T., President, ATINER.

1. Vardiabasis, D., Professor, Pepperdine University, USA & Grave, K., DBA Candidate, University of Liverpool, U.K. Global Financial Crisis and M&A.
2. Francioni, B., Researcher, University of Urbino "Carlo Bo", Italy. Factors Influencing Changes in Entry Mode Strategies of SMEs.
3. Henson, R., Senior Lecturer, University of Worcester, UK, Booth, D., Independent Consultant, UK & Dresner, D., Head of Information Assurance, NCC, UK. IASME: Information Security Management Evolution for SMEs.
4. Kourtit, K., Researcher, VU University Amsterdam, The Netherlands & Nijkamp, P., Professor, VU University Amsterdam, The Netherlands. In Search of Creative Champions in High-Tech Spaces. (Monday, 1st of August, 2011)

10:30-12:00 Session II (Room A): Marketing

Chair: Yannopoulos, P., Academic Member, ATINER & Professor, Brock University, Canada.

1. Constantinescu-Dobra, A., Lecturer, Technical University of Cluj-Napoca, Romania. The Websites Marketing of Romanian SMEs. An Empirical Study.
2. Lee, W.L., Ph.D. Student, Universite de Toulouse 1 Capitole, France, Roslin, M.R. Professor, Universiti Teknologi Mara, Malaysia & Kasuma, J., Ph.D. Student, Universite de Toulouse 1 Capitole, France. Exploring Micro-Enterprises Owners Loyalty towards their Banking Services Based on Ethnicity and Religiosity Factors: Qualitative Findings.
3. Soonsawad, P., Lecturer, Chulalongkorn University, Thailand. Brand - Building of On-Line Firms.
4. Vieira Correia, R.J., Ph.D. Student, Polytechnic Institute of Braganca, Portugal, Teixeira, M.S., Assistant Professor, University of Trás-os-Montes and Alto Douro, Portugal & Rebelo, J., Professor, University of Trás-os-Montes and Alto Douro, Portugal. The Effects of Marketing and Market Orientation on Economical and Financial Performance in Portuguese SME.

12:00-13:00 LUNCH

13:00-14:30 Session III (Room A): The Human Element

Chair: Kefalaki, M., Researcher, ATINER.

1. Mitchell, J., Consultant, Baxi Partnership, UK & Cooper, B., Lecturer, University of Strathclyde, UK. Making a Case for Employee Ownership.
2. Brencic, I., Senior Lecturer, Latvian Academy of Sciences, Latvia & Kantane, I., Ph.D. Student, Latvian Academy of Sciences, Latvia. Unemployment in Latvia and its Impact on Potential Labour Force Supply in SMEs.
3. *Mihalcová, B., Professor, University of Economics in Bratislava, Slovakia & Pruzinsky, M., Professor, University of Economics in Bratislava, Slovakia. Social Entrepreneurship - The Chances of Growth of Job Opportunities in Slovakia.

14:30-15:30 Session IV (Room A): Innovation

Chair: *Nehrebecka, N., Economic Expert, National Bank of Poland, Poland.

1. Fisker, A.M., Associate Professor, University of Aalborg, Denmark & Mogensen, J., Project Assistant, University of Aalborg, Denmark. Fish & Experience – A Case for Combining Small Business Strategy for Best Practice with Educational Creativity in Order to Design New Innovative Products.
2. Gkikas, E., Researcher, University of Wales, UK. Innovation Activities in an Uncompetitive Region.
3. López Rizzo, H.C., Ph.D. Student, University of Paris 1, France. The Export Activity of the Manufacturing SME and their Propensity to Innovate: The Case of Greece and Portugal.

15:30-16:30 Session V (Room A): Clusters I

Chair: Gkikas, E., Researcher, University of Wales, UK.

1. Jaouen, A., Associate Professor, GSCM - Montpellier Business School, France. A Behavioral Analysis of Strategic Alliances between SMEs in Craft Industry.
2. Khare, P., Post Doctoral Fellow, Hitotsubashi University, Tokyo, Japan & Thatte, L., Associate Professor, K.E.T's V.G. Vaze College, Mumbai, India. SWOT Analysis of Pune Cluster: A Significant Cluster of Auto Component Parts in India.
3. Motamedi, M., EMBA Student, University of Tehran, Iran, Abooyee Ardakan, M., Assistant Professor, University of Tehran, Iran, Nazari, M., Assistant Professor, University of Tehran, Iran, Saba, M.S., Research Expert, University of Tehran, Iran. A Case Study on Historical Evolution and Renovation Plans for Textile Cluster in Yazd Province: Lessons for Integrated Policymaking.

16:30-18:00 Session VI (Room A): Special Themes

Chair: Tsaklanganos, A., Professor, University of Nicosia, Cyprus & Emeritus Professor, Aristotle University of Thessaloniki, Greece.

1. Lubbe, M., Lecturer, University of Pretoria, South Africa & Gerhardus Nienaber, S., Lecturer, University of Pretoria, South Africa. Exploratory Research on the Preferences of South African Small Business Taxpayers Relating to Advice from their Tax Practitioners.
2. Hongsuchon, T., Lecturer, Chulalongkorn Business School, Thailand. Factors affecting the Sustainability of Born Global SMEs: Upon the Global Economics Downturn. (Monday, 1st of August, 2011, afternoon)

21:00-23:00 Greek Night and Dinner

Tuesday 2 August 2011

09:00-10:30 Session VII (Room A): Entrepreneurship - Creativity

Chair: Koveos, P., Head, Management Research Unit, ATINER & Professor, Syracuse University, USA.

1. Grzeda, M., Professor, Laurentian University, Canada. The Entrepreneur as Healer: A spiritual Framework for Social Entrepreneurship Practice. (Tuesday, 2nd of August, 2011)
2. *Honig, B., Professor, McMaster University, Canada & Drori, I., Professor, Tel Aviv University, Israel. Organizational Failure and the Dark Side of Creativity. (Tuesday, 2nd of August, 2011)
3. *Nehrebecka, N., Economic Expert, National Bank of Poland, Poland. Analysis of Business Polish Demography using Markov Chains.

10:30-12:00 Session VIII (Room A): Business Themes

Chair: Henson, R., Senior Lecturer, University of Worcester, UK.

1. Pruzinsky, M., Professor, Catholic University in Ruzomberok, Slovakia & Kerekes, R., Ph.D., Catholic University in Ruzomberok, Slovakia. Restoring Family Business Activities in Slovakia.
2. Saunders, V., Senior Lecturer, Swansea Metropolitan University, UK. Self Attributed Measures of Success among Owners of Welsh Micro Businesses.
3. Sengupta, K., Professor, Indian Institute of Management, India. New Challenges for SMEs in India.
4. Villalon, R., Coordinator, Universidad Autonoma De Baja California, Mexico, Bernal, B.E., Universidad Autonoma De Baja California, Mexico, Lopez Regalado, M.E., Universidad Autonoma De Baja California, Mexico & Perusquía Velasco, J.M.A., Universidad Autonoma De Baja California, Mexico. "My First Company - Undertaking & Playing".

12:00-13:00 Lunch

13:00-14:30 Session IX (Room A): Clusters II

Chair: *Honig, B., Professor, McMaster University, Canada.

1. Melattuputhenpurayil Nair, S., Senior Lecturer, University of Botswana, Botswana. Globalisation and the Rebirth of an SME Cluster: A Study of an Agricultural Implements Cluster in India.
2. Neumann, U., Researcher, Rheinisch-Westfälisches Institut für Wirtschaftsforschung (RWI), Germany. SME "Clustering" in Urban Neighbourhoods? An Assessment of German Policy Initiatives.
3. Fronkova, M., PhD Student, University of Economics in Prague, Czech Republic. Clusters as a Way of Penetration of International Market.

14:30-16:00 Session X (Room A): Technology

Chair: Pruzinsky, M., Professor, University of Economics in Bratislava, Slovakia.

1. Johnson, D., Schlessman Professor, Colorado College, USA. 'Davids' are not Small 'Goliaths': R&D and Technology Licensing in Brazilian Production.
2. McMahon, F., Lecturer, University of Ulster, UK. An exploration of Small Firm Advanced Use of Internet Technologies.
3. Ab Ghani, H., Ph. D. Student, Universiti Teknologi Mara (UiTM), Malaysia & Abd Rahman, S., Associate Professor, Universiti Teknologi Mara (UiTM), Malaysia. The Role of Switching Costs in Takaful Participation.

16:30-19:30 Urban Walk

20:00- 21:00 Dinner

Wednesday 3 August 2011

Cruise: Departure at 07:15 Return at 20:30

Thursday 4 August 2011

Delphi Visit: Departure at 07:45 Return at 19:30

Hartini Ab Ghani

Ph.D. Student, Universiti Teknologi Mara (UiTM), Malaysia.

Sofiah Abd Rahman

Associate Professor, Universiti Teknologi Mara (UiTM), Malaysia.

The Role of Switching Costs in Takaful Participation

The Takaful industry is more than 30 years. The first Takaful company was established in 1979 in Sudan. The Tabarru' contract is the pillar in the Takaful scheme that allows the gharar element to be tolerated under the arrangement, without affecting the validity of the contract. As Malaysia is an Islamic country and major population is Muslim, Takaful should be able to compete with the conventional insurance with the differences highlighted which are clearly towards the advantage of the participants or policyholders. However, despite the advantages and more than 20 years operation of the Takaful industry, the market penetration is 7% as at 2010 compared with 40% in the conventional insurance even though the conventional insurance is believed to be unlawful for Muslims because it is dealing with gharar (uncertainty), maisir (gambling) and riba (usury) and it is Haram. Haram in the sense that conventional insurers often invest in assets that are strictly forbidden by the shari'ah example certain activities of commodities like alcohol, hotels, entertainment etcetera. Takaful is therefore the alternative insurance protection. This research is therefore intend to investigate the switching costs factors in insurance industry which resulted in low Takaful participation as previous research has proven that one of the factors of low participation is due to already have conventional insurance. This research is exploratory research to identify switching costs factors. Past research in insurance switching costs was on automobile insurance and it was in USA. There is no insurance switching costs conducted in Malaysia. In Malaysia, the automobile insurance i.e. Motor insurance is governed by Tariff therefore, the difference in pricing will not be the issue as it is a standard rating. Are the switching costs factors of conventional lock the customer from participation in Takaful motor. The objective of this research is therefore examine the impact of switching costs in Takaful participation to enable Takaful industry to improve their marketing strategy in order to encourage more Takaful participation.

Ieva Brencē

Senior Lecturer, Latvian Academy of Sciences, Latvia.

Inara Kantane

Ph. D. Student, Latvian Academy of Sciences, Latvia.

Unemployment in Latvia and its Impact on Potential Labour Force Supply in SMEs

Latvia is facing high unemployment level that has exceeded 14% in January 2011. At the same time enterprises (more than 99% of the enterprises in Latvia are SMEs) face problems with finding appropriate employees.

There are several reasons behind the problem, one of them being the comparatively low wages and especially the minimum wage offered in Latvia, as well as the social allowances provided in Latvia that may be similar to the amount of the minimum wage.

The aim of the paper is to characterise statistical portrait of the unemployed persons in Latvia and to identify reasons for their non-involvement into permanent jobs in private sector.

The methods of the paper involve theoretical analysis, analysis of normative acts and policy planning documents, analysis of the municipalities representatives survey, as well as analysis of the survey results, involving the unemployed persons opinions for not accepting permanent job (3056 households were included in the survey).

It has been found that more than 10% of the persons participating in the survey have rejected the permanent job offers, besides more than 20% of the unemployed are not actively seeking for job during their participation in active labour market policy measures provided by the State Employment Agency. In order to attract persons interest for employment minimum wage in Latvia should be increased considerably.

Anca Constantinescu-Dobra

Lecturer, Technical University of Cluj-Napoca, Romania.

The Websites Marketing of Romanian SMEs. An Empirical Study

In the marketing literature, the great interest for the Internet is due to the growing opportunities that this can provide in the context of stagnation markets, consumer behavior changes and the loss of national marketing autonomy. *The internet is considered the “future of marketing”*. Hence, most authors agree that one of the best weapons of marketing is the online presence of a *personal businesses site for the companies*.

Only in Romania, the *more than 6 million individuals “walking” on Internet* could be considered as potential customers of the producers.

The paper aims at identifying the degree of using web sites marketing tool for being competitive on the market. The analyses will be done comparatively, by different field of activity. Moreover, the study tries to draw some correlation between the interactivity function of a web site, its content, usability and layout.

The sample includes 250 functional sites of Romanian SMEs and others from European Union. The web sites are analyzed based upon 142 criteria, as resulted from an adapted methodology of ProfNet Institute fur Internet Marketing, Munster (Germany).

Findings refer to comparative considerations concerning the web sites content, handling, layout and interactivity, as well as the strengths and weaknesses of Romanian SMEs websites.

Among the most interesting findings could be mentioned is Romanian SMEs underdevelopment in e-communication due to deficiencies in their web sites *interactivity* and *navigation*. More specific, the Romanian SMEs use excessively marketing communication instead of corporate communication, The research outcomes reflect a standardized advertising strategy for foreign clients. The hypothesis concerning a strong correlation between navigability and the interactivity level was supported.

Anna Marie Fisker

Associate Professor, University of Aalborg, Denmark

Jeppe Mogensen

Project Assistant, University of Aalborg, Denmark.

Fish & Experience - A Case for Combining Small Business Strategy for Best Practice with Educational Creativity in Order to Design New Innovative Products

According to the vision of better foundation for SMEs in the Northern Denmark Region, and to develop the strong tradition within technology, entrepreneurship and innovation, *regional* funded project "*Northern Fish and Experience*" was initiated in 2009.

The project involves culinary partners and food related SMEs in the region who are struggling to stabilize their economy and develop long-term strategies, which leads to the question: How do we facilitate innovation and development for the future generation of SMEs?

As researchers and scientific partners of this project, we are experiencing their difficulties within management and especially marketing, and are questioning if the universities are moving towards a new role for facilitating innovation, entrepreneurship and creative business strategies for these struggling SMEs?

In our paper, we are focusing on a recent organized international summer school, where students of architecture and design, in cooperation with chefs from smaller restaurants, designers and represents from local tourist destinations, developed a new to-go meal based on fish and local ingredients from small producers. An innovative based collaboration between researchers, students, producers, gastronomes and disposers resulted in a case study for small business best practices. A new method has been developed, questioning, if this cross-disciplinary strategy focusing on knowledge sharing is the way to improve and develop the foundation and commercial outlet for small businesses within the local industry?

With this access to knowledge as a key point in small business strategies, consolidated in the research environments of the region, the utilization of the academic expertise may be further enhanced. This forms the essential question: How can regional SMEs get access to this unique knowledge sharing, and how can this knowledge increasingly support small business strategies? If succeeded, this will generate a fortified power of innovation and entrepreneurship for the SMEs - regional, national and international.

Barbara Francioni

Researcher, University of Urbino "Carlo Bo", Italy.

Factors Influencing Changes in Entry Mode Strategies of SMEs

The purpose of this paper was to examine the internationalization of Small and Medium-Sized Enterprises (SMEs) with a particular focus on the factors that influence the strategic choices and changes that occur during the process.

Although there has been a growing recognition of the important role of the key strategic decisions during SMEs' internationalization process, like the entry mode choice, scholars have tended to ignore why firms change their strategy and why a new strategy is chosen. This research tried to fill this gap by giving a rich insight into changes that occur in internationalization strategies after the first foreign market entry.

The study was built up on the integration of two important theories, the Network Theories and the International Entrepreneurship, since the adoption of a mere network perspective did not allow to analyze how the entrepreneur characteristics and decisions affect the international strategy.

The research methodology embraced both a qualitative and a quantitative method. The qualitative results permitted to define the research hypotheses and to produce a framework of the factors influencing changes in SMEs' entry mode strategies.

The quantitative results permitted to test the research hypotheses, thanks to a survey conducted to 60 SMEs drawn from the mechanical sector in Italy.

The main findings confirmed that, although existing business and social relationships have always had a great influence in the internationalization strategies, when it comes to analyze the SMEs perspective it is also necessary to take into account the influence of other factors, regardless of relationships, like the entrepreneur's perception of the need to change mode strategy in a specific market.

The research provided a valuable contribution to the knowledge of SMEs internationalization, showing the importance of analyzing when a firm decides to change its entry mode, along a continuum of reactive versus proactive changes.

Martina Fronkova

Ph.D. Student, University of Economics in Prague, Czech Republic.

Clusters as a Way of Penetration of International Market

Contemporary market environment is very dynamic because of the economic crisis and the process of globalization. Tough fight for the market position results in effort to create efficient methods to maintain company's competitiveness. Some of small and medium business units started to search the business allies. As an example of such possibility of cooperation the formation of clusters should be mention.

In my paper I would like to summarise experiences with clustering in the Czech Republic. These clusters are funded by Structural Funds and have been developing constantly since year 2004. One of the conditions for a cluster constitution is number of members of the cluster. There have to be at least 15 members. Furthermore more than 60% of members have to be small and medium enterprises and consequently at least one member of the cluster has to be a university or other research institution.

My intention is to demonstrate possibility for SMEs to cooperatively penetrate new markets. Attention will be focused mainly on export oriented clusters. Part of my paper will be case study based on the real cluster initiative. This case study will include brief description of cluster's most common strategies, visions and targets. Based on this case study, costs and benefits analysis of intercompany cooperation will be prepared and briefly explained. I would also like to present here how intercompany cooperation can improve export activities during the financial and economic crisis. Further I plan to incorporate export performance and successes of intercompany cooperation for export activities of the cluster described in the case study.

Enea Gkikas

Ph. D. Researcher, University of Wales, UK.

Innovation Activities in an Uncompetitive Region

Innovation is now recognised as an important element underlying the economic success and competitiveness of geographic locations, in particular regions. The aim of this paper is to assess the types of innovative activities utilised and formed by small and medium sized enterprises (SMEs) in the relatively uncompetitive regional setting of Wales in the UK, using data from two waves of the UK Innovation Survey between 2005 and 2007. Approximately 1100 SMEs were included in each wave of the survey. It explores the dynamics of innovation within SMEs. In particular shed light into the following: types of innovation that SMEs use; motivating factors for innovating; sources of innovation; barriers to innovation; protection methods for innovative activities. It is found that SMEs tend to utilise a number of different innovative activities. In addition, suppliers, customers and competitors were the first three main actors for collaboration and sources of innovation. However, government and public research institutes were considered to be the least important sources of innovation for SMEs operating in a uncompetitive region such as Wales. The findings provide some empirical evidence for supporting policy measures.

Maurice Grzeda

Professor, Laurentian University, Canada.

The Entrepreneur as Healer: A Spiritual Framework for Social Entrepreneurship Practice

The fields of social entrepreneurship and workplace spirituality appear to have evolved relatively independently. Very little, if any, published research refers to both concepts. Yet scholars acknowledge both perspectives as groundbreaking transformations of traditional business models.

In previous publications, I have argued that workplace spirituality creates an imperative for management to embrace ideals related to healing, supporting this position with evidence from other professions that acknowledge the role of spirituality in the healing process. There is ample evidence that the traditional management model and its pursuit of efficiency is very comfortable treating harmful outcomes from the pursuit of profit as externalities that are simply someone else's responsibility, although this attitude has begun to change. The concept of healing in the context of workplace spirituality provides a useful framework to explore changes to this model.

Social entrepreneurship represents an acknowledgement that skillful management practice can contribute positively to the objectives of sustainability and development by improving the greater common good. Debates in the social entrepreneurship field continue as to a precise definition delineating the activities encompassed in such endeavors. In this paper, I adopt a perspective that is more aligned with business practice as opposed to social development.

This conceptual paper is based on a review of the recent literature in the fields of workplace spirituality and social entrepreneurship. The paper aims first to determine the common ground shared by these perspectives and the development of a model of social entrepreneurship as the expression of spiritually based management practice. Because globalization is concerned in large part with sustainable development, the paper considers the implications of a spiritual framework for social entrepreneurship on global management practice.

Richard Henson

Senior Lecturer, University of Worcester, UK.

Daniel Dresener

Head of Information Assurance, NCC, UK.

David Booth

Independent Consultant, UK.

IASME: Information Security Management Evolution for SMEs

Most of the research in information risk and risk management has focused on the needs of larger organisations. In the area of standards accreditation, the ISO/IEC 27001 information risk management standard has continued to grow in acceptance and popularity with such organisations, although not to a significant extent with SMEs. An interesting approach recently developed for ENISA (European Network and Information Security Agency) based on the Carnegie-Mellon model and aimed at SMEs has not so far filled the gap.

In this paper, a researcher and two practitioners from the UK discuss an innovative development in the UK for addressing the information assurance needs of smaller organisations. They also share their perceptions about the security of national information infrastructures, and concerns that SMEs do not get the priority that their position in the supply chain would suggest they should have.

The authors also explore the dissemination and roll out of IASME (Information Assurance for SMEs), which they have developed in the context of a tight market, where spare cash is in short supply, and many SMEs are still in survival mode. The question for the business is therefore not seen as "can we afford to spend on information security" but "can we afford not to spend..." As well as the effect of not being able to do business at all if the information system is compromised, there are also matters of reputation, risk-averse prequalification questionnaires from potential customers, and the growing threat of fines as a result of not complying with laws and regulations.

The paper concludes with achievements of real businesses using the IASME process to cost-effectively achieve information assurance levels appropriate for themselves.

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Factors Affecting the Sustainability of Born Global SMEs: Upon the Global Economics Downturn

Born-global (BG) small and medium-sized enterprises (SMEs) have introduced themselves to the international arena immediately after the company's establishment, to take advantage of the rising opportunities in the international market environments rather than domestic market. However, due to the global economic downturn, many BG SMEs have inevitably suffered. The issue of sustainability, therefore, has become a concern among BG SMEs. Over the past decades there has been several research studied the phenomenon of BG firms. Nonetheless, most of the studies focus on the dynamics capability factors which contribute to the emergence and performance of BG SMEs. The study on sustainability is still neglected. Thus, this particular study aims to assert on the premature literatures of sustainability aspects of BG SMEs especially during the financial and economic crisis. In addition to dynamic capabilities perspectives, the proposed framework also includes customer value perspectives. The factors under dynamics capabilities are market orientation and entrepreneurship orientation, while the factors relating to customer value perspective is the perception of customers towards firm. The study suggests researchers to focus on the sustainability of BG SMEs, in addition to the formation of such firms. Framework developed from this conceptual paper can provide relevant theoretical and managerial implications which may be useful for BG SMEs to compete in the international arena.

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Organizational Failure and the Dark Side of Creativity

We study a dot.com firm, contrasting perspectives on organizational creativity reflecting micro and macro levels, demonstrating how both agency and institutional norms act as organizational constraints preventing the emergence of effective creative performance. We address a central challenge for creativity theory, providing an alternative explanation regarding how and why creativity emerges and is used, examining individuals, culture, structure and external stakeholders. This ethnographic study contributes to organizational creativity theory by merging the person-context with organizational process approaches, fostering our understanding of the 'dark side' of creativity.

By linking actors of different organizational levels and variables associated with conditions, cognitions or tools that shape certain behaviors and practices, organizations are able to promote or constrain creativity (e.g. Ford, 1996; Oldham, and Cummings, 1996; Tempest and Starkey, 2004; Woodman et al. 1993). In this vein, (Drazin, et al., 1999) indicate that the level of analysis is a crucial factor in multilevel creativity research, as it influences basic assumptions on creativity.

In this paper, which is based on the long-term field research of 'Media' (a pseudonym), an Internet start-up, we analyze the processes and events that led to a shift in the nature and role of creativity in the organization. We observed, over time, the evolution of creativity, beginning as an asset, to its eventual liability and its role in organizational demise. This ethnographic study fosters our understanding of the destructive aspects of creativity by addressing, in detail and to a greater extent than prior research, the interplay within and between varied social actors, both internal and external, and the consequences for organization structure.

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A Behavioral Analysis of Strategic Alliances between SMEs in Craft Industry

The purpose of this research is to analyse and to describe strategic alliances of SMEs in craft industry. Based on a literature survey and 18 qualitative case studies in France, we expose the specificities of cooperative behaviours in this context: patterns, motivations of the partners, perceived risks and benefits, and partner choice criteria.

Research on strategic alliances often focuses on big firms or innovative SMEs, excluding by this way small and microfirms of traditional sectors, whereas they also regularly cooperate in order to develop their market position, accelerate product commercialisation, share information, and improve their know-how and knowledge... Strategic alliance can be defined as a symmetric cooperation agreement between two firms, based on a formal or informal contract, aiming to realise a common project or to establish a sustainable cooperation (Dussauge & Garette, 1995).

In order to analyse the behaviours of the partners, we develop a qualitative research protocol based on 18 case studies of craft SMEs engaged in a strategic alliance. The data collection was realised through semi-directive interviews with the owner-managers. Interviews were recorded and the data analysis consisted in a thematic content analysis (Miles & Huberman, 2003), through a thematic encoding and determination of sense unities (words, phrases and part of phrases assimilated to a theme) transcribed into matrixes.

Several results are identified. First, relationships are characterised by both competition and brotherhood. Consequently strategic alliances are rarely formalised and trust is the main coordination mode. Second, perceived risks are linked to information asymmetry and know-how absorption by the partner, but this perception does not imply a higher formalisation of the alliance.

Third, partner choice criteria are linked to both the firm and the owner-manager himself: resource availability, perceived shared values, cultural proximity. Finally, the link between growth and strategic alliance is questioned in the specific case of SMEs in craft industry.

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'Davids' are not Small 'Goliaths': R&D and Technology Licensing in Brazilian Production

Small firms are qualitatively different than large firms with respect to technology acquisition. As such, liberalization of technology flows in newly industrialized nations may have two potential effects, possibly felt differentially by small firms and large firms. First, technology flows may replace domestic research with cheaper imported foreign research. Second, they may combine with domestic research to improve local economic growth. This paper uses a unique firm-level dataset, modeling the choice between R&D expenditures and technology licensing behavior in Brazil, explicitly considering corner solutions. Extending the results found elsewhere in the literature, econometric estimation of simultaneous input demand for capital, labor and both types of technology acquisition reveals that while very small firms see technology licensing and R&D as contemporaneous substitutes, firms of moderate to large size treat them as complements. Each firm's technology licensing experience also plays a key role in the decision.

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SWOT Analysis of Pune Cluster: A Significant Cluster of Auto Component Parts in India

The Indian auto component industry has reinvented itself from being a domestic demand fulfiller to a global supplier of choice for world leading auto Original Equipment Manufacturers (OEMs) like Toyota, General Motors and Ford and is rightly called the Sunrise Sector. It has entered new markets, acquiring new customers and gaining access to and absorption of newer technology. Yet it faces many challenges internal as well as international.

The SME cluster of Pune selected for our study is a major hub of Indian auto component industry. Our study focused on micro as well as macro level analyses and hence the primary data is collected from a sample of units situated in Pune region and secondary data from international and national databases. Our SWOT analysis reveals that the main advantages in sourcing auto components from India include low labor cost, raw material availability, technically skilled manpower and quality assurance.

However, presently the cost competitiveness of Indian component clusters is constrained on account of infrastructure inefficiencies, higher cost of power, upward pressure on wages and inflexible labor laws. Further a wide gap exists between the progress made by Tier I and the lower tiers due to their lack of awareness and weaker financial strength. Also, the trend in sourcing of components by OEMs from Indian suppliers faces potent risk in the wake of FTAs signed by India with various nations.

The industry can become global by establishing its footprint in regions such as Eastern Europe and Northern Africa which give numerous fiscal concessions to components production. This could be achieved through the setting up of manufacturing units or via strategic alliances. Also it needs to consolidate its exports in segments that are growing at a brisk pace and in which it enjoys competitive advantage as compared with developed countries.

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In Search of Creative Champions in High-Tech Spaces

The business performance of firms in the creative high-tech sector show much variation. This paper serves to trace whether geographic concentration of economic activity yields a relatively better performance for business firms. In our study we address in particular large and small-medium sized firms from creative industries operating in the high-tech sector in the Netherlands. The overarching analysis framework of this paper is based on the Strategic Performance Management (SPM) concept, extended with spatial dimensions for the location of these activities. SPM aims to improve the firms' competitive advantage by better anticipating and managing the rapidly changing circumstances within the industry through innovative responses. Our research examines whether and – and if so – why differences in performance among spatial patterns of business activities exist. The study adopts a micro-business perspective on determinants of economic performance and its links with regional entrepreneurship and economic moderator variables at a detailed spatial level.

The research design contains the following steps: design of the architecture of a structural model for assessing the performance of firms (based on the 'flying disc' model), multivariate analysis of an extensive micro and spatial data set, application of data envelopment analysis (DEA) and super-efficiency DEA to position the firms considered, and a spatial GIS-oriented statistical analysis of the results to identify geographically-discriminating factors in the firms' performance.

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Exploring Micro-Enterprises Owners Loyalty towards their Banking Services Based on Ethnicity and Religiosity Factors: Qualitative Findings

The purpose of this study is to explore the micro-Enterprises owners' loyalty and the probable effect of factors such as ethnicity and religiosity toward loyalty of their favourite banks. Using both local and international conventional and Islamic banks in Malaysia as the focus of study, an exploratory research was carried out to assess the micro-Enterprise owners' level of loyalty towards their favourite banks. The qualitative method of interviewing was carried out to determine the extent of ethnicity and religiosity and its impact on loyalty. The exploratory findings reveal that the loyalty towards specific banks was influenced by dimensions of Perceived service quality, Bank's reputation, Relationship Quality, Ethnicity and Religiosity. Thus, the Micro-Enterprises tend to be loyal when their banks are able to provide excellent service quality, build good relationships and are considered as reputable banks. Ultimately, ethnicity and religiosity have been identified as the moderating factors that appear to influence the micro-Enterprises' loyalty towards their banks in Malaysia's perspectives. Although the direct implications of ethnicity and religiosity on loyalty were not directly measured, this qualitative study was able to identify key dimensions of loyalty projected by the Micro-Enterprises' owners of the conventional and Islamic banks and isolate their reasons for being loyal to their favorite banks and rejecting other banks. In this qualitative study, there were implications that loyalty to the brand or the banks of their choices were associated with distinct ethnocentric qualities of the micro enterprises' owners.

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The Export Activity of the Manufacturing SMEs and their Propensity to Innovate: The Case of Greece and Portugal

The aim of the present paper is to extend the prevailing debate linking the export activity of the Manufacturing Small and Medium Enterprises (SME) and their innovation capacity. According to divers empirical works there is an accurate linkage between both factors, at the same time, other researches confirms positive effects of the innovation activity on the performances of the firms (i.e. increasing productivity, etc.).

In this research project, I evaluate if the association of these elements (exports-innovation propensity) is also valid for the case of the Manufacturing SME of Greece and Portugal. To find out this issue, a logit model is used, along with the Survey (2007) from the European Observatory of SME. I refer to the term of SME as is defined by the European Commission and the OECD, which is a firm with less than 250 employees. About the 99.85% of manufacturing firms in Greece are SME and 99.70% for Portugal (OECD). Innovation is reefered as well as the new or improved product or service that was introduced by the SME in the last two years. This definition corresponds to the concept of innovation of the Oslo Manual (2005). The selection of these countries is based on several criterions. First, there are an increasing number of empirical evidences proving that the SME are significant contributors to innovation. Second, there is a scarcity of empirical studies on the link between the export activity of the Manufacturing SME and innovation propensity for these countries. The originality of this paper lies in the fact that, neither this databank nor these countries or the SME have been analysed through the use of the logit model the way it's done here. In addition, the results obtained could give us some clues for possible public policy enforcement.

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Exploratory Research on the Preferences of South African Small Business Taxpayers Relating to Advice from their Tax Practitioners

Taxpayers engage widely with tax practitioners for various reasons and this relationship may influence tax-compliance behavior. International research on whether taxpayers prefer conservative or aggressive advice has delivered different results: some studies show that taxpayers prefer a conservative tax approach, while others maintain that the taxpayers may insist on a more aggressive approach. Research on this issue available in South Africa is limited. Small businesses do not necessarily have skilled tax staff and therefore make extensive use of tax practitioners' services. This means that more studies on this tax practitioner/client relationship are vital if the existing knowledge of taxpayer-compliance behavior is to be increased. The first objective of this study is, therefore, to determine whether small business taxpayers prefer to receive conservative or aggressive advice from their tax practitioners. The second objective is to determine whether small business taxpayers would continue to make use of the services of their tax practitioners if they disagreed with their proposed approach to tax.

The results show that, when asked directly which type of tax advice they preferred, the majority of small business taxpayers indicated that they would rather receive conservative advice. On the other hand, it appeared that they would prefer aggressive advice when the deductibility of an ambiguous expense was in question. The results also showed that small business taxpayers tended to agree with their tax practitioners, irrespective of the type of advice offered, as long as it did not involve tax evasion. The results also showed that taxpayers would mostly retain the services of a tax practitioner despite the type of advice they were given and whether or not they agreed with it. The conclusion drawn was that taxpayers in the small business sector preferred, to a great extent, to receive conservative tax advice from their tax practitioners and that they wanted to file accurate tax returns.

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An Exploration of Small Firm Advanced Use of Internet Technologies

Evidence suggests that organisations of all sizes are failing to capitalise on the Internet's value-adding potential by employing associated technologies for informational, rather than more advanced, relational purposes (Ellis-Chadwick et al. 2002; Bengtsson et al., 2007). Whilst it is acknowledged that inherent small firm characteristics and resource constraints conflict with the advanced use of the Internet and the attendant implication of more formalised business models and processes (Roman & Fjermestad, 2003; Chen & Chen, 2004; Lin et al. 2006; Doherty & Lockett, 2008) this paper argues that one should not necessarily negate the other.

Maguire et al. (2007) identify the need for '*models, tools, techniques and methodologies*', which account for the unique context of the small firm and provide a comprehensive view of the antecedents which will enable the small firm to elicit sustained competitive advantage from the Internet (Sands, 2003; Pavic et al. 2007; Maguire et al. 2007; Harrigan et al. 2008). However, Parker & Castleman (2009), highlight a lack of critical analysis and consensus in the extant literature as to which theory or theories most appropriately explain small firm e-business adoption decisions. They suggest an integrated theoretical framework to account for the variety of influences and highly contextualised nature of small firm e-business adoption.

Building upon their work, this study explores the interface between advanced use of the Internet, and the dimensions of '*competencies*', '*networking*' and '*entrepreneurialism*', that characterise small firm marketing practice (Carson & Gilmore, 2000). This paper supports the view that there are potential synergies between the use of the Internet for relational, value-added purposes and small firm marketing practice (Baumeister, 2002; McGowan & Durkin, 2003, O'Toole, 2003). A conceptual model will be presented demonstrating the potential for small firms to leverage their inherent capabilities and resources to capitalise upon natural synergies, and compensate where there are none.

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Globalisation and the Rebirth of an SME Cluster: A Study of an Agricultural Implements Cluster in India

Globalisation and economic liberalization impacted the performance of SME clusters in developing countries differently. In the case of the rudimentary clusters, the impact of globalization has not been positive. In many such clusters which achieved significant growth during the import substituting regimes, the penetration of external markets led to decreasing demand for their products leading to the closure of many firms.

Our study of a rudimentary agricultural implements cluster in India shows that globalization sounded the death knell of the cluster. But interestingly, a small sub cluster that produces small hand-held surgical instruments sprang up in the wake of globalization making use of the material and skill base of the dying cluster. In order to understand the dynamics of this phenomenon, a detailed field survey was carried out.

A lack of interaction among firms and individuals, lack of a common vision of their future, and lack of trust among firms were some of the major bottlenecks that jeopardised the conglomeration to develop into a cluster in the true sense of the term. Surprisingly, by the close of the 1990s, a spinoff cluster emerged around the dying one. A number of medical and dental colleges and hospitals got established in the region using the opportunity provided by globalisation. This was orchestrated by the emergence of small units manufacturing surgical instruments. Some specialist units have gone into even micro level innovations. Slowly a network of traders and commission agents emerged in the new cluster.

In spite of the new opportunity, the general environment of the cluster is one of secrecy and pessimism. The ills of the mother cluster embrace them also. A combination of many factors severely restricts the learning process and the scope of acquiring technological capability in the cluster. However, our study shows that if public institutions can chip in with policy support, this cluster has the scope to transform its limited static gains to dynamic gains.

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Social Entrepreneurship - The Chances of Growth of Job Opportunities in Slovakia

Mining and processing industry, with the gradual introduction of modern technology, machinery and equipment, reduce their employee numbers.

These people have generally not find work in primary or secondary sectors.

Their opportunity is the tertiary sector, which unfortunately does not develop the required pace to contain the released workforce. The paper explores the relationship and opportunities to develop social entrepreneurship in Slovakia, which in case of revenue growth of population, can absorb part of the available workforce.

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Making a Case for Employee Ownership

There is a danger that the potential offered by employee ownership may be overlooked due to a misconception that it is primarily the bastion of failing businesses where the focus is on avoiding job losses. This paper offers support for an employee ownership model to be considered as a start-up or exit strategy for successful SMEs. This research investigates the nature of the situation in which currently active businesses, which have chosen employee ownership, find themselves. The paper highlights the need for further research into the nature of employee ownership and the value of such for enterprises and communities within which they operate.

This paper argues that employee ownership can offer positive impact and a means of boosting productivity for viable businesses (Jones, 1993, Tseo and Ramos, 1995, Steger and Hartz, 2008). This research presents case study material from ten SMEs for which employee ownership was in place. The cases studied range in industry sector from clothing suppliers to industrial machine manufacturers and providers of sustainably produced food items. Interviews were conducted with founders, managing directors and line managers of the ten SMEs involved.

The results obtained indicate personal values and a concern for others to motivate more than profit per se. There is a perception that not enough is being done to highlight the option of employee ownership within higher education and the wider business community. The exit strategy of the founder / owner may make or break the future existence and success of the business venture. Employee ownership offers a potentially viable route to a sustainable economy on more than one level (e.g. employment, productivity etc). The employee ownership decision involves more than the calculation of financial returns.

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A Case Study on Historical Evolution and Renovation Plans for Textile Cluster in Yazd Province: Lessons for Integrated Policymaking

Small industrial and commercial units are known as complementary and fundamental parts in the economy of most countries, especially developing countries. But, because of specific bottlenecks and limitation in the availability of resources, their development has been difficult. Clustering helps SMEs to combine their powers together and be able to earn market opportunities and solve common problems through a joint action. In other words by providing structural and functional requirements of growing clusters, weaknesses in the individual small industries is covered, while positive aspects of SMEs is maintained and strengthened. Enthusiasm to achieve the benefits of cluster development of aggregated firms in a geographic region has motivated planners and policymakers consider this method.

What makes industrial clusters approach reasonable in Iran, is the country's historical record of success in some industrial areas, that reviews show their emergence and expanding have been in the form of clusters, although their development was unorganized. One of these clusters is the textile industry which has been regarded as a symbol of economic prosperity of Iran in a long period of old history. By expansion of commercial zone of ancient Iran to Byzantine in the east and to India and China in the west, Iran has had a major role in development and evolution of this industry around the globe during various historical periods. On the other hand Yazd that is known as the first adobe and second historical city in the world was the most important area of textile production in Iran. Yazd was located on the "Silk Road" route and its dry climate had derived people to subsistence generally with handicrafts, which a large variety of that era's textiles can be found in the museums of Europe and India.

However since 90 years ago, when the first weaving machines gradually replaced traditional workshops with industrial factories, and because of a series of domestic and foreign factors, the competitiveness

of this industry has been decreasing. Not only the textile industry has been the core of Yazd economy, but also it is now the most important industrial and economic sector of the province and with allocating 35 percent of Iran textiles exports, it is considered as the most focused and strongest textile industry sector in this country. Furthermore, natural growth of the small weaving units in recent years confirms the capacity of Yazd in this industry.

Because of high importance and the role of SMEs in the economic growth, "Iran Small Industries Organization", is using cluster development model as a basis for planning its development projects. On the basis, "Yazd Textile Cluster Development Project" has been implemented with government support and private institutions partnership by defining a shared vision for the member companies. Besides clarifying main challenges of the cluster, three strategies for promotion of the cluster has been chosen as: developing design capabilities, developing technology and technical abilities, and using professional marketing tools and techniques.

The present paper, using a case study methodology, first reviews the history of Yazd Textile and evolution of the industry to explain the past successes and challenges ahead. Then necessity of using clustering policy as a new strategy to develop small businesses is discussed. In this context, we describe the most important actions and plan pursued by the cluster development agents and at the end, we will evaluate these actions.

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Analysis of Business Polish Demography using Markov Chains

The article describes the use of the Markov chains methodology for analysis of demographic evolution of Polish enterprises in the years 2003 - 2008. The adjective demographic denotes here both study of changes in the number of enterprises in time and population structure, i.e. their breakdown into specific categories. The use of the Markov chains methodology has a significant importance in this context, since it permits analysis of creation and bankruptcy of enterprises from given sectors and migration of companies between sectors. It has been empirically proven that such migrations are very important for the structure of the national income. In a similar way, it is possible to analyse the number of enterprises (which is the subject of this study), the number of employees or value added. Therefore, the study has a wider perspective than the vast majority of studies concerning enterprise demographics. Markov chains allow forecasting future composition of the enterprise sector as well as calculation of the average remaining lifetime and average age of companies from a given category on the basis of an appropriate fundamental matrix, which may be used as a basis for further conclusions, concerning not only economy as a whole but also its individual components.

According to the results' resented in the article, flexibility of Polish companies activity in changing economic conditions is poor. The level of migration between sectors is low and limited to several sectors. Expected company life is relatively shot (on average, Polish companies exist more than twice shorter than e.g. Belgian companies subject to a study by the National Bank of Belgium). In general, the least "vital" companies may be considered companies from the transport section and then from the building industry, other services and commerce sections. Enterprises that stay on the market the longest are companies from the agricultural and industrial companies. The mean value of the *closeness to extinction* indicator amounts to 46% for the whole population. In all the distinguished sectors and sections, the highest average age have non-specialised exporters. State-owned companies have significantly higher both the average age and the remaining lifetime than private companies. The bigger the company the higher its average age and average remaining lifetime.

Business demographics studies may add an important point of reference for the evaluation of monetary policy transmission

mechanisms as well as for the shaping of institutional and legal environment in which business entities operate.

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SME “Clustering” in Urban Neighbourhoods? An Assessment of German Policy Initiatives

In different national and European urban policy initiatives (e.g. URBAN, URBACT) it has become a goal to foster local neighbourhood economies. This is hoped to be achieved by measures adopted mainly from regional economic policy, e.g. upgrading conditions for entrepreneurship and encouraging local inter-firm cooperation in renewal areas. Since these measures have remained largely the responsibility of urban policy, the question arises whether they are indeed successful in fostering economic activity and should be taken up by entrepreneurship, innovation or SME (small and medium enterprises) policy to a larger extent. This paper examines the role of the neighbourhood-specific business environment among SME location factors and discusses, by what measures neighbourhood-specific business conditions might effectively be revitalised. It draws on two evaluation studies, in which selected instruments of neighbourhood-oriented SME policy, implemented in ten German cities, were put to the test. The analysis suggests that it is unlikely for small enterprises to engage in neighbourhood-based cooperation activities directly affecting their market position (e.g. education and training, marketing, purchasing/sales, production, innovation). However, it is common for small firms and entrepreneurs to participate in neighbourhood initiatives. Small firms in very different kinds of urban surroundings appreciate characteristics like neighbourhood appearance, safety or the local mix of trades to be important location factors, which justify considerable improvement efforts. There is a case for public policy to support small business networks focusing on urban neighbourhoods, because due to external effects arising from such activity, participation among entrepreneurs may be undesirably low. Furthermore, professional support may be needed to identify the main goals of local networks and to moderate the initial phase of the cooperation.

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Restoring Family Business Activities in Slovakia

Family businesses in the first half of the 20th century constituted an important element for economic development of the former Czechoslovakia. After World War II these enterprises within the country were nationalized. For more than 40 years there was exercised central planning, management and production of companies. After 1989 the country began to democratize and to restore free markets. Most pre-war business could not overcome 40-year period of totalitarian government and resumed their activities. But part of the family business despite repression resumed family business activities. This partial portion of entrepreneurs has survived and started business again. This article is approaching the content, form and results of research of family business. Based on results of research an article concludes that a family business in the Slovak conditions. The main results are the facts about the need of family businesses in the country's economic system, recommendations for their further formation and specification of classes for their business.

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Self Attributed Measures of Success among Owners of Welsh Micro Businesses

Numerous government grants are given to small business owners on the assumption that this will change their behaviour in a way that is beneficial to the economy as a whole. Such action is generally based on an underlying assumption of economic rationality by business owners. While the concept of displaced economic objectives has been extensively studied in the case of larger organizations, there has been very little research into how micro business owners perceive success for their business. The issue is important, because according to recent research from the Welsh Assembly Government in Wales it is estimated that there are over 179,000 micro businesses, which account for 94.5% of all businesses. They employ 315,800 staff - nearly a third (32%) of the working population in Wales, and tend to be more dominant in peripheral rural areas, which qualify for Objective One funding because of the low GDP per capita and low average earnings. These areas are characterised by low margin activities like tourism and agriculture, the result is that economies are dominated by micro businesses. Micro businesses are defined by the EU as businesses with between 'zero and nine employees.'

Within this context this research seeks to provide an in-depth understanding of how micro business owners in Wales perceive success for their business, and from this, inform Government policies which seek to change behaviour of this category of business. The findings confirm other studies' results found in the literature that rather than seeking to maximize profits, micro business owners in Wales may judge success by independence and quality of lifestyle, among other possibilities.

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New Challenges for SMEs in India

In the Indian economy family run business constitutes a major chunk of small and medium enterprise. They constitute 95 % of all Indian companies and contribute to a major chunk of Indian exports. The ethos of close knit extended family relationship, family values and respect for elders has been the major contributory factors for the existence and flourishing of such SMEs. However this sector in spite of their tremendous relevance for the Indian economy falls outside the regulatory and enforcement policies of the large scale sector. The result has been that SMEs in India do not seem to have any much relationship with CSR. In view of the fact that "inclusive growth" has been the core of developmental policies in India, SMEs has a tremendous role to make the "trickle down" effect of growth, which has so far not worked out in India, to be made effective. The paradigm of SMEs and CSR should therefore be changed totally in the Indian context, since government efforts alone cannot lift the 35 million populations living below the poverty line. In view of the growing profitability and expansion of business of SMEs in an emerging economy like India, such responsibilities on the part of SMEs needs to be mandatory. However, CSR for SMEs in India needs to be worked out within the framework of a different paradigm altogether and cannot be viewed within the same framework as for large scale enterprises. Incentive based CSR activities which may be more socially relevant may form the new business model for SMEs. The present paper is an exploratory work where various strategies and methods for making such a paradigm successful and practicable has been discussed, which can also be a tremendous learning experience for all developing countries.

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Brand-Building of On-Line Firms

Brand building has recently become marketing priorities for small and medium enterprises. The supposition is that building a strong brand is believed to yield higher level of business performances of the on-line firms. The purpose of this paper focuses on brand building of on-line firms in the educational services. This article has applied a case study of the leading Taiwanese Live E-Learning brand to illustrate the importance of active constituents in building brands among natural crises and competitive markets. The findings present a model of brand building and its effort has to align with strong leadership's commitment on brand's vision through organizational activities both internal communication and training. As the result, firms can overcome crises and actively deliver the promises of the brand to both employees and customers. Implications present important guidelines for successful brand building which can be used tools for brand managers to develop the strong brand in on-line businesses. Limitations and opportunities for future research are also discussed.

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Global Financial Crisis and M&A

The global financial crisis is changing the landscape of M&A. Following two years of downturn in M&A activity, 2010 saw a renewed increase in cross-border M&A. Preliminary reviews of 2011 indicate up to 50% worldwide growth trends, with Asia increasing significant investment in Europe. Market perception is that current M&A activity and solid deals at fair pricing are creating positive financial value cross-borders for both the acquirer and sellers.

Companies responding to the global financial crisis are developing new strategies that focus on growth outside their home country. Our research focuses particularly on the increased complexity and challenges that cross-border technology acquisitions need to address in their effort to succeed globally. Strategic objectives include gaining access to new geographies and regions, increasing geographic diversification and investing in secondary markets. Building the business globally by leveraging strong worldwide sales forces to sell locally in part provides a tactical response to the economic shifts the crisis has created. Establishing presence in foreign countries affords companies a strategic advantage by accelerating their growth in pursuit of business development outside their current markets.

Current technology acquisition research focuses solely on corporate short-term financial goals based on valuation and price paid for a company or on the organizational design changes and employee engagement and satisfaction and turnover. Confusion, ambiguity, decreased performance, cultural change and a feeling of disconnection, are often associated with organizational change in national acquisitions - this proves to be magnified with introduction of different cultural elements. However, immediate financial gain and successful short-term integration activities may not be the drivers of these acquisitions. Instead, autonomous operations and processes may be a better position for the acquiring companies who are looking for long-term growth through global expansion.

Our research shows how today's global financial crisis is changing the M&A process and activities. The researchers take a critical realist approach, evaluating diverse sources of quantitative and qualitative data to analyze and identify the multiple factors of cross-border acquisition design strategy and the measures that influence success or failure of outcome.

Quantitative methods applied to economic data, surveys, and corporate key performance indicators combined with analysis of macro- and micro-economic indicators, corporate financials, legal and regulatory issues, corporate policies and accounting regulations that impact cross-border transactions provide insight on the M&A trends and research outcome.

Constructivist methods include industry analyst input and social commentaries. Interviews with subject matter experts are aggregated and processed through contextual analysis and interpretive reviews to identify the critical impact global economics has on multi-cultural M&A transactions.

The research details how the data was gathered, what the researcher's thought process was, how the interviews were conducted, and reflective comments that affected follow-on research phases and conclusive reports.

This research identifies changes in acquisition activities, including new ways technology startups are structuring and building their companies for potential global acquisition.

We conclude with other areas of M&A research that may be of interest as a result of global response to the current financial crisis.

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The Effects of Marketing and Market Orientation on Economical and Financial Performance in Portuguese SME

The market orientation degree has been studied for scientific and academic community, occupying actually a prominent place at the marketing research field. In a stakeholder's value creation perspective and in highly competitive environments, the development of a customer and market-oriented culture may represent the frontier to the company's survival, specially micro and medium enterprises. This article includes the results of an empirical research about marketing, market orientation degree and environmental variables such as competitive intensity and market turbulence as factors affecting the economic and financial performance of Portuguese micro and small companies located in a rural area. The results indicate that: (a) marketing is seen by these companies as an accessory, not deserving an attention materialized in practical actions that can be considered like strategic, (b) at market orientation level, the market information affects positively some performance indicators, (c) and economical and financial performance is superior in conditions of highly market turbulence and there is a negative relationship between competitive intensity and the companies ratio turnover/total assets.

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My First Company - Undertaking & Playing

The present work shows the results of the specific case of the Facultad de Contaduría y Administración (FCA) of the Universidad Autónoma de Baja California (UABC), Tijuana Campus, during the implementation of the **Program for Promotion of Entrepreneurial Culture called "My First Company - Undertaking & Playing "**; which aims to promote among children of elementary schools and university students, the culture of entrepreneurship.

In the specific case of the FCA of UABC, Tijuana Campus, in joint venture with the Elementary School "José María Larroque" address located in Justo Sierra # 8240 Colonia Morelos, Tijuana B.C., México, with groups of 5th and 6th grade, developing eight different projects, specifically four in each group. Each project was integrated by eight students of the elementary school and four university students who play the role as supervisors and advisor of the Business Project, all the project's where directed by the Coordinator of the program.

The program activities where covered exactly on 6 months of work, beginning in the month of September 2010 and ending in the month of March 2011. During this time, each team had to develop their business plan with a grant program called "The Seed Capital" equivalent to \$3,000 00/100 M.N.

Development Activities were previously established by bimonthly periods, in which the Coordinator of the program, trained and assigned in advance of each Advisor (university student) their responsibilities, being as follows:

1. Work Team integration.
2. Induction training program.
3. Defining the nature of each project.
4. Business Plan Development.
5. Acquisition, manufacture and sale of products.
6. Entrepreneur Expo Participation in 2010-2.
7. Participation in the Fair "My First Company 2011-1".

8. Closing Ceremony March, 2011.

The results obtain were: family integration and teamwork developed in students on both levels, which strengthened some skills such as: listening, following directions, respect for others, responsibility, creativity, punctuality and compromise developed by the children, the advisors and the coordinator.