

Business and Society in a Global Economy

Abstract Book

From the 5th Annual International
Conference on Business and
Society in a Global Economy,
19-22 December 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 *5th Annual International Conference on Business and Society in a Global Economy, 19-22 December 2011*, organized by the Athens Institute for Education and Research. In total there were 33 papers and 35 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 8 sessions that included areas such as Economics, Marketing, Business, Communication and Technology, 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

FINAL CONFERENCE PROGRAM

Athens Institute for Education and Research

Sponsored by
The Economics Research Division
and the Business and Law Research Division

**5th Annual International City-Break Conference:
Business and Society in a Global Economy
19-22 December 2011, Athens, Greece**

PROGRAM



**Conference Venue: [St George Lycabettus Boutique Hotel](#),
2 Kleomenous Street, Kolonaki, Athens**

ORGANIZING AND SCIENTIFIC COMMITTEE

- Dr. Gregory T. Papanikos, President, ATINER.
- Dr. Panagiotis Petratos, Vice-President ICT, ATINER & Associate Professor of Computer Information Systems, California State University, Stanislaus, USA.
- Dr. George Poulos, Vice-President of Research, ATINER & Emeritus Professor, University of South Africa, South Africa.
- Dr. Peter Koveos, Head, Accounting & Finance Research Unit, ATINER & Professor, Syracuse University, USA.
- Dr. Sharon Bolton, Head, Management Research Unit, ATINER & Professor, University of Strathclyde, U.K.
- Dr. Cleopatra Veloutsou, Head, Marketing Research Unit, ATINER & Senior Lecturer in Marketing, Department of Business and Management, University of Glasgow, Scotland, U.K.
- Dr. Gregory A. Katsas, Head, Sociology Research Unit, ATINER & Associate Professor, The American College of Greece-Deree College, Greece.
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- Dr. John Roufagalas, Head, Economics Research Unit of ATINER and Professor, Troy University, USA.
- Dr. Peter Yannopoulos, Academic Member, ATINER & Associate Professor, Brock University, Canada.
- Dr. Margarita Kefalaki, Researcher, ATINER.
- Ms. Lila Skountridaki, Researcher, ATINER & Ph.D. Student, University of Strathclyde, U.K.

CONFERENCE PROGRAM

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

Monday, 19 December 2011

08:00-08:30 Registration

08:30-09:00 Welcome and Opening Remarks

- Dr. Gregory T. Papanikos, President, ATINER.

09:00-10:30 Session I: Business and Social Issues in a Global World I

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

1. Graff, J., Associate Professor, SolBridge International School of Business, Korea. Recruitment Models for Lifelong Careers.
2. McLardy, M., HR Business/Partnership Coordinator, Coventry University, U.K. & Rogers, P., Lecturer, Coventry University, U.K. Benefits of Volunteering for Students: A Case Study at Coventry University.
3. Chagonda, T., Ph.D. Student, University of Johannesburg, South Africa. Gender Identity Ideals and Realities of Zimbabwean Male Migrants Doing Care Work in England.
4. Ku Ismail, K.N.I., Professor, University Utara Malaysia, Malaysia & Abdullah, S.N., Professor, International Islamic University Malaysia, Malaysia. Women Participation on the Boards of Malaysian Companies and Firm Performance

10:30-12:00 Session II: Information, Knowledge, Technology and Communications in a Global Business World

Chair: Petratos, P., Vice-President of ICT, ATINER & Associate Professor of Computer Information Systems, California State University, Stanislaus, USA.

1. Takizawa, H., Professor, Chuo University, Japan & Kawagoe, T., Professor, Future-University Hakodate, Japan. An Experimental Study of E-mail Games with Strategic Information Transmission and Communication Cost.
2. Rogers, R., Lecturer, Coventry University, USA, Manak, S., Lecturer, Coventry University, USA & Dunn, C., Lecturer, Coventry University, USA. The Application of E and Blended Learning Approach and its Impact on the Students Learning Experience Through Assessment Design. A Case Study.
3. Solyom, A., Ph.D. Student, Szechenyi Istvan University, Hungary, Bencsik, A., Professor, Szechenyi Istvan University, Hungary & Stifter, V., Ph.D. Student, Szechenyi Istvan University, Hungary. TKSP-model (Tacit Knowledge Sharing Pyramid)
4. Vasileiadou, E.M., Academic Staff, Brandenburg University of Technology, Germany. Structural and Cognitive-Embeddedness as a Basis for the Relational Capital Management of Web-Based Start-Ups.

12:00-13:30 Session III: Economic Themes

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

1. Sarica, P.S., Assistant Professor, Isik University, Turkey & Tasbasi, A.S., Assistant Professor, Isik University, Turkey. What is Turkish Economy Currently Telling Us? A Comparative Analysis of Trade and Labor Market Indicators.
2. Syrrakos, D., Lecturer, Manchester Metropolitan University, UK. On The Foundations and Viability of EMU: Lessons from the EMS Performance.
3. Homlong, N., Associate Professor, Volda University College, Norway & Springler, E., Deputy Director of European Economy and Business Management, Lecturer, University of Applied Sciences of Vienna, Austria. A Housecat Surrounded by Tigers? An Analysis of Cambodia's Economic and Social Development.
4. Nachum, L., Professor, City University New York, USA, Carnevale, M., Professor, City University New York, USA & Korn, H., Professor, City University New York, USA. Not all Competitors are Created Equal: The Heterogeneity of MNE Competitors and its Competitive Consequences.
5. Bergami, R., Lecturer, Victoria University, Australia. Incoterms 2010-Risk Management Approach.
6. de Bondt, G.J., Principal Economist, European Central Bank, Germany. Nowcasting: Trust the Purchasing Managers' Index or Wait for the Flash GDP Estimate?

13:30-14:30 LUNCH (Details during registration)

14:30-15:30 Session IV: Marketing Issues in a Global World

Chair: Veloutsou, C., Head, Marketing Research Unit, ATINER & Senior Lecturer, University of Glasgow, Scotland, U.K.

1. Das, M., Associate Professor, University of Maryland Eastern Shore, USA and Schiff, A., Professor, Towson University, USA. Non-Brand Product Attributes and Consumer Preference: Study of Health Expectations in Beverage markets. (Monday, 19th of December, 2011)
2. Azam, A., Ph.D. Student, Chongqing University, China & Fu Qiang, F., Professor, College of Economy and Business Administration, Chongqing University, China. Theory of Planned Behavior, Economic Value, Risk and Trust in E-commerce: An Integrated Model.

15:30-17:00 Session V: Ethics, Firm Governance and Social Responsibility

Chair: Bala, M., Professor, Indira Gandhi National Open University, India.

1. Shyle, I., Lecturer, Polytechnic University of Tirana, Albania & Teta, J., Lecturer, Polytechnic University of Tirana, Albania. Ethic and Social Responsibility in Marketing.
2. Stamate, A., Teaching Assistant, Bucharest Academy of Business Studies, Romania. European Competition Policy Vs. Property Rights: The Chicago, Freiburg and Viena Schools of Thought. Economic and Ethical Aspects of the Problem.
3. Bundaleska, E., Assistant Professor, University American College Skopje, Fyrom & Dimitrova, M., Assistant Professor, University American College Skopje, Fyrom. The Business Case for Corporate Social Responsibility in Education.

17:00-19:30 Session VI: Performance, Productivity and Competitiveness

Chair: de Bondt, G.J., Principal Economist, European Central Bank, Germany.

1. Bala, M., Professor, Indira Gandhi National Open University, India. Firm-Level Sources of Productivity Growth: Evidence from Indian Automotive Parts and Services Industry.
2. Koveos, P., Professor, Syracuse University, USA, Barkley, T., Assistant Professor, Syracuse University, USA & Yang, I., PhD Student, Syracuse University, USA A Study of the Relationship between Firm Investment and Stock Returns.
3. Sofian, S., Lecturer, University of Technology Malaysia, Malaysia. The Influence of Integration of Intellectual Capital and Activity-Based Management on Organizational Performance.
4. Stifter, V., Ph.D. Student, Szechenyi Istvan University, Hungary, Bencsik, A., Professor, Szechenyi Istvan University, Hungary & Solyom, A., Ph.D. Student, Szechenyi Istvan University, Hungary. Tacit Knowledge Transfer of Key Workers by Hungarian Companies.
5. Drozdova, N., Associate Professor, St.Petersburg State University, Russia & Kormilitsyna, I., PhD Student, St.Petersburg State University, Russia. Entrepreneurship Development in Russia in the Late Nineteenth - Early Twenties Century: Environmental Context.

20:00 - 22:30 Greek Night (Details during registration)

Tuesday, 20 December 2011

08:30-10:30 Session VII: Economic Aspects of a Global World

Chair: Rosner, D., Assistant Professor, Metropolitan College of New York, USA.

1. Lobel, O., Professor, University of San Diego, USA & Amir, O., Associate Professor, University of California San Diego, USA. Innovation Motivation: Behavioral Effects of Post-Employment Restrictions.
2. Vozikis, G., Professor, California State University, USA & Hadgiioannou, A., Independent Researcher, Greece. Family Business Succession: The Case of the Abrupt or Involuntary Succession.
3. Sloev, I., Assistant Professor, Higher School of Economics, Russia. Strategic Vertical Separation Under Diseconomy of Scale.
4. Zandamela, H., Senior Lecturer, University of the Witwatersrand, South Africa. Does Solidarity Economy Matter in a Globalised Economy?
5. Ramakrishnan, S., PhD Student, Deakin University, Australia, Ganon, G., Professor, Deakin University, Australia & Liu, R., Professor, Deakin University, Australia. Capital Structure Determinants across Sectors in Malaysia. Does Firm Size Matters?

10:30-12:00 Session VIII: Business and Social Issues in a Global World II

Chair: Nachum, L., Professor, City University New York, USA.

1. Fatehi, K., Professor, Kennesaw State University, USA. International Management and Typology of Cultures.
2. McGraw, B., Professor & Center Director, Saint Mary's College of California, USA. Moral Economy in Global Perspective.
3. Rosner, D., Assistant Professor, Metropolitan College of New York, USA. Aporia: Ancient and Postmodern.
4. Jaunmuktane, A., PhD Student, Latvia University of Agriculture, Latvia. Voluntary Work-The Case of Latvia.

12:00-12:45 LUNCH (Details during registration)

12:45 - 16:00 Urban Walk (Details during registration)

21:00 - 22:00 Dinner (Details during registration)

Wednesday, 21 December 2011

Delphi Visit: Departure at 07:55 Return at 19:30 (Details during registration)

Afshan Azam

PhD Scholar, Chongqing University, China.

Fu Qiang

Professor, Chongqing University, China.

Theory of Planned Behavior, Economic Value, Trust and Perceived Risk in E-commerce: An Integrated Model

E-commerce has become an inimitable marketing channel for business transactions. Online stores and services are important sales channels in business to customer (B2C) transactions. Studying online consumer behavior has been one of the most important research outlines in e-commerce since the last decade. The popularity and significance of e-commerce are drawing more and more attention on the research of online consumer behavior. Attracting and retaining online consumers is the key to the success of e-commerce. Despite the phenomenal growth of Internet users in recent years, the penetration rate of Internet purchasing is still very low and one of most often quoted reasons is the lack of consumers' trust (Hoffman et al., 1999). Many scholars have studied online consumer behavior from multiple points of view. These scholars can be categorized by two broad views, the consumer-oriented view and the technology-oriented view (Jarvenpaa and Todd 1997).

Literature shows many factors that affect the online consumer behavior for example lack of trust, risk, lack of information security, lack of facilitating conditions and many more but a complete reporting of all possible factors in one research model is almost unfeasible. Most studies centered on a few foremost factors for example Lee *et al.* (2003) examined the relationships between customers' satisfaction and their commitment value ;Koufaris (2002) investigated constructs which come from information systems (technology acceptance model), marketing (Consumer Behavior), and psychology (Flow and Environmental Psychology) in one model; Pavlou (2003) studied interrelationships between consumer acceptance of e-commerce and trust, risk, perceived usefulness, and perceived ease of use;. In Lee's *et al.* (2003) research, the customer's commitment value is defined as total value perception from a buyer and is composed of three components: socio-psychological, economic, and product values. Recently, Pavlou and Fygenon (2006) examined consumer's adoption of e-commerce with the extended theory of planned behavior (TPB) (Ajzen 1991). In their research model, consumer behavior was separately examined in terms of getting information behavior and purchasing behavior, both of which were

influenced by trust and perceived risk, consumer's attitude, social influence, personal online skills, and technology-oriented factors including perceived usefulness, perceived ease of use and web site features.

The objective of this paper is to provide a unified, theoretically grounded framework for consumer behavior in electronic environments. An overview of the research on e-commerce and online consumer behavior is presented, examining the nature of the concept, its definition, and the factors and processes that contribute to online purchasing. This paper develops and tests an integrated model of consumers' adoption of electronic commerce transactions by combining theory of planned, economic value, risk and trust constructs. This study investigates how do perceived usefulness and perceived ease along with trust, perceived risks and the perceived economic value of ecommerce impact online consumer behavior? Data were collected from 360 university students with self-administrative questionnaire. Questionnaire is developed from literature related to model constructs. The model is been statistically analyzed which provide the support for model. Analysis of the data indicates that trust has a positive and risk has negative influence on attitude towards online purchasing which in turn positively affect purchasing behavior. Economic constructs are two important factors to drive consumer to purchase online and therefore both of them positively influence attitude toward purchasing. Constructs of theory of planned behavior also have significant results which are discussed in this paper. We also discussed the implications and limitations of this study.

Madhu Bala

Professor, Indira Gandhi National Open University, Delhi.

Firm-Level Sources of Productivity Growth: Evidence from Indian Automotive Parts and Services Industry

The economic reforms in 1991 in India have triggered the already existing debate over spillover effects of MNCs. As the existing literature points out that while competition provided by the MNCs has led to the loss of skilled labour and reduced market; the positive impact has been manifested directly in terms of employment growth, exports and technology benefits for host country at macro level and indirectly through labour mobility and demonstration effects for upgrading the existing technologies of the local firms for efficient resource mobilization and improved competitiveness. The net effect of such policy debates has led policy makers to attract MNCs and FDI. Much of the literature on the subject has focused on the direct spillover effects of FDI (Haddad and Harrison, 1993; Aitken and Harrison, 1999; Djankov and Hoekman, 2000; Konings, 2001; Haskel et.al., 2002, Kathuria, 2002; Keller and Yeaple, 2003 and Sinani and Meyer, 2004). In this context, the present study departs from the earlier literature and compares the TFP of foreign and domestic firms and endeavors to find out the sources of such productivity differences.

Using information of 132 firms in the automotive parts and services industries, we calculate total factor productivity (TFP) for the period 1994-2009. By applying recent empirical work addressing the question of why performance differs in their measured productivity levels, we use among others, ownership structure, heterogeneity of firms, credit constraints, public infrastructure and international trade as important sources explaining productivity differences within the industry. The study applies both parametric and non-parametric analysis for analyzing the growth of TFP at the firm level and ascertaining the difference in Indian and foreign firms and also the determinants of TFP growth in the industry.

Roberto Bergami

Senior Lecturer, Victoria University, Melbourne, Australia.

Incoterms 2010 – A Risk Management Approach

Incoterms are a set of voluntary rules for the delivery of goods that are commonly used for international trade transactions. These rules were devised by the International Chamber of Commerce (ICC) in 1936 and have been regularly updated, to keep pace with changing cargo handling practices and barrier control activities around the world. The latest version of these rules - Incoterms 2010, became effective on 1 January 2011.

Incoterms outline, on a mutually exclusive basis, the rights, duties, responsibilities and obligations of trading parties in so far as the movement of the cargo is concerned, and the necessary activities associated with such movement, such as: contracts of carriage and insurance, border clearance and related security obligations, and payment of fees.

Incoterms 2010 introduce significant changes, with the abolition of four terms from the previous version (Incoterms 2000) and the introduction of two new terms. Additionally, there are significant changes in relation to the risk transfer point in maritime trade, especially in relation to the delivery of the goods in the context of Free On Board (FOB) transactions and its incorrect application to maritime container movements.

The new regime introduced by the Incoterms 2010 is discussed in this paper, from an Enterprise Risk Management (ERM) perspective, based on a business risk framework that highlights the possible consequences against each of the eleven Incoterms 2010. In particular, the discussion focuses on the risks and consequences that may result through the incorrect application of the FOB term applicable to maritime container trade.

The paper concludes that traders need to develop a sound understanding of the Incoterms 2010 to assist them in identifying the risks attached to each Incoterm. This understanding should assist traders in adopting appropriate ERM strategies, including the selection of the most appropriate Incoterms choice, according to particular circumstances, thereby minimising the likelihood of losses for the individual trader.

Gabe J. de Bondt

Principal Economist, European Central Bank, Germany.

Nowcasting: Trust the Purchasing Managers' Index or Wait for the Flash GDP Estimate

This study shows for the first time that euro area real GDP nowcasts using the Purchasing Managers' Index (PMI) survey can be more accurate than Eurostat's flash real GDP estimate for extended periods of time in predicting the final GDP release. Real-time results for the years 2003 to 2010 indicate that nowcasts of quarter-on-quarter euro area real GDP growth using the PMI composite output index have outperformed the flash real GDP estimate in particular over the years 2003-2007, but even in a few cases on average over 2003-2010. Simple PMI-based rules of thumb for nowcasting real GDP growth can also be derived at the country level. In contrast to the euro area, the PMI rules do generally not outperform the flash GDP estimate at the country level, with the main exception of the pre-crisis years in Germany due to a comparatively poor performance of the German flash GDP estimate. These findings imply that a close look at the PMI surveys is valuable for a reliable and early assessment of the current state of the euro area economy.

Elena Bundaleska

Assistant Professor, University American College Skopje, (FYROM).

The Business Case for Corporate Social Responsibility in Education

In the dynamic global marketplace, understanding the fundamental connections between business, the environment, and society has become essential. The roles and responsibilities of business, as a global force, are becoming more complex, and concepts related to societal responsibility and sustainability are gaining recognition as essential elements in business management.

Increasing complexity requires new approaches. Companies need integrative management tools that help incorporate environmental, social, and governance concerns into their strategic thinking and daily operations. They require talented and ethical leaders to do so.

That is why companies need the help of the academia. By being involved in the education of current and future managers, academic institutions most directly act as drivers of business behavior. They help shape the attitudes and behavior of business leaders through business education, research, management development programs, training, and other activities, such as the spread and advocacy of new values and ideas. Through these means, academic institutions have the potential to generate a wave of positive change, thereby helping to ensure a world where both enterprises and societies can flourish.

However, there is much more that can be done by the academic institutions. This Paper will try to identify and evaluate the actions, methods, means that may be employed by the academic institutions to support and promote social responsibility. The Paper will discuss the Global Compact Principles of Responsible Education, as well as other relevant documents, principles or recommendations, and possible suggest new directions and aspects of improvement.

Due to the fact that businesses by definition are profit driven, considering the academic institutions merely from a business perspective (stressing that this is not the essence of the existence of the same), the Paper will also consider the question: Is there a business case for CSR of academic institutions, and if so, what is it?

Tapiwa Chagonda

Post-Doctoral Fellow, University of Johannesburg, South Africa.

Gender Identity Ideals and Realities of Zimbabwean Male Migrants Doing Care Work in England

This paper argues that Zimbabwe's decade of crisis (1997-2008) had profound effects on how some Zimbabwean men affirmed their masculinity. The political impasse and economic meltdown that characterized the Zimbabwean problem shaped and re-shaped the ways in which masculinity is constructed and expressed by Zimbabwean men. The experiences of some Zimbabwean male migrants in England lends credence to Haywood and Mac an Ghail's (2003) contention that masculinity is not only shaped by culture and patriarchy but also premised on different men's relationship to the economy. This paper is based on a study conducted in 2010 of Zimbabwean male migrants who have migrated to England and are engaged in care work, as a consequence of the deepening economic implosion in Zimbabwe. The study's findings reveal that participating in care work in 'feminised spaces' in England, has left some men feeling emasculated. However, on the other end of the continuum, some of the men interviewed expressed feelings of being 'real men' because they have been able to provide for their families despite working in spaces that are largely the preserve of women in Zimbabwe. It is this paper's contention that these contradictory feelings over care work expose the varied nature and fluidity of masculinities.

Monisha Das

Associate Professor, University of Maryland Eastern Shore, USA.

Non-Brand Product Attributes and Consumer Preference: Study of Health Expectations in Beverage Markets

This study of consumer preference is an exploration of non-brand product attributes. We hypothesize that in the absence of strong brand identity non-brand product attributes underlie consumer attitudes. We model the preference decision for a consumer product on multiple attributes. To test our model we use multivariate analysis. Based on the results we make predictions on consumer choice based on a variety of product and service attributes. Since tea is the second most popular drink in the world, after water, we use surveys of consumers of tea from four countries: USA, Turkey, India and the UK to identify similarities and differences in processing health information in consumer choice. Our findings also identify critical attributes that have enabled tea to sustain its markets in the face of innovations in branded beverage marketing.

Natalia Drozdova

Associate Professor, St.Petersburg State University, Russia.

Irina Kormilitsyna

PhD Student, St.Petersburg State University, Russia.

Entrepreneurship Development in Russia in the Late Nineteenth - Early Twenties Century: Environmental Context

The end of the nineteenth century is considered to be the period of sharp increase in the foundation of joint-stock companies in Russia, and in the early twentieth century, corporatization covered all the main Russian industries. Although in the period under review Russia demonstrated stable rates of growth in the number of established joint-stock companies, it was inferior to the main developed countries in the absolute number of joint-stock companies. Qualitative and quantitative analysis was conducted in order to reveal stimulus and obstacles to the foundation of joint-stock companies in Russia in the late XIX – early XX century. An econometric model describing the impact of the following six factors on the foundation of joint-stock companies was built: personal consumption, fiscal sustainability, volatility of the ruble, customs duties, transport infrastructure, and dividend yield. The regression analysis results showed that the growth of personal consumption, the improvement of transport infrastructure and high dividend yield stimulated the foundation of joint-stock companies, while excessive customs duties hampered the process. Variables describing the influence of fiscal sustainability and volatility of the ruble on the foundation of joint-stock companies turned out to be statistically insignificant in the regression model. The authors of the paper also discuss such factors influencing the foundation of joint-stock companies in Russia as the procedure of company establishment and specific Russian culture. The authors argue the fact that antipathy toward capitalism was inherent in Russian culture and negatively influenced the foundation of joint-stock companies in Russia in the period under consideration.

Kamal Fatehi

Professor, Kennesaw State University, USA.

International Management and Typology of Cultures

While the use complex models of cultural dimensions (e.g. based on research by Hofstede or GLOBE) have contributed much to our understanding of cultural differences, a simpler model could be more practical. The aim of this paper is to offer such a model. Through the use of a framework consisting of two dimensions, Group and Grid, a matrix of typology of cultures is introduced. Within the framework of this typology, managerial implications of cultural differences are discussed. As an example, and to illustrate its relevance and application to management, this matrix is applied to a modified version of the Liker's System 4. The model and the suggested application provide a backdrop for further elaboration and conclusion.

Jens Graff

Associate Professor, SolBridge International School of Business, Korea.

Recruitment Models for Lifelong Careers

The purpose of this paper is to construct quantitative learning and competence assessment methodology for recruiters of mature candidates.

A literature study has been performed for construction of recruitment models assessing lifelong careers.

In the paper there are developed quantitative recruitment models for lifelong careers. The models make it possible to prioritize candidates on competence criteria.

The recruitment models created can be used by employers in assessing mature candidates, who are applying for jobs - especially jobs in other fields than their present. By using assessment methodology on the experiential learning part of careers assessors obtain more valid assessment of candidates' learning and thereby their competence for the job.

Societies want flexible labor markets with labor mobility. It is important for society to have people placed in the right jobs, where candidates are assessed on their capabilities.

The paper proposes quantitative assessment methodology for lifelong careers that can be utilized by employers in assessing mature candidates for jobs.

Nathalie Homlong

Associate Professor, Volda University College, Norway.

Elisabeth Springler

Deputy Director of European Economy and Business Management,

Lecturer, University of Applied Sciences of Vienna, Austria.

A Housecat Surrounded by Tigers? An Analysis of Cambodia's Economic and Social Development

Many countries in East, South and South East Asia, like China, India and Vietnam, have been experiencing strong GDP growth in the past years, and in spite of a variety of challenges, economic growth has led to improved living standards for at least parts of the populations in these countries. Cambodia experienced a period of high (around 10%) GDP growth rates from 2004 to 2007, and the development of the garment sector, tourism, as well as farming and construction are the sectors primarily responsible for economic growth in this South East Asian country. However, economic development is strongly geographically concentrated around the capital Phnom Penh and a few more towns, while rural regions have hardly been able to benefit. Furthermore, almost one third of the population is under the poverty line. Cambodia has not been able to attract a lot of foreign direct investment, and relies heavily on foreign development aid. The aim of this paper is on the one hand to investigate the reasons for the less dynamic economic development in this country compared to other countries in the region, by analyzing institutional, social and historical factors. On the other hand an overview over the social and economic effects of this pattern of economic development is given. Methods are analysis of statistical data and expert interviews conducted in Cambodia with government officials, representatives of NGOs and businesses.

Aija Jaunmuktane

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Voluntary Work-The Case of Latvia

The paper describes volunteering implementation issues in Latvia. Unlike the long-term traditions concerning the development of voluntary work in the countries mentioned in the research, it must be noted that in Latvia, voluntary work movement only started to be developed in a purposeful and organized manner as late as 1998. Therefore the research shows that in Latvia volunteer work has been identified as relatively new kind of leisure activities where the human capital has been accumulated. By undertaking voluntary activities in his or her free time, an individual can accumulate his or her human capital, which provides a link between voluntary work and economic processes. Human capital is one of the key factors that define the potential of a country's economic growth, as demonstrated by the objective of the Latvian National Development Plan 2007-2013 that an educated and creative person is a priority for improving the quality of life. Although volunteering has important role in accumulation of human capital, infrastructure for the development of voluntary work has not been created in Latvia, and regulatory enactments do not cover voluntary work in an adequate manner. Currently regulatory enactments in effect in Latvia stipulate the putting into effect of voluntary work merely within a specific field.

The following research methods were used: monograph method, comparative method, constructive logic, analysis and synthesis, inductive and deductive methods.

Ku Nor Izah Ku Ismail

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Shamsul Nahar Abdullah

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Women Participation on the Boards of Malaysian Companies and Firm Performance

The importance of women in spearheading the economy of a country is very well recognized. This study examines the level of women participation on the boards of Malaysian listed companies, and examines the association between women participation on the board and firm performance. We use normalized Tobin's Q and return on assets (ROA) to measure firm performance. An analysis of 841 companies in 2008 shows that 362 (43 percent) of the boards are represented by women, a majority of which are represented by only one woman. On average, women occupy only 7.72 percent of the board seats. This is far from the recently announced requirement in which by 2016, the private sector in Malaysia is required to have 30 percent women at the decision making level. This study also shows that a majority of the female directors belong to the Chinese ethnic group, younger than their male counterparts, have one to five years of director experience, and are non-independent directors. Results on the association between women participation on the boards and firm performance are mixed. Using normalized Tobin's Q as a measure of performance, we find that firms with women directors perform poorer than those without women, at a 10 percent significant level. The facts that many of the women directors have a family relationship with other directors and family-owned companies perform poorly compared to non-family-owned companies (when Tobin's Q is used) may explain the result. This is because profitability is not the only goal of family-owned companies. On the other hand, when the ROA is employed, firms with women on boards perform better than those without women, at a 10 percent significant level. This result is consistent with the hypothesis that women representation on the boards of companies is positively associated with company performance. The findings of this study may provide input to the authority responsible for promoting women to become board directors.

Orly Lobel

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On Amir

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Innovation Motivation: Behavioral Effects of Post-Employment Restrictions

Traditional economic models view post-employment restrictions as necessary constraints stemming from the assumption that absent such contractual protections, employers would under-invest in R&D and employee training. This article enriches the analysis of human capital investment by exploring effects on employee motivation while keeping in mind the aggregate dimension of mobility over time. The article reports original experimental research demonstrating that contractual background affects motivation and performance: in a pure effort task, individuals abandoned the task at higher rates, spent less time on it, and failed more frequently to find the correct solution when bound by post-employment restrictions. At the same time, some of these effects, including time on task and quality of performance, largely disappeared in a task that invoked internal talent and creativity. The article links recent empirical evidence about positive spillovers with a behavioral analysis that suggests further positive effects, together offering a richer perspective of the costs and benefits of post-employment restrictions.

Barbara McGraw

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Moral Economy in Global Perspective

As the disparity between the wealthy and the poor in the U.S. increases and the financial meltdown in the U.S. infects the financial system throughout the world, global voices question U.S.-style capitalism. This paper will discuss the original religio-cultural roots of the prevailing views of capitalism in the U.S., particularly those found in Calvinism, and make comparisons to religio-cultural perspectives on moral economy in China's Confucianism and the Middle East's Islam.

Religio-cultural perspectives on moral economy are often overlooked as global economic institutions focus on practical and utilitarian goals. This paper will show that the failure to take account of religio-cultural aspirations for a moral economy results in the objectification of human beings and the world. This leads to a worldwide economic system that does not aim to make a better world for all of its inhabitants – which is the underlying assumption of each religio-cultural perspective (even when it is not actually manifested) – but rather makes the many the instruments of the few.

This paper will ask and begin to address the question “How can recognition of diverse views of moral economy, such as those referenced above, contribute to a more robust conversation on the global level about the proper role of business in society than is often now occurring?” And it will suggest that the inclusion in global discourse of the original foundations of diverse religio-cultural perspectives on moral economy could lead to a reorientation of current assumptions and contribute to the development of global economic policies that are more responsive to the prospects of the masses and less focused on the accumulation of wealth by the powerful.

Michelle McLardy

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Ray Rogers

Lecturer, Coventry University, USA.

Patricia Rogers

Lecturer, Coventry University, USA.

Benefits of Volunteering for Students: A Case Study at Coventry University

This paper describes a research project undertaken in the Human Resource Department at Coventry University. The research focuses on the Benefits that, Students accrue from Volunteering. The paper focuses specifically on a group of students that have volunteered to work at the London Olympics 2012. Specific reference to both personnel and employment benefits are considered after acceptance as a volunteer and the training given to them prior to actually undertaking the role as a volunteer. This research holds interest on two levels, first the topic of volunteering, and secondly the United Kingdom Governments alledged belief that volunteering has benefits for all.

The impetus for encouraging volunteering has come the belief that the experience gained from volunteering has a marked affect on students employment prospects both in the United Kingdom and the International employment market and that the experience of volunteering was a character enriching one. Pressures from employers with regards to work experience being critical in their selection process has forced UK universities to find ways of enabling students to acquire work experience. Two vehicles readily present themselves as a solution to the work experience problem, one is internship and the other is volunteering. This research, it is hoped, will in some way illuminate the benefits of volunteering for a high profile event such as the London Olympics.

The issue of encouraging and selecting students believed to be suitable for the volunteering route to work experience, and personnel character building is also explored. While taking into account the academic and personnel pressure they are under while studying for their relevant qualifications.

The students own reflection on their experience of the recruitment and selection process as well as their views on the training given to date has also been taken into account in this paper.

Lilach Nachum

Professor, City University New York, USA.

Marina Carnevale

Professor, City University New York, USA.

Helaine Korn

Professor, City University New York, USA.

Not all Competitors are Created Equal: The Heterogeneity of MNE Competitors and its Competitive Consequences

By virtue of their activity across multiple countries and their participation in different competitive settings, MNEs confront competitors that have different assets and varying competitive strengths and weaknesses. We maintain that this heterogeneity entails that the competitive intensity and the value of MNE assets vary in competition with different competitors and across different markets. We classify the competitors that a focal MNE confronts by nationality (own nationality vs. foreign nationalities), geographic scope (purely domestic firms vs. other MNEs) and the location of the competitive engagement (at home vs. abroad), and advance hypotheses regarding the intensity of the competition and the determinants of performance in competition with these various competitors. These predictions are tested based on samples of US legal services MNEs in competition with US domestic legal services firms, and non-US legal services MNEs taking place in the US and abroad. The findings show that nationality differences exercise a small effect on competitive dynamics, whereas geographic scope and the location of the competition introduce significant variations. Our study contributes to the understanding of MNE advantages by illustrating that different competitors matter in different ways. It enriches the discussions of MNE theory on the determinants of MNE competitive advantages and competitive performance by explicitly accounting for the role of the competition in determining these outcomes.

Suresh Ramakrishnan

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Gerard Ganon

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Ruipeng Liu

Professor, Deakin University, Australia.

Capital Structure Determinants Across Sectors in Malaysia. Does Firm Size Matters?

This paper critically examines the impact of different firm sizes on the relationship between capital structure determinants and leverage across sectors in Malaysia. Using the OLS and fixed effect analysis, this study reveals that firm-level determinants and debt financing patterns are highly affected by firm size and sectoral characteristics. Both datasets i.e. balanced and unbalanced panel data confirm the effect of capital structure determinants, i.e. firm-level determinants on leverage differs across firm sizes. The substance of each variable on leverage varies across large, medium and small firms. The sensitivity between long term debt and firm-level determinants is traceable among large firms while the short term debt is the more responsive of these variables among the medium-sized and small firms. The relationship between firm-level determinants and leverage remains consistent across firm sizes except risk. Therefore, the overall sample provides evidence related to the firm size effect as the firms were classified into different sizes according to paid-up capital. The impact of sectoral characteristics and different firm sizes could be seen as the model controls these variables. Firstly, the orientation between leverage and capital structure determinants differs across manufacturing and non-manufacturing firms. Despite some similarities, differences exist between consumer product and industrial product sectors though both sectors are classified as manufacturing companies. A great inconsistency is perceptible among large and medium-sized firms across selected sectors. The mechanism between capital structure determinants and leverage differ across medium-sized firms as the orientation is highly controlled by the nature of the sector. A similar pattern is observable among the small firms as they differ within and across sectors. Though the numbers of observations are not comparable between these three sectors, the sectoral characteristic and firm size effect is noticeable. Most of the time, the industrial product sector shows a stronger results as compared to the technology sector though

Ray Rogers

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Sukhvir Manak

Lecturer, Coventry University, USA.

Chris Dunn

Lecturer, Coventry University, USA.

The Application of E and Blended Learning Approach and its Impact on the Students Learning Experience through Assessment Design A Case Study

This paper describes a research project undertaken regarding the rapid increase in the use of technologies within at Higher Education. Universities are becoming increasingly aware of technology reaching out to volumes of students where teaching is conducted traditionally and electronically. This blended form of teaching has allowed universities to design modules in a more creative and innovative way enabling students to benefit from class as well as electronic contact. Due to external pressures in the environment, universities are facing immense expectations to deliver more innovative ways of teaching and learning.

The impact on academic work due to this significant push towards innovative and creative strategies towards teaching and learning assessments has not been an easy transitional approach (Warwick, 2007). Researchers insist it is imperative that UK Higher Education providers pay close attention to the quality of what they offer in terms of accountability, increased competition (Turner, 2006) and improving the overall learning experience of both UK and international students within the UK.

Howe, Towle and Brett (2008) offer an interesting perception on this field of e-learners and stipulated the importance of understanding how learners experience and participate in e-learning focussing on using technologies. A growing number of initiatives have been designed to assist the use of technology for example at Coventry University a Virtual Learning Environment (VLE) has been created through the use of a web-based technology adopted for the use of all staff, students and external stakeholders. This web based technology is called Moodle.

The aim of this study is to ascertain whether students can benefit from e-learning methods through teaching and learning, especially the use of assessment methods. The Business School with Coventry University face a growing issue of large modules. Some of the modules

taught have recruited large numbers of students up to 420 students on some modules and programmes. This poses a great challenge on the teaching and learning curriculum from the perspective of resources. Management have to make serious considerations such as room availability and access to large lecture and seminar rooms as this becomes a challenging issue when delivering teaching and learning materials. Whilst this is becoming an increasing challenge across the department, academics are using technology as a way of assessing students especially where there are large volumes of students.

David Rosner

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Aporia: Ancient and Postmodern

This paper contrasts the concept of aporia in ancient Greek philosophy with that form of aporia currently present in the spiritual condition of the post-modern west. The ancient Greek conception, e.g., that found in Plato's dialogues, involved a sense of wonder at the world's mysteries, as well as a cathartic motivation to discover the answers to difficult philosophical questions. In the post-modern version, a number of central assumptions of Western Civilization have been challenged as a result of the upheavals of modernity. Many aspects of nature, for example, have now been explained through the discoveries of science, with its secrets harnessed for human purposes through recent technological advances. According to some pessimistic thinkers, this process has led to a state of spiritual disenchantment as well as the loss of an overarching religious or moral compass. Other thinkers are more optimistic about the aporiai of postmodernity, believing that they should be viewed as offering not a depressing narrative of loss but rather as presenting a unique opportunity for new, refreshing paradigms of thought and action.

The paper is divided into three sections:

The first section discusses post-modern secularism and its possible implications with regard to a disenchanted world. More positive accounts of secularism are also analyzed.

The second section analyzes the rise and spread of religious fundamentalism across the three great Western monotheistic religions as a reaction to the dislocations of post-modernity.

The third section examines the pros and cons of post-modern aporia. I ultimately argue that, despite some interesting objections, aporia as we are experiencing it today is actually nihilistic and is therefore not an acceptable status quo.

Pinar Soykut Sarica

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Asli Sen Tasbasi

Assistant Professor, Isik University, Turkey.

What is Turkish Economy Currently Telling Us? A Comparative Analysis of Trade and Labor Market Indicators

In the aftermath of the 2007-2008 financial crisis, several economies including developed ones have experienced reductions in growth which can be attributed to falls in trade, commodity prices, investment and employment. In this context, this paper ascertains the current dynamics of trade and labor market in Turkey for the years 2007 to 2011 and presents an overview of the main mechanisms through which the crisis is impacting the country. We first evaluate the key indicators of the labor market, namely labor force participation rate, employment-to-population ratio, employment by sector, hours of work, unemployment rate, working age population and wages. We then investigate the main trade indicators, i.e. trade of goods and services, current account deficit and balance of payments. By building a comparative perspective, we attempt to highlight some policy options available to countries confronting the crisis in order to have positive outcomes such as employment generation, improving aggregate welfare and a sound economic recovery.

Irma Shyle

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Jonida Teta

Lecturer, Polytechnic University of Tirana, Albania.

Ethic and Social Responsibility in Marketing

To understand ethics, we must examine how they have evolved and how they impact on society and on individual lives. This paper begins by contrasting personal and business ethics and the looks at ethics in marketing. The notion of "social responsibility" is introduced. This concept justifies different and often competing systems of ethic.

Marketing is the interface between different and often competing value systems: the firm's, the customers' and those of other publics with which businesses must deal. Marketing is the most visible portion of a company's policies, and, as such, is the focus of consumer and media attention. If marketing is to continue to play a responsible role in society, marketers need to know the role played by ethics in their activities.

Igor Sloev

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Strategic Vertical Separation Under Diseconomy of Scale

The paper investigates firms' incentives to vertically separate (i.e., to sell their products through independent exclusive retailers) and to vertically integrate (i.e., to retail their own products) in a framework of Cournot duopoly with decreasing returns to scale. In contrast to existing results, our analysis shows that the equilibrium market structure critically depends on a firms' cost structure.

Under very mild assumptions of demand and cost functions, we demonstrate that vertical integration and separation coexist whenever diseconomy of scale is high enough for at least one firm. Moreover, two asymmetric equilibria may exist in a completely symmetric game. Also, the research shows that asymmetric equilibria exist even in a completely symmetric game. Furthermore, we provide a closed form solution for the case of quadratic costs and a linear demand. Under these assumptions, we show that in addition to previous results, one additional type of equilibrium arises. In particular, if diseconomy of scale is low for one firm and moderate for another, then there exists a unique equilibrium where the more efficient firm separates and the less efficient one integrates. We show also that both consumer surplus and total welfare are maximized if both firms separate, while the firms' profits are higher under Cournot competition.

Our analysis provides a possible explanation for a widely observed asymmetry in firm sales strategies based on decreasing economies of scales and cost asymmetry. Notably, in the model, separation neither implies a change in the production function nor relates to additional costs. In this sense, we have shown the existence of asymmetric equilibria in a "pure" separation game.

Saudah Sofian

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The Influence of Integration of Intellectual Capital and Activity-Based Management on Organizational Performance

Intellectual capital (IC) i.e. knowledge, experience, professional skill, good relationships, or technological capacity, is a major source of corporate competitive advantage. ABM provides value analysis based on cost information, cost driver and performance measures for support improvement and improve decision making. This paper examines the impact of integration IC and ABM on corporate performance. We investigated whether firms investing heavily on IC are more likely to have high performance. We also explore whether firms investing heavily on IC are more likely to choose ABC/M as their costing method. The paper reports the results of a study conducted through a questionnaire survey on managers in 93 companies investing highly in IC. Statistical analyses i.e. mean, t-test and regression were employed to analyse the data. Results suggest IC has a high impact on performance and the integration of IC, the majority of the companies are practicing ABM and ABM has a higher impact on organisational performance. These findings are discussed and recommendation to practitioners and further research has been made.

Andrea Solyom

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Viktória Stifter

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Andrea Bencsik

Professor, Szechenyi Istvan University, Hungary.

TKSP-model (Tacit Knowledge Sharing Pyramid)

In our presentation we introduce a new model which is called the TKSP-model, the Tacit Knowledge Sharing Pyramid. The necessity of developing this new model was confirmed through the thinking about a well-known slogan. According to Edwin Land, leader of HP, „90 percent of Polaroid’s capital sit in their car and go home every evening.”

But Land thought that in the morning they sit back in their car and the 90 percent of Polaroid’s capital will be at one place and available again. But what would happen if it is not so?

Since most of the tacit knowledge is personal, non-verbalized, based on personal experiences, the question arises: what kind of new tasks does it mean for the company to retain this knowledge – first of all the knowledge of key workers?

With this model we examined if – analogical to the best predictable employee movement (retirement) – it is possible to develop a toolbar which facilitates the retaining of tacit knowledge in the organizational memory in case of other foreseeable employee movements, too.

The usefulness, significance and scientific role of the model is supported through a large-scale research. In our presentation we would like to interpret this.

Andreas Stamate

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European Competition Policy Vs. Property Rights: The Chicago, Freiburg and Viena Schools of Thought. Economic and Ethical Aspects of the Problem

European Competition Policy aims at creating a single and integrated European market, purpose for which it acts against the anti-competitive practices of the private entrepreneurs or of governments. According to it, competition can be *harmed* by various entrepreneurial practices (e.g. collusion, tacit coordination, cartel, oligopoly, monopoly, refuse to supply, exclusive distribution rights etc.) but above all, these practices can harm the allocation of resources on the market, and thus the *welfare* of the consumer. On the contrary, the property rights approach of competition views it as a process in which any individual can freely enter to buy or sell products, within the limits of their exclusive property rights. More specifically, every person has exclusive property rights in his body and his physical property, and can compete on any market as long as it does not harm in a clearly and visible or objective way the property of others. Therefore, while competition policy drastically steps in the market and fines the practices mentioned above on behalf of their *anticompetitive* and *anti-welfare* nature, the property rights approach considers them legitimate rights of the entrepreneurs, who freely dispose of their property in a strictly and well determined dependency with the consumer.

In this paper I present the fundamental differences between the two approaches. A short review will be made of the arguments of two most important schools of thought which influenced the European competition policy, Chicago School (neoclassicism) and Freiburg School (*ordoliberalism*), and also of the property rights approach arguments, embodied in the Austrian School (libertarianism). The most important achievement of the paper, beyond the delimitation of the two paradigms, will be to clearly state that at the present moment, in despite of the popular opinion about the so called intellectual consensus on competition issues, in reality there is no such consent. Also, I will try to demonstrate that both the approaches contain specific ethical positions, which by the standards of modern science, are not value-free, thus non-scientific. Last but not least, the paper will focus on some economic and methodological issues (e.g. allocation of resources, market exchanges, price formation etc.), which describe and once again

confirms the different nature of the two approaches, and the need for a debate and rephrase of the policy.

Viktória Stifter

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Andrea Bencsik

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Andrea Solyom

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Tacit Knowledge Transfer of Key Workers by Hungarian Companies

In the 21st century tacit knowledge and its management has become a central theme of organizations and enterprises. Tacit knowledge is an invisible resource which has an enormous effect on the performance and success of a company, although it is personal, context-specific, hard to formalize and communicate. That is why it is necessary to be engaged in knowledge management. As part of a wide-range research we have examined if companies know their key workers and if they use methods and procedures knowingly to facilitate retaining their tacit knowledge in the organizational memory. We have put questions important in the scientific and organizational life in the centre of our research. In our research we aspired to involve a wide range of enterprises, so we asked small- and medium-sized enterprises, multinational companies and organizations from the for-profit and non-profit sectors. We did both qualitative and quantitative research because this is the most effective way for getting to know the problem mentioned above.

In our presentation we would like to interpret the parts of our research which deal with key workers, the sharing of their tacit knowledge and the toolbar for it.

Dimitrios Syrrakos

Lecturer, Manchester Metropolitan University, UK.

On The Foundations and Viability of EMU: Lessons from the EMS Performance

The aim of this paper is to reassess the process that led to the establishment of the European Monetary Union (EMU) and to inform judgements concerning its viability, and in particular whether it will sustain the current debt crisis. The question under concern is tackled by focusing on the European Monetary System (EMS) performance and investigating the long-term implications of the 1992-93 Exchange Rate Mechanism (ERM) crisis. Further, the member countries' interest rate policies before and after the 1992-93 crisis are assessed.

The empirical analysis conducted aims to identify the nature of the impact of the 1992-93 ERM crisis on the exchange rate series of the member countries currencies in relation to DM. Thus, it aims to identify whether the impact of the crisis was permanent and in this case distorting the countries-Euro conversion rates on January 1st, 1999. Perron's methodology for structural breaks is employed to assess the nature of the crisis.

The main conclusion is that EMU has been established on solid foundations and consequently, recent scepticism regarding its viability is not particularly well founded. However, particular countries have been identified as facing a distorted exchange rate when joining the single currency with severe long-term implications as far as their competitiveness is concerned. These countries are Portugal and Italy. Quite surprisingly Ireland is not among these countries. This is consistent with the nature of the current debt crisis in Ireland that does not reflect competitive or productivity losses primarily, but is caused by financial obstacles.

Hirokazu Takizawa

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Toshiji Kawagoe

Future-University Hakodate, Japan.

An Experimental Study of E-mail Games with Strategic Information Transmission and Communication Cost

We experimentally examined several versions of Rubinstein (1989)'s e-mail game in the laboratory. Two players face two different coordination games for two states of the world. Only one of the players is informed of the true state, and she sends a message about it via e-mail system, in which message can be lost with some probability. Upon receiving the message, the uninformed player responds for confirmation. Exchanges of messages continue until a message is finally lost. In Rubinstein's original version of this game, the information transmission is done automatically. It is shown that, in the unique equilibrium of this game, players behave as if no information is exchanged no matter how many messages are successfully sent, which has been regarded as a paradox of almost common knowledge. Binmore and Samuelson (2001) later extend Rubinstein's model by replacing automatic information transmission with the strategic one, and by introducing communication cost for either or both players. With strategic information transmission and sending cost for the informed player, there exists an equilibrium in which players behave as if the true state of the world were common knowledge and efficient outcome is achieved. We test these theories in the experiments with several settings to compare 1) the cases where messages are sent automatically or strategically, 2) the cases where the informed player has to pay sending cost or not, and 3) the cases where the uninformed player has to pay attention cost to read the message or not. Our experimental results show that when messages are sent strategically even with sending cost, efficient outcome is achieved. This confirms Binmore and Samuelson's theory.

Eleni Vasileiadou

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Structural and Cognitive-Embeddedness as a Basis for the Relational Capital Management of Web-Based Start-Ups

Web-based start-ups emerge as a result of their founders' ability to achieve advantages through utilizing the world-wide-web and information and communication technologies (ICT) in innovative ways. They have to exploit the benefits of pay-per-use services and social media applications while considering the threats of the innovative web. The web offers a virtual context in which they can ubiquitously and flexibly embed their virtual identities, present their businesses, products and services efficiently, communicate and interact with other virtual identities of also potential customers and even share and exchange information and knowledge in terms of open innovation.

As they are primarily based on electronic resources and mostly create and offer intangible values, e-ventures need to manage their intellectual capital and especially focus on their relational capital in order to optimize their value and knowledge creation processes and build up a positive image. An effective and efficient relational capital management helps to achieve a good reputation and trustworthiness among stakeholders and internet users in general. Trustworthy start-ups are enabled to overcome their liabilities of newness such as lack of social and financial capital through their good reputation. Thus, their likelihood of survival and sustainable growth increases.

After an extensive literature review on social capital, the concept of embeddedness has been selected to describe the constellations of ties and relationships of new ventures in their virtual and physical context as a potential that can draw upon. An analysis of the embeddedness concept leads to the conclusion that the structural and cognitive-cultural embeddedness dimensions influence and even determine the relational embeddedness of start-ups, which is defined as the quality and intensity of a focal actor's relationships. This paper discusses the impact of structural and cognitive-cultural dimensions of embeddedness on the relational embeddedness of web-based start-ups. Thereby, the question of how virtual and physical embeddedness and the web's new opportunities can be utilized by web-based start-ups to achieve relationship-oriented goals and the question of how web-based start-ups should manage their relational capital online through the

employment of web technologies and social media under consideration of the embeddedness concept arise. To answer these questions, a conceptual model that visualizes the impact of structural, cognitive-cultural and relational embeddedness in the web on the creation and management of intellectual and relational capital through ICT technologies and applications such as social media is proposed and exemplified through several case studies. The findings aim at identifying embeddedness patterns of successful start-ups and some implications for the design and implementation of relationship management through social media.

George S. Vozikis

Professor, California State University, USA.

Alexis Hadgiioannou

MBA Graduate, Athens University of Economics and Business, Greece.

Family Business Succession: The Case of the Abrupt or Involuntary Succession

One of the most difficult decisions that an incumbent in a family business has to make concerns the future of the firm after his or her retirement and more specifically who will be the successor. The factors that influence this decision are numerous and complicated, and consequently the reason why most incumbents postpone this decision indefinitely. Unfortunately, this inability to manage the succession process is regarded to be one of the main causes for the high failure rate among first and second generation family businesses. The realization of a successful succession becomes even more complicated when the predecessor's retirement is not voluntary, but the result of an unexpected event (an accident or diagnosis of an incurable disease). In this case there is either no succession plan or the succession plan is disrupted, and it is quite possible that the successor does not have the chance to make a well-informed decision about taking over the firm. The sudden death or illness of the incumbent may cause a high level of uncertainty, anxiety, and conflict in the family business and the family as a whole, may feel differently about who should step into the incumbent's shoes in the event of an unexpected event versus a gradual and voluntary retirement. Of course there can be contingency plans in case sudden change events happen, although naturally all issues cannot be anticipated or confronted because of the slowness and the self-dynamics of the family firm system. The scope of this paper is to identify the differences between a voluntary and a forced succession. It will investigate whether the factors that influence the decision-making exist in the first place in the case of a forced succession and if so, whether the significance of these factors changes, or some additional new factors emerge.

Horácio Zandamela

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Does Solidarity Economy Matter in a Globalised Economy?

Individualism and the solidarity economy, or more broadly, a social economy, seems to embrace two distinct social entities and contrasting social behaviours. In particular, African economy is perceived, by some, as something that entrenches sophisticated social networks that bring people together in a collaborative way for survival, embracing and reflecting a profound affection with, and within, communities. However, arguments exist that may suggest some unstable collective identities in African economies that may advance an exclusion and/or segregation that fosters individualism, which works against the collaborative social relations in society that underpins a solidarity economy in Africa and elsewhere. This paper aims to examine the interface, the complexity of relations that arises, between individualism and solidarity economy by scrutinising the need to go beyond individualism that may arise through social exclusion, and to suggest social integration as a way to promote improved social well-being for society in the context of global economy.