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## Editorial

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**Biographical notes:** Dr Lloréns-Montes is Head of the Department of Management at the University of Granada, where he is currently Director of Innovation and Quality. His research projects and more recent publications cover different issues of strategic change, flexibility management, quality management and innovation in organisations.

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Locke, Mill and Smith foresaw the future problems of resources and the restrictions on permanent growth in the face of continuous evolution of the environment. Today, the challenges of environment, like all challenges, affect the economy and enterprise. They require us to recognise the need to be prepared to confront a much more complex and difficult environment successfully.

The uncertainty of organisational environment has become a reality for the great majority of sectors and organisations. Internationalisation, the globalisation of competition, and deregulation are issues that have transformed the way we confront the current environment. Powerful political, social, technological, etc. changes have modified organisations' expectations; society is undergoing a profound evolution in its principles, values, norms and lifestyles. In addition to toughening international competition, the globalisation of the economy is creating and reinforcing the interdependence between countries in all fields – political, economic, social, cultural, technological – increasing significantly the level of uncertainty that characterises all organisational activity.

These changes constitute a socio-economic reality that surrounds organisations and offers multiple arguments for discussing dynamism, complexity and the turbulence of the environment. But just as some managers perceive the market as opportunities and others as a threat (ever more imminent), so also the new competitive conditions, new technologies, and new expectations of people and society provide organisations with new possibilities for creation and expansion as well as failure and disappearance. Thus, in recent years and in the same environment seemingly fraught with uncertainty, many entrepreneurial failures have coincided with spectacular successes, this vital difference usually being attributed to the attitude and methods on which the actions of the management of these organisations is grounded.

Management of the environment-organisation relationship has been honed as a valid, necessary alternative to respond to the characteristics of organisational problematic, whose complexity should be managed by a system of similar complexity. The management of relations with the environment is simply a focus that calls for reflection, knowledge, and rigor while simultaneously emphasising openness to

change and creativity to strengthen the capacity for adaptation and innovation. It also provides a framework for essential decisions in the organisation based on a methodology that invites systematised reflection and an active attitude orientated to the future.

Since Barnad and Selznick's seminal work, one of the richest veins of research has centred on organisation-environment relationships. Much research has supported studying these relationships in greater depth, including organisational theory such as population dynamics, organisational life cycles, organisational adaptation, institutional models and resource dependency theory.

Other significant research on the environment of organisations comes from the area of the economy. Research in industrial organisational economics suggests a fundamentally external approach whose primary unit of analysis is the industry or competing groups of firms rather than the individual organisations or the economy-wide aggregate of enterprises. The central tenet of this paradigm is that a firm's performance is primarily a function of the industry environment in which it competes. In addition, transaction cost analysis examines the firm-environment interface through a contractual or exchange-based approach.

We find another focus of research on the environment in the field of strategic management. The domain of strategic management is generally considered to be the study of sources of opportunity (environment), the process of discovering such opportunities, the evaluation and exploitation of opportunities, and the individual decision makers (firms) who discover, evaluate, and exploit these opportunities. This research has also developed on different levels of strategy. The level of functional strategy has focused on the analysis of environments, centring on the areas of operations, marketing, finance, etc. These studies show that the environment generates restrictions and opportunities that organisations must confront. Other more recent focuses, such as reciprocal and co-evolutionary perspectives, assume that change is not an outcome of managerial adaptation or environmental selection alone but rather of the joint outcome of environmental effects and intentional strategic adaptation.

The *International Journal of Business Environment* explores a rich variety of topics in a wide field of research. Among the specific subjects treated will be issues as diverse as competitive, technological, social and political environments, environment networks, corporate responsibility, planning processes, strategic change, business strategy, ethical issues, business in the regulatory and legal environments, strategic alliances, entrepreneurship, innovative processes and organisational learning.

The articles in this forum will also span an interesting variety of research settings, including contexts in America, Europe, Africa, Asia, New Zealand and Australia and involving a variety of industries and sectors. The units of analysis also vary, from study of the perception and behaviour of managers or employees to organisations and sectors in their totality. The methodological approaches of our authors comprise qualitative and quantitative analysis and the case study method. They also use a wide variety of statistical methods.

In developing this project, we have relied on support from an international editorial board that brings its wide knowledge and experience to the development of this journal. Its composition proceeds from various areas of research, such as strategic management, operations management, marketing, finance, sociology, political science, organisational theory, small businesses, innovation and entrepreneurship, among others. Our thanks go to the members of the editorial board for their support. The board will play an active role in decisions about the journal's future direction.

The papers published in the inaugural issue have been chosen with much care and rigorously peer reviewed by referees of international standing.

The main goal of the paper by Amjad Hadjikhani and Joong-Woo Lee is to tackle the problem of how MNCs manage their relationship with socio-political organisations to strengthen their competitive position in the international market. The study will develop a theoretical view grounded in the business network. The emphasis is on the firms' managerial behaviour and the business subsidies that it can gain through interaction with socio-political organisations. The framework contains the three interrelated concepts of legitimacy, commitment and trust, which are unlocked to describe the firms' competitive behaviour.

Verdu, Gomez and Volberda present an overview of the literature on environmental characteristics and the perceptions of managers concerning the environment's level of uncertainty. With regard to administrative practices, they have concentrated on flexibility as a dynamic capacity that allows firms to address variations in the environment.

Sandeep Mondal and Kampan Mukherjee attempt to explore the critical factors considered by Indian manufacturers while deciding whether or not to remanufacture. The analysis reveals that technical infeasibility is the major reason behind non-acceptance of remanufacturing in the computer and electronics industry, whereas for the industrial machinery segment it is the complex reverse logistics system and for the automotive sector the legislation and customers' negative attitude towards the remanufactured products that prohibit the industry from accepting remanufacturing as a business option.

Christian Herzig studies how Corporate Volunteering has become an important issue in Germany over the past few years. In particular, larger and multinational enterprises demonstrate community involvement with help of their personnel resources. This paper draws conclusions about how to enhance further development and dissemination of this kind of partnership between companies, their employees and the community in Germany.

Juan Ramón Oreja-Rodríguez and Vanessa Yanes-Estévez find a positive relationship between perceptions of the environment – i.e. uncertainty about the general environment as well as influence from the task environment – and strategic risk taking by decision makers. This means that the more adverse the external situation the more enterprising the behaviour of the economic units will be, with the general environment proving of more importance than the task environment. They find that characteristics relating to demand and socio-economic conditions of the general environment are of particular influence.

Organisational members must respond more quickly to new challenges in an increasingly complex and dynamic environment and base their decisions on a global organisational view rather than on individually based perspectives. As a cross-organisational technology, corporate intranets were expected to address these needs and thereby become an important tool in every employee's toolbox. According to previous studies of information infrastructure, Dick Stenmark suggests that intranet management also is focused on control as the supreme management objective. If the intranet is to become a vivid environment for users' everyday activities, the implicit but deceptive image of the intranet as a hierarchical information environment must be replaced with a more de-centralised vision that allows intranets to harness the open-ended purpose for which the web was originally designed.

Finally, Ho presents a methodology to classify countries rationally according to whether the investment climate is constrained primarily by policies or by resources.

By casting ICI as a multi-attribute dichotomy, a maximum resolution topology is derived to classify countries as to whether the investment climate is constrained primarily by policies or by resources.