

---

## Editorial

---

### Shunzhong Liu

School of Business,  
Northeast Normal University,  
2555# Jingyue Street, Changchun,  
Jilin Province, 130117, P.R. China  
E-mail: liushunzhong@nenu.edu.cn

**Biographical notes:** Shunzhong Liu received his PhD in Management Science from Beihang University. He is currently the Professor at School of Business, Northeast Normal University, Changchun, P.R. China. His current research interest includes service operations management, innovation management, and strategic management.

---

First of all, I would like to welcome all of you for this inaugural issue of the *International Journal of Services, Economics and Management* (IJSEM). IJSEM proposes and fosters discussions on empirical and theoretical work on services economics and management. The journal seeks to provide a bridge between those conducting research on economics and management on the one hand, and those working in the areas of service sectors on the other. The objectives of IJSEM are to encourage original scientific contributions on the economic and management issues of service sectors, with particular emphasis on the application of economic theory and management science and methods of quantitative analysis. It seeks to draw together and learn lessons from the development of service sectors across the world, and provides a forum for discussion of service sectors of interest to an international readership. IJSEM will publish empirical, theoretical, analytical and historical papers of high academic quality that contribute to the advancement of understanding service sectors. IJSEM provides a vehicle to help professionals, academics, researchers and policy makers to disseminate information and to learn from each other's work as well.

Services are now 'coming of age' in terms of the economic and technological landscape (Alic, 1994), and lie at the very hub of economic activity in any society (Fitzsimmons and Fitzsimmons, 2002). Emergence of a service economy is widely recognised as a natural process for a developing economy to evolve into a developed or post-industrial economy (Bell, 1973; Illeris, 1996; Sundrum, 1990). The role of services in economic growth and job creation calls for researchers and practitioners attention to improving services' performance, therefore more and more researchers and practitioners proposes and fosters discussion on empirical and theoretical work on services economics and management to meet the needs of service sectors more effectively.

This inaugural issue contains five papers discussing a range of issues dealing with the Economic and management issues of service sectors. We provide a brief overview of the papers that appear in this issue.

The internet has become a platform for many companies in the travel and tourism industry to bring their products and services to the customers around the world in a direct, efficient, and cost-minimising fashion, which led both business practitioners and academic researchers to explore the issue of website quality and developed different methods for website evaluation. The paper, 'Analysis and evaluation of tourism e-commerce websites in China', by Yaobin Lu, Zhaohua Deng and Bin Wang develop an index system for the evaluation of websites incorporating factors relating to website design, contents, and effectiveness, and use the analytical hierarchy process to determine the weights of different components of the index, and the fuzzy synthetic evaluation method to evaluate the websites. The method has been illustrated using the China travel network website. The results are very useful to the executives of tourism companies, tourists, and investors of tourism companies.

Science, technology and innovation is seen as increasing important to the economic performance of developed economies in face of the global economy. As an area characterised by high levels of uncertainty and complexity, it challenges the capabilities of traditional bureaucratic approach to regulation and policy formulation. The paper, 'Governing Science, Technology and Innovation: lessons from policy formulation and regulation in Denmark', by Jens S. Jensen presents a conceptual framework for studying and understanding policy formulation and regulation from a viewpoint balancing rational, reflexive and responsive regulatory strategies. This paper reviews the establishment and governance approach to science, technology and innovation as an independent area of policy formulation in Denmark, and proposes that the policy and regulation can be characterised as a mix of rational- responsive and reflexive strategies. The result is of useful to practitioners engaged in policy reforms on the area.

Jihong Liu in his paper, 'The study on audit pricing: new evidence from China', adopts multiple regression analysis and partial least squares to build a models investigating the determinants of audit fee. Partial Least Squares (PLS) can overcome the negative influence of collinearity in the process of building models, and allows researches to using small sample to estimate models. In this paper, audit pricing model fitted by PLS regression allows the explanatory variables with strong relationship to be put into the linear model together so that some determinants influencing the audit fee significantly in fact will not be replaced or excluded by other determinants which influence more significantly, and establishes the better audit pricing model.

The post- cold war proliferation of greater openness and democratic reform created a new dynamic in regional delivery of public services. As a result of international forces, the administrative cultures changed considerably. The evolution of public administration shows the complexity of the matter. The necessity of exploring ideas that shape public service reforms is an important aspect of following through policy implementation outcomes. While Vincent Ostrom's work was applied in large measure to advanced countries, there was very little attempt to apply his thinking to situations in East African countries. Against the background of East Africa, Eric E. Otenyo in his paper, 'Is Vincent Ostrom's Democratic Administration and New Public Management at odds in East Africa's Public Administration?' explores the odds existing between administrative practices and reforms and the underlying theoretical perspectives as was described in Ostrom's work Briefly, the region witnessed a shift from highly centralised hierarchical public administrative systems to more decentralised forms with increased participation of newer players and entities. The study challenges policy makers and academics to probe further the meanings of new public management against existing principles embedded in

democratic administration. It is the first in the literature that reports the contradictions between new public management and democratic public administration in countries of Africa. This study sheds light on an under-described aspect of public service reform process.

The creation and development process of College Student Loan (CSL) in China is the one that is fulfilled gradually and interlacing with higher education system reform and fiscal financial system reform in P.R. China. Compared with the standard of sustainable development: adaptation, stability and efficiency, Wei Huang in his paper, 'College Student Loans institution in China: achievement, defect and sustainable development' studies the history and present situation of adaptation, stability and efficiency of CSL in P.R. China. The paper shows that CSL achievement is rather marvellous, but its institutional defect is obvious as well. To ensure limited CSL to flow to millions of poor college students from limited supply channels and organisation networks, to fulfil cost sharing in higher education on the basis of balance between supply and need, Chinese government should build a sustainable path based on the view of function, that is, on the view of system environment the CSL in and economy goal, to choose the financial form and mechanism for function fulfilling CSL needs.

This inaugural issue also contains a qualitative and quantitative method introduction which can be used to study economic and management issues of service sector. The Data Envelopment Analysis (DEA) method can compare the efficiency of Decision Making Units (DMUs) in terms of several inputs and outputs. In service sectors, there exist peer groups of DMU, such as, regions, governments, public service sectors and service industries, which use various resources (inputs) to generate various results (outputs). Bing Jiang in her paper, 'Integration of DEA with input-output table for national economy efficiency analysis', takes the Anhui's input-output table including 42 industries in 2002 for example, discusses the analysis method and application of DEA based on input-output table. The paper gives us an example about how to use DEA to evaluate the efficiency of DMU. In the following issue of IJSEM, we will continue to introduce qualitative and quantitative methods which can be widely used to study economic and management issues of service sector.

Since the service sector has become the most important sector in world economies, improving the performance of the services sector become important to enhance aggregate economic growth. Economics and management science have become an essential function of researchers and practitioners to improve the performance of service sectors, which have led the researchers and practitioners to look for economic and management theory and their applications in service sectors.

The *International Journal of Services, Economics and Management* (IJSEM) is a refereed journal that acts as a forum for exchanging innovative ideas and sharing research and practical experiences in service operation management and service economic theory and applications. IJSEM will focus on empirical and theoretical work on services economics and management. Some of the areas include: public service management, public economic, service operation management, relationship between manufacturing and services, electronic commerce and services in society, ethics and culture. Papers of the following types will be considered: introduction on analytical and simulations models, reviews on the state-of-the-art of service operation management and service economic and applications and industry applications.

Academics and practitioners are invited to forward their contributions in the areas of service operation management theory and applications for possible publication in IJSEM. Potential editors are welcome for guest editing special issues in emerging areas of service operation management. Please direct all your communication to the Editor-in-Chief. The following are the list of topics (but not limited to) that would be considered for publication in IJSEM:

- public service management
- public economic
- public service policy and comparisons
- public service evaluation
- service concepts and strategies
- service marketing and innovation
- service operation and simulation
- new service development and process design
- service supporting facilities
- service supply chain management
- service project management
- service quality management
- service system design, operations and management
- service security and reliability
- information technology and communication in services
- service delivery, deployment and maintenance
- human resources management in services
- relationship between manufacturing and services
- electronic commerce
- customer relationship management
- service in-housing vs. outsourcing decisions
- services in society, ethics and culture.

### **Acknowledgements**

I am most grateful to Dr. Mohammed A. Dorgham, Mr. Jim Corlett and Ms. Sue O'Mara of Inderscience Publishers Limited for their excellent professional support throughout the launch of this journal. Moreover, I would like to thank all the distinguished Editorial Board Members who are renowned for their research in the field of public

service and service operation management for agreeing to serve on the board of IJSEM. Finally, but not the least, my sincere thanks go to all the authors of this inaugural issue for their timely contribution to realise the launch of this journal on time.

**References**

- Alic, J. (1994) 'Technology in the service industries', *International Journal of Technology Management*, Vol. 9, pp.1–14.
- Bell, D. (1973) *The Coming of Post-industrial Society: A Venture in Social Forecasting*, Basic Books, Inc., New York.
- Fitzsimmons, J.A and Fitzsimmons, M.J. (2002) *Service Management Operations, Strategy, and Information Technology*, China Machine Press, Beijing.
- Illeris, S. (1996) *The Service Economy: A Geographical Approach*, John Wiley & Sons Ltd., Chichester.
- Sundrum, R.M. (1990) *Economic Growth in Theory and Practice*, MacMillan, Houndmills.