
Editorial

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Biographical notes: Željko Šević is a Professor of Accounting, Finance and Public Policy and the Dean of the Caledonian Business School at Glasgow Caledonian University in Scotland. Prior to joining the Caledonian Business School in 2008, as the Head of the Division of Accounting, Finance and Risk, he was the Professor of Accounting Finance and Public Policy in the University of Greenwich Business School, where he was also the Director of Research, Outreach and European Affairs. He has extensive professional experience not only in academia, but also private, public and third sectors. He holds terminal degrees in Law and Financial Economics, is a professionally qualified accountant and certified fraud examiner. He has research interests revolving around the public sector and the application of business models in public sector organisations.

History of human kind has been a record of challenges, facing various generations with probably the same severity. The current generation will feel probably an equally heavy burden as others in their respective times, but presently this may look difficult and insurmountable. When addressed, these challenges led to the bettering of the human society and improved societal relations and the overall societal capacity. However, the human development has not featured a simple straight line, but rather a zigzag trajectory that has had a positive bearing, and led to the societal improvement. In times of crisis, there is an additional impetus to question dominant paradigms, revive those that were rejected in the past, and look for new, innovative solutions to address the problems that may be either completely new, or be challenges that re-emerged in a new form. In either situation, the role of the scholars is to offer solutions ...

The modern or post-modern society is a challenging environment ... It is a society of diversity; or a society where diversity is promoted. The diversity of cultures, backgrounds, religions, ethnicity, etc. offers us a unique mix that, *per definition*, should be able to offer solutions that fall outside the standard. We focus on processes, procedures, but also human capital and knowledge management. We look at the experience of the others and try to not mimic, copy, but to be creative and offer something that is novel, although inspired by the past and the abilities of previous generations to subsume their position to the dominant trends. The experience of the past is there to shed the light on our current path, but in no way to limit our experience and our own creativity to offer something original.

But, have we failed to innovate? Yes, perhaps, regularly ... Our own experience, priorities, ideas of societal and other pecking order, often lead us to a position where we would be unable to offer much which would diverge from the dominant ... Very scholarly work is based on the work of others and in order to have the work published in learned journals one should be able to demonstrate profound knowledge of the existing body of literature and more or less clearly state what would be his or her contribution to that existent body of knowledge. Inability to relate to the work of others, follow the current research fashion, may be something that would finally lead to the rejection of the work by the peers. However, does the knowledge of related research hamper the creativeness of the author? Possibly ... Notwithstanding that, one should be aware of the work of others, if nothing to ensure that the principle of effectiveness and efficiency is observed and that there is no need for pure duplication in the wider academic community. Scholars are often or rather as a rule somewhat creative in their approach to the current challenges. Definitely more than politicians and other public servants. They often resort to the trusted, but most likely outdated political models and instruments that have been largely dying out in the process of globalising World.

For a number of years now, the model of Western economy and its underpinning democratic model of political system (Western democracy) have been the most effective and have been regarded as a model to be aspired to. However, with the world economic crisis unfolding, the search for other models has begun, or rather has been re-launched. For a number of years the heterodox economists have tried to refute the dominant neo-classical paradigm, which has dominated the economic thought for decades, at least the decades after WWII. And, with the Cold War looming and ideological conflict between the West and the East, i.e., capitalism and communism, everything that may have resembled the rhetoric of the left, has been marginalised in the Western thought. Now, there is a surge of new ideas and approaches to development, growth, economic modelling ... In those times, looking at the non-standard issues has been encouraged in the literature. The mortgage crisis and failing banks have opened the issue of executive compensation and morality of excessive compensation for other unaccountable senior managers. Or whether the most senior management body, in fact, is a self-perpetuating enterprise, where friends appoint friends. All these issues are now important, and require close attention of not only academics (who have raised their concerns decades ago), but also (and finally) – the legislators. However, as experience tells us, the legislators usually overreact in the short-term span, playing often the populist card, when it comes to dealing with crises. In fact, they will attempt legislating the issues that should have been addressed through codes of conducts and other indirect forms of societal influence, rather than robust legislation, which unavoidably will lead to the proliferation of consulting services offering advice as to how the legislation can be put in relative terms.

In this issue, the authors deal with a number of challenges that face modern corporations. Tekavčič and Peljhan have looked at a very successful Slovenian company and how it has designed and implemented management control systems. The company in case, underwent a serious restructuring in the early years of transition, but in contrast to many transitional companies, has in fact remained largely in employees hand and has avoided being privatised by a tycoon. The company has begun implementing modern management techniques from the early 1990s, has gone through a number of changes and is a formidable supporter of continuous improvement philosophy. The authors have

worked closely with the company and have used the experience of this research to develop a model that is presented in this special issue.

Wölfle and Füss has analysed the application of a classical CAPM model in the Korean capital market environment. As always with a long-standing model now, CAPM is very much utilised by both analysts and bankers, but often empirical work cannot support much this preference. The authors, as expected have found that the Korean markets, similar to other developing markets, the returns deviate from normality, even though the series may be of lower frequency. Although one may challenge the views that Korea is a developing country, being a member of OECD, but the results of the paper show that the Korean capital market is closer to developing than developed ones.

Kourtidis, Šević and Chatzoglou provide a detailed and useful overview of behavioural finance modelling, developing a framework for the further study – behaviour of various classes of investors in the Greek capital markets. The authors do not have any particular preferences for explanatory models in behavioural finance, but rather are prone to adopt an eclectic view, appreciating the developments in the fields in the last decade. The authors are especially interested in modelling of excessive and erratic behaviour demonstrated by various types of investors. The paper provides a very good guide in the modern behavioural finance literature, and can be useful to all the novel students of and in the field.

Vitezić analyses the corporate sustainability in the Croatian context, endorsing the triple bottom line. The author concludes that Croatia is still in early stages of development, where economic and financial considerations are primary, and societal and environmental considerations are still considered secondary. As national sustainability standards are not developed, the application of corporate sustainability concept is left to each individual firm to consider. And, a few large ones have expressed positive attitude towards the development of the sustainability model and culture, whilst others are still in the very early, rudimentary stages of application. The author finds that the former self-management principles and social(ist) ideology are still well and alive, determining the company approach to sustainability issues. It is rather surprising, as it is often deemed that the socialist self-management model has been responsible only on the paper, but not in practice. The author concludes that with the deeper penetration of the stakeholder model in practice, will undoubtedly bring to the wider use of corporate sustainability models.

McIver and Mollik analyse the stability of the Bangladeshi banking system and the factors that may affect it. At the time when global financial crisis attracts the undivided attention across the World, the authors analyse the capability and results of the Bangladeshi government in dealing with the financial crisis in 1987 and 1996. Although the banking system seems operational and functional, in fact it is largely insolvent and the classical solvency models would suggest if not immediate then pending bankruptcy. But, as the Government has been heavily involved in the national banking sector, the investors have seen as a sign of an implicit government guarantee for the banks. And, until now there was no major blow to that model of mutual trust. The authors have not engaged in contemplating what the privatisation of the national banking system may deliver, but the comparative experience has shown that the privatisation in banking, usually does deliver.

Maditinos, Sarigiannidis and Dimitriadis have dealt with the web-purchasing experience, trying to estimate e-commerce purchasing intentions in Greece.

It is well known that websites are usually valued (amongst other variables) by the number of 'hits' to the website. The more hits is recorded, the higher is the value of the website, and the company that exercises ownership rights. Using the framework of TAM, the authors focus their analysis, using the Greek data. The authors compiled the data set of 195 internet users, and went on submitting it for multiple regression analysis; introducing the concepts of risks. Although they have endorsed the dominant model, they went on to develop a model that is more prone to explain the phenomena faced in the Greek Business-to-Business (B2B) internet space.

Finally, this analysis of critical issues has been completed by a paper by Sumata, who has analysed the informal dollarisation in Congo and the hyperinflationary experience that country had in the 1980s and 1990s, when the system of ailing dictator Mobutu, was crumbling. The focus is on the central bank of Congo, which tried unsuccessfully to bring about the informal, street black market foreign exchange rate in line with the official one, promulgated by the Government. This was attempted though the classical float, and as the experience has shown the failure was somehow inherent. The Government, or successive governments installed by Mobutu, as the country's president, have failed to get a grip over the economy and have largely focused on managing, albeit unsuccessfully, the political business cycle. The ultimate role for the central bank and the Government was not in fact to protect the national currency, but rather to buy-in the peace in the country, by using whatever means are at their disposal. If all these negativities are linked to the rampant and widely spread corruption in the country, it is fairly obvious why all the reform attempts have been doomed to fail from the very outset.

The papers in this special issue deal with a number of diverse issues, that have one thing in common – that they are looking at the various aspects of management in organisations and looking at their implication and impact to the wider community. From analysis of management control systems in a Slovenian national environment to the hyperinflation in Congo, authors provide a timely and thorough analysis of national issues, using a well-developed theoretical framework. The diversity of issues analysed in the papers provide us with a rather good insight into the problems facing modern companies, national economies and the overall World economy. In times of worldwide crisis, there is an urgent call for innovative solutions that should move forward the developments and assist the societies in overcoming the crisis and later accelerating the growth and recovery. In order to do so, there is a need for thorough understanding of the current problems and their contextualisation within the national boundaries and wider, before the solutions can be put forward. And, the challenging times require non-standard solutions ...