
Editorial

Wiktor Patena and Omar Al Serhan*

Faculty of Business, Higher Colleges of Technology,
P.O. Box 25026, Dubai, UAE
Email: wpatena@hct.ac.ae
Email: omar.alserhan@yahoo.com
*Corresponding author

Ibrahim Sirkeci

Regent's University London,
Inner Circle, Regent's Park,
London, NW1 4NS, UK
Email: sirkeci@regents.ac.uk

Kimberley C. Gleason

Department of Finance,
School of Business Administration,
American University of Sharjah,
P.O. Box 26666, Sharjah, UAE
Email: kgleason@aus.edu

Biographical notes: Wiktor Patena is the Associate Executive Dean – Business at HCT. Previously, he was the Provost of WSB-National Louis University in Poland (2012–2014) and privatisation advisor to the Ministry of Treasury (2009–2015). He specialises in company valuation.

Omar Al Serhan is the Chair of Business Department and an Assistant Professor at Higher Colleges of Technology, Ras Al-Khaimah, UAE. Previously, he has worked at the American University of Afghanistan, Regent's University, London and the Kuwaiti Embassy in London.

Ibrahim Sirkeci is a Professor of Transnational Studies and Marketing. He is the Director of Regent's Centre for Transnational Studies, Associate Dean for Research and Head of Marketing Subject Cluster.

Kimberley C. Gleason is an Associate Professor at the School of Business Administration Department of Finance, American University of Sharjah.

We feel honoured to write this editorial for this double special issue (SI) of the *International Journal of Business Performance Management* titled Transformative Business Models – Disruptive Innovation in Finance and Logistics organised by the Higher Colleges of Technology's (HCT) 2019 International Business Conference.

The articles in this SI are very interesting due to the combination of theoretical and practical aspects it offered and to its focus on new business models that have recently transformed many industries and markets. As expected from an international conference, researchers from local and international academic institutions have presented their research papers focusing on four tracks: finance, logistics, innovation and entrepreneurship.

This century has seen many new business models emerge and then, often leveraged by technology, transform the industries and markets. The way companies create and capture 'value' has changed dramatically. The new business models are often based on concepts such as, asset sharing usage based pricing, personalised services, collaborative ecosystems, adaptive organisations. Each of these concepts (and many others), enhanced by disruptive innovation, and combined with new technological developments, has generated thousands of new successful companies.

The role of these models in the fields of finance and logistics is another aspect of this SI and it discusses banking, crypto currency, financial disclosure, real exchange rate and digitalisation of banking business. Supply chain models including transportation and logistics are also covered in this SI.

AirBnB which now challenges the traditional economics of the hotel business is a famous example of such a company. Today it operates in almost 200 countries, represents 20% of the hotel room supply in New York, and is based on a platform technology that made it possible to craft a totally new business model based on a sharing economy concept.

Innovation, in today's world of rapid technological and business model change, is a key element of an effective business strategy and often determines the fate of individual firms competing in the marketplace.

Avaneesh Jumde and Boo Yun Cho write the first paper in this SI, it focuses on crypto currencies use 'Can cryptocurrencies overtake the fiat money?'. Their objectives were to compare the fiat money with crypto currency, investigating the ability of crypto currency to replacing the fiat money and they tried to propose a framework that can evaluate the sustainability of the possible candidates to which may potentially replace the dominating currency. Authors found that people preferred fiat money because it is common and accessible, it has constant utility, its liquidity is high and it is more stable as compared to crypto currencies.

The second paper is written by Lina Safi, Boris Abbey, Nadia Ben Sedrine Goucha, Omar Al Serhan and Kimberley Gleason 'Knowledge of Islamic banking and bank customer satisfaction in Afghanistan: an exploratory analysis'. This paper is of a great interest to many stakeholders involved in finance and banking in Afghanistan and this include local and international banks, government and non-governmental organisations. They used the theory of reasoned action (TRA) and examined Afghanistan banks customers' knowledge of Islamic banking and their attitudes towards Islamic banking products and factors that motivate their selection of Islamic banking versus conventional banking products in Kabul, Afghanistan. Authors found that higher levels of customer satisfaction of Kabul banks customers are achieved when the use of Islamic banking products occurs by customers with greater knowledge of Islamic banking products and their findings were consistent with the TRA explanation of rational choice as applied to banking products operationalised through the obtainment of knowledge related to Islamic banking.

Our third paper is titled 'Do corporate characteristics improve sustainability disclosure? Evidence from the UAE' and written by Kennedy Prince Modugu and it timely as the UAE is trying to be an international corporate hub and attractive financial assets choice. Modugu's paper examines the relationship between corporate attributes and environmental social and governance disclosure (ESG) among selected companies in United Arab Emirates. The research show that firms with larger asset base and good degree of liquidity disclose more ESG information and firms in the service sector are more inclined to ESG disclosure than manufacturing firms.

The next paper included in this SI discusses the behaviour of real exchange rates in the UAE and is written by Shibeshi Ghebre Kahsay and Wiktor Patena, this paper is titled 'An empirical study of the behaviour of real exchange rates in the UAE'. The importance of this paper derives from need to understand and examine the huge increase of trade and investment flow internationally and regionally. Their research aimed to review the different concepts of the real exchange rate and estimate the relationship between the real exchange rate and its fundamental determinants such as oil prices, terms of trade, productivity differentials, and government spending as percent of GDP. The findings of this paper are important to interested parties as authors found that labour market conditions, price management and remittance outflows are considered to have had dampening effect on the real effective exchange rate.

The fifth paper in this double SI belongs to Nedim Memic and Deni Memic. This research is titled 'Financial traits of bankruptcy, empirical evidence from Bosnia and Herzegovina' aimed at revealing the most significant financial traits of bankrupt companies as opposed to non-bankrupt companies and they looked at 50 bankrupt companies based in Federation of Bosnia and Herzegovina and 100 non-bankrupt company. They constructed a several bankruptcy prediction models and the results indicate that bankrupt companies do leave significant financial traits that can be detected prior to official bankruptcy proceeding filing.

In our sixth article, Andrzej Cwynar, Wiktor Cwynar, Wiktor Patena and Welcome Sibanda investigated the correlation between overconfidence and participation in debt markets and the penchant to make wrong decisions, this interesting work is titled 'Young adults' financial literacy and overconfidence bias in debt markets'. Authors surveyed 604 adults and found that the overconfident participants are more likely to borrow. They have almost 37% less chances to be classified as non-borrowers compared to other respondents. Furthermore, older and mature age group makes healthier debt decisions than the younger members of the sample and a positive correlation was found between poor debt consumption decision-making and an increase in one's income.

Jacobus D. Nel and Amanda Badenhorst in this seventh paper of this issue offered an important insight into the complex issue of online returns, their paper titled 'A conceptual framework for reverse logistics challenges in e-commerce' discussed the complexity of today's online buying and the challenges it brings including returning of goods bought online. Authors presented a conceptual framework for reverse logistics challenges in e-commerce aiming to offer potential solutions to the online returns challenges, which in turn may enhance business performance.

In the eight article, the authors, Natalya Shramenko, Dmitriy Muzylyov and Vladyslav Shramenko discussed the transportation service of small perishable cargoes in their article titled 'Methodology of costs assessment for customer transportation service of small perishable cargoes'. This work attempted to define the impact of technological

parameters of the supply chain of small perishable cargoes on the expenses of transportation service for customers in conditions with the random character of demand. Authors developed mathematical and imitation models that allow simulating the process of small perishable cargoes delivery in urban areas at rendering transportation service to small cargo customers, including the service of retail chain shops, hotel and restaurant businesses. These models can potentially assess possible transport costs in such business environment where demand of retail chain shops, hotel and restaurant businesses constantly changing.

The ninth paper of this double SI belongs to Jacobus D. Nel and Horst Simon in their paper titled 'Introducing a process for radical supply chain risk management' highlighted the importance of embedding risk management culture into supply chain organisations risk management strategy by introducing a radical risk management process to manage risks across the supply chain. This research advocated the importance of developing a risk nervous system and situational awareness capabilities for these organisations so that they will be able to more accurately project the outcomes of possible risk events.

The 10th paper written by Dmitriy Muzylyov, Natalya Shramenko and Vladyslav Shramenko also offers an interesting read. Authors endeavoured to design a methodology for the rational supply chain choice of perishable cargoes and their article titled 'Integrated business-criterion to choose a rational supply chain for perishable agricultural goods at automobile transportations' is of an interest to many stakeholders including cargo-owner and transport companies considering the technological features of today's transportation environment. Their work offers potential interest for the logistic companies that carry out planning during delivery of mass cargo and one-time orders.

The 11th paper is titled 'Digital technology disruption on bank business models', discusses innovation from a Fin-Tech perspective, and is written by Welcome Sibanda, Esinath Ndiweni, Mohamed Boulkeroua, Abdelghani Echchabi and Tabani Ndlovu. This paper investigated the impact of digital technology banks' business models by collecting primary data from the 68 UAE-Federation of Bank members. Authors found that digital technology is transforming the banking ecosystem from classical competitive models to innovative bank-to-Fin-Tech collaborative models, and this transformation is generating opportunities from national and overseas banks from developed economies.

Our 12th paper is written by Andrzej Jaki and Wojciech Cwięk and is titled 'Value creation efficiency of Polish construction companies listed on Warsaw Stock Exchange during 2010–2012' and they aimed to measure and evaluate the efficiency of value creation as related to the selected enterprises of the construction sector in Poland during the period prior to UEFA Euro 2012. Their article discusses the accumulation of investments and whether these investments contributed to any increase in the efficiency and development of Polish construction companies and what was the impact of these investments on the business continuity risk of construction companies in Poland. They found that investment boom that took place in Poland during the years of 2010–2012 became more of a threat for the functioning of the construction companies and the accumulation of investments during the analysed period contributed to the bankruptcy or caused business continuity risks for many companies.

Our 13th paper for this double SI is written by Rachna Banerjee and Sudipa Majumdar and titled 'Determinants of shareholder value creation – platform versus traditional business models'. Their interesting work discusses how the digitalised economy disrupted the traditional markets and created opportunities for all stakeholders involved. Their study found that accounting based measures performed better than

economic based indicators of value as measured by stock returns. EPS growth is the best value driver for both platform model and traditional firms. DPS and ROE were also found to be significant indicators of value creation for traditional model companies, whereas for platform model, the effect of DPS is insignificant.

The last paper of this double SI is related to exploring Generation Z positive emotional response towards robotics. This paper offers an assessment of attachment and apprehension of this generation towards robotics. Titled ‘Robotics and Generation Z – apprehension or attachment?’ and written by Roberta Fenech, Priya Baguant and Ihab Abdelwahed, this paper surveyed 116 participants and found that the overall Generation Z participants are changing as they find themselves in a state of ambiguity and are undecided about their emotions towards robots in the workplace however lean more towards feeling apprehensive, fearful and detached.

At the end of this editorial, we wish to thank all authors for their valuable work, a special thank goes also to the reviewers who played an instrumental role in getting this SI finalised, We would like to thank the Journal Manager, Joane the Submission Manager and their team for their continuous support. Finally, I would like to offer sincere appreciation to the editor, Professor Jonathan Liu for facilitating this SI and for being a great keynote speaker at our business conference.