Editorial Note:
Entrepreneurship, Management and Performance in Transition and Emerging Economies

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First of all, I would like to thank the Editor in Chief, Prof. José António Filipe, Instituto Universitário de Lisboa (ISCTE-IUL), for the invitation to be a Guest Editor of this special issue of the Journal. For the publication of the issue, I am greatly indebted to Prof. Vitor Manuel Pereira, Lisbon Institute of Accounting and Administration, Polytechnic Institute of Lisbon (ISCAL-IPL), who is the Managing Editor of the Journal. I am also indebted to all authors for their interesting and valuable contributions to the Journal’s issue and to the reviewers for their time and effort to provide relevant and constructive feedback to the authors.

This special issue of the International Journal of Latest Trends in Finance and Economic Sciences is dedicated to entrepreneurship, management and performance in transition and emerging countries. Although emerging and transition economies are low or middle-income economies, they exhibit growth orientation and therefore have increasing importance for the world economy. The creation of new businesses and management and performance of established companies are driving forces behind this fast economic development. It was acknowledged that findings in the field of entrepreneurship and management from developed economies may not be directly applicable to other countries and contexts (Bruton et al., 2008; Wright at al., 2005). Both emerging and established businesses operating in emerging and transition economies may face specific challenges related to institutional environment, availability of resources, policy issues, organizational arrangements such as business groups and networks (Hoskisson et al., 2000). The papers included in this special issue of the Journal investigate a wide range of topics related to entrepreneurship, management and performance in transition and emerging economies in an attempt to fill existing knowledge gaps.

This special issue first presents the paper “Corporate Entrepreneurship in Bulgarian Software Companies”, by R. Kanazireva. The paper investigates corporate entrepreneurship and entrepreneurial intensity among companies operating in the software industry, which exhibited a double-digit growth for the past five years and registered a significant number of new jobs and newly established software companies. The author emphasizes that there is a need to study the phenomenon of entrepreneurship within existing organizations which often after experiencing growth and maturity may encounter difficulties to adopt entrepreneurial practices. According to the author, corporate entrepreneurship is “a practically achievable path for business transformation that aims to establish sustainable competitive advantages and beneficial opportunities for innovation”. The paper provides a comprehensive review of existing definitions of corporate entrepreneurship and available measurement instruments. Drawing upon a regression analysis, the study identifies management support and work autonomy as the most significant predictors of entrepreneurial intensity. Recommendations to managers in established organizations include creating shared vision and understanding of the strategy, processes and activities related to corporate entrepreneurship at all levels and job positions and enhancing management support and work autonomy.

The second article titled “Exploring Interrelationship Between Three Performance Indicators with PMI’s Nine Knowledge Areas for
Successful Project Management” by N. Krishnaswamy and A. Selvarasu investigates the strength of interrelationships between performance indicators and knowledge areas and the input artifacts and performance output deliverable in software projects. The adopted theoretical framework posits that the application of expertise in the different knowledge areas affects the performance of the project manager through performance indicators. The effects of knowledge areas on performance indicators are mediated by age, experience, etc. The empirical analysis reveals that traceability, schedule and scope are the top three performance indicators, while the key knowledge areas are integration management, human resource management, scope management, and communication management. Empirical findings report the presence of indirect effects on performance indicators and the strength of the relationship between the studied variables. The paper provides managerial implications and recommendations for future research.

The third article titled “Measuring persistence in nominal exchange rate: Evidence from Angola” by J.M. Belbute, J.A. Delgado, P.C. Silva, and T.E. Pascoa aims to measure the degree of persistence in the Kwanza nominal exchange and to formulate policy implications for the decision-making process of the Angolan monetary authorities. The authors stress that “the appropriate response to a random shock depends on the degree to which its effects on the exchange rate will persist”. The sum of the autoregressive coefficient approach was used to measure the degree of persistence in the nominal exchange rate assuming a time varying mean because it was identified as the most popular scalar measure of persistence in the literature. The empirical evidence suggests that the relative purchasing power parity hypothesis for Angola cannot be rejected. There is a significant degree of persistence in both the formal and informal nominal exchange rates, but the degree of persistence in the official exchange rate is statistically lower than in the informal exchange rate. The authors could not find strong evidence that persistence has changed in levels throughout the sample period. Several important policy implications of the empirical findings are extensively discussed in the paper.

The fourth article titled “Slack-Based Measures of Efficiency in Two-Stage Process: An Approach Based on Data Envelopment Analysis with Double Frontiers”, by A.M. Tali, T.R. Padi, Q.F. Dar, apply two-stage DEA model to investigate efficiency of decision-making units. The authors argue that the application of single-stage DEA may lead to inaccurate efficiency measurement because it provides information of relative efficiency of a set of decision-making units without identifying sources of inefficiency. The authors emphasize that in many real life situations decision-making units may exhibit a two-stage structure where the first stage uses initial input to produce output which subsequently becomes input in the second stage to produce the final output. The authors use a Slack-based Model for obtaining Optimistic and Pessimistic DEA models for each of the two stages and the overall system in order to measure optimistic and pessimistic efficiencies. The proposed model is estimated in a sample of non-life insurance companies from Taiwan.

The last paper included in this special issue of the IJLTFES is a book review by M. A. M. Ferreira of the book titled “Researching Entrepreneurship (Conceptualization and Design)”, second edition, volume 33 from Springer series International Studies in Entrepreneurship, which is authored by Per Davidsson. Ferreira cites the author who claims that the book is “the only text dedicated to methods issues in entrepreneurship research”. According to the author of this review, the book:

- is not merely a manual, but a truly educational book;
- contains a theoretical part and practical part which are joined symbiotically to help the understanding of issues discussed;
- provides examples and references from leading entrepreneurship researchers;
- is written in an accessible way to the general public and may be valuable and interesting not only to academic users but also to analysts in marketing research or consultancy firms, business associations, statistical agencies and other government offices.

References
