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Intercultural Education for Creative Entrepreneurship

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Intercultural education is specific to the multicultural environment in Europe. The European focus on intercultural education is reflected in the documents, reports and measures taken through various financially supported projects. This article presents a research on the characterization of entrepreneurial potential in the case of an intercultural group of Romanian and Serbian trainees who became the target of a cross-border project between Romania and Serbia. The project, of which the designed Creative Entrepreneurship Training Program is part of, is entitled 'InclusiveArt – Access to Culture for Disadvantaged Children and Youth.' It implies a dynamic partnership formed by two NGOs (the Intercultural Institute Timisoara and 'Nevo Parudimos,' from Resita), one local public authority (the city of Zrenjanin) and one public cultural institution (the Centre for Fine and Applied Arts Terra, Kikinda). The proposed Creative Entrepreneurship Training Program (created in English) plans to help young potential entrepreneurs from the Banat Area in order to develop disadvantaged communities, by establishing commercially viable (self-sustaining) projects/businesses, based on a creative idea, as well as through the provision of a six-day training course for a group of 40 people aged 18 to 35. The training is delivered by a team of academics and training professionals from the Politehnica University Timisoara and the Intercultural Institute Timisoara, both from Romania. The proposed intercultural education program associated with the project implementation aims to the development of entrepreneurship competencies of young people that will be active in creative industries. The potential entrepreneurship characterization considered entrepreneurial traits, such as concerns, motivations, aptitudes and attitudes, as a result of data processing from a self-assessment test. The research results and conclusions support the definition of the structure, content and the didactic strategy adopted for the intercultural education program implementation.

Keywords: entrepreneurship potential, intercultural education, creative industries, creative entrepreneurship, self-assessment test

Introduction

The term 'culture industry' appeared in the post-war period as a radical critique of mass entertainment sustained by Theodor Adorno and Max Horkheimer (2002). At that time, 'culture industry' was a concept intended to shock: culture and industry were argued to be opposites and the term was used in polemics against the limitations of modern cultural life. It continued to be used as an expression of contempt for the popular newspapers, movies, magazines and music that distracted the masses (Carey, 1992). In the last years, the term has been used in association with 'creative industries,' considered as a set of knowledge-based activities focused on the generation of meaning, contents and aesthetic attributes by means of creativity, skill and talent, and with the potential to create wealth from trade and intellectual property rights (Department for Digital, Culture, Media & Sport, 2009; UNCTAD, 2010).

Defining 'creative industries' or 'cultural industries' (sometime used as interchangeable terms) have been the subject of considerable inconsistency and disagreement in the literature and in policymaking documents, especially if the parallel concept of 'cultural industries' is considered. The debates on its definition have finally succeeded to define the concept of 'cultural products,' articulated upon the notion of 'culture,' either in its anthropological or its functional sense. It might be argued, for example, that cultural goods and services, such as artwork, musical performances, literature, film and television programmes, and video games (see Table 1), share the following characteristics (Peltoniemi, 2015; Leslie & Rantisi, 2017; Haans & van Witteloostuijn, 2018):

- Their production requires some input of human creativity;
- They are vehicles of symbolic messages to those who consume them (e.g., they are more than simply utilitarian insofar as they additionally serve some larger, communicative purpose);
- They contain, at least potentially, some intellectual property that is attributable to the individual or group producing the good or service.

Overall, there has been a big debate and different interpretations of culture as an industry. For some, the notion of 'cultural industries' evokes dichotomies, such as elite versus mass culture, high versus popular culture, and fine arts versus commercial entertainment. More generally, however, the proposition that cultural industries are simply those that produce cultural goods and services, typically defined along the lines outlined above, has gained greater acceptance (UNCTAD, 2010).

According to the UNESCO, cultural industries are regarded as those industries that 'combine the creation, production and commercialization of

Table 1 UNCTAD List of Creative Services

EBOPS codes	Sub activities
Photography	83811 Portrait photography services
	83812 Advertising and related photography services
	83813 Event photography and event videography services
	83814 Specialty photography services
	83815 Restoration and retouching services of photography
	83819 Other photography services
	83820 Photographic processing services
Painting and sculptures	96320 Services of authors, composers, sculptors and other artists, except performing artists
Performing arts	96210 Performing arts event promotion and organization services
	96220 Performing arts event production and presentation services
	96230 Performing arts facility operation services
	96290 Other performing arts and live entertainment services
	96310 Services of performing artists
Music	96111 Sound recording services
	96112 Live recording services
	89123 Reprod. services of recorded media, on a fee or contract basis
	88904 Musical instrument manufacturing services
Publishing services	89110 Publishing, on a fee or contract basis
	89121 Printing services
	89122 Services related to printing
	84410 News agency services to newspapers and periodicals
Radio and television	84631 Broadcasting services
	96122 Radio programme production services
	96131 Audio-visual editing services
	96132 Transfers and duplication of masters services
	96133 Colour correction and digital restoration services
	96134 Visual effects services
	96135 Animation services
	96136 Captioning, titling and subtitling services
	96137 Sound editing and design services
	96139 Other post-production services
	84632 Home programme distribution services, basic prog. package
	84633 Home programme distribution services, discretionary programming package
	84634 Home programme distribution services, pay-per-view

Continued on the next page

contents which are intangible and cultural in nature. These contents are typically protected by copyright and they can take the form of goods or services.' Furthermore, an important aspect of cultural industries is that they are 'central in promoting and maintaining cultural diversity and in ensuring democratic access to culture' (UNESCO, 2000). This two-fold nature (combining the cultural and the economic perspectives) gives cultural industries a distinctive profile.

Table 1 *Continued from the previous page*

EBOPS codes	Sub activities
Film	96121 Motion picture, videotape and television programme production services
	96140 Motion picture, videotape and television programme distribution services
	96150 Motion picture projection services
Interior	83911 Interior design services
	88901 Furniture manufacturing services
Jewellery	88902 Jewellery manufacturing services
	88903 Imitation jewellery manufacturing services
Toy	88906 Game and toy manufacturing services
Digital online content	84311 Online books
	84312 Online newspapers and periodicals
	84321 Musical audio downloads
	84322 Streamed audio content
	84331 Films and other video downloads
	84332 Streamed video content
	84391 Online games
84392 Online software	
Advertising services	83611 Full service advertising
	83612 Direct marketing and direct mail services
	83619 Other advertising services
	83620 Purchase or sale of advertising space or time, on commission
	83631 Sale of advertising space in print media (except on commission)
	83632 Sale of TV/radio advertising time (except on commission)
	83633 Sale of Internet advertising space (except on commission)
83639 Sale of other advertising space or time (except on commission)	

Continued on the next page

In many European countries, creative economy is now recognized as a leading sector generating economic growth, employment and trade. In Europe, creative economy created a turnover of €654 billion in 2003, increasing 12% more than the overall economy. At present, it is estimated that cultural and creative industries contribute around 2.6% to the total GDP of the European Union, providing quality jobs to around 5 million people across the 27 EU member States. The creative economy became a priority and a strategic sector in the European 2020 Agenda.

The United Nations Conference on Trade and Development (UNCTAD) 2008 Report on Creative Economy underlined that creative industries are among the most dynamic sectors of the world economy, having a positive impact on employability and social inclusion. The Report was published early in 2008, the year of the financial crisis that caused a drop in global demand, resulting in the contraction of international trade and, ultimately leading many of the world's economies into recession. Furthermore, the

Table 1 *Continued from the previous page*

EBOPS codes	Sub activities
Architectural services	83211 Architectural advisory services 83212 Architectural services for residential building projects 83213 Architectural services for non-residential building projects 83214 Historical restoration architectural services
Cultural and recreational services	84510 Library services 84520 Archive services 96411 Museum services except for historical sites and buildings 96412 Preservation services of historical sites and buildings 96421 Botanical and zoological garden services 96910 Amusement park and similar attraction services 96930 Coin-operated amusement machine services
Royalties and license fees	73220 Leasing or rental services concerning video tapes and disks 73311 Licensing services for the right to use computer software 73312 Licensing services for the right to use databases 73320 Licensing services for the right to use entertainment, literary or artistic originals 73330 Licensing services for the right to use R&D products 73390 Licensing services for the right to use other intellectual property products

UNCTAD 2010 Report showed that creative economy had a significantly more positive growth trajectory since 2008. World exports of creative goods and services reached \$650 billion in 2010, nearly two and half times their 2002 level (according to the statistical information included in the United Nation Report). Many recent studies have shown that cultural and creative industries represent highly innovative companies with a great economic potential, and are one of Europe's most dynamic sectors, contributing around 2.6 % to the EU GDP, with a high potential for growth and provision of quality jobs to around 5 million people across EU-27.

In this context, the present article presents research on the characterization of entrepreneurial potential in the case of an intercultural group of Romanian and Serbian trainees who became the target of a cross-border project between Romania and Serbia. The project, of which the designed Creative Entrepreneurship Training Program is part of, is entitled 'InclusiveArt – Access to Culture for Disadvantaged Children and Youth.' It implies a dynamic partnership formed by two NGOs (the Intercultural Institute Timisoara and 'Nevo Parudimos' from Resita), one local public authority (the city of Zrenjanin) and one public cultural institution (the Centre for Fine and Applied Arts Terra, Kikinda). The proposed Creative Entrepreneurship Training Program (created and implemented in English) plans to help young potential entrepreneurs from the Banat Area meet their needs in order to develop disadvantaged communities, by means of commercially viable (self-

sustaining) projects/businesses based on a creative idea. For so doing, a six-day training course for a group of 40 people aged 18 to 35 was organized. The training was delivered by a team of academics and training professionals from the Politehnica University Timisoara and the Intercultural Institute Timisoara, both from Romania (the trainees had to interact with Romanian trainers in English).

Furthermore, the proposed intercultural education program associated with the project implementation aims to support the development of entrepreneurship competencies of young people active in creative industries. The article structure consists of: (1) description of the creative entrepreneurship specifics (as entrepreneurs operating in the creative industries field); (2) design process of the Creative Entrepreneurship Training Program; (3) research approach for the potential entrepreneurship characterization of the trainees by considering entrepreneurial traits, such as concerns, motivations, aptitudes and attitudes, together with the research results from a self-assessment test; (4) conclusions of the study.

Creative Entrepreneurship

Policy makers and artists of all categories have recognized that cultural and creative industries fuel the innovation and economic development of regions and countries (Bilton, 2015; Porfírio, Carrilho, & Monico, 2016). These industries are gaining more attention from mainstream scholars because of their increasing contribution to the development of Europe, and especially to the Mediterranean countries, that often lag behind the core European countries (Interreg, 2014). Considering the European context, creative entrepreneurship is also, known as cultural entrepreneurship. Kuhke, Schramme, and Kooyman (2015) note, 'In Europe, courses began to emerge in the late 1980s and early 1990s [...] primarily providing an established business school education with an industry-specific focus on the new and emerging creative economy.' Essig (2017) has analyzed the phenomena in parallel with art entrepreneurship in the United States and has argued on the importance of the education development in this field.

UNCTAD reports from 2008 and 2010 have emphasised that policies promoting the creative economy have to include, by priority, investment in education and human capital, with particular reference to the intersection between creative capacities and relevant technical skills. Furthermore, a large debate between educators, artists, intermediaries in creative industries and a new cohort of actors from the technologic field has highlighted the need for educating in creative entrepreneurship, mainly in the field of management and marketing. Bilton (2015) points to the importance of considering education for creative entrepreneurship in all high education programs related to arts, music or even multimedia and information

technologies, as a consequence of the potential impact of future young entrepreneurs in the local and regional development.

The creation of new firms occurs as a context-dependent, economic, and social process. The dynamics of this creation are very dependent on the entrepreneurs' attitudes towards critical factors (Chaston & Sadler-Smith, 2012), as well as on the conditions required to grow and prosper. Knowledge about the context where industries and entrepreneurial ventures develop is crucial to understand what is behind the phenomenon of development of creative industries (Porfírio et al., 2016).

According to Hausmann and Heinze (2016), there is no consensual understanding of entrepreneurship in the cultural and creative sector, yet. As mentioned in the research, an exception was found in four identified articles (Wilson & Stokes, 2004, 2006; Rae, 2005; Enhuber, 2014) referring to other authors' research, where the provided definitions differ considerably from each other (see Table 2).

From a more practical perspective, creative entrepreneurship refers to creative people, such as are artists, musicians, writers, designers, and who also act as entrepreneurs in creative industries (they start their own business and sell their creative work). According to the development of Kolb (2015), business plans are the key development that could support creative entrepreneurship. This tool can be used even if creative entrepreneurs decide to take a position in an existing organization, in their own for-profit organization or in a non-profit one. In this regard, they have to learn that those type of organizations exist in a highly competitive environment where they have to valorize their skills and develop new ones. As business developers, creative entrepreneurs have to organize, manage and assume risks of a business, they need to play a leadership role and be aware of the financial-accounting and legal aspects. All these aspects should be clearly presented in their business plan.

In addition, Kolb (2015) states that there are three basic entrepreneurial concepts that have to be understood before the business plan development and implementation:

1. The aspects related to creativity and culture as a business by taking into consideration the present society's view of what is art and the dynamics of its monetary value. In addition, these aspects impact the way production, distribution and purchase of cultural products are developed;
2. Definition of each artist's own mission, vision and values, and mainly, those of potential creative business. An introspection into the artist own world could be the starting point underlining the internal resources of the creative entrepreneur, including financial and personal

Table 2 Relevant Definitions of Entrepreneurship in the Cultural and Creative Sector

Author	Definition
Enhuber (2014)	'[C]ultural entrepreneurship can refer to cultural change agents and resourceful visionaries who organize cultural, financial, social and human capital, to generate revenue from a cultural activity.' (p. 4)
Kolsteeg (2013)	'Cultural entrepreneurs by definition work in a social, political, economic and artistic discourse.' (p. 5)
Smit (2011)	'The current discourse about the creative economy draws on different notions of cultural and creative entrepreneurs. These definitions differ [. . .]. However, they all concentrate on economic activities dedicated to producing goods and services with mainly aesthetic and symbolic value.' (p. 170)
Wilson and Stokes (2006)	'[W]e follow Ellmeier's definition of "cultural entrepreneurialism" – encompassing all-round artistic and commercial/business qualifications, long working-hours and fierce competition from bigger companies. [. . .] This focuses attention squarely on the particular ability of the cultural entrepreneur to coordinate and leverage artistic and managerial resources.' (p. 369)
Rae (2005)	'[C]reative entrepreneurship, which can be defined as the creation or identification of an opportunity to provide a cultural product, service or experience, and of bringing together the resources to exploit this as an enterprise.' (p. 186)
Wilson and Stokes (2004)	'[W]e follow Ellmeier's definition of "cultural entrepreneurialism" – encompassing all-round artistic and commercial/business qualifications, long working-hours and fierce competition from bigger companies. [. . .] the particular ability of the cultural entrepreneur to coordinate artistic and managerial resources [. . .], can be seen as a defining characteristic of the use of the term "entrepreneur."' (p. 221)
Ellmeier (2003)	'Cultural entrepreneurialism means all-round artistic and commercial/business qualifications, long working hours and fierce competition from bigger companies.' (p. 11)

Notes Adapted from Hausmann and Heinze (2016, p. 12–13).

qualities. After this, the external environment in which the business will be developed and implemented needs to be examined, including: market and the targeted customers (their behaviour, needs, preferences etc.), competitors, socio-cultural changes, technological development and economic conditions. As a conclusion of this introspection and analysis, a strengths, weakness, opportunities and threats (SWOT) analysis could deliver a synopsis of the business strategy;

3. Market analysis that assumes the characterization and deep understanding of the targeted customers (their behaviour, needs, preferences etc.) and the market where the future creative business will act. Finally, marketing objectives and tactics must be defined.

Considering the specifics of the education for creative entrepreneurs,

more and more educators are inclined to use methods and tools of intercultural education. This is because, finally, creative industries products have to be included and merged into the socio-cultural environment and, thus, they have to be understood and accepted by an intercultural community (Banks, 2015).

As a result, intercultural education is defined as a process that leads to a complete and thorough understanding of the concepts of democracy and pluralism, as well as to a deeper understanding of different customs, traditions, faiths and values. The analysis of the literature revealed many models of intercultural competences development, such as the so-called multicultural education (whose goals are knowledge and peaceful coexistence) and some others related to transcultural approaches (focusing on the promotion of human rights and universal values), while few are intercultural models, which emphasize the opportunities derived from encounter, dialogue and interaction (Guilherme & Dietz, 2015; Portera & Grant, 2017). Furthermore, 'intercultural competences were defined as a set of knowledge, attitudes and skills that allows one to appropriately and effectively manage relations with persons of different linguistic and cultural backgrounds' (Portera & Grant, 2017).

Overall, the main advantages of considering intercultural education for creative entrepreneurship are (Portera & Grant, 2017): (1) it does not define identity and culture rigidly, but views them as being dynamic and in constant evolution; and (2) it regards diversity, otherness, emigration and life in a complex and multicultural society not only as risk factors, but also as opportunities for enrichment and growth. Taking these advantages and their practical exploitation impacts the education process associated to a specific program. However, literature is poor in describing didactical and pedagogical methods and tools for creative entrepreneurship development. Considering the entrepreneurial education, Table 3 summarizes the most relevant teaching methods and strategies that can be exploited efficiently.

More recently, Thom (2017) confirmed the assumed poor state of arts in entrepreneurship education at higher educational institutions by showing evidence that entrepreneurial education of fine art students was definitely not been implemented, neither in the United Kingdom nor in Germany. Similarly, the study of Nabi, Liñán, Fayolle, Krueger, and Walmsley (2017) reconfirmed past reviews and meta-analyses: they found that research on the impact of entrepreneurship education still predominantly focuses on short-term and subjective outcome measures and tends to severely under describe the actual pedagogies being tested (the study is based on the analysis of the articles published in the period 2004–2016). In conclusion, there is a lack of even minimal specific pedagogical details on entrepreneurship education in general and, more especially, for creative industries.

Table 3 An Inventory of Teaching Methods and Strategies

Trainers activities	Trainees activities
Experiential learning	Inquiry, individual work
Experiment	Problem-solving exercises
Critical thinking	Working with information Developing critical thinking Innovation and risk taking
Brainstorming	Problem thinking
Integrated learning/teaching, transfer and interdisciplinary linking	Complex understanding Group work Working in and for multidisciplinary teams
Project method	Create project frameworks (work plan, suitable materials and schedule/time management/task distribution, project work, project evaluation) Establishing fictitious companies Planning and project management in order to achieve goals Collaboration, cooperate within the team Making own ideas relevant to the team Team leadership Finding innovative solutions for specific issues Being resilient Learning from mistakes and failures
Learn to make good decisions	Combine and compare knowledge and information to use opportunities and how to take risks Strengthen the ability of trainees to convert ideas into practice Learn from each other and learn together as a team Experience exchange Cooperative problem solving
Flexibility	Use of opportunities Understand the complexity of the work Have contact with real organizations

Notes Adapted from Jůvová, Čech, and Duda (2017, pp. 68–70).

The Intercultural Education Context

The main phases and their brief description of the ‘InclusiveArt’ project are the following:

1. Selecting the participants and define the target group;
2. Developing the curriculum for the creative entrepreneurship development, entitled ‘Creative Entrepreneurship Training Program;’
3. Training needs analysis, which have to characterize the trainees actual knowledge (as their own declarations) and their expectations from the training program implementation;
4. Refining the curriculum of the Creative Entrepreneurship Training Program;

5. Developing the Virtual Learning Platform for training and evaluation. This is the main tool used not only for teaching, learning and evaluation of the trainees, but also for communicating and tutoring their work,
6. Delivery of training modules. In this case, peer-review processes among trainers have contributed to the elimination of knowledge duplications, as well as to the simplification of several explanations by using visual tools (graphs, figures, movies, examples of good practices, etc.);
7. Counselling and mentoring activities were mainly dedicated to the development of the trainees' final projects and their delivery (uploading into the Virtual Learning Platform);
8. Evaluation of the final projects and provision of grants to each trainee.

In the context of the present article, we shall present mainly the content of the first, second and fourth phases, as well as the results of the research for the potential assessment on entrepreneurship developed during the sixth phase.

Trainees Group Definition

In order to adequately target potential participants for the project, the UNCTAD (2010) list of activities has been included in the creative industries definition, as it remains the most comprehensive one and was designed for cross-country comparison. UNCTAD's classification has the advantage of being less restrictive due to the fact that it encompasses both the cultural and technological dimensions of creative industries, whereas other taxonomies (as Department for Digital, Culture, Media & Sport, World Intellectual Property Organization or KEA European Affairs are) are biased towards one or the other (in Table 4). UNCTAD's (2010) classification includes both manufacturing and service industries, specific activities of communication and information technology sectors related to creative industries (most of them are services, especially knowledge-intensive services) (Table 4).

The 'InclusiveArt' project's partners from Romania and Serbia were responsible for sending invitations to particular organizations that were in contact with young artists. Different advertising events, press announcements, interviews and project presentations organized in towns near the bordering area in Serbia (Kikinda, Zrenjanin) and in Romania (Timisoara, Resita) have touched large audiences engaged in creative industries. Finally, a number of 54 people interested in participating at the Creative Entrepreneurship Training Program were considered during the selection process. Finally, a number of 41 young artists (26 from Romania and 15 from Serbia) interested in participating at the Creative Entrepreneurship Training Program were selected

Table 4 Comparison of Different Classifications of Creative Industries

Creative industries	(1)	(2)	(3)	(4)	(5)
Printing		.			.
Publishing
Advertising & related services
Architecture and engineering
Arts and antique markets/trade	.	.			.
Crafts
Design/specialized design services
Designer fashion	.	.			.
Film/motion picture & video industries
Music/Sound recording industries
Performing arts (theatre, dance, opera, circus, festivals, live entertainment)/ independent artists, writers, & performers
Photography
Radio and television (broadcasting)
Software, computer games and electronic publishing
Heritage/cultural sites (libraries and archives, museums, historic and heritage sites, other heritage institutions)			.	.	.
Interactive media			.	.	.
Other visual arts (painting, sculpture)			.	.	.
Copyright collecting societies				.	.
Cultural tourism/recreational services				.	.
Creative R&D					.

Notes Column headings are as follows: (1) Department for Digital, Culture, Media & Sport (2009), (2) World Intellectual Property Organization (2003), (3) Eurostat (2000), (4) KEA European Affairs (2006), UNCTAD (2010). Adapted from Boix, Hervás-Oliver, and Miguel-Molina (2015, p. 7).

(17 potential participants from Serbia and 24 from Romania). The average age of the participant is 27.75 years.

In the first stage of the project implementation, it was necessary to select the participants based on their activities and experience within creative industries. The assessment process considered the participants' uploaded portfolios (pictures, movies, short biography, projects portfolios etc.), available at the Virtual Learning Platform of the Politehnica University of Timisoara, Romania (www.cv.upt.ro, developed under the Moodle platform). The participants' portfolios demonstrated their main areas of interest in the creative industry, as depicted in Figure 1 (interest areas were clustered). In addition, Table 5 summarizes the demography of the trainees and trainers groups in order to demonstrate the created intercultural environment for the development of the Creative Entrepreneurship Training Program.

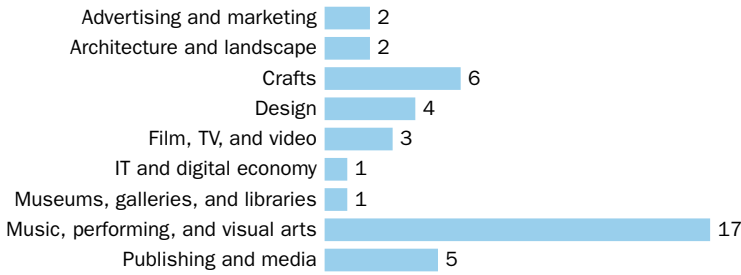


Figure 1 Defined Target Groups: Results of the Selection and Recruiting Process of Young Artists

Table 5 Characteristics of the Whole Creative Entrepreneurship Training Program Group: Demonstration of Intercultural Created Environments for Training and Assessment

Interdisciplinary teams	Transdisciplinary knowledge alliance	Interculturality	Gender	Age
Various disciplinary backgrounds concerning education, work experience, research and current employment	5 academics + 5 consultants and trainers of the Intercultural Institute + 7 regional actors (entrepreneurs in creative industries) 17 trainers 41 trainees	2 countries: Romania and Serbia (but also different nationalities)	Women: 9 trainers + 14 trainees Men: 8 trainers + 27 trainees	Trainees' age: 18 to 35 Trainers' age: 36 to 54

Brief Description of the Creative Entrepreneurship Training Program

Starting from the aspects in the second section, the perspective of Kolb (2015) has been considered adequate for the 'InclusiveArt' project context and, in particular, for the Creative Entrepreneurship Training Program design and implementation. In addition, the program benefited from the intercultural education environment resulting from the trainees' diversity (cultural diversity, education background, age and gender diversity, etc.), trainers' diversity (degree of competencies and experiences with creative industry, but also their education background) and even their education environment, didactic and pedagogy methods and used tools (combing face-to-face education and learning with blending learning, on-line exercises and assessment, etc.). This was created as a result of the literature knowledge gap in the field of teaching and learning of creative entrepreneurship (mentioned in the second section), but also as an opportunity to exploit the existing infrastructure of the Virtual Campus of the Politehnica University of Timisoara

Table 6 Short Description of the Behaviour Dimensions Considered by the Applied Self-Assessment Test

Behavioural characteristics	Descriptions	The profile of the Canadian entrepreneur (the basis for the comparison)
Motivation	Motivations are factors that determine behaviour. They are the underlying reasons that induce someone to act.	Minimum score: 19 Average score: 62 Maximum score: 76
Aptitudes	Aptitudes are natural inclinations, competencies, and abilities. Certain aptitudes predispose someone to be an entrepreneur.	Minimum score: 20 Average score: 67 Maximum score: 80
Attitudes	Attitudes are made up of perceptions, our feelings about something. They are judgments we make, ways we look at things.	Minimum score: 11 Average score: 37 Maximum score: 44

(www.cv.upt.ro). After several sections of constructive discussions among trainers, the structure and the content of the Creative Entrepreneurship Training Program was defined. Figure 2 shows the associated skills card, as a result of refining the sessions after the assessment phase of training needs. The structure and the content were perfectly aligned to the initial description of the training course, included in the 'InclusiveArt' project proposal.

The Entrepreneurship Potential Assessment

The Research Methodology

The adopted methodology for the entrepreneurship potential characterization consists of a survey using an on-line self-assessment test delivered by the Business Development Bank of Canada (see <https://www.bdc.ca>). The test was applied to all participants in the Creative Entrepreneurship Training Program, after the presentation of the first and second module of training, and during the introduction of the third module.

The applied questionnaire (test) includes 50 statements, and it takes about 10 minutes to fill-up. There are no right or wrong answers and the respondents have to express honest opinions in order to get a good diagnosis on their entrepreneurial potential. For each statement, respondents have to choose the number that best describes their opinion, in correspondence with a Likert scale of 4 points (1 – totally disagree, 2 – somewhat disagree, 3 – somewhat agree, 4 – totally agree). Respondents were aware that they need to use the entire scale as much as possible, as always answering '2' or '3' will not allow them to fully benefit from the on-line tool. Once the respondents completed the test, their answers were compiled, and self-assessment results regarding their entrepreneurial traits, such as concerns motivations, aptitudes and attitudes, were visible (Table 6).

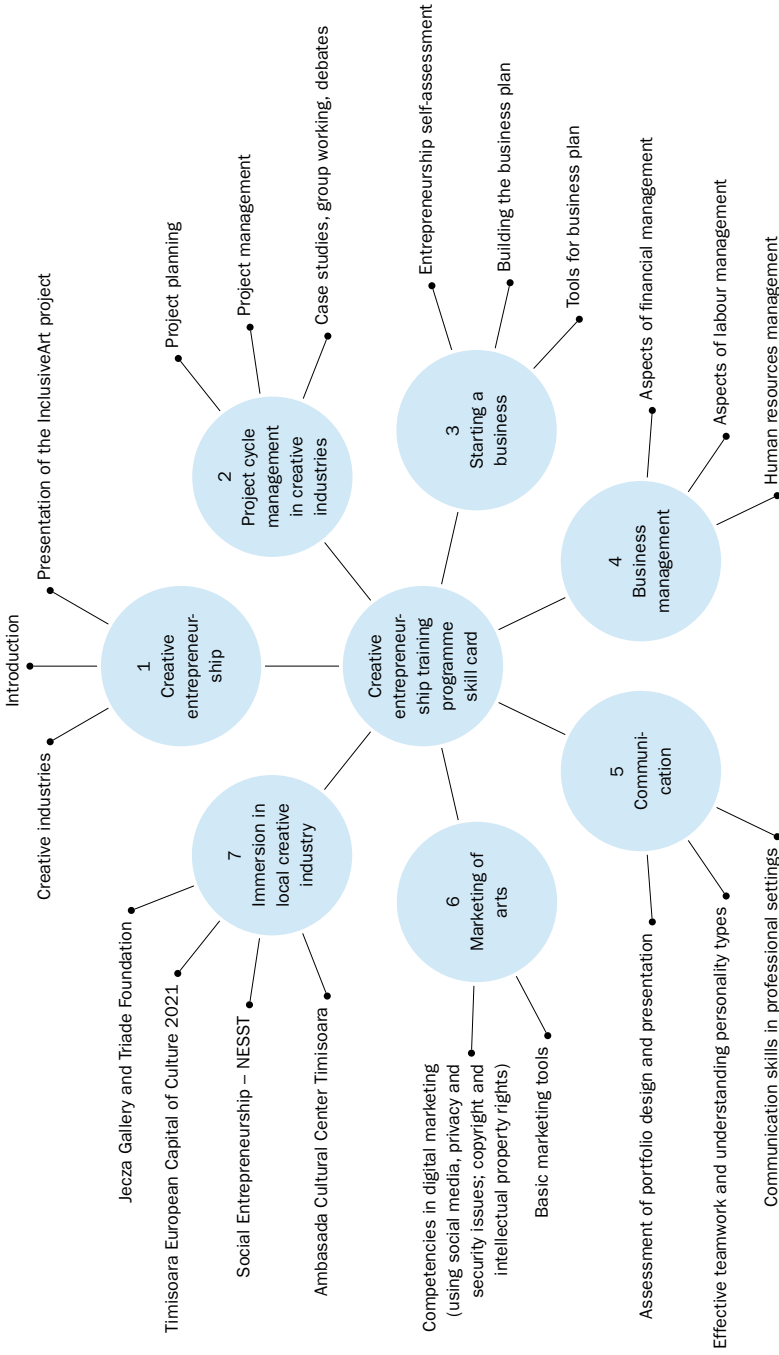


Figure 2 The Skills Card of the Creative Entrepreneurship Training Program

The behaviour sub-characteristics considered for the 'motivation' dimension are:

- *Need for achievement/success.* The need to achieve is demonstrated by a desire to progress, excel, and perform. A person who has this characteristic likes to set his own objectives and get feedback about what he is doing to excel. Such people are often very competitive, especially with themselves.
- *Power/control appeal.* People who like power and control are often imbued with the desire to lead and influence. In concrete terms, such people want to organize and coordinate actions and mobilize resources. They also like to arouse admiration and acquire social status.
- *Need for challenges/ambition.* Challenge and ambition are closely related to the need to achieve. These people are constantly looking for ways to take on difficult projects, achieve their dreams. They have a constant need to learn.
- *Self-sufficiency/freedom.* People who are looking for independence and freedom want to be their own boss and be able to make their own choices, set their own constraints – in short, make decisions independently.

In the case of the 'aptitudes' dimension, the behaviour sub-characteristics considered are:

- *Perseverance/determination.* Perseverance is demonstrated by persisting in one's efforts, constant determination to find solutions to problems. People who persevere and are determined will display tenacity and are able to bounce back quickly.
- *Self-confidence/enthusiasm.* Self-confidence gives someone a belief in his own resources and abilities, makes him proud of himself. Someone who has self-confidence knows his own value, and is optimistic about his ability to achieve.
- *Tolerance towards ambiguity/resistance to stress.* This is an important characteristic in an entrepreneurial profile. People who can tolerate ambiguity are able to handle and manage the stress created by uncertainty. They are very adaptable.
- *Creativity/imagination.* Creativity often is evidence of someone who is curious, inquisitive, and able to anticipate things and to imagine various solutions to a problem.

The behaviour sub-characteristics considered for the 'attitudes' dimension are:

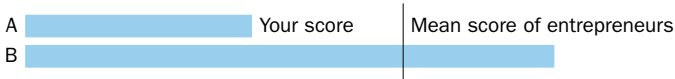


Figure 3 Example of a Test Result with One Item Considered for Evaluation (adapted from the on-line self-assessment test delivered by the Business Development Bank of Canada, see <https://www.bdc.ca>)

- *Perception to act upon one's destiny.* Some people attribute their success to luck, others attribute it to their own efforts. People with an entrepreneurial profile tend to believe they have the power to influence events by the actions they take.
- *Action-oriented.* One fundamental characteristic of the entrepreneur is being action-oriented. Eagerness to take action and diligence are fairly common traits of entrepreneurs. They believe they have to act to be successful.

Finally, each trainee/respondent could see his/her own results displayed with horizontal bands (Figure 3). The vertical band shows the mean score of entrepreneurs:

- If the horizontal range of one respondent's results does not exceed the vertical range, it means that his/her results for this dimension is below the average obtained by entrepreneurs.
- If the horizontal range exceeds the vertical range, his/her results are above average.

The on-line self-assessment test used in the investigation was prepared on the basis of research and observations of the characteristics of Canadian entrepreneurs in all industry sectors. On average, entrepreneurs tend to obtain overall results that are higher than those of the general population. Granted, the mere fact of obtaining (or failing to obtain) results in line with those of entrepreneurs is not enough to indicate trainees/respondents potential as an entrepreneur. Many other factors come into play, including their personal circumstances, milieu, experience, timing, etc. Considering all these limitations (comparison were done using the Canadian entrepreneurs and not the Serbian or Romanian ones), the test allows trainees/respondents to compare their answers to those of a group of entrepreneurs, and to note where they present similarities or differences.

Research Results and Debate

The research results regarding the entrepreneurial self-assessment investigation is shown in Table 8. Trainees were asked to complete the test and then to save in pdf format the achieved results into the Virtual Campus (a special section was created). Despite the fact that all the trainees were

Table 7 The Global Profile of the Respondents Related to the Entrepreneurship Behavioural Characteristics

Behavioural characteristics	(1)	(2)	(3)	(4)
General profile	151	147	164	166
Motivation	56	54	61	62
Aptitudes	61	61	66	67
Attitudes	33	33	34	37

Notes Column headings are as follows: (1) total sample, (2) Serbian, (3) Romanian, (4) average standard.

Table 8 Results of the Self-Assessment

Behavioural characteristics	(1)	(2)	(3)	(4)
General profile	166	150.758	147.250	163.687
Motivation	62	55.727	53.937	61.000
Need for achievement/success	17	15.937	15.000	16.875
Power/control appeal	17	14.781	13.375	16.187
Need for challenges/ambition	16	15.531	14.250	16.812
Self-sufficiency/freedom	12	11.219	11.312	11.125
Aptitudes	67	61.303	60.625	65.812
Perseverance/determination	14	13.875	13.187	14.562
Self-confidence/enthusiasm	13	12.875	12.312	13.437
Tolerance towards ambiguity/ resistance to stress	19	17.625	17.000	18.250
Creativity/imagination	21	18.8437	18.125	19.562
Attitudes	37	33.394	32.687	36.187
Perception to act upon one's destiny	20	18.781	17.875	19.687
Action-oriented	17	15.656	14.812	16.500

Notes Column headings are as follows: (1) average score according to the test, (2) average profile for the total sample (33 respondents), (3) average profile for the Serbians sample (17 persons), (4) average profile for the Romanian sample (16 persons).

invited to participate in this investigation, there were only 33 submitted self-assessment tests uploaded on the on-line platform (19 of them were males and 14 females).

The research results are shown in Tables 7 and 8. As it can be seen, the research sample of the entrepreneurship potential (in all three cases: total sample, the Serbian and Romanian sub-samples) is below the average score obtained by Canadian entrepreneurs. The Romanian group of respondents had a more similar profile to the Canadian entrepreneurship profile than the Serbian respondents. Such results were achieved even in the case of detail analysis of the sub-dimensions (Table 8). The analysis of the scores deviations from the average scores imposed by the Canadian test were also analysed with the trainers' support.

Romanian trainees achieved deviation scores between -1 to $+1$ for the sub-dimensions of the entrepreneurship behavioural characteristics that were analysed. The deviation score achieved was above the Canadian average ($+1$) for: 'need for challenges/ambition' and 'perseverance/determination,' and zero deviation scores for the following sub-dimensions: 'need for achievement/success,' 'self-confidence/enthusiasm' and 'perception to act upon one's destiny.'

These results have shown that these respondents are looking for ways to take on difficult projects, achieve their dreams and that they have constant need to learn. In addition, their perseverance demonstrates their constant determination to find solutions to problems and, thus, they display tenacity and are able to bounce back quickly. According to the trainers' opinions regarding the Romanian group of creative trainees, they expressed their doubts on their risk mitigations and estimated that some potential risks could diminish the entrepreneurs' self-confidence and enthusiasm. Trainers appreciated the Romanian young creative entrepreneurs' perception on having the power to influence events and other people's lives with their actions. This appeared as a very good test result, as it offered confidence on those trainees' actions and on the successful implementation of cultural intervention projects.

The Serbian group of trainees achieved deviation scores between -4 to 0 for the sub-dimensions of the analyzed entrepreneurship behavioural characteristics. Positive results (-1 score of the deviation) were achieved for the following sub-dimensions: 'self-sufficiency/freedom,' 'perseverance/determination' and 'self-confidence/enthusiasm.' These results evidenced the determination (motivation) of the Serbian trainees to become entrepreneurs, looking for independence and freedom: they wanted to become their own bosses and be able to make their own choices and decisions independently. The perseverance of the Serbian group of trainees was demonstrated by their persistence in their own efforts, as well as their constant determination to find solutions to problems. During the training and for the project's development, the trainers highlighted the Serbian trainees' perseverance, as they were determined, displayed tenacity and were able to bounce back quickly when difficulties occurred. The Serbian trainees showed self-confidence as a result of the belief in their own resources and abilities, their pride, self-confidence, and self-acknowledgement of their own value. All this generated optimism in the trainers regarding the trainees' ability to achieve the proposed goals (namely, their involvement in projects related to cultural intervention in disadvantaged communities).

The lower scores obtained by both categories of trainees were carefully analyzed by the trainers. The main causes that were found (and agreed upon) included: missing education in the field of entrepreneurship (eco-

conomic and financial knowledge as most desired ones), knowledge gap in the field of management and marketing for creative industries and missing knowledge supporting the digital phase of the business development. As a result, these findings served as an orientation for the content of the training program.

Conclusions

Cultural entrepreneurship is considered a new paradigm of business that puts culture at the centre of enterprise ideation, development and growth. It leads to global change, creating economic value through local resources and perspectives that are readily available in the cultural fibre of every individual. Despite the fact that culture industry is an emergent one (as demonstrated by its great contribution to the European countries GDP) and the creative entrepreneurship is financially supported by different programs and institutions, there is still a need for training programs in this field.

The purpose of this article was to present the potential of entrepreneurship education in the field of creative industries. Thus, the intercultural educational environment created by the participants in a cross-border project between Romania and Serbia was described, as well as the Creative Entrepreneurship Training Program skill card. The program structure and content, together with the intercultural education environment associated with the implementation of the 'InclusiveArt' project, aimed at supporting the development of entrepreneurship competencies in young people active in creative industries. This training program offered a unique opportunity to the trainees, as they learnt how to turn abstract ideas into executable plans (projects or business plans) directly from senior professionals and leaders in the sector (practical lessons, examples of best practices and demonstrations were included).

At the end of the program, trainees had a thorough understanding of why cultural change precedes social change and how this pertains to creative projects and business models in any sector or industry. They clearly understood and were able to articulate why cultural entrepreneurship is the model the world is currently moving into. The program allowed trainees to explore, evaluate and develop their own business ideas applying the knowledge achieved during the training and through on-line learning in a thorough, critical and confidential way.

Furthermore, the article presented the research for the characterization of entrepreneurship potential in the case of the Serbian and Romanian trainees, by considering entrepreneurial traits, such as concerns, motivations, aptitudes and attitudes. These behavioural characteristics were described individually and for each group by applying an on-line self-assessment test by the Business Development Bank of Canada. The re-

search results and findings were analyzed by the trainers' group in order to establish the content of the training modules and the most adequate pedagogical strategy.

Future research on the trainees' entrepreneurship potential and its valorization will be done in the next stage of the 'InclusiveArt' project, consisting of a tutoring session in order to develop cultural intervention projects for disadvantages communities in the Banat Area of Romania and Serbia.

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Clay Workshop as Staff's Competency Self-Evaluation Related to Business Strategy

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This case study examines staff members' self-evaluations of competency relative to a set business strategy and firm's strategic goals. The study employed a rarely utilized arts-based research approach focused on a clay workshop in conjunction with storytelling. The data was collected via interviews with 16 staff members participating in strategy discussions. The research demonstrated that the inclusion of staff members in a firm's strategy efforts can produce more diversity and greater creativity by increasing the utilization of reflection as a strategic method. The originality of this study lies in the methodology: a clay-centered workshop was utilized to produce staff's reflections.

Keywords: self-evaluation, competency, clay workshop, case study, Finland

Introduction

Today the question of staff involvement in a firm's strategic and developmental processes is fundamental (Kamesky, 2010; Salih & Doll, 2013). As Kärnä (2012) noted, the role of staff as active participants in a company's strategy process has not been recognized or developed enough. The most advanced companies effectively involve all parties, including their board, managers and staff, in their strategy process. On the other hand, as Mänttinen, Suominen, and Vaara (2011) argue, a company's board of directors and managers often think that holding on to the responsibility for drafting business strategy is a strong way to maximize control over an organization (see Klimkeita & Reihlen, 2016). It is for that reason that many organizations continue to implement a top-down strategy and do not encourage open discussion.

A firm's human resources are based on the staff's competencies. Competency requirements are changing rapidly, and firms and organizations are now facing increasingly complex situations (Tregaskis & Brewster, 2006; Van der Heijde & Van der Heijden, 2006). According to Hodkinson (1992), in daily work, each individual has to reflect on and use dialogue that relates

to his or her competencies involving performance, actions and even culture. However, scant attention has been paid to staff members' self-reflection and self-evaluation related to their professional competencies and to their relationship with the firm's future strategic goals.

Reflection is the essence of learning and of the so-called 'meta-competency,' which is the process of thinking, acting, experiencing and thinking, evaluating and analyzing alone and together, tied to the surrounding social reality or the context (Fernandez et al., 2012). Furthermore, reflection helps to raise awareness and understanding and to reform (Argyris & Schön, 1996; Boud, Cressy, & Docherty, 2006). The ability to reflect and thus evaluate means that an individual is able to observe his or her own thoughts and feelings, is able to express them, and knows how to deal with them as a part of his or her own competencies.

Any arts-based methods can add tacit or active knowledge to finding new meanings of things, because such methods do not have the restrictions found in the traditional frameworks of qualitative studies (Fraser & al Sayah, 2011). Arts-based methods such as clay workshops remain little used in business research, despite their versatility (Ibbotson, 2008; Taylor & Ladkin, 2009). However, the use of an arts-based perspective to explore organizational development and to understand change has increased (Adler, 2006, Rhee 2010). Using clay to design objects raises metaphorical conversations that can benefit the development of company strategy, as well as the realization of a company's future strategic goals. The metaphors are linked to the reflection, and working with clay can be an opportunity for discussion about unpleasant or difficult topics (Warren & Parker, 2009). The clay-workshop method employed in this study is an indirect tool to express sensations and self-evaluation, and is a gateway or bridge to storytelling or metaphors (Leavy, 2009) binding the body and mind together.

In order to study an arts-based method in business strategy development, this research examined two primary questions: How did an arts-based clay workshop method fit the company's strategy process? (RQ1). And how did staff members reflect on and evaluate their own future competency needs and requirements? (RQ2).

This case study was conducted in a social-sector development company in southeast Finland. The company's goals are based on proactively creating new service models and experiments that ensure flexibility and innovativeness in the social sector. Several of the company's projects and service models in the case study have involved various arts-based methods related to customer service experience, leading the company to be a willing case study of the suitability of the clay-workshop method for client work.

This study offers an approach to the involvement of staff in a firm's strategy and vision process. The staff defined their own competencies related

to their firm's strategic goals for the future in an arts-based clay workshop. The results of the empirical qualitative case study include the staff's visions of tacit knowledge and competency, as well as aspects of managing future digital technology in the social sector.

Next, the paper presents a theoretical discussion of the classification of competencies related to this research phenomenon and its occurrence in an organization's activities, as well as of the staff members' ability to reflect on their competencies. This paper then presents the empirical aspects of this study, including the practical structuring of the research and the reference framework for methods and findings. Finally, this paper discusses the findings of this study and their implications.

Arts-Based Approach and Reflection of Competencies

Incorporating Arts-Based Clay Workshops in the Strategy Process

An arts-based approach to strategy development allows for art and creative methods to become a qualitative scientific source of research (Leavy, 2009). The methods in an arts-based approach are of a holistic nature, and include reflection, description, problem layout and solution. They require the ability to identify with intuition and creativity (Leavy, 2009). In addition, Weick (2007) argues that the traditional business thinking of logic and rationality are suitable for complex and chaotic environments, and the arts-based method can offer a different means from which to access the world. Thus, the arts-based view offers people the opportunity to use creative intelligence to create more accurate, original and smarter descriptions than the more traditional, verbal, and mathematical ones (Taylor & Ladkin 2009). The development of work life through arts-based methods has been studied to some degree (Antal & Strauß, 2013; Pässilä, 2012). However, the scope of the research has been limited to the effects of the action analytical. Furthermore, there is scant systematic research data, and whatever data is available is primarily focused on organizational culture and experienced wellbeing (Antal & Strauß, 2013; Darsø, 2004).

The distinguishing features of clay in relation to other materials are its plasticity, texture, dimensionality, naturalness, immediate touch and reworking ability. Working with clay was among the first forms of human communication. Its primacy, basicity and elementality as a substance have given clay a fundamental use throughout human history (Sholt & Gavron, 2006). Henley (2002) argues that emotions, even those that are suppressed or blocked, often find expression through clay, and that working with clay helps to reach the deepest dimensions of human psyche. According to McNiff (1998), underlying arts-based methods can be seen as a primary way of understanding human experiences.

The involvement of staff in the development of a company strategy has in-

creased since the 1980s, and has been found to relate to business growth (Lawler, Mohrman, & Ledford, 1995; Luthans & Peterson, 2002). Furthermore, staff involvement in strategy development has led to increases in work motivation, as well as to staff satisfaction and productivity (Luthans & Peterson, 2002). According to Cooper-Hakim and Viswesvaran (2005), job involvement is 'the degree to which an employee psychologically relates to his or her job and the work performed therein.' Brown (1996) argues that a 'state of involvement implies a positive and relatively complete state of engagement of core aspects of self in the job.' Staff involvement practices are expected to improve staff knowledge and competencies, as well as strengthen motivation, autonomy and decision-making authority (Combs, Liu, Hall, & Ketchen, 2006), usually combined with positive outcomes for the organization or company (Yalabik et al., 2008). The staff involvement process can also be seen as an innovation or elaboration process (Yang & Konrad, 2011). Several positive outcomes empower workers by developing their competencies (Yang & Konrad, 2011), and increasing their experience of meaning, self-reflection, resilience, attitudes and innovation ability (Spreitzer, 2007).

Competencies Are the Resource of a Company

Competencies are aspects of behavior that a person must have and be able to display to perform professional tasks and functions competently. The ability to apply one's own experiences, knowledge and attitudes to one's daily work (Le Deist & Winterton, 2005) and perform well professionally (Nordhaug & Grønhaug, 1994) is a significant matter. A performance-based competency approach can also be considered to have a behavioral aspect (Manley & Garbett, 2000, Lönnblad & Vartiainen, 2012). It refers to the descriptions of action and behavior that highlight an individual's own operations and environment detection-related tasks, as well as the evaluation of and reflection on one's own tasks. Thus, when evaluating individuals' competencies, it is wise to examine what a person can do or should be able to do (Mansfield & Mitchell, 1996). It is for this reason that performance or behavior is highlighted as an approach, rather than knowledge and cognitive ability, as it influences an individual's performance imperceptibly behind the scenes (Elliott, 1991). This approach can be employed successfully only with the necessary knowledge and understanding (Gibson & Soanes, 2000; Pietiläinen, 2010).

Holistic View of Competencies

A holistic view of visible and invisible competencies is necessary because cognitive and functional competencies no longer comprehensively explain competency identification, nor its needs or the requirements of the world of

work (Cheetham & Chivers, 1998). Rychen and Salganik (2003) noted that staff competencies cannot be observed solely through the significance of cognitive competencies. Instead, they found that competencies are associated more extensively with an individual's life, which includes the life cycle, life experiences, and the individual's membership in various communities and in society at large. This wider perspective is necessary because in addition to basic cognitive capacities, each person's competencies include ethical, motivational, social and operational competencies (Le Deist & Winterton, 2005; Hodkinson & Issitt, 1995), and those competencies affect an organization's involvement processes.

Le Deist and Winterton (2005) presented a holistic classification of competencies (see also Cheetham & Chivers, 1998). If this concept of competency is used without further attributes, it refers to different dimensions of the work context. Cognitive competency covers knowledge and understanding and functional competency and includes skills, in particular practical ones. Social competency includes behavior and attitudes. Meta-competency differs from other types in that its mission is to contribute to the achievement of all other competencies. Personal conceptual (meta-competency) and operational (social competency) factors are also important competency areas. They are related to self-efficacy, as part of the self-regulatory process (Zimmerman, 2000). Thoughts, emotions and motivation connect them to self-management (cognitive and functional) as professional competencies develop.

Reflection as a Super Meta-Competency

Reflection is the essence of learning and a so-called meta-competency. It is the process of thinking, acting, experiencing and thinking. It is also the process of evaluating and analyzing, both alone and in relation to the surrounding social context (Fernandez et al., 2012). Furthermore, it helps to increase awareness, understanding and renewal (Argyris & Schön, 1996; Boud et al., 2006). Cheetham and Chivers (1998) stress reflection as a super meta-competency. They define it as the ability to reflect and evaluate oneself and one's own activities. They further state that the importance and objectives of one's own work and the work of others are guided by a person's activity, understanding and professionalism.

The ability to reflect means that an individual is able to observe his or her own thoughts and feelings, is able to express them, and knows how to deal with them as a part of his or her competencies. According to Moon (2002) and Ruohotie (2005), reflection is a mental activity wherein one creates distance from tasks, situations and events, and is able to view them more objectively. In doing so, it is possible to see reflection as a process that enables one to use one's experiences and determine one's competencies

by mirroring tasks and events against actual experiences. Utilizing reflection in this way, it is possible to discover new activities and features to support better decision-making. As Seibert (1996) has argued, evaluation, critical review and learning through experience are the key aspects of genuine and realistic reflection. Rampersad (2004) has developed the definition further positing that, in addition to actual experience, individuals' opinions and principles also play a significant role, while one's surrounding environment and context have to be taken into account during reflection (see also Fernandez et al., 2012).

Research Design and Methodology

Research Design

The approach of this empirical research is qualitative, and is aimed at a deep understanding and analysis of staff members' self-evaluation of their present and future competencies. Qualitative research (Merriam, 2009) examines the understanding and interpretation of social reality, enabling the interpretation of people's social reality and the meanings of their reflections and experiences. A chosen case-study strategy, in turn, is often applied to research that focuses on a given phenomenon in a real-life context (Ghuri & Grønhaug, 2005). The phenomenon studied here uses a clay workshop as a tool for staff to self-evaluate their competencies relative to the company's strategy. The case study employs a justified research method, in which the aim of the study is to describe actual phenomena in their own context without a researcher maneuvers actions being the objects of research (Yin, 1994). The objects of the study are 16 staff members, and their reflections and self-evaluations of their individual competencies.

Research Method and Data Collection

An arts-based approach was employed, because this study examines new ways of involving staff in strategic work and of encouraging them to evaluate their competencies through personal reflection. A clay workshop, in which staff members shape clay objects, was chosen for the functional, creative and sensorial expression phases. Arts-based research is normally conducted in the social sciences (MacIntyre, 1984) based on social interactions (Hyvärinen, 2006). This business study uses a clay workshop as the research medium because it focuses on individuals, and aims to form a comprehensive view of their reflections and evaluations of their competencies. The impetus to use an arts-based approach came from the company, as a result of the the board's interest in discovering new knowledge, a new strategical involvement method, and a new channel for gathering staff's thoughts and opinions. The board was also seeking to employ new creative

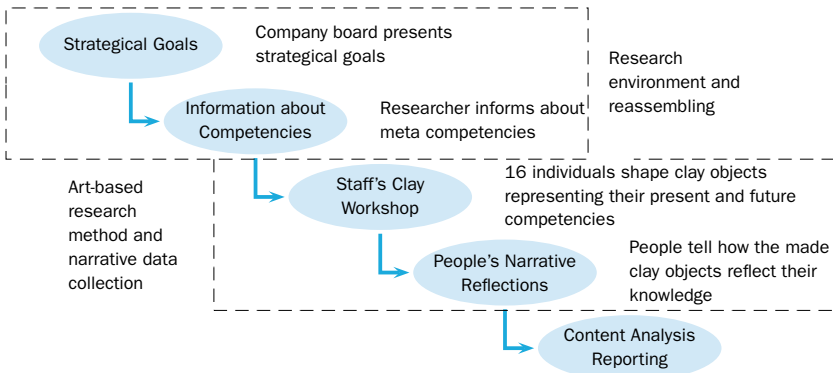


Figure 1. Research Process and Arrangement

combinations to implement stronger strategic principles and sounder thinking. Additionally, the company itself desired to test the clay workshop as a tool to evaluate its suitability to the firm's strategy work and utilize later it in their client work.

Data collection for this study utilized narratives, which have generally been used in management research, including organizational studies (Czarniawska, 1998). Stories and storytelling can be considered as credible sources of knowledge for scholars (Elliott, 2005; Rhodes & Brown, 2005). In narrative research, transparency is highlighted because of the co-construction of the research process and the embedded role of the researcher (Czarniawska, 2004; Reissman, 1993). Transparency is noted in the research environmental process and arrangement, described in Figure 1.

The study took place in a social-sector development company in south-east Finland. The workshop was held in January 2016 and all 16 staff members – the CEO, five project managers and 10 specialists – participated. The company examined in this case study is one of 11 similar social-sector companies in Finland. The activities of these companies are governed by laws and decrees concerning social services. The company's business is highly specialized, and requires specialists with higher education and professional skills. The company focuses on establishing viable and permanent cooperation between practical work in the social field, research and education, municipalities and other service providers. The mission of the company is to ensure the regional development and transmission of the expertise needed in the social field, development of the provision of services, and transmission of special services requiring specialized knowledge.

At the beginning of the workshop, the company's board introduced an updated set of strategic goals, following the board of directors' wish for the

Table 1 The Updated Strategic Goals of the case Company

Developing customer-oriented services and service modes, regional structures for structural change in the social and healthcare sectors, service needs for changes in legislation and cooperation and cooperative models.
Examining data management and technology development of social and health care sector's service processes.
Strengthening research, practical interaction, and evaluation.

the staff to participate in strategy work, by evaluating their future competencies and possible competency needs and requirements through reflection in a workshop before final board approval. Table 1 presents the company's updated strategic goals.

After the presentation of the company's updated strategic goals, the researcher introduced the participants to a holistic view competency, including behavioral and invisible meta-competencies (Cheetham & Chivers, 1998). Additionally, the researcher projected a holistic competency map on the wall and distributed paper versions to the participants, who could then become familiar with all competency categories and their details, as well as understand and assimilate the scale of competencies. The target of the clay workshop was to help participants determine and evaluate their own competencies (Rychen & Salganic, 2003; LeDeist & Winterton, 2005).

After the presentations of strategic goals and competencies, the workshop focused on data production and narrative data collection. First, the clay was shaped and then storytelling using metaphorical narratives was employed to describe the output. The researcher gave all participants a piece of clay of the same size, and asked them to shape items by hand describing critical, explicit and tacit knowledge. The researcher then asked the participants to address not only competencies currently used at work, but also competencies unused at work but that are meaningful, critical and important in terms of goals set by the board. After shaping the clay for 20 minutes, all participants orally described to their co-workers and the researcher the clay object they had created. The research session lasted two hours in total.

Data Analysis

The workshop and resulting clay objects were filmed, and the participants' narrations were also recorded and transcribed by the researcher. The transcribed narratives were approached inductively (Pratt, 2009) using a data-driven approach, without any guiding theoretical structure or a pre-selected rating (Silverman, 1989). The collected data was analyzed using an interpretive, qualitative content-analysis method (Elo et al., 2014) to produce a rich and broad picture of future competency needs and requirements.

Secondary data of the company was also utilized together with the primary collected data.

The amount of data was reduced by compressing each narrative, and then gathering together the main items related to the research question. The content-analysis method allowed for designing a format to explore the phenomena of descriptive categories, concepts, concept models, concept maps, and systems (Morgan, 1993). The data were then organized by using categorizations while classifying the data units. Text diagnoses were encoded based on the themes of the metaphors. The themes of sculptures were also categorized according to found similarities and differentials. The findings are presented in the following section.

Findings

The findings of this study are divided into two sections. First, the metaphors for the individuals' clay works are presented in relation to the first research question about the staff members' reflections and evaluations on their own future competency needs and requirements. Table 2 illustrates the titles of the metaphors identified, the descriptions of the transcribed quotes, and the final themes derived from an interpretive, qualitative content analysis. Qualitative data analysis is by nature fairly eclectic, as there is no single correct way to make categorizations, and the classification system developed for one set of data does not necessarily fit another type of data. In this study, each metaphor generated by the study is unique, and within each metaphor is classified as similar references. The second section of this study's findings presents the themes related to the second research question, specifically how the staff's own identification of their competencies is relevant to the firm's overall strategy. Figure 2 presents the research progress related to the research questions (RQs).

Findings from Clay Workshop

The participants expressed an overall appreciation for the working method and for clay as a material. The participants' narratives suggested that the firm's updated strategic goals may be embedded in the staff's minds, likely in part because there were familiar elements from past strategic lines of thinking. Participation in strategic work itself was seen as a rewarding subject, and, in fact, the workshop participants highlighted the value of the development process.

Working clay by hand in silence enabled narrative thought, imagery, and the development of symbolism in each participant's mind. When participants began to deliberately dissolve their ideas through the forming of the clay, metaphors emerged. The reflection and evaluation of the staff's thoughts, ideas and performance seemed to bring about positive outcomes

Table 2 Results of Content Analysis

Metaphors*	Main story/combining entities from content	Final themes**
Rafting	'It feels like we are moving all the time like rafting in a <i>huge data stream</i> . On the way, there are traps and storms. The helmet needs to be at the <i>front</i> , so the security should be fine.' 'Good <i>ICT tools and skills</i> to use them need to be in order to prepare for big trips. I must ensure that I <i>understand the customers</i> and their needs. We have to have the <i>same practical language</i> .'	<ul style="list-style-type: none"> • a huge data stream; good ICT tools and skills → ICT skills • same practical language → communication skills • at the front → innovation • understand customers → customers
Swiss roll baker	'My know-how is like a <i>Swiss roll</i> that contains a lot of ingredients. Each slice has a relevant and meaningful competency and the filling of the roll has other required skills. For example, <i>cultural know-how</i> could be one slice from the competency roll and its fillings could be <i>flexibility</i> and interaction.'	<ul style="list-style-type: none"> • cultural know-how → cultural knowledge • Swiss roll, flexibility → resilience • interaction → communication skills
Tree	'I am a tree. It is <i>growing</i> continually. Growth is at times slow and at times fast. The branches have different competencies. Sometimes the branches are <i>cut off</i> ; that means <i>change</i> . It's probably because of the <i>learning</i> . The tree trunk will produce <i>new shoots</i> , meaning new competencies or the development of old skills. The tree is <i>flexible</i> , as also we need to be. The tree is in <i>symbiosis with</i> the surrounding nature; that is, the <i>network</i> .'	<ul style="list-style-type: none"> • cut off, change, learning, something new, flexibility → resilience • symbiosis with, network → networking
Roe deer	'Work today needs to be <i>flexible</i> and fast, to merge with <i>change</i> and to go into different things. This animal has antlers that feel things. It means <i>vigilance</i> .'	<ul style="list-style-type: none"> • flexible, chance → resilience
Question mark	'I do not think anyone knows what will happen in the <i>future</i> , how this industry will <i>develop</i> , what we should be <i>prepared for</i> . How will the industry <i>change</i> ? There are a lot of <i>weak signals</i> , but I still want to describe this situation, and future skills need a <i>big question mark</i> .'	<ul style="list-style-type: none"> • future, develop, prepared for, change, weak signals, a big question mark → resilience

Continued on the next page

and effects on daily work and the organization's culture. On the other hand, strategy work and the strategy concept were not mentioned at all during the clay shaping, or in the metaphors offered by participants afterwards. Broad and inclusive strategy work did not appear to be an absolute value in any of the collected narratives.

The metaphors, which are summarized in Table 2, were not related to the industry itself. Most were in some way related to nature, with examples

Table 2 *Continued from the previous page*

Metaphors*	Main story/combining entities from content	Final themes**
Rolling stone	'We must all be like <i>rolling stones</i> . We must roll according to what's going on. We also have to know how to roll, so we do not experience uncertainty or discomfort all of the time. Rolling is the <i>future</i> , we have to know <i>how to move forward</i> , know <i>how to take on different tasks</i> and shape them to respond to our operations.'	<ul style="list-style-type: none"> • rolling stone, future, how to move forward, how to take on a different task → resilience
Thicket	'My clay represents a thicket that refers to a <i>network and networking</i> . Networking competency is important in this work, and in particular, it is a matter of working in <i>complex and multifaceted networks</i> . Therefore, <i>technical know-how</i> will be further emphasized in the future. You also have to know <i>how to choose the right channels</i> , <i>learn how to extract information</i> in networks - I mean <i>data mining</i> , how to analyze the data and find meanings.'	<ul style="list-style-type: none"> • complex and multifaceted networks → networking • technical know-how, how to choose the right channels, learn how to extract information → learning • data mining → ICT skills • network, networking → customers
Coral reef	'Our job is like a coral reef: The nature of our organization is such that we are expected to have coral reef operations, creating square, unnatural beams, and structuring the expectations of customers and stakeholders. Our work requires <i>great sensitivity</i> and <i>emotional intelligence</i> that is manifested in <i>communication and interaction with others</i> .'	<ul style="list-style-type: none"> • great sensitivity, emotional intelligence, communication and interaction with others. → communication skills, resilience, customers
Sea cucumber	'I have a sausage like this, like a sea cucumber in the ocean and the ocean is our industry. I think that our expertise is already excellent and we are managing the future perspective. I believe that we will be able to play our cards right in [dealing with] the coming industry <i>changes</i> . It is important now to strengthen and clarify <i>customer-oriented thinking</i> . <i>Research activities</i> may also get off to a better start.'	<ul style="list-style-type: none"> • customer oriented thinking → customers • research activities → researcher skills • changes → resilience

Continued on the next page

including a coral reef, tree, soil, rolling stone, thicket, sea cucumber, spider web and roe deer, as illustrated by the following quotations:

This organization and our competencies are the soil. Everything does not always grow; that is, what is not needed remains underground and what is needed grows and is exploited. Old soil can be mixed with new soil, in this case new knowledge, and fertilized for growth. [Participant 4, project manager]

The other metaphors – Swiss roll baker, wire, chain, mouth, question

Table 2 *Continued from the previous page*

Metaphors*	Main story/combining entities from content	Final themes**
Wire	'My metaphor is a wire, meaning that all information is in electronic form and that we use <i>electronic systems as work tools</i> . That's why their management and know-how are really important. I really have to work on my IT skills because they are needed in the <i>network</i> .'	<ul style="list-style-type: none"> • we use electronic systems as work tools, network → ICT skills
Chain	'This chain also partly reflects <i>networks</i> , but above all that our organization and know-how are one of the chain's loops. What if the loop breaks? Our expertise will then be measured based on how quickly we react. This chain is constantly expanding and supports additional links. Our future competencies are also like these additional links. And through <i>interaction</i> , the chain grows.'	<ul style="list-style-type: none"> • networks → networking • interaction → communication skills
Soil	'This organization and our competencies are the soil. Everything does not always grow; that is, what is not needed remains underground and what is needed grows and is exploited. <i>Old soil can be mixed with new soil</i> , in this case new knowledge, and fertilized for growth.'	<ul style="list-style-type: none"> • Old soil can be mixed with new soil → resilience
Mouth	'I have here a <i>mouth</i> . It refers to <i>social skills</i> and their significance in this work. You need to know how to move things forward, to talk, to listen, and to be present in <i>different situations</i> . This is something I need to improve, as well as media skills and information.'	<ul style="list-style-type: none"> • mouth, social skills, to talk, to listen → communication skills • different situations → resilience
Spider web	'Our work is done in <i>networks</i> with our <i>stakeholders</i> . The industry is changing all the time and there will be new environments and customer groups. Through <i>network expertise</i> , we are able to <i>communicate</i> properly with various stakeholders.'	<ul style="list-style-type: none"> • networks, network expertise → networking • communicate → communication skills • stakeholders → customers

Continued on the next page

mark, common platform, and basket full of skills – did not have a clearly identifiable link. The stories nonetheless played a meaningful role, because some clay items did not visually depict what they were meant to represent, such as a mouth that looked like a circular tire, or an electric wire that looked like yarn, as illustrated by the following quotations:

Our work is done in networks with our stakeholders. The industry is changing all the time and there will be new environments and customer groups. Through network expertise, we are able to communicate properly with various stakeholders. [Participant 8, CEO]

Table 2 Continued from the previous page

Metaphors*	Main story/combining entities from content	Final themes**
Common Platform	'Our industry requires the ability to act as a so-called "common operation sector," which combines different sectors of the industry, such as social and health services. From the point of view of competencies, we need to think about what more is needed than we already can and know, and how to <i>communicate and interact</i> well enough with the <i>various sectors</i> . The starting point is always the <i>customer and his or her needs</i> . We have to ask and observe the right things.'	<ul style="list-style-type: none"> • communicate and interact → communication skills • various sectors, customer and his or her needs → customers
Basket full of skills	'I have my expertise in this basket. I gather all my skills in it and thus the basket fills up little by little. I develop my <i>interaction skills</i> and put them at the bottom. They are the foundation of client work. In addition, there is a <i>great deal of tolerance</i> . It keeps the contents of the basket fresh.'	<ul style="list-style-type: none"> • a great deal of tolerance → resilience • interaction skills → communication skills

Notes * Derived from adjacent quotations. ** After content analysis.

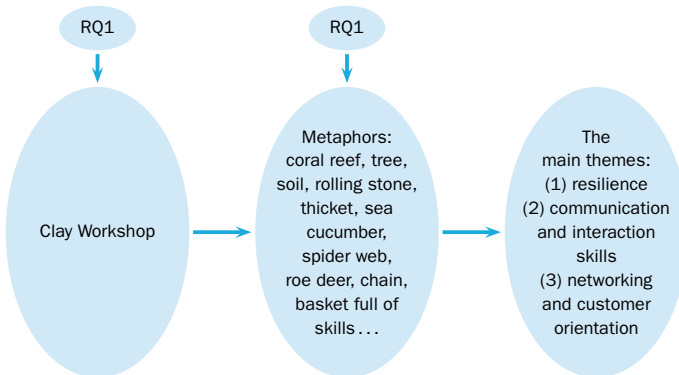


Figure 2 Research Progress Related to Research Questions (RQs)

This overview of competency needs in terms of a company's updated strategic goals was both holistic and descriptive. Something should be done with regard to competencies, but no one is quite sure what competencies are needed in the future. Because the future is unclear, the workshop participants attempted to outline which competencies would be worthwhile to the company.

No detailed competency needs were identified, but the descriptions were more metaphorical and extensive in areas such as attitudes towards change, network competency, and communication and interaction skills.

Overall, competency needs were discussed from various perspectives: the benefits of each competency area, how best to use foresight information, and customer orientation. The perspectives on individual competency views were broader than those on traditional knowledge/cognitive or functional competency – so-called ‘substance competency’ or ‘hard competency’ – and professional competency, including conceptual and operational classifications.

In summary, the following themes related to future competencies emerged from the metaphor-based interpretive content analysis: resilience, networking, customer orientation, stakeholder views and communication skills.

Updated Strategic Goals Meet the Staff's Reflection

Research question 1 (RQ1) examined how the arts-based clay workshop method fit the company's strategy process. Comparing the updated strategic objectives and the staff's reflections, some of the objectives were included in the knowledge needs identified in the stories, including customer orientation, new service models, new forms of cooperation, development of technological know-how and the effective utilization of networks. The development of interaction and communication skills was also highlighted. In this case, context plays a significant role, because the firm's field of operation is turbulent due to the reform of the Finnish social and health care system. However, the goals of furthering the development of regional structures, identifying new service needs related to changes in legislation, and increasing research know-how did not emerge in the reflection and evaluation. One reason may be a lack of experience and a lack of familiarity with the issues. An individual's reflection builds on a combination of previous knowledge and new knowledge, and if new issues are unclear, they may be difficult to imagine:

Everything seems to be a big question mark. We are living in the middle of great historical changes. [Participant 7, project manager]

Resilience as a Way to Address Changes

The main observation related to research question 2 (RQ 2) is that workshop participants repeatedly mentioned resilience. The participants identified resilience – namely, the ability to accept both needed changes and continuous changes in general – as well as flexibility, adapting to new situations, and being broad-minded and liberal. Resilience was described as coping, and as the ability to live well in spite of adversity. Several participants felt that their own actions supported the strengthening of the group's resilience:

[...] in my work, I am able to make independent decisions and to

manage changing situations, remembering that I am a part of the organization and its activities and values. [Participant 9, project manager]

The participants' stories revealed that tolerance of changing situations demanded certain competencies, such as the ability to flexibly adapt one's thinking and methods, as well as having an open mind. Change was a positive outcome, and appeared to be a driver of flexibility. High tolerance of change may strengthen tolerance towards uncertainty and complexity.

The stories indicated individual ways to tolerate changes in the future. They suggested the purpose of reflection was to face and understand changes and setbacks, recover, self-motivate, be flexible, think positively, communicate, be determined and self-confident, manage stress, and create a relevant vision. In general, the reflections related to self-image, ways of thinking and feeling, choices, and how to embrace and manage external factors. Sensitivity and emotional intelligence appeared to be valuable features based strongly on customer orientation and understanding customer needs. Compassion was evaluated as a key factor not only for understanding customers, but also for understanding colleagues and other interest groups. Without self-compassion, phobias could easily develop. They are the backdrop to many power struggles, heavily controlling management and strong resistance to change, as can be seen in the following quotations:

We need to be rolling stones, [to] roll forward, always go according to what you want to receive and be able to transform in order not to feel constant uncertainty or discomfort. Continuous motion is the future, and we must be able to receive a variety of tasks and continuously transform them. And [we need to] be willing to change because if you get stuck in one place, you can say goodbye to everything. [Participant 3, project manager]

According to the workshop participants, anticipation and flexibility in the workplace ensure that the delivery of services, safety and well-being are at a high level, and that work is effective and profitable. Furthermore, they noted that the so-called 'technical resilience' involves mental resilience. For the work to flow smoothly, devices and systems need to be compatible and operate seamlessly, and technological interruptions cause frustration and delays. Additionally, there is also an increasing need to know how to evaluate the sufficient and different arsenals of techniques and appropriateness.

Although we think that we have good basic technical skills, nowadays more and more special competency is needed even though there is data mining. We should take advantage of technology a lot better. [Participant 4, project manager]

In summary, resilience was repeatedly mentioned by workshop participants, along with context-sensitive solutions. During the workshop, all participants stopped to analyze the problems together and to offer solutions.

Networking Competencies and Stakeholder Cooperation Using Business Understanding

There appeared to be a particular need to develop competencies related to the identification and selection of networks revolving around the key issues. Participants considered that relevant information moves through networks and, therefore, they largely felt that finding the right network was the decisive factor for finding solutions and new potential business opportunities.

Rapid changes in the business environment and in customer groups demand new competencies, such as the ability to build diverging networks and to become familiar with new groups in society and their needs. However, participants felt that existing competencies were enough at the moment, and that additional education will be the solution when the situation demands it. The problem appeared to be how to identify customers from networks, meet their needs, and solve their problems. In summary, many participants were mostly concerned about how to find the right methods and best tools to identify the right customers from the best and most valuable networks:

The environment changes all the time and I know that there are several customer groups that need my competencies and knowledge. But how can I find them? Data mining and more knowledge perhaps. And that absolutely needs more competency. [Participant 4, project manager]

The participants' IT skills were quite advanced, but one future need was presented in every participant's story: how to best utilize knowledge in information systems. That competency emerged as a critical factor, because a vast amount of information about society is increasingly stored in a variety of data-storage repositories, and data mining is the key to understanding that information.

Interaction and Shared Common Sense: How to Speak, Listen and Understand

The importance of quality interaction with other individuals is clear, but the competency of quality interaction outside the social environment of one's own organization extends to customers, stakeholders and network partners. Interaction and relationships are important when creating and maintaining customer relationships, as well as in delivering quality customer service.

Although interaction increasingly takes place electronically, the need for human interaction will never entirely disappear. Social and personal contact between people is the only way to succeed in creating networks between people and organizations, and will remain one of the most significant competency demands.

Social competencies resolve a lot. If you have them, you can always push things forward, find the right answers, catch the signals, communicate sensitively, listen, and be present. [Participant 8, CEO]

It is possible to learn social interaction and listening skills, but first one's self-awareness has to be at a proper level. The participants suggested that their backgrounds in the social sector create good conditions for reflection and self-awareness, and force them continuously to analyze themselves.

Strategic goals as the basis of business enable people to develop customer-oriented services and service models and to create and operate in networks. In addition, the ability to develop regional structures for structural changes in the social and health care sectors is a fundamental competency demand. The findings of this study show that participants involved in the social and health care sector reflected on the goals in a similar way. Examining the data management and technology development of social and health care service processes and strengthening the research, practical interaction, and evaluation link to the customer-oriented approach, all of them exist but need further education and a new kind of attitude. The goal to develop service needs for changes in legislation went unheeded. It seems plausible that the area needs more specialized knowledge than the organization has at the moment.

Discussion and Conclusions

The aim of this study was to understand how staff members' self-evaluation fits a company's strategy process. The research focused on determining how an arts-based clay workshop suited a company's strategy process, as well as on how staff members reflected on and evaluated their own future competency needs and requirements.

The results of this study indicate that a clay workshop is a critical research method, because it incorporates multiple disciplines into the same research. As posited by Leavy (2009), the holistic nature of method exists in content, or when reflection, description, problem layout and solution are bounded in the same method and context. Staff members shaped and depicted their divergent knowledge and multi-professionality. Participants shaped the clay creatively, and did not require a structured environment to depict divergent competencies. They were asked to focus on knowledge and core competencies, such as how they use different types of knowledge and

multiple competencies. After shaping the clay, staff members told stories of knowledge that were not typical to their work or were not the assumed norm (Darsø, 2004; Rantala, 2012). Henley (2002) argues that emotions, even suppressed or blocked, often find expression through clay, and that working with clay helps to reach the deepest dimensions of the human psyche. The items that the participants shaped inspired conversations about knowledge and competency. The workshop featured a hands-on approach to reflecting on challenges and finding solutions. In this respect, it is not only a way to produce knowledge; the human aspect is also present (Darsø, 2004). The metaphors that the participants produced arose from their visions of tacit knowledge and competency. The metaphors are rhetorical descriptions of the participants' different perspectives. Individuals are creative when they have an opportunity to let themselves experience creative flow (Silverman, 1989).

The results of this study also highlighted the daily work connected to individual's competencies, including experience, knowledge and attitude. The results underscored that the ability to apply competencies in daily operations (Le Deist & Winterton, 2005) is professionally decisive. The relationship to technology in particular involves a range of attitudes and experiences. Reflection is easy because technology is now ubiquitous, and every individual has experience with it (Yalabik, Chen, Lawler, & Kim, 2008). Technological competencies require not only updating, but also changes in one's attitude. Strategically, customer orientation will in the future be based mainly on technological tools and a society married to digitalization.

The goals of this research helped participants move away from traditional competency evaluations, which often focus on traditional competency factors such as professional evaluations (Le Deist & Winterton, 2005). On the one hand, without any guidelines, it becomes difficult to perceive all of the competencies that are classified and that affect individual behavior. As Fernandez et al. (2012) noted, embedded invisible competencies may not be familiar concepts, even when all individuals exhibit them.

To reflect on one's own behavior through daily work, an individual needs to have a broader view and not just know-how. The identification of latent knowledge and competencies will enrich one's work, and therefore competencies can be seen as part of one's effective overall performance (Cheetham & Chivers, 1998). In this study, the workshop participants identified competencies that may be unnecessary at the moment but could be important in the future. However, the fact that participants had prior knowledge of which attributes were classified as competencies helped them understand the extent of the phenomenon.

The results of this study additionally indicate that critical reflection is important in relation to trust and transparent function. The clay workshop

appeared in a state where the process of thinking, acting, experiencing and thinking, evaluating and analyzing alone and together produced results (Fernandez et al., 2012; see also Seibert, 1996). The ability to reflect and own mental activity showed that staff members are able to observe their own thoughts and feelings, are able to express them, and know how to deal with them as a part of their own competencies (Moon, 2002; Ruohotie, 2005).

The findings of this study offer several theoretical insights into reflection as an engagement tool and how it can be applied in practice in a firm's strategic processes (Seibert, 1996). In addition, utilizing the holistic competency view, the staff members' knowledge of all the discreet factors was related to their working status, producing a greater understanding of their own professional possibilities, behaviors and actions. Even the sense of empathy and the ability to control one's own emotions achieved new relevance. However, the organization studied here is a special type of organization staffed by specialists with higher education. Therefore, the results obtained might have been quite different had a manufacturing firm, for example, been chosen for the case study. This is a limitation of this study, and therefore the research results cannot be fully generalized.

In summary, the staff studied here had a unique opportunity to take part in their firm's strategic processes and let their own voices speak through reflection. Several positive outcomes were achieved, but for going forward the organization and its staff have a responsibility to confirm that all future competency needs and company goals come across clearly and precisely. This requires continuous development and monitoring of the enterprise, a common vision, and a willingness to continue with further reflection.

This research contributes to the existing body of scholarship by underscoring the value of reflection in the overall development process. For example, the clay workshop method is useful in processes where the role of individual competencies and personal and behavioral aspects are appreciated most. Overall, arts-based research methods are less frequently used in business and common development processes. From a managerial point of view, reflection offers a way to better understand staff, and that effect may extend to the atmosphere in the workplace and the organization's performance. In addition, this research underscores the value of the learning perspective, and offers valuable information on how to choose new methods and utilize and exploit them.

Limitations and Future Research

The main limitation of this research is that it examined only one case organization. However, valuable experiences were gathered from 16 participants using two methods: the clay workshop indirectly expressing participants'

metaphors of their competencies, and storytelling to open the workshop's metaphors. Further studies are needed to validate the findings and to explore additional points of view.

This case study identified a context in which reflection is a significant tool to develop and realize each individual's views as they relate to a firm's strategic goals and future approach. Further lines of inquiry could examine the impact of reflection as a development tool, the invocation of a holistic competency approach, and the engagement of staff in a firm's strategic processes. This study, despite the stated limitations, provides a solid departure point for future research into these areas of scholarship.

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Facts or Knowledge?

A Review of Private Internal Reports of Investigations by Fraud Examiners

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The purpose of this article is to reflect on the difference between facts and knowledge, as we suggest that knowledge is facts combined with interpretation, context, and reflection. The distinction is important when investigators search for causality. The reason for misconduct in organizations, and thus whom to blame, is dependent on a thorough interpretation and reflection on facts studied in the proper context. This article presents a sample of seventeen investigation reports by fraud examiners to illustrate the difference between facts and knowledge. When facts remain facts, then the blame game can easily occur. This article first presents the theory of convenience to explain financial misconduct in organizations, and the blame game hypothesis, before we introduce the sample. The purpose of this article is not to criticize generally the work that fraud examiners do in private internal investigations for their clients. Rather it intends to reflect upon the difference between facts and knowledge when it comes to reasons for deviance in organizations. Causality is difficult to establish, and it seems tempting to some fraud examiners to enter into the blame game to make sure that they draw conclusions from investigations that clients have paid for.

Keywords: knowledge management, fraud investigation, blame game, convenience theory, facts interpretation

Introduction

There is a growing private industry in the area of fraud examinations (Gottschalk, 2018; Schneider, 2006; Williams, 2005, 2014). The industry consists of global auditing firms, such as Deloitte (2011a, 2011b, 2015, 2017), KPMG (2017) and PwC (2003, 2008, 2015), local law firms, including Breen Guberman (2012), Jenner Block (2010, 2014), Haverstick Seiberling (2014a, 2014b), Shearman Sterling (2017), Sidley Austin (2010), Wilmer Cutler Pickering (2003), as well as independent detectives, such as Freeh (2013).

Their task is to reconstruct past events and sequences of events related to potential misconduct and crime in the client organization. They must answer questions regarding what happened, how did it happen, when did it happen, who did what to make it happen or not happen, and why it hap-

pened or not happen (Button, Frimpong, Smith, & Johnston, 2007a; Button, Johnston, Frimpong, & Smith, 2007b).

Fraud examiners collect information based on a number of sources, such as documents and witnesses (Brooks & Button, 2011; Button & Gee, 2013). The result of their work is a report of investigation that becomes the property of the client organization, which can be either a private or a public organization. Typically, the client organization keeps the report secret and is unwilling to disclose it to the public (Gottschalk & Tcherni-Buzzeo, 2017).

This article is concerned with the blame game that might occur in fraud examinations (Eberly, Holley, Johnson, & Mitchell, 2011; Gottschalk, 2016; Lee & Robinson, 2000). When a private investigator transforms facts into knowledge by a process of interpretation, context inclusion, and personal reflection, the result might be a misleading or wrong conclusion. A misleading conclusion can be the consequence of failing to transform facts into knowledge, where we define knowledge as the combination of facts, interpretation, context, and reflection.

This article starts by introducing the theory of convenience to explain white-collar misconduct and crime, which is the focus of fraud examinations. Next, it presents the blame game hypothesis central to both the organizational dimension and the behavioral dimension of convenience theory. The blame game expands the opportunity structure in the organizational dimension and increases the personal willingness in the behavioral dimension.

In addition, this article introduces our sample of 17 reports of investigations from fraud examiners that we were able to find and retrieve on the Internet in the United States. Finally, we present the research results in terms of facts-based or knowledge-based conclusions in fraud examinations.

Theory of Convenience

Fraud examiners conduct investigations into suspicions of white-collar misconduct and crime, where a privileged individual or individuals in an organization face accusations of executive deviance. Here we describe the white-collar phenomenon by means of convenience theory.

The theory of convenience suggests that white-collar misconduct and crime occurs when there is a financial motive benefitting the individual or the organization, an organizational opportunity to commit and conceal crime, and a personal willingness for deviant behavior.

The white-collar crime triangle has similarities with the fraud triangle (Cressey, 1972), which suggests three conditions for fraud: (1) incentives and pressures, (2) opportunities, and (3) attitudes and rationalization. However, there are two distinct differences. First, convenience is a relative concept, indicating that offenders have the option of alternative actions

to reach their goals that do not represent illegitimate behavior. Second, it is in the organizational setting where offenders have access to resources that allow for the opportunity to commit and conceal crime.

Financial motive is related to the desire for profit that offenders more conveniently achieve in illegal ways. This desire finds its causes in both possibilities and threats. Possibilities can emerge in the perspectives of profit-driven crime (Naylor, 2003), of goal orientation (Dodge, 2009; Jonnergård, Stafstudd, & Elg, 2010), as well as of the American dream (Pratt & Cullen, 2005; Schoepfer & Piquero, 2006). Threats can be found in perspectives of strain (Froggio & Agnew, 2007; Langton & Piquero, 2007; Wood & Alleyne, 2010) and fear of falling (Piquero, 2012).

An interesting starting point is to look at Maslow's (1943) hierarchy of needs. The Russian-American psychologist Abraham Maslow developed a hierarchy of human needs. Needs start at the bottom with physiological need, need for security, social need, and need for respect and self-realization. When basic needs, such as food and shelter are satisfied, then the person moves up the pyramid to satisfy needs for safety and control over own life situation.

Higher up in the pyramid, the person strives for self-respect, status, and recognition. While street crime is often a concern at the lower levels, white-collar crime is often a concern at the upper levels in terms of status and success. Most individuals will want to move higher up in the pyramid when needs below are satisfied.

As far as money or other valuable items can help climbing higher in the pyramid, potential offenders may find white-collar crime convenient if other options to achieve success are more stressful and require more resources. Whether the offender wants more at a certain level or wants to climb to higher levels in the pyramid, financial crime can be a means to such an end.

For some white-collar criminals, money is the goal of crime. For other white-collar criminals, money is a means to a goal, such as acceptance, influence and fame.

For example, to be accepted and potentially admired as a successful businessperson, the enterprise has to grow and make money. For a businessperson, financial success can lead to influence, privileges, and status. Admiration and respect in the elite is a desirable goal for many individuals. If such a goal is difficult to reach by legal means, illegal means represent an alternative.

Organizational opportunity focuses on the illegal profit that one can obtain more conveniently in an organizational setting where the offender enjoys power and influence based on position and trust. The organizational dimension sets white-collar criminals apart from other financial criminals.

White-collar crime can be distinguished from ordinary crime ('street crime') based on the status of the offenders, their access to legitimate occupations, the common presence of an organizational form, and the extent of the costs and harmfulness of such crime. Sutherland (1983) specifically emphasized the respectability of white-collar offenders, stating that persons of the upper socio-economic class commit all kinds of financial crimes. The ability of white-collar offenders to commit crimes is dependent on their privileged position, the social structure, and their orientation to legitimate and respectable careers (Friedrichs, Schoultz, & Jordanoska, 2018).

The perspective of principal and agent suggests that, when a task transfer occurs from a principal to an agent, the principal is often unable to control what the agent is doing. Agency problems occur when principals and agents have different risk willingness and different preferences, as well as when knowledge asymmetry regarding tasks exists (Eisenhardt, 1985). The principal-agent perspective (or simply agency perspective) can illuminate fraud and corruption in an organizational context. The principal may be a board of a company who leaves the corporate management to the chief executive officer (CEO). The CEO is then the agent in the relationship. The CEO in turn may entrust tasks to other executives, where the CEO becomes the principal, while people in positions, such as chief financial officer (CFO), chief operating officer (COO), and chief technology officer (CTO), are agents. Agents perform tasks on behalf of principals. A CEO may cheat and defraud owners (Williams, 2008), and a purchasing manager can fool the CEO when selecting vendors (Chrisman, Chua, Kellermanns, & Chang, 2007), for instance, by taking bribes that can cause the company to pay more for inferior quality. The agency perspective assumes narrow self-interest among actors. The interests of principals and agents tend to diverge, also when principals have imperfect information about the agents' contributions (Bosse & Phillips, 2016). According to the principal-agent analysis, exchanges can encourage illegal private gain for both principals and agents (Pillay & Kluyers, 2014). According to the agency perspective, managers are opportunistic agents motivated by individual utility maximization. Taking an economic model of a person who treats human beings as rational actors seeking to maximize individual utility, when given the opportunity, then executives and other members of the elite will maximize their own utilities at the expense of shareholders and others.

Personal willingness is connected with the impression that surprisingly few white-collar criminals think they have done anything wrong. Most of them regard themselves as innocent and victims of injustice when put on trial, convicted and imprisoned. By application of neutralization techniques (Sykes & Matza, 1957), they deny responsibility and injury. They condemn the condemners. They claim appeal to higher loyalties and normality of ac-

tion. They claim entitlement, and they argue the case of legal mistake. They find their own mistakes acceptable. They argue a dilemma, whereby they made a reasonable trade-off before committing the act (Siponen & Vance, 2010). Such claims enable offenders to find crime convenient, since they do not consider it crime.

Some white-collar offenders are narcissists. Narcissists exhibit an unusual trust in themselves, believing that they are uniquely special and entitled to more benefits than are legitimately available to them (Ouimet, 2010).

Blame Game Hypothesis

The blame game hypothesis suggests that suspected individuals do not necessarily become subject to a fair investigation by private examiners and financial crime specialists. In police investigations, it is equally important to prove innocence as to prove guilt. In the charter for Norwegian criminal investigations, it states that police officers should put just as much effort into proving innocence as into proving guilt. Even when victims and others expect public prosecution, only those individuals facing sufficient convincing evidence by police investigations will become subject to prosecution.

This may be different in private investigations. Financial crime specialists claim to have found the facts and the responsible person(s) for a negative event or incident. They may not have practiced an open mind. Clients may have pointed them in a specific direction, and they may have only one lead that the client expected to be verified during the examination. The client pays sometimes for a desired result. The client defines a mandate, and investigators carry out the examination according to the mandate. Investigators have to describe some findings related to facts and causes in the investigation report to make sure that the report contributes and meets client expectations.

Private examiners may draw conclusions based on a likelihood that exceeds 50 percent, while police detectives are not supposed to draw conclusions regarding crime before the likelihood exceeds 90 percent.

There are two steps when looking for causal explanations in private investigations. The first step relates to the mandate that defines and limits the investigative focus. The second step is concerned with findings, where investigators identify potential suspects. Often, individuals who feel confronted with suspicions of financial crime can perceive it as a blame game. Suspects may tell investigators: 'You should not blame me for what happened!'

Research on organizational justice and social accounts focuses on how explanations of negative events transform into public communications with others. Explanations affect outcomes, such as trust in the organization, feelings of anger, dissatisfaction, frustration, and stress. Suspects find it

unfair, especially when suspicions develop into more or less grounded accusations. Of course, this can happen in police investigations as well.

The term blame game often describes a phenomenon that happens in groups of people when something goes wrong. Essentially, all members of the group attempt to pass the blame on, absolving themselves of responsibility for the issue. Lack of causal accounts increase disapproval ratings of the harm done by placing the blame for harmful acts on others. For example, by attributing corruption to an executive in the organization as a rotten apple, the suspect will feel betrayed by other executives who, in his/her opinion, belong to the rotten apple basket.

External attributions place the cause of a negative event on external factors, absolving the account giver and investigation client from personal responsibility. However, unstable attributions suggest that the cause of the negative event is unlikely to persist over time, and as such mitigate the severity of the predicament. Uncontrollable attributions suggest that the cause of the event is not within the control of the attributor, further removing any blame or responsibility for the unjust act from the account giver (Lee & Robinson, 2000).

According to Sonnier, Lassar, and Lassar (2015, p. 10), affective reactions influence blame attribution directly and indirectly by altering private investigators' structural linkage assessments. For example, a negative affective reaction can influence the assessment of causation by reducing the evidential standards required to attribute blame or by increasing the standards of care by which an act is judged.

In addition to requiring less evidence of intention, negligence, or causality, an internal investigator may exaggerate the evidence regarding the foreseeability of an act's consequence, may disregard the justification or explanation for the act, or may search for information to support a desired blame attribution. Thus, negative affective reactions of investigators tend to influence their evaluations. By focusing on personal control by attribution of blame, Sonnier et al. (2015) argue that assessing causation includes the notion of effective causal control, which highlights the fact that investigators are attuned not only to actual consequences of behavior but also to the consequences that could have occurred.

According to Sonnier et al. (2015), the notion of potential consequences relates itself to counterfactual reasoning research on blame attribution. Counterfactual reasoning assumes that surprising outcomes motivate thoughts about alternatives, whereas control assumes that effective causal control is inherent in assessing structural linkages. Counterfactual reasoning provides that investigators will respond emotionally to unfortunate events and will seek to explain such events based on alternative courses of action that could have averted the negative outcome.

Pontell, Black, and Geis (2014) point out that some people are too powerful to blame. Status-related factors, such as influential positions, upper class family ties and community roles, often preclude perceptions of blameworthiness (Slyke & Bales, 2012).

The blame game hypothesis finds support in attribution theory (Eberly et al., 2011), as well as in behavioral decision-making theory, which posits that decision-makers can absorb bias by the interaction of the context and specific cognitive mechanisms (Hammond, Keeney, & Raiffa, 1998; Kahnemann, 2011). Behavioral decision making has identified an array of cognitive mechanisms that may disturb investigators' judgment. A bias can occur among private investigators based on a client mandate and available resources in fraud investigations, where anchoring of suspicion can be misplaced. A private fraud examiner can distort the transition from facts to knowledge by false interpretation, negligence of context, and lack of reflection. Furthermore, a fraud examiner can suffer from the primacy effect, that is, from a tendency to remember the first items presented in a series better or more easily, while affirmation bias means to interpret information consistently with existing beliefs. If the client has strong beliefs in one way or the other, this will manifest itself both in the mandate and in expectations. Similarly, the tunnel view sometimes experienced in police investigations imply that detectives go for the light at the end of the tunnel, rather than to look at what is outside the tunnel.

In his book entitled *The Blame Game*, Farber (2010) takes a humorous view of the rules, techniques, and advanced strategies gamers apply to the play and how they quit the game. The target of blame becomes a scapegoat, a stooge and a donkey. The blame game is a competition in which participants try intensely to find fault in others. After pronouncing liability, through several techniques such as the responsibility shift, the blamers falsely receive self-accolades. The blamers in our context are the private investigators, who benefit those clients paying investigation bills.

Blame avoidance is possible when investigators are subject to influence both from the mandate and from the client. Valukas (2010, 2014) investigated both General Motors' ignition switch failure and Lehman Brothers' bank collapse and concluded that chief executives were not to blame. Blame avoidance strategies are the most attractive instruments for potential offenders in their attempt to discount charges of irreparable damage and loss (Rajao & Georgiadou, 2014).

Sonnier et al. (2015) conceptualize blame in terms of personal control. The assessment of an actor's control over a harmful event may come from the desire to blame someone whose behavior, reputation, or social category has aroused negative reactions. Blaming implies to form affective reactions to aspects of negative events and people involved. Private investi-

gators judge how much control the actor exerted by analyzing the structural linkages of volition, causation, and foresight, while also spontaneously, relatively, and unconsciously forming affective reactions.

Attribution theory suggests that, all else being equal, the odds are in favor of making a personal attribution (Keaveney, 2008). Shepherd, Patzelt, and Wolfe (2011) argue that the building blocks of an informed culture are encouraging members to report errors and near misses to apportion blame justly when something goes wrong. However, to protect themselves from criticism, executives and other individuals in an organization often engage in impression management, which deflects blame to others. Hood (2011) argues in his book that individuals working in organizations spend time blaming others rather than working to solve issues that arise. Datner (2011) argues that the skewed allocation of blame and credit is the worst problem in work environments.

Blaming can be a self-defense mechanism for the investigation client, who pays investigators to look another way. People react (personally, in a group, or as a corporation) when they are under pressure, when they make mistakes, when they are put into uncomfortable situations, or when they are attacked. Blaming can be to deflect a problem, incident, situation and/or attention away from oneself (Hein, 2014). Blaming by a blamer such as the investigator can have varying degrees of impact on the blamed person who is attributed guilt for a negative event. In the extreme, it can cause considerable harm, such as injustice, public prosecution without evidence, humiliation in the media, and job loss.

The blame game content varies from case to case and can be related to explanations for negative events, accountability or causality. The contents can be associated with an action or a lack of action. The contents can be linked with information disclosure or lack of information flow. Blame games often evolve differently than expected (Resodihardjo, Carroll, Eijk, & Maris, 2015), and blame attribution may vary by many factors (Xie & Keh, 2016). People may be 'blamed and shamed' in the deficit view of information communication (Hurrell, 2015).

Research Method

The research method applied in this empirical study of investigation reports is content analysis. Content analysis refers to such methodology or procedure that works to identify characteristics within texts attempting to make valid inferences (Krippendorff, 1980; Patrucco, Luzzini, & Ronchi, 2017). Content analysis assumes that language reflects both how people understand their surroundings and their cognitive processes. Therefore, content analysis makes it possible to identify and determine relevant texts in a context (McClelland, Liang, & Barker, 2010).

As mentioned in the introduction, private and public organizations often hire fraud examiners from global auditing firms and local law firms to investigate suspicions of executive deviance related to white-collar crime (Button et al., 2007a, 2007b; Button & Gee, 2013; Brooks & Button, 2011; Schneider, 2006; Williams, 2005, 2014). At the end of their inquiry, fraud examiners write a report of investigation and hand it over to the client organization as their property (Gottschalk, 2018). Unfortunately, clients tend to keep reports secret (Gottschalk & Tcherni-Buzzeo, 2017). Only a few reports are publicly available, and they are often hard to find. After searching on the Internet for some time, we were able to identify and retrieve 17 reports in the United States.

These are the seventeen deviant executives investigated by firms, listed in parentheses with literature references:

1. John D. Green, Sheriff (Deloitte, 2011a)
2. Cari Pupo, Treasurer (KPMG, 2017)
3. Ibe Kachikwu, Managing director (PwC, 2015)
4. Hisao Tanaka, CEO (Deloitte, 2015)
5. Carrie Tolstedt, CEO (Shearman Sterling, 2017)
6. Neil Whittaker, Managing director (Deloitte, 2017)
7. Tsuyoshi Kikukawa, CEO (Deloitte, 2011b)
8. Lionel Sutton, Attorney (Freeh, 2013)
9. Yusuf Acar, Security manager (Sidley Austin, 2010)
10. Richard Como, Superintendent (Haverstick Seiberling, 2014a, 2014b)
11. Kenneth Lay, CEO (Wilmer Cutler Pickering, 2003)
12. Bill Kemp, Senior lawyer (Jenner Block, 2014)
13. Richard S. Fuld, CEO (Jenner Block, 2010)
14. Michael Conley, Director of investor relations (SEC, 2002)
15. Harriette Walters, Tax assessment manager (PwC, 2008)
16. Kern Wildenthal, President (Breen Guberman, 2012)
17. Bernard Ebberts, CEO (PwC, 2003)

We define these seventeen investigation reports as a convenience sample, since they were the only available reports that could be downloaded successfully to obtain results.

Table 1 lists investigated executive deviance. John D. Green allowed a friend to handle all property sales in the sheriff's office. This friend, in turn, supported the sheriff's reelection campaign financially. Cari Pupo covered up debt in a property development project. Ibe Kachikwu was responsible for accounting where all crude oil revenues had to cover alleged costs,

Table 1 Suspected Executive Deviance Investigated by Fraud Examiners

Name	Position	Organization	Executive deviance
John D. Green	Sheriff	City of Philadelphia	Property sales handled by a close friend, who financially supported Green's reelection campaign for sheriff's office
Cari Pupo	Treasurer	Town of Pelham	Cover-up of Can\$17 million dollars in unaccounted debt
Ibe Kachikwu	Managing director	Nigerian National Petroleum Corporation	Crude oil revenues generated by the corporation withheld or unremitted to the federal accounts
Hisao Tanaka	CEO	Toshiba Corporation	Accounting fraud overstating profits by US\$1.2 billion
Carrie Tolstedt	CEO	Community Bank, Wells Fargo	Improper and unethical sales practices violating specific statutory provisions
Neil Whittaker	Managing director	Fuji Xerox New Zealand	Inappropriate accounting practices overstating profits and illegal credit risks
Tsuyoshi Kikukawa	CEO	Olympus Corporation	Fraud scheme of investment accounting violating Financial Instruments and Exchange Act and Companies Act
Lionel Sutton	Attorney	BP Deepwater Horizon claims administration office	Received improper referral fees from attorneys representing claimants
Yusuf Acar	Security manager	Office of the Chief Technology Officer, DC	Bribery and conflict of interest related to procurement improprieties

Continued on the next page

so that the national oil company avoided transferring revenues to the government. Hisao Tanaka was implemented an accounting practice where non-finished parts entered the production line as finished parts. This led to improved performance figures. Carrie Tolstedt managed aggressive cross sales of bank accounts and services. Neil Whittaker organized leasing practices that enabled early profits to emerge in accounting. Tsuyoshi Kikukawa managed investments that made it look like the company had substantial financial claims. BP hired Lionel Sutton to work in their claims administration office after the Deepwater Horizon oil spill in the Gulf. He helped his own clients by both applying for them and approving their claims. In addition, he received fees from other attorneys when their clients received favorable compensation. Yusuf Acar accepted bribes from consulting firms that he hired to implement information technology solutions. Richard Como was unable to explain how district funds had disappeared.

Kenneth Lay was founder, CEO and chairperson of Enron Corporation,

Table 1 *Continued from the previous page*

Name	Position	Organization	Executive deviance
Richard Como	Superintendent	Coatesville School District	Fiscal mismanagement, lack of accountability, misappropriation, including theft, of school district funds
Kenneth Lay	CEO	Enron Corporation	Misleading and illegal practices to hide and embezzle funds, securities and wire fraud
Bill Kemp	Senior lawyer	General Motors	Disregard of ignition switch failure in Cobalt car that caused injuries and deaths
Richard S. Fuld	CEO	Lehman Brothers	Misconduct but no crime related to fiduciary duty of care by failing to observe risk management
Michael Conley	Director of investor relations	Motorola	Violated federal securities laws by selectively disclosing information about quarterly sales
Harriette Walters	Tax assessment manager	DC Office of Tax and Revenue	Embezzlement and theft of tax return funds
Kern Wildenthal	President	University of Texas	Private travel expenses refunded by employer
Bernard Ebbers	CEO	WorldCom	Fraud and conspiracy at false financial reporting

which reached a value of \$63 billion. Enron used misleading and illegal practices to hide, embezzle and mislead funds. Bill Kemp was responsible for safety issues within its legal department, but ignored signals regarding ignition switch failure in the Cobalt car that caused several deaths. Richard S. Fuld led Lehman Brothers into bankruptcy. Fuld was nicknamed the ‘Gorilla’ on Wall Street for his competitiveness. Michael Conley leaked Motorola sales figures to selected receivers. Harriette Walters embezzled money that came back from tax refunds. Kern Wildenthal charged all his private travel expenses to the university. Bernard Ebbers had committed fraud and conspiracy following the disclosure of WorldCom’s false financial reporting.

Research Results

The reasons for private investigations include lack of facts and lack of accountability. Nobody will blame oneself for the negative event. The account giver, the private investigator, absolves others from the blame and responsibility for the negative event. Even in cases of self-blame, investigations are required to ensure that the self-blame is justified. Self-blame is attributing a negative event to one’s behavior or disposition (Lee & Robinson, 2000).

People blame individuals not only for intentional violations, such as tak-

Table 2 Alternatives for Blame Games in Reports of Investigations

Name	Organization	Facts	Knowledge
John D. Green (Deloitte, 2011a)	City of Philadelphia	Green was formally in charge, thus to blame	Businessman James Davis found guilty on fraud charges (McCoy, 2018)
Cari Pupo (KPMG, 2017)	Town of Pelham	Cari Pupo was terminated for undisclosed reasons	She was 'set up to take the fall' (Burket, 2017)
Ibe Kachikwu (PwC, 2015)	Nigerian National Petroleum Corporation	Kachikwu was responsible for not transferring funds to the government	Corrupt networks involving government officials might explain why funds were not officially transferred to the government
Hisao Tanaka (Deloitte, 2015)	Toshiba Corporation	As the CEO, he was desperate to report stable profits to keep investors happy	As the CEO, he was desperate to report stable profits to keep investors happy
Carrie Tolstedt (Shearman Sterling, 2017)	Community Bank, Wells Fargo	She tried to blame misconduct on bad apples in the organization that she fired	It was the business model that created a business practice of fraudulent behavior towards bank customers
Neil Whittaker (Deloitte, 2017)	Fuji Xerox New Zealand	Improper sales and leasing practices to compensate for reduced activity in other markets	People at the headquarters who expressed expectations might also receive blame
Tsuyoshi Kikukawa (Deloitte, 2011b)	Olympus Corporation	As the CEO, he was desperate to report stable profits to keep investors happy	As the CEO, he was desperate to report stable profits to keep investors happy
Lionel Sutton (Freeh, 2013)	BP Deepwater Horizon claims administration office	The network of internal and external attorneys as well as clients with unreasonable claims included	The network of internal and external attorneys as well as clients with unreasonable claims included
Yusuf Acar (Sidley Austin, 2010)	Office of the Chief Technology Officer, DC	Identified as a rotten apple in the organization (Punch, 2003)	Might have detected a rotten apple basket in the organization (Punch, 2003)

Continued on the next page

ing bribes or embezzlement, but also for unintentional consequences. This means that good intentions alone will not protect suspects from blame. Individuals are regularly blamed for events they clearly did not intend (DeScioli & Bokemper, 2014).

Table 2 introduces the facts versus the knowledge perspective on internal investigations by fraud examiners. Deloitte (2011a) blamed Sheriff Green, but the outcome – seven years later – was different (McCoy, 2018):

Table 2 *Continued from the previous page*

Name	Organization	Facts	Knowledge
Richard Como (Haverstick Seiberling, 2014a, 2014b)	Coatesville School District	Investigators failed to find out where the money from ticket sales had disappeared, blamed nevertheless executives	A different interviewing technique without confrontation might have helped
Kenneth Lay (Wilmer Cutler Pickering, 2003)	Enron Corporation	A knowledge-based review of all relevant executives involved in the fraud	A knowledge-based review of all relevant executives involved in the fraud
Bill Kemp (Jenner Block, 2014)	General Motors	This is a typical example of blame game, where facts point at middle managers' reluctance to react to ignition switch failure	Obvious responsibility of top executives including the CEO who had implemented a corporate culture where no bad news were allowed to travel upwards in the organizational hierarchy
Richard S. Fuld (Jenner Block, 2010)	Lehman Brothers	This is also a typical example of blame game, but here the result is opposite, where external factors are blamed, and executive deviance is excused	Executives were responsible for the collapse of the bank, but the blame game made them avoid prosecution
Michael Conley (SEC, 2002)	Motorola	Isolated incidence examined	Incident might have been examined in a context
Harriette Walters (PwC, 2008)	DC Office of Tax and Revenue	She was identified as a rotten apple and thus blamed for all misconduct	If her embezzlement had been examined in context, other executives might have deserved blame as well
Kern Wildenthal (Breen Guberman, 2012)	University of Texas Southwestern Medical Center	Again, one individual was defined as rotten apple and receiving all blame	Executive enthusiasm for funding might have caused reluctance to control him
Bernard Ebbers (PwC, 2003)	WorldCom	Again, one individual was defined as a rotten apple and receiving all blame	Reflection on the role of specific members of the board might provide additional insights into the collapse of WorldCom

Former Philadelphia Sheriff John Green beat all five charges in his federal corruption trial Tuesday, as a jury also rejected many of the charges against the businessman who prosecutors had said showed Green with bribes and kickbacks.

While nobody could be sure of this outcome, a knowledge perspective

on the story told by Deloitte (2011a) leads to the businessperson who also was a friend of the sheriff. When we interpret his role and reason in the context of influence and motive, he was a more likely suspect also in 2011. The knowledge-based perspective implies here that an interpretation and reflection regarding the whole story should occur, while the facts-based perspective emphasized a few incidents and events.

KPMG (2017) blamed Treasurer Cari Pupo for misrepresenting finances for a development project in Pelham in Canada. Burket (2017) wrote then that she 'was set up to take the fall.' It seems from the investigation report that she was dependent on correct input to produce correct output. Therefore, a knowledge-based perspective would be interested in who provided inputs to the treasurer.

PwC (2015) does not blame Ibe Kachkwu directly as chief executive of the national oil company in Nigeria. However, in a corrupt country like Nigeria, fraud examiners could have looked into corrupt relationships rather than accounting figures in different silos in the public sector. A knowledge-based approach would emphasize roles and relationships, while the facts-based approach emphasized accounting figures obtained from different sources.

At Toshiba, the inflation of profits to meet targets occurred not only on one or two projects, but also across the board, sometimes because the projects were not even profitable as such, according to Deloitte (2015). Probably, both the facts-based and knowledge-based approach would lead to the same result, as CEO Tanaka was desperate to present a constantly profitable corporation. He resigned and 'kept his head lowered for nearly half a minute in a gesture meant to convey deep shame and contrition' (NBC, 2015).

CEO Tolstedt at Community Bank, a subsidiary of Wells Fargo, was extremely ambitious. She developed a business model that she believed in, and everyone had to follow. There is no evidence that people above her at Wells Fargo or people below her at Community Bank deserved blame, although she made attempts at the latter (Shearman Sterling, 2017).

The board in Japan expected that CEO Whittaker at Fuji Xerox would compensate for the stagnating market in Japan. He perceived that expectation so strongly that he introduced leasing arrangements that created faster revenues from reluctant customers. Deloitte (2017) blamed him for his deviant win-at-all-costs objective that led to a significant decrease in pricing on many occasions. Maybe someone at the headquarters should also receive blame, but they paid for the investigation by Deloitte (2017).

Olympus Corporation appears as a similar case as Toshiba Corporation: dominant leadership combined with loyal and obedient followership. Therefore, the blame seems justified at the CEO level in this context, as well (Deloitte, 2011b).

In the claims case after the oil spill from BP Deepwater Horizon, investigator Freeh (2013) applied a knowledge-based perspective where he looked at the network. While attorney Sutton was central to the network, since he worked in the claims administration office, the investigation emphasized external attorneys presenting claims, as well as individuals and firms coming forward with unjustified claims.

At the Office of the Chief Technology Officer, DC, it was obvious to investigators from Sidley Austin (2010) that Acar had received bribes. However, investigators did not look beyond what everyone already knew, which might have led to the detection of more involved employees. There is a danger in facts-based investigations to stop once a rotten apple in the organization has been identified, while a knowledge-based approach might include a search for the rotten apple basket. A single, stand-alone white-collar criminal is a rotten apple, but when several are involved in that crime, and when corporate culture virtually stimulates offenses, then it is more appropriate to describe the phenomenon as a basket of rotten apples or as a rotten apple orchard, like Punch (2003, p. 172) defines them:

- The metaphor of ‘rotten orchards’ indicates that it is sometimes not the apple, or even the barrel that is rotten, but the system (or significant parts of the system).
- It might be comfortable for both the client and for the investigator to conclude that, by removing the rotten apple, everything will be fine in the client organization.

The remaining eight out of seventeen cases will not be discussed further here, other than summarized them in Table 2.

Conclusion

The purpose of this article was not to criticize generally the work that fraud examiners do in private internal investigations for their clients. Rather its intention was to reflect on the difference between facts and knowledge when it comes to reasons for deviance in organizations. Causality is difficult to establish, and it seems tempting to some fraud examiners to enter into the blame game to make sure that they conclude from investigations what clients have paid for.

Knowledge requires ability to understand, otherwise facts will remain independent pieces of information. For example, facts about a computer system might include technical terms that most people do not understand. The facts are meaningless to them. Providing sense to facts require a basic understanding of the relevant knowledge area. This is an issue for knowledge integration as a process of incorporating new information into a body of existing knowledge. If a receiver of facts is unable to interpret those facts

and unable to put them into a relevant context, then those facts cannot be included in the body of existing knowledge.

The implication of this reasoning is that fraud examiners need relevant knowledge to understand facts. If attorneys from a law firm conduct an investigation, then their knowledge might be insufficient when it comes to accounting figures and organizational structures. If certified public accountants from an auditing firm conduct an investigation, then their knowledge might be insufficient when it comes to the psychology and sociology of executive deviance. If a former homicide detective is to study the crime scene, then documents and computers rather than bodies and blood are relevant to understand.

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The Determinants of Employee Satisfaction in Financial Services Outsourcing Companies in Indonesia

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This study aims to examine the effects of organizational climate and leadership on employees' job satisfaction, mediated by psychological empowerment. The respondents in this study were all employees of financial services outsourcing companies in Surabaya. The data analysis used partial least square from 150 respondents, showing that organizational climate and leadership have positive and significant effects on job satisfaction, as well as on psychological empowerment, while psychological empowerment in turn has a positive and significant effect on job satisfaction. Similarly, psychological empowerment can significantly mediate the organizational climate's effect on job satisfaction, and psychological empowerment can significantly mediate the effect of leadership on job satisfaction.

Keywords: organizational climate, leadership, job satisfaction, psychological empowerment

Introduction

The role of employees is very important in supporting the operation of an organization, which consists of a group of people who play active roles in achieving the goals that the organization was formed to achieve. According to Azim, Haque, and Chowdhury (2013), each employee's job satisfaction is of primary importance in the field of organizational behavior and modern human resource management practices. Job satisfaction has a big effect, as satisfied employees are believed to be more productive than their unsatisfied colleagues.

Theoretically, the factors that affect employee satisfaction are position, rank, age, financial and social security, quality of supervision (Rivai & Sagala, 2009, p. 249), mentally challenging work, proper rewards, supportive work conditions, supportive colleagues, and work-related compatibility (Robbins, Judge, & Beward, 2008, p. 181). From empirical studies, the

factors affecting job satisfaction are psychological empowerment and leadership (Wong & Laschinger, 2012). However, Thamrin (2012) found that leadership does not significantly affect job satisfaction. The results of this study indicate that leaders' ability to develop pride in employees and give them attention and respect does not necessarily affect their satisfaction.

Psychological empowerment is a person's perception that he or she can help determine his or her role at work, complete meaningful work, and influence key decisions. Empowerment is considered important because of its potential benefits, including better decision-making, improved quality, more innovation, and increased job satisfaction (Yukl & Becker, 2006). Wang, Zhang, & Jackson (2013) examined the effect of organizational climate on psychological empowerment by taking samples from teachers in China, finding that the former had significant influence on the latter. The results of the study are also in line with those of Mok and Au-Yeung (2002), who found that organizational climate has a positive effect on psychological empowerment.

In addition to organizational climate, the second factor that can affect psychological empowerment is leadership (Wong & Laschinger, 2012; Raub, Steffen, & Christopher, 2012; Lee, 2014). Empowering leadership can impart to employees feelings of empowerment and meaningfulness, both in general and in terms of their roles in the company. By influencing the effort put into improving the group and its culture (Nurkolis, 2003, p. 153), leadership has an impact on individual behavior in a leader-led group. As Morgan, Howard, Harkins, and Goldsmith (2006, p. 322) pointed out, effective leaders are those who have the ability to recognize and provide the right amount of coaching for subordinates.

Based on previous studies, the current research examines the interrelationship of these factors to form employees' job satisfaction. The object of this research is financial services outsourcing companies in Surabaya (the second-largest city in Indonesia), which serve many major banks in Indonesia.

Literature Review

Wang et al. (2013) provided a definition based on the opinion of James and Jones (1974), stating that the organizational climate is a set of work environment properties that can be measured and perceived by employees directly or indirectly and can affect employee motivation and behavior in the workplace. Aryansyah and Kusumaputri (2013) mentioned that the organizational climate is the perception by organizational members of what exists or occurs in the internal environment of the organization on a regular basis, affecting the attitudes, behaviors, and performance of members of the organization.

In regard to leadership, Sims (2002, p. 216) defined leaders as individuals who are responsible for providing direction in the form of vision and strategy for the organization and team. The leader is the person who decides what the goals of the organization or group are and directs the activities necessary to achieve that goal.

Leadership is the art of influencing others to work on something they believe must be done (Kouzes & Posner, 2002, in Sims, 2002, p. 216). According to Hasibuan (2006, p. 170), leadership is defined as the way a leader affects the behavior of subordinates to want to work together and productively in order to achieve organizational goals.

Human activities are diverse, including work. Work means carrying out a task that ends with the fruits of work that human beings can enjoy. This is driven by the human desire to meet our needs. Job satisfaction is a person's general attitude toward his or her work (Robbins et al., 2008, p. 147). Rivai (2008, p. 249) also explained that job satisfaction is the worker's assessment of how well his or her job satisfies his or her overall needs.

Hardcastle, Powers, and Wenocur (2011, p. 299) mentioned that psychological empowerment is a link between a person's sense of competence, desire, and willingness to act in the public sphere. Spreitzer, Kizilos, and Nason (1997) defined psychological empowerment as an enhancement of intrinsic motivation manifested in four cognitions, reflecting one's orientation to the role of the work.

Based on the above-mentioned definitions, psychological empowerment is an increase in mental and physical energy that makes a person appreciate his or her role in activities so that he or she can have meaning and make a positive impact on the environment. The following is a conceptual framework of this study, which can be seen in detail in Figure 1.

According to the scientific method, any research on an object should be under the guidance of a hypothesis that remains to be empirically verified. Based on the above description and conceptual framework, the hypotheses proposed in this study are as follows:

- H1 *Organizational climate has a positive and significant effect on job satisfaction.*
- H2 *Leadership has a positive and significant effect on job satisfaction.*
- H3 *Organizational climate has a positive and significant effect on psychological empowerment.*
- H4 *Leadership positively and significantly affects psychological empowerment.*
- H5 *Psychological empowerment has a positive and significant effect on job satisfaction.*

H6 *Psychological empowerment significantly mediates the effect of organizational climate on job satisfaction.*

H7 *Psychological empowerment significantly mediates the influence of leadership on job satisfaction.*

Method

This study used purposive sampling method by providing a questionnaire on the entire population or employees of Financial Services Outsource Companies in Surabaya, the 2nd largest city in Indonesia, which amounted to 240 employees. The independent variables used are (1) organizational climate, consisting of 7 indicators (Wang et al., 2013), and (2) leadership, presenting 4 models adopted from Wong and Lacshinger (2012). The mediated variable used is psychological empowerment, consisting of 4 indicators and adopted from Fook, Brinten, Sidhu, and Fooki (2011). On the other hand, the dependent variable is job satisfaction, which uses the 6 models of Wong and Laschinger (2012)

All the variables are subjected to a pre-screening phase in evaluating its reliability and validity, resulting in all the items and indicators being satisfactory, valid and reliable. The data processing technique used was SEM-based partial least square (PLS), using the latest version of SMARTPLS version 2.0 M3 (Ghozali, 2011).

Results

A total of 150 responses to the evenly and proportionally distributed questionnaire were returned. Below is an inner model/structural model drawing to see the relationship between significant value constructs and the R-square of the research model.

Hypothesis Testing

The significance of the estimated parameters provides useful information on the relationships between research variables. In the PLS statistical test, each hypothesized relationship was tested using a simulation. The test results from PLS analysis are presented in Table 1.

Hypothesis 1. After hypothesis 1 was tested, the value of the original sample estimate was equal to 0.173, proving that organizational climate has a positive effect on job satisfaction. This result was reinforced by the *t*-test, which obtained a *t*-count value of (2.038) > *t*-table (1.96), which shows that the effect is significant. Thus, it can be concluded that organizational climate has a positive and significant effect on job satisfaction. This means that if the organizational climate gets better, then job satisfaction increases too. Therefore, the first hypothesis is accepted.

Table 1 Direct Effect of Hypothesis Test

Item	(1)	(2)	(3)	(4)	(5)	(6)
OC → JS	0.173068	0.182597	0.084904	0.084904	2.038393	Sig.
OC → PE	0.267775	0.282945	0.081693	0.081693	3.277817	Sig.
JS → L	0.353084	0.351512	0.085244	0.085244	4.142060	Sig.
L → PE	0.536184	0.533560	0.079287	0.079287	6.762558	Sig.
PE → JS	0.335165	0.335649	0.091142	0.091142	3.677377	Sig.

Notes Column headings are as follows: (1) original sample (O), (2) sample mean (M), (3) deviation standard (DEVST), (4) error standard (ERRST), (5) *t*-statistics ($|O/STERR|$), (6) note.

Hypothesis 2. After hypothesis 2 was tested, the value of the original sample estimate was equal to 0.355, proving that leadership has a positive effect on job satisfaction. This result was reinforced by the *t*-test, which obtained a *t*-count value of (4.142) > *t*-table (1.96), which shows that the effect is significant. Thus, it can be concluded that leadership has a positive and significant effect on job satisfaction. This means that if leadership gets better, then job satisfaction increases too. Therefore, the second hypothesis is accepted.

Hypothesis 3. After hypothesis 3 was tested, the value of the original sample estimate was equal to 0.267, proving that organizational climate has a positive effect on psychological empowerment. This result was reinforced by the *t*-test, which obtained a *t*-count value of (3.277) > *t*-table (1.96), which shows that the effect is significant. Thus, it can be concluded that organizational climate has a positive and significant effect on psychological empowerment. This means that if the organizational climate gets better, then psychological empowerment increases too. Therefore, the third hypothesis is accepted.

Hypothesis 4. After hypothesis 4 was tested, the value of the original sample estimate was equal to 0.536, proving that leadership has a positive effect on psychological empowerment. This result was reinforced by the *t*-test, which obtained a *t*-count value of (2.038) > *t*-table (1.96), which shows that the effect is significant. Thus, it can be concluded that organizational climate has a positive and significant effect on psychological empowerment. This means that if leadership gets better, then psychological empowerment increases too. Therefore, the fourth hypothesis is accepted.

Hypothesis 5. After hypothesis 5 was tested, the value of the original sample estimate was equal to 0.335, proving that psychological empowerment has a positive effect on job satisfaction. This result was reinforced by the *t*-test, which obtained a *t*-count value of (3.677) > *t*-table (1.96) which shows that the effect is significant. Thus, it can be concluded that psychological empowerment has a positive and significant effect on job satisfaction. This

Table 2 Testing Results: Indirect Hypothesis through Psychological Empowerment

X	Relationship		Coefficient		Note
	Y	Z	Indirect	t-count	
OC	JS	PE	0.090	2.446	Sig.
L	JS	PE	0.180	3.230	Sig.

means that if psychological empowerment increases, then job satisfaction increases too. Therefore, the fifth hypothesis is accepted.

Hypothesis 6. The mediation effect of psychological empowerment is significant on the relationship between organizational climate and job satisfaction. This is evidenced by the *t*-count value of 2.446 ($t > 1.96$). Thus, the hypothesis that psychological empowerment significantly mediates the effect of organizational climate on job satisfaction is accepted.

Hypothesis 7. The mediation effect of psychological empowerment is not significant on the relationship between leadership and job satisfaction. This is evidenced by the *t*-count value of 3.230 ($t > 1.96$). Thus, the hypothesis that psychological empowerment significantly mediates the effect of leadership on job satisfaction is accepted.

Discussion

Within the context of the current study, if the organizational climate gets better, then job satisfaction increases. Therefore, the first hypothesis is accepted. The results of this study are supported by Susanty (2012) and Rahmawati and Supartha (2015), who found that organizational climate has a significant effect on job satisfaction. Moreover, the present sample showed that leadership has a positive and significant effect on job satisfaction. This means that if the leadership gets better, then job satisfaction increases. Therefore, the second hypothesis is accepted. This is in line with Riana, Sintaasih, and Suprpta (2015), who found that leadership has a significant, positive effect on job satisfaction and on employee performance.

Hypothesis 3 proposed that organizational climate has a positive effect on psychological empowerment, and this was also supported by the results. This means that if the organizational climate gets better, then psychological empowerment increases. These results are also supported by Koberg, Boss, Senjem, and Alwi (1999), who argued that employees with longer tenure experience feelings of empowerment. Ozaralli (2003, in Dickson & Lorenz, 2009, p. 174) also stated that employees have a longer working life within the company if they feel more empowered, which suggests that increased empowerment with respect to employment is due to increased experience. Koesindratmono and Septarini (2011) stated that there is a

positive correlation between years of service and psychological empowerment.

The reinforcement of psychological empowerment should be in balance with the positive attitude of leadership, and the research proves that leadership has a positive and significant effect on psychological empowerment. This means that if the leadership improves, then psychological empowerment increases. Therefore, the fourth hypothesis is accepted. This follows Gunawan and Surya (2015), who stated that leadership has a positive effect on employee empowerment. Cahyono, Maarif, and Suharjono (2014) also stated that leadership has a significant and positive impact on employee empowerment. Finally, Suhanto (2009) reported that leadership has a positive effect on employee empowerment, and Widiasih (2017) stated that leadership has a significant influence on psychological empowerment.

The current study also showed that psychological empowerment has a significant and positive effect on job satisfaction. This means that if psychological empowerment increases, so does job satisfaction. This supports Armanu and Mandayant (2012), Rahayu and Sudibia (2013), and Debora (2006), who all showed that psychological empowerment can enhance job satisfaction.

Mediation analyses in this study also showed that psychological empowerment mediates organizational climate and job satisfaction. This result is congruent with Teh (2014) and Jyoty (2013), who showed that, to enhance job satisfaction, positive psychological empowerment needs to be paid attention to, as does positive organizational climate.

The last mediation analysis showed that psychological empowerment does not serve as a mediation variable of leadership and job satisfaction. Castro, Perinan, and Bueno (2008) made this argument by showing that transformational leadership may lead to better psychological empowerment but does not necessarily serve as a mediation variable.

Conclusion and Recommendations

Conclusion

Based on the data analysis and discussion, this research concludes that organizational climate affects employees' job satisfaction at financial services outsourcing companies. This is because superiors and colleagues support each other in their work, and tasks are divided according to the employees' respective roles. Because the employees perceive a good organizational climate, they have high job satisfaction. Furthermore, leadership affects the job satisfaction of employees at financial services outsourcing companies. This is because the application of leadership is matched with each employee's condition, so his or her needs can be channeled, listened to, and fulfilled with ease, leading to job satisfaction.

Organizational climate affects the psychological empowerment of employees at financial services outsourcing companies. This is because a well-implemented organizational climate is open, so employees can easily express their interests and dissatisfaction without fear, and psychological empowerment can be managed properly, which is congruent with Vijayaban, Anand, Kumar, Therasa, and Daisy (2017). Leadership also affects the psychological empowerment of employees of financial services outsourcing companies. Courteous leadership behavior within a firm and a wise attitude make employees sympathetic and close to the leadership and organization, allowing empowerment and evaluation.

It was also found that psychological empowerment affects the job satisfaction of employees of financial services outsourcing companies. This is because psychological empowerment of employees is easy to manage, making it easy to know their needs and desires so that their job satisfaction is also easily achieved.

The mediation effect of psychological empowerment is significant on the relationship between organizational climate and job satisfaction. Organizational climate and psychological empowerment together have a positive impact on job satisfaction. A conducive organizational climate reinforced with psychological empowerment encourages employees to achieve job satisfaction. Another mediation analysis revealed that psychological empowerment significantly mediates the effect of leadership on the job satisfaction of employees at financial services outsourcing companies. Leadership and psychological empowerment together have a positive effect on employee job satisfaction. Using minimal disciplinary practices and easy management of employees through psychological terms puts employees at ease so they feel satisfied with either the benefits that the company provides or the result of cooperation that has been established between their leadership and colleagues.

Recommendations

Based on the present study's limitations, some suggestions and recommendations for the development of further research may be given:

1. Further research can consider other variables that are suspected to have effects on job satisfaction with psychological empowerment as mediation, for example, motivation, organizational commitment, and employee performance.
2. The effect of leadership is important for service companies to improve. Financial services outsourcing companies require leaders who have an effective leadership style to encourage and direct their employees; this creates a sense of satisfaction from their work because

they feel that work assignments are given appropriately and that leadership listens to employees' aspirations. Thus, leadership can inspire them to work hard to achieve their common goals while maintaining high job satisfaction.

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Practice Ecosystem of Knowledge Co-Creation

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This conceptual paper proposes the practice ecosystem framework, which helps to understand how knowledge co-creation practices are taking place in the emerging forms of organizations. This framework seeks to address these changes by focusing on the evolutionary ontology and epistemology involved in co-creation of knowledge. The paper starts with clarifying the philosophical foundation and the theoretical background of the framework, such as the human activity theory, the theory of practice, organizational knowledge creation theory, including the process model of the knowledge-based firm, and the ecosystem theory. The paper contributes to the new advancements in the theory of knowledge creation.

Keywords: practice ecosystem, ontology and epistemology of becoming, knowledge and knowing, knowledge co-creation

Introduction

My goal is to propose the practice ecosystem framework, which helps us understand knowledge co-creation practices taking place in the emerging forms of organizations. There is a need for this contribution as the proliferation of innovative tools in information and communication technology allows the creation of knowledge anywhere and at any time. The place, space, time, and social context of knowledge work has changed dramatically. Because of technological advances and the increased complexity and uncertainty in the business environment, there is now a need for better understanding of knowledge co-creation practices.

On the one hand, technology (e.g., digitalization, ICT and IT-tools, mobile applications, augmented reality, internet of things (IoT), artificial intelligence, robotics, cognitive computing, and so on) develops very quickly. It is hard for businesses to keep up with the new technologies. Technology has changed the place and time of knowledge work, and this requires changes in organization structures, as well. The business models and organization structures need to be updated. Organizations become more lean, agile, and dynamic, with fluid and blurred boundaries. These are positive changes because boundaries can be obstacles to the flow of knowledge and innovation. Huizenga (2015, p. 200) distinguishes five types of boundaries: inter-functional, inter-unit, hierarchical, geographical, and exterior. He

argues, 'The formation of lateral linkages is an instrument with which to develop new competencies' (p. 194). The new forms of organizations are self-generating networks, virtual organizations (Handy, 1995), online communities (Faraj, Krogh, Monteiro, & Lakhani, 2016), collaborative communities (Heckscher & Adler 2006), social learning systems (Wenger, 2000), learning organizations (Senge, 1990; Senge, Scharmer, Jaworski, & Flowers, 2005), communities of practice (Wenger & Snyder, 2000; Wenger 2005), and evolving and open business ecosystems (West & Wood 2013). Consequently, the ontological view of organizations is more one of becoming than one of being.

On the other hand, there is a need for moving from knowledge as an asset to a more process- and practice-oriented view. In this new business context, the focus from knowledge as a commodity or organizational resource should move toward a more community and social consensus, and constructivist view of knowledge. While in dualism knowledge is viewed as power and as an important asset for knowledge-based organizations, in duality knowledge is viewed as continuously socially constructed, co-created and embedded in work practices. The duality view assumes that organizations are living organisms and distributed knowledge systems (Tsoukas, 2006, p. 94–116). Tsoukas concludes that 'viewing the firm as a distributed knowledge system helps us refine our view of what organizations are and, consequently, of what management is about. Organizations are seen as being in constant flux, out of which the potential for the emergence of practices is never exhausted – human action is inherently creative' (p. 111). In the mind economy, collaborative social learning is the main process of knowledge co-creation and knowing.

Thus, epistemology has shifted from an objectivist perspective to a practice-based perspective on knowledge (i.e., from knowledge to knowing). Because of these ontological and epistemological changes, I argue that there is a need for a better understanding of co-creation of knowledge as practice. With the proposed practice ecosystem framework, I seek to address this need.

The paper has four parts, plus references. In the introduction, I state the goal of this theoretical paper and present the need for re-thinking the knowledge creation theory from the implementation perspective. In the theoretical background and concepts part, building on the above-indicated ontological and epistemological shifts, I examine the relevant theories and concepts in order to build the practice ecosystem framework. Then, I describe the proposed framework and its components, demonstrating its evolutionary character. Finally, in the conclusion, I highlight the novelty of the practice ecosystem framework, and summarize its contributions to the theory of knowledge creation.

Theoretical Background and Concepts

In this part of the paper, my goal is not to provide a comprehensive review of the related theories, rather to illustrate the changes in discourses. With this, I aim to demonstrate the need for the practice ecosystem framework and to establish the philosophical foundations of the proposed framework by illustrating the debates, discourses and changes in assumptions about both organizations and knowledge creation. First, evolution, both in theory and forms of organizations, is relevant because it demonstrates the need for an ontological shift from being to becoming. Second, I highlight the need for contributing to the knowledge creation theory. With this, I establish an argument regarding the changes in epistemology of knowledge toward evolutionary epistemology, toward becoming and duality. As a conclusion, I illustrate the philosophical assumptions of the proposed model in Figure 1. Then, I present the four theories that the proposed framework builds on, (i.e., the human activity theory, the theory of practice, the process model of the knowledge-based firm, and the theory of ecosystems).

Evolution of Views on Organizations

There is a change in assumptions on how organizations have been viewed over time. In his layered model, Scott (1998, p. 107) illustrates how these assumptions evolved from closed-rational systems, through closed-natural systems and open-rational systems, to open-natural systems. According to him, organizations were analyzed at three levels: (1) social-psychological (e.g., professional identities, values, sense making, meaning negotiation, and learning), (2) structural, and (3) ecological (e.g., interactions, practices, relationships, networks, and communities). This third level of analysis is relevant to this paper. Hannan and Freeman (1977) argue that 'the situation faced by the organization's analysts is more complex. Instead of three levels of analysis (i.e., individual, population, and community levels – added by the current author), he (Sic.) faces at least five: (1) members, (2) sub-units, (3) individual organizations, (4) populations of organizations, and (5) communities of (populations of) organizations' (p. 189).

Furthermore, in organizational studies there is a debate about the ontological status of organizations. Organizations could be viewed either objectively or subjectively, and both objectively and subjectively. Today in organizational studies, we can sense a substantial move toward a subjective ontology, and this is relevant to this paper. Based on a subjective ontology, an organization emerges through social interactions of people, and this is a jointly constructed reality. Contrary to positivism, constructivism assumes that an organization is a complex system, not a static, solid thing, not an objective or pre-given reality.

The constructivist, relational, interactionist view of organizations is

demonstrated by Chia (2003, p. 98–112), who argues that the term ‘organization’ means ‘world-making.’ He characterizes organizations as ‘the aggregative, unintended outcome of local efforts [...] as “islands” of a relatively stabilized order in a sea of chaos and flux [...] as temporary stabilized event clusters loosely held together by relational networks of meaning [...] as products of sense making.’ Chia’s view of organization is similar to that of Weick (1995), who sees organizations as ‘sense-making systems.’ Organizational sense making is relevant to this paper because of its dialectic, never-ending reconstruction of the experience, as well as its social and ongoing character being an integral part of the knowledge co-creation practices of people. Stacey argues that people construct an organization and, therefore, it can be viewed as ‘patterns of relating’ (2007, p. 265) of humans interacting with each other in constructing the organization. Similar to Stacey, an interaction view of organizations is represented by Fonseca (2002, p. 75–80) when he argues that “‘the organization’ is temporarily “successful” patterns of interactions that participants accept as “good enough” to be continually repeated, so becoming organizational habits’ (2004, p. 77).

Networking and collaboration are essential practices of people in the new business models of organizations. Castells (2000, p. 151–152) believes that the new organizational forms in the information economy are based on networks: ‘Networks are the fundamental stuff of which new organizations are and will be made’ (2000, p. 168). Heckscher and Adler (2006, p. 11–105) present the firm as a collaborative community in the knowledge economy. According to them, communities take three forms (1) *Gemeinschaft*, (i.e. community in the shadow of hierarchy), (2) *Gesellschaft*, (i.e., community in the shadow of the market), and a (3) *Collaborative* form, where community itself is the dominant principle. The organization as a collaborative community is relevant to this paper. Collaborative community has three distinct characteristics: (1) its values are based on contribution, concern, honesty, and collegiality, (2) the organization as an organic division of labour coordinated by collaboration, and (3) identities that are interdependent, interactive, and have social character (2006, p. 16–17).

The community of practice concept is relevant to this paper (Wenger, 2000, 2005; Wenger & Snyder 2000): firstly, because of its view on organizations and, secondly, because of its theory of social learning. Wenger (2005, p. 241–262) distinguishes two views of an organization: the designed organization (i.e., institution, formal organization) and the constellation of practice (i.e., the living organization or informal organization). He argues that ‘the organization itself could be defined as the *interaction* of these two aspects’ (2005, p. 241, italics added). However, institutionalization (i.e., formal organization) cannot make anything happen, as ‘communi-

ties of practice are the locus of “real work” (2005, p. 243). Communities of practice can be understood as ‘*shared histories of learning*’ (2005, p. 86, italics original), or ‘*the social fabric of learning*’ (2005, p. 251, italics original). Communities of practice play a decisive role in the negotiation of meaning, learning, the preservation and creation of knowledge, and the spreading of information, and are the home for identities. Therefore, it is relevant to the proposed framework.

In brief, in organizational studies subjective ontology, human interactions, practices, collaborations, networks, collaborative communities, and communities of practice characterize the dominant discourses about the ontology of organizations. Organizations are in constant evolution and change, (i.e., they are in a state of becoming rather than in a state of being). Furthermore, in the knowledge, mind economy ‘where information is the raw material of work, it has never been necessary to have all the people in the same place at the same time’ (Handy, 1995). The new form of virtual organization is a reality in the 21st century. In these new forms of organizations, people practice co-creation of knowledge and meaning, and this way learn together. Next, I will highlight the need for contributing to the dynamic theory of organizational knowledge creation (Nonaka, 1994; Nonaka, Toyama, & Konno, 2000) and to the theoretical framework of the process model of the knowledge-based firm (Nonaka, Toyama, & Hirata, 2008, p. 18–52, p. 241–245).

Need for Contributions to the Knowledge Creation Theory

I seek to answer the question: *Why does the organizational knowledge creation theory need to be developed?* The theory of knowledge creation has evolved and become more specific through the period of 1994–2017. Jakubik (2011a) argues that ‘Nonaka’s knowledge creation theory and its assumptions have been criticised by several authors [...] and these criticisms of the theory underline the need for contributions’ (p. 17). Jakubik summarizes the main arguments in the literature against the knowledge creation theory, which is the main theory of knowledge management (KM), in seventeen points (Jakubik, 2011b, p. 377). From this paper’s point of view, the most relevant criticisms are:

- There are deep conceptual problems and lack of conceptual clarity in the knowledge creation theory (Gourlay, 2006).
- The knowledge creation theory neglects previous research and ignores organization studies literature on knowledge creation (Gourlay, 2006).
- It is not quite understood how knowledge is created in communities (Cook & Brown, 1999; Tsoukas, 2000; Zboralski, 2009; Sun, 2010).

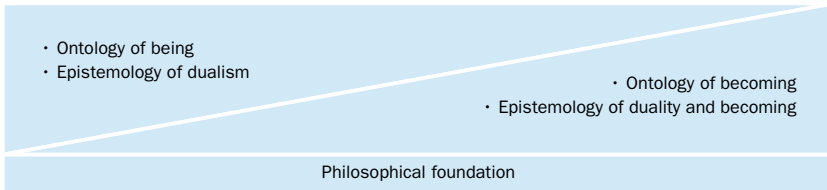


Figure 1 Shifts in Paradigm

- Ontological and epistemological issues of knowledge creation would need more attention (Nonaka et al., 2008).
- Discourses in KM are dominated by 'epistemology of possession' rather than 'epistemology of practice' (Schultze & Stabell, 2004; Sun, 2010).
- Discourses in KM are still characterized by a dichotomy rather than complementary views of knowledge (Heisig, 2009).
- Transformative change and becoming ontology are largely unexplored (Stacey, 2004; Senge et al., 2005; Gourlay, 2006).
- Better understanding and better models of social processes of knowledge creation are needed (Cook & Brown, 1999; Nonaka et al., 2008).
- There is a need for paradigm shift in KM research (Nonaka et al., 2008; Nonaka, 2010).

I seek to address some of the above issues in this paper by indicating the discourses in organization studies about organizations and knowledge creation, by establishing the ontological and epistemological foundations of the proposed framework (Figure 1), and by proposing the practice ecosystem framework for a better understanding of how knowledge is co-created in today's emerging forms of organizations.

Schultze and Stabell (2004, p. 556), drawing on the four paradigms of Burrell and Morgan (1979), described the four discourses (i.e., paradigms) of knowledge management research, (i.e. critical, functionalist, constructivist, and dialogic discourses). The framework proposed in this paper is based on epistemology of duality, evolutionary epistemology. I focus on the constructivist paradigm of knowledge creation because 'the constructivist discourse is concerned with practices of knowing and learning and the co-ordination of action in organizations' (Schultze & Stabell, 2004, p. 563). According to Schultze and Stabell (2004, p. 556), theories related to this paradigm are structuration theories, the theory of practice, sense making, and the actor network theory. In this paper, I draw on the theory of practice.

In brief, I establish the philosophical foundation of the proposed frame-

work by showing the shift in discourses about organizations and learning in organization studies and define the needs for contributions to the knowledge creation theory by shifting its current paradigm towards that of the epistemology of practice.

Theoretical Background of the Proposed Framework

In this part of the paper, I focus on the four theories (Figure 2) as essential building blocks of the proposed practice ecosystem framework, (i.e. on the human activity theory, the theory of practice, the organizational knowledge creation theory, including the process model of the knowledge-based firm, and the theory of ecosystems).

The human activity theory, according to Engeström (2005, p. 18), has 'its threefold historical origins in classical German philosophy (from Kant to Hegel), in the writings of Marx and Engels, and in the Soviet-Russian cultural-historical psychology of Vygotsky, Leontiev and Luria.' The human activity system presented by Engeström (1990, p. 79, 1994, p. 42, p. 80) has seven interrelated elements: (1) subject(s) (i.e., the individual or sub-group from whose point of view we analyze the activity), (2) tools (i.e., symbolic, physical, external, and internal tools, as well as instruments and signs), (3) rules (i.e., regulations, norms, and conventions), (4) community (i.e., groups and sub-groups that have the same problem space), (5) division of labor (i.e., horizontal division of tasks, vertical division of responsibilities), (6) object (i.e., problem space and raw materials at which the activity is directed), and (7) outcome (i.e., the results of the activity). These are also essential elements of the proposed practice ecosystem framework.

Next, I discuss the forms, main principles, definitions, and elements of the theory of practice. Practice has different forms and within them different human qualities (i.e., cognitive, affective, and physical) dominate. The

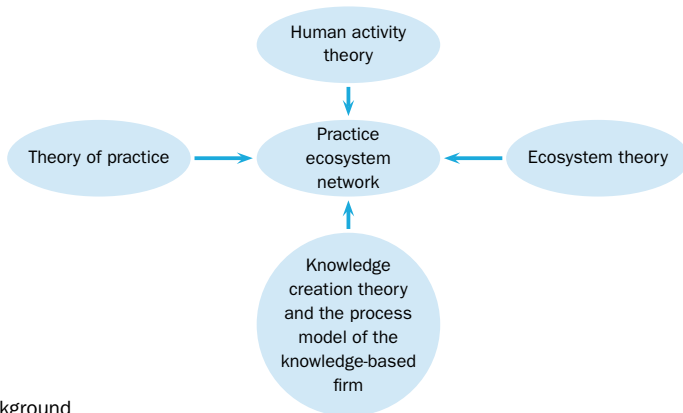


Figure 2
Theoretical Background

relationship of thinking and physical practices, (i.e., the role of mind and body in practice), is a topic discussed in the literature. De Certeau (1984) differentiates between tactical and strategic practice. The former refers to practices embedded into bodily routines (i.e., practices of body), and the latter is related to the mind, thinking, and sense making. In brief, in tactical practice the body dominates, while in strategic practice the mind does.

Similarly, Handy (1995) argues that the role of trust increases in the virtual dimension of organizations in the Three I Economy (i.e., information, ideas, and intelligence), where the economic growth 'would increasingly be more a matter for the mind than for the body.' Bordieu (1990, in Chia & MacKay, 2007) discusses the theory of practice, where he integrates human agency, subjectivism, and objectivism. Action is important because it integrates the body and mind in practice. 'A practice can be summarized to be an ontology that supports a practical view on the world, which is constituted through practices that are based on shared understanding, and remain dynamic' (Korkman, 2006, p. 23). After reviewing several definitions of practice, Korkman (2006, p. 20–23) argues that there are four principles of theory on practices: (1) practical, (2) contextual, (3) based on shared practical understanding, and (4) dynamic.

Knowledge co-creation is a social practice. I concur with Hislop (2009, p. 34), who defines six characteristics of knowledge from practice-based epistemology as follows: (1) knowledge is embedded in practice, (2) tacit and explicit knowledge are inseparable, (3) knowledge is embodied in people, (4) knowledge is socially constructed, (5) knowledge is culturally embedded, and (6) knowledge is contestable (i.e., open to dispute). He provides a definition of practice and connects this activity with knowledge creation:

Practice refers to purposeful human activity. It is based on the assumption that activity includes both physical and cognitive elements, and that these elements are inseparable. Knowledge use and development is therefore regarded as a fundamental aspect of activity Hislop (2009, p. 33).

Jarzabkowski, Balogun, and Seidl (2006, p. 5, 2007, p. 8–11) define praxis, practices, and practitioners as follows:

- *Praxis* is 'situated, socially accomplished flows of activity that strategically are consequential for the direction and survival of the group, organization or industry.'
- *Practices* are 'cognitive, behavioural, procedural, discursive, motivational and physical practices that are combined, coordinated and adapted to construct practice.'
- *Practitioners* are 'actors who shape the construction of practice through *who* they are, *how* they act and *what* resources they draw upon' (emphasis original).

Wenger (2005) builds his social theory of learning on four interconnected and mutually defining components: meaning, practice, community, and identity. He defines practice as ‘a way of talking about the shared historical and social resources, frameworks, and perspectives that can sustain mutual engagement in action’ (p. 5). Furthermore, he adds the following (p. 13, emphasis original):

Theories of *social practice* address the production and reproduction of specific ways of engaging with the world. They are concerned with everyday activity and real-life settings, but with an emphasis on the social systems of shared resources by which groups organize and coordinate their activities, mutual relationships, and interpretations of the world.

Concurring with Wenger’s theory of social learning, Tsoukas argues that ‘we learn to engage in practical activities through our participation in social practices’ (Tsoukas, 2003, p. 424, emphasis added). I assume that knowledge creation is a social practice. Therefore, these definitions of practice are important for the proposed framework because they highlight the main characteristics and elements of practice.

Korkman (2006, p. 27) identifies five elements of practice: (1) subject(s) (agent), (2) physical space (material context), (3) images (symbolic tools, beliefs, religion, values, and aesthetics), (4) tools and skills (know-how and concrete tools), and, (5) action that connects all of these elements. In this paper, I extend his view by adding more elements to practice such as time, ‘know-what’ or intention, motivation, and social context. Time includes history, present, and future (Wenger, 2005; Stacey, 2007) as an important element of practice. Knowing-what, having an intention, a goal, and an initial objective all help give direction to action and interaction, and in doing so energize the agent to act.

I would argue that practice means who (agent) is doing (action) what (know-what, objectives and goals), why (images, values, and beliefs), where (cultural, social, physical, virtual, and mental contexts), with what tools and skills (know-how), and when (history or the present). Practice is a dynamic, dialectic, and evolutionary concept. The duality of body and mind, practice and theory, object and subject is synthesized in becoming. Practice develops through time in a series of events as becoming-being-becoming and through a synthesis of bodily and mental actions and interactions, through participating and thinking in a specific place, time, and space.

Concurring with the above-mentioned definitions of practice, I argue that knowledge co-creation practices of people are very practical, and need certain skills, competencies, equipment, tools and good luck, or a necessary constellation of the specific contexts (i.e., social, material, and historic).

The ecosystem of these practices is social (i.e., groups of people, communities, and teams) and material (i.e., physical conditions of the context), historical, and cultural (i.e., languages, religions, values, and habits) at the same time. Knowledge co-creation practices are contextual regarding history and culture, because through them the skills, competences, and tacit knowledge (i.e., knowhow) have developed in the community through collaborations, actions, human interactions (i.e., discussions and dialogue), and retrospective sense making.

The outcomes of the practices are always uncertain and unknown because they depend on not only skills, equipment, tools, and resources applied in action, but also on the constellation of the context, environment (social and material context) and luck. Yet, one needs to be prepared (i.e., educated, skilled, experienced) in order to be able to take advantage of luck. In this sense, practice is dynamic. People, when collaborating, have a shared understanding of their practice because of their common purpose and goal. They agree on why to act in a certain way and they share common understanding on the ways of practices (i.e., there are rules and principles guiding their practices). Because of this, a common understanding of the rules and principles of practices developed through the history of their collaborative practices. During the co-creation of knowledge people as 'nomadic dwellers' develop their practices by talking with people, doing, exercising, sensing, and feeling, as well as through intuitions in a specific cultural, social and time-space context.

The other theory on what the proposed framework is building on is the process model of the knowledge-based firm by Nonaka, Toyama, and Hirata (2008, pp. 18–52, 241–245). 'The model consists of seven basic components: the SECI (i.e., Socialization, Externalization, Combination, and Internalization – added by the current author) process of *dialogue* and *practice*; *knowledge vision* and *driving objectives*, which both give direction and energy to the SECI process; *ba*, a space-time nexus needed for the SECI process to occur; *knowledge assets*, which are the inputs and outputs of the SECI process; and the *environment*, as an ecosystem of knowledge and multi-layered *ba*' (p. 27, emphases original). These components are important for the proposed framework.

Finally, the ecosystem theory is relevant to the proposed conceptual model. Tukiainen, Lindell, and Burström (2014) argue that 'in business ecosystems the research tradition and taxonomy is missing' (p. 6). They present the business ecosystem's definition, structures and conditions for ecosystem management and leadership (pp. 6–15). Tukiainen et al. (2014) illustrate the emerging four different definitions of ecosystems from the period of 1993 to 2012, from more generic to more specific, industry-related ecosystems. They conclude that there are multiple ecosystem definitions.

'However, all definitions share the elements of co-evolvement, interdependencies and networks' (p. 7). According to their definition (p. 8):

The ecosystem is described as: a set of companies (large and small) from different industries that want to work with each other because they have complementary economic, knowledge and/or capability interests, usually based on technological or business interdependencies. The firms are loosely or tightly coupled in order to co-create value, but largely independent of geographical location. Firms may sometimes compete and sometimes collaborate.

There are different types of ecosystems, e.g., product, the internet of things, ICT, digital, industrial, technology ecosystems, and so on. However, there is no practice ecosystem for knowledge co-creation, even though knowledge and knowing are the main contributors to value creation in the mind economy. Therefore, I argue that there is a need for the practice ecosystem framework of knowledge co-creation. This could be the novelty and contribution of the theoretical model proposed in this paper.

To conclude, I argue that knowledge co-creation practices happen in the practice ecosystem and that the proposed framework is an extension of the human activity system, filling a gap in the theory of business ecosystems. In the next part, building on the theories, and concepts emerging from the theoretical background discussion, I present the practice ecosystem framework (Figure 3), define its building components (Table 1), and illustrate its evolutionally character (Figure 4).

The 'Practice Ecosystem' Framework

In this part of the paper, I describe the proposed framework, its components and demonstrate its evolutionary character. The practice ecosystem framework (Figure 3) is built on four theories (Figure 2): (1) the human ac-

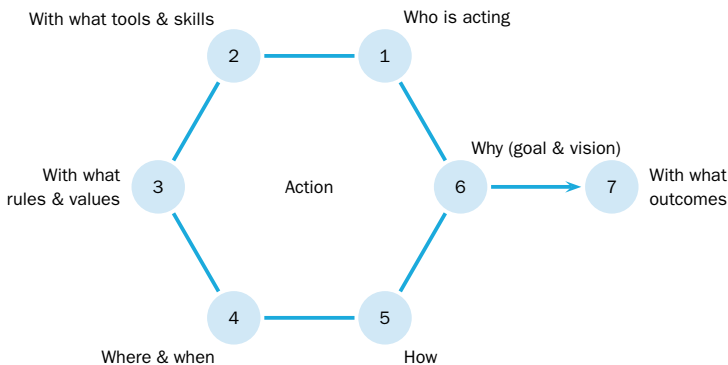


Figure 3 Practice Ecosystem of Knowledge Co-Creation

Table 1 Elements of the Practice Ecosystem Framework

Elements	Descriptions
Who is acting	Subject(s), agent(s) who performs the practice. The practitioners can be individuals or groups. Some examples of this are knowledge workers, managers, leaders, chief knowledge officer, chief digital officer, and chief information officer.
With what tools and skills	Tools are instruments, artefacts, symbolic, external and internal symbols, IT, ICT (e.g., communication tools, video conferencing, and Skype), physical ecosystems of practice, and existing and new-knowledge assets. Skills are the know-how of the practitioners.
With what rules and values	Rules are conditions for practices. Example: explicit or implicit rules, regulations, principles, norms, values, equality, appreciation, culture, conventions, ethics, way of dialogue, modes of actions, and interactions.
Where and when	This is the social context of practice. Example: community environment, formal and/or informal organization, online communities, groups, subgroups, teams customers, partners, suppliers, and persons who share the same problem space.
How	Division of labor – who is doing what, division of tasks and responsibilities, horizontal and vertical division of work, activities, and practices. However, these practices integrate physical, cognitive, and affective dimensions into a whole. These practices lead to social learning and knowing.
Why (goal and vision)	Goal and vision are the problem space at which the activity is directed, they are the driving objectives. Example: focus, development area, and the problem to explore, understand, and solve.
With what outcomes	Outcome(s) of the activity of the practitioner are the solution of a problem, and a realized vision. The outcome of the action could lead to changes, new organization, new knowledge, innovation, new problem, and new challenges that would need solutions. This is the drive for a new action and a new practice ecosystem based on the action. This way it enforces the evolutionary character of the framework.

tivity theory (Engeström, 1990, 1994, 2005); (2) the forms, principles and elements of the theory of practice (Bourdieu, 1977; De Certeau, 1984; Korkmán, 2006); (3) the organizational knowledge creation theory, including the theoretical framework of the process model of the knowledge-based firm (Nonaka, Toyama, & Hirata, 2008, pp. 18–52, 241–245); and (4) the theory of business ecosystems (Tukiainen, Lindell, & Burström, 2014). The framework emphasizes the evolutionary ontology and evolutionary epistemology of knowledge co-creation practices.

Table 1 describes the interrelated elements of the practice ecosystem framework. It is important to see these seven elements of the framework as interrelated elements that are connected by action. A series of actions will lead to practices.

Nonaka and Takeuchi (1995, p. 57) argue that the core of their organizational knowledge creation theory is the SECI knowledge conversion pro-

Time, place, space.
 Ontology and epistemology
 of becoming.
 Co-creation of knowledge
 and knowing.

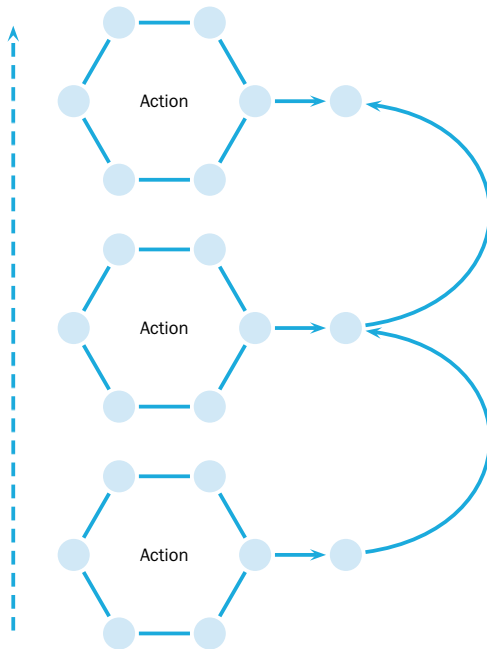


Figure 4
 Evolutionary Character
 of the Practice
 Ecosystem

cess. I would argue that knowledge creation happens not as a merging of tacit and explicit knowledge but as human practice of engaging, learning together, and sense making. This social interaction and action of people requires a practice ecosystem. This social practice denies the dichotomy of knowledge, and the dichotomy of the physical (body), the cognitive (mind), and the affective (emotional) practices. This social practice of knowledge creation also requires a shift in the knowledge creation paradigm toward the ontology and epistemology of becoming.

Next, I illustrate the evolutionary character of the framework in Figure 4. Knowledge co-creation practice is an ongoing, dynamic, and evolutionary process. When a new problem space, development area, or new vision emerges there will be a new practice ecosystem created around the actions of practitioners. A series of actions will lead to knowledge creation practice.

In this part of the paper, I presented the practice ecosystem framework, described its elements, and demonstrated its evolutionary character. Next, I will conclude and discuss the novelty, contributions, and limitations of the proposed framework.

Conclusion

The main goal of this conceptual paper was to propose the practice ecosystem framework, which helps us understand the knowledge co-creation prac-

tices taking place in the emerging forms of organizations. I presented the evolutionary views on organizations and the need for developing the knowledge creation theory. These led to evolutionary ontology and epistemology as the philosophical foundation of the proposed framework (Figure 1). Then, I overviewed the theoretical background (Figure 2) of the framework, and provided definitions of the main concepts. Finally, I described the practice ecosystem framework of knowledge co-creation (Figure 3), its seven elements (Table 1), and demonstrated its evolutionary character (Figure 4). Now, I will summarize the main contributions of this framework.

Firstly, how knowledge is co-created in diverse, emerging new forms of organizations would need more understanding. Focusing on the online community as space for knowledge flows, Faraj et al. (2016, p. 12) call for 'new ways of representing action, actors, artifacts, and outcomes.' I argue that the practice ecosystem framework contributes to a better understanding of knowledge development practices in the complex, interconnected and dynamic business environment.

Secondly, Schultze and Stabell (2004, pp. 568–569) propose three areas for future research: (1) capturing the double-edged nature of knowledge, (2) incorporating evolutionary epistemology into the development of knowledge, and (3) finding out how their four discourses are espoused by practitioners, and why. The practice ecosystem framework contributes to the second future research area, because it is based on the evolutionary philosophies of both ontology and epistemology (Figure 1) and the framework itself has an evolutionary character (Figure 4).

Thirdly, Nonaka and von Krogh (2009, pp. 644–646) realized the importance of social practice in knowledge creation. However, they still assume a tacit-explicit knowledge dichotomy. They admit that 'the relationship between organizational knowledge creation theory and the social practice view of organizational knowledge is underdeveloped. This is a challenge for organizational knowledge creation' (p. 646). However, they are quite skeptical, because they conclude that 'social practices may be necessary, but not sufficient, for understanding organizational knowledge creation' (p. 646). I argue that focusing on social practices and the practice ecosystem contributes to a better understanding of the evolution of knowledge. As future research, Nonaka and von Krogh (2009) see that 'there are major research opportunities in intersection between social practices and organizational knowledge creation' (p. 647). This paper is a small step in this journey and I think that exploring this relationship will lead us to a better understanding of knowledge co-creation practices.

Finally, this research paper contributes to constructivist discourses, to the practice view of knowledge, where knowledge emerges in social interactions. The proposed framework highlights the importance of the hu-

man practice and ecosystem concepts in co-creation of knowledge in a technology-driven business environment. The novelty value of this paper is that the ‘practice ecosystem’ has not yet been explored in the literature.

As with any research paper, this also has limitations. The proposed framework builds on theories. Therefore, empirical research would validate, demonstrate how the model works, justify its usefulness for businesses, and indicate its managerial implications. I fully concur with Weick (2016, p. 335), who writes that ‘when we inquire, we engage in a variety of actions, such as conjecturing, complicating, and differentiating.’ Building a theory is an ‘interim struggle’ and it is associated with words like ‘guess, speculation, supposition, conjecture, proposition, hypothesis, conception, explanation, model’ (p. 335). I feel that my ‘interim struggles,’ when aiming to build the practice ecosystem framework, contribute to a better understanding of knowledge co-creation practices, because ‘organizational research gains value either when it makes empty concepts fuller by linking them with perceptions or makes blind perceptions more meaningful by linking them with concepts’ (Weick, 2016, p. 337).

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Identifying Elements for a Successful Approach to Applying Projects

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This paper presents elements for a successful approach to addressing Horizon 2020. Horizon 2020 is the EU programme offering funding for research and innovation projects. Investing in such projects in turn secures a smart, sustainable and inclusive economic growth. The programme covers all the stages, from basic research to market penetration, and has a total value of slightly over EUR 70 billion. The investment instrument's main goals are strengthening Europe's global competitiveness, making it the best in the world-class science, eliminating obstacles that hinder innovations to get quickly in the market and changing the way in which the public and private sectors work together. Despite the fact that the program has a simple structure and requires less red tape than its predecessor (the Seventh Framework Programme – FP7), the applicants still face a lot of challenges when applying with their projects. The paper's aim is to address these challenges and to offer solutions. Primary data were collected by using the technique of surveying by e-mail. We carried out the survey by sending the e-mail to Slovene recipients of funds for Horizon 2020 and, subsequently, to Italian ones. The quantitative research results indicated that the application's success in Horizon 2020 is largely influenced by the financial projection, the knowledge of EU policies, the proposal design, as well as the proposal elements – contents, importance of the process of individual proposal elements, past experiences, partner organization, referrals and coordinators.

Keywords: European Union (EU), EU funds, funds, grant writing, grants, Horizon 2020, project planning, proposal, rhetoric

Introduction

Horizon 2020 is the biggest European Union (EU) Research and Innovation financial programme ever, with almost €80 billion funds available for a period of seven years (2014 to 2020). It is the eighth phase of the Framework Programmes. In comparison with the previous ones, Horizon 2020 offers various simplifications through a unified set of rules for participation. The

current period 2014–2020 provides many opportunities to fund innovative ideas and projects. The architecture of European Funds and direct grants continues to offer a wide range of funding opportunities in the Member States. The areas at the heart of Horizon 2020 (the biggest EU Research and Innovation programme), for example, are: developing excellent science, competitive industry, innovative marketing, as well as tackling societal challenges. This targeted funding is aimed at helping to ensure that the best ideas are brought to the market faster and are used in the European cities, homes, hospitals, factories and shops as quickly as possible. However, funding is often denied due to lack of knowledge or poor planning. Although the numerous programs and initiatives have different features, the development of project proposals and application processes follow common rules.

Participation in the programme is open to different types of organizations and individuals from the European Union Member States or countries associated with the programme. Horizon 2020 is thus accessible to individuals, researchers at early-stage or mid-stage careers, research teams, national, regional or local public or state bodies, small- and medium-sized enterprises (SMEs) or teams of enterprises, institutions, universities, associations, (non-profit) organizations, etc.

Associated countries include Israel, Norway, Turkey, Iceland, FYROM, Serbia, Montenegro, Bosnia and Herzegovina, Albania and the Republic of Moldova. Overseas countries and territories associated with the EU Member States (e.g. Greenland) are also considered EU countries. It is possible to include partners from other parts of the world. However, in this case, specific rules for funding apply.

Some developing and middle-income countries may be funded as much as participants from EU Member States. These are, among others, Asian, African, South American and Middle Eastern countries, as well as the European countries outside the European Union.

Countries like USA, Japan, the BRIC countries and Switzerland are also invited to participate, but will receive funding only in specific situations:

- In case of a bilateral agreement on research or technological cooperation between the EU and the country in question;
- When it is explicitly written in the topic documents that applicants from these countries are eligible;
- If an applicant can convince the European Commission that a definite partner is essential to a project and that the partner adds special skills/expertise, access to special research infrastructure, access to a certain geographic area or even to data.

Most often partners from the above countries will be funded through their national funding schemes for the participation in a Horizon 2020 project.

Horizon 2020 fosters international and interdisciplinary partnerships, and the majority of the programmes require the projects to have a minimum of three partners, from three different countries. Exceptions to this conditions are found in the SME instrument and the personal scholarships (as these are based on individual participation). Programmes that stipulate multiple participants in a project also require the involvement of a minimum of three partners from different EU Member States or associated countries in an international consortium.

Advantages of Participating in Horizon 2020

Speaking at one event, the Minister of Ireland for Training and Skills, John Halligan, stated that he 'would encourage all innovative companies operating in Ireland to engage with the EU Horizon 2020 programme so that they can experience the multiple benefits of participation. The value of participation in Horizon 2020 extends far beyond the potential monetary rewards. Horizon 2020 provides a mechanism to network and collaborate with the best researchers and leading companies across Europe [...]. These benefits are all the more important for a small, island nation like Ireland,' he added. So he 'would encourage all innovative companies to investigate the opportunities to participate in Horizon 2020.' (Department of Business, Enterprise and Innovation 2016).

As has been pointed out by the Minister, the monetary benefit is only one advantage of participating in Horizon 2020. There are many more:

- **Networks.** The program fosters establishing a partner network with organizations from other sectors (e.g. business). It supports working with the best researchers from European countries in multidisciplinary teams. EU-funded projects bring together expertise from all over Europe to solve research challenges that no single project partners can solve on their own. It supports making contact with the leading international players in the grant writer's field. Horizon 2020 allows movement of researchers, knowledge and ideas across borders, making it possible to develop, attract and retain research talent in European countries.
- **Prestige.** The program supports increasing visibility in various research fields and provides a renown 'EU stamp of quality.'
- **Impact and dissemination.** The program supports partnering with organizations across the EU and further afield, which enables the researcher's work to have a wider impact than on the national level.
- **Developing a project idea.** When writing a proposal, the grant writer will need to present the costs and benefits of the grant writer's project and think about its long-term benefits to society.

- Taking ideas from the lab to the market.
- Expanding the range of products and services.
- Reinforcing know-how
- Integrating new markets.
- Entrepreneurs and industry/business. The Horizon 2020 initiative makes it easier to market ideas and develop an organization.

The Horizon 2020 webpage provides many positive testimonials given by the beneficiaries of the program. Launching the strategy, Arlene Foster, Northern Ireland's Minister of Enterprise, Trade and Investment, for example, stated: 'Companies that engage in research and innovation are more productive, employ more people and are more likely to export. My department, and the executive, have placed innovation and R&D at the heart of its efforts to rebalance our economy into one that is export-led and knowledge-based. If we are to meet this challenge, Northern Ireland will need more companies willing to engage in research and build collaborative partnerships with universities and colleges both at home and, importantly, abroad. Horizon 2020, with its focus on international collaboration, provides an excellent platform for this. The new strategy, developed with industry and academia, sets out our commitment to provide the conditions needed for success in the field of business-driven research and innovation.' Joan Guasch (2013), another beneficiary, has noted: 'You overcome technological barriers, you learn how to work and cooperate with people from different cultures and also from different businesses and you save time and money to put your knowledge in profitable markets.'

When Professor Marco Garetti (2013) was asked about the benefits of participating in EU research projects, he answered: 'There are many benefits from different points of view. First of all, this funding strengthens the relationship between academia and industry. Then it contributes to establish connections between different countries of Europe. And at the end, it supports research and development, so it's very important.'

Dr. Kerstin Dressel (2013), a researcher, gave this response to the same question: 'It is really an inspiring environment for a researcher and I very much appreciate the international visibility as a researcher, as well as doing a lot of international comparative research. I think gives you a lot of surprising and new insights and findings.'

Methodology, Data Collection and Sample

A quantitative research method was used to collect data. For the purposes of quantitative research, primary data were collected using a survey questionnaire using the online survey method. The key feature of quantitative research was to accelerate the development of theory and contribute to science, in order to make it a fundamental research. For the purposes of

quantitative research, primary data was collected using a survey questionnaire. The survey questionnaire was carried out in public and private organizations. The data was collected using the online survey method. The questionnaire consisted of closed questions. We used ranking questions in the online survey to sort answers in order. This format is frequently shown as an open square, where it is possible to record the serial numbers of the selection, while, with multiple choice questions, the respondents themselves choose the number of possible answers. This format preserves the similarity of the form with the buttons, wherein the buttons only allow one response and retain the last selected option, while multiple choice answers offer a greater possibility of changing the number of responses. Although online questionnaires provide multiple choice answers, some evidence suggests that this leads to more frequent omissions.

We used an interval (Likert) measuring scale. There were statements referring to different areas of the partner search, proposal development and application process. The respondents chose numbers on a 5-point scale, with 1 meaning 'I totally agree' and 5 meaning 'I totally disagree.' We formed all the questions based on the findings from the theoretical part (Table 1). The obtained primary data were analyzed with appropriate uni-, bivariate, and multivariate data processing methods using the SPSS version 21 statistical program.

Stratified sampling was used to design the sample. In the quantitative survey, 234 respondents participated, of which 206 respondents responded to the questionnaire, of which 94 questionnaires were valid. We removed 112 questionnaires because they were not fully answered. The sample of research is thus $N = 94$, represented by public and private organizations participating in the calls for Horizon 2020 (Table 2). We carried out the survey by sending an e-mail to Slovene recipients of funds for Horizon 2020 and then to Italian recipients (both the e-mails and questionnaires were written in their respective mother tongues).

Discussion

In this section, we present the results of descriptive statistics representing the basis or foundation of the research. Vavra (1997, p. 152) suggests that the statistics described here serve as a reflection of the actual assessments of respondents at individual basic constructs and components. Descriptive statistics also enable us to ascertain all the basic characteristics of the responses, but it is imperative to pay special attention to the conditions that variables must meet, in case of carrying out further analysis such as correlation, factor analysis, etc. (Malhotra & Birks, 2003, p. 354). All claims were evaluated on the Likert scale from 1 to 5, whereby for the selected statement, grade 1 means 'I completely agree' and for the selected statement grade 5 means 'I completely disagree.'

Table 1 Constructs with Calculation Methods and Sources

Constructs	Measurement scale/calculation method
Consortium partner (Grobelnik, 2007).	<p>Previous participation in EU projects as a partner organization is important for later success of receiving a project as an applicant in Horizon 2020.</p> <p>It is important for the applicant organization to first have experience as a consortium partner in EU projects.</p> <p>An organization that has not yet cooperated in any EU projects has little chance as an applicant for its own project.</p> <p>Only organizations that have already cooperated in EU projects can be successful when applying for their own projects.</p> <p>Applicant's past experience in EU projects is important.</p> <p>It is difficult for inexperienced newcomers to succeed in getting a project accepted in H2020.</p> <p>Inexperienced newcomers have little chances when applying for Horizon 2020.</p> <p>Initial participation as a consortium partner has a positive effect on the future performance of the applicant of an EU project.</p>
Partner search portals (Hoffmann, 2015)	<p>Successful applicants search for project partners in the networking or partner search portals.</p> <p>Networking or partner search portals are useful for the formation of consortiums.</p> <p>The most efficient way to search for a partner is through networking or partner search portals.</p> <p>Networking or partner search portals are good places to search for good partners.</p> <p>Successful applicants search for project partners through referrals.</p> <p>Successful applicants search for partners among the already funded project coordinators or participants.</p> <p>An efficient way to search for a partner is by looking among the already funded project coordinators or participants.</p> <p>An efficient way to search for a partner is through referrals.</p> <p>An efficient way to search for a partner is through networking or partner search portals.</p>
Design of the project proposal (Porter, 2007)	<p>Visual marketing elements (graphic data presentation, pictures, etc.) in the proposal affect the success in obtaining funding from Horizon 2020.</p> <p>The layout/formatting of the proposal is important.</p> <p>Visual graphic elements in the proposal affect the success of obtaining funding from Horizon 2020.</p> <p>Typographical emphasis of keywords (keywords in italics, bolded or underlined) in the proposal is important.</p> <p>It is important to use keywords in the proposal (e.g. objective, aim).</p>

Continued on the next page

Descriptive Statistics for 'Importance of Experience in the Successful Acquisition of Funding'

The claims that best describe the variable of the importance of experience in the successful acquisition of funding are presented in Table 3, where their descriptive analysis is also presented.

Table 1 *Continued from the previous page*

Constructs	Measurement scale/calculation method
Financial projection (Destro, 2014)	Building a project's financial plan requires knowledge and experience. It is important to hire an organization for the design of the project's budget. Designing the project's budget with the help of an organization experienced in designing EU project budget is important. It is advisable to search for a consultant for budget planning if you are not an experienced budget planner.
Knowledge of EU policies (Hoffmann, 2015)	A good way to identify project ideas is to study EU policies. Reading EU policies before brainstorming for project ideas is a useful technique. The most efficient way to search for a partner is through networking or partner search portals. Brainstorming for project ideas based on EU policies is an efficient method. It is useful to be well acquainted with EU policies before brainstorming for project ideas.
Importance of individual proposal elements process (Hoffmann, 2015)	Success in receiving a project applied in H2020 is most affected by a good project idea. Success in receiving a project applied in H2020 is most affected by a good composition of the consortium. Success in receiving a project applied in H2020 is most affected by good consortium partners. Success in receiving a project applied in H2020 is most affected by good knowledge of EU policies.
Importance of individual elements of the project proposal (Fabbro, Berovic, & Bartol, 2016)	Success in receiving a project applied in H2020 is most affected by a good project title. Success in receiving a project applied in H2020 is most affected by a good project acronym. Success in receiving a project applied in H2020 is most affected by a well-written and designed excellence chapter. Success in receiving a project applied in H2020 is most affected by a well-written and designed impact chapter. Success in receiving a project applied in H2020 is most affected by a well-written abstract. Success in receiving a project applied in H2020 is most affected by good project budget planning. Success in receiving a project applied in H2020 is most affected by a good use of visual marketing elements. Success in receiving a project applied in H2020 is most affected by a well-developed project idea.

Notes Respondents will express their agreement or disagreement with the following statements on the Likert scale from 1 to 5.

Table 2 Structure of a Sample

Category	Frequency	Percentage
Public organization	46	49
Private organization	48	51
Total	94	100

Table 3 Significance of Experience in the Success of Obtaining Funding in H2020

Question	(1)	(2)	(3)	(4)	(5)
Q1a: Previous participation in EU projects as a partner organization is important for later success in receiving a project applied in H2020.	94	1	5	2.13	1.008
Q1b: It is important for the applicant organization to first have experience as a consortium partner in EU projects.	94	1	5	2.23	0.999
Q1c: An organization that has not yet cooperated in any EU projects has little chance as an applicant for its own project.	94	1	5	2.81	0.871
Q1d: Only organizations that have already cooperated in EU projects can be successful when applying for their own projects.	94	2	5	3.57	0.796
Q1e: Applicant's past experience in EU projects is important.	94	1	3	2.09	0.713
Q1f: It is difficult for inexperienced newcomers to succeed in getting a project accepted in H2020.	94	1	5	2.70	0.948
Q1g: Inexperienced newcomers have little chances when applying for Horizon 2020.	94	1	5	2.91	0.900
Q1h: Initial participation as a consortium partner has a positive effect on the future performance of the applicant of an EU project.	94	1	5	2.47	0.924

Notes Column headings are as follows: (1) *N*, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

In Table 3, for each claim, the average values of the claim estimates are presented. The highest rating was obtained by claim that 'Only organizations that have already cooperated in EU projects can be successful when applying with their own projects' (average 3.57). The agreement with the claim is medium high, since the middle of the scale is 3 (average 3.57). A little lower were the assertions 'Inexperienced newcomers have little chances when applying for Horizon 2020' (an average of 2.91); 'An organization which has not yet cooperated in any EU projects has little chance as an applicant of its own project' (average 2.81); 'It is difficult for inexperienced newcomers to succeed in having a project accepted in H2020' (an average of 2.70); 'Initial participation as a consortium partner has a positive effect on the future performance of the applicant of an EU project' (an average of 2.47); 'It is important for the applicant organization to first have experience as a consortium partner in EU projects' (an average of 2.23); 'Previous participation in EU projects as a partner organization is important for later success in getting a project accepted in H2020' (an average of 2.13); and 'The applicant's past experience in EU projects is important' (average 2.09). The standard deviations of the claims range from 0.71 to 1.00, indicating a rela-

Table 4 Differences between Public and Private Organizations: Discriminatory Analysis – Test of Equality of Group Means

Item		(1)	(2)	(3)	(4)	(5)
<i>Importance of Experiences</i>						
Previous participation in EU projects as a partner organization is important for later success of receiving a project as an applicant in Horizon 2020	(a)	46	2.13	0.957	0.001	0.979
	(b)	48	2.13	1.064		
It is important for the applicant organization to first have experience as a consortium partner in EU projects	(a)	46	2.22	0.892	0.025	0.875
	(b)	48	2.25	1.101		
An organization which has not yet cooperated in any EU projects has little chance as an applicant for its own project	(a)	46	2.91	0.839	1.302	0.257
	(b)	48	2.71	0.898		
Only organizations that have already cooperated in EU projects can be successful when applying for their own projects	(a)	46	3.57	0.779	0.012	0.913
	(b)	48	3.58	0.821		
Applicant's past experience in EU projects is important	(a)	46	2.17	0.825	1.402	0.239
	(b)	48	2.00	0.583		
It is difficult for inexperienced newcomers to succeed in getting a project accepted in H2020	(a)	46	2.74	0.905	0.136	0.713
	(b)	48	2.67	0.996		
Inexperienced newcomers have little chances when applying for Horizon 2020	(a)	46	3.04	0.815	1.856	0.176
	(b)	48	2.79	0.967		
Initial participation as a consortium partner has a positive effect on the future performance of the applicant of an EU project	(a)	46	2.35	0.822	1.535	0.219
	(b)	48	2.58	1.007		
<i>Partner Search Methods</i>						
Successful applicants search for project partners in the networking or partner search portals	(a)	46	2.74	0.743	0.796	0.375
	(b)	48	2.88	0.733		
Networking or partner search portals are useful for the formation of consortiums	(a)	46	2.65	0.706	0.187	0.666
	(b)	48	2.71	0.544		
The most efficient way to search for a partner is through networking or partner search portals	(a)	46	3.43	0.935	0.155	0.695
	(b)	48	3.50	0.652		
Networking or partner search portals are good places to search for good partners	(a)	46	2.78	0.841	3.171	0.078
	(b)	48	3.04	0.544		
Successful applicants search for project partners through referrals	(a)	46	2.00	0.730	4.392	0.039
	(b)	48	2.33	0.808		

Continued on the next page

tively large dispersion of estimates. The standard deviation of 1.00 means that most of the respondents are in the range of ± 1.00 of the estimate

Table 4 *Continued from the previous page*

Item		(1)	(2)	(3)	(4)	(5)
Successful applicants search for partners among the already funded project coordinators or participants	(a)	46	2.39	0.714	7.733	0.007
	(b)	48	2.75	0.526		
An efficient way to search for a partner is by looking among the already funded project coordinators or participants	(a)	46	2.48	0.722	8.352	0.005
	(b)	48	2.88	0.606		
An efficient way to search for a partner is through referrals	(a)	46	2.17	0.570	4.930	0.029
	(b)	48	2.50	0.825		
An efficient way to search for a partner is through networking or partner search portals	(a)	46	2.78	0.786	0.818	0.368
	(b)	48	2.92	0.647		
<i>Proposal Design</i>						
Visual marketing elements (graphic data presentation, pictures, etc.) in the proposal affect the success in obtaining funding from Horizon 2020	(a)	46	2.09	0.509	0.296	0.587
	(b)	48	2.17	0.859		
The layout/formatting of the proposal is important	(a)	46	2.22	0.786	5.620	0.020
	(b)	48	1.88	0.606		
Visual graphic elements in the proposal affect the success of obtaining funding from Horizon 2020	(a)	46	2.57	0.583	0.482	0.489
	(b)	48	2.46	0.874		
Typographical emphasis of keywords (keywords in italics, bolded or underlined) in the proposal is important	(a)	46	2.22	0.664	0.893	0.347
	(b)	48	2.08	0.710		
It is important to use keywords in the proposal (e.g. objective, aim)	(a)	46	1.78	0.786	0.004	0.947
	(b)	48	1.79	0.504		
<i>Financial Plan</i>						
Building a project's financial plan requires knowledge and experience	(a)	46	1.74	0.681	0.006	0.938
	(b)	48	1.75	0.668		
It is important to hire an organization for the design of the project's budget	(a)	46	3.17	0.877	0.002	0.967
	(b)	48	3.17	0.808		
Designing the project's budget with the help of an organization experienced in designing EU project budget is important	(a)	46	2.70	0.866	0.257	0.614
	(b)	48	2.79	0.967		
It is advisable to search for a consultant for budget planning if you are not an experienced budget planner	(a)	46	2.26	0.905	0.003	0.954
	(b)	48	2.25	0.934		

Continued on the next page

of the average and, given the fact that the scale is only five-level, this is relatively large.

The claim with the highest deviation between the public and private sectors is 'Inexperienced newcomers have little chances when applying for Hori-

Table 4 *Continued from the previous page*

Item		(1)	(2)	(3)	(4)	(5)
<i>EU Policies</i>						
A good way to identify project ideas is to study EU policies	(a)	46	2.26	0.801	0.928	0.338
	(b)	48	2.42	0.767		
Reading EU policies before brainstorming for project ideas is a useful technique	(a)	46	2.30	0.866	1.854	0.177
	(b)	48	2.54	0.824		
Brainstorming for project ideas based on EU policies is an efficient method	(a)	46	2.43	0.886	1.175	0.281
	(b)	48	2.42	0.821		
It is useful to be well acquainted with EU policies before brainstorming for project ideas	(a)	46	2.17	0.926	1.812	0.182
	(b)	48	2.42	0.821		
<i>Success of a Project Proposal</i>						
In my opinion, it is important to initially participate as a partner organization in EU projects for later success as an applicant in H2020	(a)	46	2.39	1.064	0.879	0.351
	(b)	48	2.58	0.919		
In my opinion, applicants should not look for project partners in networking or partner search portals in order to have their project approved in H2020	(a)	46	2.87	0.749	1.715	0.194
	(b)	48	2.67	0.753		
In my opinion, the design of the proposal with visual marketing elements affects the chances of project approval in H2020	(a)	46	2.39	0.493	0.478	0.491
	(b)	48	2.29	0.849		
In my opinion, the creation of the project's financial budget requires knowledge and experience in order for project approval in H2020	(a)	46	2.09	0.725	0.064	0.801
	(b)	48	2.13	0.733		
In my opinion, knowledge of EU's policies affects the performance of applicants in H2020	(a)	46	2.13	0.859	1.393	0.241
	(b)	48	2.33	0.808		
<i>Importance of Individual Elements</i>						
A good project idea	(a)	46	1.43	0.655	1.332	0.251
	(b)	48	1.29	0.544		
A good composition of the consortium	(a)	46	1.74	0.801	2.135	0.147
	(b)	48	2.08	0.964		
Good consortium partners	(a)	46	1.83	0.769	2.035	0.157
	(b)	48	2.08	0.964		
Good knowledge of EU policies	(a)	46	2.04	0.759	3.209	0.077
	(b)	48	2.33	0.808		

Continued on the next page

zon 2020.' The private sector has an average of 2.79 and the public sector has an average of 3.04 for this claim. Results are presented within discriminatory analysis (Table 4).

Table 4 *Continued from the previous page*

Item		(1)	(2)	(3)	(4)	(5)
A good project title	(a)	46	2.39	0.649	0.525	0.471
	(b)	48	2.29	0.683		
A good project acronym	(a)	46	2.52	0.586	0.302	0.584
	(b)	48	2.58	0.498		
A well-written and designed excellence chapter	(a)	46	1.74	0.681	0.485	0.488
	(b)	48	1.83	0.630		
A well-written and designed impact chapter	(a)	46	1.78	0.664	5.718	0.019
	(b)	48	1.46	0.651		
A well-written and designed implementation chapter	(a)	46	1.78	0.728	1.140	0.288
	(b)	48	1.63	0.703		
A well-written abstract	(a)	46	1.87	0.749	1.099	0.297
	(b)	48	1.71	0.743		
Good project budget planning	(a)	46	2.00	0.596	0.090	0.765
	(b)	48	2.04	0.743		
A good use of visual marketing elements	(a)	46	2.13	0.749	2.005	0.160
	(b)	48	2.38	0.914		
A well-developed project idea	(a)	46	1.65	0.822	0.007	0.932
	(b)	48	1.67	0.808		

Notes Column/row headings are as follows: (1) *N*, (2) mean, (3) standard deviation, (4) *F*, (5) significance, (a) public organization, (b) private organization.

Descriptive Statistics for ‘Partner Search Methods’

The claims that best describe the importance of the ‘Partner search methods’ variable are presented in Table 5, where their descriptive analysis is also presented.

In Table 5, for each claim, the average values of the estimates of claims are presented. The highest rating was obtained by the claim ‘The most efficient way to search for a partner is through networking or partner search portals’ (an average of 3.47). The agreement with the claim is medium high, since the middle of the scale is 3 (average 3.47). A little lower were the claims ‘Networking or partner search portals are good places to search for good partners’ (an average of 2.91); ‘An efficient way to search for a partner is through networking or partner search portals’ (an average of 2.85); ‘Successful applicants search for project partners in the networking or partner search portals’ (an average of 2.81); ‘An efficient way to search for a partner is by looking among the already funded project coordinators or participants’ (averages 2.68); ‘Networking or partner search portals are useful for the formation of consortiums’ (average 2.68); ‘Successful applicants search for partners among the already funded project coordinators or participants’ (an average of 2.57); ‘An efficient way to search for a partner is through re-

Table 5 Partner Search Methods

Question	(1)	(2)	(3)	(4)	(5)
Q2a: Successful applicants search for project partners in the networking or partner search portals.	94	1	4	2.81	0.737
Q2b: Networking or partner search portals are useful for the formation of consortiums.	94	2	5	2.68	0.626
Q2c: The most efficient way to search for a partner is through networking or partner search portals.	94	2	5	3.47	0.799
Q2d: Networking or partner search portals are good places to search for good partners.	94	2	5	2.91	0.713
Q2e: Successful applicants search for project partners through referrals.	94	1	4	2.17	0.785
Q2f: Successful applicants search for partners among the already funded project coordinators or participants.	94	1	4	2.57	0.647
Q2g: An efficient way to search for a partner is by looking among the already funded project coordinators or participants.	94	1	4	2.68	0.691
Q2h: An efficient way to search for a partner is through referrals.	94	1	4	2.34	0.727
Q2i: An efficient way to search for a partner is through networking or partner search portals.	94	2	5	2.85	0.718

Notes Column headings are as follows: (1) N, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

errals' (an average of 2.34); and 'Successful applicants search for project partners through referrals' (an average of 2.17). The standard deviations of the claims range from 0.62 to 0.79, indicating a relatively medium dispersion of estimates. The standard deviation of 0.79 means that most of the respondents are in the range of ± 0.79 of the estimate of the average and, given the fact that the scale is only five-level, this is relatively large.

The claims with the highest deviations between the public and private sectors are 'An efficient way to search for a partner is by looking among the already funded project coordinators or participants' (the difference in the average is 0.40), 'Networking or partner search portals are good places to search for good partners' (the difference in the average is 0.26), 'Successful applicants search for project partners through referrals' (the difference in the average is 0.33), 'Successful applicants search for partners among the already funded project coordinators or participants' (the difference in the average is 0.36). Results are presented within discriminatory analysis (Table 4). Based on the presented data calculated with discriminatory analysis, the test of equality of group means, in Table 4, with the variable 'Partner search methods:'

- Successful applicants search for project partners through referrals: The null hypothesis is rejected at a negligible significance level (Sig. = 0.039) and it is concluded that arithmetic means are not the same. Successful applicants search for partners among the already funded project coordinators or participants. The null hypothesis is rejected at a negligible significance level (Sig. = 0.007) and it is concluded that arithmetic means are not the same.
- An efficient way to search for a partner is by looking among the already funded project coordinators or participants: the null hypothesis is rejected at a negligible significance level (Sig. = 0.005) and it is concluded that arithmetic means are not the same.
- An efficient way to search for a partner is through referrals: the null hypothesis is rejected at a negligible significance level (Sig. = 0.029) and it is concluded that arithmetic means are not the same.

This means that the organization affects 'Successful applicants search for project partners through referrals,' 'Successful applicants search for partners among the already funded project coordinators or participants,' 'An efficient way to search for a partner is by looking among the already funded project coordinators or participants,' and 'An efficient way to search for a partner is through referrals.' A greater impact is observed in the private organization.

Descriptive Statistics for 'Proposal Design'

The claims that best describe the proposal design variable are presented in Table 6, where their descriptive analysis is also presented.

In Table 6, for each claim, the average values of the claims estimates are presented. The highest rating was obtained by the claim 'Visual graphic elements in the proposal affect the success of obtaining funding in Horizon 2020' (an average of 2.51). The agreement with the claim is medium low, since the middle of the scale is 3 (average 2.51). A little lower were the claims 'Typographical emphasis of keywords (keywords in italics, bolded or underlined) in the proposal is important' (average 2.15); 'Visual marketing elements (graphic data presentation, pictures, etc.) in the proposal affect the success in obtaining funding from Horizon 2020' (average 2.13); 'The layout/formatting of the proposal is important' (average of 2.04); and 'It is important to use keywords in the proposal (e.g. objective, aim)' (an average of 1.79). The standard deviations of the claims range from 0.65 to 0.74, indicating a relatively medium dispersion of estimates. The standard deviation of 0.74 means that most of the respondents are in the range of ± 0.74 of the estimate of the average and, given the fact that the scale is only five-level, this is relatively large.

Table 6 Proposal Design

Question	(1)	(2)	(3)	(4)	(5)
Q3a: Visual marketing elements (graphic data presentation, pictures, etc.) in the proposal affect the success in obtaining funding from Horizon 2020.	94	1	4	2.13	0.707
Q3b: The layout/formatting of the proposal is important.	94	1	4	2.04	0.717
Q3c: Visual graphic elements in the proposal affect the success of obtaining funding in Horizon 2020.	94	1	4	2.51	0.744
Q3d: Typographical emphasis of keywords (keywords in italics, bolded or underlined) in the proposal is important.	94	1	4	2.15	0.687
Q3e: It is important to use keywords in the proposal (e.g. objective, aim).	94	1	3	1.79	0.654

Notes Column headings are as follows: (1) *N*, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

The claim with the highest deviation between the public and private sectors is 'The layout/formatting of the proposal is important.' The private sector has an average of 2.22 and the public sector has an average of 1.88 for this claim. Based on the data calculated with discriminatory analysis – Test of Equality of Group Means in Table 4 with the variable 'Proposal design: The layout/formatting of the proposal is important,' the null hypothesis is rejected at a negligible significance level (Sig. = 0.020) and it is concluded that arithmetic means are not the same. This means that the organization affects 'Proposal design: The layout/formatting of the proposal is important.' A greater impact is in the public organization.

Descriptive Statistics for 'Financial Plan'

The claims that best describe the Financial plan variable are presented in Table 7, where their descriptive analysis is also presented.

In Table 7, for each claim, the average values of the estimates of claims are presented. The highest rating was obtained by the claim 'It is important to hire an organization for the design of the project's budget' (average 3.17). The agreement with the claim is medium, since the middle of the scale is 3 (average 3.17). A little lower were the claims 'Designing the project's budget with the help of an organization experienced in designing EU project budget is important' (an average of 2.74); 'It is advisable to search for a consultant for budget planning if you are not an experienced budget planner' (average 2.26); and 'Building a project's financial plan requires knowledge and experience' (an average of 1.74). The standard deviations of the claims range from 0.67 to 0.91, indicating a relatively medium dispersion of estimates.

Table 7 Financial Plan

Question	(1)	(2)	(3)	(4)	(5)
Q4a: Building a project's financial plan requires knowledge and experience.	94	1	3	1.74	0.671
Q4b: It is important to hire an organization for the design of the project's budget.	94	1	5	3.17	0.838
Q4c: Designing the project's budget with the help of an organization experienced in designing EU project budget is important.	94	1	5	2.74	0.915
Q4d: It is advisable to search for a consultant for budget planning if you are not an experienced budget planner.	94	1	5	2.26	0.915

Notes Column headings are as follows: (1) *N*, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

Table 8 EU Policies

Question	(1)	(2)	(3)	(4)	(5)
Q5a: A good way to identify project ideas is to study EU policies.	94	1	4	2.34	0.784
Q5b: Reading EU policies before brainstorming for project ideas is a useful technique.	94	1	5	2.43	0.849
Q5c: Brainstorming for project ideas based on EU policies is an efficient method.	94	1	5	2.53	0.851
Q5d: It is useful to be well acquainted with EU policies before brainstorming for project ideas.	94	1	5	2.30	0.878

Notes Column headings are as follows: (1) *N*, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

The standard deviation of 0.91 means that most of the respondents are in the range of ± 0.91 of the estimate of the average and, given the fact that the scale is only five-level, this is relatively large.

Based on the data calculated with discriminatory analysis – test of equality of group means in Table 4, there are no significant deviations between the public and private sectors in the claims related to 'Financial plan.'

Descriptive Statistics for 'EU Policies'

The claims that best describe the European policies variables are presented in Table 8, where their descriptive analysis is also presented.

In Table 8, for each claim, the average values of the claims estimates are presented. The highest rating was obtained by the claim 'Brainstorming for project ideas based on EU's policies is an efficient method' (an average of 2.53). The agreement with the claim is medium low, since the middle of the scale is 3 (average 2.53). A little lower were the claims 'Reading EU's policies before brainstorming for project ideas is a useful technique' (an av-

Table 9 Success of a Project Proposal in H2020

Question	(1)	(2)	(3)	(4)	(5)
Q6a: In my opinion, it is important to initially participate as a partner organization in EU projects for later success as an applicant in H2020.	94	1	5	2.49	0.992
Q6b: In my opinion, applicants should not look for project partners in networking or partner search portals in order to have their project approved in H2020.	94	1	4	2.77	0.754
Q6c: In my opinion, the design of the proposal with visual marketing elements affects the chances of project approval in H2020.	94	1	4	2.34	0.696
Q6d: In my opinion, the creation of the project's financial budget requires knowledge and experience in order for project approval in H2020.	94	1	4	2.11	0.725
Q6e: In my opinion, knowledge of EU policies affects the performance of applicants in H2020.	94	1	5	2.23	0.835

Notes Column headings are as follows: (1) *N*, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

erage of 2.43); 'A good way to identify project ideas is to study EU's policies' (average 2.34); and 'It is useful to be well acquainted with EU's policies before brainstorming for project ideas' (average 2.30). The standard deviations of the claims range from 0.78 to 0.87, indicating a relatively medium dispersion of estimates. The standard deviation of 0.87 means that most of the respondents are in the range of ± 0.87 of the estimate of the average and, given the fact that the scale is only five-level, this is relatively large.

Based on the data calculated with discriminatory analysis – test of equality of group means in Table 4, there are no significant deviations between the public and private sectors in the claims related to the 'EU policies.'

Descriptive Statistics for 'Success of a Project Proposal in H2020'

The claims that best describe 'Success of a project proposal in H2020' variables are presented in Table 9, where their descriptive analysis is also presented.

In Table 9, for each claim, the average values of the estimates of claims are presented. The highest rating was obtained by the claim 'In my opinion, applicants should not look for project partners in networking or partner search portals in order to have their project approved in H2020' (an average of 2.77). The agreement with the claim is medium low, since the middle of the scale is 3 (mean 2.77). A little lower were the claims, 'In my opinion, it is important to initially participate as a partner organization in EU projects for later success as an applicant in H2020' (an average of 2.49); 'In my opinion, the design of the proposal with visual marketing elements affects

Table 10 Importance of Individual Proposal Elements Process in H2020

Question	(1)	(2)	(3)	(4)	(5)
Q7a: A good project idea.	94	1	3	1.36	0.602
Q7b: A good composition of the consortium.	94	1	5	1.87	0.870
Q7c: Good consortium partners.	94	1	5	1.96	0.879
Q7d: Good knowledge of EU policies.	94	1	5	2.19	0.793

Notes Column headings are as follows: (1) N, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

the chances of project approval in H2020' (averagely 2.34); 'In my opinion, knowledge of EU's policies affects the performance of applicants in H2020' (an average of 2.23); and 'In my opinion, the creation of the project's financial budget requires knowledge and experience in order for project approval in H2020' (average 2.11). The standard deviations of the claims range from 0.69 to 0.99, indicating a relatively medium dispersion of estimates. The standard deviation of 0.99 means that most of the respondents are in the range of ± 0.99 of the estimate of the average and, given the fact that the scale is only five-level, this is relatively large.

Based on the data calculated with discriminatory analysis – test of equality of group means in Table 4, there are no significant deviations between the public and private sectors in the claims related to the 'Success of a project proposal in H2020.'

Descriptive Statistics for the 'Importance of Individual Proposal Elements Process in H2020'

The claims that best describe 'Importance of individual proposal elements process in H2020' variables are presented in Table 10, where their descriptive analysis is also presented.

In Table 10, for each claim, the average values of the estimates of claims are presented. The highest rating was obtained by the claim 'Good knowledge of European policies is important among individual elements of the application process in H2020' (an average of 2.19). The agreement with the claim is medium low, since the middle of the scale is 3 (average 2.19). Slightly lower were the estimations of the claims 'Good consortium partners' (an average of 1.96), 'Good composition of the consortium' (average 1.87), and 'A good project idea' (an average of 1.36). The standard deviations of the claims range from 0.60 to 0.87, indicating a relatively medium dispersion of estimates. The standard deviation of 0.87 means that most of the respondents are in the range of ± 0.87 of the estimate of the average and given, the fact that the scale is only five-level, this is relatively large.

The claim with the highest deviation between the public and private sectors is 'Good knowledge of EU's policies.' The private sector has an aver-

Table 11 Importance of Individual Elements of the Proposal Contents in H2020

Question	(1)	(2)	(3)	(4)	(5)
Q8a: A good project title.	94	1	3	2.34	0.665
Q8b: A good project acronym.	94	2	4	2.55	0.541
Q8c: A well-written and designed excellence chapter.	94	1	3	1.79	0.654
Q8d: A well-written and designed impact chapter.	94	1	3	1.62	0.674
Q8e: A well-written and designed implementation chapter.	94	1	3	1.70	0.716
Q8f: A well-written abstract.	94	1	3	1.79	0.746
Q8g: Good project budget planning.	94	1	4	2.02	0.672
Q8h: A good use of visual marketing elements (e.g. graphs, tables, pictures, emphasis of keywords).	94	1	5	2.26	0.842

Notes Column headings are as follows: (1) *N*, (2) minimum, (3) maximum, (4) mean, (5) standard deviation.

age of 2.33 and the public sector has an average of 2.04 for this claim. Based on the data calculated with discriminatory analysis – test of equality of group means in Table 4, with the variable ‘Importance of individual elements: A well-written and designed impact chapter,’ the null hypothesis is rejected at a negligible significance level (Sig. = 0.019) and it is concluded that arithmetic means are not the same. This means that the organization affects ‘Importance of individual elements: A well-written and designed Impact Chapter.’ A greater impact is in the public organization.

Descriptive Statistics for the ‘Importance of Individual Elements of the Proposal Contents in H2020’

The claims that best describe the variables of the ‘Importance of individual proposal elements application in Horizon 2020’ are presented in Table 11, where their descriptive analysis is also presented.

In Table 11, for each claim, the average values of the claims estimates are presented. The highest rating in the ‘Importance of individual elements of the proposal contents in H2020’ was obtained by ‘A good project acronym’ (an average of 2.55). The agreement with the claim is medium low, since the middle of the scale is 3 (average 2.55). A little lower were estimates for the following claims ‘Good project title’ (average 2.34), ‘Good use of visual marketing elements (e.g. graphs, tables, pictures, emphasis of key words)’ (average 2.26), ‘Good project budget planning’ (average 2.02), ‘Well-written and designed excellence chapter’ (average 1.79), ‘Well-written abstract’ (average 1.79), ‘Well-written and designed implementation chapter’ (average 1.70), ‘Well-written and designed impact chapter’ (an average of 1.62). The standard deviations of the claims range from 0.54 to

Table 12 Calculation of the Cronbach Coefficient of Reliability

Item	α	<i>N</i>
Importance of experience in the successful acquisition of funding	0.842	8
Partner search methods	0.835	9
Proposal design	0.792	5
Financial plan	0.767	4
EU policies	0.909	4
Success of a project proposal in H2020	0.644	5
Importance of individual proposal elements process in H2020	0.834	4
Importance of individual elements of the proposal contents in H2020	0.828	9

0.84, indicating a relatively medium dispersion of estimates. The standard deviation of 0.84 means that most of the respondents are in the range of ± 0.84 of the estimate of the average and, given the fact that the scale is only five-level, this is relatively large.

Based on the data calculated with discriminatory analysis – test of equality of group means in Table 4 there are no significant deviations between the public and private sectors in the claims related to the ‘Importance of individual elements of the proposal contents in H2020.’ The claim with the highest deviation between the public and private sectors is ‘A good use of visual marketing elements (e.g. graphs, tables, pictures, emphasis of key-words).’ The private sector has an average of 2.38 and the public sector has an average of 2.13 for this claim.

Analysis of the Reliability of the Questionnaire with the Cronbach Alpha Coefficient

The reliability of the questionnaire is the characteristic of the questionnaire that shows in repeated measurements the same results for the same measured characteristics, or the same persons; it relates to the question of how reliable the responses of the respondents are, i.e. the consistency of the answers. Cronbach alpha (α) measures the reliability of the questionnaire based on correlations between variables. When the differences in variability are very large, this is a sign of unreliable measurement (Šifrer & Bren, 2011, p. 34). With an additional analysis of the relationship between items and the overall result, we wanted to find out whether all the items contribute to the reliability of the test or if any of them diminish it. The scale is internally reliable when its items are well-correlated with the whole. If there is a weaker correlation between any of the items with the whole – when the value of its correlation coefficient is less than 0.3 – then it should be considered whether to eliminate the item from the test (Field, 2005, pp. 672–673).

Table 12 shows the calculation of the Cronbach α reliability coefficient.

Table 13 Correlation Coefficients between Each Item and All Items of the Questionnaire: Importance of Experience in the Successful Acquisition of Funding

Item	(1)	(2)	(3)	(4)
Previous participation in EU projects as a partner organization is important for later success in receiving a project applied in H2020.	18.689	19.138	0.551	0.827
It is important for the applicant organization to first have experience as a consortium partner in EU projects.	18.578	18.719	0.611	0.819
An organization which has not yet cooperated in any EU projects has little chance as an applicant for its own project.	18.022	20.202	0.529	0.829
Only organizations that have already cooperated in EU projects can be successful when applying for their own projects.	17.222	21.298	0.424	0.840
Applicant's past experience in EU projects is important.	18.711	21.376	0.474	0.835
It is difficult for inexperienced newcomers to succeed in getting a project accepted in H2020.	18.133	19.173	0.606	0.819
Inexperienced newcomers have little chances when applying for Horizon 2020.	17.911	18.913	0.683	0.809
Initial participation as a consortium partner has a positive effect on the future performance as the applicant of an EU project.	18.333	18.427	0.720	0.804

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

The Cronbach alpha coefficient for the set of 'Application's success in H2020' claims is higher than 0.6, which confirms the variable reliability of the questionnaire. Cronbach Alpha for the set of 'EU policies' claims is above 0.90, which confirms excellent reliability. For other sets of questions, the Cronbach's alpha coefficient is between 0.79 and 0.85, which means the questionnaire has good reliability.

In Table 13, there is no correlation coefficient for the 'Importance of experience in the successful acquisition of funding' with a total score lower than 0.3. The total alpha is 0.842. In Table 13, all values must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

In Table 14, there is no correlation coefficient for 'Partner search methods' with a total score lower than 0.3. The total alpha is 0.835. In Table 14, all values must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

In Table 15, there is no correlation coefficient for 'Proposal design' with a total score lower than 0.3. The total alpha is 0.792. In Table 15, all values

Table 14 Correlation Coefficients between Each Item and All Questionnaire Items: Partner Search Methods

Item	(1)	(2)	(3)	(4)
Successful applicants search for project partners in the networking or partner search portals.	21.681	13.639	0.696	0.800
Networking or partner search portals are useful for the formation of consortiums.	21.809	14.436	0.661	0.807
The most efficient way to search for a partner is through networking or partner search portals.	21.021	14.430	0.478	0.826
Networking or partner search portals are good places to search for good partners.	21.574	13.881	0.674	0.803
Successful applicants search for project partners through referrals.	22.319	15.230	0.347	0.841
Successful applicants search for partners among the already funded project coordinators or participants.	21.915	15.046	0.499	0.822
An efficient way to search for a partner is by looking among the already funded project coordinators or participants.	21.809	14.436	0.582	0.813
An efficient way to search for a partner is through referrals.	22.149	15.440	0.351	0.839
An efficient way to search for a partner is through networking or partner search portals.	21.638	13.911	0.662	0.804

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

Table 15 Correlation Coefficients between Each Item and all Questionnaire Items: Proposal Design

Item	(1)	(2)	(3)	(4)
Visual marketing elements (graphic data presentation, pictures, etc.) in the proposal affect the success in obtaining funding from Horizon 2020.	8.489	4.253	0.680	0.716
The lathe grant writert/formatting of the proposal is important.	8.574	5.064	0.358	0.819
Visual graphic elements in the proposal affect the success of obtaining funding in Horizon 2020.	8.106	4.096	0.692	0.710
Typographical emphasis of keywords (keywords in italics, bolded or underlined) in the proposal is important.	8.468	4.682	0.531	0.765
It is important to use keywords in the proposal (e.g. objective, aim).	8.830	4.573	0.620	0.739

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

In Table 16, there is no correlation coefficient for 'Financial plan' with a

Table 16 Correlation Coefficients between Each Item and all Items of the Questionnaire: Financial Plan

Item	(1)	(2)	(3)	(4)
Building a project's financial plan requires knowledge and experience.	8.170	5.132	0.354	0.805
It is important to hire an organization for the design of the project's budget.	6.745	4.106	0.545	0.724
Designing the project's budget with the help of an organization experienced in designing EU project budget is important.	7.170	3.455	0.696	0.636
It is advisable to search for a consultant for budget planning if you are not an experienced budget planner.	7.660	3.453	0.697	0.636

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

Table 17 Correlation Coefficients between Each Item and All Items of the Questionnaire: EU Policies

Item	(1)	(2)	(3)	(4)
A good way to identify project ideas is to study EU policies.	7.255	5.138	0.883	0.853
Reading EU policies before brainstorming for project ideas is a useful technique.	7.170	4.831	0.895	0.845
Brainstorming for project ideas based on EU policies is an efficient method.	7.064	5.480	0.673	0.924
It is useful to be well acquainted with EU policies before brainstorming for project ideas.	7.298	5.158	0.743	0.901

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

total score lower than 0.3. The total alpha is 0.762. In Table 16, all values must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

In Table 17, there is no correlation coefficient for 'EU policies' with a total score lower than 0.3. The total alpha is 0.909. In Table 17, all values must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

Table 18 shows the correlation coefficient of 'Success of a project proposal in H2020' with the variable 'In my opinion, applicants should not look for project partners in networking or partner search portals in order to have their project approved in H2020.' Since the correlation coefficient is below 0.3, we have to exclude this variable from further analysis. The total alpha is 0.644, so in Table 18 all values must move around this common alpha.

In Table 19, there is no correlation coefficient for the 'Importance of individual proposal elements process in Horizon 2020' with a total score lower

Table 18 Correlation Coefficients between Each Item and All Items of the Questionnaire: Success of a Project Proposal in H2020

Item	(1)	(2)	(3)	(4)
In my opinion, it is important to initially participate as a partner organization in EU projects for later success as an applicant in H2020.	9.447	4.293	0.353	0.626
In my opinion, applicants should not look for project partners in networking or partner search portals in order to have their project approved in H2020.	9.170	5.734	0.118	0.707
In my opinion, the design of the proposal with visual marketing elements affects the chances of project approval in H2020.	9.596	5.405	0.259	0.649
In my opinion, the creation of the project's financial budget requires knowledge and experience in order for project approval in H2020.	9.830	4.315	0.626	0.488
In my opinion, knowledge of EU's policies affects the performance of applicants in H2020.	9.702	3.695	0.727	0.408

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

Table 19 Correlation Coefficients between Each Item and All Items of the Questionnaire: Importance of Individual Proposal Elements Process in Horizon 2020

Item	(1)	(2)	(3)	(4)
A good project idea.	6.021	5.311	0.382	0.890
A good composition of the consortium.	5.511	3.306	0.843	0.700
Good consortium partners.	5.426	3.301	0.833	0.705
Good knowledge of EU policies.	5.191	4.070	0.635	0.803

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

than 0.3. The total alpha is 0.834. In Table 19, all values must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

The total alpha is 0.828. In Table 20, all values must move around this common alpha, so we can confirm that this is a reliable questionnaire and no variables are excluded from further analysis.

Conclusions

Horizon 2020 is the EU programme that offers funding for research and innovation projects. Investing in such projects (as the EU leaders have agreed) in turn secures a smart, sustainable and inclusive economic growth. The programme covers all the stages from basic research to market penetration. The investment instrument's main goals are strengthening Europe's global competitiveness, making it the best in the world-class science, eliminating obstacles that hinder innovations to get quickly in the market and

Table 20 Correlation Coefficients between Each Item and All Items of the Questionnaire: Importance of Individual Elements of the Proposal Contents in H2020

Item	(1)	(2)	(3)	(4)
A good project title.	15.383	15.981	0.145	0.853
A good project acronym.	15.170	15.713	0.276	0.837
A well-written and designed excellence chapter.	15.936	13.566	0.664	0.800
A well-written and designed impact chapter.	16.106	13.472	0.660	0.800
A well-written and designed implementation chapter.	16.021	13.010	0.710	0.792
A well-written abstract.	15.936	13.351	0.603	0.805
Good project budget planning.	15.702	13.330	0.695	0.796
A good use of visual marketing elements (e.g. graphs, tables, pictures, emphasis of key words).	15.468	13.284	0.521	0.817
A well developed project idea.	16.064	13.136	0.578	0.808

Notes Column headings are as follows: (1) scale mean if item deleted, (2) scale variance if item deleted, (3) corrected item-total correlation, (4) Cronbach's Alpha if item deleted.

changing the way in which the public and private sectors work together. We can conclude that, in order for a potential applicant to succeed with the application, it is advisable to hire an expert to develop the financial projection if the applicant is not experienced in this. Secondly, it is useful to know the EU policies. Thirdly, when designing the project proposal one should keep in mind that the visual aspect of the proposal is important. In addition, past experience in EU projects is relevant but not vital. Lastly, the most efficient way to find partners is through networking, referrals and the already selected project coordinators, not through partner search portals. In the research, we combined several constructs to study the determinants of the Application's success in Horizon 2020, thereby contributing to science and development.

We assumed that the analysis selected and the size of the sample would be sufficient to detect significant common features and relationships if they existed in the population. Once the analysis was complete, we assumed that the results were generalizable beyond the sample being studied. The limitation was the lack of existing research addressing this topic. Having reviewed the existing research in the databases, we came to the conclusion that there were no Slovenian scientists dealing with the general topics addressed in this paper (however, there were a lot of foreign ones) and not many scientific articles and dissertations touching directly upon the winning approach to applying for Horizon 2020. This was not surprising since this paper covered a program that only came into existence in 2014. The next limitation was the number of responses to the questionnaire. We sent the questionnaire to the existing Slovenian and Italian beneficiary organizations (approximately 900 e-mails) from Horizon 2020. The list of these benefi-

ciaries was published on the program's website. We hoped for a response rate of at least 17%, which would enable us to obtain a sample of 160 responses. Because the initial response rate was not as expected, we offered our books in exchange for completing the survey. After this, the response rate to our request improved significantly. Many respondents appreciated the gift and thanked us for it and some even expressed their willingness to participate in a qualitative research, if needed. The quantitative survey thus resulted in 94 valid questionnaires. We removed 112 questionnaires, as they were not fully answered. The sample of quantitative research was thus $N = 94$, represented by public and private organizations participating in the calls for Horizon 2020.

Research on the determinants of the Application's success in Horizon 2020 should be seen as a positive step towards explaining the most important factors that can influence the success of getting a project funded by the Horizon 2020 program. We recommend grant writers to take into account the determinants of the Application's success in Horizon 2020, as this will increase the applicant's chances of getting a project funded by Horizon 2020 program.

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Abstracts in Slovene

Medkulturna vzgoja za kreativno podjetništvo

Anca Draghici, Matei Tamasila, Alin Jitarel in Claudiu Albulescu

Medkulturna vzgoja je v multikulturnem evropskem prostoru specifične narave. Evropska osredotočenost na medkulturno vzgojo se zrcali v dokumentih, poročilih in meritvah, ki so bili izdelani v okviru finančno podprtih projektov. Ta članek predstavlja raziskavo o opisovanju podjetniškega potenciala v medkulturni skupini romunskih in srbskih vajencev, ki je bila ciljna za čezmejni projekt med Romunijo in Srbijo. Projekt, katerega sestavni del je tudi Program usposabljanja za kreativno podjetništvo, nosi naslov 'InclusiveArt – Access to Culture for Disadvantaged Children and Youth.' ('InclusiveArt – dostop do kulture za depriviligirane otroke in mladostnike'). Gre za dinamično partnerstvo med dvema NVO-jema (Medkulturni inštitut Timisoara in 'Nevo Parudimos' iz Resite), enim lokalnim javnim organom (mesto Zrenjanin) in eno javno kulturno inštitucijo (Center likovnih in uporabnih umetnosti Terra, Kikinda). Cilj zastavljenega Programa usposabljanja za kreativno podjetništvo (zasnovan v angleškem jeziku) je pomagati depriviligiranim skupnostim, v katerih bodo mladi, potencialni podjetniki iz področja Banata zasnovali tržno donosne (trajne) projekte, temelječe na kreativni ideji. V ta namen bomo pripravili tudi šestdnevno usposabljanje za 40 oseb starih med 18 in 35 let. Vodila ga bo skupina akademikov in usposobljenih strokovnjakov iz Politehnične Univerze in Medkulturnega inštituta v Timisoari, Romunija. Z implementacijo projekta in predlaganim medkulturnim izobraževalnim programom želimo razviti podjetniške zmožnosti mladih, ki so usmerjeni na področje kreativne industrije. Pri orisu podjetniškega potencialnega smo upoštevali različne aspekte podjetništva, kot na primer organizacija, motivacija, sposobnosti in obnašanje, ki izhajajo iz obdelave podatkov samoocenitvenih testov. Rezultati in zaključki raziskave podpirajo opredelitev strukture, vsebine in didaktičnih strategij za implementacijo medkulturnega vzgojnega programa.

Ključne besede: podjetniški potencial, medkulturna vzgoja, kreativna industrija, kreativno podjetništvo, samoocenitveni test

IJMKL, 7(2), 117–140

Delavnica oblikovanja gline za zmožnost samoocenjevanja zaposlenih na temo poslovne strategije

Riitta Forsten-Astikainen in Kyllikki Taipale-Eräväla

Ta študija primerov proučuje samoocenjevalne zmožnosti zaposlenih v zvezi z zastavitvijo poslovne strategije in samoocenjevalne zmožnosti podjetja v zvezi s postavitvijo strateških ciljev. Pri študiji smo se poslužili redkeje uporabljene umetnostnega raziskovalnega pristopa, ki sestoji iz delavnice oblikovanja gline in umetnosti pripovedovanja zgodb. Podatke smo zbrali s pomočjo

intervjujev s 16 zaposlenimi, ki so sodelovali pri strateških razpravah. Raziskava je pokazala, da vključevanje zaposlenih v snovanje strategij lahko ustvari več raznolikosti in kreativnosti ter višjo stopnjo refleksije, ki postane strateška metoda. Izvirnost te študije se kaže v njeni metodologiji, ki s pomočjo delavnice oblikovanja gline spodbuja razmišljanje zaposlenih.

Ključne besede: samoocenjevanje, zmožnosti, delavnica oblikovanja gline, študija primerov, Finska

IJMKL, 7(2), 141–164

Dejstva ali védenje? Pregled zasebnih internih poročil o preiskavah finančnih inšpektorjev

Petter Gottschalk

Namen tega članka je ozavestiti razliko med dejstvi in védenjem, ob tem da razumemo védenje kot kombinacijo dejstev, interpretacije, konteksta in razmišljanja. Razlikovanje teh dveh pojmov je še posebej relevantno, ko inšpektorji iščejo vzroke. Razlogi za neprimerno ravnanje znotraj organizacij in vprašanje, kdo je za tako ravnanje odgovoren, so odvisni od pravilne interpretacije in razmišljanja o dejstvih, ki jih je treba preučiti v ustreznem kontekstu. V tem članku obravnavamo vzorec sedemnajstih poročil o preiskavah finančnih inšpektorjev, s pomočjo katerih smo želeli prikazati razliko med dejstvi in védenjem. Ko dejstva ostajajo dejstva, lahko hitro pride do obtoževanja. Članek najprej obravnava teorijo koristnosti, na osnovi katere razlaga neprimerno ravnanje znotraj organizacij, ter hipotezo obtoževanja, šele nato je predstavljen primer. Namen članka ni vesplošna kritika dela finančnih inšpektorjev v zasebnih internih preiskavah po naročilu strank, pač pa zgolj razmišljanje o razliki med dejstvi in védenjem, ko prihaja do deviacij znotraj organizacij. Naključja so težko določljiva in zdi se, da se nekateri finančni inšpektorji hitro spustijo v igro obsojanja, da bi tako zagotovo prišli do zaključkov, za katere so stranke plačale.

Ključne besede: upravljanje védenja, preiskava goljufij, obtoževanje, teorija koristnosti, interpretacija dejstev

IJMKL, 7(2), 165–185

Odločilni dejavniki zadovoljstva zaposlenih na področju finančnih storitev zunanjega izvajanja v Indoneziji

Dodi Irawanto, Achmad Sudiro in Karuniawati Putri Sentosa

Cilj te študije je raziskati učinke organizacijskega vzdušja in vodenja na delovno zadovoljstvo zaposlenih preko psihološkega opolnomočenja. Vsi anketiranci raziskave so uslužbenci družb zunanjih izvajalk, ki izvajajo finančne storitve v mestu Surabaya. Analiza podatkov je bila opravljena na osnovi metode delnih najmanjših kvadratov za stopetdeset anketirancev. Izkazalo se je, da imata organizacijsko vzdušje in vodenje znatne pozitivne učinke tako na delovno zadovoljstvo kot na psihološko opolnomočenje, ki po drugi strani samo

posebej pozitivno in pomembno vpliva na delovno zadovoljstvo. Na podoben način lahko psihološko opolnomočenje bodisi preko organizacijskega vzdušja kot tudi preko vodenja znatno vpliva na delovno zadovoljstvo posameznika.

Ključne besede: organizacijsko vzdušje, vodenje, delovno zadovoljstvo, psihološko opolnomočenje

IJMKL, 7(2), 187–197

Ekosistem prakse soustvarjanja znanja

Maria Jakubik

Pričujoči konceptualni dokument prikazuje ekosistemski okvir prakse, ki nam pomaga razumeti, na kakšen način prihaja do soustvarjanja znanja v novih organizacijskih oblikah. Okvir obravnava vse te spremembe, osredotočajoč se na evolucijsko ontologijo in epistemologijo, ki sta del procesa soustvarjanja znanja. V samem začetku dokument objasni filozofsko podstat in teoretično ozadje okvira; ukvarja se s koncepti kot so teorija človeške dejavnosti, teorija prakse, teorija organizacijskega ustvarjanja znanja vključno s procesnim modelom podjetij temelječih na znanju in teorija ekosistema. Dokument bo pripomogel k napredovanju teorije ustvarjanja znanja.

Ključne besede: ekosistem prakse, ontologija in epistemologija nastajanja, znanje in vedenje, soustvarjanje znanja

IJMKL, 7(2), 199–216

Identifikacija elementov uspešnega pristopa k prijavi projektov

Urška Vidmar in Tina Vukasović

Dokument predstavlja elemente uspešnega pristopa k prijavi projektov v okviru programa Horizon 2020. Horizon 2020 je program Evropske Unije, ki nudi sredstva za financiranje raziskovalnih in inovativnih projektov. Investiranje v take projekte zagotavlja pametno, trajnostno in vključujočo gospodarsko rast. Program pokriva vse faze, od raziskave do prodora na tržišče, in ima skupno vrednost preko 70 bilijonov Evrov. Glavni cilji, ki jih želi EU doseči s pomočjo tega investicijskega inštrumenta, so okrepitev evropske konkurenčnosti na globalnem nivoju do te mere, da postane evropska znanost najboljša v svetovnem merilu, odstranjevanje ovir, ki zavirajo inovacije, in preprečujejo preboj le-teh na tržišče ter spreminjanje načina skupnega sodelovanja javnega in zasebnega sektorja. Kljub temu, da ima program preprosto strukturo in zahteva manj birokracije kot njegov predhodnik (Sedmi okvirni program – 7. OP), se prijavitelji ob prijavi projektov še vedno srečujejo s kopico izzivov. Cilj pričujočega dokumenta je torej obravnava teh izzivov in iskanje rešitev. Osnovne podatke smo zbrali s pomočjo anketnega vprašalnika, ki smo ga po elektronski pošti poslali najprej slovenskim prejemnikom sredstev iz programa Horizon 2020 in nato še italijanskim. Rezultati kvantitativne raziskave so pokazali, da je uspešnost prijave na programu Horizon 2020 močno odvisna od finančne konstrukcije, poznavanja politik EU, oblikovanja prijave ter vsebinskih elementov le-te – vsebina, pomen obdelave individualnih elementov

prijave, pretekle izkušnje, organizacija partnerstva, priporočila, koordinatorji projekta.

Ključne besede: Evropska Unija (EU), financiranje EU, sredstva, nepovratna sredstva, Horizon 2020, projektni plan, prijava, retorika

IJMKL, 7(2), 217–243

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