

EDITORIAL

This issue includes eight articles that cover a broad range of topics that concentrate on emerging markets. We are especially delighted that the majority of the studies compare evidence from emerging and developed countries and/or conceptualize the specificities and differences of the two contexts. This is an important aspect of the mission of the journal, and we are happy to conduct it with the studies that are presented in the current issue.

The issue starts with the paper of Kashif Ahmed and Ralf Bebenroth, who are investigating how emerging and developed market multinationals (EMMs and DMMs) differ in their acquisition behaviour. The study considers both partial and full acquisitions and concentrates on the case when multinationals are entering a developed market economy, Japan. The evidence from the analysis allows concluding that the origin of multinationals predetermines their acquisition behaviour: EMMs prefer partial acquisitions, whereas DMMs prefer full acquisitions. The authors conceptualize this as a specific aspect of the country-of-origin effect that is more pronounced for smaller firms. This study significantly contributes to the literature on EMMs.

The second paper starts a group of articles that concentrate on various aspects of innovations, and learning. Tahseen Arshi and Paul Burns propose an organizational design framework that impacts innovation in corporate firms. Based on the evidence from Oman, the authors state that the corporate organizations in emerging economies are unable to innovate effectively because they are not designed for innovation and experience scarcity of resources. In order to explain how a corporate organizational design promotes innovation and clarify the missing links between corporate entrepreneurial activity and innovation, the mediating role of readiness for innovation (RFI) is tested. The findings support the proposition that entrepreneurial organizational design promotes both radical and incremental innovation degree and frequency; RFI partially mediates the relationship between entrepreneurial inputs and innovation outputs. The study contributes to the understanding of innovation in emerging economies and includes important managerial implications.

In the third paper, Nagwan AlQersh, Zakaria Bin Abbas, and Sany Sanuri Mohd Mokhtar also concentrate on the innovations, in emerging markets. However, these authors study the linkage between strategic innovation and human capital in the case of Small and Medium Enterprises (SMEs). In this study, the human capital plays the mediating role between strategic innovation and SME performance. This study includes empirical analysis and the conceptual discussion on manufacturing SME per-

formance in Yemen and the effect of human capital and strategic innovation. The study describes the development of a framework which contributes to filling the knowledge gap on the issue.

Oscar Cuauhtémoc and Aguilar Rascón in their paper also concentrate on the issues of micro and small enterprises (MSEs). The authors put emphasis on the most generalized indicator of MSE activity: their continuity. The paper explores the factors that determine the closure or jeopardize the continuity of these enterprises by investigating the determinants of failure from the entrepreneur's perspective. Qualitative approach employs five variables; the study finds that internal and external variables are correlated. The study includes impressive number of 35,571 MSEs from Mexico and Colombia, of which 26,720 were open and 8,851 were closed. This scope of analysis allows drawing solid conclusions and significantly contributes to the body of knowledge on the problem.

The next article is developed by a large group of authors: Patrick Adriel H. Aure, Rayan P. Dui, Shieradel V. Jimenez, Denver D. Daradar, Alvin Neil A. Gutierrez, Angelique C. Blasa and Joseph Sy-Changco. The study aims to find the drivers of social entrepreneurial intentions (SEI) through the lens of social cognitive career theory (SCCT). Since the SCCT model of SEI is still in the early stages and needs to be further developed, the authors apply partial least squares structural equation modelling on the basis of data from the Philippines. This study contributes to the field of social entrepreneurship by looking at alternate and developing explanations to the formation of SEI as an alternative to conceptual models based on the theory of planned behaviour.

Udin Udin, Sri Handayani, Ahyar Yuniawan and Edy Rahardja examine the relationship among leadership styles, communication skills, and employee satisfaction. Additionally, the study examines the potential of women in positions of leadership to support the practice of equal employment opportunities in organizations. The data was collected from three private Islamic universities in Semarang, Indonesia. The results show that leadership styles and communication skills have a significant effect on employee satisfaction. This study reveals no significant differences in leadership styles and communication skills between male and female leaders.

The authors of the next article, Robiyanto Robiyanto, Rihfenti Ernayani and Rendi Susiswo Ismail look at the context of emerging markets through a lens of economics and from the perspective of capital markets. The research creates a crossed asset portfolio formulation with stocks and fixed-income instruments. This dynamic portfolio formulation did not require normally distributed data and accommodated the correlation among class assets which kept changing across time, as assumed in the modern portfolio theory. The data used in this research were LQ45 Index as a stock market proxy, S&P Indonesia Corporate Bond Index (representing the corporate bond market) and S&P Indonesia Government Bond Index data. The research found that the dynamic portfolio of stock with either government or corporate bonds was able to reduce the level of risk significantly despite producing a lower rate of return, compared to the ones specifically invested in the stock market. It is suggested that investors who believe in the

principles of prudent investment may use this dynamic approach in shaping the portfolio with stocks and fixed-income instruments.

The issue is finished with the article of Vina Christina Nugroho and Kim Sung Suk who analyze the relationships between leverage, maturity and investment decision in emerging markets. The authors divide leverage into short term and long term in order to investigate the relation between current and future relationships. This research used data from twenty emerging markets for the period of ten years. The findings show that firms in emerging markets prefer to use short-term debt to minimize the underinvestment problem. Additionally, there is a simultaneous non-linear relation between long-term leverage and growth opportunities in emerging market firms. Third, long-term debt has non-linear effects on investment decision in emerging markets. The study concludes that firms in emerging markets have different characteristics with regard to their capabilities to manage the interaction between leverage, maturity and investment compared to developed markets.

Summarizing the content of this issue of the Journal, it is necessary to emphasise the large geographic coverage of the endogenous research and broad coverage of the analyzed markets. This directly corresponds to the main purpose of the journal 'Organizations and Markets in Emerging Economies', and we are very happy to present the above mentioned articles to the academic community.

We look forward to submissions in order to serve our mission of contributing to creation and dissemination of the knowledge on organizations and markets in emerging economies.

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Editor-in-Chief,

Organizations and Markets in Emerging Economies