

In this issue

Pook and Füstös's "Management information sharing"

In the era of Open Book Management, World Wide Web and Internet, it is quite remarkable to discover that some management cultures would not adequately share the necessary information with their employees and yet hope for improving innovation, productivity and competitiveness of their enterprise. In the era of Global Management Paradigm, it is quite sobering to realize that significant cultural differences still hamper competitive progress of many nations and their economies.

Pook and Füstös have studied management information sharing in the cultures of Bolivia, Poland and Hungary, i.e., in economically developing cultures. Yet, culture and managerial style should not be the most prominent force; business behavior and business decision making. Too much is at stake for managers of the developing countries to engage recklessly in assorted cultural "styles" at the cost of degrading their business performance and standards of living of their employees and entire populations.

Especially in Eastern Europe, managers persist in their socialist "style" of command and specific directions, resisting dismantling of vertical hierarchies, global management paradigm, re-engineering, just-in-time management and customer-orientation, robbing themselves and their employees of the fruitful challenges of autonomy, innovation, imagination and self-management. How can employees improve their performance without information and feedback? How can they innovate? How can they compete without being fully aware of the global environment in which they function?

Pook and Füstös show that indeed, in certain developing nations, culture does influence the work environment and information sharing significantly. While management systems of the USA, Germany, Japan and other industrial nations are becoming more similar and freer of cultural impediments, less developed economies are still struggling with hierarchy vs. team, command vs. self-management, sharing vs. withholding and similar dichotomies of the past.

In the global world, longing for security, structure, predictability and task-specific information is longing for darkness. It is of paramount importance that these

longings for the old be replaced by new and fresh opportunities for self-management and entrepreneurial engagement of all employees. Otherwise, the heritage of socialism will become a heavier and much stronger burden than anticipated – with the correspondingly dark consequences.

Hjalager's "Interorganizational learning"

Professor Hjalager reviews the interorganizational learning literature and demonstrates the concepts of professional, technological, dualistic and network learning on the examples of services.

That people in organizations learn is self-evident. What they learn is a different question and whether organizations themselves learn remains open to discussion. It is increasingly clear that many executives and managers, not to mention theorists, often behave *as if* organizations learn.

People and organizations learn information and routines, but mainly skills and knowledge. It is not important whether knowledge is tacit or explicit, but how does it differ from information. Clearly, knowledge is not just a bigger and more complex chunk of information, tacit or explicit.

Knowledge has meaning only if it achieves purposes or goals. Knowledge to ski or to produce cars must be both tacit and explicit: it must be *action*, not a symbol. Knowledge is a purposeful coordination of action. That is what corporations learn: how to coordinate their action in order to achieve goals. Information, both tacit and explicit, is just an input into knowledge production.

Hjalager points out that with learning comes also "unlearning". The "You can't teach an old dog new tricks" is more serious barrier to learning than the ability to learn, especially in business and management. Computer users are most keenly aware of that: how often and how quickly they have to unlearn habits which have become a hindrance.

It is difficult to study learning without clearly defining what knowledge it.

Although most literature deals with intraorganizational learning, Hjalager emphasizes interorganizational learning: how does one coordinate action across

corporate boundaries, along entire value chains coordinated by networks of companies.

It is the network learning, what Hjalager calls Social community learning, that displays the desirable level of dynamic flexibility of response, but it has to be combined with low price sensitivity, leading to Dualistic learning. Webs of enterprises and hypernetworks of industrial districts are especially effective in coping with the need for the production-deployment-degradation-production cycle of knowledge: they learn and unlearn fast.

The continuous restructuring of networks, the production, dissolution – and recovery or re-assembly of previously dissolved knowledge, in response to ever-changing environmental signals and triggers, is the key.

Bonato and Quartieri's "European quality promotion policy"

As Europe is preparing to enter global hypercompetition, it is also starting to realize that famous Japanese and US quality drives of the 70s and the 80s cannot and should not be duplicated in 2000. Disputes over TQM versus QA or QS now sound scholastic: global competitors have already moved to tradeoffs-free strategies of (quality + cost + speed + reliability) as an integrated, non-decomposable customer package.

Singling our quality as a separate dimension to be pursued separately represents sort of anachronism in the age of mass customization and e-business. Quality has become the necessary but not sufficient condition, expected minimum constraint, rather than a central objective. All major players now offer the world-class quality as a necessary "entry ticket" into the world of hypercompetition.

Bonato and Quartieri offer an intriguing insight into so-called European Quality Promotion Policy (EQPP), all-European policy of quality "with European characteristics". As if such policies can come from the top of the bureaucracy and not from the bottom of corporations and their customers. Is not such an approach in danger of sliding into mere terminological or bureaucratic paper disputes, neglecting the fast moving world of global *action*, where *customers* (not top executives or bureaucrats) determine daily what "quality" is, how central is it, how it evolves and how should it be "packaged"?

Among goods and services of the same quality, won't customers prefer the cheapest, the fastest and the most reliable, preferably all such attributes?

The quality of the product is assured by the quality of the process not vice versa. This teaching of Deming implies that the quality of the process is primary. So the quality management and coordination of the process is the primary attribute of assuring quality of the product. Why should there be any discussion in Europe about including TQM within the ISO 9000 at the time when TQM is already an assumed condition for subsequent re-engineering, global management paradigm and business kinetics?

The answer to these puzzling questions is found in the excellent review of Bonato and Quartieri who provide a rare window into the ongoing problems and discussions within integrated Europe. The level of these discussions is surprising and humbling at the same time. However, their impact on European competitiveness is very predictable.

Stormer, Kline and Goldenberg's "Enterprising tendency"

What is driving entrepreneurs and small-business owners?

No question that small businesses, networks of small businesses, entrepreneurial networks, self-employed and e-lancers of the electronic business have increased dramatically both in their number and in their percentage share.

What puzzles some, is their inherent high rate of failure and turnover on the one hand, and the continued great economic promise on the other. Stormer, Kline and Goldenberg, like many other social scientists, have asked why some entrepreneurs succeed and others do not. Are there some traits or characteristics associated with success and failure? Can success and failure be at least partially predicted from such characteristics? How do we measure entrepreneurial personality?

Asking the question in this form of course presupposes that entrepreneurial success or failure are indeed personality driven. We know that huge number of small businesses are being created, destroyed and recreated in response to ever changing needs and preferences of globally educated and stimulated customers. Small businesses have to fail in order to allow a more effective re-assembly of the enterprise under different, more suitable circumstance. Thus, one clear and obvious trait of a successful entrepreneur must be the ability to fail, learn and try again, the ability to renew and reassemble the requisite knowledge.

Many want to achieve, many to control, even many more to make money. These are the traits of managers, leaders and controllers, not necessarily of entrepreneurs.

So, it's not so much the scoring on traits, but the very trait approach to studying entrepreneurship which is most questionable. Stormer et al. have undertaken to examine the validity of GET (General Enterprising Tendency) Test.

The GET Test is a 54-item questionnaire that assesses five dimension of personality: Need for Achievement, Autonomy, Drive and Determination, Risk Tak-

ing, and Creativity. There are no attributes of Resilience, Consilience and Recoverability.

Even though entrepreneurs can score higher on all "traits", these traits will not predict their success or failure. The authors created separate and composite measures of business success. Sure enough, the GET Test was poor in predicting small business success, as could have been "predicted" a priori. Only the longitudinal narrative can capture the resilience and consilience of entrepreneurs today.