



Innovation and entrepreneurship in knowledge industries

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ABSTRACT

This paper summarizes the best papers of the Global Innovation and Knowledge Academy (GIKA) conference, which took place in July 2012 in Valencia, Spain. The *Journal of Business Research* hereby publishes a special issue entitled *Innovation and entrepreneurship in knowledge industries*. This special issue includes 22 papers and the editorial. All of them went through double-blind reviews and revisions. These papers contribute to various perspectives of innovation and entrepreneurship in different countries. Innovation is considered a specific instrument of entrepreneurship. The papers in this special issue cover a variety of topics in the area of innovation and entrepreneurship.

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1. Introduction

The first International Conference on Innovation and Entrepreneurship in Knowledge Industries co-sponsored by the Global Innovation and Knowledge Academy (GIKA) and the *Journal of Business Research*, took place on July 10th to 12th, 2012, in Valencia, Spain. The keynote speakers included GIKA Honorary Chair, Professor Arch G. Woodside from Boston College, USA. The Conference comprised a total of 78 presentations, and 22 of them appear here in the special issue in the *Journal*. Presenting highly interesting and high-quality papers that are to provide relevant and rigorous insights into the critical issues of innovation and entrepreneurship in the special issue of the *Journal of Business Research* is a great pleasure and honor for the co-guest editors. The conference was very successful in the sense of gathering scholars from several countries, such as Canada, China, Costa Rica, France, Germany, Japan, Liechtenstein, The Netherlands, Portugal, Romania, Spain, Switzerland, Taiwan, the UAE, the UK, and the USA; including participants and speakers from a variety of countries around the world who presented their papers and obtained criticisms and feedback from the editors. Practitioners as well as researchers shared empirical research, including applied studies, comparative case studies, as well as teaching cases relevant to entrepreneurship and innovation. The conference papers went through a double-blind peer review process and the editors are proud to include those judged as making the greatest contribution to the understanding of innovation and entrepreneurship in this special issue.

The papers in this issue address a variety of innovation and entrepreneurship themes within knowledge industries. The editors provide in the next section a review of the present context in which readers may analyze the papers. Therefore the following studies have much to offer readers with interests in the field of entrepreneurship and strategies of innovation. The final section will provide more detail on all the papers in this special issue.

2. Why a special issue on innovation and entrepreneurship in knowledge industries?

Entrepreneurship is a milestone on the road towards economic progress, and makes a huge contribution towards the quality and future hopes of a sector, economy or even a country. Entrepreneurship is as important in small and medium-sized enterprises (SMEs) and local markets as in large companies, and national and international markets, and is just as key a consideration for public companies as for private organizations. Entrepreneurship helps to encourage the competition in the current environment that leads to the effects of globalization. The role of the entrepreneurs is crucial in creating new economic activities that help to generate wealth, jobs and growth, as well as ensuring the well-being of society (Avlonitis & Salavou, 2007; Busenitz et al., 2003; Garcés-Ayerbe, Rivera-Torres, & Murillo-Luna, 2012; Lee, Hwang, & Choi, 2012; Soriano & Peris-Ortiz, 2011). For its part, innovation is the single business activity that most closely relates to economic growth. Schumpeter (1934), in his well-known study, *The Theory of Economic Development*, likens the entrepreneur to the innovator in that the task of both of these economic players is to introduce new inventions into productive activity (Dibrell, Craig, & Hansen, 2011; Laforet, 2008; Mousa & Wales, 2012). So innovations by entrepreneurs tip the balance in the economy and lead to a process of creative destruction, via which firms that do not adopt the new technologies disappear.

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In this model, innovation is an exogenous variable, although Schumpeter later believed that innovations arise from within the firm due to research activity; that is, endogenously.

Although innovation and entrepreneurship generally go hand in hand, forming a distinction between the two concepts is possible. The definitions for entrepreneurship may vary; however, one of the most popular works on the subject defines this concept as the process of identification, evaluation and implementation of business opportunities (Shane & Venkataraman, 2000). Innovation is a tool for entrepreneurs and thus innovation is a specific instrument of entrepreneurship (Drucker, 1985). So entrepreneurship and innovation can be viewed as different sides of the same coin. From the perspective of innovation within organizations, corporate entrepreneurship offers another way to innovate (Guth & Ginsberg, 1990). The term corporate entrepreneurship refers to entrepreneurial activity within corporations, whereby individuals develop new ideas to convert them into commercially viable ventures (Pinchot, 1985).

3. Contents of the special issue

This special issue covers a wide variety of topics relevant to the practice of and research into innovation and entrepreneurship. This collection of papers represents a step forward in the understanding of the relationship between innovation and entrepreneurship, and the special issue hopes that these papers provide a foundation to build on and, most importantly, contribute in a small way toward creating research-based insights that help understanding of entrepreneurship and innovation in the field of business. All of the papers went through double-blind reviews and revisions.

The increase of technology in any aspect of life is already a fact. Therefore, analyzing the effects of various types of technology on companies' activity is an interesting and pertinent, modern-day subject. Chen, Yang, and Lin explore the relationship between corporate technological diversification and firm performance. Using four types of firm performance measures, the paper examines the effect of technological diversification on firm performance while incorporating the moderating effects of absorbed and unabsorbed slacks for the Taiwanese smartphone industry, providing new findings for the literature and offering support to some existing findings for the technological management and corporate strategy in industrial manufacturing settings. This paper shifts the focus of attention from innovation performance to firm performance and examines how much the impact of organizational slack explains the effect of technological diversification on firm performance in the smartphone industry. The empirical results show that different organizational slack resources have different moderating effects on the link between technological diversification and firm performance.

The most recent technological transformation of modern economies is the adoption of information technology (IT). A central question in management theory is how to deal with organizational adaptation to IT-led technological change. Sandulli, Baker, and López-Sánchez address the issue of technical skills and cognitive abilities regarding the technological efficiency in small and medium enterprises (SMEs). They propose that technological change in SMEs causes a shift in the demand for both cognitive and technical skills. From a theoretical point of view, the research brings out the debate on the unexplored relationship between the intensity of technological change, the skills and abilities of the workforce and the returns on technological change. This study suggests that SMEs should re-focus recruiting and training practices according to the specific intensity of technological change. The authors consider that highly educated workforces may have a negative impact on the returns on technological change for moderate levels of technological change. Empirical evidence shows that age plays a role on the returns on technological change. The negative contribution of young workforces for high levels of technological change suggests that the literature on human models and the research stream on managerial

decision-making may provide useful insights. The results provide public policy implications. This research reveals that in order to improve the current match between educational qualifications and employment opportunities, policymakers need to take into account the variable levels of technological change in different industries for more efficient planning of the short- and long-term needs of the labor market.

New technology-based firms (NTBFs) are another popular focus of many studies. These new companies have characteristics such as innovativeness, recent foundation, technology orientation and high growth potential, which are the foundation of new economy or new productive models fit for the knowledge-intensive industries. March-Chorda and Yagüe-Perales go deep into analyzing the performance differences between NTBFs and other firms. Regarding the analysis of performance of NTBFs, only a few empirically based studies address performance-related issues in this category of firms. The authors empirically analyze the companies in a single knowledge-intensive industry: the Human Health sector in Spain. Most Spanish companies pertaining to this industry provide specialized services or tailored products to other firms while their investment in R&D activities and their innovative capacity remain low.

Therefore, the NTBFs in this industry represent just a portion of the overall entrepreneurial population. After a thorough literature review of NTBFs and a performance assessment, the authors apply two statistical multivariate methods to test the hypothesis. The research shows that the firms with greater R&D expenditure and broader innovation capacity, or the NTBFs, tend to outweigh the others in terms of growth but not in other economic performance indicators. These findings support the recent empirical studies which link increasing R&D intensity with an increase in growth but not with greater profitability.

R&D is one of the key measures of innovation activities and is an important source of productivity growth. Many governments vastly increase their economic and policy commitments to innovation with significant impacts on levels of R&D expenditures of their countries. Technological opportunities and appropriate conditions are so different across sectors and countries that this factor determines important differences in the sector/country specific R&D productivity links. Wang, Yu, and Liu analyze the heterogeneous effect of high-tech industrial R&D spending on economic growth for the sample of OECD countries and Taiwan. Introducing the quintile regression approach to the growth model, the research reveals new insights into the role of high-tech R&D investment in economic development. For policy purposes, researchers are keen to know what is happening at the extremes of the distribution, which traditional means cannot capture. For this reason, the method is useful to look at quintiles. The research finds that the positive effect of high-tech R&D spending on income is especially evident when considering the extreme upper quintile. For low- and middle-income countries, an additional high-tech R&D investment does not significantly affect the economic growth of the countries. The paper enriches the literature by demonstrating the importance of model selection when attempting to detect the nonlinear relationship between high-tech R&D investment and economic development. The findings have policy implications that high-tech R&D investment is most effective for countries with the highest per capita income.

The study of the R&D innovation strategy-performance relationship gains a lot of attention. However, many issues are still unresolved in determining whether, and to what extent, innovation performance is different in the biotechnology markets context. Wu revisits the key constructs of firm entrepreneurship, learning orientation, R&D innovation strategy, and innovation performance in the biotechnology industry context and then determines the correlation between the separate elements and conceptualized constructs for examining successful key factors in the biotechnology context. The results of the empirical testing by using mail survey data from 254 biotechnology firms show that learning orientation and firm entrepreneurship influence R&D innovation strategy choice and implementation.

The learning orientation, firm entrepreneurship, and R&D innovation strategies are the key determinants of organizational innovation performance. Previous research often narrowly incorporates R&D innovation strategy as innovation programs. However, this research shows that the R&D innovation strategy has several implications for theory development in the business research literature. An important contribution is the development of a broad conceptualization of R&D innovation strategy and performance to integrate the existing perspectives for the biotechnology products context. This research is valuable for going further and analyzing the perception of the biotechnology based firms and contributes to the general validation of each of its construct relationships. Therefore, the study makes an effort to lay a theoretical and empirical foundation in the biotechnology industry context.

In many innovation projects, firms search for external knowledge sources since they cannot rely solely on their own R&D efforts. Noseleit argues that collaborations with external partners affect the innovation output of firms not only directly but also indirectly by influencing the efficiency of internal R&D. The empirical evidence suggests that collaborations with external partners can boost but also restrict firms' ability to transform internal R&D efforts into successful innovations, depending on the type and intensity of collaboration. Using a sample of firms in electrical and electronic equipment, empirical evidence identifies heterogeneous interactions between alliances and internal R&D efforts, dependent on the type of partner. While collaboration with partners in related industries is more beneficial for a firm's internal R&D to produce innovations in comparison with alliances with partners in the same industry, collaboration with partners in unrelated fields decreases the efficiency of internal R&D efforts.

More specifically, internal R&D efforts become more productive when participating in technology alliances in which partners within the same industry or partners active in related industries dominate. This effect is stronger when collaborating with firms in related industries. This finding is relevant for the understanding of and future work on alliance portfolio diversity, as this result indicates that a certain type of diversification can be more relevant for innovation; namely, diversity that originates from collaboration with medium-distance partners.

An important number of studies highlight the increased outsourcing of innovation activities across a wide swath of industries, but little investigation exists into the effect an industry's outsourcing of innovation activities can have on its performance and how this effect may change across levels of industry growth. Stanko and Olleros fill that gap by analyzing the relationships between characteristics of the knowledge spillover regime (innovation outsourcing, clustering and labor mobility), the level of industry growth and industry performance. They argue that the outsourcing of innovation activities is distinct from other knowledge spillover mechanisms and state the relatively uncertain outcomes of innovation outsourcing at the industry level. The study points out that examining multiple dimensions of performance leads to the observation that sectors contracting high levels of innovation activities generally lower innovativeness but enhance profitability. Also, outsourcing negatively affects innovativeness but benefits profitability. Thus, all three elements of the knowledge spillover regime have performance implications contingent on growth. This paper makes an important contribution in the research examining the performance implications of outsourcing innovation activities and develops an understanding of how industry expansion dramatically changes the performance implications of these knowledge spillover mechanisms.

In the current economic environment and in the context of huge business rivalries, governments are in a position to develop a new strategic vision for higher education. For this reason, governments can also ensure greater national economic competitiveness through enabling universities to respond to the particular requirements of local and international markets. If innovation is a way for firms to

collaborate with external innovation sources and to develop new products or services, then universities, as suppliers or customers, are examples of external innovation sources that firms can use in the course of their development of innovation activities. In the literature on innovation, the industrial sector receives the greatest attention. Indeed, few studies focus exclusively on innovation in services. The service innovation literature lacks empirical studies that focus on the links between service firms and universities. Janeiro, Proença, and Gonçalves aim to fill the gap by contributing to a better understanding of these links. Their study applies the Portuguese version of the Community Innovation Survey (CIS 2006) to obtain data on 967 service firms.

The model uses a random intercept in an ordered probity regression to empirically assess which factors influence the collaboration of service firms with universities for innovation-related activities. The results demonstrate that innovation success, radical innovations, and innovation intensity are crucial to the development of links between innovative service firms and universities. This paper also represents an innovative contribution to the study of the linkages between firms and universities and contributes to the application of CIS data to the service sector, which may stimulate further research in other European countries.

Governments around the world promote innovation as a key tool to improve public services. Financial pressures and bureaucratic controls, along with the demands for better services, make innovation difficult but also necessary as the only useful way to approach citizens and respond to their requests. Delving into this subject, Gonzales, Llopis, and Gasco intend to determine the level of implementation of innovations in Spanish local government as well as to identify which types of innovations are most common. The paper highlights that Spanish town halls try to offer new services to existing users, use new ICTs, improve external communication, offer existing services to new users, and develop schemes for cooperation with users. They undertake the innovations relevant to centralization, the establishment of new managerial processes, inter-departmental co-operation and internal communication improvement less often.

Thus, despite the lack of great differences between the types of innovations in most recent projects, the most common ones stem from the relationships that town halls have with their external environment, for example their users. This relationship is why the new ICTs have so much relevance. The paper shows that the most frequent innovations in the local governments are collaborative; the largest town halls show more propensities to innovate and they focus on external relationships which are collaborative and on the basis on information and communication technologies.

In an era of a global-scale and knowledge-based economies, the complex and multifaceted nature of modern innovation developments force firms to expand and open up their horizons towards implementing collaborative behaviors. Conventional explanatory factors of cooperation on innovation persist and certainly play a key role in favoring the emergence of inter-organizational alliances. Gallego, Rubalcaba, and Suarez focus on the analysis of the relationships between firms' external search for knowledge and its particular role on cooperation strategies for innovation. Accordingly, a strict internally oriented R&D strategy may hinder the innovation potential of the company. In turn, firms that are willing to interact and actively relate to external agents are becoming increasingly crucial. As a result of the research, the paper proposes that innovation managers should focus on encouraging a trust-based and collaborative culture which supports inter-organizational networking and interaction with public innovation agents. Another important result of the research is to reveal a potential bias of public research against service activities.

Although the case may be that services are adequately served by the existing private sources of knowledge, and indirectly gain knowledge from professionals via consultants in particular, further efforts may be needed to integrate the private service sector better into the

public scientific base for innovation. As a final conclusion, the paper states that policy action might concentrate on adapting the public-science outcomes to services' commercial needs, enabling and promoting collaborative schemes for information and knowledge around emerging opportunities of services and promoting new loosely coupled collaboration instruments and knowledge-sourcing strategies.

A firm's organizational capabilities are essential for increasing customer value creation. Martelo, Barroso, and Cepeda argue that the three capabilities form a distinctive competence for firms and that by combining them, a series of changes takes place which transforms this distinctive competence into dynamic capabilities for the firm. The authors try to show how the firms can create superior customer value by analyzing what happens inside the proposed black box. This study assumes that firms possess the capabilities of market orientation (MO), knowledge management (KM) and customer relationship management (CRM), each of which allows them to create value. A recombination of these capabilities allows firms to create superior customer value or, at least, to maintain the value created in the current turbulent economic environment. Managers therefore must realize that although each of the three organizational capabilities is important in itself, they must link them all together if they are to create superior value. The authors' intention is for firm managers to use this study as a guide to improving customer value. The objective of the current paper is not to establish a relationship between the recombined organizational capabilities and value creation, but rather to examine the black box that this recombination creates and suggest what the relationship between them should be.

Traditional practices to reach this objective include collaboration with businesses, local or regional public authorities and other actors. However, the benefits arising from these relationships are still far from their true potential, and strongly differ from one university to another. Universities are facing many changes in both their internal and external environments, and they continuously have to respond to the new challenges society is demanding. Berbegal-Mirabent, Lafuente, and Solé analyze the impact that the introduction of a direct knowledge transfer mechanism (academic ventures) has on university performance. Academic spin-offs constitute the direct mechanism that relates the scientific knowledge to the creation of a new venture. The analysis includes certain exogenous variables to capture the potential effect of regional factors on university performance. These variables relate to the regional R&D intensity and the entrepreneurial activity of the region. The results are in line with the notion that universities tend to concentrate on certain specific competencies, suggesting that the intensity in the achievement of their objectives varies across institutions. The presence of specific infrastructures and certain regional characteristics also plays a role, especially the possibility to have access to high technology sectors in the region. Concerning the efficiency differences among Spanish universities, the research shows that these differences may be due to the fact that universities are somewhat embedded in their corresponding regional context, and thus to cultural patterns and natural territory barriers. Therefore, the efforts to reform and assess knowledge transfer activities must take these university-specific factors into account.

Coopetition has become increasingly popular in recent years and is important for SMEs operating in alliances and clusters. Recent studies highlight that a firm's innovativeness may rely on coopetition: the simultaneous pursuit of cooperation and competition. Bouncken and Kraus analyze the effect of coopetition on revolutionary and radical innovation, taking into consideration that this dualism of competition and collaboration helps SMEs by improving innovation. The paper considers two forms of innovation: radical and revolutionary innovation measures. Both represent novel innovation with high resource demands in SMEs. Regarding the moderators of analysis, the authors focus on sharing knowledge with the partner, learning from the partner (inlearning), and technological uncertainty. In order to study the direct effects and latent interactions of the model, the researchers apply SEM to a database of

830 SMEs. Overall, the study finds that coopetition can trigger radical innovation, but at the same time can harm the extremely novel revolutionary innovation. The damaging effect on revolutionary innovation is even stronger when SMEs share knowledge with their partners. However, a positive effect of coopetition on revolutionary innovation is achievable if SMEs do integrate their partners' knowledge through learning. Coopetition is also advantageous under greater technological uncertainty. The paper illustrates a latent profile which disentangles unobserved heterogeneity and displays seven different profiles of SMEs. The empirical results show that both small and large SMEs can be very successful, averagely successful, or mildly successful in terms of innovation and competitive performance. They can also equally focus on both forms of innovation, or focus on revolutionary innovations. In this case, they only achieve medium competitive performance.

Numerous studies focus on successful clusters to demonstrate that geographic proximity enables collaboration and innovation. BENLetaifa and Rabeau investigate an information and communication technology (ICT) public-private innovation cluster that fails to collaborate and explores how geographical, institutional, organizational, cognitive and social proximities interplay. The case study highlights how individuals not engaged in their local innovation ecosystem regularly partner with global competitors (particularly with French and American partners). The geographic distance seems to favor a win-win mindset among Quebecer leaders.

Trust is easier to build with foreigners, as partners do not feel threatened in their local markets. From a practical point of view, the findings have directly relevant implications. First, public policies for clusters should take into account the socioeconomic local context. They should particularly target the enhancement of social proximity between local entrepreneurs instead of relying on geographic and cognitive proximities. Institutionalized ecosystems should enhance existing spontaneous initiatives. The paper also highlights that the relationship between the ecosystem and the individuals is dialectical. Thus, the social and geographical context is a key piece of the puzzle, but an integrative framework of entrepreneurship and innovation needs to include psychology, economics and sociology. This work contributes to the clusters literature by suggesting new relationships between collaboration and geographic, cognitive, organizational, institutional and social proximities. While cognitive, organizational and institutional proximities do not help to create a climate of collaboration, social proximity is the most important dimension.

Over the last few years, the interrelationships between innovation, entrepreneurship or new business creation have become apparent within a vibrant research trend which fuses insights from different academic approaches. Both entrepreneurship and innovation are perceived as crucial activities that fuel the economic development of regions.

Belso-Martinez, Molina-Morales, and Mas-Verdu offer valuable insights into how new firms benefit from the external resources provided by public and private knowledge intensive services (KIS). They explore internal resources, different aspects of the founder's human capital (basically general and specific), public KIS, private KIS and various cross products as drivers of the performance of a new firm. The paper highlights that internal resources allow the organization to acquire and to assimilate, while external resources appear to undermine or overshadow the effect of the entrepreneur's human capital indicators. Another aspect is that the most efficient and cost-effective way to attain better performance is to foster complementary arguments between internal and external resources. Treating them as independent spheres limits the potential synergies that an integrated approach intends to provide. The corollary seems immediate: access to external resources is a necessary but insufficient condition for success. Another significant combined effect supported in the paper reveals that entrepreneurs should not opt for public or private KIS exclusively. The paper raises future interesting questions such as: what factors facilitate synergies and the withdrawal of displacement effects? Why do entrepreneurs choose

public or private KIS? Do all potential combinations of KIS generate the same synergistic effects?

Entrepreneurs are the focal agents of change, perform entrepreneurial behavior, and adapt their activities and strategies in response to threats and opportunities created by prevailing formal and informal institutions. All institutions influence not only what individuals search for and observe, but also how they react to potential entrepreneurial opportunities. Pathak, de Oliveira, and Laplume investigate the effects of three institutions on technology entrepreneurship. Their study investigates the effect on technology entrepreneurship of three institutions' policies concerning intellectual property rights (IPR), foreign direct investment (FDI), and barriers to technology adoption (BTA). These institutions are controversial in that their effects may differ considerably between developed and emerging economy contexts. The authors apply a multi-level approach in order to examine the goal by considering a sample of 20 emerging economies.

The results suggest that economies with strong intellectual property rights protection combined with high levels of foreign direct investment per capita have a lower likelihood of individuals' entry into technology entrepreneurship, whereas low barriers to technological adoption increase this likelihood. The findings have an important contribution in understanding the influence that national institutions and foreign investment exercise on the entrepreneurial behavior of early-stage technology entrepreneurs in emerging economies, for which the extant literature shows mixed results. The paper makes an important contribution to a body of literature providing equivocal findings about the role of the intellectual property rights (IPR), foreign direct investment (FDI) and barriers to technology adoption (BTA) in emerging economies.

Entrepreneurship is an activity that involves the discovery, evaluation, and utilization of opportunities to introduce new products and services. An important part of the entrepreneurial activity is the business model design. Despite the novelty of the activity, the literature points the business model design out to be a very attractive managerial tool for entrepreneurs. Hwang proposes a novel two-tier business model for entrepreneurs, consisting of a conceptual model and a financial model. The model is applicable to address the conceptual and financial issues in a separate way in order to avoid confusion. The business model subsequently integrates both the conceptual and financial models to provide a complete view of the business. The model is suitable for start-up businesses to introduce themselves to the market or to attract support. The application of the Internet, fewer resources, and a larger market with an affordable pricing strategy are the practices to facilitate entrepreneurs to start their businesses. This paper offers a new tool that really helps entrepreneurs to adapt their business models as time goes by.

The two-tier business model can evolve from one to another. Positive profits can add more resources to enhance the existing business model, and can also nurture a new innovation, which is another new business model. Meanwhile, losses may force the existing business model to adjust or even to terminate itself. In this way, the static two-tier business model can then evolve into a dynamic model.

New entrepreneurial firms play pivotal roles in generating new jobs and fostering economic growth through the continuous introduction of new products and the cultivation of new markets. Entrepreneurship literature explores factors that stimulate new firm creation. However, little research appears in the literature on whether and to what extent new knowledge available in a region and its surrounding regions induces and facilitates new firm creation. To study this, Lee, Hong, and Sun employ the population data on patent registrations and new firm start-ups in manufacturing industries in 234 regions of Korea between 2000 and 2004. The employment of the system GMM estimator addresses the potential endogeneity problem associated with the key independent variables and other control variables. The paper contributes to the entrepreneurship literature by being among the first works to make a testable distinction between intra-regional and inter-regional spillover effects of

knowledge production that may affect the activity level of new firm creation in a locality and to show that the effects of the former are greater than the latter. The research also highlights the high-tech versus low-tech sector difference in terms of the link between the output of regional knowledge production and the activity level of new firm creation and shows that the activities of new firm creation are more sensitive to the output of regional knowledge production in high-tech sectors than in low-tech sectors.

The majority of leadership researchers conceptualize and conduct studies in developed countries while limits of the current understanding of the dynamics of leadership concepts in non-Western contexts still remain. Even as business research in developing countries increases, Western thought continues to dominate business theory and practice. Therefore, a need arises to investigate leadership styles in different countries from the variation in preferences for different leadership styles from one culture to another. Ryan and Tipu enhance the understanding of the applicability of Western leadership concepts in a non-Western context. The study explores the conceptual dimensions of the full range leadership (FRL) model in Pakistan and how leadership dimensions affect innovation propensity. However, the current research does show that contextually appropriate combinations of individual leadership dimensions such as idealized influence, individual consideration, intellectual stimulation, contingent reward and active management-by-exception can still result in an effective leadership style that positively influences organizational outcomes. The findings of this research urge practitioners to be cautious in their approach to training in non-Western contexts. The results support previous research that leadership training should be at the level of individual factors, rather than at the simpler transactional/transformational construct level. The paper improves the understanding of the usefulness and validity of Western leadership concepts in non-Western contexts and assists in identifying different dimensions of leadership to inform to a better degree both the practice and development of leadership skills.

Many studies investigate the determinants of information sharing between exchange parties. However, most current studies on antecedents of information sharing pay attention to the impact of market uncertainty, but overlook the role of market munificence. Furthermore, resource dependence theory and strategic action theory propose competing arguments. Thus, these conflicting views about firm information sharing under market munificence may cause confusion in firm strategic decision-making as to market cooperation. Shou, Yang, Zhang, and Su attempt to reconcile the competing arguments of the resource-based view and strategic action theory (SAT) by introducing the deployment structure of specific assets (unilateral or bilateral) as a moderator, in a hope to shed light on a set of regularities that may guide firms in their information sharing decisions in a growing or declining market. Investigating 324 Chinese buyers, the authors highlight that when firm asset specificity is asymmetrical, the buyer is more likely to share information with the supplier in a growing market but less likely to do so in a declining market; in contrast, when specific assets are bilateral, the buyer is more likely to share information whether the market demand grows or declines. The findings of this paper contribute to the literature by enriching the understanding of the link between task environmental characteristics and firm information sharing behavior. The paper also sheds light on a set of regularities that may guide firm information sharing under various market conditions.

Non-profit social organizations (NPSOs) fall within the broader context of the social organizations that aim to create sustainable social value and economic wealth. Social entrepreneurship (SE) often has an association with this type of organization. However, social entrepreneurship remains a poorly understood, complex phenomenon with a growing importance in the academic context. Thus, the comprehension of the key issues of social organization remains insufficient and limitations to the knowledge of the effect of leadership on

NPSOs still exist. Felício, Gonçalves, and Gonçalves assess the extent to which SE and transformational leadership (TL) contribute to the creation of social value (SV) and the improvement in organizational performance (OP). The study also evaluates the relation that SV has with OP and furthers the understanding of the extent to which the socioeconomic context affects these relations. The results of analyzing over 241 questionnaires prove that the socioeconomic context is an important moderator. In an unfavorable context, transformational leadership becomes relevant in explaining social value and organizational performance and in a favorable context, social entrepreneurship provides more significant support to social value and organizational performance, and social value itself also has an effect on organizational performance. The paper is valuable for NPSO managers who can better define and implement strategies that reflect the appropriate SE and TL in order to create SV and to attain the OP goals.

The research on organizational citizenship behavior shows a significant increase in volume over the last decade. However, this rapid growth in research leads to the emergence of several problems, including the need for a better understanding of the conceptual similarities and differences between the various forms of citizenship behavior, as well as their antecedents and consequences. Several authors stress the need to identify each of the underlying components of the organizational citizenship behavior (OCB) construct, and especially those of change-oriented OCB, which to date, receives relatively limited attention in the literature. So, for the first time in the literature, López, Enache, Sallan, and Simo dedicate their investigation to developing a model connecting leadership and organizational climate as antecedents of organizational citizenship behavior. OCB is considered a multidimensional construct, covering different facets of discretionary behavior: affiliate and challenging OCB. However, extant research on OCB focuses mainly on the affiliative dimensions of the construct. This novel model evaluates the influence of the individualized consideration dimension of transformational leadership and organizational climate on change-oriented organizational citizenship behavior. The research follows types of leadership that allow for inducing change-oriented OCB. The authors highlight that leadership centered on followers' professional development (developmental leadership) is more effective in promoting change-oriented OCB than leadership based on taking into consideration the followers' needs when making decisions (supportive leadership). Role breadth self-efficacy also mediates the relationship between developmental leadership and change-oriented OCB. Therefore, those organizational contexts in which leaders and followers interact and, more specifically, the innovative climate associated with resource availability and support to innovation, act differently in promoting change-oriented OCB.

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