



INTERNATIONAL APPROACHES TO ENTREPRENEURSHIP

**NTERATE**  
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Lifelong  
Learning  
Programme

## INTERNATIONAL APPROACHES TO ENTREPRENEURSHIP

AN LLP-ERASMUS INTENSIVE PROGRAMME



**ŁUKASZ JASIŃSKI & ALEKSANDRA NIEZBRZYCKA**



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INTENSIVE PROGRAMME

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## Introduction

“International Approaches to Entrepreneurship” (INTERATE) is an Erasmus Intensive Programme which took place between 6<sup>th</sup>-19<sup>th</sup> May 2012 at the University of Economy in Bydgoszcz, Poland. 42 students and 13 teachers, who participated in the international workshop, represented 6 different European countries and cultures.

The Erasmus Intensive Programme is a teaching programme which brings together students as well as teaching staff from European higher education institutions of at least three participating countries. The programme can last from 10 continuous full days to 6 weeks of subject-related work. One of the main purposes of the Intensive Programme is to encourage efficient teaching and to enable students and teachers to work together in multinational groups.<sup>1</sup>

The Intensive Programme “International Approaches to Entrepreneurship” (INTERATE) is a multilateral project prepared in cooperation with 8 European Higher Education Institutions:

- International School of Law and Business (Lithuania)
- Katholieke Hogeschool Zuid-West-Vlaanderen (Belgium)
- Károly Róbert College (Hungary)
- Laurea University of Applied Sciences (Finland)
- University of Navarra (Spain)
- University of West Hungary (Hungary)
- Vilniaus Kolegija / University of Applied Sciences (Lithuania)

The IP is designed to develop the participating students’ skills essential for successful entrepreneurship implementing an intercultural multidisciplinary approach. So far, one edition of the course has been organized. However, the consortium is planning to coordinate another two editions, in 2013 and 2014. To this moment, the consortium has received funding for the next IP.

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1 [http://ec.europa.eu/education/erasmus/ip\\_en.htm](http://ec.europa.eu/education/erasmus/ip_en.htm)

## INTRODUCTION

This e-book has been created on the basis of our experience gained during the IP organization. The aim of the articles included in this book is to present scientific content of the INTERATE Intensive Programme as well as to illustrate all of the actions undertaken during planning, organizing and managing the event.

## BELGIUM

Katholieke Hogeschool  
Zuid-West-Vlaanderen



## FINLAND

Laurea University  
of Applied Sciences



**LAUREA**  
UNIVERSITY OF APPLIED SCIENCES

## SPAIN

Universidad de Navarra



**issa**  
Universidad  
de Navarra

## LITHUANIA

International School  
of Law and Business



## LITHUANIA

Vilanius Kolegija/  
University of Applied Sciences



## POLAND

University of Economy  
in Bydgoszcz



## HUNGARY

Karoly Robert College



## HUNGARY

University of West Hungary



## MILLENNIUM BANK



**PARTNERS**

## **Erasmus Intensive Programme “International Approaches to Entrepreneurship” – from idea to realisation**

Aleksandra Niezbrzycka & Łukasz Jasiński  
University of Economy in Bydgoszcz (Poland)

Preparing and realizing an event is always a complex process which requires extensive planning, careful management and evaluation to achieve basic objectives of the action. In case of projects like the Erasmus Intensive Programmes, the organization seems to be even more specific due to different requirements being established by the European Union and the fact that project partners represented different countries and cultures at the same time. The University of Economy in Bydgoszcz (WSG) has participated in a couple of Intensive Programmes organized by partner universities. This has been among other IC-SID (“Intercultural Approaches to Service Innovation and Design Methods”) which took place in Leicester, United Kingdom. During this IP, the students could learn about SID methods (service innovation & design) by developing the services of real, local companies (in multicultural teams). Moreover, University of Economy in Bydgoszcz took part in Ecopreneurship – a project organized by our Lithuanian partners i.e. VilniausKolegija/University of Applied Sciences. Finally, the university was also one of the partners in the IP “Promoting Intercultural Management Competencies for Working Life in the Baltic Sea Region.” Its third edition took place in Bydgoszcz and was partially organized by WSG. Nevertheless, it was the first time when the institution had received funding for organizing its own authorial IP. This article aims at presenting the idea of the Intensive Programme as well as all the preparatory activities that had to be undertaken to make the international event successful and consistent with the EU requirements.

### **THE IDEA**

“International Approaches to Entrepreneurship” (INTERATE) is an Intensive Programme that was organized in May 2012 by the University of Economy in

Bydgoszcz for the first time. However, the idea and the concept of the project were born much earlier. Since 2008, our university has organized “WSG Bydgoszcz Entrepreneur Cup”- a business simulation game which at the same time was an innovative form of teaching that used a special virtual environment. The main purpose of the game was to solve a problem concerning the functioning of a real enterprise. The students participating in the event had an opportunity to prove their own knowledge of economics, marketing and management as well as to check their soft skills such as teamwork, creative problem solving and public speeches. Since 2008, over 100 students and teachers have participated in the game. They were from e.g. Finland, Mexico, Germany, Belgium, the Netherlands, Hungary, Lithuania, Portugal, Latvia, Scotland and Romania. Because of an interdisciplinary character of the game, the students could present a wide range of study fields. Also, the contest tasks concerned broad business-related topics. As an example, in 2011, the game task entitled “Succession of a retail market” regarded the successful development of a family shop, while one year earlier the problem had concerned the development and launch of a new FMCG-Product Line. Each year, both the project created by the students participating in the game as well as the assessment of these projects were different depending on the origin country of the students. The organizers of “WSG Bydgoszcz Entrepreneur Cup” and coaches representing different teams and different countries came to conclusion that diverse approaches to solving business problems arise due to cultural factors determined by differences in tradition, language and law as well as differences in teaching separate skills. And thus the idea of developing contents for an Intensive Programme was born. It aims at preparing effective approaches to entrepreneurship using the best practices from different regions of Europe. Teachers from eight higher educational institutions from Belgium, Lithuania, Hungary, Finland, Spain and Poland created a teaching content which could equip students with essential entrepreneurial skills that are useful while solving real business problems not only regarding a particular region but the whole of Europe.

## PERFORMANCE

Preparations for the project started immediately after receiving a decision on co-financing the IP by the European Union, in July 2011. All steps of the preparation were undertaken systematically and gradually. This is the most effective and obviously the only appropriate project management method, especially in case of projects such as Intensive Programmes. The IP Leaders divided the arrangements into 5 areas: Communication with Partner Institutions, Teaching Contents, Promotion, Travelling as well as Accommodation and Food Services.

**Communication with Partner Institutions.** Communication with Partners was a crucial part of the whole project management. Each step of the project ar-

rangement was discussed with Partner Institutions in order to create the most effective team of teachers and organizers in which everyone felt an integral part of the IP. Therefore, a working session in Bydgoszcz as well as many online working sessions, were organized. The working session with the teachers and project coordinators representing all partner institutions took place between 14th-15th November in 2011 at the University of Economy in Bydgoszcz and aimed at discussing the organizational matters such as accommodation for students and teachers, food services and travelling issues. Moreover, the exact teaching contents as well as the teaching methods and assessment criteria were discussed. Teachers from all partner institutions were obliged to create the exact assessment criteria for each module, list of topics as well as the topics guidelines (the modules included: Economic mix, Intercultural communication, Presentation skills, Project management, Strategic management, Marketing Strategy for Bydgoszcz as well as the simulation game). Besides, all partners discussed the promotion strategy of the project and were acquainted with the website and online platform created by the IP leader for the project requirements. Also, during the working session the project's budget was presented and accepted by all partners. The meeting was a good opportunity to discuss all details concerning the IP and to acquaint all the partners with the idea and organizational matters of INTERATE as well as getting to know one another. All the partners had a possibility to learn more about the university and the city where the IP was going to take place.

Apart from the working session in Bydgoszcz, four online meetings took place. The meetings were conducted on Skype with the representatives of all partner institutions. The subject areas of these sessions covered the progress of activities arranged during the meeting in November.

Moreover, INTERATE online platform was used for communication. Specially created forum allowed setting up new topics in which all the partners could share their opinions and suggestions. The platform was also a great tool for communication between students and teachers. Due to blogs integrated with the platform, students could write their opinions on the teaching content and general organization of the IP, which guaranteed great feedback.

All of these actions ensured effective communication and flow of information, and thus created good basis for realization of the particular project's stages.

**Promotion.** Nowadays, when the borders of the European Union are open and students have a lot of opportunities to take part in different international workshops and courses, an Intensive Programme requires not only an interesting content but also effective promotion of such an event. The IP Leaders in cooperation with partner institutions decided to use not only traditional promotion channels but also included social media which are very popular nowadays. The first promotion part was information provided by teachers and institutional project

coordinators from Partner Institutions. The IP leader designed the posters and leaflets and sent them to all HEIs partner in order to promote the event among the students (eight different versions with the same design including different contact data of the IP coordinator at each partner institution). Moreover, the IP Leader created an official project website [www.interate.wsg.byd.pl](http://www.interate.wsg.byd.pl). The website was open and made available for all the users. It contained the project description as well as some information for students, inter alia: how to arrange a trip to Poland, what to pack, accommodation details, information about Bydgoszcz, contact data of project coordinators from each partner institution etc. One of the website’s aims was to provide students not only with the basic knowledge concerning the IP but also to show them that INTERATE, apart from learning, means special atmosphere and opportunity to meet new people and see interesting places as well. After completing the project, the website was also supplemented with photo gallery and videos. The website also included a hyperlink to INTERATE online platform [www.onte.wsg.byd.pl/interate](http://www.onte.wsg.byd.pl/interate). However it was made available only for those teachers and students who participated in the IP. The teachers had an opportunity to share their teaching materials with one another as well as download different documents and promotional materials uploaded by the project leader. During the project, also the students had a possibility to upload the key to tasks and assignments to the platform. Moreover, due to the suggestion from one of the partner institutions, a promotional interview with the organizers of the project was created. The article was made available on the project website and was used for marketing purposes. The IP leader did not forget to make use of one of the most popular means of communication among young people i.e. social media. Facebook and Twitter accounts were established and since then the two of them have been regularly updated.



Fig. 1. Official INTERATE logo



Fig. 2. Screenshot of the IP official website

**Accommodation and Food Services.** Both students and teachers were accommodated in a hotels. Students stayed in double rooms, whereas teachers had single rooms. In order to integrate students into taking part in the project, the IP leader decided to accommodate each student with another one from a different country. In spite of the initial surprise and discontent, at the end of the project, the students admitted that the idea was very good and helped them to make friends far faster. Moreover, they had a great opportunity to communicate in English all day-long.

The majority of meals were prepared and eaten in the university canteen to maximize the participants' convenience. Every day, both students and teachers had a possibility to choose between two meal options– one vegetarian and the other one regular. Additionally, a couple of times all the participants were invited



for dinner to local restaurants in order to get familiarized with Polish cuisine and tradition.

**Travelling.** Travel arrangements require precise logistics, especially in case of Intensive Programmes, where participants have to meet all the EU requirements concerning duration of their stay in a country in which a project takes place. Moreover, the ticket prices should be relatively cheap. Therefore, each proposal of a travel connection was carefully discussed with the IP leader and only after its acceptance, the tickets could be bought. It seemed to be the best solution in order to avoid misunderstandings and inconveniences.

It is worth underlining that all the participants should keep their tickets after the IP sends them to the IP leader. Only then are the participants able to receive travel refund.

**Teaching contents.** Undoubtedly, this area required the most careful and time-consuming preparations. The content of the classes has to be interesting and innovative at the same time. It has to meet not only the requirements of interdisciplinarity but it also has to be built within one main subject area. Therefore, it is very important to cooperate with teachers - experts in their fields of interest, who are open for innovative teaching methods and conduct classes in an interesting and modern way.

In case of INTERATE Intensive Programme, the process of designing teaching content was complex and consisted of a couple of stages. Firstly, the project partners chose teachers from their institutions, the ones who could be the most appropriate in the certain teaching modules declared in the IP application. Next, the chosen teachers created a list of topics for their subjects. Finally, the teachers created contents of classes and prepared presentations that were sent to the online platform and then they chose the form of the lectures. Each stage was carefully discussed with the IP leader and other partners, in order to ensure that students could get the best teaching materials and interesting class content.

|                                  |   |
|----------------------------------|---|
| Economics mix                    | Workshop, lecture, teamwork               |
| Intercultural Communication      | Workshop, teamwork, presentation          |
| Presentation Skills              | Workshop, presentation                    |
| Project Management               | Workshop, presentation, lecture, teamwork |
| Strategic Management             | Workshop, lecture, presentation           |
| Marketing Strategy for Bydgoszcz | Teamwork                                  |
| Simulation Game                  | Teamwork, presentation                    |

Tab.1. Teaching modules

First five positions in the above table, present teaching modules which consisted of the module simulation game preparation. All the skills and knowledge gained during the first 10 days of INTERATE were used during the summarizing module. The task for the game was formulated by the official project partner – the Millennium Bank together with the teachers. The participants' task was to create a detailed business plan regarding a new fast food chain. The budget which the students could make use of, amounted to 10 million Euros. Additionally, they could apply for a credit amounted to 5 million Euros. The participants had to plan how to create a well-know brand on the European market. Their marketing strategy included long-term goals and a financial plan. Moreover, the students aimed at encouraging the Millennium Bank to co-finance the venture. The students started the simulation game from the market analysis and the choice of a target market. They also had to decide which of the Millennium Bank products would help them in the company development. The students met with a representative of the bank within the game,. They had an opportunity to ask questions concerning bank and financial management. All of the suggestions and guidelines were very helpful during the Simulation Game. Very good outputs of the game as well as the general students' satisfaction proved that the objectives of the IP and preparatory modules were fulfilled.

Additionally, there was one more module called “Marketing Strategy for Bydgoszcz”. This module aimed first and foremost at familiarizing students with the city of Bydgoszcz, its character, atmosphere, history and current situation. Therefore, the students had an opportunity to work as the representatives of football associations, who had to prepare the arrival of their national football teams for the International Football Cup in Bydgoszcz. Their aim was to create a report assessing whether Bydgoszcz is ready for organizing such a huge and significant sporting event. They had to present both strong and weak points of Bydgoszcz.

Furthermore, bearing in mind that integration among participants of this kind of event is crucial, the IP Leaders conducted several “ice-breaking activities”. Undoubtedly, it helped to build team spirit, develop student motivation, improve communication and have the possibility to learn more about all the participants. Within initiative activities, the IP Leader also organized a trip to Gdańsk. Students and teachers visited the most important places and tourist attractions of the city: the Crane, Mariacka Street, Neptune, Golden Gate, Długa and Długi Targ Streets, Executioner's House and Prison Tower, Arthur's Court, the Main City Hall. Furthermore, the students had an opportunity to take part in other events that took place at the University of Economy in Bydgoszcz. There were e.g. the European Day, the Turkish Night, the above-mentioned trip, many visits to the restaurants of Bydgoszcz and also other ice-breaking activities.

## **INTENSIVE PROGRAMME MANAGEMENT IN THE LIGHT OF CULTURAL DIMENSIONS**

Sensitivity to the cultural differences may overcome many challenges when planning an event. It seems to be clear that cultural dimension had an impact on event management and skills necessary to ensure the effective management of cultural differences in the event context. Partners who took part in INTERATE represented different cultures and different approaches both to teaching and organization of international workshop.

In countries such as Belgium, Finland or Spain, much emphasis is placed on project-based learning and a workshop form of teaching. Students worked in teams on different projects and presentations. Due to this method, they explored real-case problems and challenges. Moreover, during this type of active learning, students are inspired to gain deeper knowledge of the subjects they study. This is undoubtedly the most effective way of learning. In order to energize the curriculum with a real case relevance, the IP leader decided to introduce practical learning. All classes were conducted in the form of workshops during which the students could take active part. As a result, students from Lithuania, Poland and Hungary, where the traditional forms of teaching such as lectures are still the most popular, had an opportunity to learn in a completely new way. Additionally, during INTERATE all students had an unusual opportunity to work in multinational teams which, for the majority of them, was really new.

As far as the organization of an event is concerned, it is crucial to take cultural dimensions into account. Aspects, which seem to be meaningless details, may become decisive in general mood and atmosphere among participants. Therefore, while organizing food service and accommodation for the participants, it is important to take care of individual preferences. Bearing in mind that the participants of the Intensive Programme may have different tastes for ideological or other reasons, the IP Leaders introduced menu card in a canteen. Every day the participants had an opportunity to choose either vegetarian or regular meals.

On the other hand, during the Intensive Programme it turned out that many stereotypes referring to different European nations were not true. Contrary to popular beliefs that Finns are shy and withdrawn, all the Finnish participants turned out to be outspoken and willing to take initiatives. Also, the stereotypes were not confirmed in case of Spanish people who, although many opinions on their tardiness, are very punctual and conscientious. As a result, the students had an opportunity to find out that stereotypical thinking is wrong and does not make sense nowadays. Hence, another very important aim of the project was achieved.

All in all, the countries having participated in the IP, share many similarities in terms of culture. Also open borders within the European Union as well as glo-

balization have facilitated cultural exchange and dialogue. Although, some differences regarding teaching methods and approaches to an event organization, the representatives of all project partners had the same goal – to gain knowledge, broaden experience in the business area and to meet new people and cultures.

Łukasz **Jasiński** has a Master's degree in German Philology and is currently doing his Ph.D studies in linguistics (Language of the New Media) at the Adam Mickiewicz University in Poznań. As the Director of the International Office at the University of Economy in Bydgoszcz, he is responsible for coordinating and developing international cooperation as well as the university's internationalization process and has been involved in numerous international projects such as: LLP-Erasmus (Institutional Coordinator of the programme at the University for 5 years), dual degree programmes, WSG Bydgoszcz Entrepreneur Cup or Intensive Programmes (2008-2010: "Promoting Intercultural Management for Working Life" and 2011-2012: "Intercultural Approaches to Service Innovation and Design Methods") – both coordinated by Laurea University of Applied Sciences (Finland). In addition, he is a lecturer at the University Department of Linguistics. The biggest hobbies of this crazy football fan are foreign languages, books, travelling and IT technologies.

**Aleksandra Niezbrzycka** got her Master's degree at the University of Economy in Bydgoszcz, specialization - Tourism and Recreation. She is currently doing her Master studies in English Philology at the Kazimierz Wielki University in Bydgoszcz. As a member of the International Office at the University of Economy in Bydgoszcz, Aleksandra is responsible for incoming students (those within the Erasmus Programme), coordination of the international workshops and relations with other universities. As a student, she participated in the Intensive Programme "Intercultural Approaches to Service Innovation and Design Methods" in Leicester. She has also been a participant of Camp America programme. For the past two years Aleksandra has been an assistant during the WSG Bydgoszcz Entrepreneur Cup. She is keen on travelling, Indie rock music and sport, especially rollerblading.

## **Project management: Creativity & Brainstorming techniques, WBS, retro planning/back-timing**

Sylvie Vanreenterghem

KATHO – Katholieke Hogeschool Zuid-West-Vlaanderen (Belgium)

In any line of business, people need to achieve results and a methodology which allows them to achieve these results efficiently. Instead of jumping onto projects and start realising them cluelessly, a mistake often made by students, people need to think. Otherwise you risk missing out on specific features or opportunities in a particular project or even not meeting the deadline.

Project management helps people to think through the process and to make the right decisions. It enables people to start a project and structure it on a macro level, and gives them a clue how to manage a project. But what happens on the micro level? That is where creativity, brainstorming techniques and planning techniques come in.

### **SHEER CREATIVITY**

There are a few misconceptions about creativity. It is often seen as a very rare characteristic of a few amount of people that are not afraid to show and work with their creativity in an artistic sense, such as painting, drawing and other art-related expressions. But creativity is actually not steered by divine inspiration or by a muze, limited in an artistic context, neither it is innate. Anyone can be creative, as long as you have an open mindset. Often there is a kind of threshold to overcome before most people can be truly creative. Fear of being laughed at for silly, unconventional or unrealistic ideas often tempers and damps creativity and hence the belief that one is or can be creative. In an objective perspective however, creativity is the result of a process, a skill which can be developed, trained and improved by anyone.

### **CREATIVITY IN CORPORATE CONTEXTS: PROJECT MANAGEMENT**

Creative skills in a company are an important asset to the company because creativity triggers innovation, effectiveness, the designing of new products but

also new processes to create these products, or adapting old products and processes. Furthermore, creativity is a problem solving tool, which pushes people to think beyond the boundaries of the straight forward, when problems occur. In this perspective, creativity is driving force of project management.

Any type of project within a company helps to achieve the goals of that company, as stated in its mission statement. Those goals are related to the design and production of products and services, increasing sales, competing with competitors by diversification and innovation, branding the products or services and their image through (event) marketing campaigns and solving problems.

If a company sets up a project in order to deal with a new problem, or a challenge, creativity helps to find solutions, allows to diversify existing products or services, enables the design and creation of new features and new products as a part of the innovative goals of a company.

Innovation is an important element of progress and health of a company and is steered by trends that allow societies to move forward. By realising that products, services etc. go through a life cycle, and that there are different kinds of adopters (customers) one can understand that innovation plays a crucial part in the survival of a company. Creativity then is a basic element for innovation, in the pursuit of new and original ideas and features.

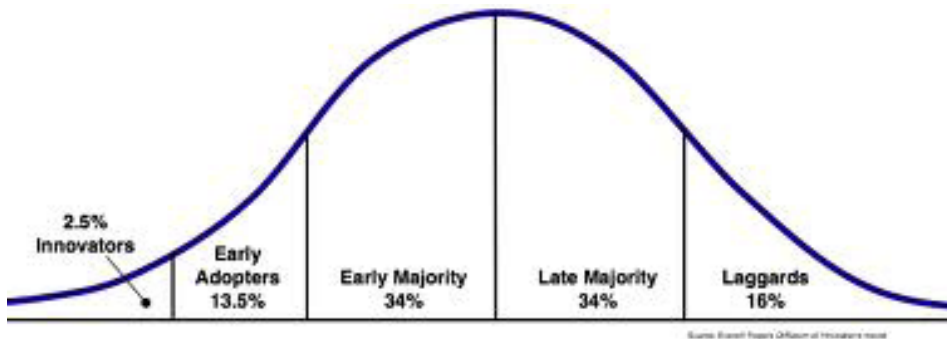


Fig. 1. Adoption curve

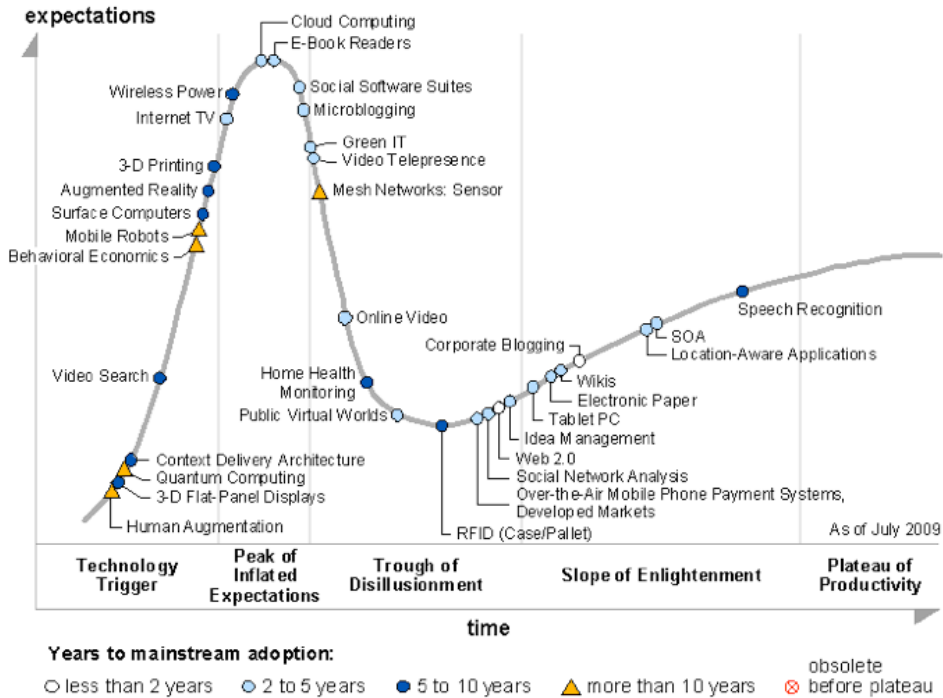


Fig. 2. Trends and the Product Life Cycle

As mentioned before, project management on a macro level focuses on the different stages within a project and the group dynamic aspect within a project (projects are usually team efforts). There are several theoretical models to refer to which usually divide a project in a initiation stage in which the goals of the project are being analysed and defined and a methodology is decided, a creational stage in which a product, service, solution is designed, a planning stage in which the different aspects of the methodology are mounted on a timeline, a productional stage in which the product, service, solution... is actually being developed, produced, executed and a stage for the assessment of the entire project.

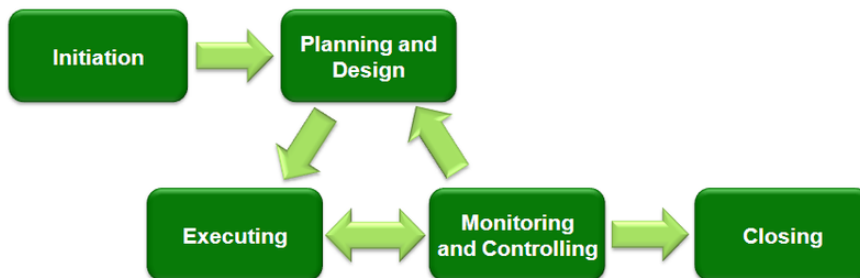


Fig. 3. Project management in phases

Project management on the macro level usually acquires a top-down approach. Project management on a micro level is how to realise all these different stages from the bottom up. Therefore you will need creative skills and a set of tools to materialize the first stages in which you analyse the goals and challenges and design the answers, mostly from scratch.

### **CREATIVE SKILLS AND THE CREATIVE PROCESS**

Being creative for the mere sake of creativity itself is not very common in corporate contexts. On the contrary, you will need your creativity when you are either challenged with a problem or presented with a question to develop new products or new features for existing ones. Developing and training creative skills is a process (you can get better at it by training it) but it also requires some understanding of what creative skills are. As mentioned before, people definitely need an open mindset in order to be able to be creative. Apart from that, there are a few creative skills that can be trained, the first being open perception.

Open perception refers to the assessment of a basic setting that you are confronted with in a challenge. It means that you need to be able to perceive many elements simultaneously and thoroughly. People's minds tend to fit everything in predefined templates and even autocorrect aspects that seem out-of-place. But if you want to be creative it is important to break through routine and order and not let your mind predominate your way of thinking into the traditional and conventional patterns that it is used to, because they won't lead you to new insights.

A second creative skill is delaying judgment. Creative ideas should not be assassinated from the moment they originate from somebody's mind, but should be nourished and fed into valuable ideas or at least be taken seriously. Too often a stroke of negativism arises when ideas seem to be too far-fetched, too unrealistic, too expensive, too 'been there, done that'... Even though an idea seems useless at the moment, if it is discarded right from the start, there is no basis to work with in a following stage. Therefore it is absolutely necessary to avoid any negativism during creative sessions. This doesn't mean however that any idea is a good idea, but you should postpone assessing ideas to the right time, that is after checking out all the opportunities. (see further on) In this perspective, prejudging should also be avoided.

A third set of creative skills can be combined in all sorts of brainstorming techniques. For brainstorming itself, you can use a number of tools or techniques which allow you to come up with ideas. The most common technique in brainstorming is using association or derived associative techniques, such as dissociation and resociation. Some other techniques can be summarised in the acronym SCREAM: Substituting elements of existing ideas, Combining existing ideas, Rearranging elements of existing ideas, Eliminating elements, Adapting ideas,



Magnifying the scope of ideas by assigning new uses to existing elements. Other brainstorming tools help you to arrange your ideas during a brainstorm, such as mindmapping, post-it wars, brainwriting...



Fig. 4. Post-it War

A fourth creative skill is called piggybacking. When you piggyback, you apply your creative skills to the ideas of others. This usually results in a fresh round of ideas and fresh perspective on existing ones and allows you to push the limit and go beyond the boundaries of the straightforward ideas that you come up with in a first session. This means that being creative is a cyclical process.



Fig. 5. Piggybacking

This process consists of three stages. In the first stage you diverge on the challenge you are presented with, albeit finding a solution for a problem or a completely new product... In this stage, negativism should not be tolerated. You explore the boundaries of your ideas and concepts and you let your imagination run wild, but you also think about ways to come up with these ideas. It is important to allocate a set period of time to this stage and think beforehand about what techniques should be used to diverge.

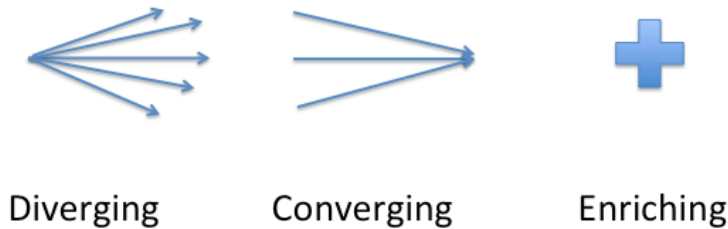


Fig. 6. The creative process

Sitting at a table and trying to be creative doesn't usually work. Assembling a number of people and asking them to be creative doesn't lower the threshold either. But by stating instructions and tools that are clear-cut and specific, the first steps into a creative assignment are made more easily and once these have been overcome, the rest will follow.

In a second stage you converge back to the key elements and you work with and assess the ideas that you have. You check if the ideas that you have come up with in the first stage respond to the initial goal. For the assessment of ideas you can for example use tools which allows you to consider if the ideas that you have come up with are innovative and realistic. There are also other assessment tools.

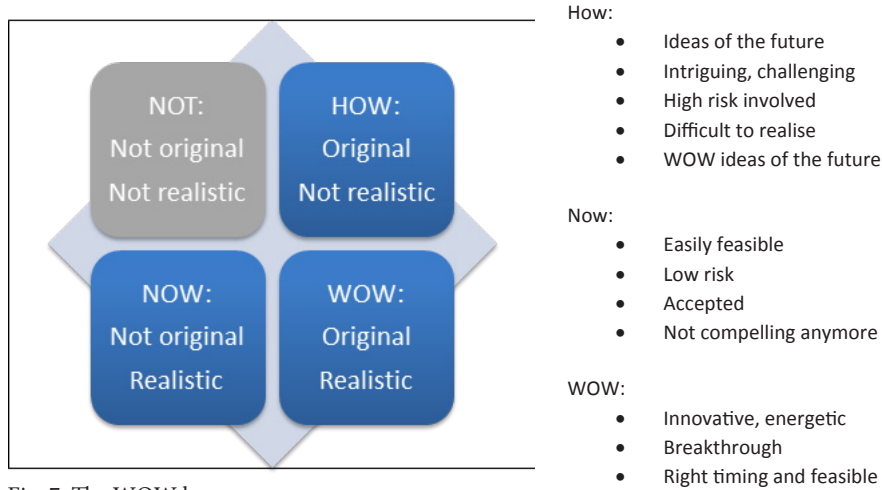


Fig. 7. The WOW box

In the third stage after the assessment, you will only have a few good ideas left, but they will probably need enriching. This means that you should work with the ideas and work on them by doing research on them, by diverging on them all over again. You try to add to the ideas and let them mature. You start thinking about how you will achieve these ideas, by looking for the right methodology. After you have decided on the ideas you want to work with you can move forward to the next stage in project management.

### PROJECT MANAGEMENT AND PLANNING

Whereas you use your creative skills mostly in the initiation and design stages in a project, you need your planning skills in the next. In this stage you will have to work out your methodology, but you can rely on tools which help you to design the planning. A first thing you should do, is trying to come up with all the aspects that come along with the idea or project that you want to realise. By using the Work Breakdown Structure (WBS), you break down / divide a project in several tasks, which again perhaps consist of several segments themselves. It is important to understand that a WBS is not a linear concept, because this will lead to the prolonging of a project. You will need to start working simultaneously on different levels of your project, in order to be efficient. This means using the right resources at the right time, albeit it commodities, labour force etc. It is however hierarchical, you will need to achieve more basic things first, before you can move on to the next.

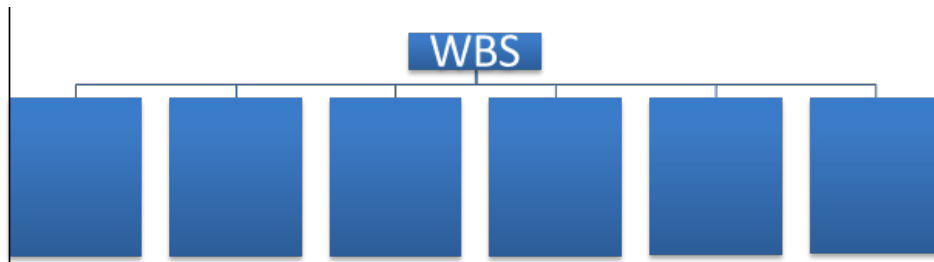


Fig. 8. The Work Breakdown Structure

Once you have made the WBS, you can start planning. A schedule can be made by using software tools, but it is nevertheless important to think through your planning. If deadlines are involved, and they usually are, a backtiming (= retroplanning) makes you think more thoroughly on the allocated period of time you have set to make a deadline. You start with the final deadline and check how many days, weeks, months before that you need for realising the several aspects of your project by moving backwards. You translate your WBS into your backtiming and this will allow you to assess whether the time that you had anticipated for a project is accurate or under-/ overestimated.

| 1 year<br>before | 6 months<br>before | 2 months<br>before | 1 month<br>before | 2 weeks<br>before | 1 week<br>before | 1 day<br>before | Deadline |
|------------------|--------------------|--------------------|-------------------|-------------------|------------------|-----------------|----------|
|                  |                    |                    |                   |                   |                  |                 |          |

Fig. 9. Retro planning/ Back-timing

Once you have designed your project, methodology and planning you can start executing. If you have dealt with the previous stages sufficiently and adequately, you shouldn't encounter too many problems from here on. Thinking things through well in the beginning of a project might help you to save time afterwards. If problems do however encounter, address your creative skills to come up with solutions and adapt your planning.

This article is based on :

Vanrenterghem, S., Eventplanning: the basics, Unpublished course materials of KATHO University College, 2010

Credits to: Flanders District of Creativity

**Sylvie Vanrenterghem** has a Master's degree in Philology (English major, Dutch linguistics) and completed her Pedagogic supplement the year after. She has also studied marketing. She has worked for KATHO at HANTAL Business School since 2007, where she started teaching English, Communicative skills and Group dynamics in the Business Management programmes. She started her research on Multilingualism and its economic benefits the year after. The first publication appeared in 2012. Additionally in 2010, she started teaching and researching Event Management and Project Planning, for which she created workshops on Creativity and Brainstorming techniques.

## **Effective and non-effective communication skills**

Coro Aycart

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Communication is the essence of life. Every day, millions of messages are sent and received both verbally and non-verbally. Whether it is the president making a speech, a billboard promoting a product or a professor lecturing to a class, communication has the power to shape and change culture, society and the lives of individuals. Communication is simply conveying information to another person in a way they fully understand. Ineffective communication can lead to confusion, frustration and low morale.

The word is the result of reflection and the essential part of communication. The word hurts, cures, kills etc. The word is the beginning of life. The word creates life: “In the beginning was the Word and the Word was with God and the Word was God.”(John 1:1).

Though in many countries and for many decades, there has been a deficit in the attention paid to this aspect of communicative competence, to orality, in formal education, not having it in mind means that life is a pure theatre. Not to lie, but to feel the effectiveness and sense the transmission of our will, our task and our knowledge. The theater is one of the early human activities: children playing moms and dads, doctors, singers etc.

Each day we interpret different roles in different scenarios: in the classroom, at home, as customers, on the phone etc. We should face our daily work with the preparation of the actor: relaxed, focused, with analysis and awareness of the scene and the text and showing respect for the public. The actor accepts a role together with his personal commitment; he has to if he does not want to appear untrue.

Knowing how to speak well is to use language strategically to achieve the objectives. Any communicative act is a process of Information and PERSONAL INTENTIONS exchange. Every statement has an explicit and one implicit piece of information. “You owe me € 500” (the implication is “Let’s see when you give me

the money back “). One thing is the lexical-semantic meaning and another the pragmatic meaning that statements acquire when contextualised in a communicative situation. If participants do not understand one another despite speaking the same language, it means they do not share the same contextual information.

The speaker’s communication skills require:

- Awareness of the linguistic code
- Pragmatic knowledge
- Linguistic variety
- Identification of the type of interlocutor, scenario

This activity combines different disciplines:

**RULES OF PUBLIC SPEAKING:** In the year 102 the Chinese invented the paper. In 1457 the first book was printed, it was the Bible. There was no written tradition. It was the dialogue in which came the thought, knowledge and ideas. There was only an oral tradition.

COMMUNICATION AND LANGUAGE STUDIES

MODERN SCIENCES (Psychology)

**THEORY OF IMAGE:** Increasing oral communication is accompanied by the image. The clearest example is an ad on TV. Sometimes the image encourages more than the speech, sometimes it may contradict it.

Verbal and non-verbal communication

Research by Prof. Albert Mehrabian of UCLA concluded that:

7% of the message pertaining to feelings and attitudes is in the words that are spoken.

38% of the message pertaining to feelings and attitudes is paralinguistic (the way the words are said).

55% of the message pertaining to feelings and attitudes is in facial expression.

While these statistics pertain to feelings and attitudes, we must remember that even with variation in the percentages, words alone cannot always convey the meaning.

For example, how would you interpret the following sentence?

“I did not say that he stole the wallet”

The interpretation changes depending on which word is emphasised as shown below:

I did not say that he stole the wallet – meaning, someone else said it.

I did not say that he stole the wallet – meaning, I did not convey the message orally.

I did not say that he stole the wallet– meaning, someone else stole the wallet.

I did not say that he stole the wallet– meaning that it could be that he either took the wallet with permission or that he just found it and kept it.

I did not say that he stole the wallet– meaning, he stole something other than the wallet.

Many people have experienced a situation when they thought they had successfully completed a task according to expectations only to find out that they misunderstood the instructions that they had been given. Effective communication requires the sender’s instructions conveyed to the receiver to be clear, concise and to the point. There should be no cryptic underlying message requiring further interpretation. Ineffective communication is vague while effective communication is precise. In the above-mentioned instance rather than just making a vague request for something to be done, details such as how and when it should be done need to be outlined by the sender.

Communication can only be considered effective when the listener accurately understands the message. It is both the sending and receiving that matter.

Simply expressing ideas, thoughts and emotions does not make communication effective.

Effective communication requires the sender’s instructions conveyed to the receiver to be clear, concise and to the point.

Rather than just making a vague request for something to be done, details such as how and when it should be done need to be outlined by the sender.

The communicator must be clear that much of the information does not reach the addressee «Express not equivalent to listen, listen and understand is not to understand not supposed to be operated»

### **Active listening**

Another sign of ineffective communication is if either party in the process does more talking than listening or vice versa. Effective communication is a process of a two-way interaction between the sender and receiver. Being responsive to the perspective and needs of the other person is an important element of effective communication. The sender should cross-check with the receiver that his/her message is clear and being understood while the receiver should be able to ask questions to clarify any elements which were not fully grasped.

Listening is not the same as hearing. Hearing is the registering of sounds. Listening involves paying attention to what is heard. While listening actively, one not only pays attention to the words, tone and gestures, one also gives feedback using verbal, paraverbal and non-verbal cues to gain understanding from the perspective of the speaker.

Listening is never a passive act. The ability to listen strongly influences the communication process. The message does not always come from us, but we are responsible for closing the circle and make it possible to create a truly effective communication.

### **Language**

Communication between two parties is often ineffective because the sender uses the language that the receiver does not understand. This is a common occurrence in business environments where assumptions are made about the receiver's understanding and knowledge of technical jargon, acronyms and other specialist information. Senders sometimes can bombard receivers with too much information, which makes them switch off and completely miss the message. Another issue may be that the sender speaks too quickly and the receiver is not able to pick up the new and unfamiliar information being expressed.

### **Behaviour**

In human communication behaviour can be:

Aggressive

Submissive

Assertive

Aggressiveness is demonstrated by:

Speaking louder than others;

Signing bigger and forcefully over others;



Interrupting others;  
Bullying;  
Using sarcasm;  
or using intimidating body language

Submissive people, on the contrary, tend to avoid conflicts at all costs at the expense of themselves. They are reluctant to stand up for themselves or their rights and avoid placing themselves in situations where they will have to face a conflict.

Assertive behaviour is demonstrated by people standing up for themselves and their rights. It is usually done in a way that helps others to do the same and by not avoiding conflicts like submissive people or revel in them like aggressive people do.

Assertive people address conflicts in a way that is fair to all the involved and demonstrate an inner confidence or reassurance which allows resolution of conflicts in a mutually compromising way.

### **How do you become assertive?**

**START SMALL.** Address the obvious stuff, such as your right to be served before the guy behind you in a queue.

**BE SPECIFIC.** People are more likely to respond favourably to what Kowalski calls instrumental complaints (about things that can be changed or fixed) than to expressive complaints (gripes that are incessant and vague, such as «I hate this job»).

**NARROW YOUR GOALS.** Gripes about a single issue are better than multi-issue gripes, so prioritize and be clear about what you want. Is it an apology? Is there a refund on a sweater that faded even though you had followed the washing instructions?

**MAKE MANAGEABLE REQUESTS, NOT ACCUSATIONS.** When the waiter seats you by the kitchen, do not say «Isn't there a better table? This one's awful.» Instead, try «Can we sit over there? I'd prefer the table by the window.» Most people are happy to help, especially if you present them with an easy way to do it.»

**GRIPE ABOUT THE BEHAVIOUR, NOT THE PERSON.** People are more willing to see things your way when they are not being attacked, so always gripe about what they are doing, not about who they are. Rather than bark «You're so inconsiderate!» when your co-worker is blasting music, say «I'm having trouble focusing. Would you mind turning that down?»

**CHOOSE YOUR MOMENT.** Let us say you want to bring up the fact that your husband never makes the bed in the morning. That is great, but there is something to be said for timing. If he has just walked in after his own hard day, chances are you will not get his full, sympathetic attention. Wait until he is relaxed, and he will probably be much more agreeable.

### **Assertive techniques**

Self-disclosure: allows you to tell a little bit about yourself by the use of e.g.

“That concerns me.....”

“I feel uncomfortable when you speak that way...”

«I understand you have a lot of work, but I need you to give your commitment, so please ...»

Stating clearly and concisely what you want, what you think or how you feel.



Fig. 1. Creating a common space WE

Smoothing orders...

Indicating that it takes little time: „If you have a moment ...”

Expressing the desire not to interfere in the plans of the interlocutor

Adding to the command expressions such as: “please, would you please...”

Using interrogative and conditional forms: “Would you mind moving your car?”

Past tense: “I wanted to ask you...”

Using an Impersonal form to stay out of the request: “The debt has to be cancelled by February 25<sup>th</sup>”

Making suggestions: “Maybe we can paint it again?”

Let someone else know that you do appreciate their position.

“Gee I realize how hard it is for you.....”

### **ASSERTIVE people**

Get better results

Live longer and healthier

Enjoy rewarding relationships

Continually practise being assertive

Successful communication depends upon the receiver. As a communication source, we spend a lot of time preparing messages and selecting channels, but if the receiver does not get the message, we have not communicated.

It is as Aristotle said 300 years before the birth of Christ: “For of the three elements in speech-making — speaker, subject, and person addressed — it is the last one, the hearer that determines the speech’s end and object.”

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## Strategic Management

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Károly Róbert College (Hungary)

The word “strategy” derives from the Greek word “stratēgos”; stratus (meaning army) and “ago” (meaning leading/moving).

**Strategy** is an action that managers take to attain one or more of the organization’s goals. Strategy can also be defined as “A general direction set for the company and its various components to achieve a desired state in the future. Strategy results from the detailed strategic planning process”.

Strategy is all about integrating organizational activities, utilizing and allocating the scarce resources within the organizational environment so as to meet the present objectives. While planning a strategy it is essential to consider that decisions are not taken in a vacuum and that any act taken by a firm is likely to be met by a reaction from those affected competitors, customers, employees or suppliers.

Additionally strategy can be defined as knowledge of the goals, the uncertainty of events and the need to take the likely or actual behaviour of others into consideration. Strategy is the blueprint of decisions in an organization that shows its objectives and goals, reduces the key policies, and plans for achieving these goals, and defines the business the company is to carry on, the type of economic and human organization it wants to be, and the contribution it plans to make to its shareholders, customers and society at large.

### FEATURES OF STRATEGY

1. Strategy is significant because it is not possible to foresee the future. Without a perfect foresight, the firms must be ready to deal with the uncertain events which constitute the business environment.
2. Strategy deals with long-term developments rather than routine operations, i.e. it deals with probability of innovations or new products, new methods of productions, or new markets to be developed in the future.

3. Strategy is created to take the probable behaviour of customers and competitors into account. Strategies dealing with employees will predict the employee's behaviour.

**Strategy is a well-defined roadmap of an organization.** It defines the overall mission, vision and direction of an organization. The objective of a strategy is to maximize the organization's strengths and to minimize the competitors' strengths.

Strategy, in short, bridges a gap between "where we are" and "where we want to be". The strategic management process means defining the organization's strategy. It is also defined as the process by which the managers choose from a set of strategies for the organization that will enable it to achieve better performance. Strategic management is a continuous process that appraises the business and industries in which the organization is involved; appraises its competitors; and fixes the goals to meet all the present and future competitors and then assesses each strategy again.

Strategic management is an ongoing process. Therefore, it must be understood that each component interacts with other components and that this interaction often happens in a chorus.

**Strategic management** is a field that deals with the major, intended and emergent, initiatives taken by general managers on behalf of the owners, involving the use of resources, to enhance the performance of firms in their external environments. It entails specifying the organization's mission, vision and objectives, developing policies and plans, often in terms of projects and programs, which are designed to achieve these objectives, and then allocating the resources to implement the policies and plans, projects and programs. A balanced scorecard is often used to evaluate the overall performance of the business and its progress towards the objectives. Recent studies and leading management theorists have advocated that strategy needs to start with stakeholders expectations and use a modified balanced scorecard which includes all stakeholders.

### DEVELOPING A VISION AND A MISSION

The key components of 'strategic planning' include understanding of the firm's vision, mission, values and strategies. The vision and mission are often captured in a Vision Statement and Mission Statement.

**Vision:** outlines what the organization wants to be, or how it wants the world in which it operates to be (an "idealised" view of the world). It is a long-term view which concentrates on the future. It can be emotive and is a source of inspiration. For example, a charity working with the poor might have a vision statement which reads "A World without Poverty."

**Mission:** defines the fundamental purpose of an organization or an enterprise, succinctly describing why it exists and what it does to achieve its vision. For example, the charity above might have a mission statement as “providing jobs for the homeless and unemployed”.

**Strategic management process has the following four steps:**

1. **Environmental scanning** refers to the process of collecting, scrutinizing and providing information for strategic purposes. It helps in analyzing the internal and external factors influencing an organization. After executing the environmental analysis process, the management should evaluate it on a continuous basis and strive to improve it.
2. **Strategy formulation** is the process of deciding on the best course of action for accomplishing organizational objectives and hence achieving organizational purpose.
3. **Strategy implementation** implies making strategy work as intended or putting the organization’s chosen strategy into action. It includes designing the organization’s structure, distributing resources, developing decision-making process and managing human resources.
4. **Strategy evaluation** is the final step of a strategy management process. The key strategy evaluation activities are appraising internal and external factors that are the root of present strategies, measuring performance and taking remedial/corrective actions. Evaluation makes sure that the organizational strategy, as well as its implementation, meets the organizational objectives.

These components are steps that are carried out, in the chronological order, when creating a new strategic management plan. Present businesses that have already created a strategic management plan will revert to these steps as per the situation’s requirement, so as to make the essential changes.

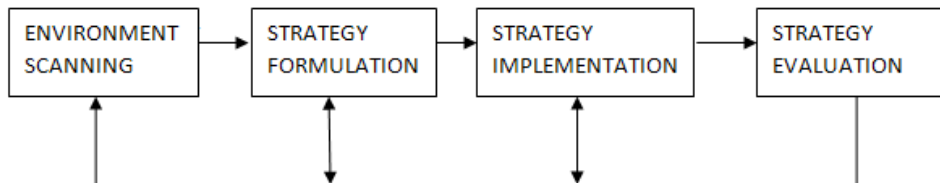


Fig. 1. Steps of strategic management proces

**COMPONENTS OF THE STRATEGIC MANAGEMENT PROCESS**

Strategy formulation refers to the process of choosing the most appropriate course of action for the completion of organizational goals and objectives and

thereby achieving the organizational vision. **The process of strategy formulation basically involves six main steps.** Though these steps do not follow a rigid chronological order, however, they are very rational and can be easily followed in this order.

1. **Setting the Organizations' objectives** - The key component of any strategy statement is to set the long-term objectives of the organization. It is known that strategy is generally a medium for completion of organizational objectives. Objectives stress the state of being there whereas Strategy stresses upon the process of reaching there. Strategy includes both the fixation of objectives as well the medium to be used to complete those objectives. Thus, strategy is a wider term which believes in the manner of resource deployment so as to achieve the objectives. While fixing the organizational objectives, it is essential that the factors which influence the selection of objectives must be analyzed before the selection of objectives. Once the objectives and the factors influencing strategic decisions have been determined, it is easy to take strategic decisions.
2. **Evaluating the Organizational Environment** - The next step is to evaluate the general economic and industrial environment in which the organization operates. This includes a review of the organizations' competitive position. It is essential to conduct a qualitative and quantitative review of the organizations' existing product line. The purpose of such a review is to make sure that the factors important for competitive success in the market can be discovered so that the management can identify their own strengths and weaknesses as well as their competitors' strengths and weaknesses. After identifying its strengths and weaknesses, an organization must keep a track of the competitors' moves and actions so as to discover probable opportunities of threats to its market or supply sources.
3. **Setting Quantitative Targets** - In this step, an organization must fix the quantitative target values for some of the organizational objectives. The main idea of that is to make a comparison with the long-term customers, so as to evaluate the contribution that might be made by various product zones or operating departments.
4. **Aiming in context with the divisional plans** - In this step, the contributions made by each department, a division or a product category within the organization are identified and accordingly strategic planning is done for each sub-unit. This requires a careful analysis of the macroeconomic trends.
5. **Performance Analysis** - It includes discovering and analyzing the gap between the planned and desired performance. A critical evaluation of the organizations' past performance, present condition and the desired future conditions

must be done by the organization. This critical evaluation identifies the degree of a gap that persists in the actual reality and the long-term aspirations of the organization. An attempt is made by the organization to estimate its probable future condition if the current trends persist.

6. **Choice of Strategy** - This is the ultimate step in the Strategy Formulation. The best course of action is actually chosen after considering organizational goals, organizational strengths, potential and limitations as well as the external opportunities.

### STRATEGIC PLANNING PROCESS

There are many approaches to strategic planning but typically one of the following approaches is used:

| <i>Situation-Target-Proposal</i>   | <i>Draw-See-Think-Plan</i>   |
|--|--|
| <ul style="list-style-type: none"> <li>• <b>Situation</b> - evaluate the current situation and how it came about.</li> <li>• <b>Target</b> - define goals and/or objectives (sometimes called the ideal state)</li> <li>• <b>Path / Proposal</b> - map a possible route to the goals/objectives</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Draw</b> - what is the ideal image or the desired final state?</li> <li>• <b>See</b> - what is today's situation? What is the gap from the ideal state and why?</li> <li>• <b>Think</b> - what specific actions must be taken to close the gap between today's situation and the ideal state?</li> <li>• <b>Plan</b> - what resources are required to execute the activities?</li> </ul> |

Tab. 1. Approaches to strategic planning

### ANSOFF'S PRODUCT / MARKET MATRIX

The Ansoff Growth matrix is a tool that helps businesses to decide on their product and market growth strategy.

Ansoff's product/market growth matrix suggests that business attempts to grow depend on whether it markets **new or existing** products in **new or existing markets**.



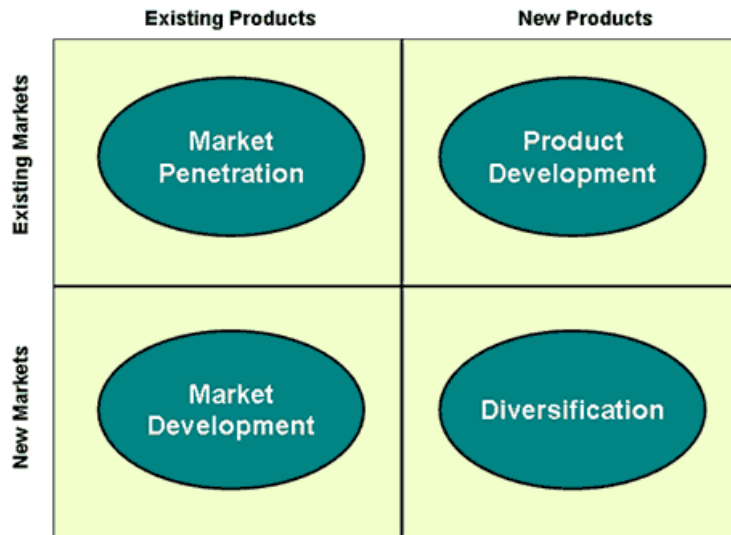


Fig. 2. The Ansoff product/market matrix

The output from the Ansoff product/market matrix is a series of suggested growth strategies that set the direction for the business strategy. These are described below:

### Market penetration

Market penetration is the name given to a growth strategy where the business focuses on selling the existing products on existing markets.

Market penetration seeks to achieve four main objectives:

- Maintain or increase the market share of current products – this can be achieved by a combination of competitive pricing strategies, advertising, sales promotion and perhaps more resources dedicated to personal selling.
- Secure dominance of growth markets
- Restructure a mature market by driving out competitors; this would require a much more aggressive promotional campaign, supported by a pricing strategy designed to make the market unattractive to competitors
- Increase usage by existing customers, for example, by introducing loyalty schemes

A market penetration marketing strategy is very much about “business as usual”. The business focuses on markets and products it knows well. It is likely to have

good information on competitors and on the customer needs. It is unlikely, therefore, that this strategy will require much investment in the new market research.

### **Market development**

Market development is the name given to a growth strategy where the business seeks to sell its existing products on new markets.

There are many possible ways of approaching this strategy, including:

- New geographical markets; for example exporting the product to a new country
- New product dimensions or packaging
- New distribution channels
- Different pricing policies to attract different customers or create new market segments

### **Product development**

Product development is the name given to a growth strategy where a business aims at introducing new products on existing markets. This strategy may require the development of new competencies and the business to develop modified products which can appeal to existing markets.

### **Diversification**

Diversification is the name given to the growth strategy where a business markets new products on new markets. This is an inherently more of a risk strategy because the business is moving on markets in which it has little or no experience. In order to make a business adopt a diversification strategy, it must have a clear idea about what it expects to gain from the strategy and an honest assessment of the risks.

### **Strategic decision-making**

Strategic deals with the long-run future of the entire organization and have three characteristic:

1. Rare- strategic decisions are unusual and typically have no precedent to follow.
2. Consequential- strategic decisions commit substantial resources and demand a great deal of commitment

3. Directive- strategic decisions set precedents for lesser decisions and future actions throughout the organization.

Following the eight-step strategic decision-making process that is proposed

1. Evaluate current performance results
2. Review corporate governance
3. Scan the external environment
4. Analyze strategic factors (SWOT)
5. Generate, evaluate and select the best alternative strategy
6. Implement selected strategies
7. Evaluate implemented strategies

### **ENVIRONMENTAL SCANNING AND INDUSTRY ANALYSIS**

**Environmental scanning** is the monitoring, evaluating and disseminating of information from the external and internal environments to keep people within the corporation. It is a tool that a corporation uses to avoid strategic surprise and to ensure long-term health.

The social environment includes general forces that do not directly touch the short-run activities of the organization but those can, and often do, influence its long-run decisions. These forces are:

- Economic forces
- Technological forces
- Political-legal forces
- Sociocultural forces

The **social environment** contains many possible strategic factors. The number of factors becomes enormous when a person realizes that each country in the world can be represented by its own unique set of societal forces, some of which are very similar to the neighbouring countries and some of which are very different.

Large corporations categorized the social environment in any geographic region into four areas and focus their scanning in each area on the trends with corporate-wide relevance. Trends in any area may be very important to the firms in other industries.

Trends in economic part of societal environment can have an obvious impact on business activity. Changes in the technological part of the societal environment have a significant impact on business firms. Demographic trends are part of sociocultural aspects of the societal environment.

For each country or a group of countries in which a company operates, the management must face a whole new societal environment having different economic, technological, political-legal, and sociocultural variables. This is especially an issue for a multinational corporation, a company having significant manufacturing and marketing operations in multiple countries. International society environments vary so widely that a corporation's internal environment and strategic management process must be very flexible.

A corporation's scanning of the environment should include the analysis of all the relevant elements in the task environment. These analyses take the form of individual reports written by various people in different parts of the firms. These and other reports are then summarized and transmitted up to the corporate hierarchy for top management to use in strategic decision-making. If a new development reported a particular product category, the top management may then send memos to people throughout the organization and reports on development in related product areas. The many reports resulting from these scanning efforts when boiled down to their essential, act as a detailed list of external strategic factors.

One way to identify and analyze developments in the external environment is to use the issue priority matrix as follows.

1. Identify a number of likely trends emerging in the societal and task environment. These are strategic environmental issues. Those important trends that, if they happen, would determine what various industries would look like.
2. Assess the probability of the trends actually occurring.
3. Attempt to ascertain the likely impact of each of these corporation trends.

Michael Porter, an authority on competitive strategy, contends that a corporation is most concerned with the intensity of competition within its industry. Basic competitive forces determine the intensity level. The stronger each of these forces is the more companies are limited in their ability to raise prices and earn greater profits.

**New entrants** are newcomers to the existing industry. They typically bring new capacity, a desire to gain market share and substantial resources. Therefore they are threats to an established corporation. Some of the possible barriers to entry are as follows.

1. Economies of scale
2. Product differentiation
3. Capital requirements
4. Switching costs
5. Access to distribution channels

6. Cost disadvantages, independent of size
7. Government policy

**Rivalry** is the amount of direct competition in an industry. In most industries corporations they are mutually dependent. A competitive move by one firm can be expected to have a noticeable effect on its competitors and thus make us retaliate or counter efforts. According to Porter, intense rivalry is related to the presence of the following factors.

1. number of competitors
2. rate of industry growth
3. product or service characteristics
4. amount of fixed costs
5. capacity
6. height of exit barriers
7. diversity of rivals

**Substitute products** are those products that appear to be different but can meet the same need as another product. According to Porter, “Substitute limits the potential returns of an industry by placing a ceiling on the prices firms in the industry can profitably charge.” To the extent that switching costs are low. Substitutes may have a strong effect on the industry.

**Buyers** affect the industry through their ability to force down prices, bargain for higher quality or more services, and play competitors against each other.

**Suppliers** can affect the industry through their ability to raise prices or reduce the quality of purchased goods and services.

### STAGES OF CORPORATE DEVELOPMENT

Successful Corporation tends to follow a pattern of structural development called stages of development as they grow and expand. Starting with the simple structure of the entrepreneurial firm, they usually get larger and organize along functional lines with marketing production and finance department. With continuing success the company adds new product lines in different industries and organizes itself into interconnected divisions. The differences among these three stages of corporate development in terms of typical problems, objectives' strategies, reward systems and other characteristics as specified in detail in the table below.

| Function |                           | Stage I  | Stage II   | Stage III  |
|----------|---------------------------|--|--|--|
| 1        | Sizing up: major problems | Survival and growth dealing with short-term operating problems | Growth, nationalization and expansion of resources                         | Trusteeship in management and investment and a control of large increasing and diversified resources |
| 2        | Objectives                | Personal and subjective  | Profits and meetings functionally-oriented budgets and performance targets | ROI, profits, earnings per share   |
| 3        | Strategy                  | Implicit and personal  | Functionally-oriented, exploitation of a basic product or service          | Group and product diversification  |
| 4        | Organization              | One-man show   | Functionally specialized group   | Multiunit general staff office and decentralized operating divisions                                 |
| 5        | Measurement and control   | Personal, subjective control                                   | Assessment of functional operation   | Complex formula system geared to comparative assessment of performance measure                       |
| 6        | Reward punishment system  | Informal, personal, subjective                                 | More structures  | Company-wide policies usually applied to many different classes of managers and workers              |

Tab. 2. Differences between the stages of corporate development

source: <http://www.hrfolks.com/articles/strategic%20hrm/essentials%20of%20strategic%20management.pdf>

The organizational life cycle describes how the organization grows, develops and eventually declines. The stages of organization life cycles are as follows:

1. Birth
2. Growth
3. Maturity
4. Decline
5. Death

|                    | Stage I                  | Stage II                            | Stage III  | Stage IV                                 | Stage V                     |
|--------------------|--------------------------|-------------------------------------|--|--|-----------------------------|
| Dominate issue     | Birth                    | Growth                              | Maturity   | Decline                                  | Death                       |
| Popular strategies | Concentration in a niche | Horizontal and vertical integration | Concentric and conglomerate diversification        | Profit strategy followed by retrenchment | Liquidation or bankruptcy   |
| Likely structure   | Entrepreneur dominated   | Functional management emphasized    | Decentralization into profit or investment centres | Structural surgery                       | Dismemberment of structures |

Tab. 3. Organizational life cycle

source: <http://www.hrfolks.com/articles/strategic%20hrm/essentials%20of%20strategic%20management.pdf>

### EVALUATION AND CONTROL

It is the process via which the corporate activities and performance results are monitored so that actual performance can be compared with the desired performance. This process can be viewed as a five-step feedback model.

1. Determine what to measure.
2. Establish standards of performance.
3. Measure actual performance.
4. Compare actual performance with the standard.
5. Take corrective action.

Evaluation and control information consist of performance data and activity reports. Top management does not need to be involved. However, if the processes themselves cause the undesired performance, both top managers and operational managers must know about it so that they can develop new implementation programs or procedures.

Evaluation and control information must be relevant to what is being monitored. One of the obstacles to effective control is the difficulty in developing appropriate measures of important activities and outputs.

### USE OF MEASURES

**Returns on Investment (ROI)** are appropriate for evaluating the corporation or division's ability to achieve profitability objectives. This type of measure, however, is adequate for evaluating additional corporate objectives such as so-

cial responsibility or employee development. Therefore a firm needs to develop measures that predict likely profitability. These are referred to as steering controls because they measure those variables that influence future profitability.

Controls can be established to focus either on actual performance results or on the activities that generate the performance. Behaviour controls specify how something is to be done through policies, rules, standard operating procedures and orders from a superior. Output controls specify what is to be accomplished by focusing on the result at the final result of the behaviour through the use of objectives or performance targets or milestones. They are not interchangeable. Behaviour controls are most appropriate when performance results are hard to measure and a clear cause-effect connection exists between activities and results. Output controls are most appropriate when specific output measures are agreed upon and no clear cause-effect connection exists between activities and results.

**Activity-based costing (ABC)** is a new accounting method for allocating indirect and fixed costs to individual products or product lines based on the value-added activities going into that product. This method is very useful in doing a value-chain analysis of the firm's activities for making outsourcing decisions. It allows accountants to charge costs more accurately because it allocates overhead far more precisely. It can be used in many types of industries.

The most commonly used measure of **corporate performance** is ROI. It is simply the result of dividing net income before taxes by total assets. Return on the investment has several advantages. It is a single comprehensive figure that is influenced by everything that happens. It measures how well a decision manager uses the division's assets to generate the profits. It is a common denominator that can be compared with other companies and business units. It provides an incentive to use existing assets efficiently and to buy new once only when it would increase profits.

Each **stakeholder** has its own set of criteria to determine how well the corporation performs. The top management should establish one or more simple measures for each stakeholder category so that it can keep track of the stakeholder concerns.

**Shareholder value** is defined as the present value of the anticipated future streams of the cash flows from the business plus the value of the company if liquidated. The value of corporation is thus the value of its cash flows discounted back to their present value, with the use of the business capital cost at the discount rate.

**Economic value-added (EVA)** is the after tax operating profit minus the total annual capital cost. It measures the pre-strategy value of the business.

**Responsibility centres** are used to isolate a unit so that it can be evaluated separately from the rest of the corporation. The resource centre is to produce



a service or a product. Five major types of responsibility centres are issued:

1. Standard cost centres.
2. Revenue centres.
3. Expense centres.
4. Profit centres.
5. Investment centres.

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## Understanding intercultural differences

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Intercultural communication or communication between people of different cultural backgrounds has always been and will probably remain an important precondition of human co-existence on earth. Moreover, we can define intercultural communication as the sharing of information on different levels of awareness and control between people with different cultural backgrounds, where different cultural backgrounds include both national cultural differences and the differences which are connected with participation in different activities that exist within a national unit.

To communicate competently across cultures, individuals must understand some of the ways in which cultures diverge in their world views. Edward Hall was an American anthropologist who pointed out the practical implications of differing world views. For example, Hall explained that some cultures are **monochronic** while others are **polychronic**.

| Monochronic People   | Polychronic People   |
|--|--|
| Do one thing at a time   | Do many things at once   |
| Concentrate on the job   | Highly distractible and subject to interruptions   |
| Take time commitments seriously (deadlines, schedules)                               | Consider time commitments an objective to be achieved only if possible                       |
| Low context, need of information   | High context, already have the information   |
| Committed to the job   | Committed to people  |
| Adhere religiously to plans  | Change plans often and easily  |
| Concerned about not disturbing others; Follow the rules of privacy and consideration | More concerned with relations (family, friends, close business associates) than with privacy |
| Show great respect for private property, seldom borrow or lend                       | Borrow and lend things often and easily  |
| Emphasize promptness   | Base promptness on the relationship  |
| Accustomed to short-term relationships   | Strong tendency to build lifetime relationships  |

Tab. 1. Common Time Differences in Business; *Source: Hall & Hall (1989)*

## HIGH CONTEXT VS. LOW CONTEXT

A low context culture is one in which things are fully (though concisely) spelled out. Things are made explicit, and there is considerable dependence on what is actually said or written. A high context culture is the one in which the communicators assume a great deal of commonality of knowledge and views, so that less is spelled out explicitly and much more is implicit or communicated in indirect ways. In a low context culture, more responsibility is placed on the listener to keep up their knowledge base and remain plugged into informal networks.

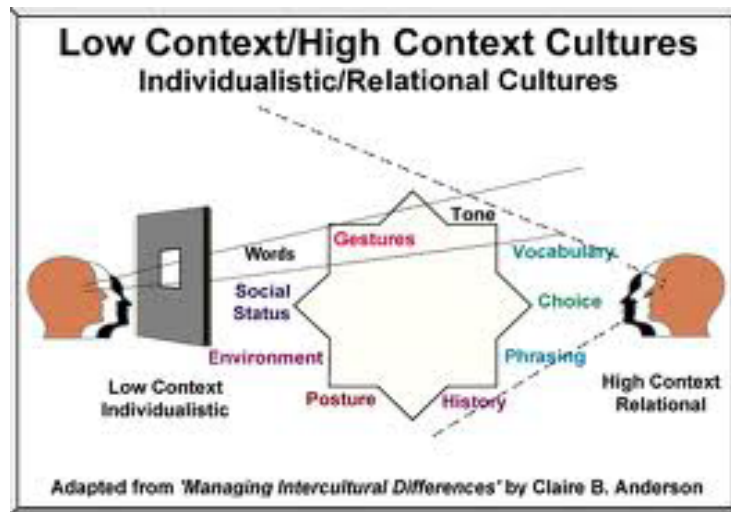


Fig. 1. Low Context / High Context Cultures

### High Context

|          |                  |
|----------|------------------|
| Japanese | French Canadian  |
| Chinese  | English          |
| Arab     | English Canadian |
| Greek    | American         |
| Mexican  | Scandinavian     |
| Spanish  | German           |
| Italian  | German Swiss     |
| French   |                  |

### Low Context

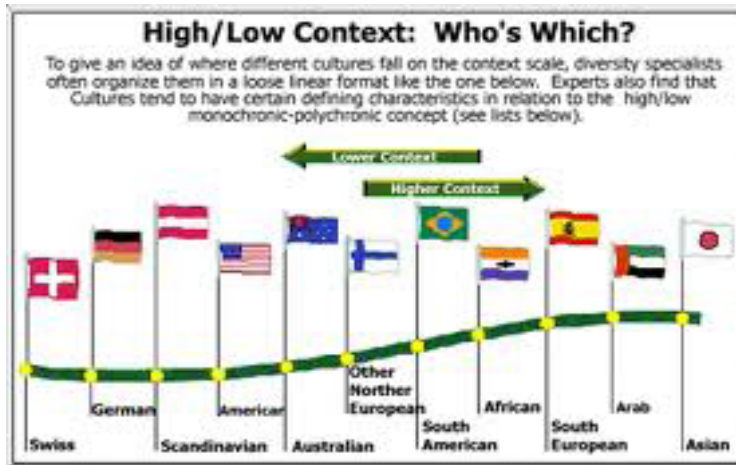


Fig. 2. High/Low Context by Profession

### High Context

|                        |                     |
|------------------------|---------------------|
| Human Resources        | Technical           |
| Marketing/Sales        | Information Systems |
| Manufacturing Products | Engineers           |
| R & D                  | Finance             |

### Low Context

Source: *TIME* (pp. 60-63)

## REPRESENTATIVE THEORIES

### Attribution theory

Attribution theory assumes that people try to determine why people do what they do, that is, interpret causes to an event or behaviour. A three-stage process underlies an attribution:

- behaviour must be observed/perceived
- behaviour must be determined to be intentional
- behaviour attributed to internal or external causes

Weiner's attribution theory is mainly about achievement. According to him, the most important factors affecting attributions are ability, effort, task difficulty, and luck. Attributions are classified along three causal dimensions:

- locus of control (two poles: internal vs. external)
- stability (do causes change over time or not?)

Controllability (causes one can control such as skills vs. causes one cannot control such as luck, others' actions, etc.)

### **Communication Accommodation Theory**

People in intercultural encounters, who see themselves as unique individuals, will adjust their speech style and content to mesh with others whose approval they seek. People who want to reinforce strong group identification will interact with those outside the group in a way that accentuates their differences (socio-psychological tradition).

### **Face Negotiation Theory**

People from collectivistic cultures with an interdependent self-image are concerned with giving other face or mutual face, so they adopt a conflict style of avoiding or integrating. People from individualistic cultures with an independent self-image are concerned with protecting self-face, so they adopt a conflict style of dominating (socio-cultural and socio-psychological traditions).

### **Genderlect Styles**

Male-female conversation is a cross-cultural communication. Masculine and feminine styles of discourse are best viewed as two distinct cultural dialects rather than as inferior or superior ways of speaking. Men's report talk focuses on status and independence; women's rapport talk seeks human connection (semiotic and socio-cultural traditions).

### **Muted Group Theory**

Man-made language aids in defining, depreciating, and excluding women. Women are less articulate in public because the words and the norms they use have been devised by men. As women cease to be muted, men will no longer maintain their position of dominance in society (critical phenomenological traditions).

Furthermore, Edward Hall observed the many difficulties created by failures of intercultural communication. Hall began to believe that basic differences in the way that members of different cultures perceived reality were responsible for miscommunications of the most fundamental kind.

Hall is most associated with proxemics, the study of the human use of space within the context of culture. In *The Hidden Dimension* (1966), Hall developed his theory of proxemics, arguing that human perceptions of space, although derived from sensory apparatus that all humans share, are moulded and patterned by culture. He argued that differing cultural frameworks for defining and organizing space, which are internalized in all people at an unconscious level, can lead to serious failures of communication and understanding in cross-cultural settings.

Hall's most famous innovation has to do with the definition of the informal or personal spaces that surround individuals:

- **Intimate space**— the closest “bubble” of space surrounding a person. The entry into this space is acceptable only for the closest friends and intimates.
- **Social and consultative spaces**— the spaces in which people feel comfortable conducting routine social interactions with acquaintances as well as strangers.
- **Public space**— the area of space beyond which people will perceive interactions as impersonal and relatively anonymous.

### EDWARD HALL'S THEORY OF PROXEMICS

Strangers waiting for a train in Oklahoma try to maintain at least 18” of personal space. Edward Hall's theory of proxemics suggests that people will maintain differing degrees of personal distance depending on the social setting and their cultural backgrounds.



Fig. 3. Strangers waiting for a train in Oklahoma

### WORKSHOPS

Thirty-two students from different European countries (Belgium, Spain, Turkey, Poland, Ukraine, Finland, Lithuania and Hungary) took part in the IC workshops. They were asked whether they agree or disagree with the statements written below.

1. *It is possible to make generalizations about people from other cultures.*
2. *Northern Europeans and US Americans respect schedules more than people from Mediterranean and Latin American cultures.*
3. *It really is true: very often it is the case that French are snobs, Germans are too*

*mechanical, Japanese are inscrutable, US Americans are arrogant, Spaniards and Latin Americans are lazy, and Catalans are cheap and unfriendly.*

4. *It is the responsibility of immigrants to completely adapt to the new culture. The native population has no responsibility at all to adapt to the immigrants.*
5. *I am lucky to have been born in a country with one of the richest cultures and languages in the world.*
6. *Most Third World countries could improve the living standards of their citizens.*
7. *All cultures are equally valid. No culture is better than any other culture.*
8. *All people are equal – always, all the time, under all circumstances.*

Adapted from: Developing Intercultural Awareness, Robert Kohls and John Knight

What is more, their second task was to discuss ‘Ways We Differ’.

1. *What’s polite or impolite and how we define “proper” behaviour*
2. *The holidays we celebrate and how we celebrate them*
3. *How we show respect and disrespect*
4. *What is modest or risqué*
5. *What makes us proud, and what is embarrassing or shameful*
6. *What, when, and how we eat and drink*
7. *What we wear and when and where we wear it*
8. *How we see and behave toward sickness and health*
9. *What we find funny or sad*
10. *What we buy and sell, and when, how, and with whom we do it*
11. *How closely we stand to each other*
12. *If, how, and when we touch each other*
13. *How and when we greet each other*
14. *How often we smile, whom we smile at, and what it means when we smile*
15. *How, whom, and how much we entertain*
16. *How or whether we take turns, stand in line etc.*
17. *How often we change jobs or “move house,” and where and why*
18. *How we interact -- with strangers, with a person in authority, with a person serving us etc.*
19. *What behaviour is ethical and what behaviour is not ethical*
20. *What is friendly or unfriendly*
21. *The importance of tradition and rituals*
22. *What we believe in*

23. *What we value*
  24. *What makes 'common sense'*
  25. *What are worthwhile goals in life*
  26. *The nature of God and other religious beliefs*
  27. *Whether a person is in control of his or her own life or whether fate determines it*
  28. *Whether privacy is desirable or undesirable*
  29. *What or who is clean or dirty*
  30. *What is beautiful or ugly*
  31. *The role of the individual*
  32. *Roles of men and women, and how each should behave*
  33. *The importance of harmony in a group*
  34. *Relationships and obligations toward extended family members and between friends*
  35. *The importance of competition between individuals*
  36. *Social class*
  37. *Educational levels*
  38. *Hierarchy in business relationships*
  39. *Who makes what decisions, and in what circumstances*
  40. *How time is understood and used*
  41. *Whether schedules are important or unimportant*
  42. *The importance of preparing for the future*
  43. *How we see old age and how we value the elders*
  44. *What should be communicated directly, and what indirectly*
  45. *What tone of voice we use*
  46. *To whom we speak and to whom we do not speak*
  47. *Facial expressions and other non-verbal behaviour and gestures.*
  48. *Whether conversation should be formal or informal*
  49. *What should be said; what should be left unsaid*
  50. *How open or guarded we are with information*
- And, there are many, many other ways in which we differ!*

Adapted from *Global Competence: 50 training activities for succeeding in international business*, Jonamay Lambert, Selma Myers and George Simons Editors Amherst, Mass.: HRD Press, 2000

The aim of the above presented exercises was to integrate students from different European countries as well as to compare and discuss various social be-



haviours concerning communication. Moreover, the students familiarized with the term: multiculturalism, improved their presentation skills , creative problem solving and effective teamwork concerning intercultural differences.

All in all, the world today is characterized by an ever growing number of contacts resulting in communication between people with different linguistic and cultural backgrounds. This communication takes place because of contacts within the areas of business, military cooperation, science, education, mass media, entertainment, tourism but also because of immigration brought about by labour shortage or political conflicts. In all these contacts, there is communication which needs to be as constructive as possible, without misunderstandings and breakdowns. It is our belief that research on the nature of linguistic and cultural similarities and differences here can play a positive and constructive role.

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## Cultivation of Entrepreneurship

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In recent years, cultivation of entrepreneurship has been the main topic of discussion among young people. The potential to lower unemployment has made this a very powerful tool, especially in the private sector. It is here, without the influence of political parties and government that the landscape of unemployment is beginning to change.

In 2007, before the economic crisis, the unemployment rate in Lithuania was 4.3%. Between 2007 and 2011, there was a steady increase in those unemployed from 5.8% in 2008 to 11.9% in 2009 and to 18.1% in 2010. In 2011, the rate slightly decreased to 17.2% and in January 2012, the rate was 14.5%. Some research suggests the level of unemployment among the younger population is triple than the national average rate. With such staggering numbers, how can young people find jobs? One idea is to encourage them to create new businesses.

Exploring the point that creation of business can help young population to get a job and find a solution in difficult economic situation, raises many questions. One of them – is it that entrepreneurship was inborn in a person's life or may it be learnt over a period of time?

The ideas lead to the following reasoning: perhaps you may need to inherit from your parents a certain combination of entrepreneurial characteristics to become an entrepreneur. Or maybe it does not matter whether you are destined to become an entrepreneur. There is also another way of reasoning - almost everyone may become business people and get knowledge and good education through training.

That question has no definite answer. Life experience of noticeable majority of people shows that entrepreneurship is not so strongly related to education level. People sometimes start to do business without any specialist educational preparation. Of course it was easier in the previous years. Today's technological shifts require special knowledge.

For some, the business sense comes easily. Perhaps these individuals inherit skills from their parents or were born with a drive for success. Many authors have analyzed entrepreneurship through personal characteristics and have found that most entrepreneurs possess the following<sup>1</sup>:

**Creativity.** Ability to inject imagination and uniqueness into a new business venture. It requires skill and ingenuity to create a new venture equipped with smart strategies.

**Drive.** Possessing intrinsic energy to accomplish the business goal even in the face of adversity.

**Vision.** Ability to create and communicate an easily understandable mission of a new venture thanks to which a successful launch of a new business is possible.

**Focus.** Ability to maintain the vision of the company with unwavering diligence.

**Passion.** Eagerness for success under their own steam on a business venture.

**Perseverance.** Ability to keep on going even when faced with seemingly insurmountable obstacles.

**Analytical thinking.** Thrives on coming up with solutions to complex challenges.

**Opportunistic nature.** Noticing possibilities even if they do not exist yet. Can take advantage of an upcoming trend or unite unrelated processes to create a unique business venture.

**Self-discipline.** Ability to be committed and organized in pursuit of a successful business venture.

**Frugality.** Knowledge how to stretch every cent so that expenditures are as low as possible.

**Empathy.** Ability to put themselves in another person's shoes and therefore able to show sensitivity and understanding of what others communicate in the start-up environment.

**Social responsibility.** Ethics, caring and humanitarianism are characteristics that are commonly found in today's entrepreneurs.

**Spirituality.** Time and energy devoted to spiritual development.

**Good Timing.** Ability to identify a market opportunity and knowing when it is the best time to launch a new venture or expand an existing enterprise.

**Luck.** Can a person be predisposed to be lucky? Is luck a human behaviour or a karmic universal predisposition?

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1 <http://cnx.org/content/m35333/1.3/>

All of the characteristics above can be cultivated via special education and the program discussed later focuses on this notion. However, research shows that it is not enough for an individual to possess knowledge, but they must also have strong aspirations. The biggest setback to employment is the fear of taking risks. Bankruptcy wave in a country convinced them that their own business is very risky. In the public space one can more often find articles about unlucky enterprises contrary to those who gain a big success.

When compared with the rest of the European Union, Lithuania's entrepreneurship rate is small. If the average rate is 55 businesses per 1,000 people, the number of businesses in Lithuania is between 19-20<sup>2</sup>. The attitude towards businesses in Lithuania is not overly positive. Perhaps it is a remnant of the old Soviet times. Back then, it was very risky to open a business. Although the Soviet times are now gone, the same mindset is still prevalent. Roughly 59% of the older population has a negative opinion on business and business people<sup>3</sup>. However, it is not simply this attitude that has prevented start-ups from springing up.

The most problematic factors in doing business in Lithuania, as research shows, are government bureaucracy, tax regulations, tax rates, corruption, access to financing, restrictive labour regulations, and inadequately educated workforce. This has a direct impact on the level of entrepreneurship in Lithuania.

It is not easy to do business. Young people are asked to start-up business as it is a better option than being unemployment after losing one's previous job. Young people have good intentions but according to some people the problem is the lack of conditions to do so.

What is a business environment impact on business? Does it have an influence on young person's self-determination? Is it necessary to emphasize the lack of such kind of investigation in Lithuania?

According to the World Bank Report ("Doing Business 2012") Lithuania dropped from 25<sup>th</sup> to 27<sup>th</sup> position in relation to business environment within one year. This Report announced that the country completed two reforms in order to improve business environment: it developed the protection of investment and shortened the new enterprises' registration time. The World Bank investigation uses and assesses much of business environment aspects e.g. starting-up business and a permission system for business, hiring employees, property registration, credit availability, investor protection, tax payment and trading with foreign countries etc.

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<sup>2</sup> Entrepreneurship in Lithuania is half-time less than in Europe (2011). Access via the Internet: <http://www.versloasociacija.lt/9/item114-100.html>.

<sup>3</sup> Entrepreneurship in Lithuania is half-time less than in Europe (2011). Access via the Internet: <http://www.versloasociacija.lt/9/item114-100.html>.

Another global competitiveness indicator (GCI), which explores the World Economic Forum, shows a decreasing tendency of Lithuania. It dropped from 34<sup>th</sup> position in 2005 to 47<sup>th</sup> in 2010 (among 139 countries). This GCI has three sub-indicators: basic requirements, efficiency enhancers, innovation and sophistication factors. According to that research, Lithuania has achieved the best assessment in higher and vocational educational system (25<sup>th</sup> position in the world). The research revealed the following problematic factors while doing business in Lithuania: inefficient government bureaucracy, tax regulations, tax rates, corruption, finance assessment, restrictive labour regulations, inadequately educated workforce, government instability and some other less influential factors.

All countries are described in terms of economic development stage with the use of GCI. Until 2008 Lithuania was ascribed to the group of countries whose economic growth was based on productivity. Since 2009 Lithuania, as Latvia and Estonia, was ascribed to the countries whose economy was based on economic knowledge. The research results reflect in an indirect impact of business environment on the given entrepreneurship level in a country and an opinion on business as well. The business environment situation has to be compared with nearby countries. Poland has more strong business links with Western Europe and other small business flourished within the country. However in Lithuania it is easier to get permission for the start of construction works and lowering the taxes. According to the “Doing Business 2012” report, Lithuania is on 27<sup>th</sup> position in the world while Poland is on 62<sup>nd</sup> position.

In Poland it is possible to open two enterprises at the same time. The law system is more flexible. Some differences of business environment of both countries are presented in the table below:

| Indicators                               | Lithuania | Poland |
|--|-----------|--------|
| Place                                    | 27        | 62     |
| Opportunity to start business            | 101       | 126    |
| Permission to begin construction actions | 47        | 160    |
| Credit availability                      | 48        | 8      |
| Protection of investor                   | 65        | 46     |
| Taxes                                    | 62        | 128    |

Resource: “Doing business 2012” World Bank Report.

However the results on entrepreneurship outcome in these two countries are different. No doubt that country’s market size gives opportunity to do business and let, most often the small ones, survive. As shows in the 2010 data there were 3.9 million enterprises registered in Poland while in Lithuania only 177 thousand.

This year's bankruptcy procedure began in 1273 enterprises in Lithuania and in 655 in Poland. There works 2.77 million individual (one person's) enterprises in Poland and 16.7 thousand ones in Lithuania. Can we explain these differences between the numbers of small enterprises of both countries by exploring business environment? The answer is no. In Lithuania there is a better opportunity to start business. What about ability to make long profitable business? Market size and the demand influence that. The minimal remuneration in Poland is 356 Euros and it is still higher than in Lithuania (only 231 Euros). Eight young people out of ten needs to open his/her own enterprise in Poland that is a very competitive rate within the EU.

In order to learn more, there appeared one of the program modules entitled Economic Mix in Bydgoszcz. "International Approaches to Entrepreneurship" was devoted to the cultivation of academic and practical knowledge in the fields of macroeconomics and microeconomics. The students were divided into small international teams and they discussed the ideas for business. That gave them a chance to learn more about other countries and their business environment. A task, in a form of template, was formed. It started from the idea generation and finished with creating one's own enterprise. This enterprise was only abstract, but the business environment, options for business idea and product focused on market were almost real.

The ideas ranged from tourism via catering to technology. Students from several different countries participated in the exercises and it was very interesting to observe the focus of each team. Some of the more interesting ideas revolved around fitness clubs, translation centres, vending machines and mobile phone applications.

Task template meant that all the answers had to be done according to the given questions. The computer classroom together with a software program and the Internet access helped them to try to find the right answer. All answers depended on their business ideas, their attractions and a market demand so there was always something else added to the task.

The majority of teams chose such a business profile which was the most popular in their country. Lithuanian students, for example, focused on tourism, catering and shopping business. Tourism and catering business were also very popular among Spanish students. Fear and lack of knowledge limited their attempts to go further into other business sectors. The other business ideas were as follows: a fitness club, a translation bureau, a school for kids, a vending machine, mobile telephone applications that teach kids with the use of pictures, some kind of services (a gym or a beauty salon), a ship hotel, a 24/7 printing shop, a mobile phone company, "Pet heaven", recycling of used materials and many others.

Some of these business ideas came to mind as a reaction coming from the existing market demand which mostly constitutes of students. On the other side, lack of technology-based ideas demonstrated their educational way of thinking i.e. devoting themselves to humanitarian disciplines.

Fear of risk appeared almost in every team. What it means if they have any experience in business? It means that a business environment impact and previous unsuccessful business cases were well-known to students. Business environment is outside the company and may affect business decisions and activities in any case. Generally speaking the environment aspect is very close, which is noticeable by taking into account personal features and previous experience that altogether form individual intellect. These imply that professional terms, teaching methods, use of devices and software programs, as it was used in simulation games and other modules, help to reach the IP goals. One of the conclusions of that particular experience is that a person must focus not only on his/her own process of learning, but on trying to make changes in business environment. This task is far beyond our IP goal.

Although unemployment is declining, it is still high. Our hope is that students will develop a sense of business through the IP program. It is our greatest desire to see the students fulfilling their plans and becoming successful in the end. Knowledge, along with the key traits explained in this article, will propel Lithuania out of high unemployment rate and put it back into the pre-crisis percentage it once enjoyed.

## CONCLUSIONS

Our working experience connected with international student teams shows the big necessity of starting-up one's own business among the youth. Every country, from which the students participating in this IP came from, suffers from a much higher unemployment rate among 18-29 year-olds than among other age groups. Learning process may influence the creation of some personal features essential for doing business. On the other hand, business environment has a huge effect not only on business activities, but at the same time on almost every personal attitude towards starting-up one's own business. Knowledge and experience make a person seek goals connected with the beginnings of one's business idea.

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**Gintautas Šiulys**, a Lithuanian citizen who was born in Kaunas. He graduated from the Economics Department at Vilnius University. From 1983 to 1994 he used to work in Marketing Department at Vilnius University. After this time and until 2010 he was working in Belorussia, Kazakhstan and Russia (Moscow and Kaliningrad). All that working time was devoted to keeping and supporting collaboration and relations with business people from both the resident country and Lithuania. In 2010 he stayed in Lithuania and later spent some time in the USA. In 2011 he started working at International School of Law and Business (ISLB) in Vilnius in the Business Management Department as a senior lecturer. He has got a PhD and is entitled to conduct lectures at universities (Polish educational name of “docent”). Nowadays he is teaching at a Marketing course. Most recently he has been involved in two projects at the same time: Interate and VEBSU (Vocational Education to Business Start-Up). In his free time Gintautas Šiulys enjoys Buddhism, listening to the radio and reading professional books.





*“Do not go where the path may lead,  
go instead where there is no path  
and leave a trail.”*

**R. W. Emerson**

Bank Millennium SA had the pleasure of taking part, as a partner, in an international project called “Intercultural Approaches to Entrepreneurship” organised by Bydgoszcz School of Economy. The project took place in Bydgoszcz between 6<sup>th</sup> and 20<sup>th</sup> May, 2012.

Nowadays one of the greatest challenges of market economies is to equip young people with skills which are essential for successful enterprise. A well-thought-out structure of the INTERATE workshops and a competent combination of practical and theoretical classes made students solve the problems concerning ownership of an enterprise in a professional way. The academic personnel together with a bank representative defined the problem and by doing that they created an extremely realistic case-study which gave students an opportunity to experience how a real enterprise works. I highly appreciated and observed the students’ inquisitiveness while asking questions concerning corporate banking. The workshop participants’ aim was to make use of products, including corporate banking products, while solving given problems. Each team’s final presentation dealt with this part separately. Despite working under time pressure, the suggested solutions were creative and professional.

Thanks to culturally diverse teams it was easy to notice that among participants the development of competence concerning interpersonal communication took place. It was an excellent opportunity to present various attitudes towards problem solving as well as an unusual occasion to share knowledge and the world view among participants. The students’ presentations concerning company establishment and its development included the following elements: management, project management, finance management and financial projection.

EWELINA IDZIAK

I personally consider this experience new and interesting. It showed that the students are able to make use of banking products in a creative way. Use of banking products in different systems and for various purposes made us presume that in the future the workshop's participants will be able to take advantage of financial market products in a well-thought and intentional way. I admit that serving on a competition jury is a serious challenge and the decisions we made were not easy as the level of the individual teams' suggested solutions was extremely high.

I would like to thank the organizers for a great opportunity of giving a lecture on the efficient international company by giving an example of Bank Millennium SA. The Bank had a chance not only to promote its brand but also to demonstrate how an international corporation is established, how it is managed and how it works.

I wish you every success within the field of INTERATE!

*Ewelina Idziak*

Regional Managing Director

Bank Millennium S.A.

Corporate Banking Department

## **INTERATE 2012 in Bydgoszcz – experience of a lifetime**

Veera Levoniemi and Carita Thornberg  
Laurea University of Applied Sciences (Finland)

**Four students from Laurea University of Applied Sciences participated in an intensive study program in Poland. For these Finnish people it was an opportunity and experience of a lifetime.**

The selected students from Laurea University of Applied Sciences in Finland received an email in January. The message was connected with an intensive program named “Intercultural Approaches to Entrepreneurship”. This program was to take place in Bydgoszcz (Poland) in May 2012. According to the email there were to be students from all over the European area. Despite the difficulty in pronouncing the city name, we decided to take part in this intensive course. We are two second-year students of the study program called Service Management. Two more students from our school accompanied us as well. The trip required a lot of meetings and planning but soon it was May and we got to the main airport in Finland. During the two-week adventure these four students did not get enough sleep but in return they have been given amazing gifts – memories.

The first few days in Poland were full of action; there were orientation classes and also some free time when the students had a chance to get to know one another. All in all there were 32 students from Finland, Hungary, Belgium, Turkey, Spain and Lithuania. At first, the students were divided into international groups of four people and then they had to complete multiple tasks during the program. Since in the same project there were people from many different cultures we had a unique possibility of experiencing a real-life working situation. To be honest it was a bit horrible at first because you did not know a thing about the people you were working with. Also the leading language was not your mother tongue. At the beginning it was very intimidating to use English as the main language but when you realized that everyone else was in the same situation, all the suspension was gone! Others also did not know all the words and hesitated while

forming sentences. A few days later all of these teams formed multiple lifelong relationships.

During those two weeks the students did not really have much time to get to know the city of Bydgoszcz that well. The days were long, we used to leave the hostel at 7.45 am and got back at 7.30 pm depending on the daily schedule. These sometimes 13-hour days were not so bad because there was always something to do even after a school day. We were studying, completing our team tasks, having dinner in beautiful Bydgoszcz restaurants or walking by the canals. However during most of the free time we were shopping or sometimes just hanging out in the hostel if we were too tired to do anything else. There was also an arranged trip to the city of Gdansk which is a historical coastal city of Poland. In the students' opinion it was a good way of spending this one precious free day without studies. Although at that time sleeping was a better option than spending the day walking again but now we know it was a great day in a very beautiful and interesting city.

We spent most of the days at a gorgeous campus of the School of Economy in Bydgoszcz. For one and a half weeks we had lessons which were conducted by the teachers from many countries. There were lessons which covered many subjects connected with entrepreneurship like economic mix, presentation skills, project management and strategic management. These lessons were to constitute preparatory tools for the main idea of the course e.g. the simulation game which took place in the second week of our visit. It was a competition where the teams had to work efficiently together over the subject of a business plan. In the morning we were given a task and every team had two hours or more to complete it. Then you had to return it and in the afternoon you were given another task and so on. So you had to be really quick in the four-person teams that were working with only two computers and on the lesson notes without any other tools. The students altogether had six tasks and the last one was the final presentation. The best teams got prizes and a lot of glory. In the end the slogan "We are all winners" became really familiar among all of us!

The last day was quite an emotional one. On the one hand, we were so sad to leave all the new friends but on the other hand we were so happy that we were going home. A lot of tears were shed and a lot of hugs were given that day. Even though there were lots of students, we managed to create a close intercultural group of good friends. We planned to do regular reunions, every year in a different country. Next year we are probably going to Spain! Also another trip to Poland is already in the process of planning. We fell in love with that country and made some amazing friends there. We are definitely going to come back! It was an experience that we will remember until the rest of our lives and we encourage students from all over the world to make use of such opportunities. Forget your language

skills and other kind of barriers you think you have, just go for it! In our opinion it was an important event in forming the lives of these 32 students. We made friends and met lots of professionals.



Veera Levoniemi (left) and Carita Thornberg (right), Bydgoszcz 2012

## INTERATE students' blog clippings

All the students participating in the IP were asked to write a blog during their stay in Bydgoszcz (one blog entry every second day). Below some of the students' opinions expressed in their blogs are presented.

At the beginning it was like trying to be a real team with people who I had never seen before. However, day by day we were discovering that everybody had different skills and approaches towards business. The most important thing was to piece all these elements together (like a jigsaw) and create a real team.

**Ayse Dilek Yildiz (Turkey/Poland)**

Yes, the last two days were all about the Simulation Game. There were moments when we were just overwhelmed with the excitement, ideas and ways of solving problems. There were moments, when we were thinking "What are we doing here"? And that maybe we wouldn't be able to finish it. You also suddenly realized that maybe your English wasn't that good, and you really didn't understand the situation you were put in.

**Viktoriia Semenska (Ukraine/Poland)**

Today we had our last class. And I am really looking forward to the business game. Yesterday I really liked the project management especially the course conducted by Miss Vanrenterghem. We made a banana milkshake and we had to do a task concerning organizing a festival. In the other project management course we built a tower. Our tower was the biggest one, unfortunately it fell down so we were out of the competition.

**Jelle Oosterlinck (Belgium)**

I really did like the new teacher Markus, because such enthusiastic lectures motivate people to complete their tasks. It just shows how the person loves one's job and I think this is a very important thing. Today we had the Millennium Bank presentation and the introduction to the simulation game I am really looking forward to starting it!

**Karolina Satkunaite (Lithuania)**

The second lecture was also very interesting as we had to use a team strategy again. We had to build a tower of twelve sheets of paper. The tower had to be as high as we could make it so we tried to do that but after finishing, it was so high that it fell down, but still we had a good time.

**Ausra Brukmanaitė (Lithuania)**

The first class of it was funny, because it was kind of difficult to make a milkshake with a pencil ;D Yes, other groups used various objects to do it e.g. a hammer, plastic bottles and etc. But actually, it was very great and attractive :)

**Ana Tomasevic (Lithuania)**

Tomorrow we are having our presentations. I am really curious who is going to win the business game! We have a chance to win, but I don't know if we'll make it. We will see.

**Leen Meerschaert (Belgium)**

So.. on Sunday we went to Gdansk. That city is simply amazing, I loved it. It's kind of beautiful and unique. I really enjoyed that trip, we had a lot of fun. I wanted to write much more about it, but I already forgot what. Aah yeah, we had a trip on a pirate ship. The Black Pearl xD Haha, I really felt like Jack Sparrow xD It was even raining, so there were just the music and some fighting scenes missing.

**Diana Csermely (Hungary)**

Tomorrow is the last day of the Interate and we are giving our presentations. I believe that as an Interate family we spent here in Bydgoszcz 2 weeks with some new and memorable friends. I hope we will have a chance to see one another in the future.

**Mehmet Ali Görür (Turkey/Poland)**

This has been a good learning experience for me. I could speak English a lot and not think about my poor vocabulary, I managed to do the work with new people and we succeeded in it. I have also learnt a lot about different countries and cultures. I do not regret this trip at all! A huge hug for the organizers of this event! From now on you should organise the same event every year, it is a great experience for all the people involved!

**Veera Levoniemi (Finland)**

Like I said this is our last blog, it will be difficult to leave the place on Sunday. If you live together for two weeks, you really get along with one another. Good luck while giving tomorrow's presentations and remember 'We are all winners'.

**Jelle Oosterlinck (Belgium)**

Tuesday was intensive as usual. The “theoretical part” came to an end on Wednesday, so it was an easier day. Now I’m just waiting for the simulation game. It seems to be something we are all waiting for. It means that my expectations are high!

**Valtteri Seppala (Finland)**

So... Only three days left. The last two days were quite interesting, even if nothing very special happened. I liked the German teacher a lot! He told us some very interesting things with plenty of enthusiasm and energy. His sessions were very interesting and I liked them a lot.

**Ugne Kripaviciute (Lithuania)**

The European day on Wednesday was really funny. We got the chance to draw some things on the ground, be artistic, show our other “talents” once in a while and we also played a game, which I guess my team won ;D So we got the presents, some teddies and flowers, it was so sweet! Everybody, especially me, like presents, so it was a nice surprise. The same thing happened when we were in a holiday inn, which was really interesting, we learnt about the hotel and got more presents!

**Berta Rainyte (Lithuania)**

On Monday we had our presentations. I was so nervous. My voice started cracking and I forgot some of the words. I think our team still managed to maintain a pretty good presentation. I liked every team’s presentations, they were all good! I think that all the teams had spent a lot of time (actually all the time we had) preparing the entertaining act.

**Veera Levoniemi (Finland)**

And also, yaaaayyyy!! We finished our presentations!! ;D Though it wasn’t hard to write them, because most of the necessary information was given to us during the week, so we just had fun giving our opinions and recommendations of Bydgoszcz. We wanted to say a lot, but we only had 10 minutes for the presentations, so we needed to be quick.

**Berta Rainyte (Lithuania)**

I have so much fun with you guys that I don’t want to leave!! I hate to say goodbye!

**Ausra Brukmanaitė (Lithuania)**

It has been a very good experience here in Bydgoszcz and I’ll miss all the new friends a lot!

**Soraluce Irati (Spain)**



THE IP IN PICTURES



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Katholieke Hogeschool  
Zuid-West-Vlaanderen



## FINLAND

Laurea University  
of Applied Sciences



**LAUREA**  
UNIVERSITY OF APPLIED SCIENCES

## SPAIN

Universidad de Navarra



**issa**  
Universidad  
de Navarra

## LITHUANIA

International School  
of Law and Business



## LITHUANIA

Vilanius Kolegija/  
University of Applied Sciences



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## HUNGARY

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