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Intercultural Communication and Management Factors and Their Impact to the Process of Global Software Development for Virtual and Non-Virtual Teams

Abstract: This position paper presents the factors involved in the successful software development and what is the impact of some methodologies like Agile in this process. Global software development projects may be a total success or an anticipated disaster for simple reasons that usually have nothing to do with the technology involved, with the time differences, or the product being built, but because of subtle intercultural factors. How do the language, the race, the gender, the religion, and the location affects the software development process from analysis and design to implementation, testing and maintenance? Do all these factors impact in the same way if we are working with a local team, and offshore development team or even a global virtual team? Is any specific software development methodology better suited for your particular case? How could you decide what's the better approach? What will be the results and what our goals? The issues at stake are not superficial matters of the ways how people dress, or how clear do they speak in our local language, or what they like to eat, or their small daily behaviors, but are based in the fundamental differences in the systems of values that govern our lives. So institutions, corporations and global companies have to raise the level of awareness of their employees worldwide on the cultural differences, through various programs for intercultural or diversity training. But this poor model of cultural awareness is not enough to overcome some of the obstacles that intercultural differences bring to the table. So this paper will list and describe this important intercultural factors that directly impact in the software development process and how certain software development methodologies could be used in order to have a more systematic look or set of guidelines that would allow the team managers to evaluate and to decide how the

use of each one of these software development methodologies for local teams, non local teams and virtual teams will affect positively or negatively the outcomes of software development practices.

Key words: intercultural communication, software development, Virtual and Non-Virtual Teams

2. Introduction

During the last decade and a half the outsourcing or off-shoring phenomenon has center the attention for the Global Software Development process, in particular in the first years of that period of time with the successes of Indian software companies and later with the appearance of new players like Brazil, China, Eastern European countries, etc. Some studies estimate that more than half a million jobs would go from North America to India by 2015 and lately Indian companies had outsourced themselves to some other countries. Even emblematic Indian IT offshore enterprises like the Call Centers now are moving to countries like the Philippines. IT projects are the second largest class of outsourced activities after call centers.

There is plenty of research related to labor issues, geopolitics aspects, economical factors and IT infrastructure but not too much about specific issues associated with the intercultural factors involved in the Global Software Development and even less when we have to deal with virtual teams.

Globalization has quickly become a common and significant practice across a multitude of industries like manufacturing, automotive, financial, retail, and other sectors. High-speed communication networks, global opportunities, and other technological and social advancements have enabled big and small institutions to extend their reach around the world.

Software teams are increasingly distributed around the world, collaborating both internally across the company and externally with partner companies, subsidiaries, and outsourcing service providers. Since the first teams were created large companies have made changes in how they manage distributed teams and now virtual international cross-cultural teams.

We'll try to describe the intercultural factors involved in this process and how each Software Development model might contribute to minimize the undesirable consequences. We'll start describing the market trends in Global Software Development, the different model for Software Development and finally the impact. In the age of globalization the workplace is becoming increasingly cross-culturally integrated making understanding and expertise in cross-cultural communication more crucial for executives, business leaders, workplace managers, and standard employees.

In order to get a deeper understanding of and acquire skills in intercultural encounters at the workplace, those engaged in it must gain practical knowledge

of the factors that impact cross-cultural communication and how does factors impact in different software development models. According to experts in the field of intercultural communication, some of those factors include:

1. Cultural Identity
2. Racial Identity
3. Ethnic Identity
4. Gender Role Identity
5. Individual Personality
6. Social Class Identity
7. Age Identity
8. Roles Identity

1. The Cultural Identity Factor

Culture is the values, attitudes, and ways of doing things a person learns during the socialization process in the particular place where they were brought up as a child. The cultural identity factor impacts cross-cultural communication because the norms and practices a person acquires and practices in their country and local community will be different from and clash with the norms and practices of co-workers brought up in a different countries or societies.

2. The Racial Identity Factor

The racial identity factor refers to how one's conscious membership in a particular race affects how they interact with folks in the workplace who come from different cultures.

3. The Ethnic Identity Factor

The ethnic identity factor highlights the role ethnicity plays in how two co-workers from different cultures interact with one another. In the United States, white European Americans are less likely to take their ethnicity into account when communicating, but members of other ethnic groups such as African Americans, Latin Americans, and Asian Americans are more likely to consider their ethnic backgrounds in the communication process.

4. The Gender Role Identity Factor

This means that communication between members of different cultures is affected by how different societies view the roles of men and women.

5. The Individual Identity Factor

This means that how a person communicates with others from other cultures depends on their own unique personality traits and how they esteem themselves.

6. The Social Class Identity Factor

The social identity factor refers to the level of society that person was born into or references when determining who they want to be and how they will act accordingly.

7. The Age Identity Factor

The age identity factor refers to how members of different age groups interact with one another. In old terms this might be thought of in terms of the generation gap. More hierarchical cultures like China, Thailand, and Cambodia pay great deference and respect to their elders and take their elders' opinions into account when making life-changing decisions. Cultures like the United States are less mindful of their elders and less likely to take their advice into account when making important decisions. Such attitudes towards age cause the age identity factor to impact intercultural communication at the workplace.

8. The Roles Identity Factor

The roles identity factor refers to the different roles a person plays in his or her life including their roles as a husband or wife, father, mother or child, employer or employee and so forth. How two members of a workforce from two different cultures view these various roles influences how they will interact with their fellow colleague or counterpart.

3. Frame of reference

Global Software Development Market Tendencies

Institutions continue to expand globally, distributing their software development teams around all the continents through a variety of means, including offshoring, acquiring, partnering, and outsourcing. The evolution seen in this market is summarized in the following figure.

Figure 1: Tendencies in outsourcing /offshore Global Software Development
Evolution from "It's cheaper in India" to "Talent is everywhere"

Transitioning from...	Transitioning to
Offshore labor mainly in India	Labor spread un multiple place around the world
Cheaper labor abroad than in homeland	Offshore provides affordable access to a larger pool of talent and state of the art technologies
Mainly oriented to maintenance tasks	New development life cycle, design and testing

Predominantly programming at the technical level	Services Oriented Architecture (SOA), Business Process Outsourcing, Consulting, Infrastructure
Global delivery is specialty	Global delivery is a standard

Source: Future of It services, Bernstein Research May 22, 2006, Gartner on outsourcing, Future of outsourcing, Forrester Research Oct 24 2006.

A lot of the initial moves into the global market involved transferring work to a single site, frequently in India, later often in China or Eastern Europe, now almost everywhere. Cost was typically the primary motivator - decisions to transfer work were driven by the availability of skilled labor at rates much cheaper than in the United States and Western Europe, and in the case of India with respect to software development also with a lot of prepared and talented software developers.

Now enterprises are establishing more and more development centers in multiple locations across the world. While cost savings remains a factor, with many companies maintaining lower-cost centers in Asia, South America and Central Europe, other motivators have also come into play:

- With more available resources, companies can staff projects better and select talents from more than one site.
- With teams working in different time zones or with virtual teams sometimes spread across the world, companies can accomplish a longer workday with what is often called "follow the sun" development; even this will create a lot of the cultural communications problems that we will address later.
- Eastern teams handoff work at the end of their day to teams further west who are just beginning their day.

Outsourcing has become more strategic and in the last years we are actually moving towards a right-sourcing model assigning tasks to the right people with the right skills, regardless of where those people are located geographically, and regardless of their culture, their first language, their traditions, their religion, their gender, their race, etc.

Outsourcing is no longer just for maintenance; the type of software development work that is outsourced is also changing. Maintenance of existing applications was once the dominant outsourcing practice in software development. Application testing is now growing rapidly, followed by innovation of new application technologies or components. Some companies that consider application development a supporting service outsource all but requirements and acceptance testing. The influence of services-oriented architecture (SOA) has led to the identification and distribution of specific services, whether technical (code) or business. This is new role is a lot more complex and demands

stronger team, better communication and a better understanding of the cultural differences.

Other areas of growth outside of software development include business-process outsourcing (BPO). An excellent example of this is Tata Consulting Services (TCS) in India, approximately 50 percent of their revenue came from consulting, BPO, and infrastructure services; first-time application development made up less than half of their revenue. TCS itself outsources work from India to other countries.

Evolution in organizational distribution

The structural organization of the companies is changing in order to mirror the approaches to product delivery. Many international organizations initially assigned project ownership by locality or region, making each location or branch responsible for the deployment of its own project, and sites worked independently.

As global organizations extend their presence across the world, multiple sites become a “team of teams” contributing to a global delivery chain. Each team may own a module or element they deliver for integration with other locations, regions or companies, culminating in a final application. Those teams may be part of the same organization, division, or company, or be part of different ones.

The distribution is due in large part to acquisitions and mergers. In industries such as telecom, high technology, banking and financial services, corporations acquire market share, technologies, or market entry by acquisition, rather than by internal development.

4. Culture, cultural theories and intercultural factors, or variables

Culture could be defined as the integrated pattern of knowledge, belief, and behavior that depends upon the capacity for learning and transmitting knowledge to succeeding generations. Culture is the learned values and behaviors shared by a group of people and play a vital role in how a person performs his or her work based on individual patterns of thinking, feeling, and acting. Culture has visible attributes like dining, clothing, religious rituals, architectures, or sports while invisible attributes comprise of orientations to environment, time, communication, space, power, individualism, competitiveness, structure, and thinking. Several theories have been proposed to categorize cultural differences. As the primary source of intercultural factors, we used the works of E. T. Hall [Hall, 1976], G. Hofstede [Hofstede, 1997., Hofstede, Pedersen, Hofstede, 2002, Fiske, 1991, Fiske, 1992, pp. 689-723,] and F. Trompenaars & Charles Hampden-Turner [Trompenaars, Hampden-Turner, 1997].

4.1 Hofstede's Cultural Dimensions

Hofstede conducted a study for IBM employees in 40 countries to find the impact of culture in workplaces. He identified 5 cultural dimensions; they are Power Distance (PDI), Individualism/Collectivism (IDV), Uncertainty Avoidance (UAI), Masculinity/Femininity (MAS), Short-term or Long-term Orientation (LTO). These dimensions give insight to different national cultures for effective interaction with people from different countries. If these dimensions are understood and applied appropriately it should reduce the level of frustration, anxiety, and concern among team members and help in effective communication.

4.2 E. T. Hall's Cultural Factors

One of the pioneers of this field E.T. Hall, based on anthropological analyses identified key cultural factors. These are classified into High Context and Low Context based on time and space. Hall also looked at the way cultures handle time – Mono-chronic cultures versus Poly-chronic cultures.

4.3 Trompenaars & Hampden-Turner

They state that the purpose of national culture is to provide answers and solutions to challenges faced by individuals and they have defined a different set of discriminating factors based on the studies they have done as part of a consulting practice for large multinational companies. They too distinguish several dimensions:

- a. Universalism vs. Particularism
- b. Individualism vs. Communitarianism
- c. Neutral vs. Emotional
- d. Specific vs. Diffuse
- e. Achievement vs. Ascription (attitude toward titles, degrees...)
- f. Sequential vs. Synchronic cultures
- g. Internal vs. External control.

They have explained to international managers how to build the skills, sensitivity, and cultural awareness needed to establish and sustain management effectiveness across cultural borders.

4.4 Fiske

Fiske described four forms of socialite

- a. CS: communal sharing: do people treat all members of a category as equivalent.
- b. AR: authority ranking: do people attend to their positions in a linear ordering.

- c. EM - equality matching: how people keep track of the imbalances among them.
- d. MP: market pricing, how people orient to ratio values.

All these theories collaborate with managers in the task to gain insight into culture in different ways. Hofstede's cultural dimensions help managers to recognize individual and group behaviors in different countries. E.T. Hall's adds the dimensions based in context concept of time and space. Trompenaars and Hampden-Turner have a contradict Hofstede's cultural dimensions approach because they view culture as process and propose that 'culture is the way in which a group of people solve problems and reconcile dilemmas'. Hofstede analyses the variables of national cultures, whereas Trompenaars and Hampden-Turner are involved in the processes of cultural creation. Many other researchers such as Philippe d'Iribarne [D'Iribarne, 2009] have the same approach as Hall but with an ethnographic method for sense-making. Vaara [Vaara, 2000, pp. 81-110] has broadened these cultural studies with an epistemological approach where they state that culture and cultural differences exist only when people become aware of it in their social interactions.

5. Software Engineering Development Models

The software engineering practices that are basically affected are the ones that involve human-to-human communication, either at the time they are performed, or later, in their consequences. But if we close review in what consist the whole software development process we will conclude that human-to-human communications is covering most of what we do in software. On the other hand a lot of the type of software processes used in global outsourcing projects, does not involves too much human interaction. We can certainly look at how these processes are themselves tainted by the cultural backgrounds of their authors.

5.1 Agile

Agile software development is a group of software development methods based on iterative and incremental development, where requirements and solutions evolve through collaboration between self-organizing, cross-functional teams. It promotes adaptive planning, evolutionary development and delivery, a time-boxed iterative approach, and encourages rapid and flexible response to change. It is a conceptual framework that promotes foreseen interactions throughout the development cycle. The *Agile Manifesto* [Agile Alliance, 2001] introduced the term in 2001. Incremental software development methods have been traced back to 1957. In 1974, a paper by was introduced an adaptive software development process.

So-called *lightweight* agile software development methods evolved in the mid-1990s as a reaction against the *heavyweight* waterfall-oriented methods, which were characterized by their critics as being heavily regulated, regimented, micromanaged and overly incremental approaches to development.

Proponents of lightweight agile methods contend that they are a return to development practices that were present early in the history of software development.

Early implementations of agile methods include Rational Unified Process (1994), Scrum (1995), Crystal Clear, Extreme Programming (1996), Adaptive Software Development, Feature Driven Development (1997), and Dynamic Systems Development Method (DSDM) (1995). These are now collectively referred to as agile methodologies, after the Agile Manifesto was published in 2001.

To find more likely candidates we may look at the agile set of methods and practices [Agile Alliance, 2001, Beck, 2000.], which precisely have come to rely much more on direct person-to-person interaction and less on “follow the plan”, “fill the template”, and “check the boxes” approaches. The twelve XP practices and Scrum [Schwaber, Beedle, 2002] constitute a good representative set. Unfortunately these practices are often confined within a single, co-located (and therefore often culturally homogeneous) team and they are not visible at the hinges between two cultures in global projects.

6. Impacts

For example let's review the principles of Agile described in the Agile Manifesto and let describe some cases in which affect positive and some in a negative way. The Agile Manifesto is based on twelve principles:

1. Customer satisfaction by rapid delivery of useful software
2. Welcome changing requirements, even late in development
3. Working software is delivered frequently (weeks rather than months)
4. Working software is the principal measure of progress
5. Sustainable development, able to maintain a constant pace
6. Close, daily cooperation between business people and developers
7. Face-to-face conversation is the best form of communication (co-location)
8. Projects are built around motivated individuals, who should be trusted
9. Continuous attention to technical excellence and good design
10. Simplicity—the art of maximizing the amount of work not done—is essential
11. Self-organizing teams
12. Regular adaptation to changing circumstances

For example the point 6 related to cooperation between developers might be seriously affected when working with virtual teams and in the case of non-

virtual teams even more in connection with gender and culture differences. Point 8 might be very clearly affected by language and 8 by social and cultural motivations. Points 11 and 12 also differ totally between different cultures (eastern civilization vs. western civilization). We will try including some previous research to describe certain examples.

6.1 Reviews and chronicity

Laroche [Laroche, 2002] identified some impacts. One impact is what he calls “*time is up*”, in this one Mono-chronic people tend to end the meeting at the scheduled end-time, Poly-chronic time people tend to end when the conversation runs out of steam and rarely at the scheduled end time. When they work together, poly-chronic people may think that the meeting ends abruptly, before they have a chance to say their whole piece. In contrast, M-time people may consider that meetings go on past the point of effectiveness. Agile meetings are frequents and concise but it is very important to reach consensus and draw a plan.

Laroche also identifies several other issues like for example agenda either implicit or explicit. This is very common and we can find it within countries or regions that limit with others with historical issues, like French and Spaniards, Chileans and Peruvians, Canadians from Quebec and Canadians from Ontario. There are some very famous cases that are studied in Software Engineering courses like the Airbus integration management.

6.2 Power distance and Management Requirement

One of the biggest issues is related with the team coordination and the hierarchical forms of communication. Thanasankit and Corbitt studied some factors of power distance and uncertainty in Thai culture [Thanasankit, Corbitt, 2000]. These factors contribute towards hierarchical forms of communication and decision-making processes in Thailand, especially during Requirements Engineering. Their research shows a much longer time for the decision-making, as every stage during Requirements Engineering needs to be reported to management for final decisions. The tall structure of Thai organizations also contributes to a bureaucratic, and longer decision-making process during the software development process, this elongation can seriously affect the performance of a virtual team. In eliciting/validating/prioritizing requirements, often who said what and where that person seem to appear in the hierarchy is more important than the needs or the technical issues.

7. Conclusions and Future Work

This was a position paper just to describe the factors and the software development methods to study so there is not much to conclude, this early

in our study. But we set the parameters for the future study that we hope will produce a systematic approach in order to configure and enact software engineering processes IT outsourcing and specifically for the global software development, being able to respect cultures, nations and groups involved and reaching the maximum performance.

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Advancing Leadership Pipeline Through the Development of High-Potential Employees

At the end of the day, the company with the best team, the best people will win in the long run.” (GE)

Abstract: Per latest research of Corporate Executive Board - Corporate Leadership Council organization (CLC) in *HiPo Program Operations and Outcomes Survey*, high-potential employees are defined as twice as valuable to an organization and three times more likely to succeed as future leaders. However, the number of high potentials has declined 48% over last 5-10 years.

Talent management (TM) represents organization’s effort to attract, develop and retain skilled and valuable employees. Its goal is to make sure that organization has all capabilities and commitment needed for current and future organization success. An organization’s talent pool, specifically management talent, is often referred to as leadership pipeline.

Leadership pipeline is managed with a help of various systems, processes and organization structure. The pipeline changes as the organization needs change and is influenced by many inside and outside influencers. The goal overall is to make sure that organization can identify who “is ready now” and who is “on track” for larger leaderships roles. Managing this identification and making sure talent pool is aligned with organization needs is in today’s economy the greatest challenge for talent management.

Employees within the leadership pipe – managers and leaders need to be managed with

strategy that measures employees' performance and ability along with aspiration and engagement. TM needs to ensure that the criteria used to identify pipeline members are consistently applied across the workforce and clearly communicated with them about their status and associated responsibilities, as they are the pool of future organizational leaders.

Talent management strategy for high potentials often fails as organizations select the wrong criteria to identify leadership pipeline members. Confusing performance with potential, lack of due diligence, vague criteria and questionable accuracy are among many challenges that are present while building organization talent pool.

Key words: Leadership pipeline, Talent management.

2. DEFINITION OF HIGH POTENTIAL

Who is a High-Potential Employee?

In a *Harvard Business Review* article from October 2011, Fernandez-Araoz, Groysberg and Nitin, "How to Hang On to Your High Potentials," define potential as a person's ability to succeed in roles with responsibilities of greater scale and scope. The authors describe "greater scale" as "a job in the same area but with, say, a larger budget or staff." "Greater scope" is "a job involving activities of substantially more breadth and complexity" (pp. 75-83).

In a *Business Strategy Review* article from March 2010, "The Anatomy of a High Potential," authors Ready, Conger, Hill, and Stecker identify the basic characteristics of a high potential employee as "delivering strong results, credibly and not at others' expense," "mastering expertise beyond the technical," and "behaving in ways consistent with the company's values" (pp. 52-55). The authors then go on to identify additional "x-factors" that separate high potentials from a pack of otherwise strong performers. These "x-factors" include a drive to excel, a catalytic learning capability, an enterprising spirit, and dynamic sensors.

Per well known consulting agency AonHewitt in January 2013, report *Building the Right Potential Pool*, high potential is an individual that demonstrates the intellectual aptitude and leadership capacity to progress through multiple roles of increased responsibility, complexity, and scope and is likely to do so at an accelerated pace possibly taking at least two new roles in five years (p. 4).

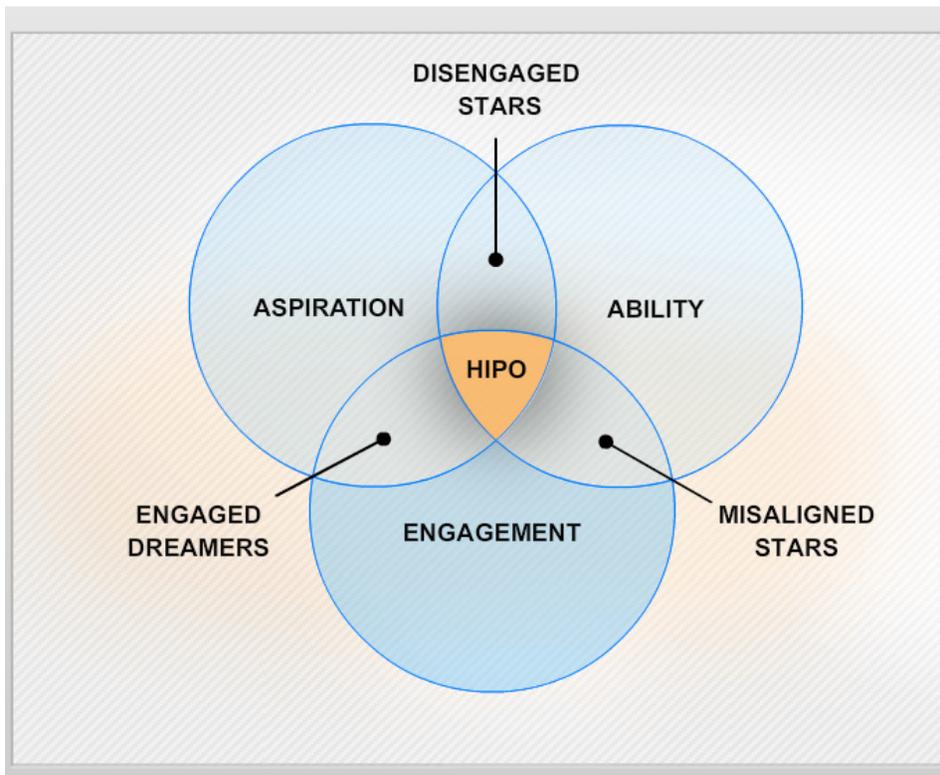
Michael Campbell and Roland Smith from Center for Creative Leadership (CCL) in their latest report *A View from Inside the Leadership Pipeline* are defining high potential as employees who are assessed as having the ability, organizational commitment, and motivation to rise to and succeed in more senior positions in the organization (p. 6).

Bersin by Deloitte member O'Leonard in September 2012, *Investing in the Future: High Potentials* report defines a high-potential employee as an employee who has been identified as having the potential, ability and aspiration for successive leadership positions within the company (p.4).

Summarizing in reality different organizations will have their own definitions of high potential talent but the main characteristic will include:

- ability (the combination of innate characteristics and learned skills),
- aspiration (the desire for the responsibilities, challenges, and rewards of more senior roles),
- and engagement (the employee's commitment).

Figure 1: CEB CLC Model of High-Potential Employee



Source: Corporate Executive Board – Corporate Leadership Council, *Talent Development – High Potentials*

In the model presented above, **ability** stands for a combination of the innate characteristics and learned skills that enable employees to carry out their day-to-day work. Innate characteristic is mental/cognitive agility and emotional intelligence. Learned skills will include technical/functional skills and interpersonal skills.

Second element of the model - **aspiration** describes employees with aspiration as those, who desire responsibilities and rewards that come with

more senior roles. These responsibilities and rewards include: prestige and recognition, advancement and influence, financial rewards, work-life balance, and overall job enjoyment.

Third element of the model is **engagement** - employees with engagement capital exhibit commitment, discretionary effort, and intent to stay. Their level of engagement capital is based on perceptions of three areas:

- past events with the employer,
- present experiences,
- future expectations of employment experience.

3. DEVELOPMENT OF HIGH POTENTIALS

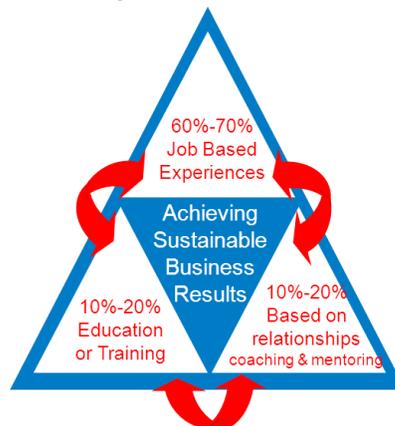
Because high potential talent is so important to the organization well being development of high potentials should be priority for talent management.

When providing high potentials with the right developmental opportunities and selecting relevant success measures, organizations should be aiming to create a robust high-potential employee program that makes better leaders and accelerates their path to leadership thus advancing the leadership pipeline.

Talent management using multiple methods of assessment and comparing results with known criteria that are associated with specific leadership requirements for organization should establish guidelines for development and mentoring in order to keep high potentials performing on highest level. Systematically defined, by talent management, development areas supported by developmental activities within 70-20-10 rule will support high potentials individual development plans and keep them engaged and moving forward.

The most popular development for high potentials is internal education delivered in a form of the **leadership program**. In order to accelerate high potentials leadership development program needs to be build within the framework of the 70-20-10 rule and supported by Individual Development Plan.

Figure 2: 70-20-10 Learning Rule



Please refer to the table below for examples of development activities with 70-20-10 rule.

Table 1: Learning Activities with 70-20-10 rule.

Job Based Experiences 70%	Job shadowing	Expatriate assignment
	High profile assignments	Cross-functional assignment / project
	Stretch assignments	Continuous improvement project
	On-the-job training / job enlargement	Volunteering / community service
	Rotations / cross-training / position swap	Attending or presenting at functional reviews, budget reviews, company meetings
	Project teams	Learning from job based hardships or set-backs
	Short-term assignments	Teaching others
	Joining a taskforce / committee	Leadership role in an Employee Resource Group
Leverage Relationships (Learning from Self and Others) 20%	Good managers	Online communities (e.g., Linked In)
	Functional advisors / mentors	Feedback (informal or formal 360 process)
	Development or peer coaches	Mentoring other
	Professional organizations	External relationships
	Meetings with subject matter experts or outside experts	Learning from relationship hardships or set-backs
	Network – internal or external (e.g., alumni)	Joining an external board
	Presenting at conferences, outside meetings, boards, councils	Seeking Sr. Leader as a career champion or advisor
Education and Training 10%	Professional conferences	Books, articles, journals, videos
	Self-study	External resources (e.g., associations)
	Business simulations	Internal training and development courses
	Professional certifications	Leadership or technical programs / forums
	Online resources (Wiki/Web Pages/Blog; Webinars)	Formal education

Research shows that leveraging experiential activities is the most powerful and lasting source of development. However it is not sufficient alone to fully nurture program participants. Only programs that are built with the 70-20-10

rule in mind can address different ways of learning and knowledge retention in a systematic and complete manner.

All best-in-class high potential leadership development programs leverage the following best practices:

Surround high potentials with quality people - potential grows when employees build interpersonal relationships with their coworkers who can help them do their jobs better and achieve their development goals. It fulfills aspiration and engagement elements of the high potential employee model. Building relationships with senior leaders by exposure to them during the development programs or special assignments will ultimately increase their commitment to the organization.

Build organizational commitment to high potentials development - require managers and leaders to actively coach, mentor, and provide formal high potential training. While pairing high potentials with mentors or coaches indicates organizational commitment, these relationships are more powerful when mentors help high potentials develop their network, improve job performance, and provide visibility into organizational strategy. When executive leaders display a commitment to employee development, potential can increase by as much as 29%, Riddle (2012, p.2).

Challenge high potentials by giving them highly visible, on-the-job opportunities in order to push them to make risky decisions, learn new skills, and interact with different stakeholders. Most on-the-job experiences fall short of building employee potential. The most effective on-the-job development challenges high potentials with unfamiliar situations. When they adapt to changing circumstances and creatively solve problems, employee potential can improve by up to 15%, Riddle (2012, p. 2).

The two examples below show how two well-known organizations, famous for their leadership development excellence, elevate their global leadership development practices.

Molson Coors: This Denver-based firm may be best known in the U.S. for its images of Rocky Mountain cold beer but Molson Coors also has breweries and brands in China, India, Ukraine, Czech Republic, Romania and other countries, complementing its markets in the U.S., Canada and the UK. Molson Coors' typical global leadership development program brings together approximately 20 participants in four one-week sessions over the course of a year. In 2013, the program included a kick-off week in Denver, a second week in Canada, a third week in an international market, and a fourth week in Central Europe. Each week includes a market tour, providing participants a first-hand look at distributors, breweries, grocery stores and restaurants to see how their products are sold globally.

FedEx (Federal Express): has been in business for forty years and employs more than 160,000 team members servicing customers worldwide, yet the company doesn't lose sight of one significant key to its success: the vast majority of its frontline managers are promoted from within. To be successful, FedEx had to develop a robust leadership development process capable of preparing its workforce for the challenges of global frontline management. The organization services customers in 220 countries/territories, and a whopping 82% of FedEx frontline managers come from the ranks.

Clearly defined success outcomes for high potentials programs by determination of what organization wants to accomplish by the program. Key questions that needs to be answered should include:

- How will success be demonstrated within the organization?
- What kind of measurement tools will be used to show effectiveness?
- How will be correlation to the performance improvement shown?

Several tools are available:

- a. Promotions tracking
- b. Fulfillment of critical roles within organization
- c. Retention
- d. Performance ratings
- e. Pre and post-program 360 assessments

Make the program as applicable as possible – making sure that the program is applicable to organizational problems or challenges helps to justify high potentials' time away from work while being trained. Making the program applicable and experiential allows participants to directly transfer the knowledge gained during the program to real life problems and current business challenges. Leveraging technology like connecting with leaders globally through videoconferencing or virtual meetings helps drive connectivity and communication across the silos. Action learning should concentrate on future challenges of the organization and should be used as tool to build organization strategy.

Balance organizational and personal goals - successful high-potential leadership initiative is a partnership between organization and its talented employees. Focusing only on the company needs and not meeting personal goals of best talent may fail to fill in the gap and provide whole developmental perspective. Providing structure for determining high potentials' needs and wants, and then following through on connecting what organization will need from them with targeted development opportunities is extremely important. Building strong development plan that is aligned with organizational as well as personal needs provides additional alignment within talent management development strategy.

High potential program should be part of the development strategy - in order for organization to have an alignment in performance and development, high potential program should be part of a broader developmental strategy of the organization. The language, ideas as well as knowledge shared and taught during the leadership development program need to be delivered and disseminated to other levels of employees. Each high potential employee entering the program needs to have future career path mapped out with strategy and business challenges in mind. Otherwise, graduates may choose to satisfy newly built expectations with either other departments or different employers.

4. CONCLUSION

High potential employees form a talent pool that is critical to both succession planning and seizing new business opportunities. Only development programs that are rooted in current business strategy, founded on organization's culture, and providing a mix of structured learning as well as experiential activities, can deliver right people for right challenges.

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Readings

- Development First: Strategies for Self-Development by David B. Peterson and Mary Dee Hicks
- Leader As Coach: Strategies for Coaching & Developing Others by David B. Peterson
- Individual Development Planning: A Self-Development and Management Tool by Robert W Eichinger and Michael M Lombardo

The CCL Handbook of Coaching: A Guide for the Leader Coach (J-B CCL (Center for Creative Leadership) by Sharon Ting and Peter Scisco

Career Distinction: Stand Out by Building Your Brand by William Arruda and Kirsten Dixson

What Color Is Your Parachute Workbook: How to Create a Picture of Your Ideal Job or Next Career by Richard Nelson Bolles

Personal Development for Smart People: by Steve Pavlina

StrengthsFinder 2.0 by Tom Rath

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Applying the Communication Perspective for Global Compliance Training

Abstract: With the advancement of telecommunication technologies and strategic outsourcing, globalized business management has become a necessity to establish and maintain operations in lucrative emerging markets. With the world's largest market, talent pool and labor force, China has emerged as an inevitable destination for many multinationals. However, China's unique political system, socio-economical settings and cultural environment poses the great challenges to global businesses. One of the greatest hurdles faced by multinationals is effectively transporting Western business conduct and ethics. Embedding Western ethical compliance into operations based on China's powerful and highly influential cultural practice – Guanxi Networking - is proving to be the ultimate challenge.

To address this intercultural disconnect, this research paper applies the principles of the communication perspective, derived from the theories and practice of the Coordinated Management of Meaning (CMM). Our proposal suggests an ethics compliance training based on a framework of trust and collaboration - a new approach to tackle the dilemma between the Western ethics and the cultural norms driven by guanxi networking. This research based proposal explores the application of the communication perspective in a holistic method.

Key-words: anti-corruption, communication perspective, Coordinated Management of Meaning, ethics, guanxi networking,

Ethics Training Approach

Our hypothesis is that the case study model for corporate ethics and anti-corruption compliance training should be based on three fundamental guiding principles:

- Bridging the Culture Gap (Awareness of Guanxi Networking)
- Building a Collaborative Perspective (Communication Perspective)
- Breaking down the Cultural Barriers (Changing Attitudes and Behaviors)

If the strategy of the multinational is to embed and enforce the notion of Western ethics, then the strategy must align with the cultural attitudes of non-Western employees. Applying the communication collaborative perspective of building a “better story” – one of compliance and cultural sensitivity – is a mechanism to ensure success. Through collaborative communication – gaps in cultural understanding and awareness can be addressed. With increased awareness, cultural barriers give way to changes in attitudes and behaviors. Once these foundational principles become operationalized within a training program, a corporation can then move forward to implement their compliance program. To ignore the importance of the collaborative foundation and to immediately start conducting ethics training based solely on Western legal considerations is a prescription for failure.

Most critical is that corporate training developers (steeped in Western culture) need to have a baseline understanding of two critical concepts: (1) role of culture and (2) role of communication in changing attitudes and behaviors.

Through exposure to the concept of guanxi and a fundamental understanding of the Communication Perspective, a comprehensive ethics and anti-corruption training program can be developed. Incorporating the cultural aspects, as well the goal to achieve a “better social world”, results in a holistic program that has far reaching impacts beyond strict compliance to the “law”.

Case Study Methodology

Stories, including myths, legends, and folk tales have been used to pass on wisdom, knowledge, and culture for thousands of years (McLellan & Reamy cited online 14 July 2003, www.techhead.com). Vignettes, described as “short stories about hypothetical characters in specified circumstances, to whose situation the participant is invited to respond,” (Finch 1987, pp.105-114) and “short scenarios in written or pictorial form, intended to elicit responses to typical scenarios,” (Hill 1997, pp. 171-183) are ideal for training. And the use of stories is critical to the concept of the communication perspective. Case studies are a form of short scenarios and are widely valued because they simulate a real word context. (Wenger 2000, pp. 205-224). This is the rationale for case-based ethics and anti-corruption training.

Corporate employees, participating in the case study analysis and problem resolution, apply theory to actual everyday business practice. In other words, they learn by doing. (Erskine, J.A., Leenders, M.R. and Mauffette-Leenders, 1998).

Utilizing a cultural based case study as the foundation for ethics and anti-corruption compliance training is aligned with the communication perspective. A case-based vignette with real life situations, allows both the employee and the corporate trainer to dialogue and discuss social actions and how these actions are perceived from different cultural frameworks. Scenario specifics take the discussion from the realm of concepts and constructs to practical business application.

Most critical for training developers and instructors is the understanding of the art of guanxi networking from a cultural perspective – not a business based perspective. A short overview of the Chinese “art of networking” is required as part of the training development. In addition, a baseline understanding of the Communication Perspective is critical for ensuring long term success in developing a training module geared to intellectual understanding and compliance as well as operationalized changes in attitudes and behaviors.

The Art of Relationships

Before embarking on developing a corporate training curriculum around ethics and anti-corruption, training developers and instructors need to be able to answer the question, “What is guan-xi”? From the Chinese perspective, guan-xi means personal connections and relationships that are mutually beneficial to both parties. It contains two Chinese characters: “guan” which indicates concerning, relating and caring; “xi” suggesting links, ties, and connections. “Guanxi networking” refers to the common practice of identifying, establishing, maintaining and leveraging guanxi networks. It can be considered the Chinese “art of relationships”.

Guanxi networking operates in a fashion similar to networking in Western culture. In a business setting, typical activities performed by the Chinese managers, may very well occur in the United States, such as a paid training trip to a vacation resort, or closing a deal on a golf course. However, as a socially constructed communication process, the two cultural approaches differ in meaning and action. Specifically, Guanxi networking and Western networking diverge on the following aspects:

1. Cultural origin - role of trust
2. Development and type of trust established
3. Social and cultural impact
4. Ethical consequences

The Role of Trust

Hofstede's cultural dimensions theory proposes that Chinese culture is characterized by a high level of collectivism (Hofstede 2001, pp. 209-216). A closer examination (Lai 1995; Lang 1946; Yang 1988 cited in Chua, Morris, and Ingram 2009, p. 491 and Neuliep 2012, pp. 69-71) further reveals the Chinese collectivity tends to center on families and closely-knit groups. The origin can be traced back to Confucianism's long-standing ethical teaching. Confucianism is the source of many core Chinese cultural traditions, including a strong emphasis on loyalty, filial piety and family value (Fingarette 1972 pp. 40-55). This family oriented ethic provides the cultural context and the moral ground for constructing guan-xi networks. Moreover, the development of any meaningful relationships entails the element of trust. Social researchers (Chua, Morris and Ingram 2009, p. 491) propose that the trust cultivated from familial collectivism is based more on emotion than on reason (affect-based vs. cognition-based trust). Family members share resources. An individual sacrifices personal needs and does his/her part to serve the common goals of the family. In contrast, Western culture is heavily influenced by Cartesian individual-society dichotomy (Cronen, Chen and Pearce 1988, p. 73). In this case, networking is established on cognition-based trust that is rooted in a rational assessment of the authority's (government, corporation) trustworthiness.

Living in a collectivism society, the Chinese view people differently as "in-group" and "out-group" members. Chinese have a much higher confidence in "in-group" members than "out-group" members. It is important when multinationals are developing ethics and anticorruption training, that they employ a member of the local Chinese subsidiary as a subject matter expert. Time must be accounted for the Chinese contributor to develop a sense of trust with the corporate training group. But the passing of time, and the development of a sense of collectivity, the "out-group members" (multinationals) can be considered "in-group members". This inclusion of the Chinese perspective based on trust will ensure a more robust and meaningful training program.

Social and Cultural Impact

Ethical origins and the type of trust involved have a visible impact on networking behaviors. Among Chinese managers, the construction of a network of professional relationships evolves as a logical extension of their family relations. Guanxi networks form a hierarchy composed of circles and the degree of affect-based trust decreases when the social interactions move away from the family circle. The most ideal business partners within the guanxi network is the person managing multiple trusted social links: a family member (the blood tie), with whom one gets along well (the friendship tie), and also a potential career collaborator (the professional tie).

American managers, by comparison are less inclined to include family members and friends in their business networks. Research indicates adherence to the Protestant work ethic interprets the involvement of personal relationships and emotional concerns in commerce as highly unprofessional. Such actions violate Western norms regarding professionalism and friendship (Chua, Morris and Ingram 2009, p. 492).

Guanxi is also a way of life woven into the fabric of the Chinese society. In order to advance personal and institutional agendas in China, the practice of guanxi is a necessity. Guanxi is widely recognized as a wellspring of resources for many endeavors ranging from acquiring better family medical care, securing contracts, to job security and promotions.

In contrast, Western ethics and norms dictate that personal connections and networking are largely discouraged. Western business strategy is two dimensional: (1) striving to seek compliance with the rule of law; and (2) executing business operations within the law (Lane and Hoffman, 2012, p. 28). As a result, the conventional Western business wisdom is not effective in the Chinese market. The complex and intertwined Chinese relationship network renders everything non-linear and multidimensional. Without following the hidden, under-the-table rule of guanxi that governs the society (Liu 2012), it is difficult to predict the outcome of investment and business efforts (Lane and Hoffman 2012, pp. 28-29). In characteristic Western business operations, the relationship with clients follows as the by-product of an amicable transaction. However, the rule of Guanxi requires reversing the process, and places relationship in the foremost position of business transactions.

Ethical Consequences

Ethics are heavily influenced by cultural norms within a specific cultural tradition. Networking activities endorsed by the ethical standards in one culture may not be accepted in another. Two social systems can be so divided politically and culturally, that they are considered to be incommensurable. Yet they may be comparable (Cronen, Chen and Pearce 1988, p. 70). It is neither logical nor sensible to draw conclusions about a certain behavior in one culture based on ethics in another. Essentially, they are two different paradigms. For example, judging the legitimacy of a football player's action according to the rules of soccer is downright ridiculous.

Relationship Resources

Basically, there are three players in the process of social interaction and relationship building: the government, organizations and individuals. These entities form a unique triangular relationship. Each relationship is governed and regulated by laws, ethics and norms. From an individual's perspective, three

types of relationships may occur: (1) the relationship between the individual and the government; (2) between the individual and organizations; and (3) the relationships constructed among individuals. When individuals strive to live a better life in one social system, individuals consequently use these relationships as culturally based resources. An individual may acquire resources from the government, the organizations, and also from other individuals.

Every relationship in the individual participates is contractual. Between individuals and the government, there is the concept of social contract. The individual agrees to follow laws and regulations in exchange for protection, social security and other resources. Between individuals, the relationship they enter may form a social contract. Each individual becomes a means for the attainment of resources of others. In order to protect individuals from being overused and abused, certain cultural norms and ethics are formed (MacIntyre 1994, p. 223).

From culture to culture, the three contractual means for individuals to obtain resources are not socially-constructed equally. Comparing the social system between the US and China, for example, relationships based on social contract and social capital offers more reliable resources in the United States as opposed to China. The outcomes of social actions in the US are more predictable based on the law. The practice of following the laws evolves into a critical aspect of the cultural norm, as well as an important part of Western ethics. The interpersonal relationships become an optional source. Because the influence of the legal tradition is strong, even issues raised from interpersonal relationships are often remanded to law. In the Western system, individuals depend on society for resources and protection by way of the legal system.

In China, historically, the concept of social contract is largely unexpressed. Because the political system tends to be elitism, interpersonal relationships serve as a nobler indicator of the outcomes of social behaviors. Individuals resort to interpersonal relationships for resources. This process begins with the family. Individuals naturally carry their familial collectivism-based relationship model into their professional lives as well. Principles governing interpersonal relationships are well established. As a result, these relationships become respected, powerful and prevalent cultural norms. They are the ethics by which people abide. In short, the cultural norms of *guanxi*.

These reliable relationship sources provide the individuals not only the material resources to live a good life, but also the psychological and spiritual values recognized in the culture. These psychological values include virtues and merits that grant social status, acknowledgement, as well as the satisfaction of self-actualization. Furthermore, the spiritual resources provided and their relationship sources are in a relation of reflexivity. The definition of “a good

life” varies historically and culturally as well. Between Chinese and Western cultural traditions, virtues sustained by following laws and rules can be quite different from the values endorsed by the cultural norms of guanxi.

Take the concept of freedom for example. As one of the most deeply held American values, freedom can be viewed as a constant struggle between individualism and collectivism. Because interpersonal relationships are an optional resource, the individualistic aspects of the concept are better supported in the American society. Freedom is often interpreted as staying alone from others and not accepting other people’s values, ideas and lifestyles (Bellah, Madsen, Sullivan, Swidler and Tipton 1985, p. 23). Consequently, associated qualities, such as being different, unique and competitive, are regarded as socially approved personal traits as long as they are exercised within the scope of the laws and other rules. However, in the cultural tradition that emphasizes on interpersonal relationships and familial growth, collectivism carries more advantages than individualism. In a collective culture like China, being different or competitive is likely to be disapproved by the cultural norms.

The Impact of Law and Culture

Adopted by Transparency International, corruption is commonly defined as the abuse of entrusted power for private gain. However, this definition leaves much to discussion, particularly when it is placed against a different social and cultural context. Some scholars even suggest that this concept of corruption comes exclusively from the globalization of the Western culture. It does not fit or correlate in many non-Western social value constructs.

The Variance in the Concept of Corruption

The inconsistent ethical standards among cultures lead to variations of the concept of corruption. In order to understand a specific interpretation on the concept of corruption, it is important to understand its’ cultural context. For example, from the cultural perspective of Americans, US companies outsourcing labor-intensive jobs to China, taking advantage of the vast and inexpensive labor market to minimize labor costs can be regarded as a form of exploitation and victimization of the local population. Outsourcing has been criticized by many Americans as an unethical strategy. However, the Chinese culture which emphasizes collectivism and family economic needs, as opposed to the absolute protection of the individuals, may tolerate and accept such a strategy as a social reality. Because cultural traditions and interpretation contribute much to an individual’s judgment on what constitutes corruption, the understanding of the concept can vary dramatically from person to person as it varies dramatically from culture to culture.

Corporate corruption takes on various forms, such as bribery, fraud, insider trading, favoritism, cronyism and nepotism. Many of these behaviors, although

considerably unethical, are not necessarily prohibited and prosecuted by law. For example, in the United States, bribery has only been prohibited by law since Foreign Corrupt Practices Act (FCPA) was passed by Congress in 1977. Prior to the passing of the FCPA legal statute, bribery was prevalent within the US private sector to secure foreign contracts. It was not considered an unethical business practice before 1977 (PBS Frontline/World 2009). However, due to its legal definition, bribery has been deemed unethical and illegal from the US (Western) perspective.

Conversely, in China, although many forms of bribery have been outlawed by its tightened 2011 criminal law revision, many of the same forms of bribery are still perfectly acceptable under well-established culture norms. Guanxi networking is routinely carried out by business practitioners and not to be regarded as unethical. The culture force has such a strong hold over people's behaviors and moral judgment, even when their behaviors may be punishable by law.

Corruption as an Action

As one of the major sources of cultural conflict, the divided understanding of the concept of corruption is more expressed in action (Chetro-Szivos 2006, p. 38), instead of in meaning. Take gift-giving for instance; both the state legal system and the predominant social values in China uphold the similar ethics standards towards corruption as the Western ethical tradition. The common Western definition of corruption is also widely accepted by the general population in China. Looking at the meaning alone may not reveal many differences between the two cultural systems – after all, giving gifts as a method of maintaining relationship is widely applied in the U.S. as well. However, the drastically different cultural practice displays the clashing understanding in the concept of corruption.

Moral Decision Making

It is particularly meaningful to distinguish ethics from morals in the discussion of corruption when guanxi networking is concerned. Globalization has highlighted the clash between the traditional Chinese thinking and the Western ideology. As a result, today there are various ethical standards coexisting in the society. Long-standing cultural traditions exercise powerful influences over people's thinking and actions. As a consequence, there is a constant battle between the officially endorsed ethics upheld by laws, authorities and mainstream social values, and the ethical standards heavily influenced by the culture. The act of corruption is not simply a problem of law enforcement; fundamentally, it is a matter of morality (Zalta 2008). It is up to the individual to choose ethics and make their own moral decisions.

In China, although the dominant ethical attitude towards corruption, presented by legislation and the mainstream social values, are largely in line with Western ethical standards, the widely practiced *guanxi* networking clearly demonstrates a different understanding.

CMM and Anti-Corruption Compliance Training

Traditional Western management strategies, government legislation and corporate policies tend to treat anti-corruption compliance as a straight forward approach. The standard compliance training development process often is a linear process:

1. Identify the finite set of critical elements for compliance, (code of conduct, regulations, internal procedures, monitoring, and employee training);
2. Establish and implement key internal control points to ensure control to compliance;
3. Evaluate the collected results and adjust the system to complete the management cycle.

Ultimately, what is lost in this traditional approach is the acknowledgement and resolution of the clash between Western ethics and the powerfully influential cultural force of *guanxi* networking. Complexity and uncertainty in cultural conflicts resemble more of a “mystery” than a well-defined corporate process of “plan-do-check act” (Deming, 1986). Moreover, the goal of corporate ethics and anti-corruption compliance is to achieve the absence of corrupt conduct. There is no doubt that unraveling the cultural component of conflicting ethical views on corruption is a considerable undertaking. It requires more than just an understanding of FCPA regulations, writing a corporate code of conduct and developing traditional anti-corruption employee training sessions. Today’s globalized business environment needs a paradigm shift both in thought and action.

Power of Coordinated Management of Meaning

Developed by Barnett Pearce and Vernon Cronen, the Coordinated Management of Meaning (CMM) has long been recognized as one of the major methods of managing meanings within our conversations. (Pearce 2004, p. 37). With a strong focus on building a better social world through a communication perspective, the CMM theory is particularly beneficial to reconstructing and transforming conflicts among different cultural traditions within a corporate setting for the following reasons:

First, as a prominent theory in culture and communication (Hall 1992, p. 30), CMM seeks to answer the question as to how individuals can overcome cultural differences and barriers. The challenge is to find ways of acting together that create a social world not based on culture warfare, but based on

a collaborative framework. A framework from which individuals and groups can find the comfort and stability of their traditions without denying the same privilege to those in other traditions (Pearce 2004, p. 49). Second, the CMM theory offers new concepts, tools and most importantly, a new perspective to rethink traditional training approaches. And finally, CMM is both critical and practical as its ultimate aim is to bring about social changes.

The communication perspective recognizes communication as inherent to all social activities. Communication is the primary social process that creates and maintains social and cultural conflicts. It is also the social process capable of breaking down or transforming cultural barriers. Characteristics embedded in the communication process can provide individuals with a roadmap for formulating new and more constructive communication methods (Pearce 2004, p. 37-39).

The communication perspective regards human communication as both idiosyncratic and social, as opposed to the Cartesian tradition of the subjective-objective and the individual-society dichotomy (Cronen, Chen and Pearce 1988, p. 72). In the era of globalization and social media, traditional individualistic thinking and competitive practice patterns do not help when individuals with very different beliefs, values, and lifestyles, are forced to interact with each other. The result is that individuals are faced with the alternative of either clashing in conflict or hesitatingly accommodating each other's differences (Berger 2001 cited in Pearce 2004, p. 36).

Relationships of Interdependency and Reflexivity

The communication perspective takes the stance that the relationship between the meaning and the action involved in communication are reflexive – they are interrelated and interdependent (coherence). Action is directed by meaning, while meaning is sustained and/or altered through action. This principle can also be applied to different cultural traditions coming into communication. Although cultural conflicts are destined to occur when the meaning and action system within one culture presents challenges and risks to the opposing cultural system, the two cultural traditions form an interdependent and reflexive relationship.

Communication can also be viewed as an interconnected joint action (coordination). Cultural conflicts are not a static state between two cultures; they are meanings and actions created collectively through communication and likely to change in the future (Chetro-Szivos 2006, p. 34).

Mindfulness

The Communication Perspective requires participants to be aware of what is created together in the moment of communication, as well as the social,

cultural and organizational context (Pearce 2007, p. 26). It is within context that communication comes to life. Characteristics of the Communication Perspective provide the rationale for training developers, instructors, managers and employees to take a holistic view:

1. Context: Meaning cannot be taken out of its social, historical and cultural context
2. Interpretation: communication is subject to multiple levels of interpretation
3. Imperfectness: all human communication is inherently imperfect and incomplete
4. Afterlife: communication as a joint action has an “afterlife”
5. Complexity (mystery): complexity of human stories, interpretations and outcomes

Stories

Including stories lived, stories untold, stories unknown, stories unheard, stories telling (Pearce 2007, pp. 210-213); stories are powerful manifestation of values, norms, worldviews, speech codes and interpretation. Cultural traits are preserved and passed on from generation to generation through storytelling. Being mindful of people’s stories invokes the realization that all stories, including one’s own, are unfinished, incomplete, biased and inconsistent. Individual tend treat their own stories as “local” and the stories differ from theirs as “valid” (Pearce 2004, p. 50). Also, stories are not just cultural memoirs set in stone; they are readily expanded, modified, and manipulated. New stories are constantly being created and emerging. By invoking the process of storytelling as part of the anti-corruption training, participants are exposed and made aware of cultural values and norms of others.

Patterns

Communication is a magnificent creature of habit. People who share the similar traits may tend to join together to form a circle or organizational behavior patterns. Not surprisingly, cultural norms, biases, mindsets and thinking habits all take on the form of patterns. The cultural rituals of Guanxi networking, performed by the local Chinese managers are evidently a pattern of communication. Mindful managers may want to be cautious about certain patterns, such as dualism, stereotyping and isolated individualistic point of views. Instead, cultivating constructive communication patterns inviting coordination, corporation and collaboration plays a crucial role in transforming and reconstructing cultural differences.

Critical Moments

Critical moments shape the world, impact lives and often determine the outcome of an individual’s endeavors. Since culture clashes happen in global

organizations, a manager's ability to be aware of these tipping points and ability to act wisely in these moments (Pearce 2007, p. 1) are particularly valuable. Acting wisely calls for a comprehensive consideration of the possible stories, contexts, interpretations and outcomes, as well as staying away from potentially detrimental communication patterns. In order to develop or strengthen the capability of making prudent judgments, this analytical critical thinking practice may also be conducted consistently after the occurrence of the events, and then applied as lessons learned to future events.

The Holistic View

An organization is an organic entity. It is all about the relationship and communication among the people within the organization. The communication perspective prompts the individual not only to be aware of different views, values, norms, but also to understand their connections, relationships and interdependency to function as a whole within the corporate culture setting. It is through the communication perspective that participants take into account people's stories of the past, as well as their potential changes for the future.

The holistic view can be applied to practical management tasks. In the formulation of an anti-corruption compliance training strategy, three possibilities can be considered:

1. Change the rules of the entire system, which reorganizes the system's resources;
2. Rally all related stakeholders, even competitors, to form a collaborative effort;
3. Motivate separated management aspects to work in concert in an altered system to achieve multiple positive outcomes.

Application of the Communication Perspective

Aside from new concepts and thinking methods, as a cultural product, the communication perspective employs a set of new tools in analyzing and managing the culture dilemma. The communication perspective holds that even when two cultural systems are incommensurable, such as Western and Chinese ethics system, they are still comparable. But the means of comparison has to be created (Cronen, Chen and Pearce 1988, pp. 69-70). The communication perspective believes that lived experience, stories carried in conversations, for example, forms the foundation of cultural comparison.

The communication perspective focused on actions within multiple levels of embedded contexts from highly structured cultural episodes with rituals, roles and prescribed behaviors (Pearce 2004, pp. 39-40). These episodes are conducive to answering questions, such as "what did they do and why did they do it?" These questions indicate that the primary social process of communication is also a

decision-making struggle: what meaning to construct and what actions to take. As powerful contextual cultural forces are pulling individuals simultaneously from all directions (Pearce 2007, p. 7), CMM's analytical methods of contexts, patterns and episodes are particularly helpful for managers to make decisions at critical moments.

By constructing a culturally based case study, there are many episodes that can be described with rich and colorful cultural contexts. By framing the episodes against the Western notion of ethics, training developers can pose thought provoking discussions for class room discussions. The case scenario provides a forum where the culture context plays a critical role in the Chinese managers' decision-making process. The communication perspective recognizes it (*guanxi*) as the culture's contextual and prefigurative forces. This has the effect of making the local Chinese employees explore the notions of what they feel they "ought to do", "must not do", "should do" or "may do" within a multinational business environment based on Western legal constructs.

Additionally, the communication perspective is both critical and practical, aiming to bring social changes. When cultural conflicts occur between two incommensurate social worlds, the cultural resources can differ so much that neither is able to provide a sufficient guide for actions to resolve the conflict. The communication perspective has the critical edge (Pearce 2004, pp. 43-45) to reveal stories, issues and options that participants within the conflict may be unaware by reconstructing the communication as a sequence of actions from both sides.

Last, contemporary management theories corroborate the principles of the communication perspective. In a management setting, its emphasis on human connections and the holistic view resonates well with the systems thinking, which regards the system as parts connected and joined together as a whole by a web of relationships (Banathy 1997); In addition, the learning organization theory, which argues that only organizations being able to adapt quickly and effectively will be able to excel in their field or market (Senge 1990, pp. 13-15) indirectly supports the principles of CMM.

Cultural Traditions

By using a culturally based case scenario in anti-corruption training, it is important for training developers and instructors to recognize and acknowledge the critical role that culture plays. Although the conflict appears to be between the anti-corruption legislation and a prevalent local business practice in China, essentially, the conflict represents a distinct view in understanding ethics and what really constitutes corruption from Western ethical standards and a deep-rooted eastern relationship building perspective. The case study presents the

divide between two incommensurable cultural traditions set against a global commercial background.

However, it must be demonstrated in the training that the two cultural systems are not always in a clear-cut opposing position. Although the wide-spread practice of *guanxi* networking exhibits a drastically different understanding of the concept of corruption from the Western ethical tradition, legislation and law enforcement in China support a set of similar ethical standards. Even though Western code of ethics is the driving cultural force behind the business conducts in the U.S., within the private sector, it is not uncommon to see client relations are maintained through personal kickbacks or gift-giving. The similarities between the two cultures suggest that even they are incommensurable, they are still comparable.

Understanding and Appreciating Cultural Differences

When in contact with another culture, a practical and effective strategy proposed by the communication perspective suggests that training modules demonstrate first the attempt to understand, and then even try to appreciate the cultural differences.

This method invites training participants to consider a few changes in attitude and mindset when developing and delivering anti-corruption training:

1. Demonstrate a non-judgmental position. "My way or the highway" attitude only widens the cultural gap.
2. Encourage the competency to think beyond one's own cultural tradition; even question the worldview one takes for granted.
3. Develop the awareness of the existence of many other ethical standards and acknowledge their validity as well as one's own

The communication perspective is particularly conducive to helping training participants understand that, in an attempt to reconstruct cultural differences, the pluralistic view on ethics and corruption provides the precursor to a collaborative framework.

By applying the communication perspective in anti-corruption training, instructors need to take a critical stance to acknowledge and value participants. They internalize (Berger and Luckmann 1966 cited in Burr 1995, p. 10), and hold that cultural tradition and its manifestations - values, norms, ethics, morals and worldview (Hall 2005, pp. 30-32) are neither given by our cultural surroundings, nor a product of our biological traits. Instead, culture is a set of joint social actions created and developed through the primary social process of human communication (Burr 1995, p. 4); Cultural traditions continue to evolve as long as our social dependency remains. A set of universal ethical guidelines does not exist, instead, all existing ethical standards are acknowledged. They

are equally valid within the tradition where they were socially constructed (Gergen & Gergen 2004, p. 18).

Considerations for Anti-Corruption Training

When multinationals undertake establishing a global anti-corruption program several key components are required according to US based Corporate Executive Board (2010):

- Program Structure, Design, and Oversight
- Legal and Compliance Risk Management
- Policies, Standards, and Procedures
- Training
- Communications
- Allegation Reporting and Investigations
- Discipline and Incentives
- Program Measurement and Monitoring

In large global firms, training design and development are largely seen as a process step needed to address a business objective. Efficacy of the training is usually evaluated through learner assessments (Clark, 2012). Most corporations utilize the Instructional System Design (ISD) model or a similar paradigm for training development. These design approaches are geared toward meeting internal metrics based on the corporate strategies and objectives. There is very little acknowledgement of the impact and influence of the larger cultural environment experienced by the training participants. Normally, this is not an issue. However, when developing a training module that addresses Anti-Corruption in a non-Western country– culture plays a huge role. For anti-corruption training, the true success of employee training is demonstrated over time through compliant actions, attitudes and behaviors – not in assessment tests or metrics.

The prescription for ensuring a robust anti-corruption training program is to include the following critical success factors as part of the ISD phases of the training program:

- All training developers and instructors undergo instruction in the cultural aspects of ethics from a Western as well as a Chinese world view. This instruction includes the discussion of guanxi networking and how the role of law is central to the Western perspective of commerce.
- The development of case study based on cultural practices by local trainers. Having the case study developed by locals and not by the corporate training department can ensure that cultural reality is reflected in the case study.
- The deployment of the training module should be facilitated by local trainers who are familiar with local communication context, speech code, interpretation, and complexity. Dialogue and discussion around complex

ethical situations are more robust when led by local trainers. It has been observed that participants are more likely to engage with others who have the same cultural background. Along with the local trainers, it is highly recommended that high level corporate managers also attend and participate. Providing executive (and Western insights) to the analysis of the case study presents a perfect opportunity for participants to view the intersection of world views around a genuine business issue.

- Active engagement and storytelling by the training participants brings the notion of CMM storytelling to fruition. It is important to build into the training an opportunity for participants to share their insights, issues and concerns around the notion of anti-corruption with the training facilitators. This dialogue breaks down the misunderstanding and confusion around compliance in a corporate culture that in many ways is in direct conflict the larger local culture. The story telling component becomes the stepping stone to building a better social place – a compliant commercial enterprise.
- A reinforcement training strategy is an essential component for the overall anti-corruption training. Coaching, management follow-up discussions and informal group discussions on new insights gained help reinforce new ideas and concepts. Reinforcement provides structured opportunities for employees to practice skills and knowledge learned through dialogue and the ability to apply new insights to their day to day job. In addition, ongoing communication around the concepts of anti-corruption allows for new information to be brought forth. Changes in global legal rulings around bribery and anti-corruption can be shared real time. Adaptation to global trends on transparency and compliance becomes embedded in the corporate entity, rather than a standalone once a year training exercise (Moran 2005, p.4).

Conclusions

Cultural conflict is one of the essential elements of globalization and is acknowledged as one of the significant business risks for multinationals operating in China. Distinct attitude and practices influenced by local cultural norms (Language & Culture Worldwide 2010 cite www.LanguageAndCulture.com) towards what constitutes corruption, such as the guanxi networking, has been identified as the major barrier for ethical compliance worldwide. Moving from competition to collaboration results in approaches that are focused more on commonalities than differences. This shift will allow a company to build more competencies to address its cultural conflict challenges (Brown 2012, pp. 15-17).

Embedded awareness on the role of culture and communication with the corporate ethics and anti-corruption training can lead to much higher level of compliance based on attitude and behavioral changes. Keeping the notion of

compliance forefront on a daily basis through stories, dialogue and discussion ensures a great success rate than one time training events with standard assessment tests.

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Sustentabilidad y Competitividad de la Industria Hotelera en México

Abstract: Sustainability has become a trend that has become dominant in the industry not only for their environmental implications but for its implications in reducing costs and corporate image in a market increasingly diverse and competitive. In the hotel industry as in all other branches of industry have had to adopt policies that tend to minimize these negative impacts that might have on the environment in which they are established, so the problem to raise is to choose which is the most appropriate method and strategies to achieve this goal of sustainability. The aim of this document is to make a review of the different methods that have been adopted in the hotel industry to make it friendlier with the environment and to know the benefits of these practices. Among the findings it was found that these methods range from human resource management, innovation and resource savings to its relationship with the community. In the end there's a list of what for this author are considered most important elements or steps that may contribute to the construction of a sustainable hotel business.

Keywords: Sustainability, competitiveness, hotel industry.

Resumen: La sustentabilidad se ha convertido en una tendencia que se ha vuelto dominante en la industria no solo por sus implicaciones ambientalistas sino por sus implicaciones en la reducción de costos y la imagen empresarial en un mercado cada vez más diverso y competido. En la industria hotelera como en todas las demás ramas de la industria se han tenido que adoptar políticas que tienden a minimizar estos impactos negativos que se pudieran tener en el medio en que se establecen, por lo que la problemática a plantear es elegir cual es el método y estrategias más adecuados para lograr este fin de la sustentabilidad. El objetivo de este documento es revisar estos métodos y estrategias que se han adoptado en la hotelería para hacer a esta industria más amigable con el medio ambiente así como conocer los beneficios de dichas prácticas. Entre los hallazgos se encontró que estos métodos van desde la gestión de los recursos humanos, innovación y ahorro de recursos hasta su relación con la comunidad. Al final

se hace una enumeración de lo que para este autor se consideran los elementos o pasos más importantes que pueden contribuir para la construcción de una empresa hotelera sustentable.

Palabras clave: Sustentabilidad, competitividad, hotelería.

I. Introducción y metodología

La implementación de criterios de sustentabilidad y los esfuerzos por adoptar buenas prácticas en todo tipo de industrias y en especial en el turismo ha tenido grandes repercusiones en la manera en que se planea y formulan estrategias para alcanzar el objetivo de ser empresas responsables con el medio ambiente.

Pero más allá de esto la responsabilidad social que implica la adopción de buenas prácticas y sus repercusiones económicas esto tiene que ver con las tendencias actuales de la sociedad global en la que cada vez más se demanda que se hagan negocios y empresas siempre con respeto a la naturaleza, es decir, hay una nueva conciencia social de respeto al medio ambiente donde los consumidores principalmente en las economías desarrolladas prefieren a los lugares donde se realizan estas buenas prácticas y se respeta al medio ambiente.

La sustentabilidad no solo está ligada a la naturaleza sino que descansa en tres pilares fundamentales: el económico, el social y el ecológico, de tal manera que una empresa que quiera decirse sustentable tiene que cubrirlos todos no solamente el ambiental o ecológico.

Cada día se incrementa el número de empresas e iniciativas locales tendientes a implementar un sistema de sustentabilidad o de buenas prácticas que se relaciona a la creciente presión de la demanda. Efectivamente, como ya decíamos, el cliente es cada vez más conocedor de la situación social y ambiental del Planeta, con viajes por múltiples sitios ha ido adquiriendo conocimiento y hoy más que antes demanda que los servicios cumplan con alguna iniciativa sustentable.

La implementación de buenas prácticas ambientales no solo tiene efectos en el equilibrio ecológico de las localidades y regiones sino que se ha comprobado que tiene un efecto directo en la economía de la empresa. Es claro que en la mayoría de los casos los costos fijos en la utilización de energía eléctrica y agua disminuyen considerablemente lo que constituye sin duda un elemento más atractivo para los inversionistas en la adopción de estas prácticas.

Por otro lado los precios que se demandan por los servicios denominados o certificados como “verdes” o “ecológicamente responsables” son en promedio más altos que otros que no adoptan estas iniciativas sustentables, el consumidor está dispuesto a pagar un extra por utilizarlos lo que implica un mayor ingreso para las empresas.

Dejando a un lado los beneficios económicos, la crisis ambiental que hoy sufre el Planeta, exige que todo desarrollo turístico considere los criterios de

sustentabilidad, no importando el tamaño ni la ubicación, de otro modo está atentando contra el medio natural y las comunidades asociadas. La industria turística debe aprender a valorar que la sustentabilidad y las buenas prácticas son dos mecanismos que le pueden garantizar un desarrollo a largo plazo y un éxito económico sin precedente.

La metodología a utilizar en este documento se centrara en hacer una revisión documental de algunos autores e instituciones nacionales e internacionales que han expuesto algunas estrategias para que un importante elemento de la industria turística como lo son los hoteles puedan lograr una operación sustentable que repercutirá en beneficios no solo para la empresa sino para la comunidad y el medio ambiente natural y sociocultural de la localidad. Se revisara bibliografía específica relacionada con la hotelería sustentable pero también se agregaran autores enfocados a otras áreas económicas que traten este tema de la sustentabilidad en la industria y que de alguna manera sus aportaciones pudieran trasladarse a esta rama del turismo.

II. El turismo y sus impactos

El turismo como actividad productiva y generadora de riqueza ha sido visto como la solución a diversos problemas económicos y de desarrollo de las comunidades receptoras pero esto tiene consecuencias que necesitan preverse pues el grado de destrucción que puede causar la actividad turística es muy grande si no se toman las medidas preventivas y se realiza una planeación inteligente.

La sustentabilidad entendida como: “el desarrollo que satisface las necesidades del presente sin comprometer la habilidad de las generaciones futuras para satisfacer sus propias necesidades” (ONU 1987) compromete a los tomadores de decisiones a realizar todo lo necesario para dañar lo menos posible al entorno. Son numerosos los casos donde se aprecia un profundo deterioro de las condiciones ambientales y sociales donde se desarrolla el turismo por lo que en la actualidad es necesario buscar la manera de mitigar y contener ese deterioro pues en caso contrario se correr el riesgo de comprometer el futuro del Planeta.

Cada vez existen más organizaciones gubernamentales y no gubernamentales que promueve un desarrollo sustentable y esto va relacionado con “políticas encaminadas a gestionar el uso eficiente de suelo, agua y energía, utilizar materiales y tecnologías amigables con el ambiente natural en la construcción de edificios, aumentar las áreas verdes y reducir en general la transportación motorizada” (Ibarra y Moreno 2012). La participación de la sociedad civil en la construcción de estas políticas ha sido fundamental para la puesta en marcha de esta nueva visión para hacer negocios y promover el desarrollo.

Algunas ciudades con un gran número de visitantes han adoptado el modelo sustentable de desarrollo y esto se ha visto reflejado en un incremento en la actividad turística y un mayor atractivo para hacer negocios por lo que la sustentabilidad se ha convertido en un elemento importante a la hora de decidir donde viajar o inclusive donde instalar una empresa; en efecto ciudades como Victoria en British Columbia Canadá o Santa Mónica en California Estados Unidos se han autodenominado “ciudades sustentables” siendo la actividad turística su principal pilar económico.

La visión de Victoria como ciudad sustentable, “Victoria, como una corporación comunitaria y municipal, es un líder de la sostenibilidad urbana, inspirando innovación, orgullo y el progreso hacia una mayor integridad ecológica, la habitabilidad, vitalidad económica y la resiliencia comunitaria al enfrentar los desafíos que enfrentan la sociedad y el planeta hoy y para las generaciones venideras.” (Victoria’s Sustainability Action Plan 2012-2015), nos da una idea de que es posible lograr que el desarrollo sustentable y el crecimiento económico es posible si existe un esfuerzo común y consensado entre los actores de la comunidad (políticos, empresarios y sociedad civil).

Para el caso de Santa Mónica cuyo movimiento en defensa del medio ambiente y los derechos de la comunidad a vivir en un mejor lugar comienza en 1979 cuando la sociedad se organiza y toma las riendas del gobierno local (Santa Monicans for Renters’ Rights) poniendo en marcha una serie de políticas referentes a la forma de hacer negocios de las empresas y estableciendo límites y nuevas directrices que garanticen un adecuado uso del territorio y sustentabilidad a largo plazo (Ibarra, Moreno 2012). Lo anterior ha tenido consecuencias muy positivas en cuanto al turismo ya que en la actualidad Santa Mónica se ha convertido en destino turístico de gran éxito (7.3 millones de visitantes en 2012 según el Santa Monica Convention and Visitor Bureau).

En contraste con las ciudades mencionadas Cancún el principal destino turístico de México ha propiciado un crecimiento que ha tenido graves consecuencias para el ambiente y el tejido social de acuerdo a un estudio del 2010 de Calderón, Campos y Jiménez:

El crecimiento acelerado de Cancún ha propiciado rezagos urbanos y sociales, aunque tampoco se ha visto la eficiencia de las políticas urbanísticas diseñadas para solucionar los problemas. Debido a que el crecimiento le ganó a la planificación, como respuesta cada gobierno elaboró programas parciales de desarrollo que fueron justificando ese crecimiento, lo que generó el desorden que actualmente hay en el municipio.

Por tanto, el primer destino vacacional del país tiene una ciudad totalmente desarticulada con un sistema vial inoperante, caos vial a cualquier hora del día, avenidas incompletas y calles en estado deplorable.

Esta situación también ha afectado el ámbito ambiental de la ciudad de Cancún, ya que el principal fenómeno de deterioro ambiental en la zona es la contaminación y a la vez, falta de saneamiento de la laguna Nichupté, la falta de áreas verdes en la ciudad, la protección de los mantos acuíferos, el manejo y disposición de los desechos sólidos, así como el mantenimiento de las playas, son los principales pendientes en esta área.

Hay mucho por hacer en México en cuanto a la manera en que se promueve el desarrollo económico pues hasta el momento el seguimiento de políticas respetuosas del medio ambiente ha sido muy limitado. Si bien es cierto que existe una legislación que regula lo referente al medio ambiente los resultados han sido muy pobres.

La hotelería como un elemento clave de la actividad turística tendría que hacer lo necesario para cambiar sus estrategias y contribuir al crecimiento ordenado y sustentable de los destinos turísticos y de esta manera también garantizar su éxito y permanencia pues de otra manera el panorama a futuro no será muy favorable para nadie no solo por una exigencia de las autoridades sino por sentido común y como una manera de aumentar su competitividad en un mundo donde la tendencia es hacia lo “ecológico” y lo “verde”. Las buenas prácticas deben ser parte integral de los planes de cualquier empresa no solo por convicción sino por los requerimientos de una sociedad cada vez más informada y exigente, es decir hay que adaptarse al mercado y adoptar una ventaja competitiva como lo puede ser la adopción de estas prácticas.

III. La sustentabilidad del turismo en México

Los antecedentes de la sustentabilidad del turismo en México se remontan a la promulgación de una ley denominada Ley General del Equilibrio Ecológico y la Protección al Ambiente (LGEEPA) en 1988 y al “Plan nacional de modernización del turismo 1991-1994” donde por primera vez se hace referencia a la sustentabilidad de la actividad, posteriormente todos y cada uno de los planes de desarrollo turístico han incluido este elemento, sin embargo, los resultados han sido mixtos.

La institución encargada de salvaguardar los recursos naturales en México es SEMARNAT (Secretaría del Medio Ambiente y Recursos Naturales), esta secretaria fue creada en Noviembre del 2000 y cuyo primer objetivo es “Fomentar la protección, restauración y conservación de los ecosistemas, recursos naturales y bienes y servicios ambientales, con el fin de propiciar su aprovechamiento y desarrollo sustentable” (SEMARNAT 2000). La SEMARNAT es apoyada para ese esfuerzo por seis órganos desconcentrados, la Comisión Nacional del Agua (CNA); el Instituto Nacional de Ecología (INE); la Procuraduría Federal de Protección al Ambiente (PROFEPa); y la Comisión Nacional de Áreas Naturales Protegidas (CONANP), además de los órganos

descentralizados como el Instituto Mexicano de Tecnología del Agua (IMTA) y la Comisión Nacional Forestal (CONAFOR). En cuanto a la legislación existente la denominada Ley General del Equilibrio Ecológico y la Protección al Ambiente (LGEEPA), es la que define la competencia de los Estados en materia ambiental y les otorga la libertad de construir su propia política a seguir sobre una variedad de estos temas mientras no haya ningún conflicto o choque con alguna legislación federal. Desde 1988 en que se promulgo esta Ley se indica la obligación de realizar estudios de impacto ambiental claramente marcado en su artículo 28, que a la letra dice:

Toda obra o actividad que pueda generar desequilibrios ecológicos o rebasar los límites y condiciones establecidos en las disposiciones aplicables para proteger al ambiente y preservar y restaurar los ecosistemas, requiere ser evaluada en materia de impacto ambiental y precisar las obras y actividades por su ubicación, dimensiones, características y alcances.

Los hoteles en México tienen la obligación de presentar tal estudio antes de entrar en operaciones sin embargo como se verá más adelante no siempre ocurre así.

En cuanto al aspecto cultural existen cuatro dependencias que se relacionan directamente con la conservación de este patrimonio, estas son: el INI (Instituto Nacional Indigenista), la SEP (Secretaría de Educación Pública) el INAH (Instituto Nacional de Antropología e Historia) y CONACULTA (Comisión Nacional de la Cultura y las Artes). Sin embargo y a pesar de toda la legislación referente al manejo sustentable del turismo y los organismos encargados de hacerla cumplir, según el documento “Evaluación Ambiental Estratégica del Sector Turismo en México” elaborado por el Banco Mundial y la Secretaría de Turismo de México (SECTUR) en 2005 se hace un diagnóstico que refleja la problemática que enfrenta la conservación del patrimonio natural y cultural del país identificando algunas áreas de oportunidad que aun hoy siguen siendo preocupantes y limitan el desarrollo de un turismo realmente sustentable.

Tabla 1. Áreas de oportunidad en materia ambiental

En muchos casos la normatividad del sector es en muy exigente, y por consecuencia crea un menor grado de aceptación.	Esto trae consigo una serie de prácticas que resultan en muchos casos ilegales (corrupción) o en otros casos detiene o retrasa la inversión de particulares o empresas
El proceso de aprobación para algunas leyes, reglamentos y normas lleva demasiado tiempo, en algunos casos específicos más de un año.	Trae como consecuencia que se rebasa la capacidad legal para limitar los impactos negativos relacionados con el crecimiento.

La falta de recursos humanos, financieros o, incluso, de atribuciones, lleva consigo un deficiente monitoreo e implementación de las leyes y normas	Existe una autoridad autónoma, PROFEPA, que debe imponer las normativas de forma estricta para cada proyecto. Sin embargo, la falta de recursos humanos genera que este organismo se encuentre sobrepasado para monitorear el cumplimiento en los diferentes desarrollos turísticos
Carencia de normas específicas para ciertas partes del sector	Las fianzas están relacionadas con reportes que se tienen que presentar y no con los resultados de los proyectos en sí (impactos); El sistema de sanciones esta deficientemente planteado. Por ejemplo, se puede pagar una multa relativamente pequeña y continuar la construcción de una edificación en un lugar no autorizado; y Las normas incluyen la prevención de impactos directos y, hasta cierto punto, indirectos. Sin embargo, los impactos inducidos, acumulativos y sinérgicos no son tomados en cuenta.
No existe una verdadera conciencia con respecto a las normas y otra reglamentación.	En muchos casos los desarrolladores turísticos consideran que dichas normas medio ambientales se reducen simplemente a trámites y no reconocen el razonamiento detrás de ellas en cuanto a la protección de los recursos. Por otro lado, dado que las multas para desarrollos turísticos construidos sin autorización son relativamente bajas, comparadas con las ganancias que puedan dejar, y que los proyectos no son clausurados, algunos desarrolladores construyen sus proyectos y pagan las multas que se les impongan para luego operar.
En muchos casos el cumplimiento de las normas ambientales representa un esfuerzo considerable y costoso	Los tramites y permisos para iniciar operaciones son complicados y burocráticos en exceso lo que desmotiva la inversión y su cumplimiento
El proceso para obtener algunos permisos es lento debido a la falta de recursos humanos y financieros.	La falta de personal en dependencias medio-ambientales limita su operación adecuada lo que hace frustrante el intento de cumplir la normatividad.

Fuente: Banco Mundial – SECTUR (2005) Evaluación Ambiental Estratégica del Sector Turismo en México.

La puesta en marcha de productos turísticos alternativos y sustentables ha sido parte de la política turística desde hace dos décadas, y en el plan nacional de desarrollo más reciente de la administración pasada 2007-2012 se menciona como una prioridad el apoyar proyectos que contribuyan al desarrollo de comunidades mediante la creación de productos turísticos que respeten

la riqueza cultural y natural de la zona. El problema en México ha sido el seguimiento de estos planes a largo plazo pues en cada sexenio de gobierno las políticas cambian a veces radicalmente lo que hace muy difícil un seguimiento puntual a estos.

A pesar de lo anterior existen también ejemplos exitosos de hoteles de la Riviera Maya como el **Mayakoba**, el **Tres Ríos** y el **Kana** (Center for Responsible Tourism - CREST 2012) que han optado por adoptar una política de sustentabilidad dentro de sus planes y que los ha llevado a obtener reconocimientos nacionales e internacionales por lo que tampoco se trata de una tarea imposible el alcanzar estándares óptimos de respeto al medio ambiente y combinarlo con un buen sentido de responsabilidad social. La hotelería practicada de esta manera sigue siendo un excelente negocio inclusive mejor que en su forma tradicional como se verá a continuación.

IV. El turismo responsable y su demanda por servicios turísticos sustentables

Desde el año de 2001 la OMT (Organización Mundial de Turismo) señalaba en su informe “El turismo hacia el 2020” que la demanda de productos y servicios turísticos sustentables iría en aumento en los próximos años por lo que en la actualidad y de acuerdo a diversos estudios y encuestas esto ha sido totalmente cierto y se tiene estimado que inclusive aumentara más en el futuro. CREST (Center for Responsible Tourism) en un reciente informe “The Case for Responsible Travel: Trends and Statistics” (2012)

El 93% de aquellos que leen Conde Nast Traveler (una popular revista de viajes en lenguaje inglés con un enfoque de lujo) que fueron encuestados en 2011 dijeron que las agencias de viajes deben ser responsables de la protección de la medio ambiente, y el 58% dijo que su elección de hotel está influenciada con el apoyo del hotel da a la comunidad local.”

De acuerdo con una encuesta de 2012, la tendencia de viajes ‘verde’ está ganando impulso entre los miembros de TripAdvisor, un 71% dijeron que planean hacer más ecológica opciones en los próximos 12 meses en comparación con 65% que lo hizo en los pasados 12 meses.

Dos tercios (66%) de los consumidores de todo el mundo dicen que prefieren comprar productos y servicios de las empresas que tienen programas implementados para dar a la sociedad algo a cambio; 46% están dispuestos a pagar más por productos y servicios de empresas socialmente responsables, y la mayoría (51%) de los menores de 40 años están dispuestos a hacerlo, de acuerdo con un 2012 Encuesta Wire Nielsen

Los anteriores son solo unos ejemplos de la tendencia actual de crecimiento de la actividad turística sustentable por lo que no es una cuestión menor el implementar planes tendientes a cubrir esa demanda de un segmento que

reclama experiencias más “enriquecedoras” sin un cargo de conciencia. El mercado ha cambiado y el empresario hotelero tiene que adaptarse a él de otra manera verá disminuida su capacidad competitiva en un mercado global tan diverso y disputado.

En la actualidad México presenta una problemática muy diversa en este sector que va desde las crisis económicas, la competencia global hasta la falta de apoyos de parte del sector oficial, pero el problema más grave según mi perspectiva en particular sigue siendo la mentalidad de empresario tradicional; el empresario tradicional trata de obtener la máxima ganancia en un corto periodo de tiempo sin tomar en cuenta las posibles consecuencias a largo plazo de sus acciones con una ética utilitaria capitalista. Sin tratar de ahondar demasiado en los dilemas éticos de los empresarios, el adoptar la sustentabilidad como una premisa fundamental en los negocios es en la actualidad lo “políticamente correcto” sus beneficios se verán reflejados no solo en el corto sino a largo plazo por lo que el ser “verde” el día de hoy es un buen negocio.

El ser “verde” y socialmente responsable provoca una buena reacción en la sociedad y comunidad receptora, mejora las relaciones públicas, el sector oficial es más proclive a brindar apoyos de todo tipo, y lo más importante los clientes lo prefieren. Pero no solo hay que intentarlo, hay que trabajar mucho y no desviarse de esta pauta o camino, y para esto se requiere un cambio en la forma de pensar y actuar.

V. Como construir a un hotel sustentable

Los hoteles como parte fundamental del turismo deben tomar en cuenta desde el inicio los diferentes impactos que puede causar en el entorno natural y social por lo que se deben mitigar a partir de la planificación. Para esto se cuenta con un gran número de instrumentos disponibles para lograrlo. Estos instrumentos constituyen una guía que va desde el diseño de la construcción hasta aspectos culturales y sociales que impactan a la comunidad receptora.

Otro aspecto que debe cuidar un hotel que pretende ser sustentable es que debe mantenerse en contacto con organizaciones o individuos expertos para construir las estrategias a seguir y para mantenerse al día en los avances de esta materia, pues en general las certificaciones ambientales deben refrendarse cada cierto tiempo.

La Red de Certificación de Turismo Sustentable de las Américas (2005) ha establecido estándares que pueden ser de gran ayuda para quien quiera implementar estas políticas. Estos estándares toman de base gran parte de los programas de certificación de América por lo que tienen un gran margen de aplicación en el continente.

En México además de la legislación mencionada en el inciso III se cuenta con la norma NMX-AA-133-SCFI-2006 que menciona los requisitos y especificaciones

de sustentabilidad del ecoturismo y en cuyo capítulo V trata sobre las especificaciones de las instalaciones ecoturísticas en cuanto a su construcción y operación por lo que también puede ser una guía para el operador hotelero.

Recopilando algunas recomendaciones de la Red de Certificación de Turismo Sustentable de las Américas, de la Secretaría de Turismo, SEMARNAT (Secretaría del Medio Ambiente y Recursos Naturales) y la Organización Mundial de Turismo se ha construido la siguiente tabla con algunos criterios que se consideraron los más importantes a seguir en la construcción de la sustentabilidad hotelera:

Tabla 2. Criterios mínimos para la sustentabilidad en un hotel

Criterios generales	Cumplir con las diversas normatividades nacionales, regionales y municipales. Implementar como política el ahorro de energía y recursos haciendo uso de fuentes de energía alternativa siempre que sea posible. Manejo de residuos sólidos. Capacitación y desarrollo del empleado dentro de la empresa. Mecanismos de enlace con la comunidad. Fomento de la concientización (ambiental, social, cultural) de empleados y clientes.
Diseño de hoteles	De preferencia evitar construir hoteles en áreas frágiles y/o sensibles a la intervención humana Utilizar materiales de la región en la construcción y de preferencia producidos con buenas prácticas. Número de habitaciones no debe sobrepasar la capacidad de carga ambiental de la zona. Arquitectura de acuerdo al paisaje.
Ubicación/uso de suelo	No localizado en zonas de alta importancia ecológica No modificar zonas costeras construyendo escolleras. No construir muelles sin un estudio de impacto. Buscar no desplazar a otras actividades económicas locales ya establecidas en el terreno.
Laboral	Mano de obra local Igualdad de género. Empleados de preferencia locales. Perspectivas de crecimiento del empleado. Capacitación continua. Salarios justos que permitan una subsistencia digna del trabajador.
Insumos	Origen regional o nacional. Producidos con buenas prácticas (empresas que comparten la responsabilidad con el medio ambiente). Respeto de vedas. Baja generación de residuos sólidos.

Tecnología alternativa	Baños ecológicos en áreas frágiles. Energías renovables. Reducción y reutilización de uso de agua. Compostas si es posible. Productos químicos biodegradables.
Cultura y educación	Interpretación y educación de usuarios del medio ambiente sobre cultura, buenas prácticas, medio ambiente, etc. Informar a los empleados (medio ambiente, buenas prácticas, salud). Fomentar una política interna y externa de la empresa (hacia empleados y hacia la comunidad).
Diseño de actividades	Respeto a la naturaleza (bajo impacto). Respeto a la cultura local. Emplear guías locales capacitados. Educativas. Contacto con la comunidad.
Economía	Un porcentaje de las ganancias debe quedarse en la comunidad. Pago de impuestos y derechos locales y federales en tiempo y forma.

Fuente: Elaboración propia con información de la Red de Certificación de Turismo Sustentable de las Américas, de la Secretaría de Turismo, SEMARNAT (Secretaría del Medio Ambiente y Recursos Naturales) y la Organización Mundial de Turismo

De al anterior tabla destacan algunos puntos que generalmente no se toman en cuenta a la hora de ponerse la etiqueta de “sustentable”, la referencia es en cuanto a lo que tiene que ver con los impactos sociales de los establecimientos hoteleros en las comunidades receptoras. Generalmente el concepto de ser “verde” solo se refiere al respeto al medio ambiente y aunque eso es correcto la noción de sustentabilidad descansa en pilares económicos y sociales como se mencionó al inicio de este capítulo, por lo que debe otorgársele la misma importancia a cada uno de ellos. Un hotel es un gran generador de empleos directo e indirectos por lo que su impacto social es grande, el contratar personal de la localidad y darles un trato justo es fundamental para la aceptación y permanencia de la empresa. Lo que ofrece un hotel es un servicio y su calidad está ligada al buen trato que otorguen los empleados al cliente o huésped por lo que es evidente que un empleado satisfecho y con un panorama de crecimiento personal lo hará mejor a otro que tenga esta percepción; parece lógico pero muchos empresarios tradicionalistas no lo ven así.

Otro punto importante es la liga que se debe establecer con la comunidad a través de la educación y la cultura; la impartición de talleres y el respeto a lo autóctono pueden convertirse en otro motivo para la toma de decisiones del consumidor. El turista generalmente busca lo local y autentico no la copia o lo falso por lo tanto este respeto a la comunidad se traducirá en más clientes.

El encadenamiento productivo sustentable es algo a lo que se le debe dar un valor importante dentro de un hotel, el adquirir productos locales impulsa la economía del lugar y crea más empleos en la comunidad, pero más importante aún es exigir que estos productos sean elaborados con el uso de buenas prácticas.

Después de lo anterior aún queda la pregunta ¿cómo empezar a ser sustentable en una empresa?, la respuesta sería iniciar desde la planeación estratégica; pues es aquí donde se tiene que reflejar en todas las acciones y objetivos de la empresa esta sustentabilidad.

Lo ideal es que desde la Misión y Visión de la empresa quede plasmada la intención de ser sustentable y a partir de ahí establecer estrategias claras para lograrlo. Una empresa no debe únicamente “maquillar” sus acciones sino que debe integrar a la cultura organizacional la responsabilidad con el medio ambiente y la sociedad en general. Después de todo a largo plazo la sustentabilidad es un buen “negocio” ya que permite ahorros y atrae nuevos nichos de mercado.

Lo que se debe tener claro al iniciar con estas prácticas es que al hablar de sustentabilidad dentro de los planes estratégicos de la empresa estamos haciendo referencia no únicamente a cumplir con las disposiciones legales de todo tipo respecto al medio ambiente, lo fiscal o laboral, sino que se está hablando de rebasar ese simple cumplimiento y aportar un poco más. Esto puede significar invertir más en capital humano, en instalaciones y por supuesto en la relación con la sociedad. Esta es el compromiso inicial y más fuerte que debe adquirir los administradores o dueños de las empresas. Esta inversión no significa un gasto superfluo o inútil sino que puede representar, al contrario, un elemento clave para aumentar la competitividad de la empresa como se puede apreciar en la siguiente tabla donde se compara diferentes tipos de empresa y como su acercamiento a la sustentabilidad pueden darle un diferenciación empresarial única que la convierta en más competitivas en el mercado actual y que como añadidura sean más aceptadas en las comunidades receptoras.

Tabla 3. Diferenciación empresarial

Empresa convencional	Empresa socialmente responsable	Empresa sustentable
Maximizar el beneficio para sus accionistas	Maximizar el beneficio para los accionistas revirtiendo una parte a la sociedad en la que opera con el fin de compensar en parte las externalidades negativas que produce	Maximizar la creación de riqueza para la sociedad en la que opera, creando productos y servicios

Cumplir con las reglas del juego	Evitar los efectos perniciosos que puedan tener los productos y servicios que pone en el mercado	Aprovechar las oportunidades que la mejora de la calidad de vida ofrece para los negocios
Atender las demandas de información	Mostrar su compromiso social	Favorecer la participación de la sociedad en la compañía para buscar conjuntamente soluciones
Las nuevas responsabilidades deben conllevar nuevas leyes que se deben hacer cumplir por todos	Las nuevas responsabilidades me favorecen. Necesitamos pocas reglas	Las nuevas responsabilidades me diferencian. Cuanto menos reglas mejor
Reactiva	Proactiva	Líder

Fuente: Fundación Entorno (2003) citado por Alfaya y Blasco (s/f)

Partiendo de la idea de que “Una empresa sostenible es aquella que crea valor económico, medioambiental y social a corto y largo plazo, contribuyendo de esa forma al aumento del bienestar y al auténtico progreso de las generaciones presentes y futuras, tanto en su entorno inmediato como en el planeta en general”. (Código de Buen Gobierno de la Empresa Sostenible 2002) la razón de ser de la empresa deja de ser el obtener solo ganancias a corto plazo y se sitúa más allá creando las condiciones para su permanencia en el largo plazo aceptando su responsabilidad como elemento generador de cambios positivos y negativos en su entorno por lo que se compromete a favorecer los primeros y mitigar los segundos.

Las acciones de la empresa deben estar ligadas a las necesidades y deseo de los consumidores pero no solo eso sino que también deben ligarse a los deseos y necesidades de la sociedad en general y por esto se tiene que establecer canales de comunicación que nos permitan conocer el sentir y las opiniones de los actores locales. Se debe recordar que la empresa es un sistema abierto donde existe una correlación e influencia mutua con el entorno por lo que no se puede soslayar la importancia de escuchar que es lo que quiere la comunidad.

Por supuesto que el activismo social y las Organizaciones no Gubernamentales (ONG's) juegan un papel importante en este desafío de seguir un camino a la sustentabilidad pero como se mencionó en la tabla anterior se debe favorecer su participación en la toma de decisiones para los objetivos empresariales en este aspecto. Muchas veces estas organizaciones tienen información valiosa para mitigar los efectos nocivos del funcionamiento de la empresa y pueden coadyuvar, casi siempre sin remuneración alguna, en la búsqueda de soluciones.

La innovación también juega un papel clave en la búsqueda la sustentabilidad, pues de esta manera se busca la mejora continua de todos los procesos lo que

constituye una forma de revertir prácticas que implican un desgaste o daño al medio ambiente. Además de lo anterior la innovación conlleva el agregar un valor extra a los productos y servicios que ofrece la empresa, por lo que es al final un beneficio para todos. Tal como lo plasman empresas manufactureras de carácter global: “La sostenibilidad representa un marco de gestión que nos lleva a buscar la mejora continua en nuestra forma de operar y nuestros productos, integrando en nuestra actividad diaria y en nuestra planificación estratégica objetivos económicos, medioambientales y sociales” (General Motors. Environmental, Health and Safety Report. 1998, citado por Alfaya y Blasco s/f) lo anterior implica un cambio en la forma de iniciar cualquier cambio e iniciativa en las estrategias y políticas empresariales pues desde inicio se tiene plasmado como eje fundamental la sustentabilidad por lo que se deja de ser “reactivos” ante problemas medioambientales y sociales y se comienza a actuar para mejorar el entorno.

VI. Resultados

La sustentabilidad no es una “moda” o un deseo pasajero de algunos cuantos actores sociales, hoy en día la sustentabilidad se ha convertido en parte esencial de los negocios exitosos por lo que no se puede soslayar, el hecho de adoptar “buenas prácticas” y el ser responsable con el medio ambiente y la sociedad brinda múltiples beneficios pero y, siendo pragmáticos, lo más importante es que brinda una ventaja competitiva que se revertirá en más ahorros y ganancias para quien se atreva a seguir esta ruta.

En la actualidad las empresas modernas están bajo el escrutinio de diferentes actores sociales que vigilarán su desempeño ambiental y estarán prestos a denunciar y criticar cualquier falla o error que se cometa, esto quiere decir que ya no es posible ocultar los daños que se puedan causar al entorno pues siempre habrá alguien que estará observando; Esty y Winston (2006) señalan a estos actores y los dividen en cinco categorías:

- Organismos reguladores y sus vigilantes, es decir gobierno y grupos ambientalistas y diversas ONG’s.
- Generadores de ideas y líderes de opinión incluyendo académicos y grupos de expertos e investigadores.
- Comunidad y consumidores incluyendo agentes oficiales locales y público en general.
- Inversionistas y asesores de riesgos, incluyendo accionistas y banqueros

Por lo anterior señalan los autores no es posible continuar ignorando la influencia y las consecuencias negativas que tendría la empresa si no se adoptan medidas pertinentes que sean aceptadas no solo por los que elaboran en ella sino por todos los actores externos ya mencionados. De tal manera

que construyendo un “eco ventaja” (Esty y Winston 2006) se obtendrían más beneficios económicos tangibles para la empresa:

1. Los líderes reducen los costos operativos y los gastos medio ambientales como el manejo de desechos y cargas regulatorias en toda la cadena de valor.
2. Se identifican y reducen los riesgos ambientales y regulatorios en sus operaciones, especialmente en sus cadenas de suministro, para evitar los costos y aumentar la velocidad del mercado.
3. Encuentran maneras de impulsar los ingresos mediante el diseño y mercado de productos que sean superiores en el aspecto medio ambiental sean compatibles con los deseos de los consumidores.
4. Algunas compañías crean un valor intangible en sus productos mediante un mercadeo que enfatice su ventaja ecológica.

De lo anterior se puede concluir que el seguir la ruta “verde” no solo se verá reflejado en un sentimiento de haber cumplido con un deber moral y ético sino que al final constituye realmente una manera de fortalecer a la empresa al hacerla más rentable.

Willard (2002) por su parte menciona siete aspectos que representan los principales beneficios económicos que la sustentabilidad puede causar en cualquier empresa:

1. Aumentar los ingresos
2. Reducir los gastos de energía
3. Reducir los gastos de residuos
4. Reducir los gastos de materiales y agua
5. Aumentar la productividad de los empleados
6. Reducir los gastos de contratación y el desgaste
7. Reducir los riesgos estratégicos y operativos

Willard (2002) habla del cambio de cultura empresarial que se tiene que buscar para lograr estos beneficios que en conjunto pueden resultar en un significativo descenso en el porcentaje de los costos fijos de la empresa, así como un mejor ingreso por los productos y servicios vendidos.

Existen numerosos ejemplos de las buenas prácticas en el turismo, como ejemplo se tiene el que expidió el Ministerio de Trabajo y Asuntos Sociales en España con directrices marcadas por la Unión Europea y que las separa en tres rubros principales:

- Gestión de los recursos
- Gestión de la contaminación y los residuos
- Gestión del espacio ocupado

En el primer rubro menciona cuestiones básicas sobre el ahorro de energía y agua además de un elemento clave que es el de realizar campañas para la

concientización del personal de la empresa. El realizar untas periódicas con el personal puede tener como resultado el cómo tener más ahorros pariendo de una lluvia de ideas.

En el rubro de gestión de la contaminación y los residuos se recomienda por ejemplo el consumir en lo posible productos que se puedan reciclar o que provienen de una empresa comprometida con el ambiente. Otros como la separación de esos residuos facilitar su reciclado.

Por último en el rubro de la gestión del espacio ocupado se habla de la promoción de actividades turísticas que no impacten negativamente al ambiente, educación a la comunidad y los turistas además de promover un crecimiento turístico sano sin deteriorar el territorio ocupado.

Si bien es cierto que inicialmente la implementación de algunas buenas prácticas conlleva el invertir un poco más de capital estas inversiones se revertirán en un corto y mediano plazo, eficientando la operación de la empresa u hotel.

Todo lo anterior servirá para determinar que estrategias pertinentes para su mejora y en su caso para dejar de ser un empresa “reactiva” y convertirse en una empresa “líder”, que goce del respeto y aceptación de consumidores y sociedad en general, cabe recordar que en el mundo de los negocios la reputación lo es todo especialmente en empresas de servicios como los hoteles.

El camino hacia la sustentabilidad no es fácil pero no es algo que se pueda dejar a un lado tan fácilmente sin dejar también a un lado una serie de beneficios importantes para la empresa. La empresa es un tiene que ser un ente social flexible y adaptable de otra manera su futuro está comprometido. En una industria tan susceptible a la percepción de imagen y con un turista más consciente e informado que busca lugares prístinos no queda más que trabajar para lograr la tan necesaria y anhelada sustentabilidad.

La tendencia actual de muchas de las empresas más importantes del orbe es invertir en la sustentabilidad pero no solo como una manera de cumplir con las exigencias de la sociedad y las autoridades sino como una forma de ahorrar cada vez más con la disminución de los desperdicios y la eficientización de los recursos lo que los lleva a un aumento en sus ganancias y un aumento en sus ventas ya que el mercado es cada vez más receptivo a las productos que sean manufacturados de forma amigable con el ambiente.

Para tener una idea de la importancia de este tipo de inversión a nivel global la organización Global Sustainable Investment Alliance (GSIA) quien define a la inversión sustentable en su informe 2012 como “un enfoque de inversión haciendo referencia a ambiental, social y factores de gobernanza en la selección y gestión de inversiones. Para el propósito de este informe global y de articular nuestro trabajo compartido en la forma más amplia, GSIA utiliza una definición

inclusiva de la inversión sostenible, sin hacer distinciones entre éste y términos relacionados, tales como la inversión responsable y la inversión socialmente responsable” continuando con este reporte 2012 se tiene lo siguiente: “El tamaño estimado del mercado mundial de la inversión sostenible tal como se define en el presente informe manejado en las regiones es de al menos 13,6 billones de dólares EE.UU. al 31 de diciembre de 2011, sobre la base de los datos recogidos de los miembros de la Alianza Global de Inversión Sostenible. Esto representa 21,8 por ciento de los activos totales gestionados en las regiones incluidas en el informe, de manera concluyente demostrado que la industria de la inversión sostenible tiene una escala significativa.”

Como se puede apreciar las tendencias son al alza en el uso de recursos destinados a la sustentabilidad tanto por la industria privada como por los gobiernos de todo el mundo. El turismo no se ha quedado atrás y cada vez son más las empresas turísticas de todo tipo que adoptan “buenas prácticas” en sus procesos, es cuestión de voluntad y de buen manejo empresarial; solo hay que recordar que los recursos naturales con los que cuenta el planeta cada vez son más escasos y las necesidades de la población son mayores cada día por lo que una vez más hay que recalcar que solo es sentido común y un buen sentido empresarial. Ya no se puede pensar en la sustentabilidad como una alternativa sino como una realidad que impera en el mundo y hay que adoptar pues está de por medio la supervivencia de los destinos turísticos y de la empresa misma.

VIII. Conclusiones

En el camino hacia la sustentabilidad empresarial y como resultado del análisis documental de diferentes autores, instituciones oficiales y organismos empresariales que se realizó en el presente estudio se ubicaron cuatro factores que son una síntesis de lo revisado y a su vez indicaran el estado que guardan las políticas y estrategias tendientes a hacer sustentable los procesos, productos y servicios que se ofrezcan:

- El primer factor a analizar es su capital humano pues si no existe una cultura empresarial que motive y promueva las buenas prácticas todo lo demás es superfluo. El educar a la gente es el primer paso y el más importante.
- El segundo factor sería un análisis a fondo sobre los impactos de la empresa en el medio ambiente que la rodea, esto quiere decir un análisis de riesgo y todas las consecuencias negativas que su existencia provoquen.
- El tercer factor es la capacidad de innovación que posee para mitigar los efectos nocivos al medio ambiente de los diferentes procesos y la capacidad de creación de productos y servicios amigables con el medio, además la capacidad de implementar y crear buenas prácticas ambientales.
- Por ultimo cual es el estado de la relación que tiene la empresa con los diferentes actores locales tales como instituciones de gobierno, ONG’s

y comunidad en general que puedan aportar ideas y dar asesoría para la formulación de estrategias en la búsqueda de la implementación de buenas prácticas.

Todo lo anterior servirá para determinar que estrategias pertinentes para su mejora y en su caso para dejar de ser un empresa “reactiva” y convertirse en una empresa “líder”, que goce del respeto y aceptación de consumidores y sociedad en general, cabe recordar que en el mundo de los negocios la reputación lo es todo especialmente en empresas de servicios como los hoteles. En México es particularmente importante debido a la magnitud y tamaño de la industria turística y los impactos negativos que puede causar en el ambiente y el equilibrio ecológico, la situación actual de la hotelería frente a este reto deja amucho que desear si se considera que solo sesenta hoteles cuentan con alguna certificación ambiental en México (SECTUR 2012).

El camino hacia la sustentabilidad no es fácil pero no es algo que se pueda dejar a un lado tan fácilmente sin dejar también a un lado una serie de beneficios importantes para la empresa. La empresa es un ente social flexible y adaptable de otra manera su futuro está comprometido. En una industria tan susceptible a la percepción de imagen y con un turista más consciente e informado que busca lugares prístinos no queda más que trabajar para lograr la tan necesaria y anhelada sustentabilidad. Hay que cuidar los recursos de la empresa para de esta manera cuidar los recursos del planeta; el futuro de todos depende de ello.

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The image of Germany in Poland and its impact on development of Poles travelling tourism to Germany

Abstract: The country image tends to be a crucial element for supporting national products on foreign markets. This is also a case for tourist products. The Germany brand is one of the most powerful brands across the world. However, it seems, as highlighted in the research hypothesis, that in the case of tourism its impact on the Poles is not as strong as in the case of numerous other economic spheres. The poll research conducted on a selected group of respondents revealed the grounds for the hypothesis stated. Respondents evaluated relatively poorly both the attractiveness of Germany as well as their urge to visit that country compared to other European countries, they also rated poorly the selected highlights of the country. Another barrier related to perceived attractiveness of Germany is a not entirely positive stereotype of German people. The results reveal the need for changes of it, which are possible in the light of better ratings given by persons who previously visited Germany.

Key words: tourism, image, Germany, attractiveness, country of origin effect

Introduction

In present day economy competition takes place on a number of levels: products, enterprises or countries. They compete for inflow of investments, tourists and the highest possible sale of products originating from these countries. The perception or the image of the given country is a powerful source of competitive advantage on all listed levels, affecting the competitiveness of

the economy, also during crisis. The surveys over these issues carried out in various countries corroborate the relationship between the country perception and products originating from that country. The reference literature defines this interdependence as „country-of-origin effect”.

The country image or brand proves to be a significant driver likely to act as a stimulant as well as barrier to the development of tourism because the country perception guides many decisions on travelling in international tourism. Though it should be kept in mind that the country image is a very complex construct which is, first, influenced by various factors such as: economy, sport, history, people or natural circumstances, second, the country image has different implications for specific products, for instance, an origin of a product from France will certainly have a positive impact on cosmetics, whereas in the case of cutting-edge technologies, it will produce contrary effects. Yet for such products, an origin from Japan is an undisputable asset, though a clearly positive image of the country fails to be beneficial for the clothing industry.

The Germany brand is one of the most powerful national brands, rated the 7th in the rating of the brands in 2012 [Smith J., 2012]. Clearly, in most cases the origin of a product from that country constitutes a crucial added value contributing to an enhanced evaluation. Nevertheless, it seems expedient to raise a question on whether this is the case for the tourist products which evaluation frequently differs from the evaluation of other products originating from specific countries. Therefore the major research question addressed in the study will be as follows: in which way the German image influences the Polish market in terms of tourist products. It appears that the added value created by the country image for the group of products discussed is lower than for numerous other consumption products. Thus the major hypothesis of the study is as follows: in the case of tourist products a tremendously positive impact of the German brand on Polish consumers is not reported which is an essential factor curbing the travel of Poles to Germany. Accordingly, the poll research on a selected sample of young Poles was conducted so as to verify the above hypothesis.

The focus on the specified research area is justified because the Federal Republic of Germany is the country most visited by the Poles according to the data provided by the Tourism Institute in 2011 [Wyjazdy...]. Such a situation is, to a large extent, the result of close geographical proximity. Also, the attractiveness and well-developed infrastructure play a substantial role as well. Though, it is worth examining the implications of the perception of Germany in Poland for travelling decisions among Poles, in terms of both stimulants and hindrances.

Country image – competitive factor for products originating from it

While expanding globalization processes, the image of the country of origin of both the brand and the product became an essential element of competitiveness. It should positively influence, among others: perception of brands and products originating from that country. The reference literature labels such correlations as country-of-origin effect which may be defined as „picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country” [Li D., Ahn J., Zhou R., Wu B, 2009, p. 623]. As emphasized by Sipos and Nefzger, this effect exerts mighty influence on the perception of the quality of the products manufactured in a given country [2011, p. 2]. Whereas P. Verlegh argues that the country of origin plays the role of the specific *mental shortcuts* facilitating the product evaluation, especially when it is not widely known and information about it is insufficient [2010. p. 49].

The literature of the subject does not challenge the occurrence of the phenomenon. However, as demonstrated by Herz and Diamantopoulos, despite numerous studies investigating the country-of-origin effect, there is no consensus on its implications and strength of its impact among scholars [2013, p. 410]. It should be stressed that the phenomenon is often divided by specifying the brand origin and the country of manufacture [Hamzaoui-Essoussi L., Merinka D., Bartikowski B., 2011, p. 973]. Various studies emphasize that the impact and significance of the country is contingent on the type of the product, e.g. the country of origin is less important for the products characterized by a high degree of standardization.

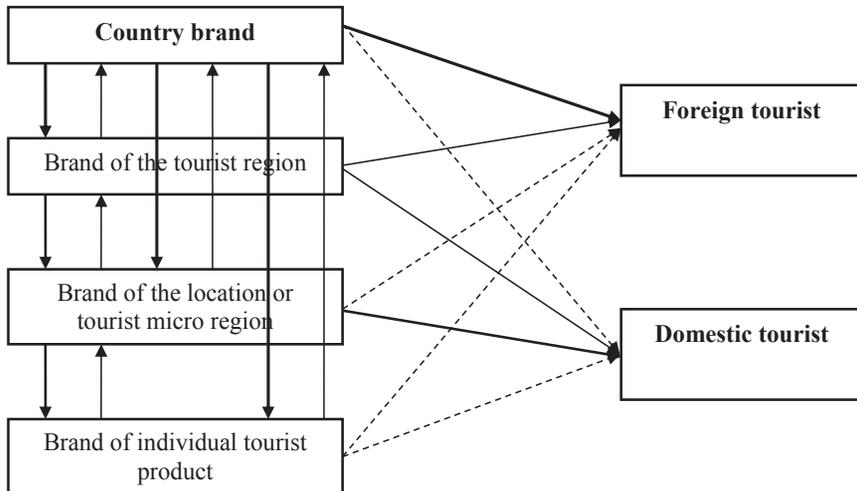
It has been suggested that the issues of the country image or its brand as well as its management may be examined from three perspectives. First, countries may build their image as a tourism destination. Second, countries may create an image as an attractive location for foreign direct investments, and third, they may strive to develop their image as a manufacturer of high quality products (this approach prevails in research and literature) [Pappu R., Quester P., 2010, p. 277].

A country image is undoubtedly a significant element driving the evaluation of products originating from that country, including tourism products. As claimed by Seth the fact that the country enjoys a wide variety of natural attractions and anthropogenic sites does not necessarily imply a massive inflow of tourists. This is contingent on the country image predominant in the states from which tourists come. India is a good example. Certainly, this country offers abundant attractions, yet it fails to attract as many tourists as tiny Singapore. Although people are aware of the rich resources possessed by India, they view that country from the perspective of poverty, poor hygiene or lack of safety. Such an image is a mighty barrier constraining tourist travels [Seth P., 2008, p. 18].

A country image is a construct much more complex than traditional products, this is a derivative of a far larger number of factors. The country perception is determined by, among others, history, entertainment industry, media, arts, music, famous figures, enterprises, language or commercial brand products [Skinner H., Kubacki K., Moss G., Chelly D., 2008, pp. 193-215].

It is easily noticed that these factors are characterized by great diversity, not all may be subject to active management. However, it should be agreed that it is crucial to monitor the country image and, above all, the image should be shaped, managed with the goal, as described by Fetscherin, of creating positive international perception, and consequently a positive approach towards the country [2010, p. 468], which should result in a positive effect on products, including tourism products originating from that country.

Figure 1. Structure of tourism products



Source: Dębski M., 2012, p. 29

According to the model outlined in Figure 1 there are a number of interactions occurring between the country brands and destinations located there. Though central to the investigations conducted is the issue of the impact made by specific brands. The country brand and its image have the critical influence on the decisions made by buyers – tourists with regard to travelling abroad. In consequence a primary research question to be addressed is: what is the German image as an area for tourist reception in Poland?

German image as a tourism destination – methodology and research hypothesis

is among the largest and most affluent European states enjoying rich history and fairly diversified landscape. Therefore, the thesis on its tremendous appeal appears to be entirely validated. As presented in the report produced by the European Travel Commission in 2013 there was a significant surge in travellers to Germany compared to the previous year [European..., 2013, p. 1]. Equally, this is a country mostly perceived (particularly in Poland) in the context of the contemporary history and its economy. It is hence reasonable to embark on a discussion about its perception in the light of its tourist attractiveness. It seems that its tourism potentials may be underrated to some extent due to persistent stereotypes about Germany and Germans. Basically, lingering associations may effectively decrease the attractiveness of the country in the perception of potential tourists.

Accordingly, it is legitimate to offer the following hypothesis previously specified: in the context of tourism products there is no particularly positive impact of the Germany brand on Polish consumers, which may serve as a factor limiting travels of Poles to Germany. Verification of the foregoing hypothesis entails the response to the question: how the Poles perceive Germans and Germany and what impact it has on travelling activities of Poles to that country.

The survey conducted in May-June 2013 was designed to verify the hypothesis made and to search for the answer to the question raised. The survey comprised two phases. The first phase involved completing the survey questionnaire by a group of students from a Warsaw higher education institution. The questionnaire mostly included open-ended questions related to the perception of Germany, Germans and familiarity with tourist attractions in Germany. The key questions were as follows:

- What associations do you have with Germany?
- What association, what features do you associate with the Germans?
- What tourist attractions do you know in Germany?

This was the pilot stage and the responses received were used to prepare a proper survey questionnaire dominated by closed-ended questions. The selection was established based on the most frequent responses to questions raised at the phase I.

The phase II sought to collect 200 appropriately completed questionnaires, and following their verification 197 answers were used for the formulation of the findings. The respondents were selected among students of Warsaw higher education institutions. Such selection was guided by the belief that the group included young residents of Warsaw, and it was an intentional move because young persons characterise with high tourist activity, and furthermore persons

aged 20-30 are the second generation born after the WW2 which makes them less *burdened* with its negative connotations. These assumptions were corroborated in the survey: residents of cities over 100,000 inhabitants represented 47% of participants, and persons below 25 years – 55% of the respondents. It should be also highlighted that 31% of respondents were persons who visited Germany as adults. This information is crucial because when answering the questions these persons rely on their experiences, not merely on the perception.

The sample was not a representative selection which causes that the results obtained should be approached in a judgemental manner. Meanwhile the results received lead to various intriguing conclusions likely to be an interesting basis for further discussions.

German image in Poland and its impact on the development of tourism – survey findings

The first question of the survey accomplished was intended to verify the significance of the country brand in tourism. According to the model displayed previously (Fig. 1) the country image tends to be critical for the foreign tourism. The respondents were asked to indicate the place where they spent their holidays abroad, 37% of them failed to provide responses to the above question or they said they did not spend holidays abroad. Yet the answers given by the remaining 63% are distinctive. 54% of those indicating the location of their holidays specified the country or the country name in the location description. Only 9% pointed out the city or region. The outcome explicitly suggests that the country brand prevails in the perception of the holiday destination among the respondents. Hence it may be assumed that it will also be a critical factor driving the travelling decisions. As a result, in line with the model illustrated, an emphasis should be placed on the country brand when promoting the country on foreign markets as a destination.

After all, it is advisable to discuss how Germany is perceived as a tourism destination compared to other European countries. The results obtained from the survey on the above issue were detailed in Table 1. The countries that topped the ranking included: Italy, Spain and Greece. Traditionally, these are the countries occupying a remarkably high position in Polish travelling tourism. Whereas a rate of 2.79 put Germany low in the rating among the worst evaluated countries (solely countries emerging in the aftermath of the collapse of the Soviet Union received worse rating). Slightly better rating was given by persons who previously visited Germany – 2.96 but such rating is still poor. The findings presented clearly should not be estimated positively and they clearly show that Germany is not viewed as an attractive tourism destination. Importantly, they also provide grounds for the formulation of the statement that a mighty German brand underpinning numerous products fails to support tourism.

Table 1. Evaluation of tourist attractiveness of selected European states

Country	Rating	Country	Rating	Country	Rating
Italy	4,37	France	3.96	Lithuania	2.46
Spain	4.5	Slovakia	2.85	Holland	3.18
Russia	2.64	Germany	2.79	Portugal	3.95
Greece	4.02	Great Britain	3.45	Ukraine	2.46
Czech Republic	2.86	Norway	3.3	Germany – persons previously visiting that country	2.96

Source: Own study based on the research conducted

Notice: Respondents evaluated attractiveness in the scale 1-5

Large and recognizable cities are of a tremendous significance for expanding tourism and building the image of the country as a tourism destination, particularly on the European market. Table 2 shows the respondents' responses evaluating the attractiveness of German cities as compared to other European cities. Similarly, as in the previous evaluation, German cities were not highly rated, though the average rating for Munich and Berlin tends to outperform the rating of the country as a whole. It should be underlined that, as in the previous case, persons previously visiting the country gave higher ratings to the German cities.

Table 2 Evaluation of tourist attractiveness of selected European cities

City	Rating	City	Rating	City	Rating
Paris	4.36	Berlin	3.38 (3.38)	Milan	3.96
Munich	3.5 (3.6)	Rome	4.57	Barcelona	4.32
Turin	3.4	Moscow	3.29	Kiev	2.88
Budapest	3.47	Frankfurt	2.96 (3.22)	London	3.77
Vilnius	3.27	Venetia	4.26	Hamburg	2.93 (3.11)

Source: Own study based on the research conducted

Notice: Respondents evaluated attractiveness in the scale 1-5, the brackets show the attractiveness evaluation of German cities made by persons who previously visited Germany.

The analysis of the first batch of findings seems to lead to two conclusions. First, Germany as well as German cities are not rated highly as tourism destinations. Thus the Germany brand fails to support German tourism products as is the case for other products. Furthermore, a higher rating to the Germany attractiveness given by persons having visited the country implies that stereotypes lingering in Poland are less favourable than the evaluation of the reality made by visitors. Such a situation evidently reveals the urgency of initiatives aimed at improving the perception of Germany in Poland as an attractive destination.

At the heart of each image are associations invoked by the product and its brand, the German brand in the discussed case. The key products were featured in Table 3. The most indications were received by: good motorways, Volkswagen, Merkel, war or superior cars. One may easily notice that they are not, except for war, negative associations and at the same time they are not directly related to tourism or perception of tourist attractiveness of the country.

Table 3. Associations for the federal Republic of Germany

Association	Indication (all)	Indication (those having visited Germany)	Association	Indication (all)	Indication those having visited Germany)
Bavaria	63%	79%	Sea	5%	8%
Safe	19%	26%	Merkel	60%	73%
They do not like Poles	45%	42%	It is worth buying its products	39%	39%
Beer	67%	81%	Attractive cities	11%	18%
High standard of living	56%	56%	Interesting country	13%	21%
Expensive	25%	31%	Volkswagen	68%	68%
Good motorways	83%	83%	Football	52%	53%
War	63%	63%	Mountains	4%	11%
Monuments, museums	10%	16%	Ugly language	59%	60%
Saxony	17%	17%	Good cars	63%	68%

Source: Own study based on the research conducted

Notice: Respondents evaluated attractiveness in the scale 1-5, cafeteria of responses was prepared based on the findings obtained from the first phase of the survey during which a selected group of respondents presented associations for Germany in open-ended question, associations referring to tourism were bolded.

One of the objectives of examining the associations for Germany was to verify the development of associations linked to tourism among varied associations. These associations were made bold in Table 3. It may be easily traced that among diverse elements of the image of the Germany brand they received the least indications. Such results certainly provide grounds for adopting the statement that Germany is not viewed as an attractive destination. This evaluation is not alleviated by the fact that among all cases a higher percentage of indications was given by persons previously visiting Germany. The difference in evaluation by two groups is substantial, though the percentage of persons associating Germany with tourist highlights remains relatively low.

The evaluation of tourist attractiveness of Germany and the urge to visit the country for tourist purposes is of significant importance. The subsequent questions of the survey concerned with the foregoing issues, and collective results from the responses were presented in Table 4.

Table 4. Evaluation of attractiveness and willingness to visit Germany

Would you like to visit Germany for tourist purposes?					
Response	Yes – very much	Rather yes	Rather no	Definitely no	No opinion
Percentage of indications (respondents in total)	6%	36%	35%	8%	15%
Percentage of indications (those previously visiting Germany)	10%	40%	32%	8%	10%
Do you consider Germany as an attractive tourism destination?					
Percentage of indications (respondents in total)	2%	39%	32%	3%	24%
Percentage of indications (those previously visiting Germany)	5%	45%	23%	5%	21%

Source: Own study based on the research conducted

The present findings are consistent with previous observations and reveal that Germany is viewed rather neutrally in terms of tourist attractiveness, which means that the percentage of respondents perceiving the country as an attractive tourist destination is relatively close to those holding contradictory views. Notably bigger differences occur among persons who previously visited Germany. In this group almost twice as many people esteem Germany as an attractive tourism destination. Higher ratings overlap with the previous responses that emphasised the fact that persons having visited Germany rate the tourism potentials of the country higher. At the same time the results fails to translate into a definitely increased willingness to travel again to Germany. As shown in Table 3 the number of persons declaring such willingness within both the group of all respondents as well as the group of those surveyed who previously visited Germany are on a par with those reluctant to travel to Germany for tourist purposes. Overall, it seems that for such a large country with extensive offers the rating should be higher.

The implications of evaluating the Germany's attractiveness is the rating of selected tourism attractions of the country. The respondents assessed

the attractiveness of selected places and events compiled on the basis of the answers given in the pilot survey. As revealed by the data detailed in Table 5 the ratings of specific attractions were varied, and certainly they were affected by respondents' individual preferences which resulted in biased views. The focus should be brought to two issues. First, the rating was based on the scale 1-5 implying that the average rating should be 3. Among responses outlined in the cafeteria only two attractions: Neuschwanstein and Zugspitze scored the average rating significantly below the average 3 which was, to some extent, the result of low recognition of these two names. In other cases the average rating surpassed the value 3, specific attractions were thus assessed positively. Though it should be stressed that the average rating exceeded 4. On the whole, the overall rating appears not to be high, thus confirming the previous conclusions. Second, in most cases, the higher ratings were given to specific attractions by persons who already visited Germany which confirms the previous findings.

Table 5. Evaluation of tourist attractions in Germany

Attraction	Evaluation (in total)	Evaluation (those having visited Germany)	Attraction	Evaluation (in total)	Evaluation (those having visited Germany)
Saxony	2.98	3.16	Brandenburg Gate	3.30	3.58
Tropical Islands	3.61	3.61	Berlin	3.45	3.69
Oktoberfest	3.62	3.62	Neuschwanstein	2.54	2.75
Alps	4.29	4.29	Bavaria	3.45	3.56
Hamburg	3.16	3.54	Munich	3.33	3.54
Beaches at the North Sea	3.46	3.06	Zugspitze	2.54	2.65
Frankfurt	3.03	3.32			

Source: Own study based on the research conducted

Notice: Respondents evaluated attractiveness in the scale 1-5

Another component crucial for the perception of the tourist attractiveness of the country, and thus its image as a tourism destination are its inhabitants. As far as Poles are concerned, not entirely positive opinions on Germans could have been expected due to historic background. To minimize the probability of the impact of WW2 associations on the results, a purposive sampling took place resulting in the survey of young persons. Nevertheless a fairly negative stereotype of Germans in Poland should be put into spotlight. According to the results presented in Table 6, Germans are wealthy, precise, reserved, non-smiling and arrogant. Undoubtedly, this is not a perception that has positive implications for development of tourism and encourages to establish direct

relationships. Such attributes as: hospitality, kindness, openness which seem to be essential in the context of ongoing discussions were indicated by 20% of respondents. The results received from persons who previously travelled to Germany did not differ significantly from the indications for the whole surveyed group, and they did not demonstrate a more positive picture of Germans.

Table 6. Associations for Germans

Feature	Indication (total)	Indication (persons having visited Germany)	Feature	Indication (total)	Indication (persons having visited Germany)
Open	19%	19%	Hospitable	11%	13%
Wealthy	69%	71%	Honest	19%	29%
Non-smiling	40%	47%	Precise	59%	69%
Entertaining, humorous	13%	15%	Aggressive	24%	19%
Kind	13%	19%	Reserved	56%	50%
Arrogant	44%	40%			

Source: Own study based on the research conducted

Notice: Respondents evaluated attractiveness in the scale 1-5

The concluding part of the survey included an inquiry on the readiness to visit Germany as compared to other selected countries across Europe. The question largely referred to the initial question of the survey examining the attractiveness of specific countries (Table 1). As revealed in Table 7 the willingness to travel to Germany for tourist purposes should be evaluated as low, both in the case of all respondents (2.71) as well as persons having previously visited Germany (2.97). In both cases the average rating hovers below 3 and it is substantially lower than for the Mediterranean countries, or countries being traditionally less popular destinations such as: Norway, Great Britain or the Netherlands. Overall, it is worth highlighting that in the initial part the costs related to high prices in the country were indicated as one of the primary barriers to travelling to Germany. Data illustrated in Table 7, to some extent, contradict this assertion because the travelling costs to countries scoring better ratings than Germany certainly are not lower.

Table 7. Evaluation of willingness to travel to selected countries across Europe

Country	Rating	Country	Rating	Country	Rating
Italy	4.75	France	4.03	Lithuania	2.41
Spain	4.63	Slovakia	2.78	Holland	3.18
Russia	2.64	Germany	2.71	Ukraine	2.44
Greece	4.11	Great Britain	3.6	Portugal	4.16

Czech Re-public	2.75	Norway	3.36	Germany – persons having visited the country	2.97
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Source: Own study based on the research conducted

Notice: Respondents evaluated attractiveness in the scale 1-5

Summary

Overall it should be emphasized that the country image and its perception are the critical factors driving tourists' decisions on the international travelling. Essentially, the selection of the country is the initial phase of the consumer-tourist's decision. Therefore, the need to shape its brand on the tourism market should be given importance.

One of the strongest national brands is Germany brand. While being associated with the quality and durability, it provides significant support for products originating from that country. However, according to the hypothesis established, the situation looks different for the tourism market. Basically, this is a market characterized by exceptional peculiarities where consumers' expectations may be other than for physical products. During the diagnostic poll there appeared numerous grounds for adopting the foregoing hypothesis. The respondents relatively poorly assessed the attractiveness of both Germany as well as German cities as compared to other European places leading to a relatively low willingness to travel to Germany. The group surveyed also estimated the selected attractions relatively poorly, and stereotypes and perception of German citizens further deter from visiting the country.

Therefore, the survey exposed the need of changes and enhanced efforts to implement them in the area discussed. Despite the fact that Germany is a major tourism destination for Poles, it may be presumed that majority of travels evidenced in the statistics include short-term travels connected with easy availability of communication or visits at family residing in the country. Accordingly, these are not typical tourist journeys. Essentially, improvement of the Germany image as a tourism destination would definitely trigger the shift in the attitude, and as revealed by the surveys concluded the changes in this regard are likely in the context of ratings given by persons who previously visited Germany. Their ratings are largely more favourable from the perspective of tourism than those given by respondents in total.

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Evaluation of performance of local economic activity under an industrial cluster approach

Abstract: The purpose of this article is to make a diagnosis of an economic activity identified as relevant in a local economy, in order to verify if it meets the criteria that characterize an industrial cluster.

This paper presents the overall results of research which analyzes the case of the candy and chocolate industries from the point of view of industrial clusters. The research is relevant considering that it presents a methodology for measuring the degree of functionality of a productive activity considered as relevant in a local economy under international operation standards, which is not common in studies of countries in Latin America.

The study seeks to answer the following research questions:

- What is an industrial cluster and what are its characteristics ?
- How to identify and evaluate an economic activity under a focus for industrial cluster?
- What are the competitive strengths and opportunities for local economic activity?
- Is it possible to design a strategy to promote the competitiveness of local economic activity?

The paper consists of the following parts:

- An introduction that presents the general problem context of the research subject is
- Theoretical studies and related research methodology

- Results of the investigation
- Proposition of strategic intervention to improve the functionality of the local cluster studied

The case study focuses on San Luis Potosí State, México, and it seeks to demonstrate the need to carry out industrial cluster initiatives as a strategy to promote enterprise development and strengthen economic activities in the manufacture of candies and chocolate, identified as relevant in the local context.

Key words: Industrial policy, processes and incentives, government policy, institutions and growth, model construction and estimation.

Introduction

Competing in a globalized world requires increased competitiveness for individuals, firms, regions, industries and countries. In the 1980's, Mexico began a policy of economic liberalization that has resulted in the signing of 11 trade agreements involving 43 countries. This has led to a rise in export of about 12% annually between 1987 and 2010. Unfortunately, increased of export is not accompanied by increased competitiveness.

Usually the problems of competitiveness are due to the production infrastructure of the companies, the industrial cluster approach shows that there are also striking problems in the context of trade liberalization. Trade liberalization is evidenced as a company's ability to adapt to cooperative work and a corporate culture to adopt an attitude of customer service. Other evidence includes the process to determine the characteristics of the goods or services required, to implement continuous improvement actions, and to make use of innovation practices.

The research objective is to demonstrate the need to carry out industrial cluster initiatives as a strategy to promote enterprise development and strengthen economic activities identified as relevant in the local context. It seeks to define a strategic agenda that includes multi-institutional actions to improve the competitiveness of enterprises and indirectly to seek improvements in the living standards of citizens.

The basic idea is to assist in strengthening local industries to become the anchor of development transforming them into efficient and competitive economic units, generating their own benefits by participating in the international market. In this case has been selected sector of candies and chocolates.

The aim of this study is to propose an alternative way to study economic activities in order to identify areas of opportunity that will allow these activities to operate in a more efficient and competitive manner through the industrial cluster approach. The study seeks to contribute to the methodological tools that facilitate the design and identification of policies for development,

competitiveness and innovation. The scope of research includes the economic activities with a high potential for development along with a strong component of local origin, i.e. relevant manufacturers with a background in the region, the specific case is the candy and chocolate industry in San Luis Potosí State, Mexico.

Theoretical framework

Industrial clusters have been identified as a successful strategy to promoting the competitiveness of companies and consolidating them in the international market. The theory is not new and dates back to the 90's as an initiative for companies to survive in the international crisis. Some of the most important theoretical proposals are:

The model of the Diamond by Michael E. Porter

Porter's diamond model provides insight into the role of a cluster in the context of competitiveness for companies. A cluster is defined as follows:

"Clusters are geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions (for example, universities, standards agencies, and trade associations) in particular fields that compete but also cooperate. Critical masses of unusual competitive success in particular business areas, clusters are a striking feature of virtually every national, regional, state and even metropolitan economy, especially those of more economically advanced nations" [Porter, 2008].

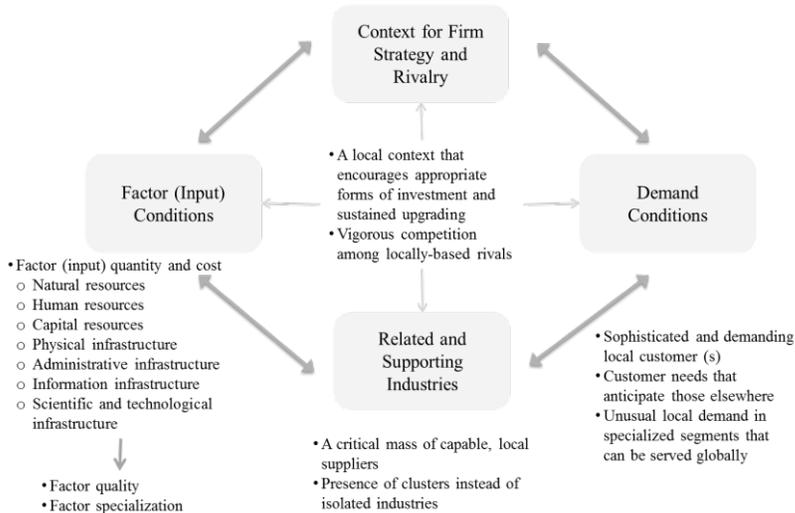
The cluster is represented by the Diamond, the interaction of its four components, which favors competition in an environment of rivalry between the companies in three specific ways:

- Increase of productivity of enterprises and industries;
- Increase of the innovative capacity of enterprises and therefore increasing their productivity, and
- Stimulating the new business formation that supports innovation and that expands the cluster.

The cluster favors the consolidation of a business environment in which companies, especially local ones, use innovation as the natural mechanism of survival in the medium and long term.

In this way a cluster (see Figure 1) is converted into a space for communication between companies acting together, which favors the generation of positive externalities, promotes exports, foreign direct investment, the creation of new businesses, fostering productivity and innovation, contributing to the emergence of competitive advantages; of course this is not achieved by itself, but requires implementing cluster initiatives.

Figure 1. Sources of Locational Competitive Advantage.



Source: [Porter M., 2008].

A cluster affects competitiveness and innovation through the different components of Porter's diamond:

1. In the condition of the factors, physical infrastructure promotes productivity of companies through the quality of the road network and public services, meanwhile with the involvement and cooperation of higher education institutions and business organizations contribute to improve efficiency, quality and specialization of certain areas of the cluster. Also located here is the administrative infrastructure that determines the information available, updating and system flexibility legal or tariff regulation can benefit all participants and improve the business environment;
2. In the context of company: strategy and rivalry, which consider the rules and incentives that govern the type and intensity of local rivalry, promote investment, stimulate the job market, encourage and regulate intellectual property, foreign trade, foreign investment and sustained improvement. The degree of rivalry is a function of the level of productivity of enterprises, so that the role of the cluster is to promote the transition of enterprises to achieve lower total costs, innovate, increase investment levels, including intangibles such as training and technology;
3. Regarding the component supporting industries it recognizes that it is a

function of the cluster to ensure the development of local suppliers to be competitive and promote an environment of rivalry, also seeks to promote the attraction of companies required in the industry and to become part of the advantage offered by the location and concentration of businesses;

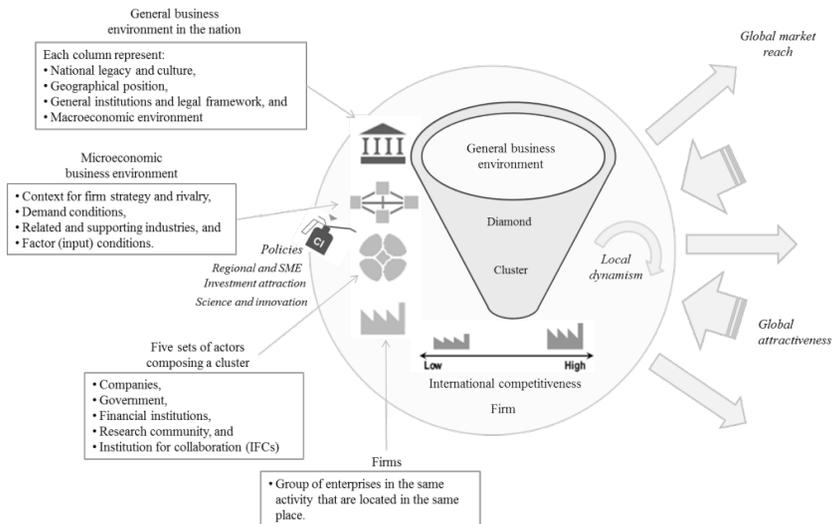
4. Finally, the component of demand conditions has a central role in assisting in the transition to the production of goods of high quality, with a strong level of differentiation, development of local markets, identifying and serving future demands, entering the new emerging market segment, attention from foreign markets, etc.

In this sense in an industrial clustering firms can improve their situation, time and effort to shorten the time needed to access new components, services, machinery and other items necessary to implement innovations, whether through new lines of products, new processes or new logistics models and benefit from externalities such as the provision of skilled labor, specialized services, access to marketing networks, etc.

Funnel model

A general representation about the structure of an industrial cluster and its interface with the context and the actors involved is represented in the funnel model. The funnel model takes into account four aspects of the operation of an industrial cluster: 1) It defines a group of companies in a specific economic activity, 2) It takes into account the actors related to their activities as sources of support, 3) It makes a strategic account of the response to market demands and supplies and, 4) It requires decisions to be made based on corporate culture and the country's macroeconomic situation. This model recognizes that there is one more component: CI (Cluster Initiatives). CI is the policy direction that seeks to stimulate activity at three possible levels: regional, attracting industries and promotion of innovation, and science and research activity. The model also takes into account the dynamics of the relationship leading to the generation of a new cluster and the consolidation of the more developed export sectors that promote and disseminate the competitiveness and innovation to the rest of the companies. This enables the cluster to consolidate three dynamics: a) the cluster itself, b) the attraction of additional companies and c) the inclusion and extent of new markets (see Figure 2).

Figure 2. The business environment and forces of change – the funnel model



Source: [Sölvell Ö, Lindqvist G, Ketels C., 2003]

The Rabelotti proposal

Rabelotti recognizes that an industrial cluster has special features such as geographic concentration and the presence of at least one leader enterprise, but emphasizes that a strategy to compete in an international context requires close collaboration between suppliers, producers, customers, government, universities and technology transfer centers, as well as financial institutions. This collaborative work allows it to more surely attain modernization, quality and external markets, however it should also develop a culture of cooperation, competition and innovation that allows it to function in the long term and be attentive to the needs of demand and markets. (See table 1).

Table 1. Characteristics of a cluster model

Characteristics of an industrial cluster			
SMEs grouped geographically, which are specialized by industry.	Links with suppliers and customers based on information, market, exchange of goods and demand.	Common social and cultural context that links economic agents and creates a culture code, sometimes explicit and others implicit.	Network of public and private institutions to support economic agents operating within the cluster.

Source: [Rabelotti R., 1995].

Some other authors on innovation and industrial clusters are listed in Table 2.

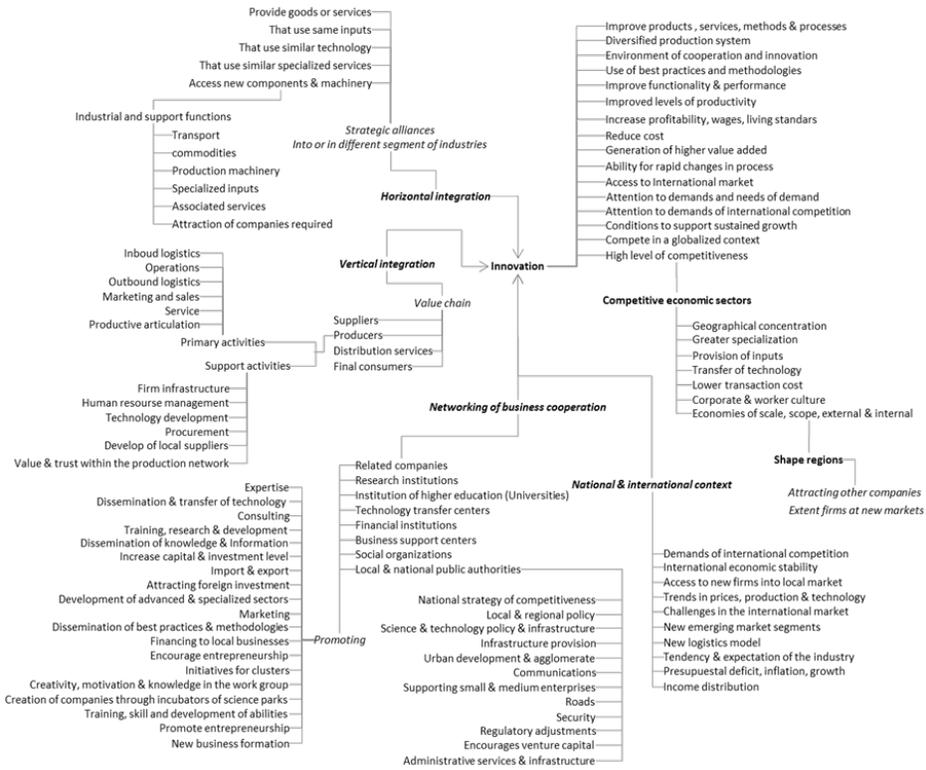
Table 2. Conceptual contributions to industrial clusters and innovation systems (approaches, theories and authors)

Focus	Theory / authors
Industrial cluster	Porter, Andersson, Schwaag-Serger, Sörvik, Hansson, Benneworth, Dahl, Ketels, Lindqvist, Möhring, Sölvell, Van der Linde, Rabellotti, Nadvi, Rosenfeld, Enright.
Innovation	Innovation Systems: Winter, Dosi, Paritt, Soete, Andersen, Kuhlman, Hämäläinen, Niosi, OECD, Marklund, Nelson, Rosenberg, Lundvall, Edquist, Freeman, Etzkowitz, Metcalfe; Cooke, Braczik, Landabaso, Gulbrandsen, Gebhardt, De Castro, Silva; Schumpeter, Arrow, Breschi, Malerba, Orsenigo; Carlson & Jacobsson, Metcalf, Williamon, Amable, Petit, Boyer.
	Knowledge economies and learning regions: Mansell, Machlup, Florida, Antonelli, Ferrão.
	Forms and innovation networks: Aydalot, Maillat, Camagni, Storper, Crevoisier.
	Local and regional development: Stöhr, Quévit, Max-Neef, Friedman, Boisier, Méndez, Vázquez Barquero.
	Economic theory of innovation and innovation cycles: Freeman, Soete, Schumpeter, Dosi, Pavitt, Rosenberg, Pérez.

Source: Authors' elaboration based on Dahl (2001) and others.

A clearer way to visualize the strategy and the components of an industrial cluster is shown in Figure 3, in which highlight factors determining of the innovation and competitiveness are presented. These factors enable a group of companies to move towards the stage of international competition, but it needs to consider issues such as strengthening the supply chain and marketing, carrying out strategic alliances, establishing business collaboration networks, taking into account mainly market trends (national and international), expectations of demand and the macroeconomic context. In this diagram, as can be observed, innovation plays a key role in the consolidation of industrial clusters to participate in a competitive market.

Figure 3. Innovation and factors that promote competitiveness

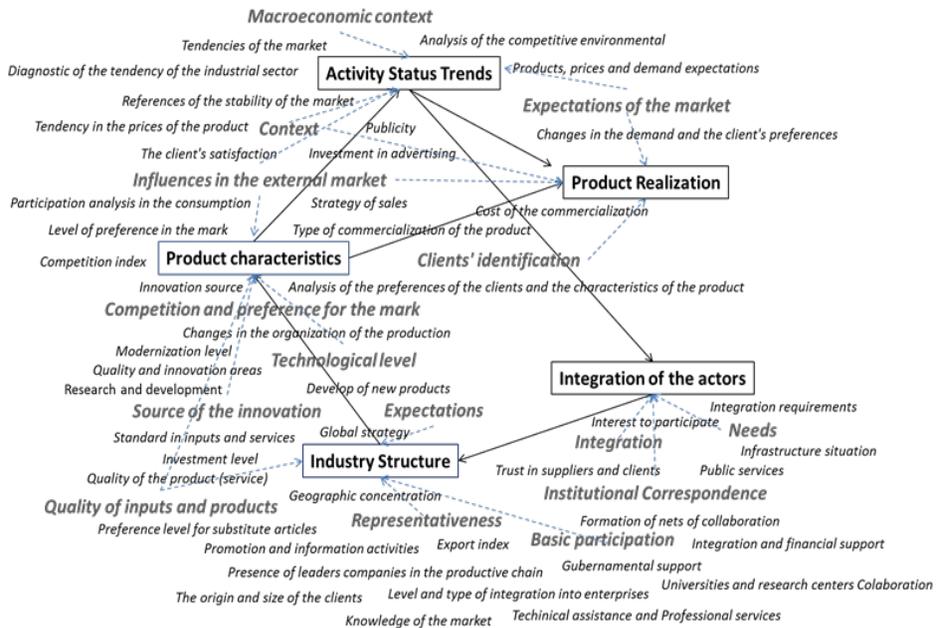


Source: Own development

Key Concepts to define a cluster

The same way, doing a count of the leading cluster theorists, it is possible to identify keywords that summarize the characteristics of a cluster. Figure 4 represents through a relational diagram the main components that give shape to the idea of cluster, each node has identified the key definitions that restrict their scope and field of study. These major components are the foundation of the design of our model for measuring the functionality of a cluster, while the keywords represent the variables of the same.

Figure 4 Concepts defining a cluster's components.



Source: Own development

Methodology to define the model of an industrial cluster

The analysis of industrial clustering is performed using a conceptual model (see Figures 3 and 4), which allows to sort the most important aspects that define a cluster into five major categories. The model thus represents and provides a simple way to measure (quantitatively) the functionality of the cluster, and summarize the result in a general indicator. The major components of the model are:

- 1) Industry structure;
- 2) Product realization;
- 3) Integration of the actors;
- 4) Product characteristics;
- 5) Activity status trends.

The analysis of each component will enable the identification of the level of consolidation in the production of chocolate and candy and learning what specific areas of opportunity will facilitate the functional increase of the cluster

as a whole. This will allow us to make some recommendations to increase the level of functionality, competitiveness and innovation.

The model considers a total of 56 variables, of which 44 are located in the category of soft data that is derived from surveys (79%), and 12 in the category of hard data gathered from official institutions (21%). The questionnaire through which information was collected in companies includes three types of variables: nominal, dichotomous and scale which uses numeric values (absolute or percentage) and Likert intervals (3 and 5 ranges). This information is supplemented by statistical information, interviews, field studies, and field work.

The 56 variables are grouped to form 20 indicators which in turn are arranged to define five components that represent the model of industrial clustering functionality. Each variable is calculated in a particular way and made comparable through a statistical process of standardization. The variables are grouped as shown below (Table 3):

The model calculates a general index of cluster functionality, which reflects the intensity of consolidation of the different components. The ideal or maximum value is 5, meaning that each component reflects the ideal operation of the firms under cluster practices, activity that works with standards which may be identified with a successful cluster. A value of zero means that there is no evidence that the companies identified in the chocolate or candy industry operate with some indication of industrial clustering.

The overall result and the individual component results are interpreted through a comparative analysis. This means the model can be applied in two or more industrial activities and the results can be compared to identify best practices in each industry and propose specific actions to overcome the weaknesses identified in each industry.

The first component of the model is a study of the industry structure. It allows for the measurement of the production chain environment and its functionality.

Table 3 Indicators and components of the Global Index of Industrial Cluster

General Index	Component	Indicator	
Index of Cluster Functionality	Industry Structure	Representativeness	
		Technological level	
		Integration	
		Expectations	
		Interest	
	Product Realization	Clients' identification	
		Commercialization indicators	
		Expectations of the market	
	Integration of the actors	Institutional Correspondence Matrix	
		Basic participation	
		Needs	
	Product characteristics	Context	
		Influences in the external market	
		Competition and preference for the mark	
		Source of the innovation	
		Publicity	
	Activity Status Trends	Quality of inputs and products	
		National-international context of the competition	
		Macroeconomic context	
			Changes in the demand and the client's preferences

Source: Own development

Table 4 Indicators and variables of the “Industry Structure” component

Indicator	Related variables*
Representativeness	<ul style="list-style-type: none"> ▸ Presence of companies in the productive chain ▸ Representativeness in the productive chain ▸ Historic reference in the productive chain ▸ Enterprises origin ▸ Participation in the economic sector
Technological level	<ul style="list-style-type: none"> ▸ Modernization level ▸ Investment level ▸ Technological level ▸ Machinery and equipment investment ▸ Changes in the organization of the production
Integration	<ul style="list-style-type: none"> ▸ Knowledge of the supply chain ▸ Trust in suppliers and clients ▸ Time of relationship with suppliers and clients ▸ Standard in inputs and services ▸ Formation of nets of collaboration
Expectations	<ul style="list-style-type: none"> ▸ Knowledge of the market ▸ Tendencies of the market ▸ Products, prices and demand expectations
Interest	<ul style="list-style-type: none"> ▸ Knowledge of the industry. ▸ Interest to participate.

**Some variables were obtained from more sophisticated calculations, for example the representativeness in the production chain was obtained by applying the index of local specialization.
Source: Own development*

The second component, “Product Realization,” allows the analysis of the value chain including market development, distribution and sale of the product.

Table 5 Indicators and variables of the component “Product Realization”

Indicator	Related variables
Clients’ identification	<ul style="list-style-type: none"> ▸ The origin and size of the clients
Commercialization indicators	<ul style="list-style-type: none"> ▸ Type of commercialization of the product ▸ Cost of the commercialization ▸ Strategy of sales ▸ Participation into investment
Expectations of the market	<ul style="list-style-type: none"> ▸ References of the stability of the market ▸ Expectations of the stability of the market

Source: Own development

The third component, “Integration of the actors,” measures the level of communication and participation between enterprises and support institutions (actors).

Table 6 Indicators and variables of the component “Integration of the actors”

Indicator	Related variables
Institutional Correspondence Matrix	<ul style="list-style-type: none"> › Level and type of integration into enterprises › Integration and financial support › Governmental support › Technical assistance and Professional services › Universities and research centers Collaboration › Formation of nets of collaboration
Basic participation	<ul style="list-style-type: none"> › Promotion and information activities › Participation into related events
Needs	<ul style="list-style-type: none"> › Integration requirements

Source: Own development

The fourth component identifies the characteristics of the product and its influence the local market competition.

Table 7 Indicators and variables of the component “Product characteristics”

Indicator	Related variables
Context	<ul style="list-style-type: none"> › Tendency in the prices of the product › Participation analysis in the consumption
Influences in the external market	<ul style="list-style-type: none"> › Export index › Participation in the destination of the production
Competition and brand preference	<ul style="list-style-type: none"> › Level of preference in the mark › Preference level for article substitute
Source of the innovation	<ul style="list-style-type: none"> › Innovation source › Origin of the innovation › Development of new products
Publicity	<ul style="list-style-type: none"> › Percentage of investment in advertising
Quality of inputs and products	<ul style="list-style-type: none"> › Competition index › Index of the quality for the link of the chain › The client’s satisfaction › Practices of the competition

Source: Own development

Finally, the “Activity status trends” component takes into account the national and international context.

Table 8 Indicators and variables of the component “Activity Status Trends”

Indicator	Related variables
National-international context of the competition	<ul style="list-style-type: none"> › Diagnostic of the tendency of the industrial sector and their expectations. › Analysis of the competitive arena › Analysis of the Diamond

Macroeconomic context	<ul style="list-style-type: none"> ▸ Tendency of the main macroeconomic variables related to the acting of the sector: ▸ Scale of payments (foreign debt); Inflation, investment (capital), growth, income distribution, exports, strengthen internal capacity of the companies
Changes in the demand and the client's preferences	▸ Analysis of the preferences of the clients and the characteristics of the product

Source: Own development

The model calculates a general Index of Cluster Functionality, which reflects the intensity of consolidation of the different components.

A questionnaire is the basic method of gathering the information supporting indicators and measuring the overall activity of each of the producing companies of the cluster. This information is supplemented by statistical information, interviews, field studies, and field work.

Sample size

The number of companies studied was 104 out of the 288 that make up the sweet and chocolate industry, the size of the sample is representative and was calculated using the formula of sample size for finite population with a confidence level of 90%, a level of error of 5%, the formula is as follows:

$$n = \frac{NZ_{\alpha}^2Pq}{E^2(N - 1) + Z_{\alpha}^2Pq}$$

Where N = population size, Z = value of the normal distribution, = confidence level chosen, E = error in the population, P = proportion of the population

The selection of the companies took into account their role in the productive chain, prioritizing, in order production companies, primary suppliers, secondary suppliers, distributors and traders (see table 9).

Table 9 Companies studied according to industry and their classification in the productive chain

	Candy firms	Chocolate firms	Total
Producers	84%	100%	88%
Primary suppliers	56%	54%	55%
Secondary suppliers	26%	38%	31%
Trade and distribution	22%	19%	21%
Total	56	48	104

Source: Own development

Identification of relevant local economic activities

The state of San Luis Potosí ranks 16th by total population of the Mexican states. It contains the 10th largest city. However, it is ranked 27th in poverty (marginalization) and 21st in level of competitiveness. These statistics would indicate the need for San Luis Potosí to undertake initiatives to promote development to improve the living standards of its population and the competitiveness in industrial activity. In San Luis Potosí the manufacturing industry represents the main economic activity and accounts for 63% of gross total production. The most important sub-sectors within the manufacturing industry are: basic metal, transport equipment manufacturing, food and electric power equipment, which account for 24.4%, 17%, 15% and 12.8% of gross total production in this sector. San Luis Potosí is one of the 10 (of 32) entities in Mexico where the food industry is highly specialized, so it is a representative entity of this sector.

The chocolate and candy industry represents 33.3% of the food industry. According to the value of the gross total production, the activity of the candy and chocolate industry in San Luis Potosi, by itself, is more important than activities such as plastic industry, mining, paper industry or transport (see Table 10).

Table 10. Main economic activities according to the contribution to GDP in San Luis Potosí. 2010

Activity	Gross Production	Employment	Enterprises	Investment
Basic metal industries	15.97%	2.08%	0.06%	3.63%
Transport equipment	11.22%	5.81%	0.11%	14.88%
Food industry	9.75%	5.42%	3.44%	4.33%
Electrical equipment	8.35%	2.57%	0.03%	7.50%
Retail	5.49%	25.86%	46.45%	8.12%
Non metallic minerals	5.48%	1.49%	0.71%	6.93%
Electricity, gas & water	5.11%	1.19%	0.09%	12.87%
Construction	3.96%	4.38%	0.66%	3.36%
wholesale sales	3.74%	5.45%	3.18%	5.33%
Sugar, candies and chocolate manufacturing	3.25%	1.38%	0.09%	1.58%
Plastic	2.77%	1.37%	0.07%	1.85%
Minning	2.51%	0.91%	0.16%	4.68%
Paper	2.50%	0.98%	0.08%	2.33%
Transportation	2.31%	2.72%	0.48%	4.56%
Media services	2.30%	0.98%	0.30%	4.73%
Chemical	2.25%	0.43%	0.12%	0.08%

Activity	Gross Production	Employment	Enterprises	Investment
Other activities	22.79%	42.39%	47.42%	17.57%

Source: INEGI. *Censos Economicos 2009*.

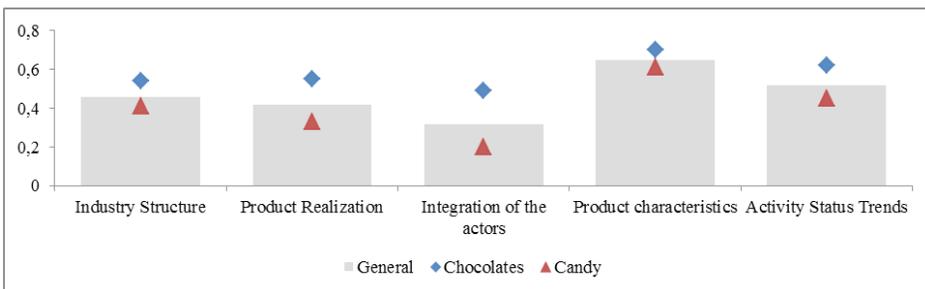
Thus, the food industry in San Luis Potosi (including the manufacture of candy and chocolate) is a representative activity for implementing industrial clustering policy. It is also worth mentioning that in San Luis Potosi, the chocolate industry, dominated mainly by two companies well known in the local market, has a strong tradition in the economy. These companies are the Costanzo chocolate factory, which began operations in 1930 with more than 100 employees, and La Frontera chocolate factory, which started to operate in 1890. The company's success is attributed to the high quality of raw materials and their 100% natural products. San Luis Potosi also has two large manufacturers of candies, Canel's and Ricolino, both international companies with more than 65 years in Mexico. The industry chain includes a total of 152 related enterprises: 46 as main links of the chain (producers), 43 in support products and activities (suppliers) and 63 in wholesale and retail sale.

Findings of the level of functionality of the industrial clustering

The index of cluster functionality of both industries is presented in Figure 5. This is the result of the quality and the preference of their product over the competition in the target market and with the knowledge of how to satisfy customer demands.

In contrast, the component that has more areas of opportunity to improve for both industries is the integration with respect to the actors. That is, there is no proper integration of all actors involved (suppliers, competitors, customers and institutions of collaboration) in each industry respectively.

Figure 5 Performance levels of components of the cluster model of the chocolate and candy industries.



Note: Standardized results from the factor analysis

To give an idea of the degree of cluster functionality and the level of contribution of each component in the model, the rate of cluster integration as a general equation for both industries will be used.

The equation is:

$$CI = 1.639 + 0.352 IS + 0.065 PR + 0.042 IA + 0.278 PC + 0.336 AST + 0.055$$

Where: CI represents the Cluster Integration Index; IS represents the “Industry Structure” component; PR represents the “Product Realization” component; IA represents the “Integration of the Actors” component; PC represents the “Product Characteristics” component, and AST represents “Activity Status Trends” component.

In this model the dependent variable is the rate of integration of the cluster and the independent (or explanatory) variables are the five major components: the Industry Structure, Product Realization, Integration of the Actors, Product Characteristics and Activity Status Trends. The major interpretation of the equation says that to increase the rate of cluster integration (CI), it is necessary to increase, either individually or jointly, the model components. For example, an increase in one unit of Product characteristics (PC) causes the rate of cluster integration to increase 0.278 units if the other components remain constant. Therefore, considering that each component is integrated with different variables, it is necessary to promote the increase of the component through the improvement of the conditions that measure the different variables, which requires carrying out policies and action strategies.

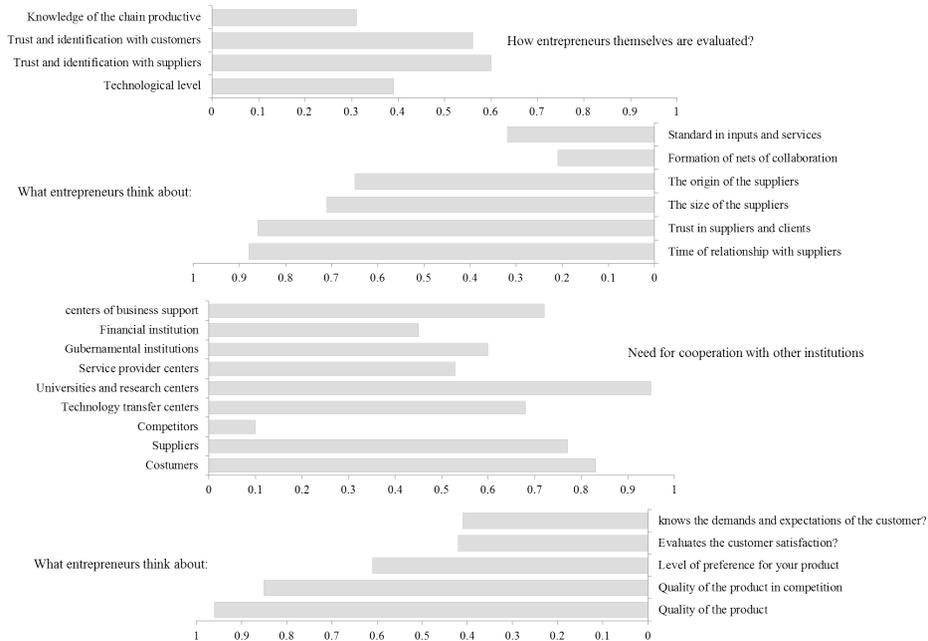
This model (equation) demonstrates that in the chocolate and candy industries in San Luis Potosí, the component that provides the best explanation of functionality with a focus on industrial clusters is the Industry Structure, which is measured by variables such as industry knowledge, trust with suppliers, customers and the level of technology with which firms operate (as previously presented in Table 4).

Figure 6 shows other indicators which identify some socio-economic characteristics in the candy and chocolate industry:

- There are good products and a favorable international environment, but there is no collaborative work and the products are not exported.
- Companies do not know all of the suppliers, producers and customers related to the activity and present in the local economy.
- There is an informal relationship of business between the producers, suppliers and consumers.
- One of the principles of industrial clusters is focus on meeting customer expectations, which is not sufficient in this industry and in this industry is not enough important.
- Companies in the chocolate and candy industries are not used to working collaboratively or joining collaborative networks.

- There is willingness to cooperate on the part of companies; however a cluster means working together based on cooperation, competition and sharing.

Figure 6 Performance levels of components of the cluster model of chocolate and candy industries.



Note: Scores are standardized on a scale of 0 to 1, where 1 is the better result

Source: Own development

The results show that companies mostly do not operate in a competitive dynamic because:

- The market of production factors is not known by the companies, and there is no efficient supplier-producer-consumer coordination. This is reflected in problems of costs of operation by not having access to the best suppliers / customers and not having the support from the collaborative networks (funding, training, technology transfer, etc.). Due to this the cost of consolidation of a company becomes higher and the process takes longer and is uncertain.
- There is a state of informality and lack of quality standards among participants in the production chain. Due to this products are generated with medium, low and variable quality, it limits the expectations for joining commercialization networks and hence exporting products.

Moreover, analyzing the needs identified as the most important by the companies, it was found those related to profitability and costs were the most acute, as well as those related with production processes and consolidation of commercial networks. Table 11 shows the most important needs identified by businesses, organized by their type and level of impact.

Table 11. Needs identified by enterprises according to their priority and category

Criteria	High	Medium	Low
Financial	The high cost of raw materials, High cost of utilities (public services), Reducing operating costs, Aggressive tax policy	Access to funding programs, The low price of the goods / services produced	
Capital		Need to modernize machinery and equipment	Access to the latest production technology, Knowledge of technology transfer centers
Resources		Finding qualified personnel	Personnel training program
Production		Implement methods to improve the production process	Competition from imported products
Services	Insecurity	Participate in government support programs,	Lack of integration into enterprise networks, Advice on legal and administrative aspects, Relationship between research centers, Advice on aspects of operating standards
Processes	Implement Quality Program		Implement methods to improve management
Commerce	Business Network Integration	Identifying foreign markets	

Source: Own development

Companies in the candy and chocolate industry also evaluated the availability of services and revealed their reasons for agreeing to participate in an industrial cluster, Table 12 shows the results.

According to the companies' rating of the functionality and quality of services offered in the city, the highest scores were noted in Internet access, telephone service, provision of electricity, water, garbage collection and road conditions

of the city to the rest of the country. The services identified as deficient have to do with public safety, road conditions within the city, government to business transactions, environmental care and tax policy. It was underlined that the best quality was offered by the utilities (except for the condition of the streets in the city), while the worst-rated area was the authorities' business-friendliness (formalities and taxes).

By other hand, specifically, the companies believe that the most important reasons to participate in an industrial cluster policy would include: the ability to access new markets, strengthening relationships with customers and suppliers, increasing personal contacts and taking advantage of reduced operating costs. These requirements are, indirectly, a consistent response to the needs identified earlier by the companies.

Table 12 Most important reasons to participate in an industrial cluster and evaluation of services for firms that produce chocolate and candy (hierarchical order)

Reasons to participate in an industrial cluster	Evaluation of services
▸ Access to new markets	▸ Internet Service Provision
▸ Strengthen relationships with customers and suppliers	▸ Access to telephone service
▸ Personal contacts	/ Electricity provision
▸ Cost advantages	/ Provision of drinking water
▸ Introducing new processes / materials	▸ Cleaning and garbage collection
▸ Quality Assurance	/ Roads in the city to the rest of the country
▸ Support for internationalization	▸ Sewer service functionality
▸ Find partners and support staff	▸ Cost of electricity
▸ Sharing experiences	▸ Public Safety
▸ Benchmarking	▸ Roads and streets in the city
▸ Exchange of experience and new technology	▸ Governance processes to companies
▸ Cooperation on specific topics	▸ Environmental Care
▸ Joint use of centralized services	▸ Tax Policy

Source: Own development

Policy to strengthen local clusters

In general we can summarize the fundamental differences between the characteristics of companies in the candy and chocolate industry and the ideal model of industrial grouping. These relevant differences are shown in Table 13.

Table 13 Fulfillment of requirements in the industrial cluster analysis in the candy and chocolate industries

The ideal model of cluster	Situation of the chocolate and candy industry
At least one driver company in the industry with a presence in the international market with high influence and local suppliers.	Few companies that export and their influence is with regional providers (rather than local).
Representative number of companies that promote economies of scale and compatibility with the production chain.	Many companies but most operating in the informal sector as self-subsistence (micro) activities.
Collaborative work with support institutions.	Companies with a low level of involvement with business associations, institutions of higher education, research centers and government support.
High demand products with quality standards produced in a continuously innovating process responsive to changes in demand.	Products of medium quality standards with low component innovation and no accounting of market expectations and demand.
Knowledge of the trends in product demand, pricing and cost of inputs.	Few companies have industry research and knowledge of market trends. Decisions are made without regard to diagnosis and useful information.

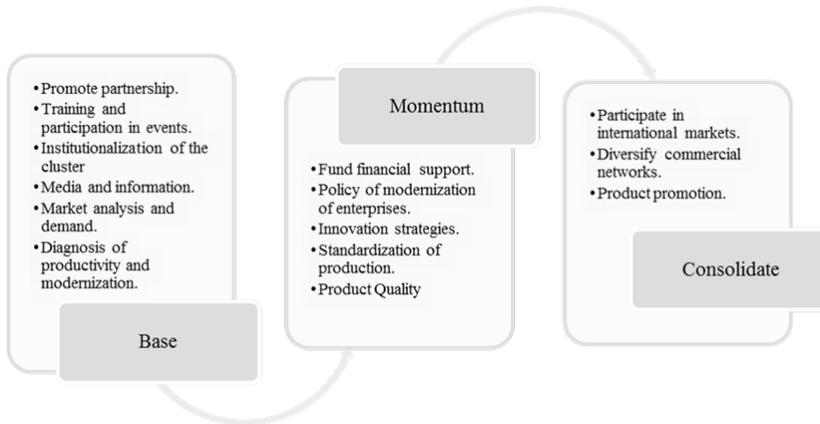
Source: Own development

This means the local industry candy-chocolate industry has leading companies through which to promote policies of industrial clustering, the problem is that the set of companies that perform complementary and input suppliers mostly not operate with efficiency standards and collaborative work is at the initial stage.

According to the characteristics identified in the companies, the proposal to implement initiatives in the candy and chocolate industry cluster focuses on three main strategies. The first lays the groundwork for the organization and includes actions such as promoting partnerships between businesses and the creation of an institution for promoting and coordinating cluster policies. The second strategy has to do with the fundamentals that allow the momentum of activity and includes activities such as creating a fund to promote modernization and innovation in business and standardization of production that can generate higher quality goods. The third strategy allows consolidating these activities through integration of products in commercial networks and exporting markets.

This industrial cluster policy therefore seeks to first ensure an atmosphere of trust and cooperation among firms to move to an improvement in production processes and product quality. The policy also aligns the production for foreign markets in a process with continuous improvement and innovation that allows the product to maintain its position on customer preferences. (see figure 7).

Figure 7. Stages of consolidation of the industrial cluster model.



Source: Own development

Progress in the consolidation of the chocolate and candy industries takes programmed actions in time and in different aspects. The following tables summarize the identified priority activities that should be carried out in the short, medium and long term. These actions have been grouped into the three major proposed strategies to reach the competitiveness for the companies studied: innovation, modernization and finance strategies. The modernization strategy is divided into three areas: productive, cultural, and business.

The actions outlined here seek to promote the competitiveness of these activities by strengthening the economic importance in the region, strengthening the production structure, improving product quality and diversifying and expanding the market for their products.

Table 14. Key activities in the innovation strategy according to implementation period

Period	Innovation strategy
Short term	<p>Conduct a technology assessment in companies according to international standards and the type of companies.</p> <p>Develop operating level diagnostics for companies to identify the level of equipment, innovation, productivity and technological.</p>

Period	Innovation strategy
Medium term	<p>Create a fund for financial support for technological upgrading and carry out innovation activities in companies.</p> <p>Create and require a degree in best practices, processes and innovation management for all management and directors.</p> <p>Agreements with HEI and TTC to carry out systematic innovation activities and technological development in enterprises.</p> <p>Implement quality management systems with a focus on customer service and continuous improvement and an emphasis on innovation.</p>
Long term	<p>Companies obtain certification in Quality and Innovation. Companies have achieved management standards of innovation and technological development.</p> <p>Promote cellular business innovation in companies in the candy and chocolate industries.</p>

Source: Own development

Table 15. Key activities in the modernization strategy according to productive environment and implementation period

Period	Modernization strategy / Productive environment
Short term	<p>Integrate the directory of companies in chocolate and candy industries.</p> <p>Establishment of a food sector organization in SLP.</p> <p>Promote business registration in business associations.</p> <p>Encourage local associations and promote the creation of trusts for the operation of collective benefit programs.</p> <p>Design and produce information tools useful for companies in the sector.</p> <p>Assessment of product quality and competitive analysis.</p> <p>Conduct a business assessment to meet production requirements for modernization and marketing networks.</p> <p>Analyze the structure and competitive position of chocolate and candy industries</p>
Medium term	<p>Conduct collaborative agreements with HEI and TTC to define production standards and quality in enterprises.</p> <p>Implement world-class methodologies and manufacturing techniques to improve production in enterprises.</p> <p>Implement a development program for customers and suppliers in the chocolate and candy industries.</p> <p>Implement techniques to improve management practices in business.</p>
Long term	<p>Enroll industry companies in national and international quality and innovation programs.</p> <p>Analyze the creation or promotion of new businesses identifying the structures necessary in the production of the chocolate and candy industries.</p>

Source: Own development

Table 16. Key activities in the modernization strategy according to modernization environment and implementation period

Period	Modernization strategy / Cultural environment
Short term	<p>Company executive training program with a systemic approach to strengthening the relationship between producers, customers and suppliers.</p> <p>Diploma in clustering with a focus on the food industry aimed at administrative and operational staff in the chocolate and candy industries.</p> <p>Promote the realization of business events for the exchange of experiences.</p> <p>Carry out visits to successful companies or regions in the production of candy or chocolate.</p> <p>Promote the participation of enterprises in the sector related events (fairs, conferences, expos, etc.)</p>
Medium term	<p>Carry out agreements to create a specialty engineer food career specializing in chocolate and candy industries.</p> <p>Diploma in production of derivatives resulting from the manufacture of candy and chocolate.</p> <p>Technical Assistance Program by IES and business organizations for efficient use of machinery and the application of techniques of world-class production.</p> <p>Training program and fiscal support for the promotion and dissemination of the product.</p>
Long term	<p>Rely on chocolate and candy industry staff trained and with experience in innovation practices.</p> <p>Create a business environment characterized by cooperation, sharing and yet competing, which facilitates the practice of innovation and local development.</p>

Source: Own development

Table 17. Key activities in the modernization strategy according to business environment and implementation period

Period	Modernization strategy / Business environment
Short term	<p>Design and perform studies on the situation of supply and demand in domestic and international food sector, in particular the chocolate and candy industries.</p> <p>Development of economic diagnosis of the activity and analysis of consumer preferences.</p> <p>Training in business practices. Access to information on market conditions in the industry.</p> <p>Evaluate product quality and competition.</p> <p>Conduct assessments of market trends and future customer demands.</p> <p>Develop plans to create the image and design the marketing of products derived from the candy and chocolate industries.</p>

Medium term	<p>Systematic measurement of customer satisfaction.</p> <p>Promote the competitiveness of the chocolate and candy industries through export program.</p> <p>Management and support of tax incentives for export.</p> <p>Design and implement a comprehensive program to reduce operating costs and determine competitive pricing.</p> <p>Strengthen the investment in mass distribution of local chocolate and candy products.</p>
Long term	<p>Conduct trade missions to promote the products internationally.</p> <p>Involvement of local chocolate and candy products in international trade networks.</p> <p>Increase the share of exports in the food sector.</p>

Source: Own development

Table 18. Key activities in the finance strategy according to implementation period

Period	Finance strategy
Short term	<p>Identify the various institutional programs and criteria set for accessing financial support in a timely manner, to cope with the needs of business modernization.</p> <p>Negotiate the implementation of preferential tax rates with the tax authorities to modernize the process (start-acceleration) that will allow companies to be financially self-sufficient.</p>
Medium term	<p>Promote the establishment of agreements with banks for preferential loans.</p> <p>Implement a monitoring program of financial and productive performance of enterprises that will guarantee their passage to efficiently profitable companies to overcome the problem of competitiveness and costs.</p> <p>Manage tax breaks to promote the investment in exporting local chocolate and candy products.</p> <p>Strengthen the credit policy to facilitate investment as a leverage mechanism for technology development, business modernization and production linkages.</p>
Long term	<p>Consolidate financially self-sustaining businesses capable of competing on price, cost and profitability in the industry through the modernization, efficiency and effectiveness in the production, marketing and distribution processes.</p>

Source: Own development

It is important to note that compliance with the actions defined for each type of strategy requires the involvement of a new autonomous institution responsible for coordinating, promoting and managing the institutions concerned. This institution must ensure that all companies are in agreement with the compliance activities as defined and scheduled. It must also manage the financial support and partnerships with all stakeholders and related businesses.

Finally we mention that although it was found that the model components that contribute most in explaining the functionality of the cluster in chocolate and candy industries are the Industry Structure and the Activity Status Trends, it is important to note that the contribution of the component of Integration of the actors, although low, tends to increase ongoing initiatives relating to the intervention of the actors involved in the production structure. The actors play the role of facilitators and accelerators in the transition of the industry towards a model of economic competitiveness characterized by the diffusion of innovation and knowledge.

It should be recognized that the industrial cluster approach means working together based on cooperation and sharing while competing. This working philosophy recognizes that companies are not alone in overcoming their competitive weaknesses. They can come to the support institutions that exist (universities, research institutions, business organizations, government, financial institutions and their suppliers and customers) to bridge the gap that exists in both the candy and chocolate industries in a productive corporate culture. It is significant that 87% of the companies in the candy and chocolate industries would be willing to participate in an industrial cluster policy. However, only 45% of them would be willing to collaborate, cooperate and compete with other institutions that make up the production chain and institutions to support their industry.

The chocolate and candy industry does not present efficient functionality according to the theoretical ideal definition of cluster. There is in San Luis Potosi a significant physical, productive and business infrastructure, which serves as a base to carry out initiatives to promote the competitiveness of these companies. In this sense the collaborative approach may be the key for companies to have access to interagency support and improve their productivity, so the corporate culture needs to change, remembering that the industrial cluster approach means working together on the basis of cooperation and competition.

Final conclusions

Even though neither the chocolate and candy industries can fulfill all the requirements to run efficiently as industrial clusters on a point of view of industrial clusters, this research has identified some opportunities for companies to become involved in such activities. Actions to enhance performance focusing on improving profits, competitiveness, innovation and sustainability in the long term in an environment of international competition are included in the proposal.

One relevant component in a cluster is the *Activity Status Trends*, which indicate that the national and international market demand for chocolate and candies is positive, which is reflected by the prices set for this product.

Another important and positive component is the *Industry Structure*, which indicates that the activities of the companies in the food sector show a high trust relationship between producers, suppliers and customers, despite low levels of technological development and knowledge of the industry in general.

The quantitative results of the “cluster model”, designed to measure the functionality of an industrial cluster show that aspects that show less functionality are the *Integration of the actors* and *Product realization*, as basic aspects of a cluster focus. These two components reflect weak interaction of producing companies with business, financial, government institutions, higher education and research centers.

Weak interaction limits the ability of companies to accelerate their development considering that these institutions are intended and expected to provide development and consolidation support. On the other hand, it also reflects impact of the products in domestic and international markets and a modest policy of product distribution, which speaks of the local businesses spirit and the fear of expanding into overseas markets.

The problems of the companies in the candy and chocolate industries are reflected mainly on two levels, one in production and the other in capability. The problem of production is reflected in the lack of an organizational culture and administrative capability to implement large-scale production quality standards. Also the production system is disconnected from the expectations and demands of consumers. In terms of capacity it means two things, technological infrastructure and the capacity of the human factor. In the candy and chocolate industries, small businesses dominate and this guides their production to local markets with lower quality products than those required in international markets. In terms of capacity, it means two things, technological infrastructure and the capacity of the human factor. In the candy and chocolate industries, small businesses dominate and guide their production to local markets with lower quality products. So, these companies have problems of cost and profitability due to the strong competition in these products and the presence of international products with better prices, variety and sometimes quality. The problem of the local industry will not be solved only with the incorporation of technology into the production system. Some suggestions are:

1. One way to integrate an agenda that leads to defining an industrial cluster policy in the chocolate and candy industries is to link the programs provided by different institutions to support the demands, needs and weaknesses identified in the companies. The linkage results in specific activities to be implemented according to a defined schedule.
2. A way to improve the “integration of the actors” is to implement short-term program support, assistance, technological development and innovation

- in the related companies by implementing cooperation agreements with universities and research centers, and in the medium term formalize agreements to create a bachelor's degree program in the food engineering career path, specialized in candies and chocolate.
3. Most local industries are micro and small enterprises (99%, with less than 50 employees) which do not have sufficient operating capacity (physical infrastructure, financial and human) to compete in a globalized international context
 4. The study suggests rethinking the philosophy of industrial clusters, which recognizes that companies are not alone in overcoming their weaknesses in competitiveness. They can come to support institutions that exist (universities, research institutions, business organizations, government, financial institutions and their suppliers and customers) to bridge the gap that exists in both the candy and chocolate industries in a productive corporate culture. This strategy ensures that the modernization of the company, is reached in the shortest time and cost possible.

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Social networking sites in a customer communication based on author's own research

Abstract: A role of social media in a communication process with a contemporary customer is systematically increasing, which is reflected in a size of marketing budgets allocated to this objective. Hence, people have always shared their opinions, remarks, and feelings, and social networking sites are perfect space for that purpose. Brands, which will understand the social media essence and lead a narration with their customers in a creative way, have an opportunity to last longer in their awareness. However, it is worth to consider what the customers expect and what they are inspired by which makes them active in social networking services.

Key words: social media, communication, consumers

Introduction

An old approach to marketing will not come back. Nowadays, it is necessary to combine actions in real and virtual worlds – not for marketing fashion, but due to the fact that more demanding consumers are expecting such a step [Pająk A., 2013, p.10]. Social networking media underlie constant changes and at the same time they force continual modifications in a brand communication process. They are changeable – they evolve and change their shape every day. It can be a text, an audio, pictures and a video. In every media, in every second. It is just like the current of the river – permanent but never the same [Gitomer J., 2011, p.15]. Social networking sites are an inseparable element of Internet users' activity, thus, their perception as a separate marketing activity is becoming ineffective. Brands, in order to generate their customers' interest, must include this fact in their strategies. They need a kind of magic which

will charm a customer and will awake unforgettable emotions in him/her. Therefore, customers' experiences and their opinions about a communication process with a particular brand through social networking sites are important here. Consumers make comments on their actions, decisions, and products regardless of intention and will of a brand itself. What is more, this process takes place in real time having an influence on brand image. Due to the fact that there is a possibility to run a business in a real time – an epoch in which media does not show the direction of public discourse – the quantity is not a factor that points out the advantage. The speed and efficiency of action are the things that matter. At present, more than ever, the speed and efficiency of action decide about a competitive advantage [Scott D.M., 2012, p.13]. In a result, a share of expenditure on advertising in social media is definitely enhancing. According to studies carried out by eMarketer.com, global expenditure on social media was 7.7 billion US dollars in 2012 and it has increased by 48 per cent to 2011 (5.2 billion US dollars). In 2012 social networking services have received a separate category in the studies for the first time, which indicates their growing significance in marketing budgets. In 2012 in Poland, advertisers devoted over 82 million PLN to this channel, which constitutes 3.7 per cent of all the expenditure on on-line advertising [Nieminuszczy J., 2012, p.64]. A purpose of the article is to establish a role of social networking sites in brand communication process and an opportunity of their use in the nearest years. In the article, the author's own research results related to a discussed area will also be presented.

Social networking sites in brand communication process

Social networking media is a phenomenon that any words are able to describe. It is like a party on which hundreds of millions of people from around the world appeared. Today, split seconds are enough to make it possible that millions of people find out all the information about everything and everybody [Gitomer J.,2012,p.7]. Internet users in a determined majority participate in a communication process through social media including social networking sites. On the one hand, a simple human need to share opinions and express own thoughts, on the other hand, information overload coming from both other users and brands make this process remarkably difficult.

By now, more than every third inhabitant of the globe uses the Internet. In reference to population, it is almost 2.4 billion people (a growth by 100 million people since 2011). Among Internet users Asians predominate. They are 45 per cent of all the people using the net (1.08 billion). However, nearly every fourth Internet user (22 per cent) is European. A number of people using the Internet in the European Union Member States is systematically growing. In 2006, 49 per cent households used the net. In 2012, this percentage was higher by 26

percentage points and it was 75 per cent. Among the EU countries, Island is a leader in the Internet access (95 per cent). Countries that also take the top places are Holland, Luxembourg, Sweden, and Denmark, where 9 out of 10 households had the Internet access in 2012. Poland with an index of 70 per cent is in the 18th place among the European countries, below the European average [IAB Poland, 2013, p.16]. It is obvious that not every Internet user or a particular brand fan will become its ambassador. Even though a communication process is of a mass character, a majority of its participants generally stays passive. Few participants are eager to post own content or comment other people's content. However, when taking into consideration range and access to social media, and lack of time and space limitations in a communication process through their agency, this media is an attractive tool in the battle for customers. Communities are a huge variety and a whole range of tools with which we can create an image, launch new products, build relations with users, and increase sales. They can be the main character of a campaign, however, they can perfectly be used as one of broader promotion channels led in other on-line media or offline [Bonek T., Smaga M., 2013, p.22].

In a communication process, the most important are the actions which stimulate customer's imagination, create desired and positive emotions in him/her, and convince the customer to participation in this what is happening in a given brand profile. Emotions stimulate the brain 3000 times faster than rational thoughts. An impression that we live in a rational world is far from the truth. Rational thoughts constitute the quality of our knowledge and skills, however, emotions control our behaviour and attitude to the world. Rational thinking makes a customer be interested in a product but emotions cause that he/she buys it [Fisk P.,2009, p.36]. Therefore, a customer stopped being only a passive listener and became a poster who decides himself/herself about what content to post, in what way and when. A customer became a partner who takes part in a communication process through social networking sites. Through new media channels, we can change a person who declares his/her sympathy to our brand into a fan and find extremely committed brand ambassadors [Pająk A.,2013, p.10] and at the same time achieve customer's engagement even 50-80 per cent cheaper than through a display advertising (it depends on a brand and a type of a product) [Internet Standard, 2012, p.56]. A communication process, using social media, is conditioned with previous experiences and emotions which result from common relations between a particular company/brand and its clients. Experiences resulting from these contacts are a kind of added value for those companies/brands that make an attempt to shape them in an optimal way and manage them. It can elevate emotion to the strategic level, recognizing its importance in creating or strengthening a relevant brand identity and

managing the consumers' experience [Robinette, S., Brand, C., Lenz, V., 2001, p.4].

Social networking sites are only one of many media of social character next to blogs, vlogs, discussion forums, Internet information services or social virtual worlds. In these forms, they require both reliable content appropriate to recipients' needs and adequate forms of their presentation. Inspiring descriptions of a brand and its products, photographs showing their real features, interaction tools adjusted to communications receiver's possibilities and needs will influence the experiences of services' users. Time, when the only determinant of marketing actions' success on Facebook was a number of fans, is definitely passing by [Dzieduszycka-Jędrach J., 2012, p.4]. More and more things indicate the fact that with the growth of a number of the mentioned fans, the level of their engagement decreases. To a large extent, it is a result of a lack of their loyalty and belongingness that is conditioned only by benefits which they can achieve. Unfortunately, a lot of brands are still treating social networking sites as a kind of fashion and they do not appreciate their possibilities. Therefore, their communication process is based on copying the solutions introduced by competitive brands. Frequently, a dialogue does not even refer to a brand and products connected with it. It is only a loose exchange of thoughts and comments which are to generate a movement on a profile. This definitely discourages users and weakens a brand image as a contemporary customer expects brands which are adjusted to his/her dreamed lifestyle and which will provide a certain added value. Only then, a customer has a chance to feel special and outstanding. He/ she can feel like somebody who through his/her engagement in a brand increases own attractiveness and a social status.

A communication strategy led through social media, especially social networking sites, requires perfect knowledge of users of a given brand profile and knowledge about who among them and why can be its ambassador. Brands must be aware of the fact that a customer will choose these among them which he/she knows and likes. Thus, a communication process through social networking sites should provide such stimuli which will increase the mentioned knowledge and users' sympathy. Exact provided content will be treated by potential profile users as a kind of promise what is hidden by the brand and its products. This will awake a need to talk about them which will have an influence on improvement of interactions' quality among profile users. In a result, brands are choosing such solutions like crowdsourcing (realising business tasks with the use of resources that are outside the company) or storytelling more often and eager. According to market analysts, creating history of a particular brand is one of the best ways to allow the brand, instead of competing, create its own unique history which will capture audience imagination to such extent

that it will take the audience on a travel before consumers take products into hands or try services [Potempa K.,2013, p.11]. Such histories, properly and systematically developed, can reach a broad group of Internet users increasing their awareness of a given brand existence or even their engagement into it.

However, brands must remember that in a communication process through social networking sites an absolutely indispensable element is to respect a decision of the “crowd”, over which we do not have control, and change the decision into a real, visible effect. Without this, we will lose customers’ engagement and trust very quickly [Wojtaś-Jakubowska A.,2013,p.17].

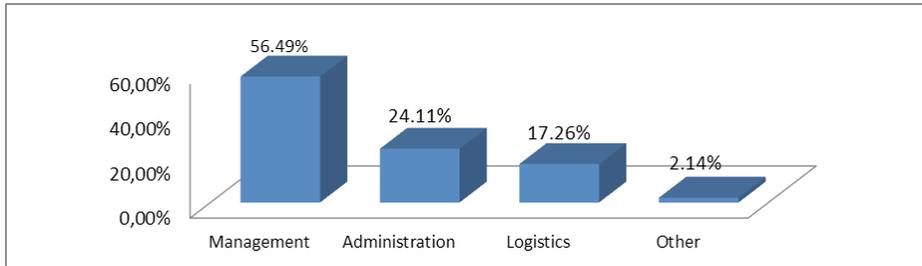
The use of social networking sites in a brand communication process based on author’s own research

A survey was carried out with the use of a direct survey method among the university students in Łódź. It was random sampling. According to a Strategic Report – Poland, Europe, the World 2013, the most numerous group of people using the Internet in Poland are still university students and school-age students (28 per cent of all the Internet users). An analysis of an age structure of Polish Internet users indicates that people aged 25 to 34 (25 per cent) and people until the age of 25 (23 per cent) predominate among Polish Internet users [IAB Poland, 2013, p.20]. Such an age structure includes both university day students and students of extramural studies. Results from a report titled Social Diagnosis 2013 – Conditions and quality of life of Polish people also confirm that fact. According to the report, a determined majority of young people (97 per cent people aged 16 to 24) uses the Internet. In addition, a determined majority of people aged 25 to 34 also uses the Internet [Czapiński J.,Panek T., 2013, p. 339]. A questionnaire included 35 questions among which 6 questions were demographics questions. A survey was carried out in academic year 2012/2013 among 719 university students. For further analysis, 701 correctly filled in questionnaires were used. The purpose of a conducted study was an assessment of social networking sites’ use in marketing with a particular consideration of their role in a brand communication process. Presented results are of fragmentary character and they concern only chosen aspects of an analysed issue. Due to the fact that the studies in a discussed area will be conducted in a cyclical way, in order to consider changes in customers’ behaviours in time, presented results are of informative character and can indicate only general tendency constituting a basis for further, detailed studies and analyses in this scope.

57 per cent people being surveyed were university day students, whereas three quarters of students participating in a survey were students of non-state universities. These were mainly students of such faculties like Management (56.49 per cent), Administration (24.11 per cent) and Logistics (17.26 per

cent). Students of other faculties like Finance and Accounting, Economy, and Journalism constituted 2.14 per cent of all the people surveyed.

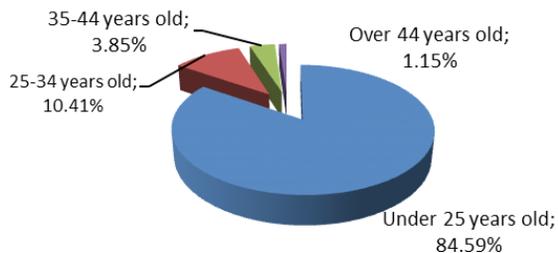
Figure 1. A structure of respondents according to fields of study



Source: Own studies

In the survey, 425 women took part what constituted 60.63 per cent of all the respondents. In the prevailing part, people being surveyed were under the age of 25 (over 84 per cent of respondents) and every tenth person being surveyed was at the age of 25 to 34. The least numerous was a group of respondents over the age of 44 – 1.15 per cent. Such a set of questions results from the specificity of respondents' group as a small percentage of students constitute people after the age of 44. The most numerous age groups of respondents taking part in the survey include representatives of so called Generation Y and Generation Next. These are young people, for whom the Internet and a variety of accessible activities connected with it have a key importance in a process of shaping their shopping attitudes and consumer behaviours.

Figure 2. The structure of respondents according to age



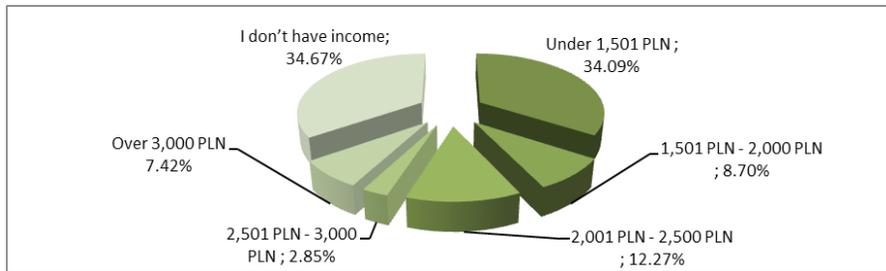
Source: Own studies

Almost 60 per cent of respondents lived in small towns below 100,000 residents and every third person being surveyed lived in a city with more than

500,000 residents. Slightly over 11 per cent of respondents lived in cities with a number of residents raging from 100,000 to 500,000 people.

Either respondents do not have fixed incomes (34.67 per cent of respondents) or they have incomes under the level of 1,500 PLN per month (34.09 per cent). Such a set of questions can result from dominance of university day students at the age of 25. Generally, such people have just started their professional careers, thus, in most cases relatively small level of their monthly salary is observable. Slightly over 12 per cent of respondents achieved net incomes between 2,001 PLN and 2,500 PLN. Incomes above 3,000 PLN were achieved by almost 7.5 per cent of respondents.

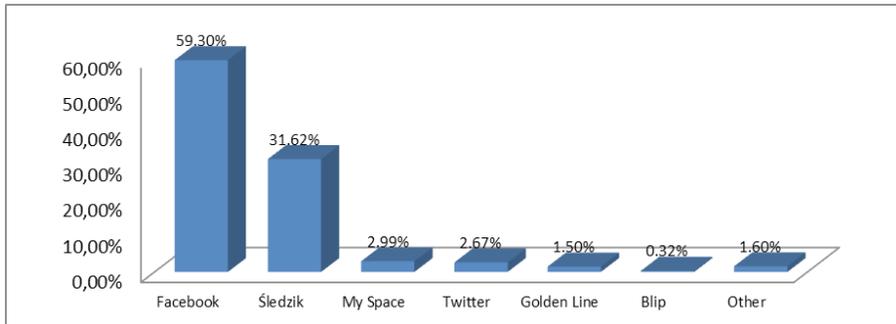
Figure 3. The structure of respondents according to claimed monthly level of net incomes.



Source: Own studies

Over 87 per cent of respondents have their profiles in social networking sites. The biggest popularity among the respondents had Facebook, which was indicated by over 59 per cent of people. Every third respondent had his/her profile on “Śledzik Naszej Klasy” site. Such a tendency is up to general trend of particular social networking sites’ popularity in Poland. Only 2.67 per cent of respondents used Twitter social networking site, which popularity is systematically increasing around the world.

Figure 4. Popularity of social networking sites among respondents

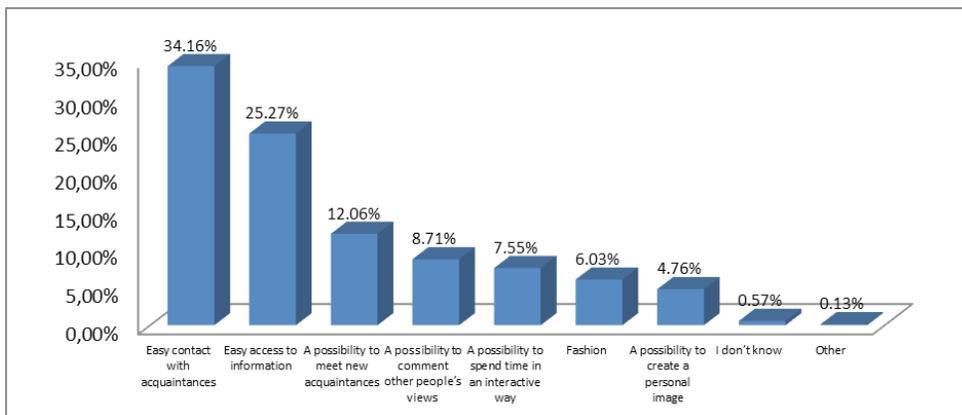


Source: Own studies

Slightly over 43 per cent of respondents spend less than 1 hour daily on social networking sites and almost 40 per cent of respondents devote to this aim from 1 to 3 hours daily. 11 per cent of respondents reserve over 3 hours daily for such an activity. However, 5 per cent of respondents cannot unambiguously set the time limits they spend on their activity in social networking sites.

A main cause why respondents use social networking sites is an easy contact with their acquaintances (34.16 per cent), whereas every fourth respondent thinks that these sites allow for quite an easy access to information. A possibility of meeting new acquaintances was indicated by slightly over 12 per cent of respondents. Additionally, the least percentage of respondents uses social networking sites to create their personal images.

Figure 5. Causes why respondents have their profiles on social networking sites.



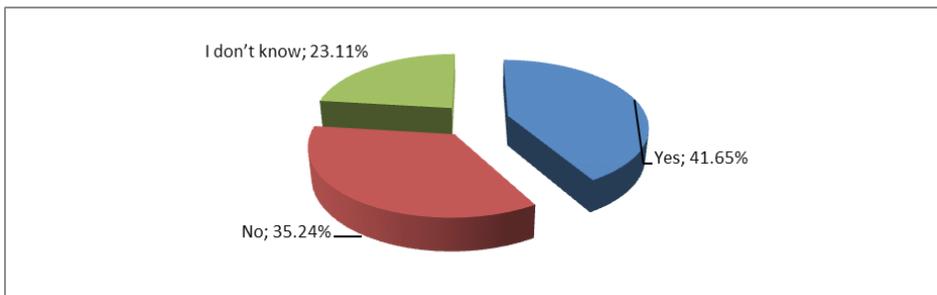
Source: Own studies

45.75 per cent of respondents use mobile devices in order to get an access to their profiles on social networking sites. Such a tendency results from the growth of mobile devices' popularity and a level of their availability. There is a huge variety of devices and offers, which make it possible to purchase them at attractive prices. This increases interest in them. Moreover, a significant number of available applications, which allow for diversified activity of their users, will have an influence on the growth of interest in them in the nearest years.

Up to 78 per cent of respondents are convinced that a role of social networking services in a communication strategy will definitely increase in the nearest years. Such a tendency is also proved by market analysts. What is more, we should expect not only the growth of a number of brands using social networking sites in marketing strategies, but also quality changes.

According to 41 per cent of respondents, social networking sites allow for individualised contact with profiles' observers or fans of particular brands. Slightly over 35 per cent of respondents think that it is impossible, whereas every fourth respondent does not have an opinion on the subject.

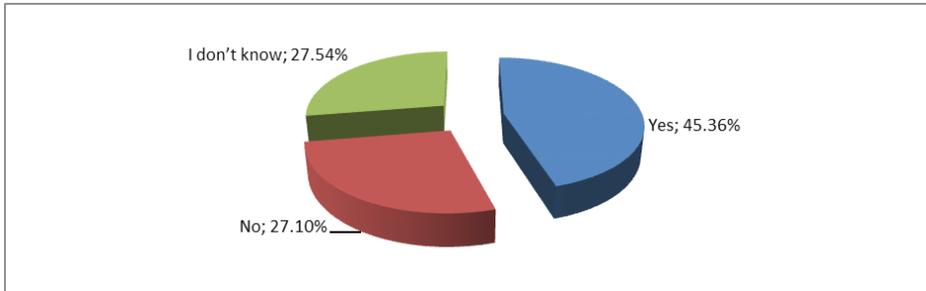
Figure 6. Respondents' opinions concerning a possibility to establish individualised contacts through social networking sites



Source: Own studies

45 per cent of respondents think that social networking sites enable creating lasting and positive relations with the profile users. However, over 27 per cent are convinced that such a process is impossible. Respondents who did not have their opinions on the subject were up to 27.54 per cent. We can look for the causes of such a state in mistakes made by the brands in a communication process through social networking services. The excess of advertisements, mistakes in discussion moderation, lack of reaction or delayed reaction in critical situations for a given brand distort a communication process and hinder creating lasting relations between the brand and its customers/fans.

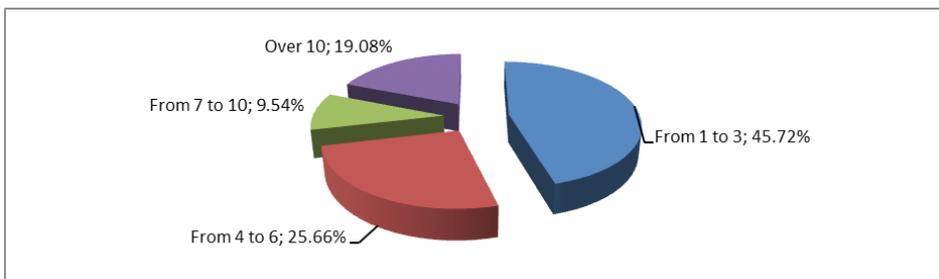
Figure 7. Respondents' opinions concerning a possibility of creating lasting relations between a brand and its customers through social networking sites



Source: Own studies

49.67 per cent of respondents attach brands' profiles to groups of their acquaintances. Unfortunately, up to 50.33 per cent of respondents are not interested in such an activity. Most often respondents attach profiles of maximum 3 favourite brands (45.72 per cent of people being surveyed), whereas every fourth respondent has from 4 to 6 brands in his/her group of acquaintances. We should suppose that these people attach brands which they appreciate for the quality of products and/or a customer service. Limitation and selection of a number of attached brands' profiles can result from respondents' willingness to effective participation in lives of chosen brands and marketing actions that are realised by the brands. What is interesting, up to 19 per cent of respondents admit that they attach over 10 brands' profiles to groups of their acquaintances. In this case, we can assume that this fact does not result from the affection to a given brand and/or a brand loyalty. The reason can be a desire to use possibly the biggest number of profiles resulting from the fact of being a brand fan and owning its profile in a group of own acquaintances (extra discounts, promotions, a possibility to participate in competitions, etc.).

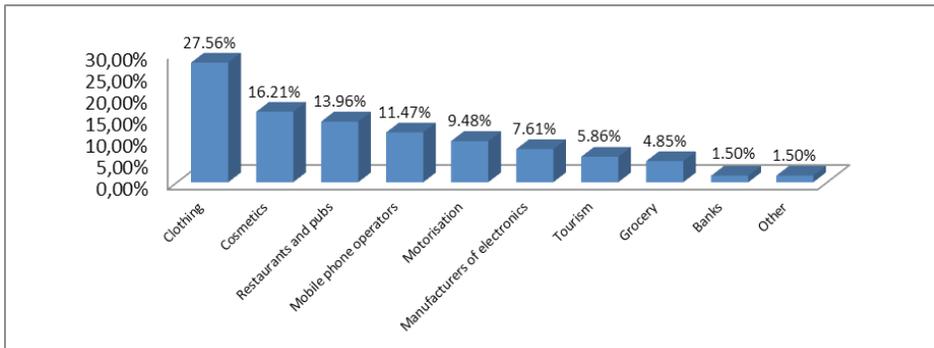
Figure 8. A number of brand profiles attached by respondents.



Source: Own studies

Respondents attach profiles of clothing brands most often (27.56%). Cosmetics brands (16.21%), pubs and restaurants' brands (13.96%), and mobile phone operators' brands (11.47%) are also very popular. The least popular among respondents are bank brands operating on Polish market, which were indicated by only 1.5 per cent of people being surveyed.

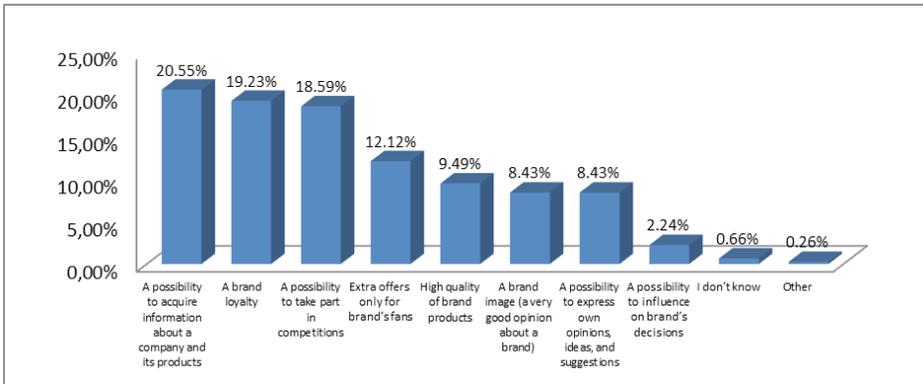
Figure 9. Types of brands attached by respondents most often



Source: Own studies

The most common reason, why the respondents attached brand profiles to groups of their acquaintances, was a possibility of acquiring detailed information about a brand and its products, and getting to know opinions of other users, and that was indicated by every fifth person being surveyed. 19.23 per cent of respondents as a main reason indicated their loyalty to a particular brand, whereas 18.59 per cent expect a possibility to take part in competitions organised through social media. Few respondents (only 2.24%) are convinced that they can influence on brand decisions in some other ways. This might result from the lack of sufficient knowledge concerning social media potential, respondents' reluctance to participate in decisions and actions of particular brands, and negative experiences which the respondents had with the previous relations with the brands.

Figure 10. Respondents' expectations from a brand profile.

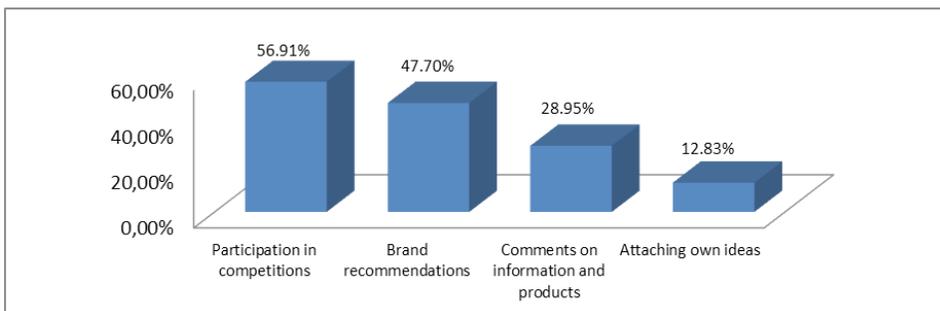


Source: Own studies

A fact of being a fan of a given brand is increasing a number of purchased products in a case of 51.64 per cent of respondents. However, for 48.36 per cent of respondents, it does not influence on their shopping decisions. What is interesting, almost 52 per cent of respondents do not check profiles of particular brands in social media, and do not browse information incorporated in the profiles, including other users' opinions before a purchase. Respondents do not also pay attention to a number of fans of a given brand, what was indicated by up to 79.93 per cent of people being surveyed. Thus, it can be assumed that brands' actions directed on intensifying a number of own fans in order to increase brand popularity are not effective anymore.

Unfortunately, respondents use possibilities provided by social networking sites to a very small extent, which proves a general tendency in discussed area.

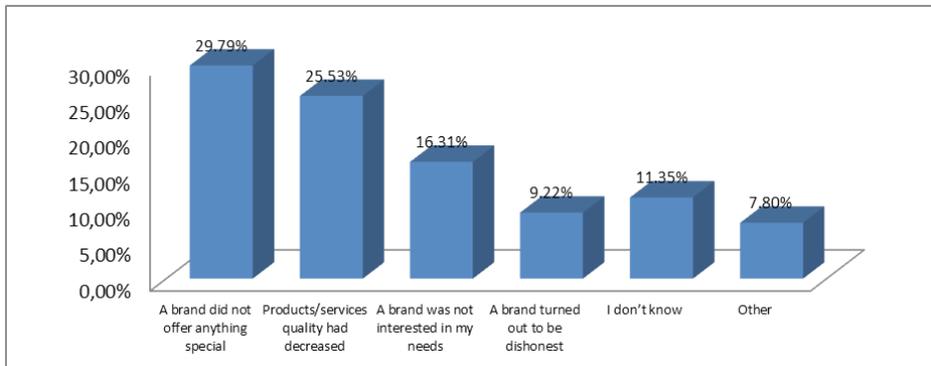
Figure 11. Declared respondents' activeness connected with a brand profile in social networking sites.



Source: Own studies

Only 47 per cent of respondents are eager to recommend a given brand and its products to other customers. Only every fourth respondent gives comments about information attached in an official profile of a given brand, e.g. he/she expresses his/her opinions about a brand, its decisions, actions, and products. Only 12 per cent of respondents attach own ideas and suggestions. Fans' activeness requires their engagement and interest in a strategy led by the brand. However, not every brand can appreciate its fans' efforts. Competitions organised through the agency of a given brand profile on a social networking site attract high interest. They give a chance to show one's own personality among other fans of a given brand and allow achieving additional financial benefits.

Figure 12. Reasons for deleting a brand profile according to respondents.



Source: Own studies

39.14 per cent of respondents admit that they deleted a given brand profile from a group of their acquaintances. The most common reason why they did it was the fact that a brand, in respondents' opinions, did not offer anything special (29.79%). Furthermore, the quality of products/serviced offered by the brand had decreased (25.53%). Respondents also indicated the lack of brand's honesty, and the excess of advertisements sent by the brand or even spam.

Summary

Social networking sites are appearing as a new and powerful marketing channel for the companies. It allows leading exactly directed campaigns thanks to profiled information, activating members of community through using the trust of their acquaintances and systematically developing whisper marketing among existing base of clients [Shih C.,2012, p.140]. Therefore, social networking sites create big opportunities to brands in a communication process. However, effective communication is not only limited to owing a

personal profile. Communicating with customers in the new marketing involves listening as much as talking. It is through dialogue that relationships are built and products are conceived, adapted and accepted [McKenna R.,1991, p.119].

Customers, who are discouraged by a big number of commercial profiles and information overload, require engagement from brands. Shallowness of discussions that are carried out, lack of effective skills of engaging the customers in mutual relations, and lack of knowledge about real needs and customers' expectations discourage the customers to create relations with brands through social networking sites. When creating profiles on a social networking site and deciding to use social media in a communication strategy, brands cannot only limit themselves to actions which provide entertainment and possible benefits to their participants. Competitions or games, led through the agency of social networking services, allow a brand to stand out and encourage customers to acquaint with a profile of a particular brand. However, this is only the beginning of a communication process. Brands must answer the question how to use the users' interest in a reasonable way and encourage them to bigger interest in brands and their products. Brands must be aware of their unique value and what it is that distinguishes them from the competition. Originality and variety of communication tools through social networking services create bigger opportunities for the brands of coming into existence in users' awareness. Moreover, openness to customers' needs, credibility and coherence of actions led in many social media will inspire trust and will allow the brands for creating lasting relations with customers. However, this requires a constant assessment of effectiveness of carried out actions so that a realised communication strategy is based on key values for the customers and encourages them to start a dialogue. Relationships start with a simple conversation. Conversations are nurtured by content. Social media is about relationships. Businesses who focus on relationships first and business second see greater success both online and offline [Smith M.,2010, p.234].

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