



Journal of Intercultural Management

Vol. 13 | No.3 | September 2021



Editor-in-chief: Łukasz Sułkowski

Issue Editors: Prof. dr hab. Krzysztof Wach, dr hab. Sylwia Przytuła

Text design and typesetting: Marcin Szadkowski

Cover design: Marcin Szadkowski

Language editing: Lidia Pernak

Adjustment: Małgorzata Pająk

Editorial office: Społeczna Akademia Nauk, Kilińskiego 109, 90-011 Łódź

(42) 664 66 21, e-mail: wydawnictwo@spoleczna.pl

All the articles published in the journal are subject to reviews.

The electronic version is the primary version of the journal.

© copyright Społeczna Akademia Nauk and Authors
under the CreativeCommons CC-BY-SA license
<https://creativecommons.org/licenses/by-sa/4.0/>
eISSN 2543-831X

Contents

- Katarzyna Tracz-Krupa, Frank Bezzina, Vincent Cassar,
Sylwia Przytuła, Anna Bruska, Elżbieta Szymańska-Czaplak
*Expectations Towards International Study Visits – Preliminary
Research Findings* **1**
- Silvana Secinaro, Valerio Brescia, Daniel Iannaci, Manuela Barreca
*Performance Evaluation in the Inter-Institutional
Collaboration Context of Hybrid Smart Cities* **20**
- Greeni Maheshwari
School Leadership: A Narrative Review of Literature **47**
- Ryan Schill, Maureen Andrade, Ron Miller, Angela Schill,
David Benson
Entrepreneurial Desire for Outmigration: A Validated Measure **75**
- Muhammad Asif Khan
*Trends and Future of Corporate Entrepreneurship in Indonesia
in the Post-Pandemic Era by Using Descriptive Quantitative and
Cross-sectional Study* **95**
- Zakiya Salim Al-Hasni
*Tourism, Hospitality and COVID-19: Business Challenges and
Transformations; the Case of Destination and Resort Planning,
Development, and Policy Framework* **109**

Katarzyna Tracz-Krupa

Wroclaw University of Economic
and Business, Wroclaw, Poland
katarzyna.tracz@ue.wroc.pl

ORCID ID: 0000-0002-2845-8086

Frank Bezzina

University of Malta, Msida, Malta
frank.bezzina@um.edu.mt

ORCID ID: 0000-0001-5578-2722

Vincent Cassar

University of Malta, Msida, Malta
vincent.cassar@um.edu.mt

ORCID ID: 0000-0002-7795-5601

Sylwia Przytuła

Wroclaw University of Economics
and Business Faculty of Management,
Wroclaw, Poland
s_przytula@wp.pl

ORCID ID: 0000-0002-9602-241X

Anna Bruska

Opole University, Opole, Poland
abruska@uni.opole.pl

ORCID ID: 0000-0001-7592-0491

Elżbieta**Szymańska-Czaplak**

Opole University, Opole, Poland
ela@uni.opole.pl

ORCID ID: 0000-0003-2788-7775

Expectations Towards International Study Visits – Preliminary Research Findings

Received: 13-11-2021; Accepted: 10-12-2021

ABSTRACT

Objective: The objective of this paper is to present the preliminary research findings concerning the expectations towards international study visits undertaken by university students hailing from different higher education institutions around Europe on the canvas of internationalization as a concept.

Methodology: The research was carried out on a group of 440 students from 5 European countries. The study covered the population of students of faculties whose graduates are preparing to work in business. The basic research tool was a questionnaire with dominating closed questions and the possibility for respondents to indicate more than one answer. The answers of the respondents were measured using a five-point Likert scale with a variable description of the minimum and maximum point value. When analyzing the data, descriptive statistics were used. The Kruskal Wallis test was used to determine whether there was a significant difference in mean ranks across attribute ratings.

Findings: The results highlight significant common features of students' expectations towards international mobility programs: personal development orientation, interest in contact with employers and professional environment, willingness to try themselves in new challenges by developing creative and communication skills in an international environment.

Value Added: This article is an important voice on the impact of mobility programs on the competencies development of future graduates. The final results of the research can be used to improve the mobility and educational programs offered by universities which equip their students with major skills, knowledge and attitudes in the future workplace.



Recommendations: The highest-valued components of international study visits do not fully reflect the expectations of employers, and the study of the reasons for these discrepancies, as well as reflection on how to minimize them in the process of academic teaching, remain a significant challenge for the practice of building competencies sought in the labour market.

Key words: international mobility, competence, cultural competence development

JEL codes: M54

Introduction

The purpose of this paper is to present the preliminary research findings concerning the expectations towards international study visits undertaken by university students hailing from different higher education institutions around Europe. To meet the objective of the paper the authors have arranged its structure as follows: the first part focuses on international mobility from the perspective of higher education institutions (HEI) on the one hand, and students on the other. This serves as a canvas against which the research was carried out. Then, the benefits and feasibility of cultural competence development are presented to illustrate the importance of this attribute given that cultural differences create a major obstacle for communication, cooperation and collaboration at different levels. In the next part, the method adopted in understanding the various attributes of this competence and the characteristics underlying within the sample involved within this international project is described. Following that, the results of the research on expectations towards international study visits are presented. The final part highlights the conclusions of the study and directions for further exploration.

International mobility from the perspective of HEI and students

Internationalization as a concept and strategic agenda is a relatively new, broad, and varied phenomenon in tertiary education, driven by a dynamic combination of political, economic, sociocultural, and academic rationales and stakeholders. During the past half-century, internationalization in tertiary education has evolved from being a marginal activity to becoming a key aspect of the reform agenda (de Wit & Altbach, 2021) on a regional and global scale.

Looking at longer-term trends, the number of mobile students enrolled in tertiary education programs worldwide has expanded massively over the last two decades. It rose from 2.1 million in 2000 to 5.1 million in 2017 which equates to an increase of 143% (OECD, 2019). The predictions indicate a further growth to at least 8 million in the next decade (de Wit & Altbach, 2021; Choudaha & Van Rest, 2018).

Nowadays the strategic goal for HEIs is to link education with practice and with actual challenges and projects that consider the needs of the surrounding reality while combining formalized university education with the specific nature of professional and competence-related challenges of the modern world (Krokhmal & Simutina, 2018). However, according to The Future of Jobs Report 2020, there will be a huge skills mismatch between what employers demand and what education provides (World Economic Forum, 2020).

Thus, universities should modify their study programs and teaching methods to adjust to global challenges in higher education. Greater emphasis should be placed on developing soft and intercultural competencies. According to Jelonek (2019), the increasing importance of general competencies is also noticeable. The value of general competencies is less dependent on technological conditions; moreover, these skills increase the flexibility of the candidate for a job, allowing him to adapt to various job requirements.

These types of competencies are (or should be) shaped during studies within each area of education (Jelonek, 2019).

The greatest contribution to this includes international mobility programs that equip students with a wide range of knowledge and skills and shape their attitude and behavioral reactions while interacting with “unknown” and not-expected situations in culturally new environments. Mobility is also referred to as an opportunity for students to learn something new about themselves and enhance their cultural horizon horizons. Even short-term student mobility experiences promote cross-cultural sensitivity and serve as a factor that increases interest in the native language of the host society (Antonova, Gurarii, & Vysotskaia, 2020).

Extensive literature provides rich contributions on the motivations to student mobility, including speaking a new language, improving communication abilities and enriching personal development through independence and confidence (Van Maele, J., Vassilicos, B., & Borghetti, 2016).

The study by Simões et al. (2017) indicates that students seem to be quite aware of the positive implications of mobility in their professional careers and of the set of skills developed during that period, which embrace: intercultural, interpersonal, management, communication and language competencies (Simões et al., 2017).

Brown and Pickford (2006) indicate the following skills and competencies which can be developed and assessed during student foreign internships: personal skills and competencies including self-awareness, coping with change, teamwork skills, computer skills, oral and written skills, presentation skills, listening and networking; academic skills and competences, e.g. questioning and arguing; reasoning; problem-solving and decision making; career skills and competencies like awareness of career and opportunities, the ability to make changes and awareness of employers' needs (Brown & Pickford, 2006).

Thus, the effort in the internationalization of academia is needed. Universities shall aim to develop educational projects which give students the opportunity to become full-fledged parti-

participants of international processes and to equip students with many competencies required on the labor market with special emphasis on cultural competence.

The benefits and feasibility of cultural competence development

Cultural competence has been a growing field of study and practice over the past four decades (van den Berg 2010), particularly in the fields of education, social science and business. A variety of definitions exist, but one of the most cited is that by Cross et al. (1989): “Cultural competence is a set of congruent behaviours, attitudes, and policies that come together in a system, agency, or among professionals and enable that system, agency, or those professionals to work effectively in cross-cultural situations”. The word ‘culture’ is used because it implies the integrated pattern of human behaviour that includes thoughts, communications, actions, customs, beliefs, values, and institutions of a racial, ethnic, religious, or social group” (p. 27). In this sense, cultural competence has an impact both on the internal mental representations the individual is likely to elicit and also on the behaviours that he or she is likely to manifest in the presence of other cultural groups. It transcends knowledge formation and impacts one’s functioning in a group or institution which exhibits diversity from the usual norm standard that is known to the individual. In this sense, cultural competency is a deeper phenomenon associated with a conscious being in one’s broader context.

Of course, cultural differences present a major obstacle for further communication, cooperation and collaboration at different levels: from individuals to whole communities. The importance of learning to manage differences and to embrace diversity has been



well written upon (e.g. Moran, Harris, Moran, 2007) and researched (e.g. Huang, Zhu & Brass, 2017). Training professionals and students to become more aware of the differences between each other, however subtle they may be, has significantly impacted performance. For instance, in a study by Thom et al., (2006), results indicated that increasing the cultural competence of physicians and other health care providers actually reduced the health disparities and in turn improved the quality of care across racial/ethnic groups. Some scholars argue that cultural competency provides a robust platform for people to exhibit a sense of cultural safety by challenging specific stereotypes, inequities and prejudices that people may have about ‘other’ cultural groups (Curtis et al., 2019). In many settings, it also helps to introduce a sense of humility that often is required to form meaningful human relations that help in specific settings like doctor-patient relationships (e.g. Hunt, 2019). Having said this, one also needs to realise that developing cultural competencies is not a straightforward exercise and indeed, many aspects require attention. In a systematic review, Benuto, Casas & O’Donohue (2018) go to length to unveil the potential pitfalls that cultural competency development attempts may face. After reviewing 17 training outcome studies, their results revealed that while such programs did increase knowledge, findings for changes in attitudes, awareness, and skills were less consistent. The authors argue that given the complexities associated with culture and the ample number of variables that can be classified as cultural, developing specific training guidelines may be a challenging task. Indeed, a wide array of approaches may be required to create situations where learners can internalise these differences and commonalities and come to appreciate them as a means of growth and fruitful relations. For instance, in the case of developing global leadership competencies (which also include cultural ones), Mendenhall et al. (2017) put forward a number of propositions to suggest the breadth of learning contexts and personal preparation to achieve specific mind-sets and standards of behaviour.

Indeed, this endeavour has been promoted in higher education institutions too which have seen the necessity of such development as a result of changing national values and often unrest leading to severe demographic and population shifts (see e.g. Sherwood & Russell-Mundine, 2017). Kruse, Rakha & Calderone (2018) have emphasised that cultural competency development has become necessary and implicitly embedded in the curriculum as institutions battle against prejudices and want to promote inclusive educational spaces. They emphasise that strong cultural competency programs involving different members of different cultural groups manifest a number of important outcomes like increased efficacy (members are more united to achieve purposeful goals), increased satisfaction (communal efforts bring more participation) and greater responsibility (there is a sense of increased focus on the work to be achieved). In addition, they emphasize that time to meet and learn, process new information, develop opportunities to communicate, have supportive leadership and develop a climate of trust should be present to create the right conditions and to enhance the effectiveness of any cultural competency development exercise. Such principles have been ascertained by other studies reporting the effectiveness of cultural competency modules (e.g. Brown et al., 2021). This would of course also necessitate promoting educators' awareness of adopting proper culturally responsive practices which unfortunately very often are inadequate or few educators are well-equipped to convey effective learning in cultural competency development. A systematic review by Bottiani et al. (2018) argues that educators should be thoroughly trained to include good practices of learning that will support the transfer of effective cultural competencies in their students.

Method

In the context of presented benefits and feasibility of cultural competence, the preliminary research on expectations towards inter-

national study visits was carried out in 2020 on a group of 440 students from 5 European countries. The research was carried out within the project entitled: *Competent student – experienced graduate*, conducted within the framework of the International Partnership Project on Mobility of Students, (number: PPI/APM/2019/1/00014) granted by the Polish National Agency for Academic Exchange.

The study covered the population of students of faculties whose graduates are preparing to work in business. The questionnaires were collected from centers located in 5 countries (see table 1) which were the project partners. 69% were Bachelor level students and 31% were Masters students. 57.5 % of the participants were female.

Table 1. *The characteristics of respondents in terms of the country of study*

Country	Number of respondents
Belgium	83
Czech Republic	78
Kosovo	68
Malta	131
Poland	80
Total	440

Source: own calculations based on the research results.

Students from the following universities participated in the study: Haxhi Zeka University in Peja (Kosovo), Tomas Bata University in Zlín (Czech Republic), KU University in Leuven (Belgium), University of Malta (Malta), Opole University (Poland) and Wrocław University of Economics and Business (Poland).

The basic research tool was a questionnaire with dominating closed questions and the possibility for respondents to indicate more than one answer.

The study investigated the following five questions:

1. What are the factors influencing the interests in international study visits?
2. What are the areas of interest to be developed during the international study visit?
3. What are the preferred methods/tools of learning during the international study visit?
4. What are the competencies you like to develop during an international study visit?
5. What is the preferred length of the international study visit?

The answers of the respondents were measured using a five-point Likert scale with a variable description of the minimum and maximum point value. Demographics include respondents' age (in years), gender, level of studies (1=Bachelor; 2=Masters), and field of study (nominal variables). When analyzing the data, descriptive statistics were used. The mean Rank (MR), median (Mdn), range (Min-Max), mean (M) and standard deviation (Std) were used to summarise ordinal data while counts and relative frequencies were used when summarising nominal data. The Kruskal Wallis test was used to determine whether there was a significant difference in mean ranks across attribute ratings. The analyses were conducted using Statistica version 13.

Results of research findings

Basic statistics for the answers to the first research – *What are the factors influencing the interests in international study visits?* are presented in table 2. The order of the variables reflects the extent of importance for each attribute. Although all attributes were rated on average as highly important (Mdn = 5) or important (Mdn= 4), the Friedman test revealed that there was a significant difference in mean ranks across attribute ratings ($\chi^2 = 139,56$, $df = 6$, $p < 0.001$). The most important motivation of the respondents to engage in international study visits was self-development. At the same time, but to a lesser extent, a visit abroad was per-

ceived as an opportunity to challenge oneself, to get to know new people, to develop interpersonal and intercultural competencies, to meet the expectations of employers (pragmatics) and to acquire new languages.

Table 2. *Basic statistics for factors encouraging people to participate in an international study visit*

Variable	N	MR	Mdn	Min-Max	M (Std)
Self-development	440	4.72	5	1-5	4.30 (0.89)
Challenging oneself	440	4.28	4	1-5	4.13 (0.95)
Getting to know new people	440	3.92	4	1-5	3.93 (1.10)
Willingness to improve competences	440	4.04	4	1-5	4.03 (0.95)
Possibility to learn about a new culture	440	3.92	4	1-5	3.94 (1.05)
Pragmatics	440	3.66	4	1-5	3.84 (1.01)
Acquiring a new language	440	3.47	4	1-5	3.66 (1.18)

Source: own calculations based on the research results.

The second research question was *What are the areas of interest to be developed during the international study visit?* The statistics for the answers to this question are presented in table 3. The Friedman test revealed that there was a significant difference in mean ranks across attribute ratings ($\chi^2 = 135,99$, $df = 9$, $p < 0.001$). Based on mean ranks, the respondents rated most highly leadership in business and negotiations in international business. However, it is worth noting that all the attributes were rated on average as important (Mdn = 4) with the exception of management psychology and evidence-based management which were both rated as neither important nor unimportant (Mdn=3).

Table 3. Basic statistics for the issues that respondents would like to explore during an international study visit

Variable	N	MR	Mdn	Min-Max	M (Std)
Leadership in business	440	6.07	4	1-5	3.83 (1.13)
Negotiations in international business	440	6.07	4	1-5	3.88 (1.06)
Work in an international team	440	5.94	4	1-5	3.88 (1.06)
Resolving conflicts in international teams	440	5.73	4	1-5	3.78 (1.04)
Project management	440	5.56	4	1-5	3.72 (1.05)
Business English	440	5.45	4	1-5	3.67 (1.13)
Intercultural communication	440	5.42	4	1-5	3.68 (1.09)
Coaching in a professional environment	440	5.16	4	1-5	3.58 (1.09)
Managerial Psychology	440	4.89	3	1-5	3.50 (1.13)
Evidence-based management	440	4.71	3	1-5	3.48 (1.07)

Source: own calculations based on the research results.

The next research question was – *What are the preferred methods/tools of learning during the international study visit?* Attribute preferences related to preferred methods and tools of learning are provided in table 4. The Friedman test revealed that there was a significant difference in mean ranks across attribute ratings ($\chi^2 = 295,68$, $df = 9$, $p < 0.001$). All the attributes were rated on average as important (Mdn = 4) with the exception of Public Presentations that was rated neither important nor unimportant (Mdn = 3). The results show the willingness to use in-company visits and debates with experts and specialists during international study visits and signal interest in didactic forms which are atypical from conventional academic learning. Interestingly, the respondents give lower ratings (based on mean ranks) to the methods that build competencies which are sought or useful in the labour market, like group work, public presentations or simulation games. One may wonder

to what extent this fact results from their presence in the academic practice of the universities in which they study, and to what extent it is the result of the different perceptions of their importance or degree of their mastery being overestimated by the respondents.

Table 4. *Basic statistics for methods and tools of learning that respondents would be willing to get involved in during an international study visit*

Variable	N	MR	Mdn	Min-Max	M (Std)
In-company visits	44 0	6.55	4	1-5	4.14 (1.05)
Debates with experts/specialists	44 0	6.08	4	1-5	3.91 (1.03)
Workshops	44 0	5.89	4	1-5	3.94 (1.00)
Unconventional methods, e.g. outdoor training	44 0	5.84	4	1-5	3.95 (1.05)
Discussions	44 0	5.54	4	1-5	3.86 (0.98)
Interactive lectures, seminars	44 0	5.45	4	1-4	3.81 (1.07)
Groupwork	44 0	5.30	4	1-5	3.76 (1.05)
Case studies	44 0	5.19	4	1-5	3.74 (1.03)
Simulation games	44 0	5.25	4	1-5	3.73 (1.11)
Public presentations	44 0	3.92	3	1-5	3.30 (1.13)

Source: own calculations based on the research results.

The third research question – *What are the competencies you like to develop during an international study visit?* prompted participants’ reflection on the expected competencies (see table 5). The Friedman test revealed that there was a significant difference in mean ranks across attribute ratings ($\chi^2 = 343,98$, $df = 15$, $p < 0.001$). The attribute with the highest mean rank was creativity, followed closely by the ability to express clearly, speaking English, and the ability to organize teamwork and one’s work. However, it is worth noting that all attributes were rated as important (Mdn = 4) with the exception of the ability to use a spreadsheet (Mdn=3).

Table 5. Basic statistics for competencies that the respondents would like to develop during an international study visit

Variable	N	MR	Mdn	Min-Max	M (Std)
Creativity	440	9.69	4	1-5	4.07 (0.99)
Ability to express clearly	440	9.70	4	1-5	4.08 (0.98)
Communicating in English (speaking)	440	9.21	4	1-5	3.92 (1.22)
Ability to organize teamwork	440	9.11	4	1-5	3.98 (1.03)
Ability to organize your work	440	9.08	4	1-5	3.97 (1.04)
Coping with conflict situations	440	8.67	4	1-5	3.89 (1.03)
Ability to work in a team	440	8.90	4	1-5	3.92 (1.03)
Self-reliance	440	8.76	4	1-5	3.93 (0.99)
Ability to objectively evaluate your own actions/behaviors/attitudes	440	8.44	4	1-5	3.86 (0.99)
Ability to listen effectively	440	8.38	4	1-5	3.85 (1.00)
Communicating in English (writing)	440	8.30	4	1-5	3.76 (1.17)
Troubleshooting	440	8.23	4	1-5	3.82 (1.02)
Ability to provide feedback	440	8.19	4	1-5	3.80 (1.00)
Coping with stress	440	8.17	4	1-5	3.78 (1.14)
Ability to use tools to create presentations	440	6.80	4	1-5	3.46 (1.22)
Ability to use a spreadsheet	440	6.38	3	1-5	3.40 (1.16)

Source: own calculations based on the research results.

The last research question was – *What is the preferred length of the international study visit?* The largest group, that is 52% of respondents expressed interest in participating in longer study visits, lasting more than 2 weeks. 29% declared their willingness to participate in a mobility program lasting 1-2 weeks. 11% of respondents were interested in short study stays, and less than 10% of respondents were not interested in participating in this type of activity.

Conclusion and further research and studies

The results highlight significant common features: personal development orientation, interest in contact with employers and professional environment, willingness to try themselves in new challenges by developing creative and communication skills in an international environment. The highest-valued components of international study visits do not fully reflect the expectations of employers, and the study of the reasons for these discrepancies, as well as reflection on how to minimize them in the process of academic teaching, remain a significant challenge for the practice of building competencies sought in the labour market. As explained in the review, cultural competency transcends conventional knowledge formation because it requires alternative modes of learning which are often non-conventional as also highlighted in this investigation. These in turn will support the development of meaningful human relations (Hunt, 2019). As indicated by some of the responses in this study, this would certainly require an array of approaches. Perhaps a further aspect that will be required to close the loop is to evaluate the role of educators in this process (Bottiani et al., 2018).

Even though the article provides the preliminary research findings, we see potential practical and social contributions. The final results of the research can be used to improve the mobility and educational programs offered by universities which equip their graduates with major skills, knowledge and attitudes in the future workplace.

The authors are planning now to continue the research within the project to investigate the effect of specific experiences as part of a mobility program on the cultural competency development among European students to answer 2 research questions:

1. How is cross-cultural competence developed in students through international mobility programs?

2. How can cross-cultural competence be improved in terms of the techniques, experiences and methods applied by universities?

The subject of this research will be a group of 45 students representing 5 partner European universities. 9 students from each university will take part in a mobility program for 1 week in each partner university during a two-year mobility program. Qualitative measures will be applied.

References

- Antonova, N. L., Gurarii, A. D., & Vysotskaia, Y. S. (2020).** Short-Term Student Mobility: Motivation, Expectation and Barriers. *New Educational Review*, *59*, 129–137. <https://doi.org/10.15804/ner.2020.59.1.10>.
- Benuto, L. T., Casas, J., & O'Donohue, W. T. (2018).** Training Culturally Competent Psychologists: A Systematic Review of the Training Outcome Literature. *Training and Education in Professional Psychology*, *12*(3), 125–134.
- Bottiani, J. H., Larson, K. E., Debnam, K. J., Bischoff, C. M., & Bradshaw, C. P. (2018).** Promoting Educators' Use of Culturally Responsive Practices: A Systematic Review of Inservice Interventions. *Journal of Teacher Education*, *69*(4), 367–385.
- Brown, L. L., Ng, T., Anksorus, H., Savage, A., & Mak, V. (2021).** International Collaboration as an Interdisciplinary Approach for the Development of a Cultural Competency Online Module. *International Journal of Pharmacy Practice*, *29*(Supplement_1), i13–i13.
- Brown S., Pickford R. (2006).** *Assessing skills and practice*. New York: Routledge.
- Cross, T., Bazron, B., Dennis, K. W., & Isaacs, M. R. (1989).** *Towards a culturally competent system of care: A Monograph on effective services for minority children who are severely emotionally disturbed*. Retrieved from <http://files.eric.ed.gov/fulltext/ED330171.pdf>.
- Choudaha, R., & Van Rest, E. (2018).** *Envisioning pathways to 2030: Megatrends shaping the future of global higher education and international student mobility*. Retrieved from <https://studyportals.com/2018-megatrends-higher-education-webinar/>.
- Curtis, E., Jones, R., Tipene-Leach, D., Walker, C., Loring, B., Paine, S. J., & Reid, P. (2019).** Why Cultural Safety Rather Than Cultural Competency Is Required to Achieve Health Equity: A Literature Review and Recommended Definition. *International Journal for Equity in Health*, *18*(1), 1–17.
- de Wit, H., & Altbach, P. G. (2021).** Internationalization in Higher Education: Global Trends and Recommendations For Its Future. *Policy Reviews in Higher Education*, *5*(1), 28–46.

Huang, Z., Zhu, H., & Brass, D. J. (2017). Cross-Border Acquisitions and the Asymmetric Effect of Power Distance Value Difference on Long-Term Post-Acquisition Performance. *Strategic Management Journal*, 38(4), 972–991.

Hunt, L. M. (2019). Beyond cultural competence: Applying humility to clinical settings. In *The Social Medicine Reader*, Volume II, Third Edition (pp. 127–131). Duke University Press.

Jelonek, M. (2019). *Analiza zapotrzebowania na kompetencje w gospodarce i na rynku pracy*. Kraków. Retrieved from https://www.ncbr.gov.pl/fileadmin/Ewaluacja/POWER/RK_Analiza_kompetencji_final.pdf.

Krokhmal, L. A., & Simutina, N. L. (2018). Integration in Higher Education Institutions in the Global Educational System. *European Research Studies Journal*, 21(2).

Kruse, S. D., Rakha, S., & Calderone, S. (2018). Developing cultural competency in higher education: An agenda for practice. *Teaching in Higher Education*, 23(6), 733–750.

Mendenhall, M. E., Weber, T. J., Arnardottir, A. A., & Oddou, G. R. (2017). *Developing Global Leadership Competencies: A Process Model*. *Advances in Global Leadership*. Emerald Publishing Limited.

Moran, R. T., Harris, P. R., & Moran, S. (2007). *Managing Cultural Differences*. Routledge.

OECD (2019). *Education at a Glance*. https://www.oecd-ilibrary.org/education/education-at-a-glance_19991487

Sherwood, J., & Russell-Mundine, G. (2017). How We Do Business: Setting the Agenda for Cultural Competence at the University of Sydney. In J. Frawley, S. Larkin and J. A. Smith (Eds.), *Indigenous pathways, transitions and participation in higher education* (pp. 133–150). Singapore: Springer.

Simões, D., Pinheiro, M. M., Santos, C. A., Filipe, S., Barbosa, B., & Paiva Dias, G. (2017). Insights into the Expectations of Mobility Students: the Impact of Erasmus in Their Future Professional Careers. In *3rd International Conference on Higher Education Advances, HEAd'17* (pp. 696–704). <https://doi.org/10.4995/head17.2017.5360>



Thom, D. H., Tirado, M. D., Woon, T. L., & McBride, M. R. (2006). Development and Evaluation of a Cultural Competency Training Curriculum. *BMC medical education*, 6(1), 1–9.

van den Berg, R. (2010). Cultural Safety in Health for Aboriginal People: Will It Work in Australia? *The Medical Journal of Australia*, 193(3), 136–137.

Van Maele, J., Vassilicos, B., & Borghetti, C. (2016). Mobile Students' Appraisals of Keys to a Successful Stay Abroad Experience: Hints from the IEREST Project. *Language and Intercultural Communication*, 16(3), 384–401.

World Economic Forum (2020). *The Future of Jobs Report 2020*. Retrieved from https://www3.weforum.org/docs/WEF_Future_of_Jobs_2020.pdf.

Silvana Secinaro

Department of Management,
University of Turin, Turin, Italy
silvana.secinaro@unito.it

ORCID ID: 0000-0002-0811-6580

Valerio Brescia

Department of Management,
University of Turin, Turin, Italy
valerio.brescia@unito.it

ORCID ID: 0000-0001-7919-5370

Daniel Iannaci

Department of Management,
University of Turin, Turin, Italy
daniel.iannaci@unito.it

ORCID ID: 0000-0002-4890-5963

Manuela Barreca

Università della Svizzera Italiana (USI),
Lugano, Switzerland
manuela.barreca@usi.ch

ORCID ID: 0000-0003-3261-5141

Performance Evaluation in the Inter-Institutional Collaboration Context of Hybrid Smart Cities

ABSTRACT

Objective: The smart city is defined as a mix of urban strategies aimed at optimizing and innovating public services. Current cities are hybrid and affected by complex systems with inter-institutional collaboration. This study aims to understand which variables are most present and important according to the literature review and comparative analysis of two case studies.

Methodology: The authors have chosen the emerging smart city of Turin and Lugano to conduct a cross-analysis based on the matrix proposed by Yin (2017). This research is characterized as a holistic study of multiple cases.

Findings: The research was carried out thanks to results produced by literature and emerging from the analysis of realities exposed, to assess the performance of projects and urban sustainability. A set of 71 indicators has been designed to assess the impacts of a smart city. 5 Indicators are related to management performance, 18 to governance and 48 to reporting.

Value Added: This research aims to implement the theory of information reporting by providing guidelines for indicators in inter-institutional, cross-sectoral and multi-level contexts maximising smart factors in cities and meeting stakeholder needs in a hybrid organization.

Recommendations: Future research is recommended to confirm the relevant indicators for stakeholders associated with communication methods.

Key words: smart city, hybrid organization, inter-institutional, index, Lugano, Turin

JEL codes: H11; H77; H79

Introduction

The smart city is defined as a mix of urban strategies aimed at optimizing and innovating public services to relate the physical infrastructure of cities with the human, intellectual and social capital of those who live there (Komninos, 2013; Nam, 2019). Caragliu and Del Bo (2018) define the term according to six variables: economy, mobility, governance, environment, life, people. Current cities are

complex systems characterized by a massive number of interconnected citizens, businesses, different modes of transport, communication networks, services and users (Hollands, 2015). At the same time, studies have discussed hybridity as a definition (Powell, 1987). As for smart cities, Denis et al. (2015) emphasize the collaboration between sectors and actors for their implementation. Billis (2010) defines hybrid organizations as integration between public, private, and non-profit models and logic; in this context, it is evident how the relationship between municipalities and subsidiaries or third sector requires new tools and approaches aimed at guaranteeing accountability and transparency (Argento et al., 2019). Smart cities are in fact complex organisms characterized by idiosyncrasies of hybrid processes between different logical institutions, relationships, networks and rules (Lima, 2020; Secinaro et al., 2021). In the literature, the debate regarding hybrid organizations and smart cities is ongoing. The investigation must be thorough considering intersectoral innovations, including multi-stakeholder/actor engagement involvement (Goodspeed, 2015; Mosannenzadeh and Vettorato, 2014). Viale Pereira et al. (2017) explore the phenomenon of smart cities as a result of inter-institutional collaboration and governance, including complex interactions between organizations, technologies and people (Lavie et al., 2010). This is the result of the evolution of the concept of traditional Public Administration (PA) and the transition from New Public Management (NPM) to the concept of New Public Governance (NPG) (Hood, 1995; Osborne, 2006; Pollitt & Bouckaert, 2004). Government policies have a critical role to play in promoting smart cities (Torfing et al., 2012; Yigitcanlar et al., 2008). Nam and Pardo (2011) state that studies on e-government and innovation are linked to urban governance to develop approaches that can make cities smarter. In addition, Kooiman (1999) defines socio-political governance as a general theory of inter-institutional relations in society, as a mechanism of inter-organisational networks (Kickert, 1993; Rhodes, 1997) using exploratory partnerships to generate the networks to create more value from activity (Hoffmann, 2007;

Lavie & Rosenkopf, 2006; Vaccaro et al., 2009), subsequently leading to the involvement of stakeholders (Freeman, 1984), creating intelligent participation fundamental for the relationship between city government and its citizens (Meijer, 2016), and promoting sharing of knowledge between public administrations, as in Italy and other European examples (Meneguzzo et al., 2018).

From an inter-organizational point of view aimed at improving strategic and operational management and improving communication with stakeholders, it is important to monitor the efficiency of public organizations through the measurement of performance (Bouckaert & Halligan, 2007). Wiig and Wyly (2016) present smart cities as cities in transformation with a propensity to face challenges of impact assessment and reporting at the project level, accelerating challenges of communication with stakeholders by developing appropriate tools. They focused their study on the role of reporting in the public sector, initiating a process of smartness also of reporting tools to be closer to the needs of stakeholders (Grossi et al., 2021; Adams & Frost, 2008; Botzem & Hofmann, 2010; Freeman, 1984; McGeough, 2015). The literature shows that stakeholders are users of information and therefore their needs must be put first. It is interesting that, starting from stakeholder theory in which Freeman (1984) defines it as 'the main multiple problems', which combines several problems of collective action that can occur with smartness, data of a company must be transmitted to professional and non-professional users (Grossi et al., 2021; Holt & Littlewood, 2015).

This work is an attempt to bridge the research gap on how shared outcome measures can be successfully implemented in inter-institutional, intersectoral and multilevel contexts as far as smart cities are concerned, therefore, looking for indicators of evaluation of smart city system, as literature shows that they are precisely the result of these variables. Consequently, the study answers the following research question: "What are the governance elements in a complex inter-institutional collaboration in smart cities that include multi-stakeholder engagement?"

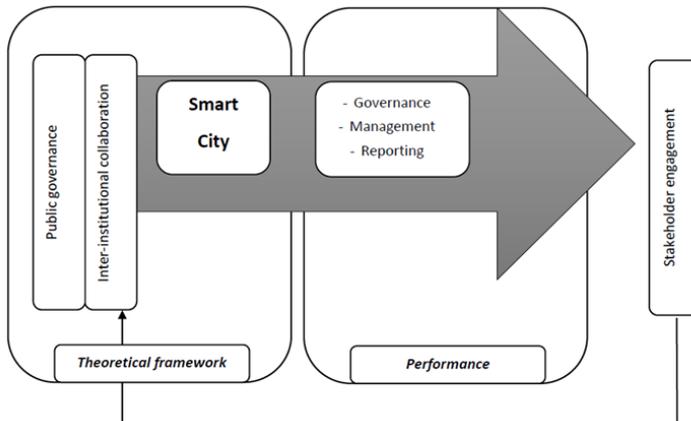
To explore how the phenomenon of smart cities – the result of inter-institutional collaboration and governance – occurs, an exploratory study was conducted based on multiple case studies and specifically through a comparative analysis of documents. This research method was chosen for its key feature of holistic investigation, which allows understanding complex and ubiquitous interactions between organizations, technologies, and people (Dubé & Paré, 2003).

Therefore, underlining the need for collaboration with stakeholders, it is necessary to investigate how smart cities communicate through reporting tools and how they should communicate.

This research aims to implement the theory of information reporting in inter-institutional, cross-sectoral and multilevel contexts. Innovation is a combination of stakeholder-driven reporting techniques (Sicilia & Steccolini, 2017; Grossi et al. 2021) that maximize the "smart factor" of cities and meet the needs of citizens in a hybrid complex context.

Figure 1 shows the overall theoretical framework in which it is shown that the study is aimed at responding to the research question by referring to smart cities, the result of inter-institutional collaboration and governance, with performance indicators to stimulate stakeholder engagement.

Figure 1. *Theoretical framework*



Source: our elaboration.

The authors will identify and codify if there is empirical evidence within the smart city by identifying KPIs (Key Performance Indicator). This aims to define whether it is possible to assess them from a performance governance, performance management, and performance reporting perspective by demonstrating inter-institutional collaboration.

The paper is structured as follows: the second section illustrates the theoretical framework through smart cities, public governance, inter-institutional collaboration and performance reporting necessary to structure the research model. In the third section the research methodology is illustrated, framing method of case study specifically through a comparative analysis of documents where one may better understand a novel phenomenon and concept. The fourth section presents the results of the analysis and finally, the fifth section concludes the research.

Theoretical framework

According to Komninos (2013), smart cities are the consequence of a dense ecosystem of innovation that creates value through the use and reuse of information that can come from different social connections and a highly qualified human capital. The smart city literature framework defines the term according to six variables: economy, mobility, governance, environment, living, people. UNITO-USI (2020) briefly explains the variables.

Mosannenzadeh and Vettoriato (2014) argue that the subdomains connected to smart cities can be made "smarter" through implementation precisely to make the city smarter by bringing what Goodspeed (2015) defines as cross-sector innovations, also including multi-stakeholder/actor engagement.

Managing a smart city means creating new forms of human collaboration using information and communication technologies. City managers should realize that technology alone will not make a city smarter: building an intelligent city requires a political understanding of technology, a process approach to manage the emerging intelligent city and a focus on both economic benefits and other public values (Meijer & Bolívar, 2016; Nam & Pardo, 2011; Suciú et al., 2021).

Government policies have a critical role to play in promoting smart cities (Yigitcanlar et al., 2008) and this fits well with the perspective of public management which highlights that solution of social problems is not only a question of developing good policies but much more a managerial issue of organizing a strong collaboration between government and other stakeholders (Torfing et al., 2012). As Freeman (2000) claims, governance returns interdependence and accountability. Osborne (2006) and Torfing et al. (2012) identify four ideal-typical concepts of smart city governance. They refer to intelligent city governance, intelligent decision-making, intelligent administration and intelligent urban collaboration, reflecting different theoretical perspectives on the role

of government in modern society to make cities smarter. Hood (1991) identifies New Public Governance (NPG) as a result of a transition from New Public Management (NPM) and evolution from traditional PA (Osborne, 2006; Pollitt & Bouckaert, 2004). Several existing approaches to governance lead to the definition of socio-political governance as a general theory of inter-institutional relations within society (Mak & Lam, 2021; Kooiman, 1999), as a mechanism of self-organizing inter-organisational networks that work with and without government to provide public services (Kickert, 1993; Rhodes, 1997). Moreover, it is considered together with the theory of administrative conjunction (Frederickson, 1999) and governance is added as a way to explore the functioning of political communities and networks (Kickert et al., 1997; Marsh & Rhodes, 1992).

As Meneguzzo (1995) and Cepiku (2005) demonstrate, the system of relations between local administrations and private stakeholders is external governance, therefore – inter-institutional governance, concerning agreements and interactions between administrations, agencies and state-owned companies; and internal governance, which concerns individual public administrations.

In dealing with the reality of a city, however smart, the main stakeholders are citizens. As argued by Alawadhi et al. (2012), smart city initiatives usually have intersectoral relations and encourage the participation of these, in addition to the continuous provision of public services seeking, as added by AAström et al. (2012) and Pozzebon et al. (2016). Their goal is to allow them to have a real impact on public policies.

As Lavie & Rosenkopf (2006) explain, it is clear that there are not only citizens but also important ideas that literature gives on this subject, focusing on the main activity of a company, public or private, using exploration partnerships generating inter-organisational connections to develop and multiply the value of activity mentioned through, for example, contributing through research activities the development of innovative technologies for territory, trying to balance different functional domains characteristic of a

smart city as proposed by Lavie et al. (2010). Hoffmann (2007) & Vaccaro et al. (2009) demonstrate through the theme of alliance that inter-organisational connections can improve and integrate the exploration and exploitation activities that companies undertake in action. Therefore, companies will be able to compose their exploration and exploitation partnerships through a combination of different inter-organisational connections to focus on value creation in activities (Lavie et al., 2010). As Meneguzzo et al. (2018) state, the priority is the importance of knowledge sharing between public administrations, citing Italian and European examples of local governance. The second priority is the choice to introduce a sort of integrated strategic agenda for the governance of the network, aimed at supporting the strengths obtained by inter-institutional cooperation and experimentation of public-private partnerships and intersectoral policies (health, transport, communication, volunteering, etc.). Therefore, it is precisely based on these principles that a smart city should be assessed from the point of view of inter-institutional collaboration.

Through the analysis of a case study, Wiig & Wylly (2016) present smart cities as cities in transformation with a propensity for assessment and reporting challenges, with a focus on assessment and project-level reporting of impacts accelerating challenges of stakeholder communication value created by demonstrating how the work of smart cities contributes to the evolution of city's performance and reporting obligations under the law by having citizens develop the use of data and processes of assessment and reporting.

To better develop inter-institutional, cross-sectoral and multi-level frameworks, the use of standardised KPIs should be adapted to support emerging innovation opportunities through initial monitoring and measurement phases (Phillips et al., 2000). The aim is to develop scoreboards that map and integrate assessments and KPIs of smart city developments at different scales to determine results for cities (Bakıcı et al., 2013; Rigby et al., 2014).

Through the mapping of due process and use of appropriate indicators, as Moonen and Clark (2014a, 2014b) argue, results could identify the requirements to address governance issues. Holman (2009) shows the issue that city authorities' share of stakeholders would prefer to measure the contribution of developed projects and programmes against existing KPIs, in line with city strategies for establishing impact at the city level rather than establishing new KPIs.

According to Castelnovo et al. (2016), measuring the intelligence of a city should not be considered separately from its sub-systems but through a comprehensive vision (Pardo et al., 2010) collecting inter-institutional, cross-sectoral and multi-level information through three dimensions of management, governance and reporting.

As already demonstrated by Hood (1995, 1991), Robbins & Lapsley (2015), Pollitt & Bouckaert (2004), the measurement of performance has aroused renewed interest in the public sector and in the new process of reforming public management. In agreement with Bouckaert & Halligan (2007), the interest in performance measurement mainly concerns the efficiency of public organisations from an intra-organisational point of view aimed at improving management at a strategic and operational level, supporting managers in making decisions on activities of their organisational units, and improving communication with stakeholders regarding the results achieved, connecting decision-making and performance measurement (Behn, 2002; Bouckaert & Halligan, 2007; Hammerschmid & Meyer, 2005; Meyer & Hammerschmid, 2006). Through reporting, it is possible to evaluate what are the KPIs that generate outputs and outcomes. Zygiaris (2013) presents very clearly the KPIs that smart cities must have. They are summarized in UNITO-USI (2020).

To evaluate a good reporting tool, it is necessary to be able to assess whether it meets these three requirements: learning process, management and control of management and finally external responsibility (Behn, 2002; Bouckaert & Halligan, 2007).

The first performance measurement provides useful information on how to improve strategies and plans; the second provides information on how performance improves the decision-making process and makes organizational units and individual employees more accountable for the results achieved (Adams et al., 2014; Adcroft & Willis, 2005; Goldoff, 2000); and finally, the third is oriented to make implemented activities more transparent and verifiable, therefore more complete in terms of compliance with the level of responsibility towards stakeholders, who can then act accordingly influencing decisions of public organizations (Borgonovi et al., 2018; Julnes & Holzer, 2001; Talbot & Wiggan, 2010).

Therefore, the framework must return benefits to external stakeholders to complete the picture of the analyzed company, and critical variables for internal ones that can be influenced in decisions, remembering, that the structure and form of a document are important aspects of its effectiveness as a communication tool (Bonollo & Merli, 2018; Glasmeier & Christopherson, 2015).

Methodology

As shown by Yin (2014), most studies require the analysis of multiple cases, following the logic of literal or theoretical replication for case selection. The analyzed literature provides a framework that can be confirmed by empirical evidence by comparing multiple case studies that enrich a prospective view of confirmation (Massaro et al., 2019). To select case studies in this article, the logic of literal replication has been used, where case conditions have led to a prediction of similar results (Yin, 2014). The authors have chosen the cross-analysis of multiple cases where they are not shown separately, looking for more general results (Yin, 2017). Following the matrix of case study types proposed by Yin (2017), this research is characterized as a holistic study of multiple cases in which each case study presents a different context (two different cases, then two different contexts). This study was conceived as a

comparative analysis of documents by organizing information on documents into categories referring to specific questions/research categories (Bowen, 2009). Documents were downloaded from official websites of cities covered by the case studies.

The quantitative comparison in terms of urban intelligence between different cities has been developed, for example, the above-mentioned Smart Cities report ranks medium-sized European cities and cities in Italy (Brunetto et al., 2016; Vallicelli, 2018). Inductive evidence provides results and enriches the model (Secinaro et al., 2020).

In the IMD Report, "IMD Smart city index 2019", 102 cities around the world have been selected and ranked according to a series of indices and indicators, including social inclusion, environment, technological innovation, infrastructure, services to citizens and businesses, entertainment, cultural offer, management. The choice of selected case studies was made about two European countries with more cities in the top 50 of IMD Smart City Index 2019 (Bris et al., 2019): Italy (Bologna – 18th, Milan – 22nd), and Switzerland (Zurich – 2nd, Geneve – 4th). The researchers were encouraged to choose two emerging cities in a smart context that have the potential to bring six variables of smart cities to the required levels thanks to local universities that have activated projects to support: Turin and Lugano. An action was coordinated by the European Union for two respective cities and prestigious universities located in Unito (Università degli Studi di Torino) and Polito (Politecnico di Torino) and for Lugano, Usi (Università della Svizzera Italiana) and Supsi (Scuola universitaria professionale della Svizzera italiana). The two cases, Turin City of Turin, 2020; City of Turin, 2021); and Lugano (Ticino, 2021) were selected because they reflect six variables of smart cities listed in the literature (Caragliu & Del Bo, 2018). In addition, as UNITO-USI (2020) shows, both cities possess the characteristics of governance and inter-institutional collaboration that distinguish this research.

To investigate through city reporting, three key performance areas were analysed i.e. reporting, governance and management.

Subsequent case study analyses were based on revisions of city reports (Caird, 2018). The two determining variables in the choice are based on hybridization and interinstitutional cooperation policies (Meneguzzo et al., 2018; Ramirez Lopez & Grijalba Castro, 2021).

Indicators should express as precisely as possible the extent to which an objective, target or standard has been achieved or even exceeded (Kellen & Wolf, 2003). To arrive at a set of indicators shown in the results, a series of criteria were used, based on the framework that Van Rooijen et al. (2013) describe: relevance, completeness, availability, measurability, reliability, familiarity, non-redundancy, and independence.

Findings

Based on the research carried out thanks to results produced by literature and emerging from the analysis of realities exposed, to assess the performance of projects and urban sustainability, a set of 71 indicators has been designed to assess the impacts of smart city projects in UNITO-USI (2020).

The selection of indicators for the evaluation of smart city projects has been linked to corresponding indicators at the city level. Of the 71 indicators, 5 are related to management performance, 18 to governance and 48 to reporting.

The cases analyzed as mentioned in the methodology section reflect KPIs of smart cities shown in UNITO-USI (2020), so the results showed that the need was to provide a set of indicators that allow the public sector to evaluate all phases of their processes because often only the output and not the outcome is evaluated. Therefore, the research can define that in the evaluation phase, the indicators can be catalogued in 5 types: input, process, output, outcome, impact (Brescia & Calandra, 2020). In the presentation of results, the study does not focus on confirming the characteristics of smart cities for cases analyzed, as this research is positioned in a step of next process since the objective is to implement the the-

ory of information reporting in inter-institutional, intersectoral and multi-level contexts to maximize the "smart factor" of cities by meeting the needs of stakeholders. Nevertheless, in the set of indicators presented in the UNITO-USI (2020) for completeness, those have also been included.

What emerges as a need for representation is a demonstration of the ability of a smart city to create and maintain its identity over time to strengthen the sense of belonging of stakeholders and create lasting relationships, for example through the involvement of stakeholders in strategic governance processes, citizens in the development of policies and strategies or creation of public value and socio-economic impacts. Demonstration in short term is no longer a requirement, the prospects are always to provide evidence of long-term sustainability by translating the vision into specific strategic plans, consistent with the availability of existing resources and avoiding waste, therefore through the degree of integration of service management processes, technological and organizational infrastructure, change management techniques and process reorganization or re-engineering. There is also a need for the public sector and stakeholders to assess performance related to the ability to provide services and operational efficiency of use of available resources through, for example, the assessment of the cost-effectiveness of services provided, ability to manage knowledge, use of resource planning management systems and use of systems to calculate the basic costs of activities.

In addition, a very important aspect that has already emerged in the literature is the measurement of performance through monitoring of interdepartmental integration in which it is measured how much administrative departments contribute to initiatives and management of smart cities and evaluation of government at different levels in measuring city's collaboration with other authorities at different levels. UNITO-USI (2020) summarizes all indicators.

As already highlighted in the literature with Pollitt and Bouckaert (2004), there are four types of strategies that are linked to a

management policy that can be adopted: minimize (privatization), commercialize (bring techniques and values of the private sector into government), modernize (change techniques and values of the public sector) and maintain (use old techniques more intensively). In addition, the study highlighted the need to identify how the approach started and therefore how it is devalued in bottom-up or top-down initiatives defining performance management indicators UNITO-USI (2020).

The most important aspect that emerges is that continuous monitoring and reporting are required to measure progress towards project objectives and compliance with requirements are monitored and reported.

The KPIs and performance evaluation can be defined through a systematic and organic approach of elements (UNITO-USI, 2020).

These performances are also referred to in the main reporting elements in UNITO-USI (2020).

Discussion and conclusion

This research aims to implement the theory of information reporting by providing guidelines for indicators in inter-institutional, cross-sectoral and multi-level contexts maximising smart factors in cities and meeting stakeholder needs in a hybrid organization.

The results showed that many indicators are linked to the need for stakeholder collaboration, and this can be the result of smart cities' communication methods, the tool they use, and which set of indicators they choose to meet stakeholder needs. Through the identification and codification of KPIs, within the context of smart cities, it was understood that it is possible to assess from the point of view of performance governance, performance management and reporting by demonstrating inter-institutional collaboration.

The topic of governance has also found a lot of feedback in the literature related to the needs mentioned earlier. Indeed, according to Albino et al. (2015), when it comes to the topic of gov-

ernance in the smart city theme, it assumes considerable importance as it consequently enters the definition of smart governance. The latter means that various stakeholders are engaged in decision-making processes and public services, strengthening, as Federici et al. (2015) demonstrate, the collaboration between citizens and urban administrations, and, as Bătăgan (2011) discuss, between departments.

With the intention of a better allocation of resources and optimization of strategies (Epstein & Yuthas, 2017) mentioned in the chapter performance management, to perpetually improve public value, the approach mentioned by Esposito et al. (2021) of smart cities aimed at multifaceted, interconnected and dynamic evaluation of governance is effective.

Savoldelli et al. (2013) show that these steps have a positive influence in stakeholder engagement phase as a service is offered that can generate public value in full transparency and decision-making accountability by supporting the definition of Garcia Alonso and Lippez-De Castro (2016) that governance is an interaction and collaboration between different stakeholders in decision-making processes. The main objective is the optimisation of services in urban space, which goes hand in hand with actions taken to improve quality of life. In addition to this traditional understanding, Castelnovo et al. (2016) underline the importance of using ICT-based approaches to achieve a qualitative improvement in the relationship between citizens and their government (Nam & Pardo, 2011).

Albino et al. (2015) claim that the concept of governance placed in the smart city context a position assumes considerable importance, as claimed by Milward and Provan (2003), networks characterizing the governance model as flexible and capable quality creating the so-called intelligent collaboration (Meijer and Bolívar, 2016) with various stakeholders, which can take place at different levels and can be inter-organizational, intersectoral or through the relationship between government and citizen (Nam & Pardo, 2011).

Brescia & Calandra (2020) demonstrate that the performance differs from mere "behaviour" in that it implies a certain degree of

intent. The first performance perspective focuses on tasks performed by an interpreter and therefore includes all actions that are performed. Furthermore, when performance is conceptualised with attention to both the quality of actions and quality of results, it can be characterised as sustainable results. Performance refers to a productive organization, an organization that can achieve and converts this ability into results-output and outcome (Bouckaert & Halligan, 2007).

Performance is not only a concept but also an agenda. The term 'performance' expresses a program of change and improvement, which is promoted by a group of actors who share the same ideas and are usually only vaguely coupled. From an inter-institutional, cross-sectoral and multi-level perspective, public management science is studying the influence that performance has on governments (Kuhlmann, 2018; Kuhlmann & Wayenberg, 2016). Performance Management – using performance measurement information – can "influence the positive change in culture, systems and organisational processes" when information is used for learning, management and control and to provide external accountability (Cepiku et al., 2017; Cepiku & Savignon, 2012).

The smart city indicators have two primary stakeholder groups: city council decision-makers who need to follow impacts of their smart city strategy over time, essentially responding to the city's needs; and national governments and European bodies, to examine whether their smart city policies have led to a greater focus on overall objectives, also and especially in line with Agenda 2030 and to be able to compare cities. So, this confirms the theoretical framework because communication through the right levers of performance management, governance and reporting information leads to stakeholder engagement and we find among stakeholders the issues of public governance and inter-institutional collaboration.

Through the elements highlighted, smart cities can define an information system capable of providing a relationship between the internal organization system inputs and stakeholders, increasing decision-making, and providing valuable elements that can be the

base of social reports and collaborative technological solutions (Grossi et al., 2021).

Through this research, the starting point for future analysis can be to monitor whether, based on changes in the ecosystem, these, which we can define guidelines for inter-institutional, cross-sectoral and multi-level contexts, are always effective to be able to develop innovation of system at the highest levels. The study is limited to analyzing the phenomenon and the variables in two emerging cities and could be extended to the leading smart cities identified globally to increase or redefine the approach provided.

References

AAström, J., Karlsson, M., Linde, J., & Pirannejad, A. (2012). Understanding the Rise of E-participation in Non-democracies: Domestic and International Factors. *Government Information Quarterly*, 29, 142–150.

Adams, C. A., & Frost, G. R. (2008). *Integrating sustainability reporting into management practices*, in: *Accounting Forum*. Taylor & Francis, 288–302.

Adams, C. A., Muir, S., & Hoque, Z. (2014). *Measurement of sustainability performance in the public sector*. Sustain.

Adcroft, A., & Willis, R. (2005). The (Un)intended Outcome of Public Sector Performance Measurement. *International Journal of Public Sector Management*, 18, 386–400.

Alawadhi, S., Aldama-Nalda, A., Chourabi, H., Gil-Garcia, J.R., Leung, S., Mellouli, S., Nam, T., Pardo, T.A., Scholl, H.J., & Walker, S. (2012). Building Understanding of Smart City Initiatives. In: *International Conference on Electronic Government (pp. 40–53)*. Springer,.

Albino, V., Berardi, U., & Dangelico, R. M. (2015). Smart Cities: Definitions, Dimensions, Performance, and Initiatives. *Journal of Urban Technology*, 22, 3–21.

Argento, D., Grossi, G., Persson, K., & Vingren, T. (2019). *Sustainability disclosures of hybrid organizations: Swedish state-owned enterprises*. Meditari Accountancy Research.

Bakıcı, T., Almirall, E., & Wareham, J. (2013). A Smart City Initiative: the Case of Barcelona. *Journal of the Knowledge Economy*, 4.

Bătăgan, L. (2011). Smart Cities and Sustainability Models. *Information Economics and Policy*, 15, 80–87.

Behn, R. D. (2002). The Psychological Barriers to Performance Management: Or Why Isn't Everyone Jumping on the Performance-Management Bandwagon?. *Public Performance & Management Review*, 26, 5–25.

Billis, D. (Ed.). (2010). *Hybrid Organizations and the Third Sector: Challenges for Practice, Theory and Policy*. Macmillan International Higher Education.

Bonollo, E., & Merli, M. Z. (2018). Performance Reporting in Italian Public Universities: Activities in Support of Research, Teaching and the “Third Mission”. In *Outcome-Based Performance Management in the Public Sector* (pp. 307–329). Springer.

Borgonovi, E., Anessi-Pessina, E., & Bianchi, C. (2018). *Outcome-based Performance Management in the Public Sector*. Springer.

Botzem, S., & Hofmann, J. (2010). Transnational Governance Spirals: The Transformation of Rule-Making Authority in Internet Regulation and Corporate Financial Reporting. *Critical Policy Studies*, 4, 18–37.

Bouckaert, G., & Halligan, J. (2007). *Managing performance: International comparisons*. Routledge.

Bowen, G. A. (2009). Document Analysis as a Qualitative Research Method. *Qualitative Research Journal*, 9, 27–40.

Brescia, V., & Calandra, D. (2020). I Bilanci degli ETS e la determinazione di costi e ricavi figurativi. *European Journal of Volunteering and Community-Based Projects*, 1(3), 4–15.

Bris, A., Cabolis, C., & Lanvin, B. (2019). *Sixteen Shades of Smart: How Cities Can Shape Their Own Future*. IMD International.

Brunetto, Y., Xerri, M., Trincherò, E., Farr-Wharton, R., Shacklock, K., & Borgonovi, E. (2016). Public-Private Sector Comparisons of Nurses’ Work Harassment Using Set: Italy and Australia. *Public Management Review*, 18, 1479–1503.

Caird, S. (2018). City Approaches to Smart City Evaluation and Reporting: Case Studies in the United Kingdom. *Urban Research and Practice*, 11, 159–179.

Caragliu, A., & Del Bo, C. (2018). Much Ado About Something? An Appraisal of the Relationship Between Smart City and Smart Specialisation Policies. *Tijdschrift Voor Economische En Sociale Geografie*, 109, 129–143.

Castelnovo, W., Misuraca, G., & Savoldelli, A. (2016). Smart Cities Governance: The Need for a Holistic Approach to Assessing Urban Participatory Policy Making. *Social Science Computer Review*, 34, 724–739.

Cepiku, D. (2005). Governance: Riferimento Concettuale o Ambiguità Terminologica nei Processi di Innovazione della PA. *Azienda Pubblica*, 1, 84–110.

Cepiku, D., Hinna, A., Scarozza, D., & Savignon, A. B. (2017). Performance Information Use in Public Administration: An Exploratory Study of Determinants and Effects. *Journal of Management and Governance*, 21, 963–991.

Cepiku, D., & Savignon, A. B. (2012). Governing Cutback Management: Is There a Global Strategy for Public Administrations?. *International Journal of Public Sector Management*, 25, 428–436.

City of Turin (2020). *Torino Smart City*. Retrieved from http://www.comune.torino.it/ambiente/smart_city/index.shtml.

City of Turin (2021). *Smart City Strategy of Turin*. Retrieved from <http://www.torinosmartcity.it/>.

Clark, G., & Moonen, T. (2014a). *Mumbai: India's Global City. Case Study. Global Cities Initiative*. Jt. Project Brook. JPMorgan Chase.

Clark, G., & Moonen, T. (2014b). *Hong Kong: A Globally Fluent Metropolitan City*. Hong Kong Global Cities Initiative.

Denis, J.-L., Ferlie, E., & Gestel, N. V. (2015). Understanding Hybridity in Public Organizations. *Public Administration*, 93(2), 273–289.

Dubé, L., & Paré, G. (2003). Rigor in Information Systems positivist Case Research: Current Practices, Trends, and Recommendations. *MIS Quarterly*, 27, 597–636.

Epstein, M. J., & Yuthas, K. (2017). *Measuring and improving social impacts: A guide for nonprofits, companies and impact investors*. Routledge.

Esposito, P., Brescia, V., Fantauzzi, C., & Frondizi, R. (2021). Understanding Social Impact and Value Creation in Hybrid Organizations: The Case of Italian Civil Service. *Sustainability*, 13(7), 4058.

Federici, T., Braccini, A. M., & Sæbø, Ø. (2015). 'Gentlemen, all aboard!' ICT and Party Politics: Reflections from a Mass-eParticipation Experience. *Government Information Quarterly*, 32, 287–298.

Frederickson, H. G. (1999). The repositioning of American public administration. *PS: Political Science and Politics*, 32, 701–712.

Freeman, J. (2000). The Private Role in the Public Governance. *N. Y. University Law Review*, 75, 543–675.

Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Pitman, Boston.

Glasmeier, A., & Christopherson, S. (2015). *Thinking about smart cities*. Oxford University Press UK.

Goldoff, A. C. (2000). Decision-making in Organizations: The New Paradigm. *International Journal of Public Administration*, 23, 2017–2044.

Goodspeed, R. (2015). Smart Cities: Moving Beyond Urban Cybernetics to Tackle Wicked Problems. *Cambridge Journal of Regions, Economy and Society*, 8, 79–92.

Grossi, G., Biancone, P. P., Secinaro, S., & Brescia, V. (2021). *Dialogic Accounting Through Popular Reporting and Digital Platforms*. Meditari Accountancy Research.

Hammerschmid, G., & Meyer, R. E. (2005). Public Management Dynamics in a Federal Legalistic Rechtsstaat System: Results from an Executive Survey in Austria. *International Journal of Public Sector Management*, 18, 629–640.

Hoffmann, W. H. (2007). Strategies for Managing a Portfolio of Alliances. *Strategy Management Journal*, 28, 827–856.

Hollands, R. G. (2015). Critical Interventions into the Corporate Smart City. *Cambridge Journal of Regions, Economy and Society*, 8, 61–77.

Holman, N. (2009). Incorporating Local Sustainability Indicators into Structures of Local Governance: a Review of the Literature. *Local Environment*, 14, 365–375.

Holt, D., & Littlewood, D. (2015). Identifying, Mapping, and Monitoring the Impact of Hybrid Firms. *California Management Review*, 57, 107–125.

Hood, C. (1991). A Public Management for All Seasons?. *Public Administration*, 69, 3–19.

Hood, C. (1995). The “New Public Management” in the 1980s: Variations on a Theme. *Accounting, Organizations and Society*, 20, 93–109.

IMD (2019). *Smart City Index 2019*. IMD World Competitiveness Center’s Smart City Observatory and Singapore University of Technology and Design (SUTD). Retrieved from https://www.imd.org/globalassets/wcc/docs/smart_city/smart_city_index_digital.pdf.

Julnes, P. de L., & Holzer, M. (2001). Promoting the Utilization of Performance Measures in Public Organizations: An Empirical Study of Factors Affecting Adoption and Implementation. *Public Administration Review*, 61, 693–708.

Kellen, V., & Wolf, B. (2003). Business Performance Measurement. *Information Visualization*, 1, 1–36.

Kickert, W. (1993). Complexity, Governance and Dynamics: Conceptual Explorations of Public Network Management. *Modern Governance*, 1993, 191–204.

Kickert, W.J., Klijn, E.-H., & Koppenjan, J. F. (1997). *Managing Complex Networks: Strategies for the Public Sector*. Sage.

Komninos, N. (2013). *Intelligent Cities: Innovation, Knowledge Systems and Digital Spaces*. Routledge.

Kooiman, J. (1999). Social-political Governance: Overview, Reflections and Design. *Public Management: An International Journal of Research and Theory*, 1, 67–92.

Kuhlmann, S. (2018). Introduction to Discussion Paper on ‘Three Frames for Innovation Policy: R&D, Systems of Innovation and Transformative Change.’ *Research Policy*, 47, 1553.

Kuhlmann, S., & Wayenberg, E. (2016). Institutional Impact Assessment in Multi-level systems: Conceptualizing Decentralization Effects from a Comparative Perspective. *International Review of Administrative Sciences*, 82, 233–254.

Lavie, D., Kang, J., & Rosenkopf, L. (2010). Balance Within and Across Domains: The Performance Implications of Exploration and Exploitation in Alliances. *Organization Science*, 22, 1517–1538.

Lavie, D., & Rosenkopf, L. (2006). Balancing Exploration and Exploitation in Alliance Formation. *Academy of Management Journal*, 49, 797–818.

Lima, M. (2020). Smarter Organizations: Insights from a Smart City Hybrid Framework. *International Entrepreneurship and Management Journal*, 16(4), 1281–1300.

Mak, H. W. L., & Lam, Y. F. (2021). Comparative Assessments and Insights of Data Openness of 50 Smart Cities in Air Quality Aspects. *Sustainable Cities and Society*, 69, 102868.

Marsh, D., & Rhodes, R. A. W. (1992). *Policy Networks in British Government*. Clarendon Press.

Massaro, M., Dumay, J., & Bagnoli, C. (2019). *Transparency and the rhetorical use of citations to Robert Yin in case study research*. Meditari Accountancy Research.

McGeough, F. (2015). Performance Reporting in Ireland: The Ongoing Gap Between Rhetoric and Reality. *International Journal of Public Sector Management*, 28, 2–10.

Meijer, A. (2016). Smart City Governance: A Local Emergent Perspective. *Public Administration and Information Technology*, 11, 73–85.

Meijer, A., & Bolívar, M. P. R. (2016). Governing the Smart City: a Review of the Literature on Smart Urban Governance. *International Review of Administrative Sciences*, 82, 392–408.

Meneguzzo, M. (1995). Dal New Public Management alla Public Governance: il Pendolo della Ricerca sulla Amministrazione Pubblica. *Azienda Pubblica* 8, 491–510.

Meneguzzo, M., Fiorani, G., & Frondizi, R. (2018). Performance management and evaluation of large-scale events in a multistakeholder engagement perspective.

ive: the case of the Extraordinary Jubilee of Mercy. In *Outcome-Based Performance Management in the Public Sector*. Springer, pp. 349–370.

Meyer, R. E., & Hammerschmid, G. (2006). Changing Institutional Logics and Executive Identities: A Managerial Challenge to Public Administration in Austria. *American Behavioral Science*, 49, 1000–1014.

Milward, H. B., & Provan, K. (2003). Managing the Hollow State Collaboration and Contracting. *Public Management Review*, 5, 1–18.

Mosannenzadeh, F., & Vettorato, D. (2014). Defining Smart city. A Conceptual Framework Based on Keyword Analysis. *TeMA – Journal of Land Use, Mobility and Environment*, 24(1).

Nam, T. (2019). Determinants of Local Public Employee Attitudes Toward Government Innovation: Government 3.0 in Korea. *International Journal of Public Sector Management*, 32, 418–434.

Nam, T., & Pardo, T. A. (2011). Conceptualizing smart city with dimensions of technology, people, and institutions. In *Proceedings of the 12th Annual International Digital Government Research Conference: Digital Government Innovation in Challenging Times* (pp. 282–291). ACM,

Osborne, S. P. (2006). *The new public governance?* Taylor & Francis.

Pardo, T. A., Gil-Garcia, J. R., & Luna-Reyes, L. F. (2010). Collaborative Governance and Cross-Boundary Information Sharing: Envisioning a Networked and IT-enabled Public Administration. In *The Future of Public Administration Around the World: Minnowbrook Perspective*, 129–39.

Phillips, N., Lawrence, T. B., & Hardy, C. (2000). Inter-Organizational Collaboration and the Dynamics of Institutional Fields. *Journal of Management Studies*, 37.

Pollitt, C., & Bouckaert, G. (2004). *Public Management Reform: A Comparative Analysis*. Oxford University Press, USA.

Powell, W. W. (1987). Hybrid Organizational Arrangements: New Form or Transitional Development? *California Management Review*, Fall.

Pozzebon, M., Cunha, M. A., & Coelho, T. R. (2016). Making Sense to Decreasing Citizen E-participation Through a Social Representation Lens. *Information and Organization*, 26, 84–99.

Ramirez Lopez, L. J., & Grijalba Castro, A. I. (2021). Sustainability and Resilience in Smart City Planning: A Review. *Sustainability*, 13(1), 181.

Rhodes, R. A. (1997). *Understanding governance: Policy networks, governance, reflexivity and accountability*. Open University Press.

Rigby, J., Dewick, P., Courtney, R., & Gee, S. (2014). Limits to the Implementation of Benchmarking Through KPIs in UK Construction Policy: Insights from Game Theory. *Public Management Review*, 16, 782–806.

Robbins, G., & Lapsley, I. (2015). From Secrecy to Transparency: Accounting and the Transition from Religious Charity to Publicly owned Hospital. *British Accounting Review*, 47, 19–32.

Savoldelli, A., Misuraca, G., & Codagnone, C. (2013). Measuring the Public Value of e-Government: The eGEP2. 0 model. *Electronic Journal of E-Government*, 11, 373–388.

Secinaro, S., Bignamini, E., Cappa, C., & Calandra, D. (2020). La Qualità dei Dati all'interno dell'evoluzione dei Servizi Territoriali: il Caso del Servizio Dipendenze. MECOSAN. *Management e Economia Sanitaria*, 29(116), 31–51.

Secinaro, S., Brescia, V., Calandra, D., & Biancone, P. (2021). Towards a Hybrid Model for the Management of Smart City Initiatives. *Cities*, 116, 103278.

Sicilia, M., & Steccolini, I. (2017). Public Budgeting in Search for an Identity: State of the Art and Future Challenges. *Public Management Review*, 19, 905–910.

Suciu, G., Necula, L. A., Jelea, V., Cristea, D. S., Rusu, C. C., Mistodie, L. R., & Ivanov, M. P. (2021). *Smart City Platform Based on Citizen Reporting Services*. In *Advances in Industrial Internet of Things, Engineering and Management* (pp. 87–100). Springer, Cham.

Talbot, C., & Wiggan, J. (2010). The Public Value of the National Audit Office. *International Journal of Public Sector Management*, 23, 54–70.

Ticino (2021). *Smart City Ticino*. Retrieved from <https://smart-city-ticino-swiss-geohub.hub.arcgis.com/>.

Torfig, J., Peters, B. G., Pierre, J., & Sørensen, E. (2012). *Interactive Governance: Advancing the paradigm*. Oxford University Press on demand.

UNITO-USI. (2020). *Framework and results of "Performance evaluation in the Inter-institutional collaboration context of hybrid smart cities"* [Data set]. Zenodo. <https://doi.org/10.5281/zenodo.5791706>.

Vaccaro, A., Veloso, F., & Brusoni, S. (2009). The Impact of Virtual Technologies on Knowledge-based Processes: An Empirical Study. *Research Policy*, *38*, 1278–1287.

Vallicelli, M. (2018). Smart Cities and Digital Workplace Culture in the Global European Context: Amsterdam, London and Paris. *City, Culture and Society*, *12*, 25–34.

Van Rooijen, T., Nesterova, N., & Guikink, D. (2013). *Civitas WIKI: applied framework for evaluation in CIVITAS PLUS II*. Civitas Initiative.

Viale Pereira, G., Cunha, M. A., Lampoltshammer, T. J., Parycek, P., & Testa, M. G. (2017). Increasing Collaboration and Participation in Smart City Governance: A Cross-Case Analysis of Smart City Initiatives. *Information Technology for Development*, *23*, 526–553.

Wiig, A., & Wylly, E. (2016). *Introduction: Thinking through the politics of the smart city*. Taylor & Francis.

Yigitcanlar, T., Velibeyoglu, K., & Martinez-Fernandez, C. (2008). Rising knowledge cities: the role of urban knowledge precincts. *Journal of Knowledge Management*, *12*, 8–20.

Yin, R. K. (2014). *Case study research: Design and Methods (Fifth)*. SAGE Publications Ltd.

Yin, R. K. (2017). *Case Study Research and Applications: Design and Methods*. SAGE Publications.

Zygiaris, S. (2013). Smart City Reference Model: Assisting Planners to Conceptualize The Building of Smart City Innovation Ecosystems. *Journal of Knowledge Economy*, *4*, 217–231.

Greeni Maheshwari

RMIT International University,
Ho Chi Minh City, Vietnam
greeni.maheshwari@rmit.edu.vn

ORCID ID: 0000-0003-4470-6040

School Leadership: A Narrative Review of Literature

Received: 04-11-2021; Accepted: 24-11-2021

ABSTRACT

Objective: The purpose of this paper is to present an overview of empirical studies on school leadership across the globe and then specifically for public high schools in Vietnam. There are very few studies done on the leadership of school leaders in Vietnamese public schools and how leadership can affect the school's overall performance. Hence this review aims to address this gap and provide a review of leadership practices, the effect of school leadership which might enhance the leadership at public high schools in Vietnam

Methodology: Narrative systematic review was conducted by identifying the papers published in educational journals were analyzed using different databases and based on the main findings of those papers, the review of the literature was written.

Findings: The review suggested that there are differences in the leadership styles practiced in Vietnam as compared to the rest of the world. The leaders in Vietnamese schools do not have full autonomy to make the decisions and MOET (Ministry of Education and Training) plays a significant role in making decisions.

Value added: This review of literature has aimed to fill the gap regarding the educational leadership system in the Vietnamese high school context whereas very limited studies have focused on this and how leadership can impact school performance in general.

Recommendations: This review can prove to be an effective document for government authorities in Vietnam and other worldwide schools where the leaders might not be given the full autonomy to make the decisions and hence might have an effect on teachers and students' satisfaction levels in the schools. Hence, it is important to provide some autonomy to leaders at least at micro-level.

Key words: Vietnam, public schools in Vietnam, school leadership, leadership styles, School performance

JEL codes: A21, O53

Introduction

Leadership is the key factor impacting the performance of the organization regardless of industry type. The Leadership of school leaders in schools has the direct influence of their leadership style on the teachers, and indirect influence on the student's performance and school performance. Research done by Shila and Sevilla

(2015) supports that there is a significant impact of different leadership styles of the school leaders on the teachers' performance, their motivation level, their organizational commitment and behavior, and their job satisfaction. There is a significant positive impact on the students' performance and their learning if they are studying with motivated lecturers who are considered as good leaders (Ho & Lin, 2015). The teaching staff quality plays an important part in enhancing the reputation of the school. As per Wood and Harrison (2014), the preference of the school mainly depends on the quality of the teachers. The school leaders' leadership style plays a central role in enhancing the performance of the teachers and keeping them motivated (Wu, 2017). The teachers' performance and motivation have a positive impact on students' academic performance. Students' academic performance further helps in building the school's reputation and all these might help the school in enhancing their business by getting more enrollments (Wood & Harrison, 2014).

The transformational leadership style of the school leaders has a significant impact on teachers' performances and their job satisfaction, and this further contributes to the higher academic performance of the students (Shila & Sevilla, 2015). Research also suggests that there is a direct impact of the lecturer's leadership on the students' learning which in turn enhances the university learning environment (Sun, 2015). One of the factors that influence students' choice of school selection is the quality of teachers at the school, and this is the main factor that students look at (Shah, Chenicheri, & Bennett, 2013). Hence, this implies that teachers are the ones who play the most important role in students' satisfaction level and their academic performance. The teachers' performance, satisfaction, and motivation level, in turn, depend on the effective leadership of the school leaders who can create a supportive environment in the school.

This article offers a specific review of work dealing with leadership in schools in emerging countries and more precisely in Vietnam. It is believed that a good leader may be effective in develop-

ing the future leaders who may bring clear benefits to an organization. In an educational system context, the school leaders' leadership styles may have a benefit on the teachers' performance, which in turn may be helpful in building the school's reputation and enhancing the school business. Vietnam is a state-run system of public and private schools consisting of around 28,791 schools in Vietnam (General Statistics Office of Vietnam, 2017), and is divided into five school levels; preschool, primary school, secondary school, high school, and higher education. Out of the total schools, 2,391 are upper secondary schools in Vietnam (General Statistics Office of Vietnam, 2017).

As mentioned by Tran (2013), there are differences in the learning styles of Asian and Western students. Asian students being second-language English learners face the biggest challenge in their learning due to their language proficiency and this affects their motivation level. In contrast, Western students are proficient in the language, and they do not have any language barrier in their learning. Hence, there is already one less barrier for the Western students as compared to Asian students. As the language is the barrier for Asian students, they are reluctant to participate in the class and this poses the biggest challenge for the lecturer (Dobinson, 2015). The students in Asia are passive learners and it is hard for the lecturer to enhance the collaborative learning in the classroom as there is little teacher-student and student-student interaction and thus the teacher is the one who dominates the class most of the time (Tran, 2013).

Hence, in such a learning environment in Asian countries like Vietnam, the leadership style of teachers plays an important role in motivating the students, enhancing their learning experiences, and helping the students to achieve their learning outcomes. This in turn will help to build the reputation of the school and increase the students' enrollment numbers. For the teachers to feel motivated at the workplace and in the class, the leadership style of school leaders might play a significant role. Thus, the identification

of different leadership styles of the school leaders and their effect on the performance of teachers is an important issue in Asia.

This article will address all these issues and will be particularly useful for the schools in Vietnam and other Asian countries, where the teachers might be impacted by the leadership styles of the school leaders (Argyriou & Iordanidis, 2014; Maheshwari, 2021). The school leadership affects the teachers' satisfaction level and their performance and this, in turn, affects the students' satisfaction level and the performance of the school. The ineffective leadership style from the top management may hinder the growth of the school despite having good infrastructure and many other facilities which usually students consider while enrolling in any school.

It is believed that good leadership styles can be the source of motivation for the teachers and the students and hence this article will help in valuing the existing literature dealing with leadership styles in schools in the Asian and Vietnam context. This study conducted the narrative literature review which mainly focused on the leadership of school leaders in a positional role and their influence on the overall performance of the school as opposed to the distributed school leadership wherein leadership is distributed among both positional and informal leaders (Spillane, 2012) which is another part of the literature and is not considered here in this review. This review will help to map the current knowledge related to school leadership, particularly in Southeast Asia and Vietnam.

The narrative systematic review for this study was conducted by identifying the articles published in educational journals from 1997 – 2017 from various databases such as Scopus, Elsevier, Web of Science, Emerald, JSTOR, SAGE, Springer, Taylor & Francis and Wiley. The keywords used for searching the articles were school leadership, leadership styles, school performance, educational leadership, high school and the search was conducted across the globe and not specific to any region. The purpose of this narrative literature review was to pull various articles together and to present a broad overview of leadership and the history of the development

of various leadership theories in an educational context and how it impacts school performance in general. The initial search resulted in 107 papers but only the papers related to educational leadership were retained and the final articles included in this narrative were narrowed down to 65 articles. The review started with a discussion from the studies around the world, which was narrowed down to Asia, and finally, towards the end of the review, the discussion was further narrowed down specifically to Vietnam.

Leadership

There are different leadership styles that leaders can practice in the organization. As per Denmark (1993), the leadership styles can be categorized further based on the characteristics of a leader. Autocratic Leadership style is a boss-centered leadership style where the leader holds all the responsibilities and authority. Democratic Leadership style is the sub-ordinates centered leadership style where the subordinates are involved in making decisions, but the leader holds the final responsibility. Strategic Leadership revolves around strategic thinking and here the leader can be anyone and not limited to the top management people. Transformational Leadership style is about transforming or initiating the changes in the organization, oneself, or within groups. Cross-cultural Leadership style fits best when there are various cultures existing in an organization. Laissez-faire Leadership style is the style of leadership where the subordinates are given the authority to work without any interference from the leader, and this style has been found to be least effective. Transactional Leadership style is focused on the exchange of clear goals, objective setting from a leader to a subordinate, and subordinates are given clear instructions on what is expected from them and get regular feedback on their performance. Charismatic Leadership style is based around the charisma of a leader wherein the followers' beliefs and values are transformed with the revolutionary power of the leader.

In modern organizations, Transformational Leadership is most promoted and practiced. In the past, Transactional Leadership was mainly practiced and it revolved around the leaders making decisions themselves. In contrast, Transformational Leadership is based on working with the team (Judge & Piccolo, 2004). In Transformational Leadership, the leader focuses on bringing any change in the organization by consulting the followers in an organization instead of working solely, and thus promoting positive transformation in the followers (Yukl, 1999).

As per Conger (1989), in Charismatic style of Leadership, the followers are drawn towards the leader due to the influential personality of a leader. Charismatic leaders have the personality to bring the transformations within the organizations due to the charm and persuasiveness in their personality and hence sometimes they are also referred to as transformational leaders. The focus on the charismatic leader is not on the process or structure of their leadership but it is about their personality and actions and their ability to engage with their subordinates (Yukl, 1999).

Visionary Leadership is mainly about creating an environment in an organization by considering the future vision of the organization. Visionary leaders display similar characteristics as transformational and charismatic leaders, with the only difference being that they work on future vision right from the beginning by understanding the need of followers and engaging them in the direction to achieve common goals. The focus of visionary leaders is on organized learning by creating the learning opportunities to solve complexities within the organization (Nanus, 1992).

In the past, the differentiation of leaders from non-leaders was based on individual differences in personality traits. The leadership theories in the past were based solely on the traits of the leaders, while nowadays the leadership theories are focusing on leadership which includes the leaders, followers, and everyone in the organization (Denmark, 1993). Moreover, the challenges and the competition can only be effectively faced if the leadership is developed overall in the organization and not just by developing a single

leader in the whole organization (Hernez & Hughes, 2004). As per Bass (1996), to manage the new rapid changes within the organizations, the “old paradigm” model has been shifted to the “new paradigm” model. The new paradigm model has been discussed in the next section.

The new paradigm model had been evolved due to the continuous changes the organization faces and how the leader can face these rapid changes to continuously improve the performance of the organization. New modern leadership theories such as Transformational Leadership, Charismatic Leadership, and Visionary Leadership have been evolved in this new paradigm model (Day, 2012). The most commonly practiced old leadership theory was transactional theory where the leaders focused more on group performance and the role of leaders was more like principal/vice-principals who were more concerned towards day-to-day progress rather than focusing on the future shared mission (Bass, 1996).

The leadership development process is not just restricted to the development of the leaders’ capability, but it is also related to engaging the other members in the organization by working towards the shared vision (Day, 2001). The purpose of leadership development hence focuses on the individual as well as organizational level, as the leadership development will bring in positive outcomes which will impact the organizations, and all the individuals (Black & Earnest, 2009). According to McGurk (2010), the management-related competencies are important as they challenge the leader to develop the strategies within the organization, manage the resources, motivate all the subordinates so that they can perform better and this improves the overall performance of an organization.

Apart from developing task-related and management-related competencies, leadership development is also associated with developing the ability within the leader to manage the stress at work (Lovelace, Manz, & Alves, 2007). Due to the recent competitive world and their demanding role in an organization, the leaders may experience stress. If the leader is well capable to manage the stress, this, in turn, will overall improve the organization’s perform-

ance and also might increase the job satisfaction of a leader (Lovelace, Manz, & Alves, 2007). The leadership development process helps the manager to cope with the problems and other types of emotional conditions within the organization. Further, the leadership development process also helps the leader through the pathway to developing an active working environment, resulting in increased work engagement of the subordinates (Avolio, Avey, & Quisenberry, 2010). Hence, the purpose of the leadership development process is to help the leader to embrace the collaborative learning environment within the organization to engage the subordinates and at the same time retain their own voice (Avolio, Avey, & Quisenberry, 2010).

In the present world, organizations have viewed the leadership development process as a way to survive and succeed in a competitive business environment and achieve organizational goals (Black & Earnest, 2009). Education and schools also face this reality where a collaborative learning environment that enhances the group performance and ultimately improves the organization's performance also became a key issue. Several studies (Pepper & Hamilton, 2002; Eyal & Roth, 2011; Sun & Leithwood, 2015; Lai et al., 2014), suggested that this development process is equally important in the education industry where the school leaders play a vital role in motivating the teachers, improving students' academic performance and hence shaping the performance of the school.

Leadership in Schools

According to Northouse (2012), despite many different perspectives of leadership, it can be concluded that leadership is a process that happens between the leader and the followers. The followers are affected by the influence of their leaders. Leadership always occurs in a group and cannot be a one-way event. Leadership aims at attaining the mutual and shared goals of the leader and the followers.

The school leaders being in the highest-ranking administrative position play an important role as to how well the teachers teach and also how the students perform (Kurland, Peretz, & Hertz-Lazarrowitz, 2010). In the past, the role of the school leaders was to manage the administrative work in the school including teachers and school activities, but in recent days the role of the school leaders has shifted from manager to academic leader where more emphasis is paid on their leadership styles and the impact of their leadership on the school community (Karunanayake, 2012). The current role of the school leaders is not only limited to managing the administrative tasks within the school but also to developing the strategic plans to improve school performance, increase teachers productivity, keep the teachers motivated and increase the retention rate, and playing a central role within the school community (Draina, 2006). Hence, many studies suggested that the effective leadership style of the school leaders have a high level of influence on teachers' job satisfaction, teachers' organization commitment, and overall improvement in the schools' performance (Adhi, Hardienata, & Sunaryo, 2013; Eliophotou-Menon & Ioannou, 2016; Shila & Sevilla, 2015).

Extensive research has been done on the leadership of the school leaders and how their leadership plays a significant role in motivating the teachers and improving the students' performance. It is suggested that it is the school leaders' responsibility to introduce the new effective instructional tools which can be applied in classroom teaching to enhance students learning. Hence, the school leaders' instructional leadership will indirectly affect the classroom instruction and how effective the school leaders are in transferring these instructional changes to the teachers which, in turn, will transfer to the students in the classroom (Whitaker, 1997).

The research done by Short, Rinehart and Eckley (1999) suggested that teachers feel more confident and empowered when the school leaders display good leadership styles and keep the teachers involved in the decision-making processes and create a collaborative, professional environment that is built upon trust and re-

specting the teachers. The Transformational Leadership style of school leaders can impact the teachers' job satisfaction, organizational commitment, and job performance. The school leaders who follow the Transformational Leadership style give enough power to the teachers in an effort to help the teachers realize their self-role in the school and in turn the highly-motivated teachers show more engagement in their job, resulting in better performance (Eyal & Roth, 2011). The study conducted by Eslamieh and Hossein (2016) found that the school leaders' leadership style has a positive relationship with teachers' organizational commitment and a negative relationship with teachers' burnout. The study showed that pressure from the leaders is one of the major causes of teachers' burnout and quitting the job, whereas the effective leader has the most prominent role in improving job satisfaction, organizational commitment of the teachers, and further improving the school productivity (Eslamieh & Hossein, 2016).

The school climate is mainly associated with the behaviors of individuals including the school leaders, teachers, and students in the school community as opposed to the school culture which is comprised more of the values and norms of the school, but both the school climate and culture are associated with creating a positive workplace and job satisfaction (Springer et al., 2012). The school climate is mostly established by the leader and the disciplinary school climate has a positive impact on the classroom environment which leads to less disruption amongst both the teachers' teaching and students' learning, resulting in higher achievement scores (Willms & Ma, 2004). The studies done in the past also indicated that the positive school climate is linked with many outcomes such as lower absenteeism rate, effective teaching, and learning practices (Caldarella et al., 2011). The study has also been conducted to examine the relationship between a school leaders' leadership style and the school climate and the results indicated that there is a positive relationship between the leadership style and school climate, which is related to most of the academic activities, behavioral outcomes which included students' achievement,

teachers' motivation level, and students' attitudes towards school life (Pepper & Hamilton, 2002). Hence, this part of the literature review indicates that teachers' motivation level and their job satisfaction, teachers' performance, students' performance are all affected by the positive school climate, and building the positive school climate depends on the leaders' leadership style.

Hallinan (2008) conducted research to find the influence of teachers on students' feelings about school and used cross-sectional and longitudinal models for sixth, eighth, and tenth grade students. The results of the research indicated that the teachers play a vital role in shaping students' feelings about the school. The students who perceive that they are being respected and cared for by their teachers tend to like the school and achieve higher grades, display lower disciplinary problems, lower absenteeism, and lower rates of those dropping out of school. The teachers in the classroom use motivational teaching strategies to motivate and keep the students engaged in the classroom and connected to the school. The different strategies used by the teachers were the classroom behaviors of the teachers, collaborative and supportive classroom environment, apt selection of teaching and learning activities, and the way of providing feedback to the students (As-tuti, 2016). Hence, these studies clearly indicated that teachers' influence is the most on students' performance, students' motivation level, and students' attachment to the school. Thus, the leadership of teachers is most crucial in shaping student learning and the school leaders are the source of inspiration and motivation behind these teachers.

The school leaders' leadership style has an effect on teachers' motivation level and teachers play a role in students' motivation and their performance. Past research indicated that there is a positive correlation between school leaders-teacher social relations and this further affects teachers' perception of students' engagement. The teachers who had better leaders-teacher interaction were able to positively impact the students' engagement as the teachers' motivation level had a direct impact on the teachers' per-

formance in the classroom environment by keeping the students better engaged in their studies (Price, 2015). The research done by Sun and Leithwood (2015) found similar results which indicated that school leaders have an indirect effect on the students' achievement. The leaders had the direct effects of their leadership style on teachers' emotions which in turn affect the teaching and learning in the classroom. The results of this study showed that teachers' organizational behaviors are enhanced if the school leaders encourage the teachers to experiment and allow them to make important decisions in the teaching and learning process, arrange the mentoring program regularly, do not assign teachers with too much administrative work and allow them to focus on their teaching, and support teachers by developing appropriate skills needed in their teaching. This behavior of the teacher in the classroom has a direct impact on students' performance, and hence it can be deduced that a school leaders' leadership style has an indirect effect on students' performance too (Sun & Leithwood, 2015).

The school's performance is critical as it influences all the stakeholders of the school community including the leaders, teachers, students, and their parents. According to Skallerud (2011), the parent-based school's performance is measured using four dimensions: learning quality at the school, quality of teachers, safe environment, and parent orientation. The parents who viewed that the school had good teachers and all the other dimensions of judging the school performance had a direct relationship with their loyalty intentions. Retaining the good quality teachers was related to the leader of the school and creating a safe learning environment was a part of the school climate which is also affected by leaders' management and leadership style (Skallerud, 2011).

Educational Leadership in Asia

Leadership style can be affected by both the organizational needs and the needs of an individual. Transactional Leadership is more

focused on an individual desire where the individuals are motivated to work due to some rewards or benefits. In contrast, transformational leadership is more focused on organizational needs, wherein the leader understands the needs of the followers and works together to achieve the organizational goals. The studies have suggested that Transformational Leadership has a more positive impact on the organization's performance as compared to transactional leadership (Witzel, 2016). Similarly, the school leaders are considered as a central position to lead the school, and hence their leadership style can be important in shaping the future of the school. The research done by Deluga (1988) suggests that transformational leadership practiced by the school leaders helps in coping with the educational challenges which the school faces in this century, and this contributes towards the school success as these leaders are capable of bringing the changes and the needed innovations in the schools. Apart from the personal and organizational needs, the leadership style also depends on the culture of the countries. Cultural background plays an important role in the leadership practices within the country.

The study conducted by Jogulu (2010) on two countries, Malaysia and Australia, suggests that there is a strong influence of culture on the leadership styles of a leader. This study suggested that there was a difference in the leadership styles followed in the Asian and the Western culture. In Asian culture, the followers are more dependent on their leader, while in Western culture, people like to work independently without much direction needed from their superiors. Hence, transactional leadership is practiced generally in Asian culture as opposed to Transformational Leadership in the Western culture (Jogulu, 2010). A similar study done by Petzall and Willis (1996) on India and Australia also found that the style of leadership practiced in Western culture does not suit the Asian culture due to the strong cultural values cultivated from the past. The study further determined that there is a difference in leadership style between male and female leaders, wherein the male leaders

follow more authoritative leadership styles and female leaders are more relation-oriented leaders (Petzall & Willis, 1996).

The research done by Oplatka (2006) suggested that in the schools in developing countries, women are given fewer opportunities to be in the leadership position due to the several barriers they face like male dominance, discrimination between male and female leaders, lack of aspirations, duties at home and these all barriers affect the women's own decision too by not applying to the leadership positions or the promotions. According to this study, if there are women leaders in the school then they are into more of a democratic leadership style with a caring attitude where they are ready to spend more time for school initiatives, and for the betterment of teachers and the students (Oplatka, 2006).

As discussed in the literature it is clear that Vietnam, being one of the Asian countries has a strong influence from its leader, Ho Chi Minh, and his leadership style has a strong influence on its culture too (Vo & Hannif, 2013). The people in Vietnam are still dependent on the instructions and directions are given by the leader instead of working independently. The same trend has been followed in the schools of Vietnam too, especially in public schools where the school leaders have the influence of political authority as well in their leadership styles (Hallinger et al., 2017). The next section will review the existing works related to this issue.

The Leadership Practices in Vietnam

It has become very important for leaders to possess local, as well as international competencies as today's world has been shaped by globalization. Vietnam is an emerging economy and hence to survive in the competitive world, leadership development is a strategic initiative for leaders in an organization in Vietnam. The culture plays a significant role in shaping the leadership concepts across the globe (Adler, 1983; Feldman, 1986). To assess the leader attributes across diverse cultures, to date GLOBE (Global Leader-

ship and Organizational Behavior Effectiveness) is the largest worldwide study which has been conducted for 11 years across 62 different countries with an intention to explore the impact of culture and to identify their effect on leadership attributes (Muenich & Williams, 2013). GLOBE has established the framework which focuses on nine cultural dimensions and six leadership styles (Vo & Hannif, 2013). The cultural dimensions are power distance, avoidance of uncertainty, group collaboration, institutional collectivism, gender fairness, assertiveness, personal orientation, performance orientation, and future orientation. Based on the 65 leadership traits, six leadership styles were identified: team-oriented style, performance-oriented style, participative style, autonomous style, humane style, and self-protective style (Vo & Hannif, 2013).

The different leadership styles have been practiced in different countries based on their culture. The participative leadership style as a component of transformational leadership style is most popularly used worldwide except in Eastern Europe, Middle East regions, and most of Asia (Vo & Hannif, 2013). Vietnam, being an Asian country is deeply rooted in its culture and still prioritizes the group, family, and community over self-interest (Quang & Vuong, 2002). The senior members are always in the front seat with more authority and power, and the younger members try to follow their seniors. Vietnamese culture has been highly influenced by the high level of power distance, moderate level of uncertainty, and high collectivism (Quang & Vuong 2002). In the family, as well as in the organization, a high level of power is highly respected and the subordinates or junior family members show high obedience towards the seniors. The defining feature of Vietnamese culture includes collectivism where the role of an individual is secondary in a group (Maheshwari, 2021). The Vietnamese generally avoids conflicts and if it arises then they try to settle the conflict with a win-win situation.

As per Quang & Vuong (2002), the Vietnamese culture is characterized by avoidance of moderate level of uncertainties as ambiguity is considered a higher level of threat at the workplace, and

hence to avoid the uncertainties it is difficult in the Vietnamese work culture to accept the innovative ideas and novel changes quite easily. Research done by Quang, Swierczek and Thi Kim Chi (1998), was to understand the similarities and differences between the leadership styles of international managers and Vietnamese managers. The similarities between the international managers and Vietnamese managers were that both the leadership styles placed emphasis on people orientation, long-term orientation, strategic vision, competitiveness but there were differences in their leadership styles. Vietnamese managers give more value to the leadership style which has more control over the subordinates and less value on collaborative leadership. Hence, in the past transactional leadership style where the manager has more authority than others was well suited as per the Vietnamese culture, but a study done by Ho (2013) suggests that employees are more satisfied when transformational leadership is practiced as opposed to transactional leadership, and thus the leadership styles and their influence on employees is also changing in Vietnam.

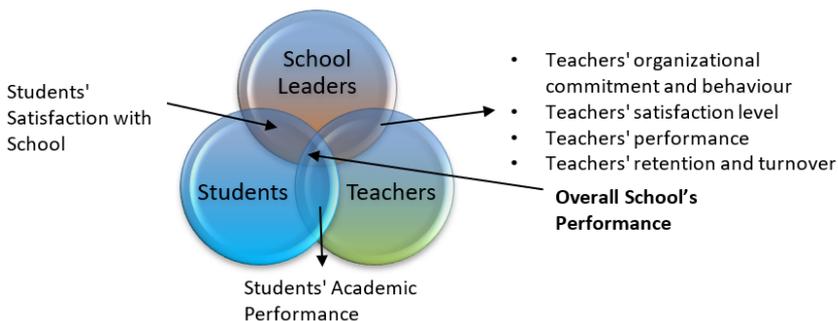
Vietnam's educational system consists of public and primary schools run by the Ministry of Education and Training (MOET). The public schools are established and monitored by the state, while the private schools are established after getting permission from the state but are managed by groups or individuals (London, 2011). Apart from public and private schools in Vietnam, there are recently many international schools that are established which include the various curriculum: British curriculum, American curriculum, Singaporean curriculum, and many more.

The development of institutional context of education in Vietnam is influenced by the Soviet Union's education system, which was established post Second World War period, which consists of a highly hierarchal system where the school leaders hold the formal title of "government officer", which highlights that a school leader is a representative from the government as well as from school. Unlike western countries, Vietnam School leaders have two lines of authority; bureaucratic authority and political authority.

Bureaucratic authority is related to MOET, and political authority relates to the political power in the communist party. The hiring of school leaders is more based on political and cultural influences than on their skills and knowledge (Hallinger et al., 2017). It was mentioned by Truong (2013) in his study that the Vietnamese culture highly influences the four leadership functions: exercising power, building relationships, making decisions, and conflict solving. The study results indicate that still in contemporary Vietnam, the juniors must be well-behaved, obedient, and should respect the line of authority and hierarchy. The research done by Hallinger, Walker and Trung (2015) raised a concern that because of the relationship between the national context and leadership practices, the school leaders face different challenges in their leadership as opposed to the school leaders in other neighboring countries like Thailand, Malaysia, Hong Kong, and Singapore.

The above review of the literature suggests that in Vietnam educational system, the leaders working in the public schools do not have sole authority to make the decision and from the other literature in educational leadership, as discussed in this study above shows that there might be a strong relationship between school leadership with teachers and students' performance which might in turn affect the overall performance of the school. This study has explored the linkage between school leadership on school teachers and students and suggests the following framework as the in figure 1 below for future studies.

Figure 1. *Conceptual Framework*



Source: Author's elaboration.

The school leaders can play a vital role in affecting teachers' satisfaction level, their performance, their retention level, and finally their commitment to the school. Further, teachers might be influential in affecting students' academic performance and their satisfaction with the school. Hence, the leaders might have a direct or indirect influence on students' performance and satisfaction too along with affecting overall school performance. The school's business can be measured by the school's success and it seems that very few studies have been done in this field in Asia where student performance is the primary indicator to measure the success of the school. Apart from the students' performance, other indicators of success are the quality of leadership, the high quality of teachers, ongoing school development, and the increased number of enrollments (Lynch, 2015). The contribution of this article is to map the existing works on this topic in Asia and Vietnam. In this context, this paper aims at identifying to what extent there is a gap or not in the existing literature on this issue.

Conclusion

Most of the studies focused on how the leadership of school leaders affected the performance of teachers, their motivation level, and their retention rate. Some studies also focused on how teachers' motivation affected the students' performance. The gap in the literature between these studies is that all these factors ultimately affect the school's performance and their business. In other words, this review article identifies that gap in the literature in the Asian and Vietnamese context, wherein, it would be interesting to see whether there is any indirect influence of school leaders' leadership style on the school business. Also, very few studies have been done in the public schools in Vietnam which are mostly managed by the government and it would be interesting to see whether the

school leaders have much to contribute in these schools or not and whether they are given any freedom to make the decisions and how the leadership style of school leaders in these schools affect the teachers' motivation level, teachers' performance and satisfaction level of teachers and students and hence overall performance of the school. This article paves the way for further research and invites the scholars to consider all these gaps in the future studies on this important issue.

Very limited research has been done to understand the effect of school leaders' leadership on the school's overall business performance. The school's overall business might be measured by many variables such as students' abilities to enter into high-ranking universities, increasing number of enrollments, and higher retention rate of teachers. This article contributes towards this element of the research which has not been investigated intensively so far. Inspired by the existing literature on the topic, this review also suggested a conceptual framework for schools in Vietnam which can be a useful link to design the studies to understand the factors affecting schools' overall business performance. More generally, this literature review opens the direction for further research about leadership effectiveness in increasing school business in an Asian context. Further research on school leadership might be helpful for the educational authorities to ponder over the motivational issues of teachers and for developing the school leadership framework wherein the leaders might be given higher autonomy to make decisions as in the current school systems of several countries in Southeast Asia. Dealing with motivations and leadership in a context in which leaders do not have much authority to make the decisions is a key issue for education in these countries.

References

Adhi, S., Hardienata, S., & Sunaryo, W. (2013). The effect of organizational culture, transformational leadership, and work motivation toward teacher performance. *Indian Journal of Positive Psychology, 4*(4), 537–539. Retrieved from <https://search-proquest-com.ezp-02.lirn.net/docview/1614020851?accountid=143980>. Access: 22.03.2021.

Adler, N. J. (1983). A typology of management studies involving culture. *Journal of International Business Studies, 14*(2), 29. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/197389944?accountid=143980>. Access: 12.01.2021.

Argyriou, A., & Iordanidis, G. (2014). Management and Administration Issues in Greek Secondary Schools: Self-evaluation of the Head Teacher Role. *Education Research International, 2014*. DOI: 10.1155/2014/147310.

Astuti, S. P. (2016). Exploring Motivational Strategies of Successful Teachers. *TEFLIN Journal, 27*(1), 1–22. DOI:<http://dx.doi.org.ezp-01.lirn.net/10.15639/teflinjournal.v27i1/1-22>.

Avolio, B. J., Avey, J. B., & Quisenberry, D. (2010). Estimating return on leadership development investment. *Leadership Quarterly, 21*(4), 633–644. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/750420815?accountid=143980>. Access: 7.01.2021.

Bass, B. M. (1996). *A New Paradigm for Leadership: An Inquiry into Transformational Leadership*. Alexandria: U.S. Army Institute for the Behavioral and Social Sciences.

Black, A. M., & Earnest, G. W. (2009). Measuring the outcomes of leadership development programs. *Journal of Leadership & Organizational Studies, 16*(2), 184–196.

Caldarella, P., Shatzer, R. H., Gray, K. M., Young, K. R., & Young, E. L. (2011). The Effects of School-Wide Positive Behavior Support on Middle School Climate and Student Outcomes. *RMLE Online, 35*(4), 1–14. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/928761235?accountid=143980>. Access: 17.02.2021.

Conger, J. A. (1989). *The charismatic leader: Behind the mystique of exceptional leadership.* Jossey-Bass.

Day, D. V. (2001). Leadership development: A review in context. *The Leadership Quarterly*, 11(4), 581–613.

Day, D. V., & Antonakis, J. (2012). Leadership: Past, present, and future. *The nature of leadership.* SAGE Publications Ltd.

Deluga, R. J. (1988). Relationship of Transformational and Transactional Leadership with Employee Influencing Strategies. *Group & Organization Studies*, 13(4), 456–467.

Denmark, F. L. (1993). Women, Leadership, and Empowerment. *Psychology of women quarterly*, 17(3), 343–356.

Dobinson, T. (2015). Teaching and Learning Through the Eyes of Culturally and Linguistically Diverse Postgraduates and their Lecturers in Australia and Vietnam: Implications for the Internationalisation of Education in Australian Universities. *Education Research and Perspectives*, 42(2015), 363–396. Retrieved from <https://search-proquest-com.ezp-02.lirn.net/docview/1765642294?accountid=143980>. Access: 22.04.2021

Draina, L. K. (2006). The art of school leadership. *Choice*, 43(9), 1650.

Eliophotou-Menon, M., & Ioannou, A. (2016). The Link Between Transformational Leadership and Teachers' Job Satisfaction, Commitment, Motivation to Learn, and Trust in the Leader. *Academy of Educational Leadership Journal*, 20(3), 12–22. Retrieved from <https://search-proquest-com.ezp-02.lirn.net/docview/1847544727?accountid=143980>. Access: 20.12.2020.

Eslamieh, F., & Mohammad Davoudi, A. H. (2016). An Analysis of the Relationship Between Managers' Ethical Leadership Style with Teachers' Organizational Commitment and Job Burnout. *International Journal of Organizational Leadership*, 5(4), 380–392. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1848113296?accountid=143980>. Access: 7.11.2020.

Eyal, O., & Roth, G. (2011). School Leaders' Leadership and Teachers' Motivation. *Journal of Educational Administration*, 49(3), 256–275. DOI: <http://dx.doi.org/10.1108/09578231111129055>.

Feldman, S. P. (1986). Management in Context: An Essay on the Relevance of Culture to the Understanding of Organizational Change. *Journal of Management Studies*, 23(6), 587–607.

General Statistics Office of Vietnam (2017). Retrieved from https://www.gso.gov.vn/default_en.aspx?tabid=782. Access: 27.07.2020.

Hallinan, M. T. (2008). Teacher Influences on Students' Attachment to School. *Sociology of Education*, 81(3), 271–283. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/216484076?accountid=143980>. Access: 29.08.2020.

Hallinger, P., Walker, A., & Trung, G. T. (2015). Making Sense of Images of Fact and Fiction. *Journal of Educational Administration*, 53(4), 445–466. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1688473036?accountid=143980>. Access: 26.10.2020.

Hallinger, P., Walker, A., Nguyen, D. T. H., Truong, T., & Nguyen, T. T. (2017). Perspectives on School Leaders Instructional Leadership in Vietnam: A preliminary model. *Journal of Educational Administration*, 55(2), 222–239. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1879597300?accountid=143980>. Access: 27.07.2020.

Hernez-Broome, G., & Hughes, R. L. (2004). Leadership Development: Past, Present, and Future. *People and Strategy*, 27(1), 24–32.

Van Ho, T. (2013). *Relationship between leadership styles and employee job satisfaction at local companies in Vietnam*. Northcentral University.

Ho, W., & Lin, K. (2015). The Effect of Teacher's Leadership Style on The Outcomes of Early Childhood Education. *International Journal of Organizational Innovation*, 8(1), 77–86. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1698285341?accountid=143980>. Access: 25.06.2021.

Jogulu, U. D. (2010). Culturally Linked Leadership Styles. *Leadership & Organization Development Journal*, 31(8), 705–719. DOI: 10.1108/01437731011094766.

Judge, T. A., & Piccolo, R. F. (2004). Transformational and Transactional Leadership: a Meta-analytic Test of Their Relative Validity. *Journal of Applied Psychology*, 89(5), 755–768.

Lai, T. T., Luen, W. K., Chai, L. T., & Ling, L. W. (2014). School Leaders Leadership Styles and Teacher Organizational Commitment among Performing Schools. *Journal of Global Business Management*, 10(2), 67–75. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1642606826?accountid=143980>. Access: 22.02.2021.

London, J. D. (2011). Contemporary Vietnam's Education System: Historical Roots, current trends. In: *Education in Vietnam* (pp. 1–56). Institute of Southeast Asian Studies.

Lovelace, K. J., Manz, C. C., & Alves, J. C. (2007). Work Stress and Leadership Development: The Role of Self-leadership, Shared Leadership, Physical Fitness and Flow in Managing Demands and Increasing Job Control. *Human Resource Management Review*, 17(4), 374.

Karunanayake, S. (2012). Shifting the School Leaders' Role as Managers to that of an Academic Leader: Case of Sri Lanka. *International Journal of Social Science and Humanity*, 2(5), 405–409. DOI: 10.7763/IJSSH.2012.V2.135.

Kurland, H., Peretz, H., & Hertz-Lazarowitz, R. (2010). Leadership Style and Organizational Learning: the Mediate Effect of School Vision. *Journal of Educational Administration*, 48(1), 7–30. DOI: 10.1108/09578231011015395.

Lynch, M. (2015, December 15). What factors make a school effective? *The Advocate*. Retrieved from <http://www.theadvocate.org/what-factors-make-a-school-effective/>. Access: 23.03.2021.

Maheshwari, G. (2021). Influence of Teacher-Perceived Transformational and Transactional School Leadership on Teachers' Job Satisfaction and Performance: A Case of Vietnam. *Leadership and Policy in Schools*, 1–15.

- Maheshwari, G. (2021).** A review of literature on women's leadership in higher education in developed countries and in Vietnam: Barriers and enablers. *Educational Management Administration & Leadership*, 17411432211021418.
- McGurk, P. (2010).** Outcomes of management and leadership development. *Journal of Management Development*, 29(5), 457–470.
- Muenich, J., & Williams, J. (2013).** Universally Enforced Attributes of Leadership with Current Prevalent Leadership Theories Taught at Texas A&M University. *NACTA Journal*, 57(3), 45–50. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1445180917?accountid=143980>. Access: 28.06.2021.
- Nanus, B. (1992).** *Visionary Leadership: Creating a Compelling Sense of Direction for Your Organization*. Jossey-Bass Inc.
- Northouse, P. G. (2012).** *Leadership: Theory and practice*. SAGE Publications Ltd.
- Oplatka, I. (2006).** Women in Educational Administration within Developing Countries. *Journal of Educational Administration*, 44(6), 604–624. DOI: 10.1108/09578230610704819.
- Pepper, K., & Hamilton, T. L. (2002).** Making a change: The effects of the leadership role on school climate. *Learning Environments Research*, 5(2), 155–166. DOI: 10.1023/A:1020326829745.
- Petzall, S., & Willis, Q. (1996).** Leadership Styles: How Important are Cultural Values? An Analysis of Managers in the Asia-Pacific Region. *Management Research News*, 19(10), 42–59.
- Price, H. E. (2015).** School Leaders' Social Interactions with Teachers. *Journal of Educational Administration*, 53(1), 116–139. Retrieved from <https://search-proquest-com.ezp-01.lirn.net/docview/1648547933?accountid=143980>. Access: 25.07.2020.

Quang, T., Swierczek, F. W., & Thi Kim Chi, D. (1998). Effective Leadership in Joint Ventures in Vietnam: a Cross-Cultural Perspective. *Journal of Organizational Change Management*, 11(4), 357–372.

Quang, T., & Vuong, N. T. (2002). Management Styles and Organisational Effectiveness in Vietnam. *Research and Practice in Human Resource Management*, 10(2), 36–55.

Shah, M., Chenicheri, S. N., & Bennett, L. (2013). Factors Influencing Student Choice to Study at Private Higher Education Institutions. *Quality Assurance in Education*, 21(4), 402–416. DOI: 10.1108/QAE-04-2012-0019.

Shila, J., & Sevilla, A. (2015). The Impact of the School Leaders & Leadership Style on Teacher Job Satisfaction and Organizational Commitment: An Indian perspective. *Indian Journal of Positive Psychology*, 6(1), 37–43. Retrieved from <https://search-proquest-com.ezp-02.lirn.net/docview/1673345357?accountid=143980>. Access: 15.09.2020.

Short, P., Rinehart, J. S., & Eckley, M. (1999). The Relationship of Teacher Empowerment and School Leaders' Leadership Orientation. *Educational Research Quarterly*, 22(4), 45.

Skallerud, K. (2011). School Reputation and Its Relation to Parents' Satisfaction and Loyalty. *The International Journal of Educational Management*, 25(7), 671–686. DOI: 10.1108/09513541111172081.

Spillane, J. P. (2012). *Distributed leadership (Vol. 4)*. John Wiley & Sons.

Springer, P. J., Clark, C. M., Strohfus, P., & Belcheir, M. (2012). Using Transformational Change to Improve Organizational Culture and Climate in a School of Nursing. *Journal of Nursing Education*, 51(2), 81–88. DOI: 10.3928/01484834-20111230-02.

Sun, J. (2015). Conceptualizing the Critical Path Linked by Teacher Commitment. *Journal of Educational Administration*, 53(5), 597–624.

Sun, J., & Leithwood, K. (2015). Leadership Effects on Student Learning Mediated by Teacher Emotions. *Societies*, 5(3), 566–582. DOI: 10.3390/soc5030566.

Tran, T. T. (2013). Is the Learning Approach of Students from the Confucian Heritage Culture Problematic? *Educational Research for Policy and Practice*, 12(1), 57–65. DOI: 10.1007/s10671-012-9131-3.

Truong, D. T. (2013). Confucian values and school leadership in Vietnam. *Educational Management Administration & Leadership*, 45(1). Retrieved from <http://researcharchive.vuw.ac.nz/xmlui/bitstream/handle/10063/2774/thesis.pdf?sequence=2>. Access: 2.02.2021.

Truong, T. D., Hallinger, P., & Sanga, K. (2017). Confucian Values and School Leadership in Vietnam: Exploring the Influence of Culture on School Leaders' Decision Making. *Educational Management Administration & Leadership*, 45(1), 77–100.

Vo, A., & Hannif, Z. N. (2013). The Reception of Anglo Leadership Styles in a Transforming Society: The Case of American Companies in Vietnam. *The International Journal of Human Resource Management*, 24(18), 3534–3551.

Whitaker, B. (1997). Instructional Leadership and School Leaders Visibility. *The Clearing House: A Journal of Educational Strategies, Issues and Ideas*, 70(3), 155–156.

Willms, J. D., & Ma, X. (2004). School Disciplinary Climate: Characteristics and Effects on Eighth-grade Achievement. *Alberta Journal of Educational Research*, 50(2), 169–188.

Witzel, M. (2016). *A history of management thought*. Routledge.

Wood, J. L., & Harrison, J. D. (2014). College Choice for Black Males in the Community College: Factors Influencing Institutional Selection. *Negro Educational Review*, 65(1–4), 87–97. Retrieved from <https://search-proquest-com.ezp-02.lirn.net/docview/1650640999?accountid=143980>. Access: 5.02.2021.

Wu, M. (2017). An Investigating the Crucial Factors of Teachers' Efficacy from the Taiwanese School Member's Perspective. *International Journal of Information and Education Technology*, 7(2), 140–147. DOI: 10.18178/ijiet.2017.7.2.856.

Yukl, G. (1999). An Evaluation of Conceptual Weaknesses in Transformational and Charismatic Leadership Theories. *The Leadership Quarterly*, 10(2), 285–305.



**Journal of Intercultural
Management**

Vol. 13 | No. 3 | September 2021

pp. 75–94

DOI 10.2478/joim-2021-0067

Ryan Schill

Utah Valley University
Orem, Utah, USA
rschill@uvu.edu

ORCID ID: 0000-0003-0248-6158

Maureen Andrade

Utah Valley University,
Orem, Utah, USA
maureen.andrade@uvu.edu

ORCID ID: 0000-0003-2081-0433

Ron Miller

Utah Valley University,
Orem, Utah, USA
ronald.miller@uvu.edu

ORCID ID: 0000-0002-6392-4257

Angela Schill

Utah Valley University,
Orem, Utah, USA
angelas@uvu.edu

ORCID ID: 0000-0003-1862-2636

David Benson

Utah Valley University,
Orem, Utah, USA
david.benson@uvu.edu

ORCID ID: 0000-0002-6381-9609

Entrepreneurial Desire for Outmigration: A Validated Measure

Received: 14-08-2021; Accepted: 06-12-2021

ABSTRACT

Objective: The objective of this study was to understand the personal and interpersonal pressures entrepreneurial individuals feel to pursue opportunities outside their home country.

Methodology: Entrepreneurs in Mexico were given a survey regarding personal and interpersonal pressures to out migrate.

Findings: Exploratory factor analysis showed three valid factors for outmigration: personal preference, social pressure, and perception of opportunities.

Value Added: The instrument developed offers an overall Outmigration Tendency (OT) score which can provide valuable insight into why entrepreneurs choose to emigrate. This appears to be the first instrument to measure outmigration pressure and to be validated internationally.

Recommendations: The tendency score resulting from the survey can help researchers and policy makers understand the likelihood of a worker leaving his/her country to seek work opportunities elsewhere.

Key words: entrepreneurship, outmigration, outmigration instrument, developing countries

JEL codes: F22, L26, R11, R23



Introduction

Many countries suffer from the negative impacts caused by the outmigration of skilled workers who leave to seek better opportunities in other countries. Countries in which outmigration is a common occurrence are left with many negative consequences such as income distribution inequality and brain drain (Galiano & Romero, 2018). It is difficult for impoverished countries to compete with the benefits associated with established countries and provide the infrastructure entrepreneurs are seeking. Factors such as job security, higher wages, and growth opportunities entice workers in poor countries to out migrate. This results in loss of human capital, knowledge, and technology, making it difficult for countries to grow and develop (Castro-Palaganas et al., 2017; Dei & Asgharzadeh, 2002).

This study provides a measure for understanding the personal and interpersonal pressures entrepreneurial individuals feel to pursue opportunities outside their home country. The instrument offers an overall Outmigration Tendency (OT) score which can provide valuable insight into why entrepreneurs choose to emigrate.

Literature Review

Studies on outmigration are extensive and encompass three primary strands: migration to a different country, migration within a country such as from rural to urban, and return migration. Outmigration studies tend to focus on factors contributing to migration as well as its impact. Measures for these studies typically involve analysis of large-scale international and national surveys and databases. Understanding outmigration issues in a range of contexts and sectors informs policy and related strategies for sending and receiving countries as well as managing movement within countries.

Contributing Factors

A driving factor for outmigration is economic. Economic downturns, particularly increased unemployment, typically lead to increased outflows from a country (Bazillier et al., 2017). These downturns in effect substitute for restrictions on migration enacted by policy even though rising unemployment may cause policy makers to encourage unskilled or unemployed migrants to return home (Hatton, 2014). In essence, a laissez-faire policy may be the best approach as short-term downturns have the same effect in increasing desired outmigration as do policies (Bazillier et al., 2017).

In some cases, highly skilled professionals may emigrate, leaving critical shortages in the home country. Such out migrations may also be influenced by political situations. In Europe, the lifting of employment restrictions for new European member states led to a large number of doctors and dentists, seeking higher wages, to migrate from Hungary to Austria and Germany (Varga, 2017). However, more than half ultimately returned. Return migration results in increased knowledge and skills for the home country.

Several factors lead to outmigration such as the opportunity for land ownership (Roli, 2019) or other economic benefits. Land ownership also deters outmigration both within a country and internationally (ul Haq et al., 2015). On the other hand, poverty has been shown to not be an incentive for outmigration (ul Haq et al., 2015). Although climate change, such as decreased rainfall, has been thought to promote outmigration for subsistence farmers, such was not found to be the case in Sahelian Africa (Grace et al., 2018) nor were environmental threats the cause of outmigration in Ghana and Indonesia; rather, migration was related to individual characteristics (Goldbach, 2017).

Outmigration within countries provides additional insights into contributing factors. Young people in Europe tend to seek universities in developed regions due to a more favorable job outlook after graduation (Bover & Arellano, 2002; He et al., 2016) although

regional factors such as availability of university programs, gender (e.g., less mobility for females), and distance from the capital city also play a role (D'Agostino et al., 2019). Gender differences are also relevant in other contexts. In Kosovo, for example, outmigration from rural to urban areas for males was attributed to a lack of labor and equipment while for women to a desire for education (Sauer et al., 2019).

Although traditionally people have migrated from rural to urban areas to seek employment, education, and a better quality of life (Theodori & Theodori, 2014; Leibert, 2016; Sardadvar & Vakulenko, 2016; Kawawaki 2018), the opposite is occurring in some contexts. Movement from larger to smaller cities may be attributed to technological advances and improved transportation enabling greater mobility and decreasing the negative effects of dense populations (Taima & Asami, 2019). In Japan, such outmigration is primarily due to occupation, education, and marriage and children. Women tend to move from areas with low marriage rates, and families from areas with high crime rates to those more suitable for raising children (Taima & Asami, 2019).

Impact

A key impact of outmigration occurs in the form of remittances, which can be both financial and social. Financial remittances to the home country by those who have emigrated are a significant source of income, currently estimated at approximately US \$551 billion annually and likely to reach \$597 billion in 2021 (Ratha et al., 2019). In 2016, the largest receivers of remittances were China, India, Mexico, and the Philippines (United Nations Economic & Social Affairs, 2017). However, remittances to low and middle-income countries are projected to decrease by 7% in 2020 and 7.5% in 2021 due to the impact on the economy, employment levels, and currency depreciation in countries sourcing remittances as a result of COVID-19 (World Bank, 2020). Data related to this projection is not yet available. The World Bank also projects that countries will

need to find ways to support migrants returning to their home countries due to the pandemic and support them in finding employment and starting businesses. The cost of sending remittances has also increased, further impacting the positive benefits of out-migration.

Remittances from entrepreneurs, or those who are self-employed, are a substantial means of decreasing poverty; in addition, these entrepreneurs can invest capital and generate jobs (Naudé et al., 2017). Within the country of origin, remittances may be spent on education (Acosta et al., 2007), improving the standard of living (Acosta et al., 2007; Adams, 2009; Adams & Page, 2005), healthcare (Mansuri, 2007), and increasing human capital through knowledge and skill development (Stark & Wang, 2002).

However, policies related to entrepreneurship and migration may be ineffective, resulting in not only failure to innovate or create jobs, but in overall business failures (Naudé, 2010; 2011). Examples of such policies are those that support the immigration of entrepreneurs who lack needed skill sets. This requires the expenditure of scarce funds for training, which may discourage participants from starting businesses when they learn what is involved (Naudé et al., 2017; Oosterbeek et al., 2010). An emphasis on attracting and training entrepreneurs may come at the cost of facilitating immigrants into wage earning opportunities (Naudé et al., 2017).

Remittances are not only financial but also include social capital and expertise that migrants acquire abroad and contribute to their place of origin (Levitt, 1998). These social remittances, or ideas, attitudes, beliefs, behaviors, know-how, and skills, are transferred through return visits or through various modes of communication (Naudé et al., 2017). Political values and practices can be disseminated in similar ways (Docquier et al., 2016).

Particularly relevant to the current study is how remittances encourage entrepreneurship in the home country. In Mexico, for example, remittances provide funding for microenterprises (López-Córdova & Olmedo, 2006). Migrant networks between Mexico and the United States also provide financial benefits and encourage

economic growth (Woodruff & Zenteno, 2007). Return migrants may also be more likely to have the capital and skills to expand entrepreneurship in their countries of origin (Marchetta, 2012; Wahba & Zenou, 2012); however, some studies have found that return migrants are no more successful as entrepreneurs than are non-migrants (Gibson & McKenzie, 2012).

These examples demonstrate how outmigration can impact economic growth and development as well as social norms and beliefs in the country of origin. However, although migration improves well-being in a number of ways in both sending and receiving countries, claims that migrants are more entrepreneurial due to a willingness to take risks (Jaeger et al., 2010), that remittances fund home country start-ups, and that return migration provides needed skills in home countries are mostly unsupported (Naudé et al., 2017).

Immigrants may face hostility in their new countries due to a lack of understanding of cultural and linguistic differences of those in the host country as well as fears that new residents will create competition for jobs or drains on regional or national services such as education, healthcare, and unemployment benefits. Discriminatory practices can prevent entrepreneurship or have the opposite effect – pushing people towards it who may be more suited to salaried work (Naudé et al., 2017). Other concerns related to entrepreneurship in the host country are that migrants have limited networks and difficulty getting loans; thus, the most effective policies to encourage self-employment may be those focused on non-discrimination (Naudé et al., 2017).

Another impact of outmigration is the brain drain. Some calculations indicate that countries who benefit from the brain drain experience relatively small gains, rarely impacting more than 1% of the skilled labor force; however, 10% of the labor force may be impacted by countries who lose skilled workers (Beine et al., 2008). Countries with low levels of human capital and low levels of skilled worker out migrations tend to benefit. Losers tend to lose more than winners gain. In some instances, countries that benefit such as China, India, and Brazil, experience small gains. Overall, the

brain drain results in more skilled workers in developing countries although distributions are unequal.

Outmigration has positive benefits in some contexts due to alleviating unemployment and the benefits associated with remittances that increase the standard of living and boost the economy (Asch, 1994). As such, less developed countries may encourage emigration in order to support economic development and financial and social capital investment in the home country (Global Migration Group, 2010). Governments in less developed countries in Africa, Asia, and Oceania view their levels of emigration as too low (United Nations Department of Economic and Social Affairs, 2011). However, governments in Latin and the Caribbean view it as too high. Globally, most governments do not have emigration policies and only 9% want to raise levels with 32% seeking to lower them (United Nations Economic and Social Affairs, 2017). Mexico's policy is to maintain current levels. Migrant remittances in 2016 amounted to nearly \$28 million U.S dollars or 2.7% of the GDP. Mexico, one of 20 countries with the greatest number of citizens living abroad (13 million), also has the policy to encourage the return of citizens to benefit from the capital, investments, technology, and skills.

Overall, factors impacting outmigration are complex, context-specific, and influenced by personal factors. Although reasons for outmigration and its impact can be identified, predicting it and fully understanding its effects is a challenge. The current study provides insight into the predictability of outmigration. It introduces an instrument that identifies the pressures – both personal and interpersonal – that individuals feel when seeking opportunities elsewhere. The instrument helps identify those at risk of out migrating, better comprehend or even anticipate the reasons for emigration, and have a better picture of the loss of human capital and entrepreneurial drive that results when skilled workers leave a country. Policymakers within impacted countries can utilize this instrument to develop strategic policies to more effectively stem some of a country's losses due to "brain drain."



Methodology and Framework

The survey was created by interviewing entrepreneurs in the course of operations by the Academy for Creating Enterprise (ACE) in locations ranging from the Philippines to Mexico. Alumni, current students, donors, administrators, and business professors were asked about the pressure to out migrate and from their responses, the most commonly mentioned pressures were used to create the instrument.

Participants were 376 entrepreneurs in Mexico who had taken at least one entrepreneurship class from the Academy for Creating Enterprise (ACE) in Mexico City. They were contacted and recruited by ACE for the survey. Links to the Qualtrics survey were sent via the alumni office and alumni were also notified in chapter meetings. Paper copies were distributed to those without internet access or on request. Informed consent was gathered for all data. The scale is called the Outmigration Tendency (OT) scale. The 11 questions included in the OT score are summarized in Table 1 and the answers were dichotomized to “in Mexico” (scored as 0) and “out of Mexico” (scored as 1). Scores range from 0 to 11, with higher scores indicating higher levels of pressure to leave the country.

We measured entrepreneurial desire using the Entrepreneurial Intensity scale developed by Welsch and Co-authors (Welsch, 1998; Gundry & Welsch, 2001; Liao et al., 2005). For details regarding the theoretical constructs underlying the measure and the validation of the survey instrument, see Liao et al. (2005). Entrepreneurial intensity measures the focus and commitment of entrepreneurs regarding their entrepreneurial undertakings. Questions focus on the entrepreneur’s willingness to sacrifice other pursuits to ensure the success of the business (“Owning my own business is more important than spending time with my family” and “I will do whatever it takes to make my business a success”). The measure also captures an individual’s desire to be their own boss, even if it means earning a lower salary. This commitment was measured

with two questions: “I would rather own my own business than receive a higher salary employed by someone else” (scored from 1 to 5) and “I would consider working somewhere else only long enough to make another attempt to establish my own business”, (scored from 1 to 5).

Results

The OT Score questions were first analyzed for reliability using Cronbach’s Alpha and McDonald’s Omega (McDonald, 1999) which can both be used for dichotomous variables (Hilbert et al., 2016). Results showed a Cronbach’s Alpha of 0.893 and a McDonald’s Omega of 0.907 indicating high reliability. As the variables are dichotomous, tetrachoric correlations were calculated to offset the errors associated with Pearson correlations run on factor analyses with dichotomous variables (Kubinger, 2003). Exploratory factor analysis, using parallel analysis to determine how many factors to use (Lim & Jahng, 2019), was run. The parallel analysis suggested 3 factors and the exploratory factor structure based on promax rotation (as recommended by Meyers *et al.*, 2016) can be seen in table 1, with loadings below 0.30 omitted, with the intercorrelations in Table 2. As per Tabachnick & Fidell (2007) each of the factor loadings falls above the fair (>0.45) and good range (>0.55), with many in the very good (>0.63), and excellent (>0.70) ranges.

Table 1: Survey questions and factor loadings (N = 376)

No.	Question	Factor 1	Factor 2	Factor 3
1	My family expects me to live (in Mexico / out of Mexico)		0.71	
2	I will have the most job opportunities...			0.61
3	I can best meet my financial obligation...			0.62
4	I would rather live...	0.85		
5	I would rather work...	0.54		
6	I prefer to support my family...	0.48		
7	My family believes I can best support them from...		0.92	
8	I have the means to live...		0.81	
9	I can best obtain a well-paying job that I am qualified to do...	0.60		
10	I feel I should live...	0.99		
11	I would be more useful to my country if I lived...	0.74		
SS Loadings		3.15	2.40	1.34
Proportional Variance		0.29	0.22	0.12
Cumulative Variance		0.29	0.51	0.63

Source: own study.

Table 2: Intercorrelations between factor scores (N = 376)

	Factor 1	Factor 2	Factor 3
Factor 1	1		
Factor 2	-0.75	1	
Factor 3	0.76	-0.77	1

Source: own study.

In a sign of convergent validity, the summed OT score was significantly correlated ($r = 0.48$, $p < 0.001$) with the participant's answer to the question, *What is the probability that you will leave*

a significant positive, though small, correlation ($r = 0.17$, $p < 0.001$) with the respondent's Entrepreneurial Intensity score. In other words, individuals with the highest Entrepreneurial Intensity were also the ones feeling the most pressure to leave.

Discussion

Outmigration contributes to the loss of human capital, knowledge, and technology, making it difficult for poor countries to develop (Castro-Palaganas et al., 2017). This study offers a validated measure of outmigration drivers, specifically personal preferences, social pressure, and perception of better opportunities. The tool helps clarify why individuals prefer to live and work abroad, such as to support their families, benefit from better job opportunities, meet financial obligations, or due to social pressure to earn a living abroad and submit remittances. In fighting the brain drain, policymakers can use the tool to market, educate, strategize and encourage entrepreneurial individuals and appeal to the preferences and pressures they face as validated in this study.

There are countless approaches that governments, policymakers, and even the private sector can take to encourage entrepreneurs to launch ventures in their own countries and satisfy the pressures that would normally drive them abroad. If policymakers can convince entrepreneurs that there are opportunities for sustainable employment locally, and if they are able to provide programs as well as marketing to educate entrepreneurs on why it is beneficial to stay, they might be able to make changes and bring value and growth to their countries. The challenge for developing countries is to find ways to incentivize entrepreneurs to stay local and build their businesses.

To ensure that zealous entrepreneurs have the facts and equip themselves with information that changes their perceptions and leads them to consider other alternatives, policymakers could facilitate networks for entrepreneurs to partner and support each other. Rewards and support networks at home can be offered to



encourage entrepreneurs to return, transfer their knowledge and skills to the home country, give back to their communities, and build their home country economies. Policies that outline active and functional ways for entrepreneurs to be rewarded for innovation and business building could make a big difference. This, in turn, can build the local country's economy.

If entrepreneurs feel they can sustain their jobs and support their families at home, they may change their preferences. They may prefer to live and work locally. Policymakers might launch campaigns to upend some of the socially accepted perceptions that outmigration is the best option. If outside social pressure to leave, based on the perception that money is more easily gained elsewhere, is dispelled, they may stay. Their preferences will change because their perceptions will change. Social pressures will change because the attitudes of family and society will change as policies and data show that success can be realized locally.

The factors that drive entrepreneurial individuals away are difficult for developing nations to combat when faced with the ability of developed countries to provide a more appealing landscape and more potential for entrepreneurial success. The findings in this study can provide policymakers with insights to help them craft policies that answer the needs of their nascent entrepreneurs and convince them to innovate in their home countries with the support of their countries.

Access to the tool in this study provides an understanding of the pressures that fuel entrepreneurial outmigration decisions. It also furnishes policymakers with the capability to know the likelihood of entrepreneurs leaving the country. It provides a predictor as to who may leave and why. While it will take time and more research to implement such measures, the ability to appeal to and mitigate pressures in small but specific ways will generate change over time.

Future research needs to help policymakers and strategists further understand outmigration drivers. The current sample consisted of aspiring entrepreneurs. While this is one class of skilled workers, a number of other classes, such as skilled professionals (nurses,

doctors, scientists, engineers, etc.), are at risk of emigrating. Future research needs to obtain a better understanding of their drivers and pressures in comparison to aspiring entrepreneurs.

Conclusion

While it is challenging for developing countries to compete with developed economies, appealing to the entrepreneurial spirits of citizens and incentivizing them to innovate at home necessitates an understanding of their motivation. This study has attempted to identify the underlying drivers of out migration. Familiarity with these drivers allows policymakers to improve conditions at home in order to reduce outmigration, particularly of talented, capable, and skilled workers.

References

- Acosta, P., Fajnzylber P., & Lopéz J. H. (2007).** The impact of remittances on poverty and human capital: evidence from Latin American household surveys. *Working paper 4247*. Washington, DC World Bank. Retrieved from <https://www.findevgateway.org/sites/default/files/publications/files/mfg-en-paper-the-impact-of-remittances-on-poverty-and-human-capital-evidence-from-latin-american-household-surveys-jun-2007.pdf>. Access: 8.13.2021.
- Adams, R. H. (2009).** *The determinants of international remittances in developing countries*. *World Development*, 37(1), 93–103.
- Adams, R. H., & Page, J. (2005).** Do international migration and remittances reduce poverty in developing countries?. *World Development*, 33(10), 1645–1669.
- Asch, B. J. (1994).** *Emigration and Its effects on the sending country*. Santa Monica, CA: RAND Corporation. Retrieved from https://www.rand.org/pubs/monograph_reports/MR244.html. Access: 8.13.2021.
- Bazillier, R., Magris, F., & Mirza, D. (2017).** Out-migration and economic cycles. *Review of World Economics*, 153, 39–69. doi 10.1007/s10290-016-0267-8.
- Beine, M., Docquier, F., & Rapoport, H. (2008).** Brain drain and human capital formation in developing countries: winners and losers. *The Economic Journal*, 118, 631–652.
- Bover, O., & Arellano, M. (2002).** Learning about migration decisions from the migrants: using complementary datasets to model intra-regional migrations in Spain. *Journal of Population Economics*, 15(15), 357–380.

Castro-Palaganas, E., Spitzer D. L., Kabamalan, M. M. M., Sanchez, M. C., Caricativo, R., Runnels, V., & Bourgeault, I. L. (2017). An examination of the causes, consequences, and policy responses to the migration of highly trained health personnel from the Philippines: The high cost of living/leaving – a mixed method study. *Human Resources for Health*, 15(1). Retrieved from <https://doi.org/10.1186/s12960-017-0198-z>. Access: 8.13.2021.

D'Agostino, A., Ghellini, G., & Longobardi, S. (2019). Out-migration of university enrolment: the mobility behavior of Italian students. *International Journal of Manpower*, 40(1), 56–72. doi:10.1108/IJM-07-2017-016.

Dei, G.J.S., & Asgharzadeh, A. (2002). What is to be done? A look at some causes and consequences of the African brain drain. *African Issues*, 30(1), 31–36. doi: 10.2307/1167087.

Docquier, F., Lodigiani, E., Rapoport, H., & Schiff, M. (2016). Emigration and democracy. *Journal of Developmental Economics*, 120, 209–223.

Galiano, A., & Romero, J. G. (2018). Brain drain and income distribution. *Journal of Economics*, 124(3), 243–267.

Gibson, J., & McKenzie, D. (2012). The economic consequences of 'brain drain' of the best and brightest: microeconomic evidence from five countries. *The Economic Journal*, 122(560), 339–375.

Goldbach, C. (2017). Out-migration from coastal areas in Ghana and Indonesia – the role of environmental factors. *CESifo Economic Studies*, 63(4), 529–559.

Grace, K., Hertrich, V., Singare, D., & Husak, G. (2018). Climate change: An analysis of the linkages between rainfall and out-migration in two Malian villages from 1981 to 2009. *World Development*, 109, 187–196. doi:10.1016/j.worlddev.2018.04.009.

Gundry, L., & Welsch, H. (2001). The ambitious entrepreneur: High growth strategies of women-based enterprises. *Journal of Business Venturing*, 16(5), 453–470.

- Hatton, T. J. (2014).** *Public opinion on immigration: has the recession changed minds? IZA discussion paper no. 8248.* Bonn: IZA – Institute for the Study of Labor. Retrieved from <https://www.econstor.eu/bitstream/10419/99048/1/dp8248.pdf>.
- He, Z., Zhai, G., Asami, Y., Tsuchida, S. (2016).** Migration intentions and their determinants: comparison of college students in China and Japan. *Asian and Pacific Migration Journal*, 25(1), 62–84. doi: 10.1177/0117196815621203.
- Hilbert, S., Kuechenhoff, H., Sarubin, N., Nakagawa, T. T., & Buehner, M. (2016).** The influence of the response format in a personality questionnaire: An analysis of a dichotomous, a Likert-type, and a visual analogue scale. *TPM: Testing, Psychometrics, Methodology in Applied Psychology*, 23(1), 3–24.
- Jaeger, D. A., Dohmen, T., Falk, A., Huffman, D., Sunde, U., & Bonin, H. (2010).** Direct evidence on risk attitudes and migration. *The Review of Economics and Statistics*, 92(3), 684–689.
- Kawawaki, Y. (2018).** Economic analysis of population migration factors caused by the Great East Japan earthquake and tsunami. *Review of Urban & Regional Development Studies*, 30(1), 44–65.
- Kubinger, K. D. (2003).** On artificial results due to using factor analysis for dichotomous variables. *Psychology Science*, 45(1), 106–110.
- Leibert, T. (2016).** She leaves, he stays? Sex-selective migration in rural East Germany. *Journal of Rural Studies*, 43, 267–279.
- Levitt, P. (1998).** Social remittances: Migration driven local-level forms of cultural diffusion. *International Migration Review*, 32(4), 926–948.
- Liao, J., Murphy, P., & Welsch, H. (2005).** Developing and validating a construct of entrepreneurial intensity. *New England Journal of Entrepreneurship*, 8(2), 31–38. <https://doi.org/10.1108/NEJE-08-02-2005-B004>. Access: 8.13.2021.
- Lim, S., & Jahng, S. (2019).** Determining the number of factors using parallel analysis and its recent variants. *Psychological Methods*, 24(4), 452–467. <https://doi.org/10.1037/met0000230>. Access: 8.13.2021.

López-Córdova, J.E., & Olmedo, A. (2006), International remittances and development: Existing evidence, policies and recommendations. *INTAL-ITD occasional paper*, 41. Buenos Aires: Inter-American Development Bank. Retrieved from <http://www.rrojasdatabank.info/iadbremmit/remmitdev.pdf>. Access: 8.13.2021.

Mansuri, G. (2007). Does work migration spur investment in origin communities? Entrepreneurship, schooling, and child health in rural Pakistan. In Ç. Özden. and M.Schiff (eds.), *International Migration, Economic Development and Policy* (pp. 99–140). Washington, DC: World Bank.

Marchetta, F. (2012). Return migration and the survival of entrepreneurial activities in Egypt. *World Development*, 40(10), 1999–2013.

Naudé, W. (2010). Promoting entrepreneurship in developing countries: policy challenges. *Policy Brief*, 4. Helsinki: Finland United Nations University World Institute for Economics Research. Retrieved from <https://www.wider.unu.edu/sites/default/files/PB2010-004.pdf>. Access: 8.13.2021.

Naudé, W., Siegel, M., & Marchand, K. (2011). Entrepreneurship is not a binding constraint on growth and development in the poorest countries. *World Development*, 39(1), 33–44.

Naudé, W., Siegel, M., & Marchand, K. (2017). Migration, entrepreneurship and development: critical questions. *IZA Journal of Migration*, 6(4). Retrieved from <https://izajodm.springeropen.com/articles/10.1186/s40176-016-0077-8>. Access: 8.13.2021.

Oosterbeek, H., van Praag, M., & Ijsselstein, A. (2010). The impact of entrepreneurship education on entrepreneurship skills and motivation. *European Economic Review*, 54(3), 442–54.

Ratha, D., De, S., Kim, E.J., Plaze, S., Seshan, G., & Yemeogo, N.S. (2019). *Data release: remittances to low- and middle-income countries on track to reach \$551 billion in 2019 and \$597 billion by 2020*. Retrieved from <https://blogs.worldbank.org/peoplemove/data-release-remittances-low-and-middle-income-countries-track-reach-551-billion-2019>. Access: 8.13.2021.

Roli, M. (2019). From farmland to wasteland: a study of out-migration. *Indian Journal of Labour Economics*, 62(4), 749–752.

Sardadvar, S., & Vakulenko, E. (2016). Interregional migration within Russia and its east-west divide: evidence from spatial panel regressions. *Review of Urban & Regional Development Studies*, 28(2), 123–141.

Sauer, J., Gorton, M., & Davidova, S. (2019). What drives rural out-migration? Insights from Kosovo. *Post-Communist Economies*, 31(2), 200–217.

Stark, O., & Wang, Y. (2002). Inducing human capital formation: migration as a substitute for subsidies. *Journal of Public Economics*, 86(1), 29–46.

Tabachnick, B.G., & Fidell, L. S. (2007). *Using multivariate statistics*. 5th ed. New York, NY: Pearson Education Inc.

Taima, M., & Asami, A. (2019). Personal and regional determinants of out-migration from metropolitan areas in Japan. *Review of Urban & Regional Development Studies*, 31(1–2), 2–28.

Theodori A. E., & Theodori, G. L. (2014). Perceptions of community and place and the migration intentions of at-risk youth in rural areas. *Journal of Rural Social Sciences*, 29(1), 103–121.

ul Haq, R., Jahangeer, A., & Ahmad A. (2015). Out-migration in rural Pakistan: Does household poverty status matter?. *The Pakistan Development Review*, 54(4), 315–329.

United Nations Department of Economic and Social Affairs (2011). *International migration policies: government views and priorities*. Retrieved from https://www.un.org/en/development/desa/population/publications/pdf/policy/InternationalMigrationPolicies2013/Report%20PDFs/j_Ch_4.pdf. Access: 8.13.2021.

United Nations Department of Economic and Social Affairs, Population Division (2017). *International migration policies: data booklet*. number ST/ESA/SER.A/395. Retrieved from https://www.un.org/en/development/desa/population/publications/pdf/policy/international_migration_policies_data_booklet.pdf. Access: 8.13.2021.

Varga, J. (2017). Out-migration and attrition of physicians and dentists before and after EU accession (2003 and 2011): the case of Hungary. *European Journal of Health Economics*, *18*, 1079–1093. doi 10.1007/s10198-016-0854-6.

Wahba, J., & Zenou, Y. (2012). *Out of sight, out of mind: migration, entrepreneurship and social capital*. *Regional Science and Urban Economics*, *42*(5), 890–903.

Welsch, H. (1998). North American entrepreneurs. In A. Morrison (ed.), *Entrepreneurship: an international perspective* (pp. 115–136). Oxford: Butterworth Heinemann.

Woodruff, C., & Zenteno, R. (2007). Migration networks and microenterprises in Mexico. *Journal of Development Economics*, *82*(2), 509–528.

World Bank (2020, October 29). *COVID-19: remittance flows to shrink 14% by 2021*. Retrieved from <https://www.worldbank.org/en/news/press-release/2020/10/29/covid-19-remittance-flows-to-shrink-14-by-2021#:~:text=According%20to%20the%20World%20Bank's,of%203%20percent%20by%202030>. Access: 8.13.2021.

Muhammad Asif Khan

Universitas Bhayangkara
Jakarta Raya, Jakarta, Indonesia
baristerasi@yahoo.com

ORCID ID: 0000-0002-8413-2646

Trends and Future of Corporate Entrepreneurship in Indonesia in the Post-Pandemic Era by Using Descriptive Quantitative and Cross-sectional Study

Received: 11-10-2021; Accepted: 12-12-2021

ABSTRACT:

Objectives: The main driving objective of this research is focused on revealing entrepreneurship trends that businesses can utilize to remain competitive in the market and grow toward achieving their goals in Indonesia. Also, this research

explains the entrepreneurship future, what to do, and how to offset the prevalent challenges.

Methodology: The best method of research used in this study is the descriptive quantitative and cross-sectional study based on the available trends which are believed to occur in the future. The methodologies used in this research give it more accuracy on how to achieve all the set targets. Secondary sources of data enable the researcher to acquire the skills through which they will be used as the bridge recognizing the trends available in the realm of entrepreneurship. The data was collected from the BPS-Indonesian Central Statistics Agency.

Findings: This study reveals the significant factors that can be used to sustain corporate entrepreneurship in the post-pandemic era. Utilizing the descriptive quantitative and cross-sectional study in the research, the study collected the relevant information on entrepreneurship and how the future trends will affect the need for the advancement in technology, therefore creating more job opportunities.

Limitation: The main limitation to this research was finding substantive information that suits the identified time frame with relevant data. The research requires the incorporation of various studies and surveys. Moreover, some of the entrepreneurship publications relevant to be used in this study were not written in English. Also, this study used mapping of reviews, which have some weaknesses since some of them are limited to time.

Value Added and Recommendations: This research significantly contributes to essential areas in business in Indonesia since there are scarce studies like this regarding entrepreneurship in the post-pandemic era. The research has indicated that it is necessary to treat entrepreneurship education as a priority by policymakers, governments, and educators.

Key words: corporate entrepreneurship, entrepreneurship education, economic recovery, COVID-19 pandemic, PESTEL, digital nomadism

JEL codes: L26 Entrepreneurship



Introduction

Currently, organizations are existing in a highly competitive and exponentially changing business climate after COVID-19 hit the world. Established organizations are under constant pressure to develop new strategies that will enable them to adapt to increasing changes and pressure from faster, smaller, and more active organizations. These new companies are identifying and exploiting the available opportunities by taking considerable market share, disrupting markets, and endangering the existence of established companies (Kuratko, 2017). Besides, corporate entrepreneurship is not a new concept in Indonesia, but it is gaining momentum and is relatively embraced as the most ideal answer to organizational challenges in the current ever-changing business world. Every organization desire to have organic growth; however, a few companies do not have a sustainable and supportive process for organizational growth over time. Corporate entrepreneurship (intrapreneurship) is the best solution since startups use it to develop their businesses, services, products, and activities within established organizations to create value and new revenue growth by utilizing entrepreneurial thinking and action.

Conversely, entrepreneurship encompasses three dimensions, including proactiveness, innovativeness, and risk-taking (Cahanar & Hamsal, 2021). Corporate entrepreneurship (CE) programs naturally generate disruptive ideas, rather than meagre, incremental changes. The innovativeness dimensions are considerably led by employees rather than management implementations. Companies significantly need corporate entrepreneurship programs to be able to improve and promote their innovation capabilities and other essential benefits, including growth, increased employee morale and productivity, promote competitive advantage, as well as employee retention and recruitment (Astrini, 2020). Moreover, action-oriented competent leaders, a conducive environment, and processes and systems that enable entrepreneurial actions to form

the basic components for implementing corporate entrepreneurship in an organization. Further, CE is focused on building capabilities that support organizations to facilitate the accelerated growth of new businesses. Notably, businesses of all sizes and sectors leverage technological advancements to improve the overall performance of their businesses.

Indonesian government focus on developing and encouraging entrepreneurship by offering its support to the development of SMEs (small and medium enterprises). Notably, these enterprises create an avenue for the development and testing of entrepreneurial capability. Thus, this paper researches the entrepreneurship trends and future to support the development of SMEs and established companies. Additionally, the paper researches the factors that will enable the sustainability of corporate entrepreneurship since it has considerable benefits to the development of small and medium enterprises.

This research is motivated by how businesses are recovering in the post-pandemic era; how they can leverage the entrepreneurship trends to remain at a competitive edge. Corporate entrepreneurship by itself is a significant trend that is helping companies to improve their financial performance. Every business needs to recover; thus, this paper will provide substantive information on current trends that can be used by established companies as well as SMEs in Indonesia to grow and be able to achieve their business goals. Several studies have portrayed how capable corporate entrepreneurship is to create opportunities in technological advances, value creation, employment, cultural transformation for governments, entrepreneurs, society, and economies (Muafi et al., 2021). Thus, the results of this research will identify the factors that can be used to sustain corporate entrepreneurship to enable SMEs in Indonesia to be more innovative, proactive, and willing to take risks adopting new technologies that will support the growth of their businesses. The paper will involve data analysis to provide in-depth insights into corporate entrepreneurship.

Literature Review

According to a study titled “Trends and Developments,” the economy of Indonesia continued to face contraction in the first quarter of 2021 because of the ongoing global public health crisis. However, there were prospects of GDP growth of the country as businesses were endeavouring to recover, especially when compared to the previous quarter of 2020. Economic recovering is owed to several factors, including the enactment of the government's policies and regulations and the ongoing COVID-19 vaccination programmes. The regulatory reforms supported by the government will enhance ease of doing business, support economic growth, and encourage foreign direct investment (FDI) in the country. Besides, Lee (2019), refers to Indonesia as one of the richest countries in the world. thus, SMEs have great significance to the country, since they make up to 90% of all firms apart from the agricultural sector and serve as a great source of employment opportunities (Tambunan, 2007). Therefore, it is imperative to support the existence of these SMEs by identifying the current entrepreneurship trends and future as well as factors that sustain corporate entrepreneurship.

Research Methodology

This research aims to identify the entrepreneurship trends post-pandemic that Indonesian businesses use to have a competitive edge in the market. The best method of research used in this study is the descriptive quantitative and cross-sectional study based on the available trends which are believed to occur in the future. The target population for this study was the owners of medium and small businesses and big enterprises from across the country. A sample from the businesses was taken to represent the rest of the target population. The researchers collected 31 samples of the total enterprise population. In the 31 samples, the researcher used

the descriptive quantitative method while for the rest the researcher used the mapping literature method.

The collection of the data was mainly based on secondary data. The data was collected through reading the statistics of the BPS-Indonesian Central Statistics Agency. To obtain the sources from the agency, the researcher headed to the headquarters of the Indonesian Agency and found their research data. In this study, the data needed no interpretation because it had already been interpreted and presented. Ethics was observed in this study by mentioning that the data came from a secondary source. The data collected was placed in variables in relation to the study being done. The variables include working remotely, e-commerce and education on entrepreneurship skills. The dependent variable is the entrepreneurship trends, and the independent variables are e-commerce, education and working remotely.

The methods of data sourcing have been discussed, the target population and the interpretation. The paper has also discussed the sample size and the methods for data collection.

Entrepreneurship Trends

Petrunenko et al. (2021) urge that evolving demands of customers, new technologies, societal shifts, and COVID-19 outbreak are significant factors that have contributed to changes in the business world. Thus, there are potential changes that have a significant influence on entrepreneurial thinking and actions. As Purbasari et al. (2021) state understanding the current entrepreneurship trends help in adapting to the new business changes and enable businesses to last longer in the evolutionary path of the market. According to Pramono et al. (2021), one of the entrepreneurship trends is business from home due to digital nomadism. These trends enable entrepreneurs and employees to work from home and enjoy a variety of employment options. Notably, digital nomadism allows them to save travel costs, electricity bills, and expenditure on equipment upkeep. This trend reached its peak dur-

ing the outbreak of coronavirus disease when people were forced to stay at home in 2020. Chatzinikolaou, et al. (2021) states that this is a golden opportunity that businesses should leverage in Indonesia. Additionally, working from home has engineered globalized business that involves international teams working together. Therefore, globalized business is a trend that will be overwhelmingly embraced (Pertunen et al., 2021). Pramono et al. (2021), argues that globalism serves the interests of both big companies and SMEs in Indonesia. This trend is doing quite well for software developers, IT consultants, media, and professional services.

Chatzinikolaou et al. (2021) state that there is a surge in the way people are utilizing the Internet of Things (IoT) and its ecosystem is developing at a fast clip. The Internet of Things will grow up to USD 1.4 trillion by 2027. Earlier on, IoT projects were only for the established companies that had resources and time to build systems. However, according to Lee (2019), there is a batch of new IoT startups that can be afforded by many SMEs. Further, Petrunenko et al. (2021) show how on-demand services are becoming popular and significantly influencing consumer behaviour. Online shopping and home delivery have become prevalent in today's business world. Thus, a business should leverage on-demand economy shifts for growth and survival. Tambunan (2007) states that businesses have developed an overarching tenet of getting potential customers from where they are owed to the current customer-centric trend. Today, many potential customers spend considerable time on the Internet, specifically on social media. According to Sakhdari & Farsi (2016), e-commerce industries are rapidly growing in Indonesia, and e-commerce is estimated to reach USD53 billion by 2025. They state that this estimation is owed to unlimited government support, participation of MSMEs, increasing disposable income, and digital-savvy consumers. Additionally, Indonesia is made up of many islands; thus, on-ground delivery services have increased and will increase due to the prevalent public health crisis. Organizations like Go-jek and Grab have already embraced this opportunity.

Entrepreneurship Future

Suhartanto and Leo (2018) state that entrepreneurship significantly supports the growth of the country's economy. According to Setiawan and Erdogan (2020), the future of entrepreneurship anchors on entrepreneurship education, which is becoming an essential and fast-growing research area that significantly contributes to the acknowledgement and understanding of national and global trends. Entrepreneurship education has developed in the recent past in Indonesia (Hosseininia & Ramezani, 2016). Therefore, the implementation of programs is being carried out to incorporate modern practices in learning and teaching entrepreneurship in institutions of higher learning countrywide to promote entrepreneurship development in Indonesia. Considerably, according to Ghina 2016, youth unemployment in Indonesia is leading in the region. According to Ben et al. (2021), the workforce suffers from less experience, poor quality jobs, and poor working conditions and the youth unemployment rate increased due to the COVID-19 outbreak. Thus, as means to reduce this increasing rate, Indonesia is encouraging young entrepreneurs to support economic growth towards the future. Thus, these young entrepreneurs need to acquire entrepreneurship education, competencies, networks, resources, and experience. All of this has been portrayed to be achieved by supporting corporate entrepreneurship (Ghina, 2016). Moreover, a more inclusive entrepreneurship future in Indonesia will be achieved by ensuring the digital economy is shared by all Indonesians. "While Indonesia has one of the fastest-growing digital economies in South East Asia, action is needed to ensure that all Indonesians, especially the most vulnerable, can access various digital technologies and services and realize the benefits".

Factors to Sustain Corporate Entrepreneurship

Setiawan and Erdogan (2020) argue that corporate entrepreneurship is an effective means to enable businesses to succeed in a competitive market. However, with the benefits that come with corporate entrepreneurship, there are factors necessary to sustain the concept of corporate entrepreneurship. Afriza (2021) states that the survival of the SMEs in post-pandemic era depends on the usage of resources. Additionally, he argues that corporate entrepreneurship can be sustained by factors such as: political, economic, social, technological, environmental, and legal summarized as PESTEL (Sakhdari & Farsi, 2016). These are external factors that will support and sustain the development of corporate entrepreneurship in Indonesia (Afriza, 2021). PESTEL is significant to explore the micro-environment that will enable businesses endorsing corporate entrepreneurship to survive and recover in the post-pandemic era. Moreover, PESTEL dimensions enable businesses to model factors that are essential in sustaining and supporting the continuity of corporate entrepreneurship. Further, Afriza (2021) states that staying updated on the changes taking place in the business world will help a business to strategize on how to move on and remain competitive in the post-pandemic era. Entrepreneurship motivates people to begin new businesses that eventually facilitate innovation in companies, which play a significant role in promoting national economic growth (Lee, 2019). Therefore, as Afriza (2021) points out, government policies and financial support are factors that sustain the development of entrepreneurship.

Research Findings

This research used the descriptive qualitative and cross-sectional study as a methodological approach using secondary data from

BPS – Indonesian Central Statistics Agency. Early in 2021, BPS conducted a national survey to assess how businesses are recovering after the impacts of the COVID-19 outbreak on the business world. This national agency conducts surveys locally and nationally. The business world incorporates players from medium, small, and big companies. The collected data were categorized into various variables. For instance, under entrepreneurship trends, entrepreneurs and employees indicated they had reasons to support working remotely, i.e., working from home. Many chose to work remotely because this trend offers flexibility and freedom (59%). Others support this trend because they are flexible for family obligations (17%), and some were uncomfortable combining travel and work (10%). According to Emerging Markets Information Service (EMIS) database, e-commerce showed a significant increase in 2021 with most customers purchasing commodities that are marketed by social media (52.9%) (Prmono et al., 2021). Also, mapping literature review methodology was used, which enables the contextualization of reviews with in-depth literature and acknowledgement of research gaps and needs. This mapping intends to showcase the states of entrepreneurship education within Indonesian institutions of higher learning based on their perspective (Munir, 2021). Mapping for the literature revealed that entrepreneurship education programs regarding the method of teaching in entrepreneurship higher education were of major concern in Indonesia (51.6%) to provide people with entrepreneurship skills and competencies that will help in sustaining corporate entrepreneurship.

Limitations and Recommendations

This research portrays possible limitations that should be considered in future studies. The main limitation to this research was finding substantive information that suits the identified time frame with relevant data. The research requires the incorporation of various studies and surveys. Moreover, some of the entrepreneurship publications relevant to be used in this study were not written in

English. Also, this study used mapping of reviews, which have some weaknesses since some of them are limited to time. Another limitation was concerning access to financial information of companies within Indonesia and this paper required considerable secondary data. However, these limitations enabled broad exploration of corporate entrepreneurship in Indonesia in the post-pandemic era. This research enabled gathering the information that was consolidated to strengthen the development of corporate entrepreneurship projects in Indonesia (Kuratko, 2017).

The research has indicated that it is necessary to treat entrepreneurship education as a priority by policymakers, governments, and educators. Additionally, after establishing educational policies regarding entrepreneurship, all related stakeholders must collaborate to create programs that will equip young entrepreneurs with relevant skills and competencies for the entrepreneurship future and to deal with the ever-changing and unpredictable business world. Also, there are plenty of business trends from 2021 to 2022 that entrepreneurs can leverage to grow their businesses (Cahanar & Hamsal, 2021).

Conclusion

To sum up, this journal has focused on the current entrepreneurship trends, future of entrepreneurship, and factors necessary to sustain corporate entrepreneurship in 2021 to 2022 – the period referred to as the post-pandemic era. Businesses not only in Indonesia are recovering after being hit hard by the COVID-19 outbreak. However, the pandemic opened new ways for business operations. Entrepreneurs must embrace the change and act accordingly to survive in the business world by leveraging the available opportunities, especially those created by corporate entrepreneurship. Moreover, young entrepreneurs are encouraged to step up and start new businesses considering the available opportunities due to advanced technology and corporate entrepreneurship benefits.

References

- Afriza, E. S. D. (2021).** Indonesian Small Medium Enterprise (SME) Can Survive During Covid-19: Facts or Illusions?. *International Journal of Business, Economics and Law*, 24(2), 11–20.
- Astrini, N. J., Rakhmawati, T., Sumaedi, S., Bakti, I. G. M. Y., Yarmen, M., & Damayanti, S. (2020).** Innovativeness, Proactiveness, and Risk-taking: Corporate Entrepreneurship of Indonesian SMEs. *IOP Conference Series: Materials Science and Engineering*. 722(1), 012037.
- Ben Arfi, W., & Hikkerova, L. (2021).** Corporate Entrepreneurship, Product Innovation, and Knowledge Conversion: The Role of Digital Platforms. *Small Business Economics*, 56(3), 1191–1204.
- Cahanar, P., & Hamsal, M. (2021).** The Important Role of Corporate Entrepreneurship, Digital Capabilities, and Readiness to Change in Business Performance: Moderated by the Adoption of Business Model Innovations in the Newspaper Industry in Indonesia. In *ICEBE 2020: Proceedings of the First International Conference of Economics, Business & Entrepreneurship, ICEBE 2020, 1st October 2020, Tangerang, Indonesia (p. 483)*. European Alliance for Innovation.
- Chatzinikolaou, D., Demertzis, M., & Vlados, C. (2021).** European Entrepreneurship Reinforcement Policies in Macro, Meso, and Micro Terms for the Post-COVID-19 Era. *Review of European Studies*, 13(2), 39–56.
- Ghina, A. (2017).** Telkom University Togar M. Simatupang, Institut Teknologi Bandung Aurik Gustomo, Institut Teknologi Bandung, The Relevancy of Graduates' Competencies To The Effectiveness Of Entrepreneurship Education: A Case Study At Sbm Itb–Indonesia. *Journal of Entrepreneurship Education*, 20(1).
- Hosseininia, G., & Ramezani, A. (2016).** Factors Influencing Sustainable Entrepreneurship in Small and Medium-sized Enterprises in Iran: A Case Study of Food Industry. *Sustainability*, 8(10), 1010.

- Kuratko, D. F. (2017).** Corporate Entrepreneurship 2.0: Research Development and Future Directions. *Foundations and Trends® in Entrepreneurship*, 13(6), 441–490.
- Lee, H. J. (2019).** What Factors Are Necessary for Sustaining Entrepreneurship? *Sustainability*, 11(11), 3022.
- Muafi, M., Syafri, W., Prabowo, H., & Nur, S. A. (2021).** Digital Entrepreneurship in Indonesia: A Human Capital Perspective. *The Journal of Asian Finance, Economics and Business*, 8(3), 351–359.
- Munir, N. S. (2021).** Corporate Parenting and Corporate Entrepreneurship in Media Company. *International Journal of Financial, Accounting, and Management*, 3(1), 15–26.
- Petrunenko, I., Chychun, V., Shuprudko, N., Kalynichenko, Y., & Ali, I. M. I. (2021).** Trends in the Management of Global Economic Development in the post-pandemic period. *International Review*, 1–2, 76–86.
- Pramono, R., Sondakh, L. W., Bernarto, I., Juliana, J., & Purwanto, A. (2021).** Determinants of the small and medium enterprises progress: A case study of SME entrepreneurs in Manado, Indonesia. *The Journal of Asian Finance, Economics, and Business*, 8(1), 881–889.
- Purbasari, R., Muttaqin, Z., & Sari, D. S. (2021).** Identification of Actors and Factors in the Digital Entrepreneurial Ecosystem: The Case of Digital Platform-Based MSMEs in Indonesia. *Review of Integrative Business and Economics Research*, 10, 164–187.
- Sakhdari, K., & Farsi, J. Y. (2016).** Business Partners and Corporate Entrepreneurship in Developing Countries. *International Journal of Management and Enterprise Development*, 15(1), 61–77.
- Setiawan, H., & Erdogan, B. (2020).** Key Factors for Successful Corporate Entrepreneurship: A Study of Indonesian Contractors. *International Journal of Construction Management*, 20(3), 252–268.

Suhartanto, D., & Leo, G. (2018). Small Business Entrepreneur Resistance of ICT Adoption: A Lesson from Indonesia. *International Journal of Business and Globalisation*, 21(1), 5–18.

Tambunan, T. (2007). Entrepreneurship Development: SMEs in Indonesia. *Journal of Developmental Entrepreneurship*, 12(01), 95–118.

Zakiya Salim Al-Hasni

Warsaw School of Economics

Collegium of World Economy,

Warsaw, Poland

za65806@doktorant.sgh.waw.pl

ORCID ID: 0000-0003-1648-5105

Tourism, Hospitality and COVID-19: Business Challenges and Transformations; the Case of Destination and Resort Planning, Development, and Policy Framework

Received: 30-06-2021; Accepted: 15-11-2021

ABSTRACT

Objective: This paper aims at restoring tourism and hospitality economic sectors following the negative impacts of the COVID-19. It addresses how behaviour

changes can impact the global economy and the relationship between the COVID-19 and the economic development of a country as well as the policy measures to restore the global economy. The findings from this research will be useful to the tourism and hospitality sectors of the global economies. The recommendations from the study are helpful in decision-making when restoring the global economy.

Methodology: To pursue its aim, the study uses Strength Weakness Opportunities Threats (SWOT Analysis). This method helps determine the strategic factors that will ensure the global economy's restoration during the COVID-19 period. Additionally, an Analytic Hierarchy Process (AHP) method helps prioritize the strategic factors to provide the most effective is used.

Findings: The research findings indicate that the knowledge that people adapt is constant. Since abrupt changes in behaviour among individuals in the global context is a challenge, the report observes the need to adjust to the new action, especially when adapting to new geographical locations. The tourism sector, for instance, suffers majorly. Notably, most countries are on an economic standstill; this is attributable to the increasing financial crisis because of bans on international travel. Further, the research reflects the pandemic's emergency, especially in the economic, political, and socio-cultural sectors. Concerning the relationship between the pandemic and the global economy, the research observes a backpedalling characterized by low growth in the global gross domestic product (GDP), a significant determinant of economic development in many countries. Economic research indicates poorly productive economies, reduced consumption of locally manufactured goods, and employment losses.

Recommendations: The report recommends developing new mechanisms and policy measures besides behavioural changes to restore the global economy. However, variations, complications, and modifications characterize these measures. Additionally, the research's proposed strategies acknowledge that the economy's tourism and hospitality sectors require reinstatement from income employment, social inclusion, and socio-economic solidarity. Reinstatement is also mandatory in cultural exchange and peaceful coexistence.

Value-added: The results indicate that COVID-19 will break down the tourism sector's economic development structure; hence, strategic initiatives will be vi-



tal in achieving the economy's sustainable tourism and hospitality sectors. The inclusion of production and consumption is related to the current global economy due to the COVID-19 pandemic.

Key words: financial crisis; COVID-19; global economy; behaviour changes; economic growth and development; rational choice theory, economics, tourism, and hospitality industries

JEL codes: L83, Z30, Z32

Introduction

The inception and subsequent effects of the COVID-19 have been described to have occasioned the worst recession since the Great Depression of the 1920s. Its impacts were felt from all sectors of the economy. Some of the affected sectors included health, transport, tourism, and hospitality, among other sectors. The general implications of the pandemic's effects on these factors were a deterioration of the global economy. One of the mechanisms employed to minimize the virus's adverse impacts was sending people to complete and impartial lockdowns (Jiang & Wen, 2020). Lockdowns were designed to limit the spread of the virus by restricting movements and this reduced the spread of COVID-19.

One of the factors that could not be entirely placed under consideration during the inception of the pandemic was the economy. The economy of individual states was in jeopardy, and so was the global economy (Nicola et al., 2020). While attempts were made under the health sectors to limit the disease's impacts through isolation and quarantine techniques, it became clear that global economies would suffer a great deal due to the lack of constant and reliable productivity. The disease manifested and sent most of the working population to quarantine. Most of the economic activities could not be continued due to the imposed restrictions. The nature of the disease warranted strict health and policy restric-

tions. However, these restrictions were not healthy for the development of the global economy.

The paper seeks to analyse the challenges and transformations of the COVID-19 pandemic to the global economy. To attain this, the tourism and hospitality sectors of the economy will be placed under perspective. In appreciation that the pandemic occasioned restricted movements domestically and from one country to another, its impacts on destination and resort planning will be assessed (Jiang & Wen, 2020). The influence of the development of a policy framework to govern these sectors' operations will also be highlighted. The analysis is determined to discuss the restoration of the tourism and hospitality economies despite the pandemic's negative impacts.

Conceptual Framework

Coronavirus (COVID-19) has been defined by the World Health Organization (WHO) as a newly found type of SARS virus that has been a worldwide pandemic of respiratory illness. The origin of the disease is attributed to China in December 2019. Lauren Sauer, MS, the director of operations with the John Hopkins Office of Critical Event Preparedness and Response, confirmed that the virus was spread through the droplets released into the air from an infected person (Arain, Thalappambath, & Al Ghamdi, 2020). One of the characteristics of these droplets is their inability to travel for longer distances. It is upon this characteristic that social distancing was implemented as a measure of preventing the spread of the pandemic. However, the form of social distancing is employed depending on the severity of the disease. In some cases, total lockdowns were considered the most effective measures as they would considerably limit the viruses soared.

The other significant term in economics is a social science focusing on the production, distribution, and consumption of goods and services. It has also been described as studies on how individuals, business entities, countries, and other international legal personal-



ities make choices regarding resource allocation and the attainment of profitability (Mankiw, 2020). One of the tenets governing the school of economics is the presumption that human beings act with rational behaviour. The behaviour ensures that they seek and attain the optimal or maximum level of benefit, happiness, or utility in every aspect of their actions. Economics can be categorized into two major components: macroeconomics and microeconomics. Macroeconomics deals with the economy's general behaviour while the latter concerns individuals and businesses. For example, in relation to the COVID-19 pandemic, macroeconomics will be interested in the pandemic changes to the tourism and hospitality sectors of the economy in general (Baldwin & Weder di Mauro, 2020). Similarly, microeconomics will highlight the pandemic's effects on the individual stakeholders of business in these two sectors.

In light of the meaning attributed to economics, a definition of the economy can also be extrapolated. The term has been described as an area of production, distribution, trade, and consumption of various stakeholders' goods and services (Mankiw, 2020). It is a social domain emphasizing the practices and material expressions of production, utility, and resources management. The economy results from a group of factors that correlate to influence demand, supply, and profitability. The factors depict a set of values, cultures, education, technological innovations, socio-political structures, and an economy's legal ramifications. Economies can be categorized as market-based, command-based, green economy, gig economy, new economy, and the global economy.

A market-based economy is pegged on the interplay between demand and supply of goods and services. This form of an economy requires economic agents and the medium and form of exchange between the parties. A command-based economy, on the other hand, is premised on political goodwill. The political agents directly influence the chain of production and distribution of goods and services (Mankiw, 2020). A green economy is focused on low-carbon emissions and resource efficiency, and sustainability. A gig economy focuses on the allocation of short-term jobs through on-

line platforms. The term new economy alludes to contemporary standards and practices. Lastly, the global economy refers to the collection of all the economic systems of the world.

The hospitality industry comprises five core categories: food, hotel, travel, tourism, and leisure activities. These businesses receive money from domestic or local economies from visitors who spend quality time in their hotels and leisure facilities. Hospitality is directly tied to the tourist business (Gursoy & Chi, 2020). Each company's success is tied to another's success. The second sector is related to these two economic sectors in the travel industry, which allows mobility within a state or between states. The travel sector permits both locals and visitors to be transferred to tourism and hospitality enterprises.

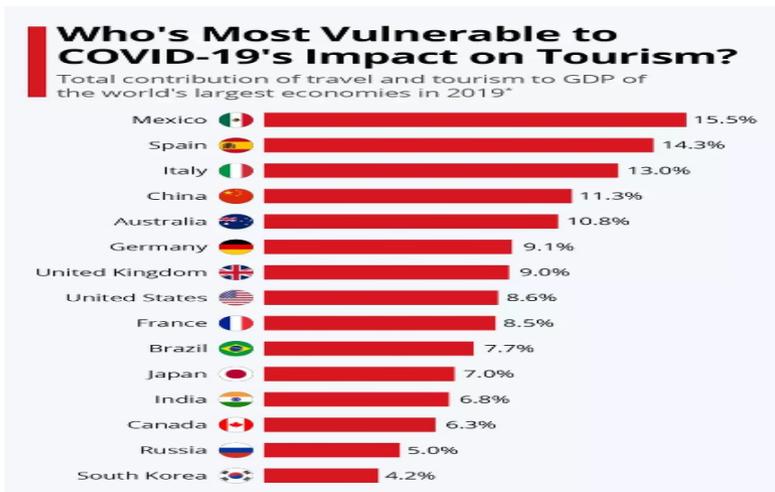
Research's other essential words are destination and resort planning. A Location Management Strategy (DMP) refers to a tourist economic management business plan for one's destination (Hristov & Petrova, 2018). The core of the document is gathering and presenting intimations and actions found via a destination management procedure. The plan is important in identifying areas requiring cooperation from other economic partners. Resort planning, however, is a constant process of designing a comprehensive and regulated resort growth. Resort planning helps resorts to position themselves strategically, attracting as many visitors as possible. Resort planning analyses prevalent and current elements that may affect company operations and profitability.

Research Problem

Although the COVID-19 resulted in adverse impacts on the global economy, there are still opportunities that can be exploited to restore the tourism and hospitality economies. The research appreciates that the implementation of movement restrictions in the form of the banning of flights and lockdowns impacted heavily on the economy's tourism and hospitality sectors (Nicola et al., 2020). As a consequence, the sectors' ability to survive and thrive was

threatened. National and international organizations that relied on travel, tourism, and hospitality could not sustain the economy as most of them were forced into closure as a mechanism of minimizing the spread of the pandemic. The banning of international flights impacted the transport and tourism sectors of the global economies greatly as airline companies could not contribute to economic development, which was already crumbling in other economic sectors.

Figure SEQ Figure * ARABIC1. *Contribution of Tourism to the global economy*



Source: Richter, 2021.

Despite these consequences, pandemic survival required modification and adaptation. One of the ideas stressed was the necessity to learn how to live with the infection (Baum et al., 2020). Essentially, the principles indicate that people around the world should accept behavioural change given the necessity to restore the global economy. Part of the study issue is how behavioural changes influence the global economy. Subsequently, these developments are analysed from the perspective of the COVID-19 pandemic, demonstrating a linkage between it and economic progress. Part of

the study topic is to provide advice on the pandemic-related economic restoration process. The economy's tourism and hospitality industries will rely substantially upon it.

Research Questions.

This study is guided by three research questions:

1. How has the COVID-19 affected the tourism and the hospitality industries?
2. What is the relationship between the COVID-19 pandemic and?
3. the economic development of a country?
4. What policy measures can restore the global economy of the
5. tourism and the hospitality sectors?
- 6.

Research Objectives

The research paper is premised on three main research objectives. These are:

1. To find out how the COVID-19 affected the tourism and the hospitality industries.
2. To establish the relationship between the COVID-19 pandemic and the economic development of a country.
3. To determine and recommend policy measures that can restore the global economy of the tourism and the hospitality sectors.

Research Significance

The research is based on the assumption that change is inevitable. Individuals, companies, and governments are expected to embrace the notion of change. The unanticipated COVID-19 epidemic had severe unfavourable impacts on the state and the global economy. Isolation techniques, self-quarantine, and lockdown methods to prevent viral transmission severely affect the overall productivity and profitability of major economies (Snooks, 2020). The



consequences were caused largely by limiting the freedom of movement for people.

One research question acknowledges that tourism and hospitality are among the most impacted economic sectors, both worldwide and domestically. Evidence indicates the hotel economy gradually recovered from the pandemic's effects. However, more has to be done as the number of revenues during the virus' earliest phases was tremendous. The hotel industry had its lowest profit when governments pondered complete lockdowns to stop the pandemic's alarming spread (Nicola et al., 2020). The report indicates that given the present COVID-19 business climate, to recoup from these losses, it needs to make considerable adjustments to how it carries out its operations. The same applies to the tourist industry. The cornerstone of this industry is the health of staff and consumers. Therefore, policy should attempt to ensure the safety and health of these economic players. Consequently, clients will have faith in the tourist and hospitality industry, improving their possibility of profitability.

The report contends that although these isolation methods successfully decrease the epidemic's spread and impact, the effects of the epidemic have been delayed. According to this study, the economic ramifications of COVID-19 would greatly hit the tourism sector if no measures were taken. WHO has suggested that, even as countries begin restructuring and repairing their economy, there is a need to maintain a high threshold of health standards necessary to avoid and minimize the spread of coronavirus (Cucinotta & Vanelli, 2020). Therefore, the study aims to provide advice on how global economies might adjust themselves and adapt to the pandemic-induced changes. The results of this study will be beneficial in building a foundation for making suggestions on how to revive global economies.

Theoretical Framework

This study uses the Modern Disaster Theory to theoretically look at the Tourism, Hospitality and COVID-19: Business Challenges and Transformations; the Case of Destination and Resort Planning, Development, and Policy Framework. Disaster law is a repertoire of laws to cope with disastrous threats. This paper provides basic attempts towards simulating the quantitatively familiarized analogy using current portfolio theory. Modern disaster theory, similarly, to the corporate finance model, sees catastrophe law as the optimum portfolio of legal norms. Optimal catastrophe preparation consists of finding, implementing, and keeping that portfolio of regulations at the border of effective governance. Disaster management starts with knowledge of societal contribution to disasters.

Natural disasters as such do not destroy; environmental tragedies only cause loss to the degree that human institutions put people and property in the line of destruction. A genuinely compassionate approach to catastrophe legislation extends this first identification to a profound comprehension of the social injustice and this can be used to define the COVID-19 disasters to the global tourism and hospitality scenario.

The other theory is the behavioural economics theory that draws its legitimacy on psychological changes and tries to explain why people can reach irrational decisions. The theory argues that factors related to the environment, personal and behavioural characteristics determine market or consumer behaviour (Thaler, 2016). The theory is relevant to this study as it explains why some of the consumers of the tourism and hospitality industries declined to embrace the reopening of reactional and accommodation facilities.

Literature review

One of the articles that this research will rely upon is the COVID-19 Generation: A Conceptual Framework of the Consumer Behavioural Shifts to be Caused by the COVID-19 Pandemic. The authors



of this secondary source, Zwanka and Buff, provide a review of the impacts of the COVID-19 pandemic the consumer traits, purchasing patterns and preferences, and their global interconnectedness (Zwanka & Buff, 2020). The authors argue that the pandemic has influenced consumer patterns and psychographic behaviours, affecting marketing strategies and outcomes. In assessing the effects of the current 2020 pandemic, the authors are guided by precedent on the impacts of the significant milestones such as the JFK assassination, Iran Hostage Crisis, Terrorism, and the 2008 worldwide economic contraction and how they influenced the economy. The authors reiterate that major catastrophic events of the world affect human behaviour in relation to the purchase of goods services. Thus, in very devastating events, such as the COVID-19 pandemic, there is a need for altering the behaviours of the market stakeholders with the view of adapting to the changes occasioned by the event (Zwanka & Buff, 2020). To elaborate on the current pandemic's role, the authors relate it to the effects of the global flu epidemic of 1918. The global flu is reported to have triggered and influenced the creation of national health services in most of the European countries.

Larson and Shin (2018) expound on the assertion by Zwanka and Buff (2020), by stating that catastrophic events such as terrorist attacks and pandemics create fear among human beings that contribute to their changing. The authors give examples of the Great Depression and World War II crisis that set platforms for the modern welfare state. Viewing the coronavirus disease in light of these examples helps understand that the virus's changes to consumer behaviours call for adaptability by the contributors of the economy (Larson & Shin, 2018). An example of a market behavioural change occasioned by the pandemic, according to this article, is increased forms of online shopping and ordering. Thus, the tourism and hospitality departments are expected to adjust their policies and cultures to reflect this behaviour change from their respective customers.

Gursoy and Chi (2020), in their article, note that the world's economy has been shut down considerably. The authors analyse the plethora of challenges the pandemic has occasioned the hospitality industry (Gursoy & Chi, 2020). According to the article, the strategies used to flatten the COVID-19 curve like lockdowns, stay-at-home orders, travel, and mobility restrictions led to the temporary closure of many hospitality businesses. Gursoy and Chi (2020) note that over time, the hospitality industry has been recovering from the pandemic's adverse impacts. However, the full realization of stability will take a longer time since customers are more concerned with their welfare and safety (Gursoy & Chi, 2020). As the businesses make policy changes to reflect and meet the customers' safety concerns, it will require more time for them to attain full confidence in the services offered by this industry.

Jiang and Wen's (2020) study indicated that the reopening of sit-down restaurants and resumption of air travel and other forms of travel will not assure its customers' hospitality business. The findings found out that about 50% of the interviewed individuals were hesitant to resume using sit-down restaurants immediately after reopening (Jiang & Wen, 2020). The same statistics were evident for travelling. According to the article, this fear was attributed to a lack of trust and confidence regarding individual welfare. This assessment will be highly relied upon to establish the extent of the pandemic's impacts on the tourism and hospitality departments.

A comparison is made between the factors that drove the hospitality business before the COVID-19 pandemic and after in the United States (Baum et al., 2020). According to this article, some of the highlighted factors that influence the industry before the pandemic included increased disposable income, new trade trends, and rising online business attributed to high internet penetration, the web presence of hotels, and tourism directories. The authors highlight the relationship between the tourism and hospitality industries. The article affirms that, immediately after the pandemic's inception, hospitality industries in all regions of the world were affected. This was in the form of sudden cancellation of accom-



modation reservations by customers (Baum et al., 2020). Accordingly, the most affected sectors included food and beverages, travel and tourism, lodging, and recreation. The article further provides an analysis of fourteen company profiles and how the pandemic impacted them.

Research Findings and Analysis

How has the Covid-19 affected the tourism and the hospitality industries?

This paper notes that unexpected outbreak-like illnesses are no longer unusual. The world is facing infectious epidemics of numerous forms, sometimes with global repercussions. Going through the archives, one may find devastating epidemics that impacted the path of human history. For example, the epidemic that peaked from 1347 to 1351 altered the landscape of Europe and the world, wiping off 17% of the 450 million worldwide population.

Spanish flu and subsequent epidemics of various scales presented serious signals to the world's public health agencies and health systems. Advances in technology and science have improved global health systems, including, for example, artificial intelligence, which can predict the location of the next outbreak, the development of effective drugs, the design of new molecules that could stop viral replication, and so on. Yet, dangers of new and re-emerging illnesses showed no diminution, rather, they were more prevalent. The world has seen and feared infection epidemics of different intensity in terms of effect and geographical coverage during the last several decades. With repeated emerging and re-emerging of epidemics of various scales of illness, forecasting the next one became very elusive.

COVID-19 unprecedentedly affects the hotel business in the world. The consequences are uncertain since the eventual pandemic magnitude is still to be ascertained. For example, hotel oc-

cupancy in Ethiopia decreased to 43% and revenue per available room plummeted by 30.5% for the week ending on March 14. The World Travel and Tourism Council (WTTC) believed that over 50 million travel and tourism jobs were in danger worldwide in 2020. Hotels and hospitality are key cash sources, with the potential to create thousands of jobs yearly. The tourist industry's hotels and hospital subsector have had their share of Ethiopia's government's COVID-19 lockdown policy difficulties. With the government proclamation to limit the "stay-at-home policy" and "social distancing" trend, most restaurant enterprises were badly damaged. This prompted swift shutdowns in towns and states to stop the spread of the COVID-19 illness, which shocked many restaurants and hotels throughout the nation.

Relationship between the COVID-19 Pandemic and the Economic Development of a Country.

The immediate association between COVID-19 and economics is that the epidemic caused an economic collapse as seen in the closing or depreciating the scope of the same business. According to Gursoy and Chi (2020), the COVID-19 pandemic was the worst global economic era. Governments, nations, and other international legal personalities confronted a problem of combining the health and safety concerns of people with other components of life, such as social life and economic growth. The study results suggest that one of the differences between the COVID-19 pandemic and most other catastrophic situations is that the former permitted a brief gap in continuing with other elements of life while addressing the impacts of the catastrophic occurrences (Gursoy & Chi, 2020).

Findings from interviews with potential tourists and the person using hospitality facilities such as relational and housing suggested that the number of people eager to welcome the reopening of these facilities was much lower. Different foreign governments have decided to reopen tourism and hospitality services and



amenities to recover and repair their failed economies. The conclusion of these interviews revealed that over 50% of those who previously used hospitality facilities were unlikely to reopen restaurants and similar services (Dzambazovski & Metodijeski, 2020). Also, almost 50% of clients were unwilling to go to new places throughout the pandemic's duration. The data showed that fewer than 20% of the total number questioned utilized hospitality facilities and services after tourist and hospitality enterprises reopened. The upshot of this is that tourism and hospitality departments could not acquire the potential to restore global economic restoration only by reopening their services. Instead, commercial organizations had to establish that they could ensure client safety, which would involve time.

All 18 %of the clients, however, said they would only accept to go provided the location had fewer COVID-19 occurrences. The remainder of the population (almost 78%) renounced their travel arrangements to new places till the epidemic ended. 17% of the overall group stated their readiness to travel when COVID-19 was discovered and available. About 40% of hotel clients were prepared to pay extra for these services as long as greater attention was given to safety considerations.

Research results also show that the epidemic impacted elements driving the hospitality sector before and after the outbreak. In the US, for example, the pre-COVID tourism and hospitality company entities were controlled by increasing the amount of discretionary money and using Internet platforms to market a set of services supplied. Some of the most impacted US businesses were Airbnb Inc., Choice Hotels International Inc., and Pizza Inc. (Zwanka & Buff, 2020). Even once these establishments reopened, many consumers decided to remain at home.

Analysis of the preceding study data reveals that the COVID-19 pandemic's beginning and development-induced dread among travellers and hospitality customers. The eventual effect of this was a decreased use of these services, therefore decreasing their contribution to the economy.

What policy measures can restore the global economy of the tourism and the hospitality sectors?

Opening the industry will be harder than closing it down, requiring a balanced methodical approach (Ozili & Arun, 2020). While the pandemic has severely affected tourism and the precautions put in place to restrict the virus, tourist flows are also a potential vector for viral propagation. Arguably, while the delay in reopening and continuing uncertainty present additional obstacles for the industry, moving too fast risks further reducing government and consumer confidence in getting the industry up and operating for the longer term. Eventual repercussions will rely not only on the duration of the epidemic that will affect company survival but also on possible long-term changes in travel behaviour as a consequence of the crisis – would individuals be more careful about travelling abroad in the future? The crisis is projected to have a lasting influence on consumer behaviour, driving the transition to online, with more focus on sanitation and healthy living, and increased usage of cashless and contactless payment methods (Rasul et al., 2021). The effect on travel behaviour remains to be seen, but tourist sectors such as cruise and airlines are already planning to increase health screening and sanitary procedures, and there is a significant acknowledgment that more will have to be done to restore the trust of travellers. Such measures will need to be fully executable by small- and micro-enterprises, and the government has a role to play in cooperating with leading national industry associations to promote these enterprises. Businesses will also need to take action to safeguard employees at the forefront of tourist services (Rasul et al., 2021).

Another issue will be how to welcome visitors will be in destinations, as the negative perception of tourists as risk carriers by the host community may also be a consequence of the pandemic, while local communities in pre-crisis destinations have recovered



from problems associated with high visitor volumes and overcrowding.

Research Methodology and Data

Introduction

This section details the precise methods and materials utilized in the research. The study includes a vivid description of the study area, how research has been developed, the materials that have been used in the research to achieve the study objective, how and where the data have been collected, the targeted population, sample procedures, and the size, as well as the data analysis methods.

Research Design

The research used Strength Weakness Opportunities Threats (SWOT Analysis). The repercussions of restoring tourist and hospitality businesses on the economy and individual health and safety demerits are considered. Eventually, a balance is reached between the two factors to enhance the economy while decreasing the danger of exposure to the epidemic. This technique helps to discover the key variables and suggestions that will restore the global economy during the COVID 19 timeframe.

In addition, an Analytic Hierarchy Process (AHP) technique helps prioritize key aspects for the most effective suggestions. Evidence and conclusions for the research were developed via one-on-one interviews and online questionnaire administration. The interviews offered an adequate chance to observe the data acquired manner and honesty. Research prioritized qualitative study as opposed to quantitative research. However, quantitative analytic features were used in one-on-one interviews.

Among the methods employed was a preliminary survey, which aided in acquiring higher knowledge of the research objectives and questions, as well as qualitative data gathering. To collect qualit-

ative data more effectively, questionnaires including both open and closed questions were distributed across the research. According to the set research objects and targets, the survey was split into four parts. The first part included the respondent's demographic characteristics, including age, gender, educational background, and length of stay in the region. The second part discussed how the COVID-19 has affected the tourism and the hospitality industries, the third section the relationship between the COVID-19 pandemic and the economic development of a country while the fourth section discussed whether policy measures can restore the global economy of the tourism and the hospitality sectors. Thus, these methods aided in the collection of data and in achieving the study's final goal.

Table SEQ Table * ARABIC1. *Summary Research Methodology and Data*

Method of data collection	Type
Interviews	Primary data source
Online questionnaire	Primary data
Document Review	Secondary
Content analysis	Secondary

Source: own elaboration

A person's confidence interval is the utmost amount of inaccuracy they are ready to accept. If 90% of respondents say yes and 10% say no, the paper may be willing to accept additional inaccuracy. In contrast, if the replies were divided into 50% or 45–55% of the respondents such that about half of the respondents participate in the survey, the paper may report less inaccuracy. The degree of uncertainty that could be allowed was represented by the confidence level. The analysis predicted that the proportion of people who replied yes to one of the questions would be more than the margin of error away from the actual answer, with a confidence level of 95%.



As for the online questionnaire, it was made accessible to the responders through all possible platforms that they use. It was made possible to be completed through a variety of contact points, including a web-based questionnaire, one delivered via email or via a text message as well as shared through social media.

Empirical Research Result

To guarantee paradigm consistency and coherence in the current research, a deductive method was used, as it was simpler to find precise data amounts that allow for acceptable judgments on the subject matter and allow for the prediction of happenings and the establishment of casual connections. The benefits include the capacity to quantify the ideas, generalize findings and the results, and comprehend cause and effect relationships across set variables.

The results from one-on-one interviews with the participants were able to convey the genuine sentiment and perspective of the participants to restore the economy in light of the pandemic. It was obvious that most participants were hesitant to reopen the tourism and hotel businesses owing to safety concerns.

Reviews were conducted by collecting articles from scholarly journals and articles, as well as by using the snowball effect to locate relevant papers and references. The databases that were consulted were Google Scholar, the SAGE Journals, Taylor & Francis Online, the Emerald and the Science Direct as well.

However, most participants were prepared to visit and utilize the resort for enjoyment and lodging only under three circumstances: quality ensured safety measures, vaccination availability, and pandemic termination.

Research limitation

One of the study shortcomings was overemphasizing foreign tourist and hospitality facilities and services. There was no sufficient image of domestic tourism and hospitality. The study's other weak-

ness was the small sample size. In one of the study methods, just five U.S. passengers gathered data. Additional secondary data were gathered from scholarly publications and media that were relevant to this research. Following that, secondary data were collected into a single source of knowledge that included an infinite number of facets of the study subject. It was critical to revise this fact. This cannot be saturated to provide the rest of the world with a true image and perspective. Similarly, only 100 individuals were interviewed in another research, of which only 78 successfully expressed their thoughts.

Table SEQ Table * ARABIC2. *Summary of the respondents*

Small sample size	Targeted Number	Those who responded
	100	78
Percentage	100%	78%

Source: own elaboration.

Conclusion

Different impacts were influenced due to the inception of COVID-19 in December 2019. One of the leading health concerns was securing individuals' health and safety against the adverse impacts of the pandemic. The global society implemented isolation and quarantine measures to limit and control the spread of the pandemic. In the long run, these measures had negative impacts on both domestic and global economies by limiting the mechanism of demand and supply. Consequently, the international community was forced to implement measures that could strike the balance between the survival and restoration of the economy and the control and depreciation of the pandemic's adverse impacts.

One of the sectors that were significantly impacted by the pandemic is the tourism and hospitality department. The research pa-



flected on the collapsed economy. The study meets its objectives by providing recommendations on how tourism and hospitality can attain restoration, thereby contributing to global economies. One of the recommendations of ensuring the restoration of the economy through profitability in the tourism and hospitality sectors is maintaining the highest standard of health and safety by business entities. Secondly, the collaboration of various stakeholders of the economy to develop new mechanisms and policy measures other than understanding concepts of behavioural change is also crucial. These recommendations aimed to ensure that the tourism and hospitality industries enforce them progressively, thus restoring their economic relevance.

References

- Arain, S., Thalappambath, R., & Al Ghamdi, F. H. (2020).** COVID-19 pandemic: Response plan by the Johns Hopkins Aramco Healthcare inpatient pharmacy department. *Research in Social and Administrative Pharmacy*, 17(1), 2009–2011.
- Arun, T.K., & Ozili, P. (2020).** *Spillover of COVID-19: Impact on the Global Economy*. Available at SSRN 3562570. DOI:10.2139/ssrn.3562570.
- Baldwin, R., & Weder di Mauro, B. (eds.) (2020).** *Economics in the Time of COVID-19*. London: CEPR Press.
- Richter, F. (2021).** COVID-19: *These countries are most at risk from falling tourism*. Retrieved from <https://www.weforum.org/agenda/2020/07/coronavirus-covid19-travel-tourism-gdp-economics>. Access: 1.12.2021.
- Cucinotta, D., & Vanelli, M. (2020).** WHO declares COVID-19 a pandemic? *Acta Bio-Medica: Atenei Parmensis*, 91(1), 157–160.
- Dzambazovski, K., & Metodijeski, D. (2020).** *Study on the effects on the private sector - tourism and hospitality, affected by the health and economic crisis caused by the COVID-19 pandemic, with recommendations for dealing with the economic effects*. Skopje: Epi Centar International. Retrieved from <https://eprints.ugd.edu.mk/24058/1/Finalna%20Studija%20Turizam%20i%20ugostitelstvo%20Covid19%20ENGLISH%20Version.pdf>. Access: 23.11.2021.
- Gursoy, D., & Chi, C. G. (2020).** *Effects of COVID-19 pandemic on hospitality industry: Review of the current situations and a research agenda*. Taylor & Francis.
- Hristov, D., & Petrova, P. (2018).** Destination management plans—a new approach to managing destinations in England: Evidence from Milton Keynes. *Current Issues in Tourism*, 21(2), 133–153.
- Jiang, Y., & Wen, J. (2020).** Effects of COVID-19 on hotel marketing and management: A perspective article. *International Journal of Contemporary Hospitality Management*, 32(8), 2563–2573. DOI:10.1108/IJCHM-03-2020-0237.



Larson, L. R., & Shin, H. (2018). Fear during a natural disaster: Its impact on perceptions of shopping convenience and shopping behaviour. *Services Marketing Quarterly*, 39(4), 293–309.

Mankiw, N. G. (2020). *Essentials of economics*. Cengage learning.

Nicola, M., Alsafi, Z., Sohrabi, C., Kerwan, A., Al-Jabir, A., Iosifidis, C., Agha, M., & Agha, R. (2020). The socio-economic implications of the coronavirus and COVID-19 pandemic: A review. *International Journal of Surgery*, 78, 185–193.

Rasul, G., Nepal, A. K., Hussain, A., Maharjan, A., Joshi, S., Lama, A., Gurung, P., Ahmad, F., Mishra, A., & Sharma, E. (2021). Socio-Economic Implications of COVID-19 Pandemic in South Asia: Emerging Risks and Growing Challenges. *Frontiers in Sociology*, 6, 629693. DOI: 10.3389/fsoc.2021.629693.

Snooks, G. D. (2020). Fight the virus (COVID-19), not the economy! *Institute of Global Dynamic Systems, Working Papers*, 19. Canberra: Institute of Global Dynamic Systems.

Thaler, R. H. (2016). Behavioural economics: Past, present, and future. *American Economic Review*, 106(7), 1577–1600.

Zwanka, R. J., & Buff, C. (2020). COVID-19 Generation: A Conceptual Framework of the Consumer Behavioral Shifts to Be Caused by the COVID-19 Pandemic. *Journal of International Consumer Marketing*, 33(1), 58–67, DOI: 10.1080/08961530.2020.1771646.



eISSN 2543-831X



SPOŁECZNA AKADEMIA NAUK

