

## Institutional change and entrepreneurial activities without isomorphism?

Dear Reader,

Institutional Change can be seen as well as a top-down or as a bottom-up development. In many cases the transformation literature deals with 'privatization', 'deregulation' or 'decentralization' of big organizations. On the other hand entrepreneurial activities and the specific aspects of small and medium sized companies have been rather neglected. Besides of that the so called 'mismanaged industries' often are not in the centre of the mainstream debates. Insofar it is very interesting that you will find in this number of JEEMS two articles and one research note which are dealing either with the institutional developments in the St.Petersburg hotel industry and in Polish nightclubs and bars or with the development of small enterprises in Bulgaria, Czech Republic and the Russian Federation.

Perhaps you are wondering about the mixture of organizations where usually tourist and business people are active primarily for her leisure activities and in order to rest and to chill-out, with the entrepreneurial development of small enterprises. But, besides the matter of fact, that managers of SME's definitely are allowed to sleep in hotels and to go to night clubs either, the focus of the three papers is concentrated on institutional changes and developments outside the traditionally examined larger organizations in the transformation process.

The first article of *Päivi Karhunen* assesses the power of institutional organization theory in explaining enterprise adaptation in post-socialism. Empirical analysis of the hotel sector in St. Petersburg, Russia, shows that industry-level isomorphic forces are not at work during economic transition. Combined with market imperfections, this results in intra-industry strategic diversity. The underlying logic however changes as the transition proceeds. During the transition, diversity is based on local versus foreign management and during the post-transition on the legitimacy of operations. The majority of hotels start operating according to shared norms and practices, whereas the lack of coercive pressures from the state still allows some hotels to operate in the shadow and ignore institutional norms. In this connection the speculative question will be which types or which patterns will arise in the next years. I think that this a very fascinating question being aware of possible intercultural differences in a "global world" and the different possibilities in finding niche-strategies or not.

*Eckhard Dietrich, Heiko Schrader* and *Christo Stojanov* examine the development of small enterprises in three different CEE-countries. The authors suggest the investigating especially of small enterprises, since most of them are post-communist foundations, assuming that the dynamics and the potential of

successful economic development in a number of Eastern European societies can be found predominantly in the small-scale sector. One reason for this perspective is the faster adaptability to changing conditions among such enterprises. Furthermore, it is commonly argued from a political sociological perspective that small and medium entrepreneurs constitute the core of the middle class, forming the backbone of civic society and being guarantors for democratization processes in non-Western societies. From the perspective of economic sociology one can add that firm owners risk their own capital, and their private success is closely linked with the economic one. The article discusses the results of a comparative research project on small enterprises in Bulgaria, Czech Republic and the Russian Federation from 2003 and 2004, based on quantitative as well as qualitative data, to investigate the milieu of small entrepreneurs to get a comprehensive image on small enterprises in post-socialist contexts and transformation processes. A key question to be discussed is whether this milieu constitutes 'entrepreneurs' in the Schumpeterian sense, supporting change, or whether they are 'static persons' who on the contrary lack such qualities and instead account for the status quo and retardation of transformation into a market society.

The research of *Heather Skinner, Krzysztof Kubacki, Scott Parfitt and Gloria Moss* aims to analyse the needs of nightclub and bar customers from emerging and developing Polish market by examining customer preferences towards the servicescape and service offerings provided by such venues. Purposive sampling was used to establish two focus groups within the industry's main target market age group. majority of respondents in Poland. Our findings point to the significant preferences of Polish club-goers, indicating importance of various elements of the servicescape (e.g. gender of clientele, security, seating, location of dance floor and service offering) in influencing customer decisions to enter a venue. Further research certainly is needed to find typical patterns in the ongoing development processes.

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