

## Editorial

Dear Readers,

We are living in turbulent times—particularly when it comes to Eastern Europe!

Despite the various complex and conflictual political processes currently going on in this part of Europe (for instance, in Hungary, the Ukraine, and Turkey), JEEMS has always aimed to contribute some differentiated and scientifically challenging views. We believe that it is more important to promote critical considerations and discussions than to try to act as a political referee. The seven articles in this new issue also mirror this view.

*Mateja Bodlaj and Irena Vida* identify a limited understanding of the role of culture and cultural issue in the context of Central and Eastern Europe which often hampers the success of firms acting across borders. They provide some fascinating empirical insights into how export managers experience and perceive cross-national differences, frequently referred to as ‘psychic’ or ‘cultural distance’ in the literature. They identify three sets of factors underlying psychic distance, namely cultural differences and the language, perceived differences in relational business practices, and differences in the macro environment.

*Aleksandra Wasowska, Krzysztof Obloj, and Mariola Ciszewska-Mlinaric* critically question the impact of formalisation on entrepreneurial orientation (and the moderating role of industry life cycle). Based on a large sample of Polish small and medium sized enterprises, the authors could confirm the expected influence. Moreover, they could demonstrate that the positive effect of formalisation on entrepreneurial orientation is likely to be moderated by the industry life cycle such that it is stronger in young and fast-growing industries.

Another entrepreneurial article is provided by *Serdar Yener, Aykut Arslan* and *Özgür Demirtaş*. They investigate the effect(s) of personality and further psychological variables on entrepreneurship. A group of entrepreneurs from the Turkish city of Konya, a city renowned for the dynamism of its small and medium sized enterprises, was used as the study sample. The authors found evidence that their model explains a high amount of the variance and, thus, makes a valuable contribution to a better understanding of these complex relationships.

*Andrea Szalavetz* investigates the relation between greening in global companies and the upgrading of manufacturing subsidiaries’ technological capabilities. Drawing on broad-based secondary source information from a sample of Hungarian manufacturing subsidiaries, she identifies two greening-related mechanisms that propel the upgrading of subsidiaries’ technological capabilities. First, greening enhances the organisational decomposition of innovation, and second,

greening-related changes in corporate routines prompt the delegation of new, sophisticated business functions and activities to subsidiaries.

Brand management practices in emerging country firms are the focus of the article authored by *Ekrem Tatoglu, Sunil Sahadev, and Mehmet Demirbag*. They based their research on a broad survey of Turkish companies. The findings reveal some significant differences with respect to overall firm and brand performance. Moreover, the authors found evidence that brand management practices add to the dynamic capabilities of emerging country firms.

*Jakub Prochazka, Martin Vaculik, Petr Smutny, and Stanislav Jezek* explore the mediation effect of transformational leadership in the relationship between leaders' personality characteristics and effectiveness. Data from students in a managerial role and students in a subordinate role were obtained during a management simulation game and analysed using multilevel structural equation modelling. The study emphasizes conscientiousness as the personality characteristic that influences leadership and leaders' effectiveness in various cultures and situations.

In their article, *Zhonghui Ding, Davor Vuchkovski, Vesna Žabkar, Morikazu Hirose and Matevž Rašković* deal with young adults too and compare some drivers of consumer innovativeness in matched samples across four countries in Eastern Europe (Slovenia, Croatia) and East Asia (China, Japan). They found that consumer innovativeness is determined by quality consciousness, information utilization, and price consciousness. While country-level differences do not matter, regional differences play a role in driving the consumer innovativeness of young-adult consumers.

And finally, this issue also contains an interesting review from *Igor Gurkov and Sergey Lapshin* of the new book by *Sheila Puffer, Daniel McCarthy, and Daniel Satinsky*—Hammer & Silicon: The Soviet Diaspora in the US Innovation Economy.

I hope you enjoy reading this new issue!

*Thomas Steger*

*Editor-in-chief*