

News / Information

CEEMAN/IEDC Conference

Hidden Champions in CEE and Dynamically Changing Environments

17–18 November 2011

Vienna, Austria

The two-day conference “Hidden Champions in CEE and Dynamically Changing Environments“, presenting the outcomes of the first research on “Hidden Champions” in Central and Eastern Europe (CEE), Turkey and Kazakhstan – highly innovative, differentiated and specialized small to medium size companies holding lead market positions in their field internationally – successfully concluded. The international event organized by CEEMAN international management development association, in cooperation with IEDC-Bled School of Management and Austrian Federal Chamber of Commerce (WKO), revealed 165 successful companies from the countries of CEE, Turkey and Kazakhstan, their business success trajectories and distinctive business and leadership practices.

Over 130 business leaders, business thinkers, investors, deans of business schools, researchers, policy makers and media from 31 countries spoke about Hidden Champions as core pillars of open economies. View conference presentations [here](#).

The concept of Hidden Champions was initially identified and studied by Prof. **Hermann Simon**, world recognized expert in strategy, marketing and pricing, referred to as the most influential management thinker after the late Peter Drucker in German speaking area. According to the 1996 study performed on the German economy and the 2009 study extended from Germany also to Austria and Switzerland, Prof. Simon re-confirmed that Hidden Champion- type of companies present an important pillar of advanced economies of Germany, Austria and Switzerland.

The purpose of CEEMAN-IEDC 2010/11 research project, conducted in 18 countries by a group of over 50 researchers, from management education institutions under CEEMAN leadership and in cooperation with RABE-Russian Association of Business Education and Polish Association of Management

Education FORUM, was to identify such companies in CEE, Kazakhstan and Turkey and examine the assessment prevalent in economic circles that some CEE countries are losing the significance in the globalization battle. The results of the research shall also help to find novel ways for Hidden Champion companies to develop and hence to contribute to the development of this region.

Prof. **Danica Purg**, President of CEEMAN and IEDC-Bled School of Management, stressed that “CEEMAN and IEDC would like to share research results about the ‘hidden champions’ in CEE with the western countries and continue this project also in the future in order to support the companies with the knowledge they need and to help them grow.” Dr. **Christian Matznetter**, Vice President of Austrian Federal Economic Chamber, explained that the Chamber brings together Austrian entrepreneurs, among them also numerous Hidden Champions, while he sees the CEE region has a large future potential. Dr. **Wolfgang Waldner**, Secretary of State at the Ministry of European and International Affairs of Republic of Austria, focused on the important role of Austrian Hidden Champions in the national economy, in CEE/ SEE, which he sees as regions with best opportunities for Austrian Hidden Champions, and called for a tighter collaboration between business and public sectors and civil society in order to set common standards and create the environment of more European Hidden Champions.

The keynote speaker Prof. **Hermann Simon**, Chairman Emeritus, Simon Kucher & Partners, and the author of the bestselling book *Hidden Champions of the 21st Century*, pointed out that initially he thought that Hidden Champions are a typical phenomenon in German speaking countries, while now, also based on the CEE Hidden Champions research, he is convinced that this is in fact a global phenomenon; they are big contributors to decentralization in an economy and should become key drivers of economic progress.

Dr. **Melita Rant** and Dr. **Marek Dietl**, Hidden Champions research project leader and co-leader, explained the scope and methodology of the extensive international research project and presented the researchers’ conclusions: “All of the 165 Hidden Champions, identified over the course of 16 months in countries of CEE, Kazakhstan and Turkey, are innovative either in product areas, production processes, or in business models; all of them have been growing over the last decade despite being in the midst of an economic recession. They are mainly originating from ICT and nano-technologies (35,7%), industrial machinery/equipment (18,4%) , as well as electrical/electronics industries (11,2%) and are generally unknown to the general public due to operating mainly in the B2B segment. In general, these companies are highly innovative, embedded firmly in clients’ business systems with their advanced technological solutions and consultancy. Their success can be viewed along several dimensions, like market positioning, innovation behavior and sustainability. Such companies present the core pillar of majority of open, export-oriented

economies as they exhibit much lower export rate volatility to global recessions and financial shakeouts; they are the growth engine of the economies by creating new employments with an above average rate, and their sustainability of business growth and success is preserved over much longer period of time than that of average companies.” In their opinion, succession, financing and management of growth, and internationalization are three biggest challenges CEE Hidden Champions face, however, their future looks bright “as they have major, often high-tech products at early (growth) stage and still many foreign markets to conquer.” Full research report is available here.

The researchers’ panels with representatives of Hidden Champions like CASON (Hungary), DOK-ING (Croatia), EXECOM (Serbia), and STiM (Belarus), focused on three issues relevant for companies identified as Hidden Champions: benefiting from sectorial advantages vs. creating new sectors (or improving the existing ones), leverages of innovation of HC from CEE and emerging economies, and business environment and context for hidden champions to grow and sustain, led by Dr. **Irina Skorobogatykh** of Plekhanov Russian University of Economics, Dr. **Peter Baloh** of IEDC and Dr. **Nadya Zhexembayeva** of IEDC respectively; the speakers agreed that clarity, speed, knowledge and leadership are key to becoming a Hidden Champion, while innovations as the crucial competences of Hidden Champions need to be done in a sustainable way both on the level of processes and culture.

The conference featured also three panel discussions, on the current and potential business cooperation of Hidden Champions, moderated by Dr. **Kevin Desouza**, Director of the Metropolitan Institute, USA, on leadership challenges, led by Dr. **Ian Sutherland** of IEDC, and on financing Hidden Champions’ growth and development, led by **Pavel Lebedev** of Department of Banking and Finance, RANEP, Russia. The panelists – researchers, financial experts and investors as well as representatives of Hidden Champions, such as BISOL Group (Slovenia), Studio Moderna (Slovenia), Tajfun (Slovenia), set out that Hidden Champions need to build strategic alliances based on a proper evaluation of mutual commitments in order to enable all parties to grow through relationships. The leadership of Hidden Champions is an essential component to their success; it has proven to be focused on vision, continuity and expert knowledge, however, the practice of Hidden Champions is also revolving around developing organizations of community both internally and externally. The way to proper capital structure is one of the most difficult issues of Hidden Champions, since investors appreciate understanding and transparency, while one of the patterns which build Hidden Champions’ success is being hidden and to a large extent being managed based on the leaders’ vision; however, common success greatly depends on the ability of the partners to understand each other’s positions and goals.

The conference papers are available at

<http://www.ceeman.org/news.php/217/the-first-cee-research-on-aohidden-championsa-identifies-165-successful-companies-from-18-countries>

www.ceeman.org/hidden-champions



Call for papers

Annual Conference of the European SPES Forum

Deadline: 28 February 2012

The Business Ethics Center of the Corvinus University of Budapest (<http://ethics.uni-corvinus.hu>) and the ERENET - Entrepreneurship Research and Education Network of Central European Universities (<http://www.erenet.org>) organizes the 2012 Annual Conference of the European SPES Forum (<http://www.eurospes.be>) in September 21-23, 2012 in Visegrad, Hungary. The collaborative partner is the Business Ethics Society, Budapest.

The aims of the conference are (1) Disclosing the spiritual dimension in business ethics and sustainability management, and (2) Introducing/strengthening the European SPES Forum in Central and Eastern Europe.

The European SPES Forum

The mission of the European SPES Forum is to open up spirituality as a vital source in social and economic life. The keyword of SPES is an acronym for 'SPirituality in Economics and Society', but it is also the Latin word for Hope, the virtue that sustains our belief in a better future. The European SPES Forum has a focus on experience-based spirituality that succeeds in making a connection between day-today Activities and the inner, pluriform quest for meaning.

Issues to be Addressed

- What are the spiritual orientations to nature in different cultural traditions (Christianity, Buddhism, Judaism, Hinduism etc.)?
- How can spirituality and ecology contribute to transforming contemporary management theory and praxis?

- How art can influence the commitment of people and organizations to sustainability and nature?
- Which are the promising sustainability business models in Europe and other parts of the world?
- Which new leadership roles emerge for sustainability in business?
- How entrepreneurship can be inspired by nature and spirituality in a meaningful way?

Place and Date

The “Spirituality and Sustainability” Conference will be held at the venue of the Visegrad Conference Hotel, in the historical town of Visegrad, 40 km from Budapest, Hungary. The conference will start on **September 21, 2012** and will end on **September 23, 2012** (from Friday afternoon to Sunday noon).

Keynote speakers

Paul Shrivastava, David O'Brien Distinguished Professor of Sustainable Enterprise, and Director, David O'Brien Center for Sustainable Enterprise, John Molson School of Business, Concordia University, Montreal, Canada János Vargha, Alternative Nobel Prize winner environmentalist, Founder of the Danube Circle, Budapest, Hungary

Scientific Committee

Members of the Scientific Committee of the Conference include:

Luk Bouckaert, Professor Emeritus, Catholic University of Leuven, and President of the European SPEES Forum

Zsolt Boda, Deputy Director, Institute of Political Science, Hungarian Academy of Sciences

Paul Shrivastava, Professor and Director, David O'Brien Center for Sustainable Enterprise, John Molson School of Business, Concordia University, Montreal, Canada

Antal Szabó, Scientific Director of ERENET - Entrepreneurship Research and Education Network of Central European Universities

Laszló Zsolnai, Professor and Director, Business Ethics Center, Corvinus University of Budapest

Publication

Selected papers presented in the conference will be published in a volume edited for the “Ethical Prospects” book series of Springer.

Participation Fee of the SPES Annual Conference

200 Euros for regular participants

150 Euros for participants from Central and Eastern Europe

100 Euros for students and accompanying persons

Submissions

Interested participants should send a detailed abstract of their planned presentation (about 500 words) accompanied by a short biographical note (100 words) electronically by **February 28, 2012** to:

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Corvinus University of Budapest
H- 1824 Budapest, P.O. Box 489, Hungary
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Conference organizers are interested in receiving proposals for academic papers as well as practice oriented submissions.

Full papers should be submitted by July 31, 2012.



International Conference

***Key Corporate Governance Issues in Emerging Markets -
Theory and Practical Execution***

11–12 June 2012

Leipzig, Germany

The HHL Center for Corporate Governance, in collaboration with the Global Corporate Governance Forum, will bring together senior representatives from academia, development institutions, companies and investors to provide a future-oriented assessment of the governance situations in three important regions of the world - Africa, Asia and Southern Europe.

While the conditions in the countries representing the three regions - Nigeria, Indonesia, and Croatia, respectively - will be quite different, there will be many over-arching topics that are relevant to all regions.

Each regional session will start with a presentation on the key issues and challenges for corporate governance reform in the selected country, followed by an assessment on how this experience reflects the regional trends and conditions. A panel discussion on how to advance corporate governance in the region will conclude each session.

Important sessions of the conference will focus on two key governance issues:

- The performance value of 'good governance' in emerging markets, based on the latest academic research and practical insights from large international investors.
- Corruption and practical ways of dealing with this major governance problem.

The draft agenda can be attained at

[http://www.gcgf.org/ifcext/cgf.nsf/AttachmentsByTitle/HHL_Agenda/\\$FILE/Agenda.pdf](http://www.gcgf.org/ifcext/cgf.nsf/AttachmentsByTitle/HHL_Agenda/$FILE/Agenda.pdf)

For registration and more information, please contact Liudmila Schmelzle at liudmila.schmelzle@hhl.de