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Editorial Comments

This edition of the *International Journal of Business & Economic Development (IJBED)* contains ten scholarly articles conforming to the principal objective of the journal, namely the dissemination of both applied and theoretical knowledge. The papers provide a stimulating insight into a range of issues, both with local and global significance and afford us an opportunity to appreciate the way in which various sectors and economies are wrestling with various challenges. The findings of a number of these papers are significant not only for academicians, but also for professionals, policy makers and those responsible for local, regional and national strategy. It is evident that whilst there is clear evidence of mankind's ingenuity in a range of circumstances, there is also a wealth of evidence presented herein for a lack of foresight in a variety of sectors and areas of human endeavour.

As ever the Editorial Board is grateful to the contributors for making IJBED the platform by which they have chosen to put their research into the public arena, and trust that they will use their good offices to ensure that others do the same. It is also grateful for the essential role that reviewers play in the journey papers submitted for consideration take before they are finally accepted for publication, something which is far from a certainty.

The first paper of this edition is entitled: Day of the week effect on the Zimbabwean Stock Exchange: A non-linear GARCH analysis by Mazviona & Ndlovu. The many variables that impact on trading play a significant role in levels of risk and thereby profitability. Fluctuations in activity coupled with individual and group attitudes are thus something that no enterprise can afford to ignore. Whilst some might believe that internal and external factors even each other out, there is a growing body of evidence to suggest that in certain circumstances volatility is increased sufficiently to have a direct bearing on activity. It is worth noting that a recent study published in the *British Medical Journal* related to the National Health Services in the United Kingdom has shed some light on patient survival rates depending on which day of the week they were admitted to hospital; what is evident in health provision could well reflect similar trends to be found in the world of commercial activity.

This paper draws upon a fairly extensive literature review that manages to highlight patterns found in different countries. Naturally, different cultural contexts shape national and local trends. In the Middle East and some other parts of the world the weekend, such as it is begins on a Thursday evening, whilst elsewhere it traditionally begins on a Friday. Time zones would also appear to be significant. With markets being closed, whether for a day or two days each week we would expect to discover greater volatility on the first day of the week. The findings presented here about Wednesday and Friday give reason to reflect upon the peaks and troughs that speak volumes about temperament and manifestations of herd mentality. Such findings as have been presented here have a relevance beyond Zimbabwe and warrant consideration when a company is considering the likes of an IPO. Variations that impact on the business equilibrium are extremely important and whilst we must guard against exaggerating the role of days of the week, equally it would be folly to ignore the potential role played by such factors. Historically and culturally days have been viewed as holding particular significance, with some being seen as more auspicious or having negative associations that impact on our psychological response. This paper is a timely reminder that such factors should be given due consideration and by drawing on accrued data enterprises may well be better able to respond and plan accordingly.

The next paper explores the realm of care for those who may well have come to the end of their working life. Using empowerment theory in health promotion guided development the home for the elderly in Nakhon Ratchasimu, Thailand by Vongchavalitkul makes clear from the outset that societal and demographic changes are as much a part of the human landscape in Thailand as they are elsewhere. These changes have been further accelerated by a generational shift from rural to urban communities by those of working age in the quest to find employment. The Ottawa Charter (1986) helps codify aspirations and objectives for national health and well-being and as such this is a useful set of criteria with which to benchmark developments and progress.

A perennial complaint voiced, albeit quietly and with diffidence by the elderly, is that they are rarely consulted about their care and health pathway. This research articulates with clarity the value of providing the means by which the elderly are given a voice and as a consequence are more likely to feel that they have been given choice and made to feel valued. The dignity afforded is further consolidated by recognising that many elderly people have skills and knowledge that can be harnessed and utilised. Factoring in a degree of flexibility would appear to result in greater satisfaction and this in turn is likely to lead to an improvement in mental and physical well-being. Naturally, with a rising population of older people, there are serious monetary pressures that warrant consideration, yet this particular study makes clear that volunteers are capable of playing a purposeful role, one that helps reduce the sense of isolation and adds to a greater sense of dignity. This study should cause us all to reflect further upon how we ensure that people are kept engaged after retirement, initiatives such as The University of the Third Age (www.u3a.org.uk) offer some practical ways to ensure that the retired do not feel utterly redundant.

It would have been interesting to know whether there are any differences in gender aspiration and needs. In addition, some reflection on how best to anticipate future requirements would have been useful. Thailand is not alone in having to address this important issue and thus this paper underscores a subject that impacts on us all and deserves further analysis as we approach the thirtieth anniversary of the Ottawa Charter.

The third paper is entitled: A comparative study on the financial performance between Islamic and conventional banks - the case of Egypt by Youssef and Samir. A banking system where there is no element of *riba* (that is interest) may appear decidedly unorthodox to many, yet there is a growing interest in Sharia Finance, a system that adheres to the moral code and religious law of Islam. With some 90% of Egyptians being Muslim, it should come of little surprise that such finance should find a ready market in Egypt that said, this study makes clear that more conventional banking still predominates. Post-2008 global financial crisis, Muslims and non-Muslims have wanted to discover more about Sharia Finance and to see how it compares and measures up to conventional banking. In seeking to compare and contrast effectiveness across a range of instruments Youssef and Samir have highlighted a range of often subtle differences, a number of which show each form of banking in a favourable light. Islamic banking, is not as well established as conventional banking and thus it should come as little surprise that certain features and services warrant further attention and development. Within the limitations of the study size there are a number of salient observations that could well provide useful pointers for any future research.

Islamic Finance is attracting more and more interest, and as a result it is reasonable to suppose that new banks will emerge and thus more data be available for future research. Countries are eager to demonstrate their understanding of such a specialist financial offering and what is more to prove their worth in an increasingly crowded and competitive market place. With Egypt being the third most populous country in the Middle East and the third-most

populous in Africa demographic indicators would appear to point towards to a continued growth in demand for Islamic Finance.

Just as the banking sector is reliant on the trust and the confidence of its customers, the world's stock exchanges are dependent on those in dabble in them having sufficient confidence to remain actively engaged. The next paper in this edition is entitled: Evidence of the overconfidence bias in the Egyptian stock market in different market states by Metwally and Darwish. The psychology and sociological factors involved individual and collective behaviour warrant analysis, not least as a means of endeavouring to appreciate the dynamic of the Egyptian Stock Market. Whilst many aspects of investment, trading and capitalisation have been analysed in depth, "overconfidence bias" and the ramifications of such an outlook has not been as well appreciated or understood. The Egyptian economy and the Egyptian Stock Exchange has an additional factor to contend with, namely the hidden (and not so well hidden) yet omnipresent hand of the Egyptian military. Confidence is of paramount importance in all fields of human endeavour and this study appears to provide some compelling evidence for why there needs to be a greater appreciation of the part it plays. Some might well argue there is a case for Egypt emulating the United States of America by establishing a Consumer Confidence Index (CCI). The recommendations made in this research are significant ones that deserve serious consideration on the part of the relevant parties.

The next paper is entitled: Real economic convergence in the European Union from 1995-2013 by Siljak. The manner in which what was the Common Market has grown and morphed into the European Union is a subject worthy of study. Here we have a paper that examines the remarkable degree of convergence that has taken place over the last two decades and on the strength of what has been presented here there would appear to be strong evidence of the various economies becoming more and more integrated. EU regulations have been key drivers in this, yet whilst this paper chooses to sidestep the politics and national sovereignty issues connected with the European Union it would be foolish to deny that convergence such as it has often come at a cost and has been a result of a diktat rather than consensus or a natural coming together. Some might question the nature of the project and for all the engineered convergence the picture presented in this paper is possibly not quite as rosy and harmonious as some would have us believe. That said, the real value in this research lies in the fact that it provides an extensive overview of the challenges faced in aligning often quite different economies, as well as the exploration of absolute and conditional convergence. It would be churlish to deny that there is clear evidence of success, yet with many sources coming from the EU itself there may well be good reason to wonder whether we are being told the full story.

The analysis of growth rates provides food for thought and could well furnish some useful pointers for other organisations aimed at regional cooperation e.g. the East African Community (EAC). Equally the instruments deployed here certainly help to tease out some useful findings and as such add to our understanding of a venture that has provided a template for economic cooperation, albeit one that is not without its flaws. One of the most encouraging areas where there has been very real cooperation is at an academic level, something that has resulted in an unprecedented exchange of ideas.

For the next paper we move from the European Union to the Horn of Africa, more especially the regional powerhouse that is Ethiopia. Internationalisation Barriers of Small and Medium-sized Manufacturing Enterprises in Ethiopia: Leather and Leather Products Industry in Focus by Lakew and Chiloane-Tsoka elucidates something of a country that for far too long has been viewed as if stuck in a 1985 Band Aid time warp. The leather industry in Ethiopia is remarkably successful, yet for all its success it is dogged by multiple barriers and challenges. SMEs, as elsewhere, are at the sharp end and invariably face additional difficulties particularly

in regard to access to finance and equipment as well as the size of scale or connections to embolden them to enter into the export arena. Such challenges are not unique to the leather industry, all sectors in Ethiopia are hampered by foreign currency restrictions and a marked reluctance on the part of the national government to liberalise the banks and financial services.

The point made here about “defined brand” is a particularly pertinent one as often it is the end manufacturer who accrues the prestige associated with a product. Ethiopia may well produce the leather that goes in to making Italian shoes, gloves and handbags, but it is Italian manufacturers and designers who receive the plaudits, whilst the customer and the fashion writers are oblivious to the fact that leather was produced in Ethiopia. SMEs in Ethiopia also have to contend with an increasing number of foreign manufacturers who are moving into and basing their concerns locally; this is especially true of the Chinese.

The findings presented here provide plenty to ponder upon. Possibly a way forward for SMEs could lie in the cooperative movement. The extraordinary success of the Ethiopian Commodities Exchange (ECX) means that a mechanism already exists locally to act as a conduit for sales. Quantity and quality control are issues of concern and thus the issue of a national herd might well be one worthy of exploration. In truth there will be no quick fix for the challenges faced by SMEs in Ethiopia, but it is clear that much more needs to be done, not just for businesses in and around Addis Ababa, but nationwide.

New technology has had significant ramifications on the world of work, especially in regards to where and when an employee works. Traditional attitudes to work, whilst deeply entrenched, are having to change and as a consequence the perceived model of the working world is having to be adapted to meet changing expectations. Gauging Perceived Benefits from ‘Working from Home’ as a Job Benefit by Church presents the reader with some surprising findings concerning telecommuting and the extent to which it has become established in the United States of America. The fact that the percentage of employees working from home in the US has risen from 23% to 38% in just six years (2008-2014) is quite staggering. This development has evidently been accelerated considerably by the advent of the Internet and e-mail. Conservative attitudes persist both on the part of employers and employees that said, Church makes clear that the chief impediment for further change is the issue of trust, or rather the trust deficit. The workplace has often been seen as a place of ‘Us and Them’, something that employees, trade unions, workers and media seem happy to subscribe to, as a consequence attitude persists that believes that; ‘Whilst the cat’s away, the mice will play’. The fact that this research underscores the benefits that accrue from more employees working from home still comes as something of a revelation to many. That said, it has to be appreciated that not every role is suitable for telecommuting and that even some employees that work from home miss some of the traditional features and stimuli of the working environment. For all the current dynamic, it is worth noting that some major commercial concerns have begun to swim against the tide, with Yahoo and Google taking an increasingly hostile stance in regard to their employees working from home. Marissa Mayer, the President and CEO of Yahoo is on record as being particularly hostile to telecommuting, something that reminds us of the importance of a supportive leadership and management.

The eighth paper of this edition is entitled: Saudi Arabian Green Economy Infrastructure: Barriers, Strategies and Opportunity – an Analysis by Albanawi. For a country that has been wedded and dependant on hydrocarbons for so long it should hardly come as a surprise that it has not only embraced the ideas behind the Green Movement not only late, but with a fair degree of caution. Political stability, economic growth and the need to provide employment have been primary concerns and yet this paper makes clear that a nascent greening of Saudi Arabia, and here I am not referring to Burger King offering green burgers in Saudi Arabia (they

are literally the colour of the national flag). Issues such as water security and sewage management have begun to receive greater attention, although to date no city or region of Saudi Arabia has signed up to the Istanbul Water Consensus (www.istanbulwaterconsensus.org). These results clearly elucidate the fact that cost is a key concern, especially with the likes of desalination proving particularly expensive. An economy that has largely been enslaved to hydrocarbons has to wean itself off such a dependency and this will only come through education combined with legislation. What has been presented here are some interesting examples of how the green shoots of new approach are beginning to emerge, that said, the recent downsizing of Saudi Arabia's renewable energy program is indicative of how susceptible such initiatives are to political whim and political machinations. Whilst there are many who wish to see Saudi Arabia taking a far more robust stance right across the Green Economy, it is important to acknowledge that progress is beginning to be made.

The reasons why we make the decisions that we do influence every aspect of human endeavour. Intuition in decision making is an area of research that is attracting more and more attention and thus it is appropriate that the penultimate paper of this edition is entitled: Intuition in decision making – theoretical and empirical aspects by Malewska. As well as giving a comprehensive overview of the literature appertaining to the role of intuition, this research paper endeavours to discover to what extent intuition plays a part in the decision making process of various groups of individuals within a particular commercial entity – in this case bakery business in the Polish city of *Poznań*. Experience and gut instinct are things we all draw upon to some extent, but here we see a methodical and spirited attempt to quantify the degree to which intuition plays a part in the decision making progress. The findings, whilst not exactly a revelation, are useful in that there is clear evidence that intuition is a significant factor, one that whilst not the primary element in decision making, certainly shores up a decision or has a bearing on making it. The findings presented here are sufficiently interesting to raise questions about why the subject of intuition is not explored in business, management and leadership schools. Far from being nebulous, Malewska has demonstrated that intuition can be defined with sufficient clarity so as to make it capable of study with a view to examining its use and purpose.

The final paper of this edition is entitled: Factors of Economic growth in the Kingdom of Saudi Arabia – an empirical analysis from 2000-2014 by Esmail. Saudi Arabia has emerged as a regional powerhouse in more ways than one and as a consequence some commentators and analysts are eager to discover how this has come about and to what extent Saudi Arabia has begun to flex its muscles. Whilst petrodollars tend to dominate proceedings, there is a growing body of evidence to suggest that the Saudi economy is beginning to broaden and diversify. Changes are afoot for a variety of reasons, some internal and others external. Fluctuations in the world oil price, as well as a recent International Monetary Fund (IMF) report that estimated that Saudi Arabia's public debt would hit 33% of GDP by 2020 have begun to concentrate minds. The paper presented here highlights a number of the reasons for Saudi Arabia's current success, but must be tempered by an appreciation that foreign policy adventures, regional instability and deep fissures within the ruling house all have the potential to blow the economy off course.

All these papers remind us of the increasing complexity of issues related to economic development and thus challenge us all to ensure that education be relevant and exacting and that we continue to strive to ensure that the next generation is equipped with the skills to reason, question and seek solutions.

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