

# LINKING BUSINESS AND COMMUNICATION FROM A SPARKLE TO A FLAME

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# LINKING BUSINESS AND COMMUNICATION: FROM A SPARKLE TO A FLAME

Edited by  
Pedja Ašanin Gole

Maribor, 2018

# Linking Business and Communication: From a Sparkle to a Flame

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# Contents

Foreword	
Rasto Ovin, DOBA Business School Maribor, Slovenija	vii
Review Instead of Preface	
Boris Cizelj, Slovenian Innovation Hub, Ljubljana, Slovenia	ix
1 Business Principles and Processes: Entrepreneurship and Innovative Management	
Marina Letonja, Anita Maček, Dimitar Kovačevski, Ayşegül Özbebek Tunç	1
2 Understanding Leadership in International Project Management	
Tanja Kocjan Stjepanović, Jelena Janevska, Ayşegül Özbebek Tunç	33
3 Linking Business Strategies and Communication: Corporate Governance as a Corporate Social Responsibility	
Pedja Ašanin Gole, Ayla Okay, Žaneta Trajkoska	49
4 Intercultural Communication and the Media: A Study of the Effects of Globalization and New Technologies	
Pinar Aslan, Marina Tuneva, Seda Mengü	73
5 Effective Business Communication in the World of Chaos	
Natalie C. Postružnik, Dimitar Kovačevski, Fatih Özkoyuncu	87
6 Integrated Marketing Communication vs. Omnichannel Marketing: What Is There for Us?	
Iztok Sila, Fatih Özkoyuncu, Meri Karanfilovska	109
7 Digital Marketing and Big Data: Crossing Paths in the Age of Digital Transformation	
Oğuz Kuş, Ljupčo Efremov, Jasna Suhadolc	127

8	Understanding the Possible Contribution of Big Data Analysis to Storytelling Process Oğuz Kuş	141
9	Conducting Applied Research: Methodology, Ethics and Real-life Examples Pinar Eraslan-Yayınoğlu, Ljupčo Efremov, Marko Divjak	155
10	Achieving Business Expectations from Soft Skills in the Fields of Innovative Management, Leadership, and Communication Pedja Ašanin Gole, Dejan Andonov, Aydemir Okay, Nataša Ritonija, Žaneta Trajkoska, Pinar Eraslan Yayinoğlu, Seda Mengü, Marko Divjak	181
11	Student Mobility and Intercultural Communication: An Analysis of the Future of Student Mobility with Reference to its History Nataša Ritonija, Seda Mengü, Pinar Aslan	205
12	Virtual Collaboration and Online Communication in Education Programs Nataša Ritonija, Marko Divjak	219
13	Project Implementation and Evaluation: The e-PROFMAN Case Study Nuša Lazar, Bojan Georgievski, Pinar Aslan	239
	Review Instead of Conclusion Vito Bobek, FH Joanneum, University of Applied Science, Graz, Austria	257
	Contributors Biographies	263

## Foreword

It is not a requirement for an international project team to perform a monograph. There are challenges, as we all know how much work it already takes just to prepare the final report for such a project. However, in the case of the e-PROFMAN project, under the leadership of the School of Journalism and Public Relations, Skopje, Macedonia and directed by Dejan Andonov, the partners of the project had decided to disseminate in-depth knowledge, upgraded by research and the also obtained results on a broader scale. As a Dean of the DOBA Business School Maribor and a member of a partnering institution in this enterprise I am proud of the decision of Pedja Ašanin Gole and his co-workers to prepare a monograph on this very relevant topic.

During the preparation of this book some decisions were made, which perfectly conformed to the strategy and functioning of the DOBA Business School. By supporting this monograph all of the partners demonstrated that they actually share the same values. As the title "*Linking business and communication: from a sparkle to a flame*" tells us, in professional fields one should not overrate the need for communication as a tool for sustainable co-operation – especially in the field of business. With almost 50% of the younger generations entering higher education institutions in the Western hemisphere it is clear that the role of a utilitarian university is gaining importance. It is a fact that a majority of students must get access to experience and knowledge without being limited by their personal capability and decision explore the vast treasure of theory of modern disciplines in economics and management. After all, history teaches us that some of the biggest milestones in (business) industry were accidentally discovered and put in place or are far beyond the scope of pure science. For this reason, the editor included scientific contributions in this monograph as well as professional articles. Furthermore, it is no longer necessary for someone to hold

top university and academic titles to be able to contribute to the knowledge that is constantly being gathered in the field of business. Currently with the fast changing knowledge environment the most valuable contribution is being made by professionals who are intensively working to better themselves by learning new skills and competences. They are not only following the latest trends, but they are capable of seeing the indisputable truth of change and growth from a different perspective, and thus possible showing us the way forward.

Considering the facts above, we should therefore praise the authors and editors of this monograph for the added value they have contributed to not only the professional field but also to the idea of international understanding and co-operation in the era and environment of rethinking liberalisation and globalisation standards.

Prof. Dr. Rasto Ovin  
Dean of the DOBA Business School

Maribor, April 2018

## Review Instead of Preface

A comprehensive discussion on communication issues supporting entrepreneurship is always welcome, particularly when conceptual framework is exposed to results of empirical research. Therefore, it is a good idea to present in this volume a series of articles reporting on the results of the joint research project e-PROFMAN, undertaken by partners from Macedonia, Slovenia and Turkey. Comparative case studies usually produce interesting results, and this is also the case here. But these results are enriched by a fitting selection of related contributions on topical aspects, providing a broader intellectual platform for understanding the core issues and the relationship between entrepreneurship, innovation, communication and education.

Building and properly maintaining the support environment for turning project ideas into business projects (growing a fire from a sparkle) is actually one of the central challenges for every society. It involves culture, socio-economic and even political systems in which people live and work, linked to the entrepreneurship support and the entire innovation ecosystem in the center. The link between business and communication plays an essential role in many domains: from education and training, to motivation, as well as providing information on all relevant aspects of interaction among people participating in business processes, irrespective of their role and function.

It is recognised that only countries which succeeded to build an »entrepreneurial society« can expect to achieve best results in economic and socio-political development. For that purpose, public perception of entrepreneurship and appreciation of entrepreneurs remains undoubtedly a critically important component of any society's value system and its general social fabric. In this perception we can identify the roots already in the Friedmanian liberal, and Keynesian interventionist economic paradigm. While the first emphasizes profit-making, the second looks at the contribution of entrepreneurs in responding to

the needs of members of society. The recent explosion of »neoliberals«, or rather »neoconservatives« - encouraged also by positions expressing so directly by the current American President Trump - makes this debate very topical.

The first chapter reveals the fact that key characteristics of entrepreneurship are not perceived identically in various countries. The results obtained indicate important differences among Macedonia, Slovenia and Turkey, one could say, even bigger than expected. A part of the explanation may originate from the long list of characteristics identified by students (in some cases a bit repetitive and difficult to distinguish), which might have contributed to little similarity even in the selection of top 3 characteristics, as well as on big gaps between priorities assigned to the shared characteristics. This could of course also be understood in terms of different interpretation of individual characteristics in three cultures – the same concept does not have identical meaning in various cultures. However, the highest ranked characteristics for all three countries cumulatively are: innovative, risk taker, and creative.

The students' perception of the role of leaders and managers in international project management is treated in the second chapter. Expectedly, only half of students did confirm having fully understood the important function of a project leader – having the talent and skills for motivating people to follow them, thanks to their strong vision they are able to communicate, and their power to persuade members of the team what should be done, why and for which benefit. Interestingly, while half of students may have understood what takes to be a good leader, only 1/5 of them actually reacted as they should as real leaders – which confirms that cognitive capabilities are not sufficient. The person to be a leader must also have all the other capabilities and talents to act successfully. The second article also defines the difference between a leader (who knows what should be done and how to achieve it), and a manager (who usually lacks the vision, but has the ability to carry out the activities needed to reach the goal).

The authors of the third chapter understand corporate governance as a social responsibility of enterprises for their impacts on society, and corporate responsibility as an instrument of corporate governance. It is defining corporate social responsibility as a corner stone of managing companies in a way which is compatible with the public interest, while simultaneously emphasizing the importance of proper, socially responsible communication, and corporate governance as institutions for achieving a fair balance among different stakeholders; and this is the link between business strategy and communication. Distinct from conventional negative perception of public

relations (like those activities whose primary, if not the only goal, is to create and maintain a favourable public image of the company – justified or not), the socially responsible public relations are a continuous two-way communication not only in the interests of companies, but in the interest of all stakeholders and therefore in the public interest. It has to make sure the public receives authentic information about the company, its strategy and performance. At the same time company management must receive unfiltered information about the public's needs and evaluation of company's business activities – particularly its products and services offered on the market. Undoubtedly, proper communication plays a critically important role in achieving these ambitious targets. This awareness is present among many corporate leaders in three countries and is well illustrated in tables 1 and 2 in the chapter.

In a broader context chapter 4 addresses intercultural communication in the modern globalised international community. Generally, democratisation has given additional opportunities for individual cultures to present themselves, to be recognised and to mutually interact within the global community. This brings many advantages, but under certain conditions could also introduce unnecessary challenges and even tensions. The mass media have helped us to be almost instantly informed about events and processes taking place at the moment anywhere in the world, but if professional standards of reporting are compromised through various kinds of vested interests and pressures, the media could also play a rather destructive role. It is most relevant that the role of appropriate education is emphasized in creating favourable conditions to make intercultural communication an instrument of peaceful cooperation, global welfare and development.

The chapter on »Effective business communication in the world of chaos« evaluates the impact of contradictions and challenges of the present communication-information age on business communication. The discussion opens numerous questions and dilemmas being faced by people responsible for communication within the company, as well as with external stakeholders – including the general public. Obviously, effective business communication does resolve many of the problems faced by societies of 21st century, but sometimes – particularly through manipulative and even unethical promotion hurting consumers' genuine interests. In this scenario marketing communication can even contribute to creating the conditions in which people are perceived just as markets and being appreciated only for their capacity to purchase and consume.

The next chapter presents the increased variety of marketing communication channels (the integrated marketing communications vs. omnichannel marketing) – developed over the past 10-15 years. Both of them are now part of the virtual, cyberspace – a world surrounding us more intensely every year. Even though these developments tend to push us into becoming the extension of the available IC technology (referring more generally to technology, this is what Albert Einstein warned us more than half a century ago), marketeers are left with no choice but to make use and exploit the new channels unless they are willing to be marginalised by the competition.

This phenomenon and further trends – such as digital transformation and big data, supporting the development of artificial intelligence and blockchain technologies – are discussed and properly evaluated in the chapters 7 and 8. The conclusion is offered that life is becoming increasingly techno-centric, abundance of information and unprecedented speed of access have implications on story-telling, with all positive and negative consequences. Finally, in the quickly expanding digital universe (doubling every second year and expected to reach in 2020 the size of 44 trillion Gigabytes) issues of protecting personal privacy are becoming more pertinent than ever!

There is no commonly applied typology of research, but the results of empirical research on the population of online students and classical students at DOBA Business School represent a case of relevant and useful applied research. Perhaps not surprisingly, the study confirmed that there are no essential differences among the two categories of students, and that carries important messages for the leadership and professors at DOBA Business School – the only internationally accredited online Business School in the region of Central and South Eastern Europe. Online teaching will never completely replace face-to-face experience – specially up to post-secondary level – but its share in Life Long Learning will definitely increase, for number of reasons, including the fact that present generations of children have been growing up with information technology »in their hands«, and using computers before becoming fully literate.

The chapter 10 explores which soft skills are considered most important by students of business schools in Macedonia, Slovenia and Turkey. The results confirm the general views dominating also many contemporary the employers survey: soft skills are recognized as more important than ever before. Students from the three countries identified the communication skills and competencies in social and intercultural communication as most important. What is particularly important and being reported in the article (pp. 201-202), are the

practical and innovative results achieved through e-PROFMAN project, which will certainly contribute to effectiveness of teaching in the partner institutions and probably also broader in the region.

In this context student mobility is also worth covering, and this is done in chapter 11. The authors are reminding us of the historical roots of student and teachers mobility even in the medieval times. In modern conditions, the basic reasons and benefits of student mobility remain the same, perhaps the importance of gaining understanding of other cultures and developing ability for transcultural communication is even more important than in the past – since access to global knowledge is incomparably easier than ever before, and the need of operating across different cultures has become an absolute necessity for a much larger share of members of present-day national communities.

The impact of online study and achieved learning outcomes depends heavily on virtual collaboration between the students and professors, as well as among students themselves. Based on empirical evidence, chapter 12 discusses how collaboration in the virtual learning environment can and should be achieved. DOBA Business School has good results, there are only about 29% of »lurkers« (passive users) in its short online courses), which is possible due to specific efforts of staff consistently encouraging students to participate by responding to questions put to them by the lecturer, as well as heavy involvement of online mentors. Particular attention is paid to students' interaction through team assignments, discussion groups, blogs, and generally developing online socialisation.

With so many MOOCs, virtual mobility or collaborative online international learning (the last term being used mostly in USA) available nowadays, educational institutions really have a lot of possibilities to engage their students in virtual collaboration and online communication. It is becoming so much easier and time-efficient compared to conventional collaboration.

The final chapter reports on implementation of the 3-year Erasmus+ funded e-PROFMAN project, and its results. As we can learn from the detailed and well documented report, with evaluations from 149 students from 9 countries (following specially designed online courses), this was a very successful project. It is most encouraging that 3 institutions from Macedonia, Slovenia and Turkey managed to undertake such a complex research on most relevant topic for the region. Inspired by a broad-minded approach to issues of online learning and focussing on communication and support to entrepreneurship and innovation, they have identified the skills and competencies to be developed on priority

basis, benefiting also from modern forms of online study. They should be sincerely congratulated for this remarkable achievement, and one should hope that they will continue collaborating – hopefully with additional partners and involving more online students.

In conclusion one can only assess that results of a well-completed international project are properly represented in this monograph. Through the publication an important task of dissemination of project results is being fulfilled, and this aspect has often been neglected by many EU-funded research projects. Now the Commission is emphasizing dissemination of research results very strongly, and for good reason, since the impact of the investment of European funds is thereby clearly multiplied. I am convinced that the monograph will inspire and encourage many business schools around Europe and beyond in successfully developing online study – benefitting from academic insights and practical guidance from the Project. This is particularly important since business schools can actually contribute in a major way to the efforts in their environments to grow entrepreneurial and competitive economies and knowledge societies.

Based on rigorous research methodologies the monograph represents a proper and valid scientific contribution in its own right. Simultaneously, it is providing highly applicable results through insights into the nature of educational processes which can provide learning outcomes manifested in students' entrepreneurial competencies and skills. These are needed, but they depend on: (1) the updated curricula, (2) their relevance for the local environment, as well as on (3) the didactic approaches applied by the professors. It should not be underestimated that – as young persons – the students are still in a formatting stage of building their own value systems and developing their attitudes towards basic principles of life and work. In this context the values of creativity, innovation, and entrepreneurship – with emphasis on corporate social responsibility – are fundamental for each individual, and consequently for the society as well.

Prof. Dr. Boris Cizelj  
Slovenian Innovation Hub

Ljubljana, April 2018

# 1 Business Principles and Processes: Entrepreneurship and Innovative Management

Marina Letonja, Anita Maček, Ayşegül Özbebek Tunç  
Dimitar Kovačevski

**Abstract:** This chapter introduces the importance of entrepreneurship for the national economies of Slovenia, Macedonia and Turkey and explores differences in the perception of characteristics of successful entrepreneurs by students from the three countries. The target group were the students from three universities who attended the e-PROFMAN project and course "From a sparkle to a flame: The power of creation." We applied a qualitative research approach, using multiple-case studies. All content was analysed with 104 coding under 33 sub-concepts in Slovenia, with 70 coding under 24 sub-concepts in Macedonia and with 118 coding under 22 sub-concepts in Turkey. The results revealed that due to cultural differences - differences exist in the perception of characteristics of successful entrepreneurs in the three countries. While innovativeness and risk taking are the most important characteristics/factors of entrepreneurial success in Macedonia and Turkey, in Slovenia the most important characteristics/factors are the ability to learn from failure, persistence and being visionary.

**Keywords:** Entrepreneurship, entrepreneur, successful entrepreneur, characteristics of an entrepreneur, innovativeness, Slovenia, Macedonia, Turkey

## 1 Introduction: understanding of entrepreneurship

The 21<sup>st</sup> century has been characterized by turbulent change, and disruption and unprecedented volatility has been seen in all markets, from commodities to exchange rates, from stock markets to bond markets. As Burns (2014, 2) says: "*Change itself has changed to become a continuous process of often discontinuous steps – abrupt and all pervasive.*" The new order has brought difficulties and threats for large firms to deal with, while small firms and start-ups have been challenged and have found opportunities in these changes. Smaller firms thrive in this time of austerity and of increasingly fierce

competition. According to Burns (2014) it has never been easier to create a new venture and never have the chances of success on a global level been higher.

Entrepreneurs, who have established their ventures in the last 30 years, have done more to create wealth than any other firms before them. Small firms are job generators, and in terms of job generation they have outstripped large firms. So entrepreneurs are finally being recognised as engines of development and growth of national economies (Pšeničny et al., 2000). They have become the heroes of the business world, embodying ephemeral qualities that many people envy: freedom of spirit, creativity, vision and zeal (Burns, 2014). They have the courage, self-belief and commitment to turn dreams into realities. They are the catalyst of economic, as well social changes.

The most important thing an entrepreneur brings to the new venture is him/her. He/she brings human, social and financial capital. Human capital derives from his/her education, training and previous working/ managerial experience; social capital derives from his/her social skills and ability to connect and communicate with professional networks, while financial capital can be his/hers, or he/she can bring it to the venture through partnering or "bootstrapping". When we say, that an entrepreneur brings him/her to the new venture, he/she brings his/her character as well, which – according to Burns (2014) – has five traits: a high need for achievement and autonomy, internal locus of control, high levels of creativity and a willingness to take measured, moderate risks. These traits are influenced by his/hers background, childhood, and cultures of different groups he/she associates with.

The quality of creativity can be measured by eight dimensions: abstraction, connection, perspective, curiosity, boldness, paradox, complexity and persistence. Entrepreneurs also have a strong vision and strategic intent, their decision making is incremental as they are operating in an uncertain environment, with limited resources being committed at any one time (Burns, 2014).

In our article we introduce entrepreneurship and its importance for the national economies of Slovenia, Macedonia and Turkey. Our research is focused on the characteristics of successful entrepreneurs and the comparison of these characteristics as perceived by students from all the involved countries. Entrepreneurship is typically defined in terms of innovation, and as Schumpeter (1934) said, entrepreneurial activities involve the "creative destruction" within a particular industry. Thus, entrepreneurship is a particular form of innovation.

21<sup>st</sup> century characteristics of entrepreneurs need in order to survive in the world of constant changes are the capability to recognise and take advantage of opportunities, innovativeness, resourcefulness, creativity, being visionary, the ability to think independently, hard work, optimism, risk taking and the ability to lead. With regard to the stated characteristics Barringer and Ireland (2016) identified the following characteristics of successful entrepreneurs: passion for their business, a product/ customer focus, tenacity despite failure and execution intelligence.

The purpose of our research is to find out which characteristics of entrepreneurs are, according to the opinion of students from Slovenia, Macedonia and Turkey, the most crucial for entrepreneurial success in each of the countries; to identify the differences in the perception of entrepreneurial characteristics and to see if innovativeness is perceived as the most important one.

The main goal of this chapter is to increase our understanding of entrepreneurship, its importance for national economies and the role entrepreneurial characteristics, especially innovativeness, play with regard to the success of entrepreneurial ventures. The main research question is: *“Is innovativeness the most important entrepreneurial characteristic for success in the eyes of the Slovenian, Macedonian and Turkish students?”* We begin our paper with the conceptual framework, then the methods – sample and data collection. We continue with the results, discussion and end our paper with conclusions.

## 2 The conceptual framework

### 2.1 Entrepreneurship

The notion of entrepreneurship has a French root in the modern world. »*entreprendre*« means to undertake, to engage (to act in an entrepreneurial manner) in order to realise the purpose (Berginc et al., 2006).

According to Cantillon (1755, qtd in Pšeničny et al., 2000), the first definition of entrepreneurship was that it is self-employment of any sort. Entrepreneurs buy at certain prices in the present and sell at uncertain prices in the future. The entrepreneur is a bearer of uncertainty and is a speculator. Schumpeter (1934) equated entrepreneurship with the concept of innovation applied to a business context. As such, the entrepreneur moves the market away from equilibrium (process of constructive destruction).

Today, entrepreneurship is understood primarily as the creation of a new value, which is the result of the planned activities of an individual (entrepreneur) or

entrepreneurial team; it begins with recognising the market opportunity by organising and integrating the necessary funds for the realisation of a business opportunity (Bygrave, 1994). As Timmons (1999, qtd in Berginc et al., 2006) says entrepreneurship is the process of identifying, developing, and bringing a vision to life. The vision may be an innovative idea, an opportunity, or simply a better way to do something. The end result of this process is the creation of a new venture, formed under conditions of risk and considerable uncertainty. And Burns (2014) defines entrepreneurship as the process by which individuals pursue opportunities without regard to resources they currently control for the purpose of exploiting future goods and services. Others, such as venture capitalist Fred Wilson, according to Burns (2014), define it more simply, seeing entrepreneurship as the art of turning an idea into a business. In essence, an entrepreneur's behaviour finds him or her trying to identify opportunities and putting useful ideas into practice. The tasks called for by this behaviour can be accomplished by either an individual or a group and typically require creativity, drive, and a willingness to take risks. One of the most persuasive indications of entrepreneurship's importance to an individual or to a firm is the degree of effort undertaken to behave in an entrepreneurial manner. Firms with higher entrepreneurial intensity regularly look for ways to cut bureaucracy.

Berginc et al. (2006) understand entrepreneurship as a discipline within the business and organisational sciences or as a philosophy of approach to managing the company, where the individual does not, at least at the beginning, perform only one of the business functions, but these are only part of the necessary entrepreneurial knowledge and skills, the key is the overall entrepreneurial thinking about all components of the business.

According to authors of the paper, broadly defined entrepreneurship is a way of thinking and acting and an attitude towards working. Entrepreneurship is needed as well in working in your own enterprise and also when working as an employee. It is an interesting choice for earning one's living. In many professions work is being done as an entrepreneur. The lure of entrepreneurship is the ability to create products and services that enhance people's lives. There is one caveat to successful entrepreneurship as Barringer and Ireland (2016, 29) say: » ... *people, regardless age, need a process to follow to successfully navigate the entrepreneurial journey. Entrepreneurship is not easy, but it is doable. And stories of success and failure provide a framework of the entrepreneurial process*«.

## 2.2 Definition of an entrepreneur and characteristics of a successful entrepreneur in the 21st century

We derive the term entrepreneur from the definition of entrepreneurship. Schumpeter (1934) defines an entrepreneur as an innovator who implements change within markets through the carrying out of new combinations. In Merriam-Webster's Dictionary, the word entrepreneur is defined as "one who organises, manages, and assumes the risks of a business or enterprise". Usually an entrepreneur works in his/her own enterprise. This enterprise provides goods and services. These are used by consumers, other enterprises and public communities. Timmons (1999, qtd in Pšeničný et al., 2000) defines an entrepreneur as a person who searches for an opportunity, and on finding it, shapes the opportunity into a high-potential venture by drawing up a team and gathering the required resources to start a business that capitalises on the opportunity. In the process of starting the business, the entrepreneur risks his or her career, personal cash flow and net worth. The model bases itself on the premise that the entrepreneur earns rewards in commensuration with the risk and effort involved in starting or financing the business.

With regard to these characteristics Barringer and Ireland (2016) identified the following characteristics of successful entrepreneurs:

1. The number one characteristic shared by successful entrepreneurs is a passion for their business, whether it is in the context of a new firm or an existing business. This passion typically stems from the entrepreneur's belief that the business will positively influence people's lives. There are five primary reasons passion is important for the launch of a successful entrepreneurial organisation: the ability to learn and to iterate; a willingness to work hard for an extended period of time; ability to overcome setbacks and »no's«; the ability to listen to feedback on the limitation of your organisation and yourself; perseverance and persistence when the going gets tough.
2. The number two characteristic is a product/ customer focus. These are the two most important elements in any business. While it is important to think about all the business functions from management, marketing, finance, accounting, and the like, none of these functions makes any difference if a firm does not have good products with the capability to satisfy customers.
3. The third characteristic is tenacity despite failure. As entrepreneurs always try something new, the possibility of failure exists. Developing a new business idea may require a certain degree of experimentation before

success is attained. The litmus test for entrepreneurs is their ability to persevere through setbacks and failures.

4. The fourth characteristic is execution intelligence. This is the ability to fashion a solid idea into a viable business and is a key characteristic of successful entrepreneurs. As an ancient Chinese saying goes (Barringer and Ireland, 2016, 35): *»To open a business is very easy; to keep it open is very difficult«*. The ability to effectively execute a business idea means developing a business model, putting together a new venture team, raising money, establishing partnerships, managing finances, leading and motivating employees, etc. It also demands the ability to translate thought, creativity, and imagination into action and measurable results.

It is also important to mention that five different common myths about entrepreneurs exist, that *»entrepreneurs are born, not made«*; that *»entrepreneurs are gamblers«*; that *»entrepreneurs are motivated primarily by money«*; that they should be young and energetic; and finally, that *»they love spotlight«*. The first myth is incorrect as people are not genetically predisposed to be entrepreneurs – we believe that the potential for becoming an entrepreneur depends on the environment, life experiences, and personal choices (Lofstrom, Bates and Parker, 2014). The second myth is incorrect as well – as we believe that entrepreneurs are moderate risk takers (De Jong et al., 2014). The third myth reminds us, that entrepreneurs' primary mission is not only to make money, but to change the world in the process (Angle, 2011). In regard to the fourth myth we can say, that the majority of people, who start companies are in their thirties and forties, have work experience prior to launching a new business; regarding *»energetic«* we can say, that investors would rather fund a strong entrepreneur with a mediocre business idea than a strong business idea and a mediocre entrepreneur (Hsu and Ziedonis, 2013). If we look at the fifth myth, we can say, that the vast majority of entrepreneurs avoid public notice (Barringer and Ireland, 2016).

### 2.3 Innovativeness as a success factor in entrepreneurship

Innovativeness and entrepreneurship are the driving force behind economic development. They are present in new and old, large and small, public and private organisations (Chrisman, Holbrook and Chua, 2002). Different authors define the innovativeness/innovation ability as *“skills and knowledge, needed for effective absorption and improvement of existing and creation of new technologies, products and processes”* (Kim, 1997; Lall, 1992).

Innovativeness is based on knowledge; a new way of doing things must be based on a new way of looking at things (Marcati et al., 2008). Innovation is the single business activity that most closely relates to economic growth (Soriano and Huarng, 2013, qtd in Peljko et al., 2016).

The definition of innovativeness which relates to the individual and not to the company, was written by Hurt, Joseph and Cook (1977, qtd in Letonja, 2016); Hurt and Teigen (1977, qtd in Letonja, 2016); Rogers and Schoemaker (1971, qtd in Letonja 2016), who understand innovation as the degree to which individuals adopt something new earlier in comparison to others in a social system, relatively early. Kim (1997, qtd in Letonja 2016) and Lall (1992, qtd in Letonja, 2016) defined innovation as "the skills and knowledge needed for effective absorption, control and improvement of existing and the creation of new technologies, products and processes". This definition can also refer to the level of the individual.

Innovativeness is considered as a component of human personality. There are two different constructs - general and specific innovativeness (Kirton, 2003; Midgley and Dowling, 1993, qtd in Marcati et al., 2008). General innovativeness refers to the openness and creativity of the individual, to their willingness to follow new paths and to a specific level of creativity in the cognitive style - that is the way in which individuals mentally process information, make decisions, solve problems. Specific innovativeness relates to the assumption of being the first in adapting innovation in a specific field (Goldsmith and Hofacker, 1991, qtd in Marcati et al., 2008).

Verhees and Meulenber (2004) have interpreted innovation and the willingness of the business owner to obtain information on innovation and adapting it to both - the supplier markets and customers, and thus portray innovation as a personality characteristic of creativity and conscious decisions on the level of openness to novel ideas. In addition, the authors derive from the insights of Kirton (1976, qtd. in Verhees and Meulenber, 2004), that this kind of creativity and decision-making is very individual and varies from adaptive to innovative. Adapters are doing things better within the accepted (given) framework of thinking while innovators prefer to do things differently, because they redefine the problem, moving away from established patterns and framework.

From the definitions in the literature, we understand that innovation ability is a prerequisite or component of innovation (Cozijnsen, 1989; Lynch, Walsh and Harrington, 2010, gtd in Letonja, 2016), that it is the ability to accept and realise new ideas, processes and new products (Hurley and Hult, 2004, qtd in Letonja,

2016). Innovativeness is the ability of a company or an individual to innovate (Hult et al., 2004, qtd in Letonja, 2016), it is the result of innovation ability and is reflected in innovation (Manu, 1992; Keh et al., 2007, qtd in Letonja, 2016).

Innovation allows the organisation or company to maintain a competitive advantage. By combining different skills, an extensive and active search for opportunities creates new opportunities (Tidd et al., 2005, qtd in Letonja, 2016). Innovation is a key competitive activity in a knowledge-based global economy (Ganzaroli, Fiscato and Pilotti, 2006). The development of new products, the introduction of improvements, is very important for the survival of companies in the global world of competitiveness. Innovation can be encouraged through appropriate education and economic policy measures. Therefore, companies must constantly take care of the permanent invention-innovation-diffusion processes and promote innovation, and employees should be continuously educated (Štrukelj 2010; 2011, qtd in Letonja, 2016).

In our research we developed the following hypotheses:

*H1: "The factors that contribute to success of entrepreneurs differ according to the findings of Macedonian, Turkish and Slovenian students"*

*H2: "Innovativeness is the key success factor for entrepreneurial success according to the findings of Slovenian students"*

*H3: "Innovativeness is the key success factor for entrepreneurial success according to the findings of Macedonian students"*

*H4: "Innovativeness is the key success factor for entrepreneurial success according to the findings of Turkish students".*

## 2.4 Importance of entrepreneurship for the national economies

The role of entrepreneurship and entrepreneurs in economic development is now recognised in almost all economies, irrespective of the level of development or the political system. Over the last 30 years, both concepts have become part of economic policy, economic and business science, and a wider public debate.

When we understand entrepreneurship as something dynamic, such as the discovery and creation of new products and services to satisfy customers' needs - rather than something static (e.g. a single act of establishing a company), we realize that entrepreneurship comprises a complex and closely interwoven operation of many factors. It also becomes obvious that a creative entrepreneurial potential is one of the most valuable resources any country can have (Rebernik et al., 2017).

Economic growth is one of the key priorities of all the countries in our study and there are different ways to support it. For developed countries like Slovenia and for developing countries, e.g. Macedonia and Turkey, entrepreneurship and innovativeness are the two of the driving forces and contributors to economic development.

It is widely recognised that entrepreneurship has positive impact on economic growth. In the past 30 years numerous studies have been implemented to examine the influence of entrepreneurship on economic performance. It is clear that an increased economic performance by firms will positively affect economic growth at the country level.

Hereinafter we introduce the importance of entrepreneurship for the national economies of Slovenia, Macedonia and Turkey.

#### 2.4.1 Slovenia

In 2016, the total early-stage entrepreneurial activity (TEA) of the adult population in Slovenia recovered after a number of years of decline. The TEA rate, which measures early-stage entrepreneurial activity of the adult population who are involved in setting up a business or who already own a business (but for less than 3.5 years), dropped from 6.3% in 2014 to 5.9%

In 2016 there were 124.058 active enterprises in Slovenia (127.373 in 2015) of which 65.603 were companies (legal entities) and 58,455 were sole proprietors (physical entities, single entrepreneurs). As early as 2010, Slovenia had 60.1 companies per 1.000 inhabitants. The number of enterprises per 1.000 inhabitants was far above the Slovenian average in the Osrednjeslovenska region with 80.1 and the Obalno-kraška region with 78.9 enterprises per 1.000 inhabitants (Močnik et al., 2017). On average, the Slovenian company generated 706.000€ in 2016 (666.000€ in 2015) of operating revenues in 2016. An average large company generated 127.29 million € in operating revenues, an average medium-sized company generated just a little over 19 million €, and a small company on average generated 3.3 million € in operating revenues. An average micro company with 0 to 9 employees generated 168,000 € in operating revenues. Within micro-enterprises, an average micro-company with 0 employees created 101.000 € and an average micro company with 1 to 9 employees created 186.000 € in operating revenues. On average, SMEs in Slovenia generated 482.000 € in operating revenues in 2016 (Močnik et al., 2018).

In 2016, all Slovenian companies employed 543.371 people (including 42.575 self-employed sole proprietors). Micro enterprises with 1 to 9 employees employed 162.608 people (or 30% of all employees), small businesses employed 106.884 people (or 20% of all employees), medium-sized companies employed 113.393 people (or 21% of all employees) and 30% or 160.486 people were employed in large companies. SMEs thus employed 70% or 382.885 of all employed. The number of employed and self-employed increased in the 2012-2016 period by 0.3% at the average annual rate. In the observed period, the number of persons employed decreased only in micro enterprises with 1 to 9 employees (0.2% average annual rate). The number of employees in small enterprises increased the most, namely by 1.1% of the average annual rate in the observed five-year period (Močnik et al., 2018).

In 2016, the value added created in the Slovenian economy was 22 billion € at current prices, which was on average 5% more than in the previous year (20.93 billion €). The largest added value increase was in micro companies with no employees (15%), and the smallest increase was in large companies (3%). Sub-average growth was also recorded in small companies (4%), and above average in medium-sized companies (8%). In micro companies with 1 to 9 employees, growth was on the level of the Slovenian average. In average SMEs, the added value was above-average, by 6% (Močnik et al., 2018).

With regard to data introduced above we can say that most of these companies are privately owned companies, as according to the last research by EY (Antončič et al., 2015), 83% of all companies in Slovenia are family businesses.

Hereinafter we are introducing characteristics of entrepreneurial activities in Slovenia in 2016 according to data from GEM Slovenia 2016.

In 2016, the total early-stage entrepreneurial activity (TEA) of the adult population in Slovenia recovered after a number of years of decline. The TEA rate, which measures early-stage entrepreneurial activity of the adult population who are involved in setting up a business or who already own a business (but for less than 3.5 years), dropped from 6.3% in 2014 to 5.9% in 2015 and increased to an optimistic 8% in 2016. In this way, Slovenia also improved its ranking in 2016, when it ranked 48th among the 65 GEM participating countries and 16th among the 27 European countries participating in the GEM survey. The motives of individuals to become entrepreneurially active are numerous. For 2016, the analysis of necessity - driven

early-stage entrepreneurial activity shows that Slovenia ranked 40th among all GEM participating countries, which was worse than in 2015, when it ranked 48th among the 60 GEM countries. Thus, the proportion of necessity-driven early-stage entrepreneurs increased in Slovenia in 2016 when compared with other countries worldwide. This negative trend in necessity - driven early-stage entrepreneurship is especially evident in the fact that Slovenia ranked much higher than other innovation-driven economies and the EU countries. The motivational index, calculated as the ratio between improvement-driven opportunity (IDO) entrepreneurs and those motivated by necessity, shows that innovation-driven economies have 3,9 times more IDO entrepreneurs than necessity-driven ones. In Slovenia, this ratio is somewhat lower (2,7 in 2016), which is, nonetheless, an improvement from 2015 when Slovenia had only 1,9 times more IDO entrepreneurs than necessity-driven ones (Rebernik et al., 2017).

In Slovenia, personal reasons (13.2%) were the second most frequent reason for the discontinuation of a business, followed by another job or business or opportunity (12.6%), bureaucracy as well as government and tax policy (12.6%), retirement (11.8%), and problems with finances (10.2%). Concerning retirement as the reason for business discontinuance, Slovenia differs substantially from other countries, and, for this reason, the GEM overall average in 2016 was 3.8%, whereas the EU average was 6.2% (Rebernik et al., 2017).

Two-thirds of adult individuals in Slovenia have a positive attitude towards entrepreneurship, but only 14% of them exhibit future entrepreneurial intentions, and only 7% of the Slovenian adult population persists in this process to become owner-managers of established businesses. Obviously, the overall support for entrepreneurs is not efficient enough, and entrepreneurs need specific, tailor-made support at each individual phase of the entrepreneurial process (Rebernik et al., 2017).

Both globally and in Slovenia, the highest prevalence rate of total early-stage entrepreneurial activity (TEA) in 2016 was observed among 25- to 34-year-olds. The TEA rate for Slovenia was a bit higher than the EU average (34.6% and 29.8% respectively). Compared with a year before, the biggest change was observed with the youngest age group (18 to 24 years olds), in which the proportion of nascent and new ventures increased substantially (from 5.5% in 2015 to 17.5% in 2016). Higher levels of entrepreneurial engagement of these individuals may simply be the result of a relatively high youth unemployment rate in Slovenia (Rebernik et al., 2017).

In 2016, Slovenia recorded an increase of female involvement in early-stage entrepreneurial activity (from 27.9% in 2015 to 31.8%). However, it still lags behind all other observed groups of countries. For that reason, we cannot speak about any substantial improvement of the involvement of women in early-stage entrepreneurial activity (Rebernik et al., 2017).

In 2016, the largest percentage of both early-stage entrepreneurs and owner-managers of established businesses in Slovenia belonged to the highest third household income group (i.e. 62.1% of early-stage entrepreneurs and as many as 79.6% of owner-managers of established businesses). The substantial growth is especially evident with the latter group of entrepreneurs in comparison with data from 2015, when their percentage was 59.6%. Consequently, the percentage of entrepreneurs belonging to the middle and lowest third household income group dropped (Rebernik et al., 2017).

In Slovenia, the proportion of high-growth early-stage entrepreneurs was 18% in 2016, which ranks Slovenia in the top half of all GEM countries. Slovenia has traditionally exhibited a relatively high level of international orientation, which points to the fact that Slovenian entrepreneurs are well aware of the importance of international markets. This is supported by the data published by the European Commission which show that Slovenian SMEs are very actively engaged in export activities because 52% of them stated that they had exported at least some of their products or services to other EU countries in the last three years (Rebernik et al., 2017).

Entrepreneurial activity in Slovenia is strongly influenced by the entrepreneurship ecosystem which contributes to the introduction and functioning of innovation systems, knowledge economy, and competitiveness. The experts were asked to assess the Slovenian entrepreneurship ecosystem based on nine entrepreneurial framework condition (EFC) categories: entrepreneurial finance, government policies, government entrepreneurship programmes, entrepreneurship education and training, R&D transfer, access to commercial and legal infrastructure, internal market dynamics and burdens or entry regulations, access to physical infrastructure, and cultural and social norms. In 2016, most of these entrepreneurial framework conditions were still rated below the EU average, with the exception of internal market dynamics and the access to physical infrastructure as well as (to a lesser degree) government support policies. The quality of entrepreneurial education and training at the school stage received the lowest rates by the Slovenian experts (weighted average 2,71 on the

1 to 9 scale); this EFC received the lowest average rating in the group of innovation-driven economies and EU member states as well (Rebernik et al., 2017).

Entrepreneurial finance received the average rating of 3,94 in 2016, which is below the average rating for this EFC in both innovation- and efficiency-driven economies. The average rating in 2016 was also lower than that in 2015. Despite the substantial engagement of the government in recent years, the access to entrepreneurial finance remains a huge challenge for SMEs in Slovenia, mainly in terms of making connections with private investors (business angels, business accelerators, venture capitalists, strategic partners, etc.) (Rebernik et al., 2017).

Government policies and regulations play a key role in creating a more favourable entrepreneurial environment. In 2016, the majority of experts' recommendations for the improvements of government policies (72.2% of all statements) related to the profound tax reform as well as the removal of administrative obstacles and the simplification of bureaucracy, both of which are a hindrance for SMEs and have a constraining effect on entrepreneurial intentions. Although the average rating for government policies was 4.3, which is less than the 2015 rating of 4.5, the experts identified this EFC as the one which can bring the biggest advantages for the enhancement of the entrepreneurial activity in Slovenia (38.9% of all statements) (Rebernik et al., 2017).

#### 2.4.2 Macedonia

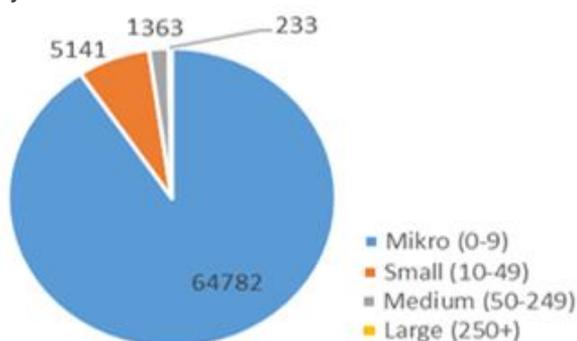
Investments in infrastructure are surely one of the priorities that influence the growth of the construction industry and consequently the growth of the GDP. This is primary way the country manages to decrease unemployment of the lower educated population.

The second priority is to attract new foreign investments in the country and supporting the expansion of the foreign companies with already established operations. The cornerstone of the strategy for attracting FDI's is the creation of Technological Industrial Development Zones (TIDZ) in terms of the customs and tax laws. The TIDZ is part of the customs area of the territory of the Republic of Macedonia, separated from the remaining part of the customs area, being a separately fenced and marked area representing a functional entity in which activities are performed under the terms and conditions prescribed by the Free Zones Law and other applicable laws in which the customs and tax incentives determined by the Free Zones Law and other laws apply. The TIDZ is established with the aim of developing highly propulsive and modern technologies by introducing economically profitable production and efficient utilisation of the

resources by applying the highest environmental standards. The zones and the accompanying promotional activities managed to attract numerous foreign investors that increase the exports from Macedonia. The positive side of this strategy is the increase of exports and increase of employment and downside is that by this way the country promotes tax and customs incentives as well as cheap labour force and in a long run it cannot build the competitiveness of its private sector based on low salaries and wages.

According to the Annual report of the National Bank of the Republic of Macedonia (NBRM, 2017), in 2016 the country had achieved a GDP real growth of 2.4% which is a solid achievement considering the challenging political and economic environment. Main drivers of the growth were net exports, lead mainly by the new companies with foreign capital and the positive price effect of the oil import as well as the private consumption. Additionally, the net foreign direct investments achieved growth at the level of 3.6% of GDP. The structure of GDP is similar like it was in 2015, where the construction industry was the sector with the highest positive contribution mainly due to the publicly financed infrastructural projects.

The third priority is the development of the small and medium size enterprises (SMEs) through support of entrepreneurship and innovativeness in order to increase the competitiveness of the economy. As Macedonia recognises the importance of entrepreneurship, its influence on development of SMEs, improvement of economic performance and increased economic growth it has formed two important agencies to support development of entrepreneurship and innovation. This is due to the role that SMEs play in the Macedonian economy. The following Graph 1 shows the number of business entities by number of persons employed.



Graph 1: Number of business entities by number of persons employed.

Source: News release, Number of active business entities, 2016, State Statistical Office of Macedonia, March 2017.

It is clear that majority of the work force, 90.58%, is employed in micro companies, 7.19% are employed in small companies, 1.91% are employed in medium size companies and 0.33% are employed in large companies. The development of the entrepreneurial skills, innovativeness and consequently competitiveness of the SMEs will inevitably lead to a better performance of the economy as a whole.

Competitiveness is defined as the ability of a country to produce goods and services under free and fair conditions in global markets while simultaneously maintaining and expanding the real incomes of its people over the long term (OECD, 2005). Another definition sees competitiveness as the set of institutions, policies and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the level of prosperity that can be earned by an economy. Although the notion of competitiveness lies at the heart of business strategy development, its definition often covers many issues and does not lend itself to simple measurement. Clearly, the competitiveness of an organisation or country depends on a multiplicity of factors which are interrelated and cannot be looked at in isolation (Schwab, 2015).

As the Macedonia strives to continue growing economically, it is important for the country to develop the competitiveness of its private sector. Because Macedonia will not be able to compete with low cost wages over the long-term, improving competitiveness through greater entrepreneurship, value added and productivity is crucial (Government of the Republic of Macedonia, 2016).

This leads us to the importance of developing entrepreneurship through institutional support, support and enhancement of innovativeness and innovations, building appropriate business environment and support of small and medium enterprises.

Macedonia recognizes the importance of entrepreneurship and innovativeness and has created institutional support through its Ministries and especially through two specialised Agencies:

Agency for promotion of entrepreneurship of the Republic of Macedonia (2005) with a mission of:

- Creating favourable economic environment and legislation.
- Creating and developing institutional infrastructure for support and development of entrepreneurship and competitiveness in small business.
- Implementation and coordination of state and international support for micro, small and middle businesses.

- Promoting entrepreneurship through financial and non-financial forms of support.
- Implementing the programme on measurements and activities for support of entrepreneurship and creating competitiveness in the small business.

The Agency actively supports the development of entrepreneurship through various forms of support:

Non-financial forms of development support in the field of entrepreneurship and small business

- Business networking in the country and abroad.
- Collecting, processing and delivering information.
- Organising specific training and consulting services.
- Organising panel discussions, conferences and business forums.
- Implementing cooperation programmes with particular countries.
- Implementing other national development projects.

Financial forms of development support in the field of entrepreneurship and small business

- Co-financing arranged projects for the needs of the Agency implemented through the institutional structure of entrepreneurship centres.
- Co-financing of development projects in cooperation with national and foreign investors and donors.
- Co-financing of postgraduate studies in the field of entrepreneurship.

Innovations based on the Oslo manual definition (OECD, 2005) are comprised of implemented technologically new products and processes and significant technological improvements in products and processes. A technological product and process innovation has been implemented if it has been introduced on the market (product innovation) or used within a production process (process innovation). Innovations involve a series of scientific, technological, organisational, financial and commercial activities. The technological product and process innovating firm is one that has implemented technologically new or significantly technologically improved products or processes.

Starting from this premise and recognising the importance of innovativeness on successful entrepreneurship the Government of the Republic of Macedonia formed the Fund for Innovation and Technological Development (FITR) with a mission to encourage and support innovation activities in SMEs in order to achieve more dynamic technological development based on knowledge transfer, development research and on innovations that contribute to job creation, and to economic growth and development, while simultaneously improving the

business environment for the development of competitive capabilities of companies.

The Fund uses different instruments as:

- Co-financed grants for newly established enterprises “start-up” and “spin-off”.  
The instrument supports projects that are in the phase of proof-of-concept, up to the close-to market phase. The instrument is aimed at encouraging the innovation level in newly-established enterprises by providing the necessary support for research and development activities. The grant is expected to encourage a culture of risk taking and innovation, to provide support for the enterprises that aim to develop new or improved products, processes, and/or services, as well as to encourage the commercialisation of research results obtained in higher education institutions, i.e. scientific-research institutions.
- Co-financed grants and conditional loans for commercialisation of innovations.  
The support through this instrument is intended to projects with a clear commercialisation objective, which are in the prototype phase (or appropriate phase depending on the type of innovation product, service and process) up to close-to-market phase. The aim of this instrument is to incentivise R&D (research and development) increase in the private sector, to encourage cooperation within the private sector and between the private sector and the higher educational and scientific institutions, as well as other forms of collaboration for commercialisation of innovations.
- Co-financed grants for technology transfer.  
The purpose of this instrument is to encourage the transfer and implementation of new innovative and improved technologies, know-how and technological processes, and encourage various forms of cooperation between micro, small and medium enterprises, business associations, clusters and/or chambers of commerce, in order to achieve a positive impact on the sector. The instrument focuses on the application and adaptation of technologies and innovations which are not new to the world, but may nevertheless be new to the country, or new to the sector. Ultimately this will enhance the technological capabilities and capacities of existing industries and businesses, by bridging the gap between already available knowledge globally or nationally and in local industries.
- Technical assistance through business-technology accelerators.  
Promoting entrepreneurship through support for individuals who want to establish an enterprise, as well as for already established enterprises in their

initial stage by providing educational, logistical and financial support. The business accelerators through the investment funds for early stage of development can become dynamic tools for encouraging new ventures in various sectors, especially in ICT, connecting the talent, technology, capital and “know-how” in an effective framework.

As Macedonia strives to continue its economic growth, with the Strategy for Innovativeness 2012 – 2020, it aims to develop the innovativeness of the private sector. Macedonia is not going to be able to build its longterm competitiveness based on low costs workforce, so improvements of competitiveness through knowledge and innovations is of key importance. The ultimate goal is to transform the country into a knowledge-based economy capable of competing in international markets through educated workforce and innovative companies (Strategy for Innovation in the Republic of Macedonia for 2012-2020).

Still, successful economic growth cannot always be attributed to increased production in high technology sectors. Activities with increased added value can be found in traditional sectors as well, and innovations can help companies increase their productivity and produce output with higher added value. Cooperation between education, science, industry and regional development should direct resources and talents to sectors where talent and capabilities offer greatest potential for improvement and success.

#### 2.4.3 Turkey

There are several reports published by GEM, OECD, Endeavor, ministries of countries, etc. which present entrepreneurship and innovativeness profiles of countries. According to a GEM report (2016), Turkey is an efficiency-driven economy with a population of 77,7 million and a GDP of 733.6 billion \$. This is an economy which has basic requirements for development, but entrepreneurship conditions are not totally provided.

In the GEM report (2016), the perceived opportunities rate showed a significant increase from 38,63 in 2013 to 49,57 in 2016 and exceeded the regional and global average. On the other hand, perceived capabilities rate and fear of failure rate remained the same between 2013 and 2016. Entrepreneurial intentions rate slightly increased from 28,06 in 2013 to 30,28 in 2016. Finally, the motivational index of Turkey is about 1,9 on the scale of 0-5 in 2016.

When we view the scores of entrepreneurial framework conditions, there are some pearls and pitfalls in Turkey. Internal market dynamics, entrepreneurial finance, R&D transfer, commercial and legal infrastructure have higher scores,

while government policies such as taxes and bureaucracy and physical infrastructure have lower scores than the regional average. Internal market dynamics is the best condition with 3.70 sufficiency out of 5, whereas the worst score belongs to entrepreneurial education at the school stage with a score of 1,68 (GEM, 2016).

Based on OECD's economic forecast (2017) for Turkey, economic growth is projected to have a small decline but will remain approximately 5% in 2018 and 2019. According to an OECD Economic Survey (2016), promoting entrepreneurship in sectors that have high growth and export potential is one of the recommendations to increase productivity. The other suggestion for Turkey is to focus on up-skilling programmes for SMEs and to provide them the opportunity to learn English at a basic level and learn the basics of new technologies.

As indicated above, growth in Turkey's economy remains on a similar level as before. There are other indicators of the well-being of the economy as e.g. income inequality, which has declined; well-being can be further improved whereas inflation remains too high. Finally, employment and product market regulations are rigid (OECD, 2016). Although some results are negative, Turkey has a really desirable environment for foreign and local entrepreneurs. Declining barriers to investment from foreign companies, reducing procedures and accelerating the process of establishing start-ups will boost attractiveness of markets in Turkey.

According to the Innogrow report (2016), nine key success factors are identified for successful innovative entrepreneurs in Turkey. They are capabilities of creative thinking, problem solving, innovation management, rapid experimentation, leadership, business model generation, strategic planning, risk management and agile management. Another study (Gürol and Atsan, 2006) examined the entrepreneurship profile of university students from Turkey and used six traits as a basis of theoretical framework of the study. The traits are self-confidence, the need for achievement, tolerance for ambiguity, innovativeness, risk taking, locus of control and propensity. On the basis of collected data from 400 students, results showed that entrepreneurially inclined students have higher entrepreneurial traits excluding tolerance for ambiguity rather than non-inclined ones. This result may explain why the young population has the willingness to start their own business.

A study comparing entrepreneurship in Turkey with other developing countries (Karadeniz and Ozdemir, 2009) explored how early-stage entrepreneurial

activities in Turkey are much lower and the number of established businesses is relatively higher than in other developing countries. This study also indicated that a weakness of government incentive programmes, lack of intellectual property and inadequate financial support were problems for entrepreneurs in Turkey. Likewise, Endeavor Turkey has highlighted similar obstacles which entrepreneurs face. In their report they recognised obstacles to be inconsistencies of bureaucracy, issues in marketplace and problems in providing and fostering intellectual property (IBLJ, 2013).

Entrepreneurship is literally in demand in Turkey. Half of the population is eager to establish an enterprise and be able to manage this enterprise. A high unemployment rate makes entrepreneurship more attractive for people. Women have a higher inclination than men to start their own business (Tracy, 2013). We can say that Turkey is perceived as an opportunity from the aspect of entrepreneurship as a general idea. Tracy (2013) says that SMEs with a 99% share in the structure of all companies represent a very important element of the Turkish economy. They account for 76.7% of total employment.

The Turkish government is encouraging entrepreneurship and innovativeness and integrates both into the objectives of "Vision 2023" (2018). Many objectives are determined under the titles of "Micro economy, entrepreneurship and industrial policies" and "R&D and innovation". For 2023, the Turkish government plans to spend 3% of GDP for R&D, hire 300.000 researchers, establish laboratories, test centres and business development centres and provide investments which will result in innovations. Objectives for 2023 involve focusing on manufacturing high technology products, supporting technological adaptation and development in companies, providing online company establishment, funding innovation activities of SMEs (maximum of 1 million Turkish liras).

TÜBİTAK (2018), The Scientific and Technological Research Council of Turkey, has offered a package of grant programmes under the "1515 Programme" to support researchers and meet key targets for the year 2023. These programmes are supporting R&D projects in priority areas, international mobility of researchers, intellectual property rights, basic researches, R&D projects for technology development and international R&D projects. In addition to this, KOSGEB (SMEs Development Organisation of Turkey) has defined the strategic goals for the 10th development plan including 2015-2018. KOSGEB's strategic goals are to develop user friendly regulatory frameworks, encourage innovation, attach great importance to priority areas, create a culture of entrepreneurship,

generalise entrepreneurship trainings, develop a mentoring system and help entrepreneurs find funds.

The entrepreneurship ecosystem is also supported by many public and private institutions such as the Ministry of Development, Ministry of Science, Industry and Technology, KOSGEB, TÜBİTAK, development agencies, techno-parks in universities, accelerators, triggers and incubators. For example, when we searched for relevant data on innovation activities of enterprises in techno-parks, we learned that half of 1.100 innovation projects have been supported by public funds and one of each 5 projects has turned into a patent or a utility model (Cansız, 2014).

The role of universities is not limited to establishing techno-parks. Turkish Universities try to be ranked on the Entrepreneurial and Innovative University Index. Sabancı University, Middle East Technical University and Boğaziçi University are ranked as the first three universities in the index (TÜBİTAK, 2018).

Startups.watch, a website serving an ecosystem profile of Turkey, published the Turkish Startup Ecosystem 2017 report. According to the report, the total investment in the entire start-up ecosystem was \$103 million, which represents a 102% increase over the previous year. Although the amount invested in the FinTech ecosystem in 2016 was as large as 47% of all investments, this ratio declined by 18%, but FinTech was again the leading category in all investments in 2017. Other categories, respectively, are SaaS (12%), real estate (9%), biotech (7%), market place (7%), IoT (7%), retail-tech (7%), auto-tech (5%), image process (5%) and travel (5%) sectors.

### 3 Empirical research

#### 3.1 Research method, sample and data collection

We applied a qualitative research method that is a suitable approach in the case of the research topic (e.g., De Massis et al, 2013, qtd in Letonja; Jeraj and Marič, 2016). The case study research methodology was used that has been widely accepted in business and management research (e.g., Eisenhardt, 1989; Myers, 2013 gtd in Letonja and Duh, 2016). A case study is “an empirical inquiry that investigates a contemporary phenomenon within its real-life context” (Yin, 2003, 13 qtd in Letonja, 2016). The exploratory case study is suitable when the research aim is to understand how a phenomenon takes place (De Massis and Kotlar, 2014; Letonja and Duh, 2016). Eisenhardt (1989, qtd in Letonja and Duh, 2016) proposed that the case study researcher may purposively choose cases

that are likely to replicate or extend the theory. The researcher may choose cases that illustrate appropriate concepts (Patton and Applebaum, 2003 qtd in Letonja and Duh, 2016); thus, qualitative samples may have the objective of developing theory, rather than testing it (Eisenhardt and Graebner, 2007 qtd in Letonja, Jeraj and Marič, 2016). We applied a multiple-case study approach due to its underlying replication logic (Yin, 2003 qtd in Letonja, 2016). Until responses become repetitive, increasing the number of cases involved in a particular study adds confidence to findings. Yin (2003) compared the addition of cases to the addition of experiments, looking for replication. Eisenhardt (1989, qtd in Letonja and Duh, 2016) proposed that researchers should continue adding cases in an iterative process until the incremental improvement is minimal. There is no general agreement on the ideal number of cases and suggestions range from four to five cases (e.g., Creswell, 2013, qtd in Letonja and Duh, 2016) and up to ten cases (e.g., Eisenhardt, 1989, qtd in Letonja and Duh, 2016). We decided to select 63 cases in order to make possible a cross-case analysis and the identification of the themes of the cases (Creswell, 2013; in Letonja and Duh, 2016), and to increase rigor (Eisenhardt, 1989, qtd in Letonja and Duh, 2016).

Our research was conducted, as previously mentioned, on 63 cases (23 from Slovenia, 20 from Macedonia and 20 from Turkey). Students involved in the e-PROFMAN project and the course "From a sparkle to a flame: The power of creation" created a blog. After watching videos of successful entrepreneurs on the links that we provided, and after finding more examples of successful entrepreneurs by themselves (as well of the entrepreneurial failures), they had to analyse the factors that contribute to entrepreneurial success, like innovativeness, and discuss it in a blog with their peers.

## 4 Results

In our research we studied characteristics of entrepreneurs that contribute the most to entrepreneurial success according to the perception of the students from Slovenia, Macedonia and Turkey, who were involved in the project e-PROFMAN and the course "From a sparkle to a flame: The power of creation". The results of our research are shown in table 1.

All the materials collected in our research amount to approximately 30.000 words. Blogs were limited to 450 to 500 words maximum. All content was analysed with 104 coding under 33 sub-concepts in Slovenia, with 70 coding

under 24 sub-concepts in Macedonia, with 118 coding under 22 sub-concepts in Turkey.

Our research revealed that students connect (in total) 39 different characteristics to successful entrepreneurs - 33 different characteristics to successful entrepreneurs in Slovenia, 24 in Macedonia and 22 in Turkey.

In Slovenia the most frequently mentioned entrepreneurial characteristic connected with entrepreneurial success is the ability to learn from failure/ mistakes – 8 times (8%); it is followed by persistence, mentioned 7 times (7%), visionary ability, mentioned 6 times (6%), creativity, willingness to take risk, hardworking, passion and resourcefulness – each mentioned 5 times (5%); innovativeness, ability to recognise opportunities, confidence, commitment, motivation and ability to go beyond limits – each emphasised 4 times (4%); enthusiasm and optimism, ability to get out of the comfort zone, courage, determination and task orientation/focus mentioned each 3 times (3%); taking action, planning and strategic orientation, ethical behaviour and moral, and problem solving ability mentioned each 2 times (2%); while other characteristics like e.g. having knowledge and skills in different areas, inspiration, never giving up, ability to adapt, faith in success, intuition, curiosity, resilience and stubbornness are emphasised each only once and account each for 1% only.

In Macedonia the vast majority of the respondents recognise the role of innovativeness as a key factor for entrepreneurial success and they concurrently state additional important factors. Innovativeness is identified 10 times in 14% of all statements as a key success factor for entrepreneurial success. Other significant factors identified are taking risk, mentioned 8 times (12%); action orientation mentioned 6 times (9%); persistence mentioned 5 times (7%); courage, confidence, enthusiasm and optimism are emphasized 4 times each (6%). Other identified factors with lower significance are competence and technical knowledge, willingness to take initiative and ability to get out of the comfort zone, being mentioned 3 times each (4%); strategic thinking and planning, creativity, inspiration and talent, hardworking, determination are emphasised 2 times each (3%); while competence and technical skills, striving for excellence, managing process of change, never giving up, growth mind-set, recognition of opportunities, passion, learning from failures are mentioned each only once and account for 1% only each.

Table 1: Results of the research on entrepreneurial characteristics in Macedonia, Slovenia and Turkey, 2017

Entrepreneurial characteristic	MACEDONIA		SLOVENIA		TURKEY	
	No.	%	No.	%	No.	%
Innovative	4	4	10	14	20	17
Technical knowledge & skills	0	0	1	1	1	1
Knowledgeable and skilled in different areas	1	1	3	4	2	2
Action oriented	2	2	6	9	4	3
Planning and strategic orientation	2	2	2	3	2	2
Creative	5	5	2	3	9	8
Risk taker	5	5	8	12	13	11
Striving for excellence	0	0	1	1	0	0
Inspired	1	1	2	3	2	2
Talented	0	0	2	3	3	3
Ability to manage the process of change	0	0	1	1	5	4
Taking initiative	0	0	3	4	1	1
Hard working	5	5	2	3	4	3
Enthusiastic and optimistic	3	3	4	6	4	3
Never giving up	1	1	1	1	10	8
Growth mind-set	0	0	1	1	0	0
Recognizing opportunities	4	4	1	1	10	8
Persistent	7	7	5	7	1	1
Confident	4	4	4	6	2	2
Getting out of the comfort zone	3	3	3	4	1	1
Learning from failures	8	8	1	1	3	3
Passionate	5	5	1	1	9	8
Courageous	3	3	4	6	10	8
Determined	3	3	2	3	2	2
Visionary	6	6	0	0	0	0
Resourceful	5	5	0	0	0	0
Ability to adapt	1	1	0	0	0	0
Ethical and moral	2	2	0	0	0	0
Faith in success	1	1	0	0	0	0
Committed	4	4	0	0	0	0
Problem solving	2	2	0	0	0	0
Driven by frustration	2	2	0	0	0	0
Intuitive	1	1	0	0	0	0
Motivated	4	4	0	0	0	0
Going beyond limits	4	4	0	0	0	0
Curious	1	1	0	0	0	0
Focus/ task oriented	3	3	0	0	0	0
Resilient	1	1	0	0	0	0
Stubborn	1	1	0	0	0	0
	104	100	70	100	118	100

Source: proper, 2018, calculation of results in % is rounded.

At the interpretation phase of the content analysis, results showed that innovativeness is the most frequently used concept among key success characteristics of entrepreneurs. Turkish students highlighted innovativeness 20 times (17%) in their blogs and they gave it more importance over other factors. The second concept which is emphasised 13 times (11%) by participants is risk taking. The characteristics mentioned each 10 times (8%) are never giving up, recognising opportunities and courage. They are followed by passion and creativity which are emphasised each 9 times (8%). The ability to manage the process of change is mentioned 5 times (4%); orientation to action taking, hardworking, enthusiasm and optimism are emphasised each 4 times (3%); knowledge skills in different areas, strategic orientation and planning, inspiration, confidence and determination are mentioned each 2 times (2%); and finally, technical knowledge and skills, taking initiative, persistence, the ability to get out of the comfort zone are mentioned only once (1%) each.

## 5 Discussion

Based on the review and analysis of the collected data the following conclusions can be drawn from the answers of the Slovenian, Macedonian and Turkish students.

In Slovenia the key characteristic of successful entrepreneurs is the ability to learn from a failure/ mistakes, while this characteristic is not e.g. between the five most important characteristics of successful entrepreneurs in Macedonia or in Turkey. In Macedonia it is ranked 8 (out of 8), together with technical knowledge and skills, striving for excellence, ability to manage the process of change, never giving up, growth mind-set and passion. In Turkey it is ranked 7 (out of 9) together with being a talent.

The second most important characteristic of successful entrepreneurs in Slovenia is persistence, being ranked 4 in Macedonia and in Turkey it is ranked on the last position (rank 9).

The third key characteristic of successful entrepreneurs in Slovenia is visionary ability, which is not perceived as important by the Macedonian and Turkish students.

The fourth key characteristic of successful entrepreneurs in Slovenia is the willingness to take risk, together with creativity, passion, hard work and resourcefulness. Risk taking is the second key characteristic of successful entrepreneurs in Macedonia and in Turkey. Passion and also creativity are

ranked in Turkey at the same position as in Slovenia, while in Macedonia they are ranked 7 (creativity) and 8 (passion) (out of 8). Hard work is positioned on rank 6 in Turkey and rank 7 in Macedonia. Resourcefulness is not recognised as important by Macedonian and Turkish students.

Innovativeness in Slovenia is positioned at rank 5, together with ability to recognise opportunities, confidence, being committed, motivated and ability to go beyond limits - while it is given the most recognition in Macedonia and in Turkey (rank 1). The ability to recognise opportunities is ranked higher in Turkey (rank 3) and positioned at the last rank (8) in Macedonia.

Macedonian students, after innovativeness (rank 1) and willingness to take risk (rank 2), give the priority to action orientation (rank 3) of an entrepreneur, while Turkish students believe that successful entrepreneurs should be courageous and never give up (rank 3).

Characteristics of successful entrepreneurs on the 5<sup>th</sup> rank differ in Macedonia and Turkey from the perception of the Slovenian students. In Macedonia we find enthusiasm and optimism, confidence and courage ranked 5<sup>th</sup> while in Turkey we find the ability to manage the process of change.

Comparing the findings of our research we can say, that perception of characteristics which are important for successful entrepreneurs is different in Slovenia, Macedonia and in Turkey. Although some results of Turkish participants show similarity with Macedonian participants in terms of innovativeness and taking risk, it is not possible to say same thing for other factors. For example, whereas factors of persistence and enthusiasm have higher frequencies in the Macedonian sample, these factors have quite lower scores in the Turkish sample. Instead of these factors, awareness of opportunities and passion are underlined more in documents of Turkish participants. The findings also indicate that nobody from both groups addresses strategy and tactics for entrepreneurial success. There are more similarities between the perception of the Macedonian and the Turkish students, than between the Slovenian and Macedonian or Slovenian and Turkish students.

The results from Turkey are not a surprise from the view of cultural characteristics. Turkish people have a low level of risk aversion, which supports the result that risk taking is perceived as the second dimension of being a successful entrepreneur. Thirdly, participants think that entrepreneurs never give up, recognise opportunities, have courage, are creative and passionate at the same level (8% of each). The same can be said for the results from

Macedonia. Slovenian results are in line with their cultural characteristics - they are known for their thoughts, caution, risk calculation, hard work and perseverance.

This leads us to the conclusion that our hypothesis H1 ("The factors that contribute to success of entrepreneurs differ according to the findings of the Macedonian, Turkish, Slovenian students") is confirmed.

Deriving from the finding that innovativeness in Slovenia is positioned at rank 5 (out of 8), together with ability to recognise opportunities, confidence, being committed, motivated and ability to go beyond limits, the hypothesis H2 ("Innovativeness is the key success factor for entrepreneurial success according to the findings of the Slovenian students") is denied.

In Macedonia the majority of the respondents recognise the role of innovativeness as a key factor for entrepreneurial success. Innovativeness is identified by 55% of the respondents (mentioned 10 times in 14% of all statements) as a key success factor for entrepreneurial success. Based on the qualitative research we can confirm hypothesis H3 ("Innovativeness is the key success factor for entrepreneurial success according to the findings of the Macedonian students").

Results also showed that innovativeness is the most frequently used concept among key success factors of entrepreneurship in Turkey. Turkish participants have highlighted innovativeness 20 times (17%) in their blogs and they have given it more importance than to other factors. Thus, the hypothesis H4 ("Innovativeness is the key success factor for entrepreneurial success according to the findings of the Turkish students") can be confirmed.

## 6 Conclusions

The role of entrepreneurship and entrepreneurs in economic development is now recognised in almost all economies, irrespective of the level of development or the political system. Over the last 30 years, both concepts have become part of economic policy, economic and business science, and a wider public debate.

When we understand entrepreneurship as something dynamic, such as the discovery and creation of new products and services to satisfy customers' needs - rather than something static, we realise that entrepreneurship comprises a complex and closely interwoven operation of many factors. It also becomes

obvious that creative entrepreneurial potential is one of the most valuable resources any country can have (GEM Slovenia, 2016).

Economic growth is one of the key priorities of all the countries in our study and there are different ways to support it. For developed countries like Slovenia and for developing countries, e.g. Macedonia and Turkey, entrepreneurship and innovativeness are two of the driving forces and contributors to economic development. They are present in new and old, large and small, public and private organisations (Chrisman, Holbrook and Chua, 2002).

The purpose of our research was to find out which characteristics of entrepreneurs are, according to the opinion of students from Slovenia, Macedonia and Turkey, the most crucial for entrepreneurial success in each of the countries; to identify the differences in the perception of entrepreneurial characteristics and to see if innovativeness is perceived as the most important one.

21<sup>st</sup> century characteristics of entrepreneurs in order to survive in the world of constant changes are the capability to recognise and take advantage of opportunities, innovativeness, resourcefulness, creativity, being visionary, ability to think independently, hard work, optimism, risk taking and ability to lead. With regard to the stated characteristics Barringer and Ireland (2016) identified the following characteristics of successful entrepreneurs: passion for their business, a product/ customer focus, tenacity despite failure and execution intelligence.

In our study students developed an extended list of the 21<sup>st</sup> century characteristics of entrepreneurs and of characteristics of successful entrepreneurs – it consists of 33 different characteristics in Slovenia, 24 in Macedonia and 22 in Turkey. Other than the capability to recognise and take advantage of opportunities, innovativeness, resourcefulness, creativity, being visionary, hard work, optimism, risk taking they added the ability to learn from a failure/ mistakes, persistence, confidence, commitment, motivation, going beyond limits, enthusiasm, getting out of the comfort zone, courage, determination, task orientation, action orientation, ethical and moral, problem solving, inspiration, the ability to adapt, never giving up, faith in success, intuition, curiosity, resilience and stubbornness. What they missed are the ability to think independently and the ability to lead, as well as a product/ customer focus. Execution intelligence is hidden within strategic orientation and planning.

The key characteristics of successful entrepreneurs as emphasised in our research are innovativeness and risk taking, the ability to learn from failures/ mistakes, persistence, being visionary, passionate, action oriented and able to recognise opportunities.

Our research revealed that students from all three countries perceive the characteristics of successful entrepreneurs (factors which influence entrepreneurial success the most) differently. Most differences are arising from the cultural differences and the perception of the role of entrepreneurship and entrepreneurs in the national economy.

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## 2 Understanding Leadership in International Project Management Course

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**Abstract:** This paper studies how students in an international project management course understand the importance of leadership based on a simulated case of a project (also known as a “detective assignment”) that failed due to poor leadership. We studied how leadership is recognised as a factor of success in project management, what key elements of leadership the students should be sought for in a project and whether they were able to go beyond simply understanding leadership and start practicing it, even though not being directly instructed to do so in the assignment. Results will be used for further development of study materials and the adaptation of learning materials.

**Keywords:** Leadership, project management, students, success factors

### 1 Introduction

As lecturers and providers of knowledge for students in an international project management course in the framework of the e-PROFMAN project, we have asked ourselves: did we offer enough insight into the project manager’s roles and duties to make students aware of the importance of leadership in a project environment? Do students go beyond understanding leadership and start practicing it, although they are not being explicitly asked to do so in a complex individual assignment that simulates a real life situation in project management?

The aim of this paper is to explore whether and how students who are enrolled in an online project management course understand leadership, what they perceive as problems in a project and how they demonstrate their leadership behaviour to solve these problems. It is crucial that participants have a basic understanding of management and the fact that leaders have a significant influence on the success of the project and the process. This understanding can make the process easier for potential leaders. Another purpose of this paper is to evaluate participants according to their comments on how they are solving problems in the given cases and to capture some points regarding their leadership.

The participants' assignments have been critically analysed to determine who went a step further and demonstrated leadership skills when elaborating the case, as a consultant, as indicated in the assignment guidelines.

## 1.1 Definition of Leadership

Leadership is a subject discussed widely in different fields and examined by academics in several ways. Previous contributions to the leadership literature has come from various social sciences such as anthropology, political sciences, psychology, sociology, education, business, etc. (Rost, 1993). Studies from different fields bring about a variety of leadership definitions. Every author refers to its traits, roles and dimensions reflecting his/her own perspective while defining leadership. It makes the field of leadership a nested structure, a powerful combination of cumulative knowledge coming from different sides.

Bass (1990) classified the definitions of leadership according to approaches of previous studies that reviewed the concepts of leadership. They summed up the definitions and presented them under pre-determined topics. First of all, they considered leadership as a universal issue of interest to humankind and then as a subject of inquiry by researchers. Some authors focused on the influential nature of leadership. If team members show a change while fulfilling their responsibilities, we can say that there is an influence on them by the leader. Leaders use power which is available to them, so they can influence team members as well as dominate them.

Some definitions give a point of view regarding the acts or behaviours of leaders. They focus on all behaviours of leaders, not only those that are exhibited while coordinating and directing team members, because leaders' actions may involve motivating team members, sharing experiences with them and building trust within the group. On the other hand, some researchers emphasise the persuasive aspect of leadership. Here leadership is seen as a form of behaviour with a focus on persuading team members to do what the leader wants. If a leader convinces his/her team members to do something and team members accept this instruction, the leader is effective. For leaders, persuasion is an important ability which encourages team members to do their jobs voluntarily or wishfully.

In addition, leaders build a power relation with their team members. Power is not only an important tool for political leadership. On the basis of the authority acceptance theory, a leader has power and authority by gaining team members' subordination, not by having a right to command. This theory considers power as moving from team members to leaders. So, leaders may force their team

members to achieve results and provide an interaction climate within the team. It is hard to set a common project goal and motivate team members to work on it together. Leaders should consider efficiency when achieving objectives. Goals should be reasonable, acceptable, time adjustable and convenient for team members. On the other hand, leaders should be planners, motivators, mentors as well as goal setters. Leaders set the starting point and action plans for those who follow. They motivate them to accomplish organisational and individual objectives. In addition to this, leaders stimulate others by setting out plans and creating teams to realise shared vision.

A leader has different roles and responsibilities than the other team members. The responsibilities are to bring team members together, set goals, motivate and even push them to do more than their best. This encouragement is one of the core elements of creating an initiative climate within the team. So, it can be said that leaders also provide organisational structure in the project.

As you can see, leadership has many aspects in terms of its meaning. After giving the conceptualisation of leadership, we can sum up all definitions under the general definition belonging to Day and Antonakis (2017): *'leadership is a formal or informal contextually rooted and goal-influencing process that occurs between a leader and a follower, groups of followers, or institutions'* and use this as a base in our study. As seen in mentioned literature, the nature of leadership allows for a variety of perspectives about leadership. Every project requires a kind of leadership harmonised with the structure as well as with the project requirements. This is also true for virtual projects as well as for face-to-face projects, but in a different way.

## 1.2 Importance of leadership in project management

It is surely beyond a doubt that leadership is very important when managing projects. Leading a project may require different competencies than the ones needed when leading a company. Leaders don't just focus on the success of the project, but also the process of how project objectives are achieved. This is the main diversifier between leadership and management.

Projects have task-oriented structures, where you determine goals & objectives, clear tasks, timetables, strict budgets and harmonised work among team members. These project characteristics make the difference in leadership. According to Müller and Turner's study (2010), common competencies of successful project managers are conscientiousness, motivation, influence and critical thinking. Results of their field work show that leadership styles vary by

project types. For example, transactional leaders are preferred in simple projects while transformational leaders are preferred in complex projects. However the general argument of this study is that more leadership soft skills are needed for project management.

Nowadays, the concept of emotional intelligence is crucial and therefore it is not possible to ignore it when talking about leadership. Although projects have a determined structure, the leader's job is to create a flexible climate within the team and take input from team members.

Achieving the goals of the project has high stress and cost. In a stressful environment, a good leader is very important and needed by the team. Leaders try to provide a steady climate and a healthy environment simply by being open minded, sharing their experiences, increasing the team's awareness about the project's success and motivating them to concentrate on the project.

According to Kumar's study (2009), it is not enough that project managers have technical and business skills to offer to the project's success. He highlights the importance of leadership skills for project managers and refers to these skills as motivating and inspiring, team building, negotiating and communicating and listening and influencing skills. From a different viewpoint (Lencioni, 2002), the most important role of leaders is to solve dysfunctionality in project teams. Using this approach, problems of a project team are absent of trust, fear of conflict, lack of commitment, avoidance of accountability and inattention to results. So, what should leaders do to overcome dysfunctionality of project teams?

Leaders should build trust and honesty among team members while managing projects. Otherwise, team members have problems in believing in team spirit including, equality in job division, fairness in payment, similar contribution by each team member, etc. Conflict is an expected issue for project teams. Leaders should foresee which individuals or informal groups may raise conflicts and plan ahead with certain measurements that could possibly prevent any kind of conflict. Commitment does not only mean following the team's objectives but also building relationships with other team members in a psychological and social manner. Leaders build commitment within the team, to project objectives, other team members and themselves. Transparency has a key role when delivering a successful project. Processes of planning, budgeting and performance measuring should be shared with the whole team in detail. This pushes members to see the future results and motivates them to work towards it. Finally, if team members work just for themselves and do not care about the

project goals, we can say that leaders face a problem of 'inattention to results'. Leaders can plan the projects together with team members at planning phase. Team members can then understand more about project needs and stay more focus on the target.

## 2 Methodology

We teach students project management theory in the framework of the international course, "How to make things work" where a lot of emphasis is put on the role of the project team and project manager (Kocjan Stjepanović, 2017).

The students' assignment is to define what went wrong in a project that was critically delayed in a case project while only being shown the project deliverables and reporting evidences. They are aware of this assignment from the beginning when it is first presented to them in a webinar. They have to use their previous experience or newly acquired knowledge to understand the project leadership and find out which mistakes were made in the case project and to propose how to avoid or minimise them in future projects.

Among the first things they learn is how to set up a successful project team and what is the role of an inspiring project manager.

### 2.1 Setting up a successful project team

Many studies have analysed the methods and principles for setting up a successful project team as explained by Régimbald and Nault (2002). In today's world, we need to follow these principles:

Describe the purpose of the project

Everyone should understand the purpose and position of the project and how it fits in the comprehensive strategy of our organisation. We need to explain how our project emphasises the organisation's objectives, values, and vision.

Clearly define expectations

Does everyone understand exactly what is expected of them? A project team needs to have a clear understanding of the results that are expected of them and why the team is comprised as it is. Do not miss a single opportunity to present project objectives and emphasise priorities.

Encourage cooperation

You need to ask yourself if project team members even want to participate in the project. Are they aware of the importance of teamwork

for the success of the project? Ensure that all members see their opportunity to grow and develop in this team. Make sure that your project team focuses on solving problems and implementing activities. Try to make it that the team successfully solves problems together and does not think too much about how it would best work in a hypothetical situation.

#### Ensure control

The project team should be able to see the project's status at all times. For a project manager, this means that they have to regularly publish and refresh the project status. Each project team member has the ability to point out problems with the implementation of an activity and to consult with colleagues. Responsibility should be delegated so that individuals can reach results or milestones. Make sure that everyone feels that their cooperation and contribution is important and useful for everyone in the project team.

#### Promote communication

Everyone has to understand the project's priorities and background. This means that important business information, which is pertinent to the project and affects the setting of priorities, has to flow unrestrictedly. The easiest way to achieve this is to regularly notify the project team at meetings or by sending regular notifications. Check how project team members communicate.

#### Understand consequences

A project team needs to be aware of the consequences of its joint work. Try to emphasise the positive ones but do not overlook the negative ones.

#### Change the thought patterns

The success of the project is the success of the team. Thought patterns in an organisation have to change and lead to the realisation that supporting teamwork will bring long-term positive results. Hold regular status meetings to check the status of the project and report on successes and failures so that all can understand. The reason why colleagues working on the same project do not get along is usually not due to incompatibility of character but it's due to the fact that not everybody has the same perception of the objectives and of how to achieve them. The sooner you remove this obstacle, the faster the project will start running as planned.

## 2.2 A project manager's role from the leadership point of view

A project has no chance for a successful completion if it does not have a manager who acts as a leader (Maqbool et al., 2017). What are the project manager's tasks? The project manager has to fulfil project objectives according to the adopted plan and with the available resources (Whitten, 1999). This is a very principled answer, which only hints at the importance and complexity of the work of a project manager. A project manager has to embody the project in all its aspects and at all times remain focused on why we undertook the project, what we want to achieve (qualitative and quantitative objectives) and how to implement the functional part of the project plan. Furthermore, the two most important tasks of a successful leader are to provide communication with all stakeholders and lift the motivation of the team. In order to implement all these tasks, the project manager requires specific knowledge and has to have, or obtain, specific characteristics.

### 2.2.1 The basic tasks of the project manager in project management

The "hard skills" required for a project manager can roughly be classified into two parts – managing activities (ensuring that a job is truly well done) and managing the project environment.

### 2.2.2 Managing project activities

Let us first take a look at what activities there actually are.

An activity is a task in the context of project implementation, which has its implementer, duration and a measurable result. An activity is, for example, the preparation of a plan – the result is the plan (a document or file in electronic format). An activity might be purchasing of device, developing a software solution, meeting with a client, etc. In short, a project comprises of a specific, perhaps very large, but finite number of activities.

The implementation of project activities can and has to be actively affected by the project manager, since managing project activities comprises: planning, organisation, management, control and coordination of activities.

Project managers do not necessarily have to perform the tasks of active management themselves, but they need to make sure that the tasks are performed. A project manager has to understand the organisational and management aspects while master planning, organising working groups, task management and problem solving. It is also important to understand the

technical part of the project which covers the techniques and approaches used by team members in the technical part of the project. If the project manager is a member of the implementation team, this is not a problem. It can however be burdensome, if the manager does not have sufficient technical authority or imposes their opinion. Although we mention the administrative aspect of project management as the last one, it does not mean that it is the least important one. Good administrative work brings order and stability to a project. In our work, administration means that we are following the project as well as financial, legal, and contractual procedures. At the same time, we are also thinking about how to make improvements.

Of course, no one starts as a project manager with all the knowledge and all the skills. We should however be aware of them, think about our existing knowledge and try to upgrade it through additional training and later apply it in a project. The work of a project manager therefore also includes continuous education.

### 2.2.3 Communication

Most of the effort put in by a project manager pertains to communication (Zulch, 2014), since one of the conditions for being able to successfully implement and control all activities is to have sufficient information about the project. The method of collecting this information depends on the organisation's policy, on the project, and of course on the personal approach of the project manager. The project manager has to use the information obtained and harmonise it to lead the project.

There is a task we have not yet mentioned, however it is implicitly included in a manager's duties. It is expectation management. The main recipients of the project manager's messages are clients, company management or the organisation, and the project team. For all three partners of the project manager, it is important to receive honest information and not just data. We need to correctly present the current status of the project and expectations to the client; we need to formulate clear requirements, present a realistic schedule, and build a relationship based on trust and respect.

We need to provide our team with direction, management, credibility, and recognise good results, while the team pays us back with high-quality work, implementation within the agreed time, affiliation, and harmonious work.

#### 2.2.4 Skills of a good project manager

The previously covered points show that the project manager's tasks are versatile and that they require a lot of knowledge and experience. The work itself requires continual improvement and learning to acquire the knowledge, experience, and skills that a good project manager needs.

- knowledge and understanding of the project content,
- knowledge of project management,
- knowledge and techniques of problem solving,
- experience in task management,
- searching for outsourced staff,
- knowledge and experience in planning project activities,
- knowledge and experience in organisation and planning,
- exposure to contacts,
- presentation and communication skills.

All this is expected from the project manager. If anything is lacking, we need to acquire it.

#### 2.2.5 Characteristics of a good project manager - leader

All of the above is however not enough, since we are working with people. The project manager therefore needs to have specific characteristics to become a good leader. It is true that some of these characteristics might be more or less already part of someone's personality, however this cannot be an excuse not to learn them and consciously change the way we work.

Typical characteristics of a good project leader are:

- adaptability and flexibility,
- ability to concentrate on more than one thing at a time,
- radiates initiative,
- ability to be convincing,
- ability to deal with several objectives simultaneously in a balanced manner,
- organised,
- prone to generalisation,
- ability to identify problems, search for solutions, and make sure that they work,
- ability to effectively manage time.

### 2.3 Description of the “detective assignment”

Students are given and presented (in a webinar) a package of available materials, related to the project called “Maple” (service order, project team advertising material, goal presentation, project plan, project specification, team reports, client’s complaint letter, etc.). Students must act as consultants (we call them “project detectives”) and based on the documents, they need to figure out what went wrong in this project using the knowledge they have gained during this course. The analysis must include an analysis of the project, based on the information found in the attached material, findings and recommendations for improving the work of the project team, which had carried out the project.

The assignment was presented as realistically as possible: plans were partly over optimistic, reports were full of relevant and irrelevant information with the purpose of showing the climate and attitude in the team, marketing material was outdated and inconsistent, correspondence between project organisation and customer was on purpose emotional and filled with subjective observations.

All the “evidence” was showing that the project Manager was lacking leadership skills and interest to successfully conclude of the project.



Figure 1: Materials handed (in electronic form) to students as description of the individual assignment

### 3 Analysis

#### 3.1 Description of target student group

The analysis is based on a critical review of individual on-line assignments of 32 program participants - young professionals from Macedonia, Slovenia and Turkey, who were part of the e-PROFMAN professional programme and attended the online project management course, entitled "How to make things work: Achieving results".

#### 3.2 Results and discussion

Based on the earlier theoretical elaboration of the leadership role of the project manager, the students' project analysis assignment has been analysed critically to identify:

1. How is leadership recognised as a success factor in project management?
2. What are the key elements of leadership that need to be demonstrated when it comes to project management?
3. Do students go beyond understanding leadership and start practicing it, although not being instructed to do so in the assignment?

##### 3.2.1 How is leadership recognised as a success factor in project management?

Although all the participants successfully completed the course, which included information on the importance of leadership as a success factor in project management, the assignments showed that they are capable of understanding how projects work and what can go wrong in project management, but they do not necessarily recognise the key role project leadership plays in determining project success or failure. The analysed case witnessed that serious deficiencies that might happen in all phases of project management and implementation and that the project manager plays a crucial role in: (1) Setting and reaching project objectives, (2) Communication (both internal and external) and (3) Motivation of all parties involved.

53 % of the participants clearly recognised the role that the project manager played in the management of the project and undoubtedly identified the deficiencies in his/her leadership role, while 47 % missed to do so.

For the 47% that did not recognise the role that leadership played, analysis of the issues had been conducted, but none of the responsibilities had been attributed to the project manager. The participants concluded that things simply went wrong, but no one pointed out who was responsible. The critical analysis

showed that exactly those issues identified as deficiencies and wrong-doings in the specific case of project management are among the key roles and responsibilities of the project manager, as a leader in project management.

Listed below are the common issues identified by participants and their relation to leadership:

Table 1: Issues identified by participants and their relation to leadership by students who did not recognise the role of leadership

<b>Deficiency identified</b>	<b>Leadership role in project management</b>
Unrealistic project planning	Setting and reaching project objectives
No risks assessment	Setting and reaching project objectives
Bad human resources management	Setting and reaching project objectives; Motivation of all parties involved
Bad time management	Setting and reaching project objectives; Communication
Lack of communication with the client	Communication
Bad supervision and coordination	Communication; Motivation of all parties involved

### 3.2.2 What are the key elements of leadership that need to be demonstrated when it comes to project management?

The 53% of the participants who clearly recognised the role that the project manager played in the management of the project also identified the specific project phases where the project manager failed to perform the leadership role. Below are the common issues identified by participants and how they relate to leadership:

Table 2: Issues identified by participants and their relation to leadership by students who did recognise the role of leadership

<b>Deficiency identified</b>	<b>Leadership role in project management</b>
Project planning	Setting and reaching project objectives
Organisation of working groups	Setting and reaching project objectives; Communication
Task management	Setting and reaching project objectives; Communication
Problem solving, conflict resolution	Communication
Project financial, legal, and contractual procedures	Setting and reaching project objectives
Time management	Setting and reaching project objectives; Communication
Budget planning and management	Setting and reaching project objectives
Risk management	Setting and reaching project objectives

Deficiency identified	Leadership role in project management
HR management	Setting and reaching project objectives; Motivation of all parties involved, Communication
Client relations	Communication
Team communications	Communication

19% of the participants demonstrated clear leadership skills and put themselves in a position to lead the change processes in the organisation, to ensure improved project management.

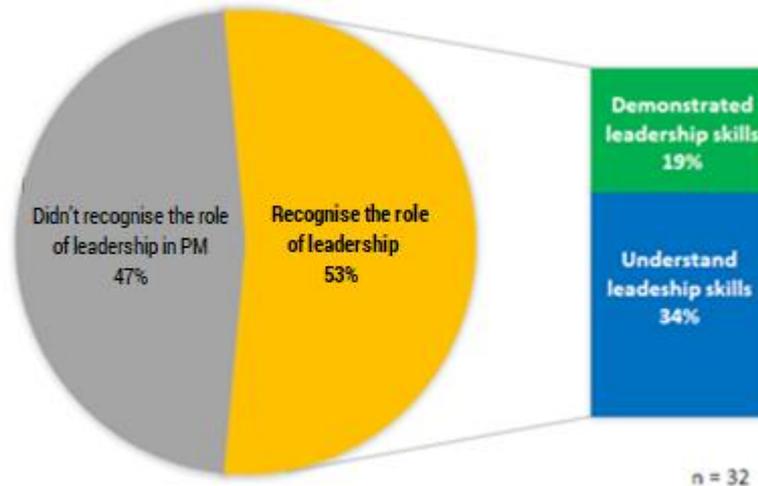


Figure 2: How is leadership recognised as success factor in PM

The argument used by participants in acknowledging the leadership role of the project manager in the example situation included the following statements:

- The success of the project is the success of the team, but a project has no chance for a successful completion if it does not have the right manager.
- If the project manager does not take corrective measures in the right moments in order to solve the problems, the project is doomed to failure.
- One of the critical factors for project success is having a well-developed project plan and a good team leader. The team leader would make sure that everybody does their work and will make a better plan for the upcoming obstacles that the team could face. The team leader should establish ground rules that the whole team should strictly follow, especially when it comes to the time schedule.

## 4 Conclusion

All 32 study participants successfully completed the project management course titled *How to make things work*, which included carrying out an individual assignment that required (among others things) the elaboration of the importance of leadership as a success factor in project management. Students' results showed that they understand how projects work and can identify mistakes and wrong decisions in project execution, but they do not necessarily recognise the key role that project leadership plays in determining project success or failure.

A critical analysis showed that exactly those issues, identified as deficiencies and wrong-doings in the specific case of project management, are among the key roles and responsibilities of a project manager, as a leader in project management. We tried to get as close to reality as possible in a distance learning environment and give an opportunity to (a) analyse the situation and (b) propose improvements as we believe that the highest proof of learning something is transferring the knowledge into everyday life.

The analysis is aware of the gap between a real situation and simulation as well as from the difference between experiencing and observing the project. The limitation of our research is in the fact that participants did not actually analyse a real project. They just studied available project documents and tried to understand the project as a whole. They discovered, outlined and proposed solutions for the problems and obstacles that prevented a successful project conclusion. As consultants or observers, they decided why the project failed. This may be difficult for them when trying to understand leadership, but it also gives them the possibility to objectively observe the situation. If they would have worked in a team in a real project, they would definitely have felt the lack of leadership.

Only one in five participants demonstrated true understanding of leadership skills in the given case and acted as a leader. They mostly focused on problems with defining project requirements, planning and measuring performances. A few of the participants emphasised soft skills in leadership such as building a team culture and work climate, etc. This is significant output for our future pedagogical work since it contrasts with the current leadership research focused on popular topics such as emotional intelligence, organisational culture, leader- team member exchange, etc.

We therefore have to conclude that even if our students already had had some experience in team work and projects, they were not aware of the importance of leadership in project management to the expected extent. Only a half of the students were able to recognise the importance of leadership in the simulated project. This is a result that is not satisfying for us, and we see our future job and responsibility to adapt teaching methods and materials to improve this result.

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### 3 Linking Business Strategies and Communication: Corporate Governance as a Corporate Social Responsibility

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**Abstract:** Today's companies (enterprises, business) decide how their communication should be, depending on their business strategies and on the structure of the target groups that they want to reach. Businesses increasingly shape their communication activities through corporate social responsibility (CSR) efforts in order to get closer to their target groups and to gain trust of the public. However, it should be examined in detail whether the purpose of those CSR activities really is to fulfill this task or not, or if the business are interested in CSR activities only to gain media coverage.

Furthermore, we wanted to examine whether one of the possible responses to the challenge of "linking business strategy and communication" is to communicate (and report) about corporate social responsibility. Corporate governance is undoubtedly an important aspect of business strategies, so we first established corporate governance as a corporate social responsibility. This avoided banalising CSR as a philanthropic (sponsorship, donor, etc.) activities of companies. In this chapter, we are dealing with communication (as the main tool of public relations) by the corporate governance as it relates to the corporate social responsibility in the largest companies in Macedonia, Slovenia and Turkey. For this purpose we have created two indexes: the transparency index of corporate social responsibility, and the index of commitment to corporate governance as a social responsibility. In the end, we compare the results of the calculated indexes. This chapter looks at the role of public relations (as an organisational management function) in society and the potential contribution of public relations to corporate governance as the corporate social responsibility, specifically in relation to stakeholder relationship management and the provision of fundamental principles of corporate governance.

**Keywords:** Public relations, corporate social responsibility, corporate governance, transparency index, commitment to corporate governance, Macedonia, Slovenia, Turkey

## 1 Introduction

The European Communication Monitor, the most comprehensive communication longitudinal survey, notes from 2007 to 2017 that "*linking communication and business strategy*" is one of the most enduring challenges of communication professionals in the coming years, and that the next major challenge is building and maintaining confidence in the organisation's business in the digital age, in which active social networks have their social networks, require transparency and huge amounts of high-speed data (Zerfass, Moreno, Tench et al., 2013; Verčič, Verhoeven, Zerfass, 2014; Zerfass, Tench, Verčič et al., 2014; Zerfass, Verčič, Verhoeven et al., 2015; Zerfass, Verhoeven, Moreno et al., 2016; Zerfass, Moreno, Tench et al., 2017).

Public relations is most often dealt with at the normative level as a functional process in the organisational context, namely the management (building up and preserving) of mutually beneficial relationships between organisations and their key shareholders and the public on which the organisational existence depends (cf. J. E. Grunig and Hunt, 1984; J. E. Grunig, 1992; Cutlip, Center and Broom, 2000; Sriramesh and Verčič, 2001, 2003; L. A. Grunig, J. E. Grunig and Dozier, 2002; Dozier and Broom, 2006; Hallahan, Holtzhausen, van Ruler et al., 2007/2008; Broom, 2010; Tench et al., 2017). "*The primary concern of public relations is the involvement of the organisation in the environment and maintenance of a 'social licence to operate'*" (van Ruler and Verčič, 2002, 16). This acceptability of the organisation in the environment is the recognition that the organisation has the right to exist and to be part of the community or society in which it operates, because in the opinion of the stakeholders it deserves to exist and it should therefore be a fundamental concern for public relations. By communicating, public relations co-create common social meanings, thereby facilitating cooperation between organisations and their stakeholders and public. The purpose of public relations is to act as a bridge between organisations and their public and create links to transform the organisation rather than simply justifying an organization as it is. If communication is the fundamental tool of public relations in these social interactions, and their focus is on establishing relationships, then public relations are "*managing the communication of an organisation with its public*" (Grunig and Hunt, 1984).

To a lesser extent, public relations is treated as a contingent, a socio-cultural activity, which is part of the communication process with which the company constructs its symbolic and material 'reality', or, as Edwards and Hodges point out, "*as the locus of transactions that creates emerging social and cultural*

*significance*" (Edwards and Hodges, 2011, 4). This aspect represents a departure from normative views on public relations and functional understanding of public relations as a communication channel through which organisational interests are achieved. Instead, it focuses on analysing how material and discursive expressions of public relations reflect transactions between various social actors and how new processes and identities for these social actors appear in this process.

According to stakeholder theory (cf Freeman, 1984; Voß and Freeman, 2016), a company is a constellation of interacting stakeholders (positively acting together or abstaining from interfering with and obstructing the other stakeholder co-operations) coordinated through the company's managerial and entrepreneurial strategy and the governance structure, so that they are encouraged to cooperate in order to create as much value as possible to their mutual advantage. This aspect of stakeholder theory is not only a theory of strategic management but also a view of corporate governance.

Social responsibility assumes that organisations must take into account and involve stakeholders as well as the community in their activities. The functioning of organisations must be balanced with the expectations, values and standards of stakeholders and communities. The social responsibility of managers and practitioners of public relations is manifested through a proactive effort for a participative social culture and a social good that puts the interests of the community at the forefront.

## 2 Corporate social responsibility and corporate governance

Corporate social responsibility (CSR) is one of the key concepts in the academic studies of business and society relations and is usually defined as a broad term that generally refers to the ethical role of companies in society, as corporate actions and policies that have a positive impact on society. The initial question in the first major study on corporate social responsibility - *"To what extent do the interests of the business and the long run merge with the interests of the society?"* (Bowen, 1953, 5) - is still relevant today. Companies are involved in a series of challenges with their stakeholders that might essentially affect their business and economic functioning, and CSR may be realised as the appropriate method for addressing those challenges. According to Bowen (1953, 6) responsibility *"refers to the obligations of businessmen to pursue those policies, to make those*

*decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society".*

All perspectives regarding the fundamentals of social responsibility for businesses include Davis' model of corporate social responsibility, which suggests five key propositions that drive business' socially responsible behaviour:

- social responsibility arises from social power;
- business shall operate as an open system, with open receipt of inputs from society and open disclosure of its operation to the public;
- the social costs and benefits of an activity, product, or service shall be thoroughly calculated and considered in deciding whether to proceed with it;
- social costs related to each activity, product, or service shall be passed on to the consumer;
- business institutions, as citizens, have the responsibility to become involved in social problems that are outside their normal areas of operation (Davis, 1975).

According to Davis (1975, 20) "Social responsibility is the obligation of decision makers to take actions which protect and improve the welfare of society along with their own interests". Therefore, companies owe a duty not only to their shareholders but also to all of their stakeholders, defined as all those parties who have a stake in the performance and output of the corporation or, "*any group or individual who can affect or is affected by the achievement of the organization's objectives*" (Freeman, 1984, 46). Stakeholders include the employees, unions, suppliers, customers, local and national governments, and communities that may be affected by company activities.

CSR can broadly be defined as how firms are socially and environmentally integrated on a voluntary basis and demonstrate concern regarding their ongoing operations and their interactions with stakeholders. CSR refers to the notion of taking responsibility for the impact of corporate activity on the wider body of stakeholders, both internal and external stakeholders, and both economic and social stakeholders. It is this show of responsibility that underpins the willingness of society to legitimate business. When Carroll developed his original four-part construct of CSR in 1979 and then his pyramidal depiction of CSR (1991), he observed that all the levels of CSR depicted in Carroll's pyramid play an important role: economic and legal responsibilities are

*required*; ethical and philanthropic responsibilities are *expected* and *desired* (Carroll, 2016, 6).

According to Vanberg (1992) CSR based on the 'social contract' between companies and society, and in the domain of corporate governance it is balanced between different stakeholders' claims and the choice of fair equilibrating principles. The social contract among all members of a polity that establishes the rules of the 'economic game'. At the societal level, the social contract defines the rules according to which the economic game is to be played within a framework of formal jurisdiction (regular institutions), professional and ethic norms (normative institutions) and social acceptability. This is what stakeholders consider desirable and expect (socio-cognitive institutions).

We can look at CSR as permanently seeking and maintaining 'desirable' and 'appropriate' formal, moral and cognitive demands between profit interests and common or societal interests - as a perceived by the stakeholders. When the 'market game' produces patterns of outcomes that the stakeholders consider undesirable, they can look to change the rules of the game or boycott products and services of a company that has not met their expectations. On the other hand, corporate governance can be a good regulatory mechanism for stakeholder relations governance, which can be reflected in the maintenance of a social license to operate through strategic communication with stakeholders. CSR is then a multi-stakeholder model of corporate governance based on the extension of fiduciary duties toward all of the company's stakeholders. In accordance with the prevailing opinion on its voluntariness, CSR is viewed as a normative model that companies may undertake, on the basis of decisions, autonomous in terms of the explicit adoption of expressed self-regulatory norms and standards.

The ISO standard 26000 provides guidance on how businesses and organisations can operate in a socially responsible way. It helps clarify what social responsibility is, helps businesses and organisations translate principles into effective actions and shares best practices from around the world relating to social responsibility. The guidance provided in ISO 26000 is applicable to all types of organisations. ISO 26000 is designed to assist organisations in contributing to sustainable development, encouraging them to go beyond basic legal compliance, and to promote common understanding in the field of social responsibility, complementing other instruments and initiatives for social responsibility (ISO, 2010; 2017). The ISO 26000 recommends seven principles of corporate social responsibility, while recommending their implementation to

take account of social, environmental, legal, cultural, political and organisational diversity, as well as differences in economic conditions and international norms of operation: accountability, transparency, ethical behaviour, respect for stakeholders interests, respect for the rule of law, and respect for international norms of behaviour (GRI, 2010; ISO, 2015).

CSR domains of action include finance, principles of corporate governance, formalisation of the CSR policy, organisational structure of CSR, and dialogue with stakeholders (Idowu et al., 2015, 8). Corporate governance refers to the set of responsibilities and practices exercised by the board and executive management of an organisation with the goal of providing strategic direction, ensuring that objectives are achieved, ascertaining that risks are managed appropriately and verifying that the organisation's resources are used responsibly. Scientific debate on corporate governance is mainly focused into four theoretical approaches: agency theory (or agent-principal approach); stewardship theory; resource dependency theory and stakeholder theory. These different approaches are used to justify various models of corporate governance.

## 2.1 Theoretical approaches to understanding corporate governance

In the last decades, corporate governance scholarship has been dominated by the powerful paradigm i.e. the principal-agent model, which holds that the corporation must be understood as a nexus of private contracts, of which the most important is the contract between the shareholders of the firm (the 'principals') and the directors and executive officers (the shareholders' 'agents'). According to this contract, the directors and executives will run the firm so that the shareholders' wealth is maximised (cf. Friedman, 1970). In agency theory, the managers act as agents of the principal, but they pursue individual interests, potentially contrary to those of the shareholders. Therefore, since there is the risk that the administrators act in an opportunistic manner, in accordance with the agent-principal approach, corporate governance should primarily protect the interests of investors.

According to stewardship theory, administrators act in the interests of shareholders in the pursuit of common interests. This approach contributes towards understanding the explanation of the relationship between CSR and governance, since it refers to a model of motivations and managerial behaviours, that is diverse from the theory of rational choice, and on cooperative

and non-conflictual government, founded on trust and oriented towards the long-term (Davis, Schoorman and Donaldson, 1997).

In the resource dependency theory (Pfeffer and Salancik, 2003), companies must be managed to best fit in with that environment they operate in. It is especially within this perspective that administrators have to guarantee resource procurement necessary for the development of companies while maintaining good relationships with key external stakeholders (Cornforth, 2004, 13).

The Stakeholder theory (Freeman, 1984; Freeman and Evan, 1990) emphasises the role of stakeholders within the structures and processes of corporate governance, echoing the concept of CSR (Freeman *et al.*, 2010). We, thus, underline the need for systems of governance characterised by the decentralisation of the decision-making power and by the involvement of stakeholders by way of stakeholders' engagement strategies, stakeholders' commitment and stakeholders dialogue; by way of systems of accountability aimed at guaranteeing transparency and participation and mechanisms of recruitment of representatives of the various categories within governance and control systems. The main rule of stakeholder theory is that "*he who governs the firm must consider the rights, the interests and the expectations of all those who may be influenced by managerial decisions and who, conversely, may exercise their influence on the results of such decisions*" (Freeman 1984, 46).

Therefore the proper purpose of the companies is not to maximise shareholder wealth, but to promote long-term, value-creating economic production under conditions of complexity, uncertainty and risks (cf. Beck, 2009), doing so in a manner that yields surplus benefits not only to shareholders but also to other stakeholders that make specific investments in corporations. Corporations (and their shareholders and other stakeholders) are not only players in economic games but also in the social-exchange game embedding the former (cf. Aoki, 2001).

## 2.2 Corporate social responsibility as an extended model of corporate governance

A number of scholars have approached the concept of CSR from a corporate governance perspective, shifting the focus of the research around the ways to govern the complex system of a company and articulating the concept of CSR as a method for corporate governance intended as "*the system by which companies are directed and controlled*" (The Committee on the Financial Aspects

of Corporate Governance, 1992). The European Commission sustains that companies state their CSR by adopting a system of open governance, which is able to conciliate the interests of the various stakeholders within the context of a global approach of the quality and sustainable development (Commission of the European Communities, 2001; 2009; European Commission, 2011). The OECD states that the structure and the procedure of corporate governance should acknowledge the rights of stakeholders and encourage their participation in the creation of wealth and employment, starting with access to information through transparency (OECD, 2004, 2015; ISO, 2017).

Since neither the markets nor firms can be considered as governance mechanisms with zero transaction costs, it is possible to experiment with alternative private governance forms aimed at internalising part of the social and transaction costs of the traditional private governance forms through the emergence of social norms for corporate responsibility. In this view, CSR is defined as an *'extended model of corporate governance'* in which those who run the firm (top managers) have fiduciary duties (obligations and responsibilities) that range from owners and shareholders to all of the other corporate stakeholders. And since these duties act as an internal constraint on the sphere of managerial autonomy not concretely regulated by the law, they assume the form of responsibility principles expressed by shared social norms, self-regulatory codes and standards, soft laws and so on (Sacconi et al., 2011).

*"The basic idea of creating value for stakeholders is quite simple. Business can be understood as a set of relationships among groups that have a stake in the activities that make up the business. Business is about how customers, suppliers, employees, financiers (stockholders, bondholders, banks etc.) communities and managers interact and create value. To understand a business is to know how these relationships work. And the executives' or entrepreneur's job is to manage and shape these relationships."* (Freeman et al., 2010, 24).

All stakeholders all have legitimate interests that must be reflected in the corporate objective function, therefore the stakeholders are not just means for the pursuit of the interests of the owners of corporate physical assets, they also give rise to purposes to be pursued by the proper management of the company. CSR can thus be straightforwardly understood as the formal recognition at corporate governance level of the obligations owed to all the stakeholders because they are legitimate sources of ends for corporations (cf. Sacconi et al., 2011, XI).

The corporate governance form appears to be a natural candidate as a solution in terms of the 'social contract' among all of the corporate stakeholders. We understand corporate governance structures as institutions for achieving a fair balance among different stakeholders with different and complementary specific investments at stake and engaged with reciprocal cooperation and coordination issues. They are also the balancing criteria suitable for equilibrating different stakeholders' claims and the bundle of their rights and duties (or responsibilities) that they would accept. This understanding of corporate governance is supported not just by the new-institutional (economics and organisational) theoretical perspective.

### 3 Conceptual framework of research and methodology

According to Moreno and Capriotti (2009), many companies have adopted CSR practices largely because they believe it will benefit their business in the long term and improve their competitiveness. In this context, they refer to the Sjöberg definition of CSR as "*an extremely complex web of interaction between an organisation and its stakeholders*" (Sjöberg, 2003, 192, qtd in Moreno and Capriotti, 2009, 158). Moreno and Capriotti reported in an article on the analysis of the way in which the top companies in the Spanish Stock Exchange communicate their CSR practices through their corporate web sites and how it could also serve as a tool for researchers and professionals who analyse and deliver the CSR information on corporate web sites. They are quoted two ways on how organisations communicate with their stakeholders through the web:

- use the internet in a unidirectional way with the essential objective of diffusing information to try to influence the image that stakeholders have and to provide a low level of interactivity;
- use the internet to facilitate bidirectional communication, to establish and build relationships, to allow dialogue and interaction between the organisation and its different stakeholders and, thus, to provide a high level of interactivity. In this way, it offers organisations the opportunity to respond to questions, concerns and problems of their stakeholders (Moreno and Capriotti, 2009, 162).

For analysis, they used content analysis and the codification form, and proposed an operational table of ten categories to organise the CSR (also corporate citizenship and sustainable development) content on corporate web sites.

In our study, we used a similar logic for our methodology. Our sample consisted of 30 large companies (10 largest companies in Macedonia, Slovenia and Turkey) and we have formed two indexes for them:

- *the transparency index of corporate social responsibility* (based on an analytical review of each company's website) and
- *the index of commitment to corporate governance as a social responsibility* (based on the analytical review of the governance policy, the declarations of governance policy and the annual report for 2016 for each company).

We designated the both indexes by evaluating the individual indicators listed below.

### 3.1 Transparency index of corporate social responsibility

In order to evaluate individual indicators that will form this index, it is necessary to analyse and evaluate the website of the assigned organisation (content analysis). On the basis of the information available on the websites of the organisation concerned, we should evaluate individual indicators as follows:

#### 3.1.1 The web site transparency indicator

This indicator will have several criteria:

- if the company has a website in the local (Slovenian, Turkish or Macedonian) and English language, it is assigned 1 point; if the website is accessible in only one language - 0.5 points; if there is no website, we give it 0 points;
- if there are annual reports available on the website for at least the last 5 years in two languages (local and English), then 1 point is assigned to it (if it is in one language only - 0.5 points), if the report is not accessible on company website, then 0 points;
- if the website has a separate section on CSR, this would be valued by 1 point, and if not, 0 points;
- if there is a separate section/chapter of corporate governance on the website, it would be evaluated by 1 point, if it does not have 0 points;
- if a reference code of conduct (or more of them) is published on the website, which the individual company takes into account - it would be evaluated by 1 point, if there is no such publication, 0 points;
- if a corporate governance statement is available on the website, it would be valued by 1 point, if not, 0 points;
- if a corporate governance policy is available on the website, this would be evaluated by 1 point, if not, 0 points;

- if an individual company has a separate section on stakeholder relations on a website, it would be evaluated by 1 point, if it does not, 0 points. But if only information is available on relationship with stakeholders, 0.5 points;
- if the company has published social and environmental fields on the website, which it is influenced by (its business and its environment) risks, it would be evaluated by 1 point, if not, 0 points.

### 3.1.2 The indicator of communication of elements of social responsibility

If an individual company communicates on the company websites all four elements of social responsibility (Carroll's Pyramid), we would evaluate this indicator with 1 point; if it communicates only one element, with 0.25 points, but if it does not communicate no element, this indicator would be evaluated with 0 points, etc.

### 3.1.3 The indicator of communication of the principles of social responsibility (according to ISO 26000; each principle represents a single indicator)

An individual company communicating a particular principle on its websites with a concrete indication of its attitude/position and an indication of its own activities in this, would give the company 1 point; if the company communicates a particular principle only partially (e.g. it only states the principle, without information on how it is being implemented), this indicator would be evaluated with 0.5 points; if the company does not set the principles, then it would be evaluated with 0 points; we would evaluate each CSR principle separately.

In the next step, for each company, the above points would be summed up by individual indicators, and this sum would be divided by the number of criteria within each indicator; the obtained values of individual indicators are summed and then divided by the number of indicators (3). This will give us an index, which we called the '*transparency index of social responsibility*' for an individual company. The values of all companies from each country would be displayed in a single benchmark and calculated by country. We would assume that the higher the index, the more individual organisations in the field of social responsibility are more transparent on their websites.

## 3.2 The index of commitment to corporate governance as a social responsibility

The basis for this index is the G20 and OECD principles of corporate governance (OECD, 2015), the corporate governance policy of an individual company, the

management statement of corporate governance for each company, and the annual company reports for 2016. This index consists five indicators explained below.

### 3.2.1 Corporate governance policy indicator

If a corporate governance policy that is clear and detailed:

- lists and defines key stakeholders (e.g. at least owners / shareholders, employees, customers / consumers, residents from the local environment, etc.) (criterion of stakeholders),
- defines a communication strategy to all identified key stakeholders (the criterion of the communication strategy),
- specifies the methods of determining the conflict of interests and the independence of the members of the Supervisory Board and the Management Board (the criterion for determining the conflict of interests),

then each individual criterion would be evaluated by 1 point, in contrast to 0 points (if the company's corporate governance policy is not publicly available and accessible, each criterion would be evaluated with 0 points).

### 3.2.2 An indicator of corporate governance management statement

If the statements of corporate governance of a company clearly:

- state the existence of one's own code of ethics (in addition to the reference code, i.e. obligatory code), it would be evaluated by 1 point, in contrast to 0 (the criterion of application of the code);
- show that the company fully complies with all the provisions of the reference code, it would be evaluated by 1 point, in contrast to 0 points (the criterion of compliance with the code);
- explain in detail that the company does not take into account less than three principles of the reference code, this would be evaluated with 0.5; in contrast to 0 points (if the organisation does not take into account more than three principles, this criterion would be evaluated by 0 points) (the criterion of non-compliance of the code) (this and the previous criterion are mutually exclusive);
- take into account all the principles of corporate governance, such as those reflected in the reference code, it would evaluate by 1, otherwise relatively slowly, given the number of principles in the reference code.

### 3.2.3 An indicator of the social responsibility report

- if the annual report contains a separate report (not a chapter e.g. in annual report) on social responsibility, then this would be evaluated by 1 point, in contrast to 0 points (the criterion of a separate report on CSR);
- if the annual report refers to the GRI guidelines, then this would be evaluated by 1 point, in contrast to 0 points (GRI compliance criterion).

### 3.2.4 An indicator of disclosure of the activity of social responsibility

If the annual reports reveal that the company supports activities in the field of social responsibility:

- to employees (e.g. obtaining a Family Friendly Company certificate, etc., promoting additional / lifelong education of employees, the principles of respectful conduct and taking care of anti-mobbing, employee participation in management, etc.) (CSR criterion for employees),
- to owners (e.g. regular notification, payment of dividends, etc.) (CSR criterion for shareholders),
- other key stakeholders (e.g. suppliers, customers, etc.) (CSR criterion to other key stakeholders),
- social environment (e.g. philanthropic activities, corporate citizenship activities, marketing with purpose, donation to key stakeholders, etc.) (CSR criterion to the social environment),
- to the natural environment (e.g. the introduction of "green technology", environmental and energy efficient operation, philanthropic activities in relation to the preservation of the natural environment, etc.) (CSR criterion to the natural environment),

each individual criterion of this indicator should be evaluated by 1 point, in contrast to 0 points;

### 3.2.5 Indicator of the existence of a corporate governance report

- if the annual report contains a separate report on corporate governance (not a corporate governance statement or a corporate governance policy), then this would be evaluated by 1 point, in contrast to 0 points.

They would then add points allocated by individual indicators for each individual company, and then sum up the total with the number of criteria within each indicator. The values of the individual indicators thus obtained would be summed up and then divided by the number of indicators (5). Thus, we will get an index that we will call the '*index of commitment to corporate governance as a corporate responsibility*' for each of the companies under consideration. By

combining them (the sum of indexes of individual companies and then the division with the number of companies treated in each country), we will get the average value of the index of commitment to the corporate governance as a social responsibility in each country in relation to the enterprises concerned.

### 3.3 Methodology for choosing the biggest companies

A total of 30 companies were included in our survey - the top 10 companies in each country (Macedonia, Slovenia and Turkey). We used the Southeast Europe (SEE) top 100 rankings<sup>1</sup> for the biggest companies from Macedonia. Considering the data from the same source (SEE top 100 rankings), we also took into account the data on the stock quotation of the biggest companies for Slovenia. The biggest companies in Turkey are announced by the Istanbul Chamber of Commerce every year.

#### 3.3.1 The biggest companies from Macedonia

For the purposes of the article we used the SEE top 100 publication to select the top 10 companies in Macedonia (SeeNews, 2017). Only one Macedonian company is ranked among the top 100 biggest companies in Southeast Europe by total revenue for the fiscal year ended December 31, 2016. The company is Johnson Matthey DOOEL and it is ranked 17th (SeeNews, 2017). Another two companies are ranked between 100 and 200 (EVN Elektrostopanstvo na Macedonija AD – Electricity Company 124th and 174th Okta AD - Petroleum/Natural Gas Company). Other companies are ranked between 202nd (Makpetrol AD - petroleum company) and 495th (Alkaloid AD – pharmaceutical company).

#### 3.3.2 The biggest companies from Slovenia

The first nine of the ten Slovenian companies that we analyzed, are listed in the top 100 biggest companies in SEE by market capitalisation as of December 31, 2016, and are sourced by stock exchanges in these countries. The top eight companies are listed in the stock market - the first quotation on Ljubljana Stock Exchange (Krka d.d., Petrol d.d., Zavarovalnica Triglav d.d., Telekom Slovenije d.d., Poslovni sistem Mercator d.d., Luka Koper d.d., Pozavarovalnica Sava d.d.

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<sup>1</sup> The SEE TOP 100 ranking covers non-financial companies registered in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Moldova, Montenegro, Romania, Serbia and Slovenia. All data is sourced from national commercial registers, stock exchanges, government and corporate websites, industry regulators, local business and information providers (SeeNews, 2017).

and Gorenje d.d.), the ninth company (Cinkarna Celje d.d.) is listed in the stock market - a standard quotation of Ljubljana Stock Exchange, and the tenth company (DARS d.d.) is listed in the bond market - a standard quotation of Ljubljana Stock Exchange.

Half of these ten Slovenian companies are ranked among the top 100 of the biggest companies in Southeast Europe by total revenue for the fiscal year ended December 31, 2016 (Petrol d.d., Poslovni sistem Mercator d.d., Krka d.d., Telekom Slovenije d.d. and Gorenje, d.d.)(SeeNews, 2017). In addition in reviewing the websites of these companies, we also analysed the annual reports of these companies for 2016 and corporate governance documents that were available either on the websites of the companies under consideration or in their annual reports.

### 3.3.3 The biggest companies from Turkey

The root of Turkey's top 500 Industrial Enterprises of research dates back to the 1960s. It was introduced to the public as "100 Big Company" in 1968. The scope of study was expanded from 300 companies in 1978 to 500 companies in 1981.

In addition to "Turkey's top 500 industrial enterprises" research, "top 500 industrial enterprises of industry followed 325 companies" study was also been published for the public in 1991. The scope of this additional study carried out as "250 Industrial Corporations followed top 500 Industrial Corporations" between 1992 and 1997 was enlarged to 500 in 1998. Data that includes data on Turkey's top 1000 industrial companies has been announced to the public every year since 1998.

"Turkey's top 500 Industrial Enterprises" research is like a mirror reflecting the strong nature of Turkey's economy. And until now it has been a subject of many theses and researches at the academic level (İstanbul Sanayi Odası, 2007).

"Turkey's top 500 Industrial Enterprises" research is determined according to the scope of the industrial sector (mining and quarrying, manufacturing and electricity, gas, steam and air conditioning production and distribution sector), production, and sales criteria (companies that have made the goods they have produced on their own as sales-trade goods sales are excluded). In this study, companies are also ranked by sales volume, production, net sales, gross value added, shareholder's equity, total assets, profit / loss before tax, interest income before amortisation and taxes, export and average number of employees.

## 4 Results and discussion

We expected that the index of transparency of corporate social responsibility will be relatively high for all companies surveyed in all three countries and will be higher than the index of commitment to corporate governance as a CSR in all three countries. Our expectations came true for the companies from Macedonia and Slovenia, but not from Turkey (Table 1).

Table 1: Transparency index of corporate social responsibility

	Macedonia	Slovenia	Turkey
<b>Transparency index of corporate social responsibility</b>	<b>0,67</b>	<b>0,73</b>	<b>0,29</b>
<b>The web site transparency indicator</b>	<b>0,62</b>	<b>0,87</b>	<b>0,46</b>
(1) the company has a website in local and English language	0,65	1,00	0,85
(2) the annual reports is available on the website for at least the last 5 years in two languages (local and English)	0,35	1,00	0,45
(3) separate section on CSR on company website	0,80	0,60	0,50
(4) separate section of corporate governance on the company website	0,70	0,80	0,40
(5) reference code of conduct (or more of them) is published on the company website	0,40	1,00	0,40
(6) corporate governance statement is available on the company website	0,70	1,00	0,50
(7) corporate governance policy is available on the company website	0,50	0,90	0,50
(8) separate section on stakeholder relations on the company website	0,70	0,50	0,00
(9) social and environmental fields, which it is influenced by the company, is available on the website	0,80	1,00	0,60
<b>The indicator of communication of elements of CSR (Carroll's Pyramid)</b>	<b>0,80</b>	<b>0,78</b>	<b>0,12</b>
(1) communication of the economic responsibility on the company website	0,15	0,20	0,12
(2) communication of the legal responsibility on the company website	0,20	0,13	0,07
(3) communication of the ethical responsibility on the company website	0,23	0,20	0,12
(4) communication of the philanthropic responsibility on the company website	0,23	0,25	0,17
<b>The indicator of communication of the principles of social responsibility (ISO)</b>	<b>0,60</b>	<b>0,56</b>	<b>0,27</b>
(1) accountability	0,30	0,30	0,30
(2) transparency	0,45	0,70	0,40
(3) ethical behaviour	0,70	1,00	0,30
(4) respect for stakeholders interests	0,50	0,90	0,40
(5) respect for the rule of law	0,75	0,20	0,20
(6) respect for the international norms of behaviours	0,70	0,60	0,10
(7) respect for human rights	0,80	0,20	0,25

Source: own codification and calculations.

The data in Table 1 speak a lot for themselves, and in this place, we will not repeat them, but we will only highlight some of the features.

We discovered that there are deficiencies in the presentation of the information on corporate web sites in their conception and that there are more serious deficiencies in these companies' communication plans for communicating on responsible corporate behaviour and corporate governance as an important part of the CSR. The information - especially for the companies in Macedonia and Turkey considered - sought is scattered, mostly focusing on discretionary

(philanthropic) responsibilities (sponsorships, donations, etc.), while much less emphasis is placed on legal and interesting economic responsibilities.

When you are comparing Macedonian and Slovenian companies, the sum of the transparency index of corporate social responsibility is very close between Macedonia and Slovenia (0.67 and 0.73). Keeping in mind the economic development of the countries and the fact that Slovenia is an EU member, at first glance this is surprising finding. But behind the high scores of the Macedonian companies, the analysis of these 10 companies shows that out of ten - seven of them have foreign capital. So, foreign companies are bringing international management standard and procedures in CSR to Macedonia - at least on "paper" i.e. on the web.

Analysis showed that those companies that have production in Macedonia, or they are working in construction industries (Johnson Matthey – chemicals; Sinohydro Skopje Branch – construction; Van Hool Makedonija – automobiles) don't have a Macedonian version of their web sites or translated key governing documents and managing standards. This shows us that these companies are not interested in the Macedonian stakeholders, nor do they demonstrate interest in the market where their business is located. This can lead to the assumption that some of these companies are looking to the Macedonian market just as a place where they can have production and make profit. Possibly they are not even an active member of society nor the local communities and consider Macedonia to be a "third world" country. Documents, governance statements and CSR policies on their web sites are solely focused on the global stakeholders ignoring the Macedonian stakeholders.

So we concluded that even though according to the website transparency indicator Macedonian companies are scoring "good", this data must be seen in context with the above elaborated observation. We need to emphasise the fact that 3 of the foreign companies in Macedonia, that is 1/3 of the top 10 ranked Macedonian companies according to SEE Top 100, do not engage with the Macedonian stakeholders and environment while working in the country, having policies and working principles just on paper, not showing the local community and Macedonian public what these principles are in practice.

When we look at the top largest companies in Turkey based on revenue, the biggest one is in oil refinery, five are foreign partners of automotive companies, one is in power generation, one in household electrical appliances and other is in steel and transportation. It is clear that companies of foreign partners create bilingual websites and they attach great importance to corporate social

responsibility and corporate governance. Even if not it is a section directly on the website regarding corporate social responsibility, it was determined that companies publish subjects of corporate social responsibility in their annual reports and financial reports.

There is a somewhat different situation with the indexes of the commitment to corporate governance as a corporate responsibility, since these indexes are significantly lower than transparency indexes (except for the undertakings concerned in Turkey), as shown in Table 2.

Table 2: The index of commitment to corporate governance as a CSR

	Macedonia	Slovenia	Turkey
<b>The index of commitment to corporate governance as a CSR</b>	<b>0,37</b>	<b>0,58</b>	<b>0,33</b>
<b>Corporate governance policy indicator</b>	<b>0,33</b>	<b>0,60</b>	<b>0,33</b>
(1) lists and defines key stakeholders	0,40	1,00	0,50
(2) defines a communication strategy to all identified key stakeholders	0,20	0,50	0,40
(3) specifies the methods of determining the conflict of interests and the independence of the members of the Board	0,40	0,30	0,10
<b>Corporate governance management statement indicator</b>	<b>0,28</b>	<b>0,50</b>	<b>0,20</b>
(1) existence of one's own code of ethics	0,40	0,60	0,20
(2) fully complies with all the provisions of the reference code	0,40	0,70	0,20
(3) company does not take into account less than three principles of the reference code	0,00	0,30	0,20
(4) taking into account all the principles of corporate governance	0,30	0,40	0,20
<b>Social responsibility report indicator</b>	<b>0,25</b>	<b>0,80</b>	<b>0,45</b>
(1) annual report contains a separate chapter/report on social responsibility	0,20	1,00	0,50
(2) annual report refers to the GRI guidelines	0,30	0,60	0,40
<b>Disclosure of the activity of social responsibility indicator</b>	<b>0,84</b>	<b>0,78</b>	<b>0,58</b>
(1) the company supports activities in the field of social responsibility to employees	1,00	1,00	0,60
(2) the company supports activities in the field of social responsibility to owners	0,50	1,00	0,00
(3) the company supports activities in the field of social responsibility to other key stakeholders	0,90	0,50	0,60
(4) the company supports activities in the field of social responsibility to social environment	0,90	1,00	0,90
(5) the company supports activities in the field of social responsibility to natural environment	0,90	0,40	0,80
<b>Existence of a corporate governance report indicator</b>	<b>0,15</b>	<b>0,20</b>	<b>0,10</b>
(1) the existence of a separate corporate governance report	0,15	0,20	0,10

Source: own codification and calculations.

Regarding the issue of corporate governance this seems to be primarily in response to the necessity of publishing such information under national law. For example, Slovenian companies must publish the information as a result of Slovenian legislation (amendment of Article 70 of the Companies Act, which requires, *inter alia*, precisely defined content on corporate governance in annual reports and on the Internet), which entered into policy in January 2016. However, seen in the table above, many legal requirements are fulfilled only formally, the

"comply or explain" principle in fact represents a lack of use of some important provisions of corporate governance codes and the failure to achieve some important principles of corporate governance.

Few of the corporations have identified who their stakeholders are and how to communicate with them, and they expressed it in corporate governance or annual reports. There is no code of ethics or corporate social responsibility in the reports. When social responsibility activities have been analysed, it was first determined that the corporations are active in a local environment. Undoubtedly, the main reason is those corporations are industrial companies and they have a responsibility to "give back" to society. This focus includes contributions of time and money, a duty to provide environmentally friendly products and services, and a desire to improve the lives of individuals.

## 5 Conclusion

This research contains the limitations that are inherent in a purposive sample and the results cannot be extended to other top companies or to smaller firms.

The European Commission (2011, 6) define CSR as "*the responsibility of enterprises for their impacts on society*". To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of:

- maximising the creation of shared value for their owners/shareholders and for their other stakeholders and society at large;
- identifying, preventing and mitigating their possible adverse impacts.

By promoting respect for social and environmental standards, companies can foster better governance while embedding CSR into corporate or business strategies should ensure that corporate entities and their stakeholders would be encouraged to behave responsibly and act ethically. Corporate governance positions itself at the centre of relations between stakeholders, business strategies, internal processes and communication. Governance issues have been understood worldwide as being important which perhaps explains why nearly all countries around the world today have put in place some sort of corporate governance codes for companies to either comply with or explain why they have not complied with these codes (comply or explain principle).

The chapter based on empirical research reveals the fact that key characteristics of social responsibility and corporate governance are not perceived equally in various countries. Consequently, this leads to the conclusion that the perception is an essential and undivided part of the cultural landscape of any society. The results obtained indicate important differences among three countries, even bigger than expected. A part of the explanation may originate from the long list of indicators and also in different interpretation of individual indicators in three cultures – the same concept does not have identical meaning in various cultures.

Similarly to Moreno and Capriotti (2009), we also find that among the companies under consideration in the relationship between quantity, content and dissemination of CSR and corporate governance information on these corporate websites, there is a disparity between the volume of information and the highly dispersed manner in which it is presented. This high degree of dispersion means that it is difficult for the public to obtain a full picture of CSR and corporate governance, as it is necessary to surf through many sections of a website, annual reports and other documents to find information on all its different aspects.

CSR is an instrument of governance that increases trust and facilitates the encounter among actors within/outside the company, and influences corporate governance, which is “nourished” by business ethics as well. During our research, we found that the best companies in Macedonia, Slovenia and Turkey have relatively high transparency in terms of social responsibility. The index of transparency of social responsibility is expected to be greater than the index of commitment to corporate governance as a social responsibility. This is mainly attributed to the relatively good communication of social responsibility. Details, of course, always reveal a deeper picture. CSR and corporate governance is not just about communication, but the enforcement of regulative, normative and cultural-cognitive institutions in individual countries. In doing so, all the companies involved have a lot of reserves to improve their corporate governance, and this will also result in an improvement in their corporate social responsibility.

We invite researchers from other countries to use the presented methodology in this chapter and try it out. In this way, a large number of companies from different countries could be compared using the same methodology, which, hopefully, would contribute not only to better communication on CSR and

corporate governance, but also to the implementation of the core principles of CSR and corporate governance and international comparability.

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## 4 Intercultural Communication and the Media: A Study of the Effects of Globalization and New Technologies

Pinar Aslan, Marina Tuneva, Seda Mengü

**Abstract:** Intercultural Communication, also referred as cross-cultural communication, is an interdisciplinary field of studies that focuses on how people from different countries, cultures, or backgrounds communicate with each other and that looks for ways to make people communicate more effectively. This study aims to emphasize the gradually increasing need for intercultural communication theory and practices within the framework of mass media, social media, and interactivity. After a brief introduction regarding the concept of intercultural communication and how it has evolved as a key term for globalization and global businesses, the impact of mass media and rising new media technologies on intercultural dialogue will be explained in detail. This study intends to focus especially on intercultural communication and the media. With the rise of globalization, it is no longer possible to consider it as a merely economic or technological process. Increased interaction among people from different parts of the world, free flow of information throughout the web, and cultural interdependence are all signs showing that globalization has a cultural level that is rather difficult to cope up with. Throughout the study, effects of globalization and rising new technologies will be explained in detail regarding the issues and challenges that await to be handled within the framework of intercultural dialogue and the changes the media has undergone.

**Keywords:** Intercultural communication, media, globalization, new technologies

### 1 Intercultural communication: a brief introduction

The first usage of the term “intercultural communication” credit is often given to American anthropologist Edward T. Hall, who used it for the first time in his book *The Silent Language* in 1959. This book is often considered as the founding source of the field. Hall considers intercultural relations as “one of the world’s most significant problems” (Hall, 1992, 76). The possibility of successful intercultural relations lies in intercultural communication that occurs at least between two persons from different cultures or microcultures.

Intercultural Communication is the management of messages for the purpose of creating meaning across cultures. According to Gerry Philipsen, culture can be defined as “a socially constructed and historically transmitted pattern of symbols, meanings, apprentices, and rules” (Philipsen, 1992, 7). In other words, culture is a code and different cultures have different codes. In that case, intercultural communication is the study and practice of explaining these cultural codes as correctly as possible to other cultures and managing them within a multicultural framework so that intercultural dialogue is possible.

While thinking about intercultural communication and the way it is managed, it is significant to consider that intercultural communication is an interdisciplinary field of study. The primary academic disciplines and topics related to intercultural communication studies are psychology, linguistics, communication, anthropology, and sociology. Being at the crossroads of all these fields besides many other sciences, intercultural communication is essential yet challenging to theorize, practice and manage. It is equally important to consider the increasing necessity of the field since the world is going through a never-ending globalization process and as countries and cultures go beyond borders thanks to new perspectives and new technologies, intercultural dialogue is a must for all people, countries, and companies in different levels.

Neuliep (2017) claims that the necessity of intercultural communication should be analyzed regarding the benefits successful intercultural dialogues could bring. These benefits are healthier communities, increased commerce, reduced conflict and personal growth through tolerance (Neuliep, 2017, 7-9). When it comes to explaining how intercultural communication contributes to healthier communities, it is important to agree on the fact that working collectively through a healthy intercultural communication process for the benefit of each member of a community helps in understanding, appreciating, and acknowledging the other. Intercultural communication is also important for the globalization of the commerce since it is only through our capability to handle intercultural communication that we can successfully increase our economic benefits. Another benefit of the intercultural communication is that the conflicts due to misunderstanding and negative generalization can be reduced by cooperative intercultural communication. And finally, learning from others' values, history, and habits through intercultural communication can help increase our self-awareness.

Besides the benefits, there are also many challenges that can be encountered throughout the intercultural communication process. Firstly, regarding the complexity of the process of intercultural communication, it should be noted that the message sent is not always the message received during intercultural communication exchanges. Furthermore, intercultural communication involves a clash of communicator styles. In some societies, people are valued by their speech; in others, silence is preferred and actions speak louder than words. So, it all depends on the communicator's style. Hence, to be a competent intercultural communicator, one should be skilled in communicating, knowledgeable about how to communicate, and most importantly motivated for communication. If one of the parties gets nervous about communicating with others, the outcome of communication apprehension would be the avoidance of interaction and communication. One of the most significant studies conducted to facilitate intercultural communication aiming to bring an end to such challenges is by Geert Hofstede. Geert Hofstede is a Dutch social psychologist and former IBM employee whose groundbreaking theory of cultural dimensions laid the foundation for future cultural research. With the research he conducted at IBM, Hofstede theorized about culture regarding different dimensions including power distance, individualism, uncertainty avoidance, masculinity, long-term orientation, and indulgence vs. restrained (Hofstede, 1983). His research is groundbreaking since it turned into a world map of cultures that has served as a roadmap for many studies.

This study intends to focus on intercultural communication and media. With the rise of globalization, it is no longer possible to consider it as a merely economic or technological process. Increased interaction among people from different parts of the world, free flow of information throughout the web, and cultural interdependence are all signs showing that globalization has a cultural level that is rather difficult to cope up with. However, communicating across different cultures is one of the main challenges that await to be managed. Especially in the present age of digital communication, "time has been compressed by reducing the distance between different points in space, and the sense of space has led people to feel that local, national, and global space becomes obsolete" (Harvey, 1990). It is worth studying how media is affected by intercultural communication and how it affects intercultural communication process acting as a mediator across borders.

## 2 Media and intercultural communication

In today's world of communications, media are one of the main "mediators" in developing and fostering global awareness about cultural diversity. As some scholars argue, media are not only the magic windows through which we view the world but also the doors through which ideas enter our minds as we interact with them (Harris and Sanborn, 2014).

The rapid digital revolution and the reality in which information is transferred very swiftly reveal just how enormous the role of the media is. In 1962, Marshall McLuhan coined the term "the medium is the message", explaining that it is the "medium that shapes and controls the scale and form of human association and action (p.9)."

Media deliver messages to large audiences who are diverse. Consequently, both culture and communication are directly affected by the media used. Every society depends on the media to provide information which helps in shaping opinions, attitudes and motivating behaviour. Also, media have a central role in communicating to the public what happens in the world. In those cases, in which audiences do not possess direct knowledge or experience of what is happening, they become particularly reliant upon the media to inform them (Happer and Philo, 2013).

Intercultural communication involves both direct communication among people of different cultures and indirect one, by using language, speech, media and electronic communication. For issues and subjects concerning which most personal experience is limited, for example, foreigners, television, and other media forms may virtually be the only vivid sources of information (Silverstein, 1989). Therefore, Silverstein and Flamenbaum (1989) concluded, the public receives information about a nation's actions primarily from reports in the mass media.

In an ideal case, media would serve as a mirror of the society, accurately transmitting the reality of the different cultures to their audiences. The inclusive dialogue requires "investments" by the media themselves. They can play an important role in reflecting the reality, shaping of public opinion and shaping of trust between citizens and the state.

However, this is often not the case, and intercultural disagreements occur when audiences from different communities notice that media perpetuate images and perspectives that do not comply with their perception of the reality.

## 2.1 The media's portrayal of reality: issues and challenges

Key theoretical observations in intercultural communication clung to a belief in powerful media effects on cultures and communities. Media are seen by many scholars as playing a vital role in shaping perceptions of the world (Boulding, 1956; Fishman, 1980; Shoemaker and Reese, 1996). The theory of social construction of reality contends that the mass media help construct and maintain reality by re-presenting particular meanings and understandings of "reality" (Berger and Luchmann, 1967).

Professional media treat the problems related to different cultural groups in the society, spreading information and opinions that can be useful to the entire society. Ideally, the media would serve as an open forum in which all cultural groups would be encouraged to express their views in an open and reasonable way. However, the lack of sufficient information about different cultural groups in one society might lead to an unbalanced and biased reporting, which on the other hand might further escalate tensions in the society.

Therefore, in culturally diverse societies, an important heuristic question is whether journalists apply the standard of objectivity in the reporting about culturally sensitive and complex issues.

Media reports are the product of the work of journalists, who are often influenced by their own system of beliefs and by a network of ideological and corporate pressures that have been documented to wield influence on the journalistic process (Wolfe, 1983; Chomsky, 1985). Journalism is, in fact, a practice which is led by professionals who belong to a certain culture who take part in the shaping of cultural memory and production of knowledge.

Consequently, journalists in multicultural societies face more difficulties in securing a balance between the dominant culture of the majority and the cultural matrixes of non-majority communities. As Rasul argues, there seems to be an emerging understanding within the increasingly diverse societies that it is essential to ensure harmonious interaction among people and groups with plural, varied and dynamic cultural identities (2014). Policies for the inclusion and participation of all citizens are guarantees of social cohesion, the vitality of civil society and peace.

However, in Parenti's view (1993), mass media not only suppress information but also often deliberately create disinformation. The mass media, he argued, seldom give us a range of information and views which might allow us to approach a story from a different angle, frequently, in sharp contrast to the

generally accepted view on a certain issue of interest. Fishman (1980) contended that media consumers are led to see the world outside firsthand experience through the eyes of the media in such a way that alternative ways of knowing the world are simply not made available. The media provides a form of direction as to how their audience should think about an issue which is believed as important (McCombs, 2004).

## 2.2 Media as aggregators of misconceptions in culturally diverse societies

As part of larger social processes, media can construct and encourage meanings that generally match the expectations of dominant social groups over others, generally social subordinate groups. Shoemaker and Reese (1996, 39) contended, "we depend on secondhand sources for our knowledge about that part of the world beyond our immediate perceptual grasp—which is most of it . . . Our perceptions of an object or event are at the mercy of the accuracy and completeness of those sources." Thus, a discourse might be used in the media, infused with particular meanings and not others, which would potentially create stereotypes.

As Lippmann (1965) stated, stereotypes are "pictures in our heads" that mark traits and help us distinguish quickly social groups from one another. In figurative speech, it is a conventional, formulaic and usually oversimplified conception, opinion, and belief about a person, group, event or issue considered to typify that object (Lippmann, 1965).

In the process of stereotyping, mass media are seen as major sources of easily accessible and widely available information, possibly as powerful information channels and image factories, creating and sustaining stereotypical beliefs about foreigners (Lippmann, 1965; Shoemaker and Reese, 1996). In such cases, the public does not possess sufficient knowledge and information to be able to understand the entire picture about the life of different cultural groups, while some groups might decide to react on the basis of the reports in the media.

Hate speech, in different forms, can be also generated by media. If stereotypes and prejudices are perpetuated through the media, the so-called collective view of the "Others" will be reinforced and this might lead to a strong hatred. Researches in the field of conflicts (Pruitt and Kim, 2004) indicate that the parties become more distant with the destructive escalation of conflicts, a phenomenon known as autistic hostility. Media reporting can trigger such polarization. They have an original capacity to exaggerate the conflict, either in

a constructive or destructive manner, with the way they transmit messages to their audiences.

Schramm (1964) argues that both communication and journalism play an important role in the sense of collective goals. Hence, the great focus on the role media can play in the public discourse and, in particular, in relation to intercultural communication.

### 2.3 Ways forward

The media play an important role in putting emphasis on and questioning conflicting morals and views. When discussing what he considers to be one of the key issues in professional journalism, media ethicist Jeremy Iggers (1999) points out that because democracy means the widest possible participation of citizens in public life, diversity in journalism is of fundamental importance.

Free and independent media, as stipulated in article 10 of the European Convention of Human Rights, have a central role in the functioning of the democratic societies. In this direction, the White Paper in Intercultural Dialogue (Council of Europe, 2008) highlights the importance of media in intercultural communication. "There is a need to foster the awareness of media professionals of the necessity for intercultural dialogue and co-operation across ethnic, cultural, religious and linguistic boundaries with a view to promoting a culture of tolerance and mutual understanding, bearing in mind their role in informing the public." (p. 27).

Media can positively contribute to the struggle against intolerance, as stipulated in a Recommendation by the Committee of Ministers of the Council of Europe. This can be especially done by strengthening the culture of understanding among different ethnic, cultural and religious groups in the society. In view of the theory of social construction of reality, it becomes important to recognize that institutionalized channels of information exchange, such as the mass media, can have a significant impact not only on the content of stereotypes but also on the process of learning stereotypes through social interaction (Ibroscheva and Ramaprasad, 2007).

Media plays an important role in the process of socialization and the perception of the issues of different cultural groups largely depends on the pictures and portrayal in the media. They are also an important mechanism of transparency and they initiate important issues that otherwise would not be even exposed or addressed in public.

The mission of the mass media should be directed towards de-escalating tensions and conflicts in the society, by treating the problems with humanism, creativity, and accuracy (Tuneva and Petreska Kamenjarova, 2010). It is also very important that the media are "explorers" of the cultural values of different groups and a forum for discussion on the progress of different cultures.

### 3 The Role of New Technologies in Intercultural Communication

It is an undeniable fact that ever-developing technologies, social media, and interactivity have made the role intercultural communication even more significant. Intercultural communication has already assumed a pivotal piece of our globalized lives. In this sense, computer-based innovations are promising in making conditions for individuals to get in touch with individuals from varied societies and cultures.

The world is getting smaller as far as how quick data gets to go around the planet and, in the meantime, bigger world. As exchange obstructions fall, national, i.e., social, boundaries are securing more influence, and that can mean more hindrances unless we set ourselves up (Winters, 1994).

Dazzling developments in communication technologies, increase in speed almost everywhere, the disappearance of distances among people and the innovations in information technologies have also reverberated in education.

As the information sources in the global education system are continuously accessible, there is no need to limit education to certain periods of time. Introduction of the distance teaching programmes in international dimension in addition to those provided in national scale enables students to come together with individuals from different cultures and have the opportunity to look at things through their perspectives as well.

In the late twentieth century, Hofstede (1991, qtd in Ribeiro, 2016) asserted that learning culturally diverse correspondence abilities involves three basic advances:

- “(1) Awareness – consciousness and acceptance of behavioural differences;
- (2) Knowledge – knowing the precise differences is as crucial as it is necessary to intellectually understand where the differences lie and
- (3) Skills – the need to train specific non-verbal communication skills” (p.71).

A study conducted by Çiftçi (2016), aiming to review the literature pertaining to intercultural learning by means of the utilization of technology has made eight primary focuses known:

- “(1) an overall satisfaction with digital tools and intercultural learning,
- (2) increased knowledge of both own and target culture,
- (3) the superficial and fact-based exchange between similar cultures and profiles,
- (4) varied levels of intercultural communicative competence development,
- (5) lack of in-depth analysis and of detailed reports,
- (6) the necessity for training, guidance, and good communication skills,
- (7) need for stimulating contexts, and
- (8) technical and institutional challenges.

The current study is timely to help researchers and practitioners to both comprehend the existing literature and to find new research and practice directions in the field” (p. 313).

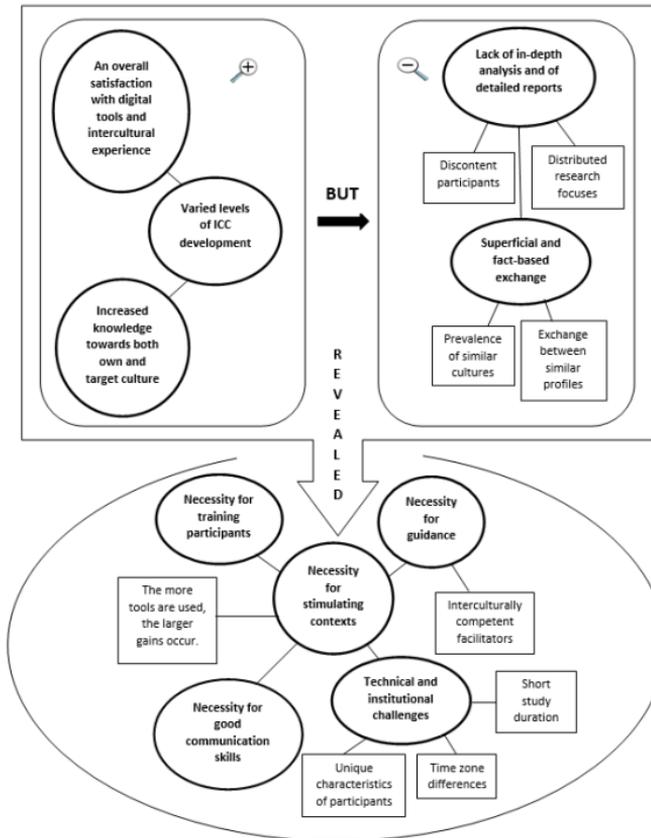


Figure 1: An overall representation of the literature. Source: Çiftçi (2016, 321).

Çiftçi (2016) emphasizes that the respective literature has demonstrated its own focal points, shortcomings or difficulties. Favourable circumstances were general fulfilment with advanced devices and intercultural encounters over the Internet or innovation expanded learning of both claim and different societies and changed levels of ICC improvement. Furthermore, points of interest were in general fulfilment with digital devices and intercultural encounters over the web or innovation, expanded information of both claim and other societies, and shifted levels of ICC improvement.

Needless to say efficiency of intercultural communication depends on the coding of the messages with respect to the intention of the sender as well as the comprehension of the receiver that the message perceived is the product of a different coding system. Thus, in order to enable the individuals from different cultures to understand each other and express themselves, education appears as a significant means. International distance teaching programmes not only facilitate this function but also require students to coordinate and co-operate.

At this point Çiftçi (2016) argues that our comprehension of communication is based on two points, firstly; the choice as well as the treatment of methodologies in research and hypothesis development and secondly; practical assignments and issue arrangements. In this respect, four dimensions where theory and practice encounters are suggested:

*“(a) Knowledge*

Communication on technology is characterized by the mix of expert knowledge from various fields with situational knowledge from the application areas of everyday life and the professions.

*(b) Actions*

The communicative enabling of actions first of all aims at the practice of human-technology interaction...Communication on technology involves two action levels: practical actions of using a product and speech acts as communicative actions.

*(c) Texts as a mediation form*

The symbolic transfer of knowledge and communicative actions requires organization and form. Texts, spoken or written, printed or online, are regarded to be conventional forms of organizing communication.

#### d) *Cultural aspects*

Knowledge, actions and the forms of organization which impart them are determined by culture...The transfer of technical knowledge and technical products around the world implicates the problem of identifying the self-evident or striking in each of the different discourse and practice communities" (pp. 7-8).

Furthermore, preparing participants do not appear to be adequate for a fruitful intercultural correspondence. An animating condition ought to likewise be outlined carefully to help members to feel connected with and keep up their communication with different societies. While planning nature, the enhancement of the computerized instruments ought to be taken into account in parallel with the remarkable parts of the taking interest subjects and settings.

Pointing out the reflections of rapid changes in social and work structures over education today, Ribeiro (2016) illustrates that as social, instructive and innovative limits turn out to be more blurry, new learning openings develop. In any case, to live, study and work in this flighty setting controlled by technology, intercultural mindfulness, and intercultural relational abilities should be reflected upon and viewed as a fundamental by both educators and students (p. 70).

In this sense, Ribeiro (2016) proposes that educators should not only centre the instructing and learning process on their particular branch of knowledge but also create more noteworthy intercultural mindfulness and ace intercultural correspondence abilities, transversal to all territories. The test lies in setting up all understudies to live and work in plural social orders as socially mindful and intercultural proficient residents. Thus, "improved intercultural consciousness fosters knowledgeable, comprehensive, contemplative and in due course, more conscientious individuals" (p. 70).

Nearly 10 years afterward, Liddicoat, Papademetre, Scarino, and Kohler (2003, 16, qtd. in Ribeiro, 2016) include different measurements of the intercultural mindfulness learning procedure and express that learning forms must: include the student in a procedure of self-change; empower general relational abilities; contain a learning procedure concentrated on 'knowing' in its numerous and various semantic and social settings, and acknowledge alternate points of view. In reality, social mindfulness moves well past actualities about various societies.

The respective authors perceive the need to basically look at others' standards, values, convictions, suspicions, practices et cetera with our own. By moving the concentration towards their own way of life, too as towards different societies, students can comprehend perspectives inside and over any one culture, along these lines acquiring a more profound comprehension of both their own way of life and different societies.

Regarding the idea the internet and local cultures influence each other, Keniston (2001) proposes that if the new electronic innovations are the most imaginative and effective advances of the new millennium, then we should ask ourselves: How do the new electronic technologies affect existing inequalities within and between nations? How do they impact the cultural diversity of the world? (p. 287).

The expanding globalization of the overall economy has prompted expanded accentuation on the worldwide dissemination of advances. Some of the most rapidly diffusing innovations in the previous decade are those included with "computing and communication" (Maitland and Bauer, 2001, 87).

Ess (2001) discusses that the objective of an intercultural worldwide town will expect us to go to not just to the innovations included, at the same time, more in a general sense, to the social setting of the utilization of these innovations. Specifically, another type of cosmopolitanism created among the clients of these innovations—the cosmopolitanism of double natives in both thick neighbourhood societies and a thin worldwide culture—would seem basic to the advancement of a worldwide majority rules system.

To sum up, being one of the vital elements of the socialisation process, education is the area where individuals gain the ability to evaluate themselves as well as others and decide as a result of these evaluations. Therefore, group work is given special importance in virtual classroom activities. Here, the aim is to provide opportunities for the students to express themselves, develop persuasion abilities, balance their motivational and emotive affections as well as produce common ideas with the others. With the help of international distance teaching programmes, students from different cultures can realize themselves in group interactions, possess due technical and institutional knowledge, make ethical decisions for their actions and come into contact with different cultures.

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# 5 Marketing Communication in the World of Chaos

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**Abstract:** In order to conceive the right marketing communication strategy as a vital part of the companies' success, there are numbers of factors to be considered. In this paper we prepared an overview of the literature of the factors, which influence the level of innovativeness of employees, and that are crucial for preparation and execution of the marketing communication plan; as well as one case of successful implementation of marketing communication plans in Macedonia.

**Keywords:** Marketing communication strategy, employee intrapreneurship and innovativeness, internal factors for companies' success

## 1 Introduction: changing world of the 21<sup>st</sup> century

Since 2008, Europe has been constantly shaken by the consequences of the worst economic crises in the last 50 years. The crisis is due to its duration which by some authors is called a disruptive environment (see Kodrin, 2014). The number of unemployed in Europe is over 22 million (Eurostat, 2016), SMEs in most European member countries still have not succeeded in reaching their profit level from before the crises (EU, 2013). Europe 2020 is a concept, a strategy for EU growth for the next decade and in its centre are companies (European Commission, 2015). When new companies are created and successfully developed, all of society experiences the positive effect in terms of the creation of new jobs (Haltiwanger et al. 2013); so entrepreneurship is a strong tool for economic growth, it opens new markets and enhances the development of new skills and competencies, and through that, it enhances competitiveness and innovativeness of economies (European Commission, 2012). Without jobs in new companies the number of all possible jobs would decrease (Kauffman Foundation, 2009). New companies, especially SMEs, are the most important source for new jobs, as new companies create over 4 million new jobs each year in Europe (calculations of European Commission based on Eurostat data, 2009). It seems that this power is losing its strength: since 2014 the share of people who prefer self-employment over employment has decreased in 23 of 27 EU member states (European Commission, 2016). If we take a look at the ownership structure, the family-owned business is extremely

important (Ruzzier et al., 2008; Vadnjal, 2008), in the USA 65 % of GDP is produced by those types of companies and up to 62 % of workforce (Astrachan and Shanker, 2003), in Slovenia family-owned businesses employ up to 70 % of the workforce and create up to 67 % of the added value (EY Slovenia, 2015).

Marketing communication represent a wide area, with many definitions in theory as well as in day-to-day use, and it faces all the challenges in society as a crucial part of companies' strategy. "One of the biggest issues impacting corporate strategy today is the explosive growth in transparency. Employees, customers, and stakeholders can all share information, post pictures, make comments, and disclose problems in seconds—and that information can then go viral in minutes." (Bersin, 2018). Communication professionals/leaders are rethinking leadership models to focus on values such as followership, fairness, empathy, and building a growth mind-set (ebda). Organisations are also in the early stages of rewiring the entire set of communication practices:

- Companies are increasingly embracing open feedback systems, continuous performance management, and pulse surveys—giving managers real-time dashboards to see how they can improve. A new breed of tools can now measure sentiment, mood, and companywide communication patterns (ebda).
- The world of continuous performance management has exploded; in fact, more than 70 percent of companies are now designing new processes based on regular feedback and transparent goals (Deloitte, 2017).
- New tools for organisational network analysis can measure followership and mentorship, and can help leaders understand how teams and the company as a whole communicate (Bersin, 2018).

Ultimately, all this transparency leads us to a continuous focus on employees. "Every company is in the people business, and today more than ever, the companies that outperform also tend to be the best places to work" (Bersin, 2018).

Today's companies will not survive the times of fast changes, if they don't acquire the right marketing (Scott, 2015; Van Belleghem, 2013, Belch, 2014) and entrepreneurial competencies (Drucker, 2007). The survival and success of the companies will depend on the employees' behaviour: the more prepared they are for the changes (e.g. the more innovative they will be in finding solutions to new emerging problems), the higher is the chance of survival of the companies in the market. In this article we will take a look at the internal factors of innovativeness of the companies (employees).

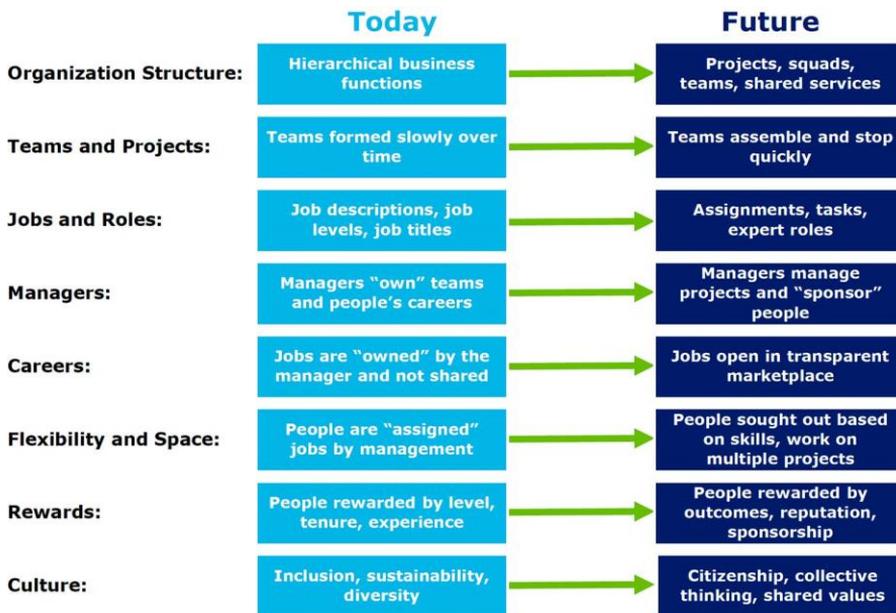


Figure 1: Change of the Organisation and its element from now to tomorrow.

Source: Bersin, Deloitte Consulting LLP, 2017.

The aim of the paper is not to draw attention to the perspective of the variety of stakeholders, but to the perspective of the internal factors that influence innovativeness (e.g. how prepared employees are for the changes), so that the companies will be able to choose their marketing communication strategy according to the potentials of the employees.

## 2 Overview of the literature on important internal factors for companies' success

### 2.1 Internal factors with an impact on employee innovativeness

In order to conceive the right marketing communication strategy as a vital part of a companies' success, there are numbers of factors to be considered. In this paper we prepared an overview of the literature of the factors that influence the level of innovativeness of employees.

Through the study of the literature we identified the following important factors regarding the choice of a marketing communication strategy to ensure marketing and financial success of the companies:

- The companies' internal factors: innovation, risk-taking, team work, proactive behaviour, employee engagement, quality of life, psychological safety, personal characteristics of employees, employee communication.

- Certain characteristics of the companies (size, ownership, business sector, area/region of conducting business).
- Demographic characteristics of employees (age, race, place of residence)
- Knowledge of existence of different marketing communication strategies and their (dis)advantages.

To present all of the factors exceeds the limits of this paper, so we will focus only on some of them, but list more in the conclusion. But to understand the basic terms 'success' and 'strategy' we will present some of the definitions. Companies' success can be understood as a one-dimensional category (a combination of marketing and financial success, see Weerawarden, 2003) or dispersed in the context of common criteria (see Vorhies and Morgan, 2005) or as two separate dimensions – marketing success and financial success (Hooley et al., 2005). Companies' success is a category that has been researched by many authors (Johnson and Kaplan, 1987; Venkatraman and Ramanujam, 1987; Jaworski and Kohli, 1993; Donaldson and Preston, 1995; Kaplan and Norton, 1996 and 2000; Lane et al., 2001; Mizik and Jacobson, 2003; Rust, Ambler, Carpenter, Kumar, and Srivastava, 2004; Lyles and Salk, 2007; Hoque and James, 2000; Škerlavaj and Dimovski, 2007).

Authors define strategy in many different ways. Chandler (1962) defines it as a definition of basic long-term goals, and allocation of means for their achievement as well as procedures to be followed to reach the goals; Andrews (1971) sees it as a summary of goals and plans for achieving those goals. Authors Hofer and Schendel (1978) agree that strategy is the basic document, used by company to reach its goals. Mintzberg (1974) defines it as a plan and list of planned measures, developed consciously and upfront with aim to achieve set goals. Hax (1990) believes that strategy is a coordinated decision-model, which enables the company to select the best present and future operations.

The appropriate marketing strategy enables reaching set goals (see Mintzberg, 1974; Clow and Baack, 2013; Lehman and Winer, 2008), in regard of owners, customers and other stakeholders. For the purpose of this paper we will focus on the companies' internal factors that influence marketing communication. Marketing communication is a set of activities, planned and executed by the company to communicate with existing and potential customers (see Holiday, 2014; Newman, 2013; Kotler, 1998). It is a very complex process, through which the company establishes better relationships with its stakeholders. The field of marketing communication was studied by many authors, Andrews, 1971; Kotler, 1998; Clow and Baack, 2013; Lehman and Winer, 2008; Postružnik in Možina et al., 2009; Ostrom et al., 2010; Vukasović, 2012; Van Belleghem, 2013; Scott,

2015). Among professionals there is unified opinion, that for assuring success, the companies should choose marketing communication strategies that connect the company and its products/services with stakeholders in such a way, that they reach them and build trust and establish relationship. All can be achieved by many different marketing communication strategies, whether by advertising, direct sales, personal marketing, sales promotion, public relations, or their combination; it can be by the selection of available tools (like press releases, ads, social media promotion, events, gifts ...) and channels (on-line or off-line) as well as the appropriate content (Eagle, Dahl and Lloyd, 2014; Egan, 2015, Scott, 2015; Belch and Belch, 2014; Clow and Baack, 2013; Blakeman, 2014).

Companies used to focus on specific forms or tools, methods, channels of marketing communication, i.e. advertising, sales promotion etc.; today, for the purpose of the success of the companies they apply the concept of integrated marketing communication, that supports the idea of necessity to use multiple tools of marketing communication at the same time: depending on goals, publics etc. At the same time, it is necessary to adjust, adapt and set the timeline for the use of the selected tools. Various authors (Andrews, 1971; Kotler, 1998; Webster, 2002; Clow and Baack, 2013; Lehman and Winer, 2008; Postružnik in Možina et al., 2009; Ostrom et al., 2010; Eagle, Dahl and Lloyd, 2014; Egan, 2015; Van Belleghem, 2013; Scott, 2015) use different terms for the marketing communication strategies. Some authors state as many as 52 different marketing communication strategies (see Bueno, 2012, Holiday, 2014), some (see Bueno, 2012; Scott, 2015; Clow and Baack, 2013, Holiday, 2014) state them as follows: partnership, alliance, ambush, call to action, close range, cloud, community, content, cross-media, database, digital, direct, diversity, evangelism, freebie, sample and guerrilla.

Miller (1978) described intrapreneurship through 11 dimensions. In the next study Miller and Miller (2006) defined intrapreneurship by 3 dimensions: innovativeness, proactiveness, and risk-taking. Dhaliwal (2001) defines four dimensions of intrapreneurship: new business venturing, innovativeness, self-renewal, proactiveness; Antončič and Hisrich (2004) describe 8 dimensions of intrapreneurship: new ventures, new businesses, product/service innovativeness, process innovativeness, self-renewal, proactiveness, risk taking and competitive aggressiveness. Kostanjevec and Gomezelj Omerzel (2013) as many other researchers (Delmar and Wiklund 2008; Tang et al 2008; Keh, Nguyen and Ng, 2007, Casillas, Moreno and Barbero, 2009, Andersen 2010, Naldi

et al., 2007 etc.) in their research (2013) include three dimensions of intrapreneurship: innovativeness, proactiveness, and risk-taking.

Some literature defines innovativeness as innovative behaviour in the workplace (see Janssen 2000; Van de Ven, 1986). Many researches and studies conclude, that the success of the company derives from non-formal networking and team functioning (Balkundi and Kilduff, 2006; Moolenaar, Slegers and Daly, 2012; Naphiet and Ghoshal, 1998; Ruef, 2002 etc). The reason behind this success lies within a strong impact of networks on the capabilities of individuals to learn (Argote, McEvily, & Reagans, 2003). Learning is a key determinant of innovations (Tidd, Bessant and Pavitt, 2001); the process of creation can be observed as a supportive learning process (van Zijverden, 2015). That is the process, which solves difficult questions and problems, develops innovative concepts and ideas, and interactions with others, which all result in improvements or innovations (Paavola and Hakkareinen, 2005; Chou, Chang, Cheng et al., 2007). In the literature there is no consensus on factors, which shape and define relationships between individual's network and innovations (Yuan in Woodman, 2010, Zheng, 2010), therefore some studies suggest, that the perception of psychological safety could be a mediator in that relationship (van Zijverden, 2015, Baer in Frese, 2003). This is pinned to the fact, that individuals show more self-initiative for new ideas and generate as well as implement those ideas, if they feel they are in a safe space (Baer in Frese, 2003). Some research showed that psychological safety is in positive correlation with the innovativeness of employees (Sánchez 2012; Mariam et al., 2014).

The quality of life index »Gallup-Healthways Well-Being Index« shows, that quality of feelings and evaluation of life (according to Cantril's »self-anchoring« scale) have different correlations (Kahneman and Deaton, 2010). Income and education are related to evaluation of life; health, concern for others, loneliness and smoking are stronger predictors of daily feelings. When we applicate them to the log 'income', evaluation of life proportionally grows – to the limit, when growth is no longer applicable, and this is at an income of 75.000 USD per year. Lower incomes have a negative effect on emotional pain, connected with misery such as with divorce, illness and loneliness. Nobel Prize winners Kahneman and Deaton conclude that higher incomes buy satisfaction with life, but not happiness; low incomes are correlated with lower evaluation of life as well as with low level of emotional quality of life.

## 2.2 Conclusion from the literature overview

Disruptive environment (“permanent crisis”), super trends, creative destruction, concept 3T (talents, technology and tolerance) and changes in workforce in Slovenia impact the choice of professional path, education and subsequently the pipeline of talents with adequate competencies for existing companies and for those yet to be found. That means, that companies will have to adapt the knowledge and skill sets within organisation for the existing workforce. As established through the overview of the existing research studies and literature, the survival and success of companies will depend on the behaviour of their employees: more agile, adaptive, change and opportunity oriented employees (i.e., innovative) they are, the higher the probability of companies’ survival on the market is. These are the internal facts of the company, that influence its success in light of innovativeness of employees and how they impact the choice of marketing communication strategies and is a vital part of every company in order to thrive in the global market. To be properly equipped for the correct marketing communication strategy, the following internal factors of companies, as the literature overview showed, have to be taken into consideration:

- Innovativeness (search for the opportunities, idea generation, championing/promotion, application/realisation, reward and recognition).
- Risk-taking (speed of reactions, decision making).
- Teamwork (characteristics of teams, team efficiency, knowledge transfer, organizational climate from the point of view of team co-working).
- Employee engagement (engagement, communication, satisfaction, leadership, inspiration).
- Personal characteristics (humour, intuition, perception of our own characteristics: our strengths and positive personal characteristics).
- Communications management (existing communication strategy, using communication tools, inclusion of stakeholders).
- Psychological safety (networking, acceptance, fellowship, drive for excellency, support, acceptance of mistakes).
- Quality of life/life attitude (satisfaction with economical aspect/evaluation of life; satisfaction with non-economical aspect/emotional quality, purpose of life, happiness).
- Financial results/financial aspect of the company (income, investment into innovation, profit).
- Demographical characteristics (age, job, education, status, level of incomes).
- Characteristics of the companies (business sector, size, ownership, region of conducting business).

We can summarise the findings of the studied literature as follows:

- In Slovenia this topic is rather unexplored, but the literature overview showed what factors employee engagement, intrapreneurship (=internal entrepreneurship), communication processes, psychological safety, teamwork, risk-taking, pro-activeness influence the choice of marketing communication strategies and with that influence the overall success of the companies.
- A turbulent environment demands constant adaption regarding approaches for entering markets and choosing marketing communication strategies; while doing so, companies depend more and more on their internal resources – employees.
- Internal factors of the companies influence more and more business operations.

### 3 Effectiveness of integrated marketing communication

Integrated marketing communication is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program that maximizes the impact on customers and other stakeholders at a minimal cost. This integration affects all of a firm's business to business, marketing channel, customer focused and internally directed communication (Hutton, 1996).

Advertising is a fundamental component of integrated marketing communication. Advertising is part of the promotional mix as well, together with public relations or publicity, sales promotion, direct marketing and personal selling. The role and importance of advertising within the promotional mix varies depending on the marketing objectives, goals and strategy of each company. For the companies and their offerings, that focus on pull sales and marketing strategy, advertising is in central focus and its effectiveness is of key importance. This is especially valid for the consumer sector where advertising is the key communication vehicle, while others are backing it up with a more direct promotional approach. For companies that base their activities and tactics around push sales and marketing strategy, especially in the business to business sector, advertising is of secondary importance and in most cases plays a supporting role to the other promotional activities.

An effective communication program means reaching customers with an adequate message through appropriate media, and as communication specialists feel growing pressure to produce tangible results, developing

noticeable and measurable communication outcomes is the major challenge (Frazier, 1983).

One of the key decisions that companies face on a regular basis is the size of the marketing budget and more specifically, the media budget. The creative communication strategy is interrelated with the media strategy and very often the decisions on the use of different media outlets depend on the creative strategy and vice versa the decision to use more digital and social media over traditional media will certainly affect the creative strategy and related executions.

Selecting the proper combination of media outlets for communication is very important. Studies by Millward Brown and ACNielsen highlight the benefits of combining different media (Morris, 1999). It was reported that ad awareness was strongest when American consumers were exposed to an advertisement on television and in a magazine. The increased impact of using two or more media is called a media multiplier effect., which means that the combined impact of using two or more media is stronger than using either medium alone (Weissman 1999).

### 3.1 Effective communication campaign: the case of Macedonia

Most companies today are recognising the increasing importance of the internet, digital media and social media as growing media outlets. Macedonia is no exception to these trends in the marketing environment and more and more companies are tailoring their creative strategy for a more effective use of online communication channels. Based on the available budgets, companies are either running online campaigns, or are mixing online and traditional media effects, of course including interactive marketing that includes consumers in message co-creation instead of just sending messages in an one way communication.

The key question is: *Can the targeted use of online communication and brand spiraling increase the effectiveness of communication?*

According to Klaasen, "Think pictures, not words. Keep it simple and tie it in with your offline efforts. Effective online advertising must be tied in with offline advertising to maintain a uniform brand presence and advertising message. It involves integrating online and offline branding tactics that reinforce each other so that they speak with one voice. This process is called brand spiraling which is the practice of using traditional media to promote and attract consumers to a web site (Clow and Baack, 2010).

Before presenting the case of an integrated online and offline communication campaign of a large telecommunication company in Macedonia we will first discuss the media landscape and trends in the country.

Based on the data provided by Zenith, the total net market spending in Macedonia has been decreasing since 2013 as shown in Figure 1, while the share of spending of internet has been increasing with TV spending stable and print decreasing as shown in Figure 2.

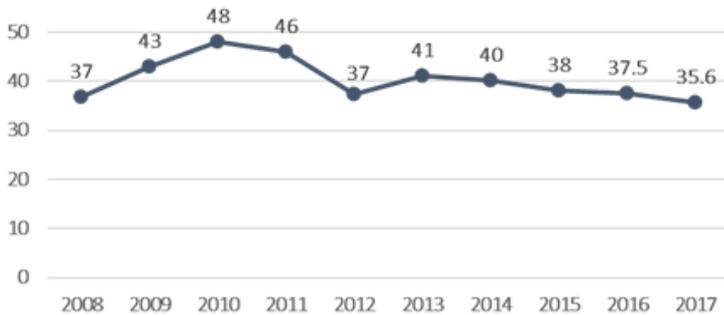


Figure 2: Estimated net total market spend 2008-2017 (in million €).

Source: TV - Nielsen, Print - Analitika, Other media – Media houses info and Zenith estimation

The report shows that the media market has seen a smooth decrease of investments since 2013 from 41 million euros to 35,6 million euros.

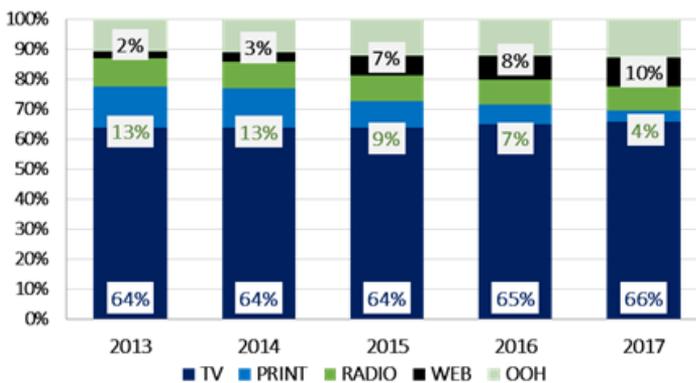


Figure 3: Share of spending by media channel.

Source: TV-Nielsen, Print- Analitika, Other media-Media houses info and Zenith estimation, Zenith 2018

It is clear that the share of spending per different media channel is changing. Spending on TV is stable at 64-66%, print has decreased from 13% to 4% while spending on the internet has significantly increased from 2013 to 2017 from 2% to 10%.

It is very important to analyse the data for the daily media consumption by the audience in Macedonia before making the decision on the media mix. Figure 3 shows the daily media consumption by the population with an average income between the ages of 25 and 55.

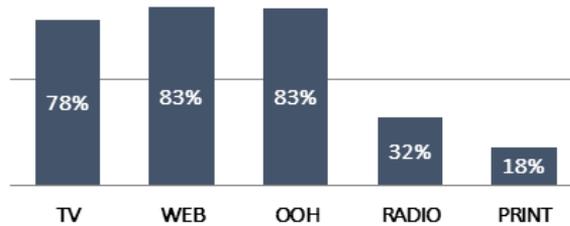


Figure 4: Daily media consumption in 2017.

Source: Zenith and BrandPuls, 2017

78% of the population between the ages of 25 to 55 watches TV on a daily basis, 83% are daily on internet and 83% notice outdoor advertisements. Additional data analysis show that prime time (18-23:00 h) is still TV time while the internet is used throughout the day.

The latest estimations of the State Statistical Office of Macedonia shows that the number of internet users is growing, and in 2017 75% of the population is using internet out of which 99% are using a broadband connection. Facebook is the leading social media platform with 1.235.000 Macedonian Facebook profiles which equals to 62% of the total population and 83% of the online population.

In the period from 2011 to 2013 the leading telecommunication company in Macedonia launched a series of 4 marketing communication campaigns that used the online and social media as basic platforms to launch the campaigns and with brand spiraling and media multiplier effect leveraged them on the traditional media mainly TV, Print and Outdoor. This was a brave step as until then online media was used as a support to the traditional media, but never as a main platform for campaign launch.

Goals of the campaigns:

- Increase the level of target audience engagement through online platform and social media.
- Create customer generated content and use it across media.
- Raise the level of internet services usage.
- Interact with customers on the Facebook platform.
- Co-create the messages with customers.
- Increase sales of products and services.
- Shift communication away from prices and focus on value.

Major pillars of the communication strategy to achieve the set goals:

- To interact with the fans and initiate participation via social media that would also generate content for ATL campaign.
- To take ownership of the internet category and do something that others can't.
- Demonstrate internet usage in everyday situations and demystify mobile internet expenses.
- To create community around shared content and benefits on a long lasting creative platform.

The strategy was translated into creative execution that included:

- Through social media fans created communication messages that were used in the creative advertising campaigns communicated through TV, Print and Outdoor.
- An orchestra concert was held and was aired live exclusively on the company YouTube channel.
- A traditional TV show in a form of a Web show with a duration of 18 episodes was organised, aired live only and was exclusively on the Facebook page of the company.
- An online platform was created where the target audience, together with the company, co-created the message and advertisement for a new product introduction on the market which was later aired on-line and on traditional media.
- All the online executions were adapted and used as advertising on traditional media.

The campaigns were measured as any other campaign and showed the following impressive results:

- The first campaign resulted with 307% post feedback (likes and comments) increase versus the previous month, 54% increase of new fans versus the previous month and 13% increase of monthly active users versus the previous month.
- The second campaign, the online concert, with the stronger focus on social and digital media provided a great deal of word of mouth and free PR space, 3 times larger than the campaign budget, during the concert over 20 Facebook posts and 10 Tweets were posted every second and based on Google Analytics, record was set of 30.000 visits per day and 11.714 unique IP address visits.
- The third campaign, the Web show, achieved 154.000 live broadcast views, the 18 videos achieved 136.000 YouTube views, the total reach was 741.000

unique users or 70% of all online users in Macedonia, Facebook reach was 80% of all Facebook users in Macedonia, the Web show teaser earned media 600% of paid media for these activities and through the line earned media in value of 30% of through the line campaign budget.

- The third campaign also included a product sales communication and achieved increase of 108% mobile data packages sales in the month year over year; 53% increased monthly mobile data subscribers versus the same month of the previous year, and an additional 16.000 daily mobile packages in the campaign month, as incremental mobile data subscribers.
- The last campaign created great buzz and word of mouth about the new product (new tariff plan), managed to shift of the communication away from prices and had hundreds of likes, tweets, mentions and re-tweets about the project with almost 260.000 total YouTube views. In just 4 months after launching the new product 100.000 new customers were acquired with additional 42.000 migrations to the new tariff plan and the TRIM customer satisfaction index increased from 88 to 96 points.

The presented literature review, the development of the media landscape and market trends in Macedonia and the elaborated communication campaign case show the growth and strength of online and social media communication channels. The traditional sales channels are still strong in Macedonia, especially TV and the right combination of the media mix can give the best results in terms communication effectiveness and efficiency.

The presented communication campaign case and its results measured through media parameters and sales confirm that that targeted use of online communication and brand spiraling, increased the effectiveness of communication in Macedonia.

### 3.2 Integrated marketing communication in Turkey

Turkish economy is a mixture of modern industry and commerce, as well as a traditional agriculture industry that still accounts for more than 19% of employment (TUIK, News Letter, 2018). The largest industrial sector in the country is textiles and clothing that accounts for 1/3 of industrial employment. Especially the automotive and electronics industries' importance is rising within Turkey's export portfolio. As an example, Turkish apparel companies are making significant progress in production and services and they are likely to continue their innovation in marketing and marketing communication (Utkun and Atilgan, 2010, 26). The largest spenders of the marketing communication services include the clothing, automotive, electronics and food industries, and service

providers such as banking, telecommunication, insurance and transportation. The pharmaceuticals industry is the largest spender in personal selling and sales promotion.

In the 1990s, public relations consultancy agencies used to provide integrated marketing communication services compared to advertising agencies, which changed dramatically in the 2000s. In 2000s, advertising agencies offers integrated marketing communication services more than consultancy agencies (Sayımer, 2007, 259-264). The strategy formulation and coordination of marketing communication campaigns mostly belong to advertising agencies, in which advertising and sales promotions are the commonly coordinated tools. Internet and MPR efforts sporadically join the integrated campaigns (Cansel and Kaya, 2011, 49).

Total advertising investment in Turkey grew to 939 million USD by 4.88% in the first half of 2017 with respect to the previous year. Television commercials accounted for the greater portion of this investment, followed by digital and radio advertising. The driving force behind these investments and ads came from the construction, finance and retail sectors (Marketing Turkiye, 2018) (Reklamcılık Vakfı, 2018).

In Turkey, a large number of advertising campaigns are based on limited marketing information and strategy. Their success (or failure) is usually left in the instincts of creative staffs in agencies. Strategic creativity, research and ("pre" or "post") testing concepts could not find a stable ground within the advertising industry. A great majority of advertising agencies render integrated marketing services (90.3%), while this ation is about 60% for public relations agencies (Oyman and İnam, 2007, 72). On the other hand, public relations in Turkey is mostly executed as event organization and publicity. Because of the lack of market data, long-term strategic planning and corporate oriented public relations applications (i.e. issues management) are difficult to be realized. Most public relations departments (state or private sector) usually perform weakly in strategic communication. Only 25% of the agencies are paid consultancy fees exceeding 500,000 USD. More than half of them (57%) provide services to 1 to 10 companies and employ 16 people on average (Cansel and Kaya, 2011, 49-50).

The communication services include mainly, media relations (83%), event management (62%), and crisis management/communication (54%). Integrated marketing communication takes the 6<sup>th</sup> in the ranking (Özkoyuncu, 2012, 65). More than 4,000 practitioners are employed within the public relations consultancy agencies (Canpolat, 2012, 4229-4240), and the Turkish public

relations consultancies industry earn most of its income by executing the operational services of public relations it provides to its customers (İlhan, 2013). On the other hand, both advertising and public relations agencies are fully aware of the importance of integrated marketing communication, while their approach to it remains on the tactical level (Oyman and İnam, 2007, 74). Also, agency practitioners evaluate “public relations” and corporate communicators evaluate “advertising” as the “most important tool” in the integrated marketing communication development stage. “The one voice concept” as a definition of integrated marketing communication was considered as the most appropriate definition of integrated marketing communication by professional communicators in Turkey. “Cost saving” was considered as the least important benefit and “high cost” as the least important barrier of an integrated marketing communication program (Çelebi, 2009, 2205).

A number of sales promotion techniques, as well as frequency programs are well known, designed and circulated in Turkey. Many sectors such as airlines, and credit card providers develop frequency programs able to offer benefits to all parties involved. Marketing campaigns on trade and consumer sides are well integrated with public relations and/or advertising efforts. Yearly expenditures on promotional products in Turkey reached USD 5 billion in 2017, with the pharmaceutical companies responsible for 30% share (Brand Age, 2017). The automotive, finance, food, logistics, and education industries are other major spenders (Cansel and Kaya, 2011, 50).

Direct marketing (DM) in Turkey is surprisingly weak, due to the lack of databases and industrial regulations. DM is not yet recognized by the Turkish authorities as a distribution channel and/or means of marketing communication. The total employment in the sector is less than 30,000 and the number of companies that run DM operations is less than 200. International companies interest in this developing sector in Turkey: infomercials and direct selling have become popular; however, methods like direct mailing and catalog sales have proven impracticable due to the lack of address databases (Cansel and Kaya, 2011, 50).

The service sector is growing consistently in Turkey, and about 11% of the working population is employed in various services. Despite the fact that there is no official statistics for the size and breakdown of the employed for personal sales, roughly 1 million individuals are estimated to work in a variety of sales categories. Larger corporate sales forces are accumulated by the pharmaceuticals, industrial equipment, telecommunication, computer, cosmetics and food industries (Cansel and Kaya, 2011, 51).

Automotive, fast moving consumer goods, men and women care products, pension funds, banks, retailers, telecommunication, construction and entertainment sector are aware of integrated marketing communication. According to public relations and advertising agencies, integrated marketing communication application means that there are some clients who want to see IMC applications in the agencies' campaigns (Kemal, 2011, 151).

As for research on the effect of marketing communication and integrated marketing communication in Turkey, here are some examples:

- Integrated marketing communication tools such as television and radio ads, sponsorships, promotions, publicity campaigns and electronic mails are influential on the Turkish female consumers' perception of brand value. On the other hand fairs, festivals, and newspaper and magazine advertisements are not found to be influential (Erciş and Geçikli, 2015, 1082).
- Event marketing efforts have direct positive effect on both brand awareness and sales increase. The integrated marketing communication efforts have also direct positive effect on brand performance, while brand performance has positive effect on market performance. Clarifying these facts eventually concretizes that integrated marketing communication yields significant advantages for competitive firms to forge ahead. For the integrated marketing communication efforts to be successful, and positively contribute to the brand and market performance, the support of the top management is essential (Altunbaş, 2011, 32) (Çalık, Altunışık and Sütütemiz, 2013, 156). They also have strong impact on positive brand image (Göktaş and Parıltı, 2016, 923).
- As for SMEs in Turkey, marketing and public relations functions operate under the same roof within organizations. Public relations plays important role in promotion of products and services, internal and external communication, issue management, establishment of customer satisfaction, build of trust, creation of image, establishment of relations with media. Organizations define "marketing" as the locomotive of the corporation. Marketing is also attributed with functions like market relations and sales, sales and profitability, reflection of corporation to outside, balance of product and price. Employees responsible for planning and conducting marketing communication report to general manager / CEO in corporations (Canbolat. Kısaç and Byashimov, 2013, 259). Turkish SMEs benefit from personal selling, advertising and promotional efforts respectively to increase sales penetration. Marketing public relations is in the last place in the ranking (Dinçer, 2009, 45).

## 4 Final conclusion

The findings and adaptation of the relevant scientific information can enable companies in to develop their own marketing communication strategies based on the characteristics of employees, thus enhancing the competitiveness of the economy. This approach will prevent companies from focusing only on some factors, though relevant, but not sufficient, to be truly effective and efficient in designing the marketing communication strategies.

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Cviki Postružnik, Kovačevski, Ozkoyuncu

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# 6 Integrated Marketing Communication vs. Omnichannel Marketing: What Is There for Us?

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**Abstract:** Integrated marketing communication and omnichannel marketing are two concepts in marketing that have become popular in last several years, especially with the rise of the digital era. With the end of the recession that started in 2008, marketers in our region had to start to prove themselves in front of their bosses and owners as the economy began to grow. However, there is an increasing gap in understanding of these concepts since to some authors, they seem similar while to other, they are quite different. In this paper we conduct comparative analysis of the two concepts in modern marketing (communication) and examine the role of internal communication. Furthermore, we review the omnichannel vs. multichannel strategy, and finally elaborate on the relevance of mass media and the importance of time.

It can be concluded that integrated marketing communications which ensure our messages are consistent across all channels, are essential for effective, results-based marketing.

**Keywords:** Integrated marketing communication, multichannel marketing, omnichannel marketing, internal communication

## 1 Introduction

In this paper we try to understand and compare definitions of two concepts in modern marketing (communication) that seem to some authors very similar and to others, quite different. On the other hand, these “new” concepts are in fact not so new, since successful brands have been doing their business very well in the market for quite some time. Regionally there were some marketing agencies that together with their clients performed marketing campaigns in a manner that we would call today, integrated marketing communication.

We all know that without a good product or service that consistently satisfies the customer, there can be no success for us and our brand. No matter what we do with the other elements of marketing mix (and marketing communication mix). Our customers will not be willing to buy (pay) for something they are not satisfied with, for something that did not meet their needs, desires and did not

interest them. They will also be happy to share their negative experience with their friends and people they are connected with.

There are so many ways that a consumer can be lead down a path to a product by connecting them to touchpoints from the same company that is selling that product on the market. As Kotler says in his recent book (2017), there is a new reality how consumers get in touch with brands, products or services. Other than “showrooming”<sup>1</sup>, “webrooming”<sup>2</sup> is becoming popular and therefore marketers should change their marketing approach.

Consumers frequently evaluate products first at brick-and-mortar stores to get their best-fit product and then purchase the products not at these stores but from a competing online retailer. The free-riding behavior of these consumer is defined as “showrooming” (Mehra et al., 2013). Showroomers use generally mobile technology for in-store shopping to compare products for potential purchase. According to Gallup, 40% of American consumers have showroomed, and 48% of showroomers have visited a brick-and-mortar store to research products with no plans of making the actual purchase there, which put retailers providing only offline stores in a kind of jeopardy and cause a decrease in professional sales role. On the other hand, webroomers seek and gather information online and afterwards buy the product at a brick-and-mortar store. Webrooming is actually a far more popular activity among millennials (18 to 35 of age). More than 40% of shoppers look for offers on mobile devices while they are in-store. 10 to 15% of sales in brick-and-mortar retail stores are attributed to webrooming (Yu Young, 2018, 148). Because retailers are becoming aware, “consumers do not look at online and in-store as different channels”. Instead, they focus on solutions to their individual needs of shopping, which often require using various channels at different steps within the purchase process. To leverage the power of omnichannel marketing, retailers can use information collected on consumers to equip and empower their store associates in order to better influence the consumers’ in-store decision process and their out-of-store shopping behaviours (Faulds et al., 2018, 336).

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<sup>1</sup> “...a customer learns about a product from TV ads. The customer then visits a nearby store to try to experience the product”. After having a consultation with a store attendant where the customer might have had tested competing products, the customer goes home and buys the same product online (Kotler et.al., 2017).

<sup>2</sup> A customer learns about the product online, searches for it on social media, compares this product on some comparison websites. Then he searches for the nearest store and buys the product there (Kotler, 2017).

Showrooming and webrooming are two of the most important reasons why all the marketing activities must be organised in a way so that the consumer will be guided cautiously and continuously through the whole process.

A very important factor of success these days is speed. Marketers must react quickly, they don't have time to think, analyse and discuss what their answer is to a question, comment or complaint posted by a customer, employee or a journalist.

## 2 Integrated marketing communication and omnichannel

### 2.1 Integrated marketing communication

To maintain effective marketing management in a company, the systematic coordination of marketing activities, i.e. integration, is needed. By allowing consumers to interact with the company, the relationship between the two will be established and retained (Kline, 2013, qtd in Jančič and Žabkar, 2013).

Integrated marketing communications *"may be defined as the coordination and integration of all marketing communication tools, avenues, and sources in a company into a seamless program designed to maximise the impact on customers and other stakeholders"* (Clow and Baack, 2014, 24).

There is an interesting definition of integrated marketing by Red Door Interactive's Faris:

*"Integrated marketing, simply, is the integration of traditional and digital media... While integrated marketing seeks to synchronise marketing across channels—to create a campaign or initiative where the whole is greater than the sum of its part because the timing and messaging provide cohesion—omnichannel has the added jolt of back-end data connectedness that makes the communications and interactions not only cohesive, but also targeted and relevant"* (Simpson, 2015).

Following James Kasen, *"Integrated marketing is the practice of creating a seamless experience for consumers. It aligns all aspects of marketing communication (print, digital advertising, sales, PR, social media) to deliver one unified, holistic message."* (Kasen, 2016).

On the other hand, Kline clearly defines integrated marketing communication as *"a concept of planning a combination of communication activities by the company*

*to provide clear, consistent impact on the consumer*" (Kline, 2013, qtd in Jančič and Žabkar, 2013, 93).

Don Peppers (2013) proposes this definition of IM(C): *"Integrated marketing incorporates an individual customer's own perspective into all customer-facing functions at a company, including marketing, sales, and service."* (Peppers, 2013). This should incorporate apps for mobile devices that are connected with different partners in the area (such as the airport), or a cross-selling opportunity sent to the customer after he called company's help line.

From the definitions above, we can agree with Payne et al. (2007), that IMC has an important role in cross-channel synchronisation. It is *"an audience-driven business process of strategically managing stakeholders, content, channels, and results of brand communication programs"* (Kliatchko, 2008, qtd in Payne et al., 2017, 6). Interestingly, technology is not explicitly mentioned in this last definition although processes are driven by very sophisticated expertise. That being said, IMC was practiced even before the digital era.

IMC can also be explained with the use of three pillars (Kliatchko, 2005): a) audience focused (centrality of the relevant public), b) channel-centred (integrated approach to planning and managing the use of channels following the objectives to be achieved) and c) result-driven.

## 2.2 Omnichannel

Omnichannel and IMC are extremely similar, with the biggest nuance being application. "Omnichannel" usually refers to a marketing strategy; while "integrated marketing" usually refers to a method or style of communications (ex. integrated marketing communications, IMC) (Kasen, 2016). Differences in definitions are barely apparent; you can even find the same words used in explaining one or the other term. *"Multi-channel marketing, IMC, and omnichannel marketing all share similar traits, particularly with regard to message consistency across customer touchpoints"* (Payne et.al., 2017, 7).

Omnichannel marketing provides marketers and retailers with a holistic approach to reach consumers with a more integrated message, through any channel and at any touchpoint in their path to purchase. Now, omnichannel marketing is making the path to buy so complicated the linear funnel model has become obsolete and replaced by the "measurable Consumer Narrative". Today's consumer journey is more like an infinite loop, where shoppers are always discovering, considering and buying via multiple channels. So keeping them engaged is an ongoing process. Customers are swamped with online and

offline options for buying new products/ services not requiring to remember and explicitly formulate an opinion on considerations and preference for brands. Once digital media was considered to be as a mere venue of information gathering but now digital media and brands are weaving an important role in facilitating conversation about their products (Kaul, 2017, 16).

Available omnichannel channels do not differ from available channels for other marketing strategy. The main difference is how each channel works, which means the content and target of each channel is unique and aims at complementing other channels. These channels are:

Web	The structure of the website should be reconsidered in order to deliver comprehensible navigation. The site must have been designed to reflect the unique nature of a brand and its products.
Mobile (smartphone, tablet, phablet)	It may be considered as a glue combining the online and offline (brick-and-mortar store). The mobile strategy should be simple enough and have a unique content that would not clone the website.
Game consoles	They provide a high level of integration, providing seamless customer experience. This where the interaction may be easily transformed into a transaction.
Digital out-of-home	Video and digital imaging may be placed on every kind of key decision points (malls, airports, elevators, etc.).
Social media	It works across all other channels. With its personalized nature, it is a critical promotion tool with the help of recommendations and discussions.
Automotive	Cars are the next mobile channel to access any information, and for online interactivity (through GPS systems).
In-store	Brick-and-mortar stores still play significant roles in the decision process of purchase, because customers want to try on and touch. Store digitalization is also obligatory to make brick-and-mortar stores get integrated into the omnichannel system.

An omnichannel marketing strategy must be integrated. This means that traditional and digital media have been integrated to synchronise communications across all channels. The fine line separating “omnichannel” from “integrated marketing” is targeting. While integration means the message is being unified, an omnichannel approach ensures the message is being delivered to a unified audience in order to achieve a unified goal (Kasen 2016).

*“Omnichannel marketing means every marketing channel is optimised with the customer in mind. The messaging and marketing approach is consistent across channels, creating a single cohesive customer experience. Every channel and touchpoint have to work together”* (Thompson, 2017). You can’t afford to design a part of communication strategy independently, for instance, your email strategy. All the customer interactions must be somehow connected and should be telling the same consistent story.

Consumers today follow different media, on different platforms, using all the technological devices possible, often simultaneously, so they expect a consistent message – experience with the brand (Gonzales, n.d.). In fact, mobile platforms seem to be a basic fundament of omnichannel marketing (Payne et al., 2017).

Payne et al (2017) offer an IMC framework for understanding how disparate customer touchpoints impact consumer engagement and profitability in an omni-channel environment. As shown in the Figure 1, they categorize personal brand touchpoints as those in which consumers and brand personnel have direct contact, face-to-face or digitally. Non-personal brand touchpoints are those in which consumers interact with the brand without a personal encounter at the time of contact. Both personal and non-personal touchpoints may evolve over time (Payne et al., 2017, 186-190).

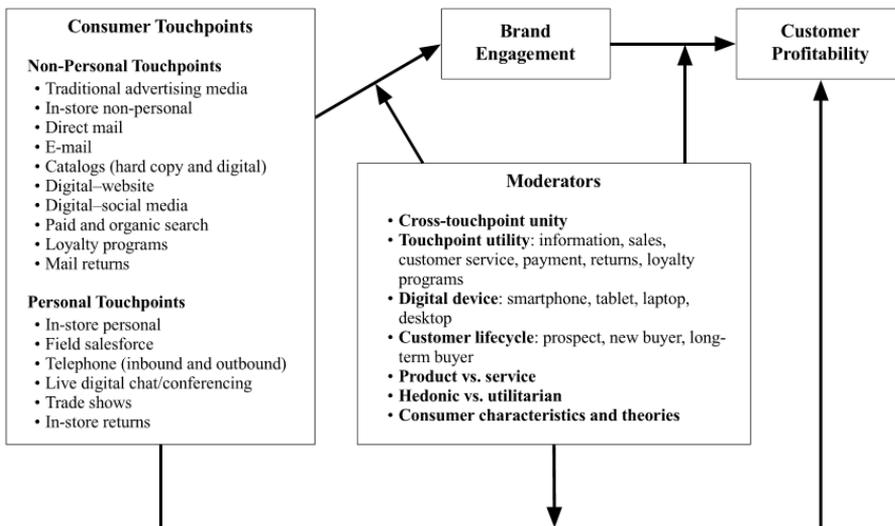


Figure 1: Omni-channel IMC framework: Touchpoints, engagement and profitability. Source: Payne et al., 2017, 187.

With mobile devices constantly in hand, customers are connected all the time, so they can interact with brands on different channels and engage with them using numerous applications. Obviously, not only the feel and look of the company's site (responsive design) must be adapted to the new way of engaging, but the user journey as well.

One of the biggest challenges is how to make all the necessary tools work together - this is usually a software problem. Users (employees in different departments in the company, especially R&D, marketing and sales) are very demanding and they expect their IT teams to find solutions to all their problems, ideas and needs instantly. Everybody with some experience in the corporate world knows these kinds of miracles rarely happen.

There are some other important issues – lack of consistent and productive organisation<sup>3</sup> that is the reason for an inconsistent customer experience, an incomplete view of the customer journey and failure to measure cross-channel performance, often with offline activities also being left out (Gonzales, 2017). These are result of incomplete processes and lack of view from above – nobody sees the whole picture.

Below we try to look for some of possible solutions to solve the above issues.

### 3 Omnichannel marketing, integrated marketing (communication) and internal communication

Omnichannel marketing is "*the practice of integrating multiple channels to create a seamless and consistent customer experience*" (Kotler, 2017, 140). Organisation of (marketing) activities in the company should overcome silos that are established in so many companies to unify goals and strategies. You can't be successful if all your employees are not aware what the company's goals and strategies are. Good external communication or relations are based on excellent internal communications or relations. The rapidly changing and increasingly connected modern society has made employees one of the most important strategic constituencies of organizations (Kim and Rhee, 2011, 243). On one hand, employees are the organization's production force, which directly contributes to organizational performance. On the other hand, they are corporate ambassadors and brand advocates that represent the organization to

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<sup>3</sup> Due to numerous unfinished reorganisations, as a result of mergers, takeovers or rapid organic growth, fluctuation, achieving short-term goals set by the short-sighted management and lack of strategic overview, communication noise between members of different departments may appear.

external stakeholders (i.e., stockholders and customers) both off-line and online. For this reason, satisfying the employee–organization relationships could not only boost employee productivity but also help create a critical and cost efficient workforce that cultivates quality external relations, and protects the organization’s invisible assets such as reputation (Men, 2014, 265).

*“Omnichannel marketing means every marketing channel is optimised with the customer in mind. The messaging and marketing approach is consistent across channels, creating a single cohesive customer experience.”* This approach is designed with the customer in mind – customer, not corporate silos (Thompson, n.d.).

Gerscovich (qtd in Pophal, 2015) agrees that companies will need to break down silos to compete effectively in an omnichannel environment. The steps in the process, he says, are as follows:

- Collecting data from online and offline sources to identify the myriad touchpoints that exist.
- Breaking down the silos that hinder the integration of all that data to “really see the customer journey”.
- Establishing patterns of behaviour at a granular data. In fact, he says that the process will be more about *“small pieces of data than Big Data”*.
- Identifying what you will do, as a brand, to deliver a message that is relevant at the right time, in the right place, on the right device-as well as through any other encounters the consumer may have with your organization whether in brick-and-mortar environments or over the phone.

It is important to understand that customers are not the only target when planning marketing activities (including communication). Kliatchko (2005) writes about consumers and non-consumers and stresses external and internal audiences as possible targets. In fact, “external audiences may refer to customers, consumers, prospects, government and other entities outside the organisation, while internal audiences refer to those within the organisation, such as employees, managers and members of the board of directors”. Here I would add all the stakeholders, i.e. members of the local political environment, members of employees’ families, etc. The sense of belonging to the company or a brand is even bigger when more members of a family are employed.

Happy employees are motivated if their management shares information and if they feel that they can contribute to the success of their company (Sila, 2017). In this way, they will become the best ambassadors of the brand. A result of this

happiness is the higher productivity of personnel that leads to better sales results. In this way, the magic circle is closed. Why?

If your staff is well informed and given the exact messages that they should share with customers in all the ways possible (one-to-one, in-person, at the sales point), or using different offline and online platforms, they will do their job. Furthermore, since these messages are clear and consistent it will be easy for (satisfied, involved) customers to share these messages among their own circles (followers, friend, fans...).

It is important that the whole organisation (all the employees) are informed and motivated in the same way. This is not always easy, especially if the organisation is big and management team is not unified. Of course, there are different managerial styles, but the message communicated across the company should be the same. If for instance direct sales team, the online sales force and clerks in the shops are in different organisational units it is possible they would start competing among themselves. This could confuse the customer that was contacted by different sales people from the same company (i.e. given different conditions – price, bonus, discount, service...) or found different information at different touchpoints of this company.

Consistency across all the channels and all organisational units is only possible when and organisation is set with the customer in mind, where there is enough control and discipline in following the brand manual, where processes are established and smooth communication between organisational units is allowed (or even promoted).

In the process of how integrated communication programs are developed, all audiences are to be taken care of. And since different audiences have different needs and expectations regarding information (quality, quantity, content, media...), a thorough and detailed plan of communication must be developed and performed. This includes database building, customer valuation, objectives and strategy formulation, to message development, creative executions, media planning or message delivery systems and finally evaluation methods (Kotler, 2017).

#### 4 Omnichannel vs. multichannel

The concept of using several means of customer interaction is called “multichannel”. This may be defined as “*the deployment, design, coordination,*

*and evaluation of channels to enhance customer value through effective customer acquisition, retention, and development” (Neslin et al., 2006, 96).*

The presence of different channels results in a more dynamic and voluminous contact with consumers, which generates more customer data. However, a multichannel customer has shown to be more fluctuant in his/her choice. In the current years of digitalization, multichannel solutions are no longer recognized as a competitive advantage as it was before when it was founded around the area of the world-wide web (Juaneda-Ayensa et al., 2016).



Figure 2: Multichannel vs. omnichannel.

Source: CRM Magazine, 2014.

To better explain the uniqueness of multi-channel and omnichannel marketing strategies, we can put the emphasis on four key differences, which are (Manthei, 2018):

The channel vs. the customer: The multi-channel approach merely aims to get the word out via the maximum possible number of channels. Multi-channel marketing is about casting the widest net to get the most customer engagements; the more the merrier. Companies utilizing the multi-channel strategy are adopting two or more channels to engage their consumers; most popular are social media and email. Conversely, the omnichannel approach interrelates every channel to engage with customers as a whole, to ensure they are having a wonderful overall experience with the brand throughout each channel. The emphasis is put on building a stronger relationship between consumers and the brand. In fact, companies with well-defined strategies of omnichannel customer experience in place achieve 91% higher year-over-year increase in customer retention rate on average.

Consistency vs. engagement: Omnichannel's focus on customers' experience brings about a second key difference between the strategies: consistency. Omnichannel businesses are diligent in

Integrated marketing communication vs. omnichannel marketing marketing:  
What is there for us?

ensuring their customers receive the same experience and messaging through each channel.

A consistent brand image and message ensure a heightened sense of relationship and familiarity with the brand. Marketers who implement an omnichannel marketing strategy must ensure that all departments in their organization are on board and in-tune with the messaging. For example, customer success, PR, sales and social media teams, must all be portraying this consistent message to ensure the strategy implementation is successful.

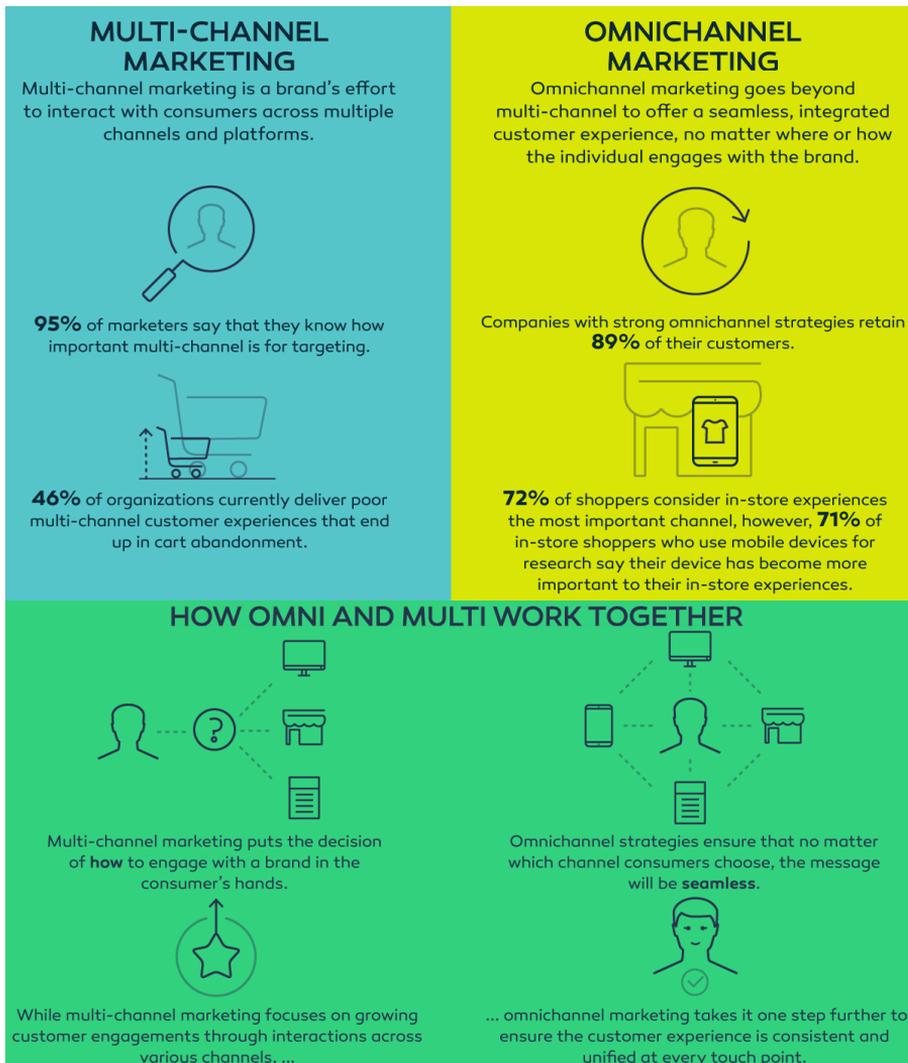


Figure 3: Comparing omnichannel vs. multichannel marketing.

Source: Tjepkema, 2018.

Effort vs. effortless: Another priority of omnichannel marketing, as told by Misia Tramp, the EVP of Insights and Innovations for Tahzoo, is in “understanding how to eliminate effort from the customer experience”. She explains that there is a tendency to consider the many channels available to connect with consumers today as simply more options to be used. That’s more of a multi-channel approach. Omnichannel involves using data to understand where effort exists in the customer experience and how to remove effort, rather than add to it.” Omnichannel marketing wants to foster an effortless buying experience for consumers.

Optimization: Many consumers (and companies in the wider marketplace) have multi-channel marketing efforts. Additionally, more and more of those consumers and companies have been trying to work across those channels more productively, to enable effective and measurable commerce independent of the channels themselves. That sense of working more efficiently, and optimizing the use of each channel, caters to the omnichannel approach. Omnichannel marketing is all about the individualized and consistent customer experience.

The bottom line is that omnichannel and multi-channel marketing are two unique strategies that both aim to reach consumers and potential consumers by leveraging multiple channels. Marketers must make the shift to focus on omnichannel efforts in order to increase customer retention and in turn, revenue.

## 5 Importance of time

New markets, technical development, introduction of internet and digital platforms changed marketing management. Two - way communication, the possibility of direct interaction and the need to react faster than ever before means the influence of consumers is more important, and they can actively co-manage the brand (Kline, 2013, qtd in Jančič and Žabkar, 2013).

Technological development and consumers’ habits, including being online and using mobile devices, is the reason that time has become extremely important. “...time becomes the scarcest resource in their lives. They (customers) choose brands that provide the convenience of access and transaction. They expect companies to deliver instant solution to their needs without hassles” (Kotler, 2017, 140). Kotler named this situation the “Now” Economy, where Meerman

Scott (2012) is writing about Real-time marketing (and public relations). Companies can't afford not to be quick and responsive in their communication since their customers are used to be served instantly – either with information or with the fulfilment of their wishes. Often, *“the speed of delivery is as important as the products and services themselves”* (Kotler, 2017, 141).

Customers are willing to follow breaking news that appears on company sites – this is an important real-time technique, especially for the audience that wants to be given the first access to information - information that they can then share with their followers (Scott, 2012).

An omnichannel approach *“...acknowledges that mobile devices and social media have enabled customers to not only quickly switch between channels but actually use channels simultaneously. An example would be, checking out product reviews on their mobile phone while evaluating a product on a physical retail store shelf.”* (Thompson, 2017).

Companies must be prepared to react instantly to messages, inquiries, comments sent by any member of their audience, customers in particular. Consumers are not willing to wait too long to get an answer. Imagine the prospect from Asia or New Zealand who found you via your web site and wants some kind of information or price quote. It arrived to your “info” mail box at 20:10 and there is nobody to answer the request... until next morning. What do you think is the probability that the potential customer will really become a client? Just another reason for the need for the right organisation, motivation and clear communication with all employees and smooth processes, oriented towards the satisfaction of all the parties involved.

There are basically two types of time attitudes in business: a corporate world concept of time and a real time business (Scott, 2012). Corporations are usually complex, with processes that take time (checking, getting permission, researching...) which often is too extensive. Real time businesses, on the other hand, understand time and the importance of speed. They move quickly, when need be. In these companies, employees are encouraged to take initiative, information flow is smooth, and mistakes are allowed. If marketers in lower positions are allowed to make decisions, they can deal with customer issues better, faster and to the satisfaction of both sides. It is the leader's job to give their co-workers sufficient levels of responsibility.

## 6 Mass media in the past and now

How did marketing communication in mass media change in recent years? There is a lot of disruption going on – in fact every message that is broadcasted, inserted or printed with an interest by a company / brand, is disturbing the public (Kozmelj, 2017).

People are still watching TV, but the way we are doing it is different. The only content that is almost strictly linear are live transmissions of sporting events, other content can be consumed differently... and usually by using another form of media device (smartphone, tablet, even laptop). People are multitasking; they are used to follow more media devices at the same time. Of course, we can argue about the quality of these activities, but this is a subject of another paper.

For the media, being the first with news was and is still one of the most important factors of success. It is the same with tweeters, bloggers and other authors creating user generated content: *“Because news travels so fast, being first is everything... With dozens of authors breaking the news at once, we lit the news match in a lot of places, and the kindling caught.”* (Scott, 2012, 26).

It is not easy to predict, to follow and to understand all the changes that we are facing in media, in media consumption and in consumers' behaviour.

A few days ago, there was a big “fight” in Media Marketing<sup>4</sup> started with a column by Ilija Brajković, CEO of Kontra Agency, followed by an article by Ekrem Dupanović (2018), editor of Media Marketing and Miloš Aleksić, Digital Account Manager at Direct Media, who wrote his extensive response on his blog Odrvatajzing. The main question that is often asked was: did everything in marketing change with digital? Would print, radio or (linear) TV disappear? The answer is: consumer habits changed considerably, technology enables all the development. The way how media is consumed develops in the direction of different, often paid models (subscription, podcasts, video on demand...). *“Quality media - with well-defined audiences and a strategy – will survive”* (Aleksić, 2018). In the long run, only quality media will be able to get enough advertisers. And they pay for quality journalists, editors, designers. Or sound technicians or TV directors as well as good, interesting, serious content that the audience needs.

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<sup>4</sup> Media Marketing is an important regional web portal from Bosnia and Herzegovina that *«Every day we try to bring you the news from the world of communication and keep your business inspiration fresh»*.

Digital is just another platform that helps companies to be successful in the market. It enables faster development, intensive customer relations and deeper knowledge of their markets (Sila, 2017). *“Digital has its place in the great scheme of things, and its importance is growing. But this “digital” is not some channel that competes with traditional media. Digital complements them, transforms them, changes them and gives them new possibilities. It exists next to them, around them and inside them”* (Aleksić, 2018).

## 7 Conclusion

The difference between successful brands and the ones less “fortunate” is that the first are oriented towards their audience – all the relevant public, while the later are not.

The successful companies were able to both understand the development of technology and its use in marketing and consumer (audience) behaviour – in consuming the media and buying process - that is enabled by technology. Companies have to find out how their audience wants to engage with them and let the audience connect with them the way that is most convenient. Even with different gadgets at the same time.

No matter how we call the marketing strategy, a successful marketer should deliver messages that vibrate on the same wavelength with the customers and create a seamless customer experience regardless of the chosen way of interaction with the brand. Furthermore, traditional and digital media should be integrated to synchronise communications across all channels.

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# 7 Digital Marketing and Big Data: Crossing Paths in the Age of Digital Transformation

Oğuz Kuş, Ljupčo Efremov, Jasna Suhadolc

**Abstract:** Digital transformation is a phenomenon which impacts our habitat in different scales. Different dimensions of our lives are affected as result. One of the necessary conditions for digital transformation is the power of big data. Big data is a mind-shift, transforming system of thinking and changing way of doing business. It enables marketing practitioners to create wise strategies with high amount value. Within this context, this paper provides background on digital transformation and big data. Next, it discusses these topics' potential contribution to digital marketing.

**Keywords:** Digital transformation, big data, big data analytics, digital marketing

## 1 Introduction

Big data is widely discussed topic since digital transformation has started to create an influence on daily activities of individuals and the amount of data increased exponentially as result of this process. Big data finds itself a wide ground of application from the health sector to marketing, insurance to social sciences. However, the term symbolizes more than massive amounts of data. Big data is a realist picture of mind shift in minds, transforming system of thinking and changing way of doing business.

It allows realizing efficient predictions based on the existing data. This means it ables human being to learn data-oriented way from her/his experiences. Several techniques have been used in order to create value out of big data. These techniques have been used in order to solve different problems from classification to prediction. The most important nature of these techniques is that they bring different fields together such as machine learning, artificial intelligence, statistics and computer science.

Considering the complexity of big data and innovative perspective that it has brought to society and establishments, this chapter aims to draw a framework on the potential contribution of big data in the process of digital communication of establishments.

Starting from this point, at the first step, digital transformation has been explained with the perspective that recognizes digital transformation as a dynamo of the massive data production. The impact of the digital transformation was approached in different levels: micro (individual level), meso (establishment level) and macro (societal level). At the following step, a definitive framework has been prepared for the term big data. Components of the big data have been approached and explained based on the existing literature and implementations for analyzing big data have been mentioned with relevant example cases. In the last step, a connection is established between digital communication, big data and digital transformation. Within the framework of this section, usage of big data has been approached in specifically digital communication practice. On the other hand, question marks appeared about big data, such as privacy of consumers, are discussed. As result of the paper, a clear picture of the starting point, elements, analysis methods and potential contribution of big data is composed.

## 2 Discussing digital transformation in macro, meso and micro levels

Digital transformation is a phenomenon which impacts our habitat in different scales and different life domains are affected as result. Because, a synergic interaction exists between technological inventions and societal evolution (Castells, 2016). Generally, the volume of the influence and the life domain exposed to fore-mentioned influence are closely associated. On this basis, it is possible to state that volume of the digital transformation which impacts various life domains reinforces datafication process and increase the amount of digital data. However, before delving into different influence levels of digital transformation and datafication of daily life, mentioning definition of digital transformation proposed by Reddy et. al. (2017, 11) is an appropriate first step. Reddy et. al. (2017, 11) specifies that 'in a traditional sense, digital transformation refers to the use of computer and internet technology for more efficient and effective economic value creation process.' On the other hand, it is important to underline that positive outcomes of digital transformation are not limited to economic value creation.

It also increases the quality of life. For instance, 51% of who gets information on restaurants, bars, and clubs relies on the internet including search engines, social networks and social media (Rainie et. al., 2011). On the other hand, developing an understanding of the levels of digital transformation is a

necessity in order to comprehend several benefits of digital transformation within various life domains.

Influence volume of the digital transformation can be abstracted in three different levels: macro, meso, and micro. Macro level influence can be described as a digital transformation which impacts states, societies and policy-making process of states. It is possible to monitor meso level effect of digital transformation on establishments (e.g. business organizations, NGOs). When it comes to the micro level influence of digital transformation, this type of effect can be observed in individual level and it is mostly caused by digital transformation in macro and meso level. Within this framework, explaining the nature of different levels of digital transformation in detail is vital.

Within the context of the paper, macro-level digital transformation refers to the digital transformation of states. This is more a mindset change towards using digital infrastructure which able institutions and individuals conduct their life and create solutions digitally. Another output of this mindset change is taking steps in order to develop a political, social and educational framework which allows parties to use digitally transformed services easily. OECD Directorate for Science (2017, 145) states that while G20 economies vary, barriers to the access and effective use of digital technologies typically include some combination of a lack of high-quality and affordable infrastructure (a lack of trust in digital technologies and activities, a shortage of the skills needed to succeed in the digital economy, a more reactive than proactive approach to the openness of the Internet etc.). This statement indicates that macro level, in other word state level, digital transformation is related to a mindset transformation besides creating digital infrastructure. Estonia is one of the prominent countries when it comes to digital transformation in state level. The country of 1.5 million has been providing digitally transformed public services in a wide spectrum from taxing to health for its citizens. The country passed laws such as information policy law in 1994 and an action plan on information policy (e-Estonia) in 1998 (Järv, 2006). Estonia has developed a programme titled as e-Residency which creates important opportunities for the country and entrepreneurs. The country also plans to create a crypto-currency which has been named as Estcoin (Korjus, 2017). The fore-mentioned example clearly illustrates digital transformation in mindset, policy, public service and infrastructure in macro level.

Meso level digital transformation is related to the transformation of business models, corporations and other establishments. New horizons in business models have been developed as a result of digital transformation and this

opened new doors to an innovative way of managing resources in the business process. In addition, digitally transformed ways for increasing efficiency have been developed. New data points have been created in order to measure the success and efficiency, new channels have been constructed for selling products, automatized ways have been developed for staying engaged with the target audience and new business models have emerged. For instance, individuals have been spending 50 minutes of their day on Facebook (Stewart, 2016) and every second spent on the platform might allow Facebook to collect more data transform it into value. On the other hand, several tools allow businesses to collect data from several points (e.g. website analytics tools) or businesses create these points by developing tools in order to realize datafication (e.g. loyalty cards). In addition, several start-ups have been established which datafy life of individuals, activity trackers such as FitBit are one of the examples in this field.

Micro-level digital transformation is about the digitalization of daily life of individuals. At that point, wide-usage of the internet, increase in usage of smartphones and digital technologies have an important effect. For instance, internet user count was less than 40 million in 1996, it is more than 2,8 billion in 2013 or mobile telephone subscriber count was around 16 million in 1991, it is 6,4 billion in 2013 (Castells, 2016). Individuals by being members of social networks are able to get the best offers for their next holidays, compare the prices or become an influencer of digital popular culture. People able to buy public transportation tickets by text messages (Helsingin Seudun Liikenne, N.D.), they can see the closest route to the bathroom from their seat in a stadium via the application provided (Bajarin, 2014) or can check the available parking lots (Chon et. al., 2002) digitally. In addition, social networks transformed individuals into "networked individuals." Networked individuals are using social networks in order to get information, find people who experienced similar experiences and compare/discuss ideas (Rainie and Wellman, 2012).

It is possible to state that upper-level influence might impact the lower ones. In other words, the influence of macro-level digital transformation might affect the meso and micro levels. This situation can be abstracted in real life by using Estonia as an example. Estonia has been implementing intensified digital transformation policy. Consequently, this nation-wide digital transformation has allowed institutions and corporations to be digitally transformed and citizens of Estonia benefited from this transformation positively. For instance, E-Kool (E-Estonia, N.D.) system allows teachers to enter grades, it ables students and

families to track their grades and district administrators have access to the latest statistical reports on demand.

As a consequence of different level digital transformation, the volume of the data has been increasing every passing day. Dataflog (Dataflog, 2018) estimates that every day 2.5 quintillion bytes are created. In 1992 there was 100 GB of data per a day and it is predicted that in 2018 there will be 50,000 GB per a second (Dataflog, 2018). Consequently, human being started to hear the term big data more often. This data is used in order to create value and produce innovative products, it also brings a new perspective and data-oriented analytical mindset to daily life. However, the term big data must be analyzed in detail in order to understand how it contributes to daily life, business, and digital communication.

### 3 Big data: an innovative mind shift

Today, due to technological transformation of the society, massive quantities of data has been created. The data, according to Boyd and Crawford (2014) is being used by different groups of people (professors, researchers business people etc). The data is in different forms like genetic sequences, social media interactions, health records, phone logs, government records, and other digital traces left by people is produced by and about people, things, and their interactions. Boyd and Crawford (2014) have claimed that Big Data is a poor term. The massive amounts of data are not actually the defining features of the data ecosystem. Boyd and Crawford (2014) argue that Big Data is "less about data that is big than it is about a capacity to search, aggregate, and cross-reference large datasets".

The review of the literature demonstrates that four key characteristics of Big Data exist. The combination of these four "V" represents the complexity of Big Data and what it is all about. According to Sathi (2012), these four key "V" can be listed as follows: Volume, Velocity, Variety, and Veracity.

Trnka (2014) underlines that volume is the first thought that comes with big data. Data is being created every day and Trnka mentions Petabytes as the starting point of big data and assumes that this starting point will keep growing. Sathi (2012) explains Velocity of data as an aspect that refers to data moving in the pipes. The author argues that the amount of global mobile data is growing and is increasing because consumers share more pictures and videos.

Regarding variety of data, Sathi (2012) refers to the standard format of the data. Hammad et. al. (2015) write that this aspect includes data other than typical

structured data and big data contains text, audio, images, videos, and many more unstructured and semi-structured data, which are available in many analog and digital formats. According to Sathi (2012), the last "V" is about Veracity of data. Most Big Data comes from sources outside the control of the analytic teams. Therefore, it suffers from significant correctness or accuracy problems. Veracity represents both the credibility of the data source as well as the suitability of the data for the target audience.

The biggest challenge for analysis is the variety of data, therefore, this text provides an additional classification of this aspect, related to many definitions of what Big Data is about. The underlying assumption about Big Data is regarding data in diverse forms, that is usually referred as unstructured data. The majority of all data that exists is unstructured meaning that data does not fit in prearranged columns and rows and no rules for predefined criteria exist. Data have various types and a useful classification of data is the one provided by Hurwitz et al. (2013). According to this classification, Big Data is divided into three categories: structured, unstructured and semi-structured data.

Unstructured data refers to data with no specific structure applied (usually data taken from Social Media sources). Examples of unstructured data are free text documents, images and videos, audio files, and social media with no tagging, hierarchy, etc. Structured data includes files that contain data with known format and placement within the file. Structured data are things like survey data files, segmentation results, client database or CRM system, sales data, third party overlay data and other types of data.

When it comes to semi-structured data, this is the case when at least limited structure applied to data. They are similar items to unstructured, but they have some level of tagging, categories/hierarchy, glossary, or consistent organization.

Pigni et al. (2012) instead of writing about Big Data, gives preference to Digital Data Streams (DDS). DDS represents a continuous digital encoding and transmission of data describing a related class of events. The transmission, or flow, of these digital representations of events, is a DDS, which may be human-generated (e.g., a tweet, an Instagram) or machine-generated (e.g., a CO<sub>2</sub> reading, a GPS location). In order to better understand DDS Pigni et al. write that DDS can capture, and thus represent, up to six basic elements describing an event (see Table 1). These elements are "primitives," meaning that they cannot be described in terms of other elements or inferred from them. These primitives

derive from what is commonly known as the 5W+H of narrative (who, what, when, where, why, and how).

Table 1. Elements of a digital data stream

Element	Description	Example
<b>When</b>	The time when the data segment was created	A timestamp with date, time, and time zone
<b>Where</b>	The location of the entity when the segment was created	Latitude, longitude, elevation
<b>Who</b>	The unique identifier of the entity that caused the data segment to be created	Person's customer number, RFID of a pallet, URL of a website
<b>What</b>	The activity that caused the segment to be created	The identifier of an item in a sales transaction, the arrival of a ship in a port
<b>Why</b>	The motivation for the action related to data segment creation	Birthday gift, planned destination

Source: Pigni, Piccoli and Watson, 2016.

The authors (Pigni et al., 2012) point out that 5W+H are the circumstances, the elements (*moria peristaseos* - particulars of circumstance) of an event, and in the narrative, they represent the basic grammar of a story. Some elements can be missing from the model, while some elements can occur twice or more time. The combination of elements actually provides the big picture. The consequences of using DDS would be moving business to the point where all assets can continually report every state change (e.g., a parking spot shifts from occupied to unoccupied) and all events can be captured in digital format (e.g., the landing of a particular flight for a specified airline at a uniquely identified airport). The application of data in motion and large volumes of data usually go hand in hand as specified by Hurwitz et al. (2013) which provide a real-world example of benefits of big data:

- A. Telecommunication companies monitor large volumes of communications data in order to ensure that service level meets customer expectations.
- B. Security services through video surveillance collect and analyze a large amount of data in order to differentiate between the movement of a harmless rabbit and a card moving fast towards facilities.

- C. Scientific research includes a collection of large volumes of data about water resources and weather in order to protect communities against risks and respond appropriately to natural disasters (flooding, oil spin etc).
- D. University researchers collect real-time traffic data from GPS from traveling vehicles, radar sensors and weather in order to decrease traffic congestion and improve traffic flow.

The conclusion by these authors is that organizations have been using streaming data to improve outcomes for customers, patients, city residents or mankind.

Within the framework of big data topic, it is vital to discuss data mining. Because data mining is of paramount importance when it comes to creating value out of raw data. According to Fayyad et al. (1996) data mining is concerned with the development of techniques for making sense of data. Jaseena and Julie (2014) explain Data mining (DM) (also called Knowledge Discovery in Databases KDD) or Knowledge Discovery and Data Mining) as the process of searching large volumes of data automatically for patterns such as association rules. According to the authors based on the type of patterns to be mined, data mining tasks could be classified into five categories: summarization, classification, clustering, association and trends analysis. Hurwitz et al. (2013) write that data mining involves exploring and analyzing large amounts of data to find patterns in that data. The authors claim that these techniques emerged from the fields of statistics and artificial intelligence (AI), with a partial contribution of database management. In general, the goal of data mining is either classification or prediction. One example is when marketers are interested in the characteristics of those who responded versus who did not react to a promotion. On the other hand, in prediction, the main idea is to predict the value of a continuous variable. This is the case when marketers are interested in predicting those who will eventually react to a promotion.

One example of a classification tree is when telecom company wanted to predict the profile of customers that will leave the company (customers at risk). The company has many data: duration of usage of service, telecom spending of the customers, problems in the past, address, age, competition offer and other attributes. The algorithm classifies customers into two categories: loyal and churners. The algorithm comes up with a model that can be read like a series of rules. For example, if the customer has been with the company for more than a certain number of years and is over 55 years old, then that customer will remain (loyal customers). Based on the model the company can send a special offer to

churners (customers at risk). This is one example how companies protect their future revenue.

Although Big Data offers many benefits to different stakeholders, it should be used with caution and methodological rigor. According to Harford (2014) statisticians have spent the past 200 years figuring out the different traps that exist when scientists try to understand the world through data. He quotes Spiegelhalter who says that "There are a lot of small data problems that occur in big data, but they got worse. Harford quotes the famous example from 1936 when 3,000 interviews were good to predict the victory of US president Roosevelt compared to 2,4 million interviews that did not predict the victory of Lindon. Harford also quotes Kate Crawford who points out that Big Data relies on the assumption that "N = All" but writes that this could be a seductive illusion. She mentions analysis of Twitter posts, who are not representative of the population as a whole, but rather present the opinion of young, urban or suburban, and black citizens. Also, there is the multiple-comparisons problem (test of many different patterns and at the end there are some results). Although Big Data relates to the more the merrier, the one who looks the needle in the hay, will most probably find it.

#### 4 Discussing digital marketing in the age of big data

Aforementioned sections of the paper point out that data accumulated as a result of the digital transformation of daily life opens new horizons in establishments day to day marketing activities. Regarding this, it is possible to underline that changes in digital communication based on Big Data are vast. As Hobsbawm (2009, 219) states in his work on brands in the digital world, the mass-media world is splintering into niches and the types of the digital media people can access have exploded. The users leave their data traces on social media platforms and search engines, which enables the personalization and provides other valuable services.

According to Scoble and Israel (2014, 1) data is one of the five forces, which are changing our experience as a shopper, a customer, a patient, a viewer or an online traveler; the other four are mobile, social media, sensors, and location.

For a communicator the importance of Google and its ability to find relevant results in the mammoth amount of data available is immense. Scoble and Israel (2014, 7) explain that Google reversed the data equation and instead of people learning to speak in a machine language, Google started to make machines

recognize our natural language. Equally, Facebook, which had, 2.1 billion users worldwide (Statista, 2018) as of 4th quarter 2017, made a series of forward leaps related to searching. After the social graph, which examines relationships between people instead of data, they created a Graph API that enabled third-party developers to connect and share data with the Facebook platform (Scoble and Israel, 2014, 7). It was followed by Graph Search, which allows users to use natural language to ask questions (Scoble and Israel, 2014, 8). Social media accelerates innovation, drives cost savings, and strengthens brands through mass collaboration. Across every industry, companies are using social media platforms to market and hype up their services and products, along with monitoring what the audience is saying about their brand (Simplilearn, 2017).

The convergence of social media and big data gives birth to a whole new level of technology. Topic Data is a Facebook technology that displays to marketers the responses of the audience with regard to brands, events, activities, and subjects, in a way that keeps their personal information private. With Topic Data, Facebook has grouped the data and stripped personal information for user activity to help marketers by offering insights on all the possible activities related to a certain topic. This gives marketers an actionable and a comprehensive view of their audience for the first time (Simplilearn, 2017). One of the examples is targeting custom audiences on Facebook by choosing similar (lookalike) audiences than in company's database or by adding a snippet of code (Facebook pixel) to company's website, which allows the company to create audiences based on actions performed on specific pages on their website. Another example is personalized content that is shown to users based on triggers such as visiting a certain page of company's website, opening an email or attending an event. The purpose of behavioral tracking is better targeting and more personalized communications and products (Wood, 2017, 63).

As Friedman states (Inc., 2015) tracking customer response adds significant value to accurate segmentation and improves the accuracy of personalization which can be measured through ROI driven metrics. He quotes Jade Huang of StyleSage (Inc, 2015): "With so much digital content and commerce happening in the online and mobile world, savvy retailers and brands can now identify trends in consumer preferences and market signals across the globe, so they can react faster with relevant product offerings."

As it is narrated, big data enables marketers to create high amount value. However, is big data always the answer to more effective communication? Scoble and Israel argue (2014, 6) it's the small data "that matters so much to

people, it's those tiny little spoonfuls we extract whenever we search, chat, listen, buy-or do anything else online". Similarly, Martin Lindstrom (2016, 6) also advocates small data -- firsthand observations made in consumers' homes, in restaurants, in night clubs, in sports clubs, when driving, or on the phone. These seemingly insignificant, seemingly irrelevant observations, once connected, have the potential to identify the vital causation that big data has, so far, been unable to.

On the other side of the medallion, personalization of marketing processes by crunching big data or small data with the aforementioned techniques comes with a big question mark: privacy of consumers. Within this context, it is imperative to acknowledge also the privacy implications of collecting the data. The EU General Data Protection Regulation (GDPR) that will come into place on 25 May 2018, refers also to companies outside EU. Any company dealing with EU businesses', residents', or citizens' data will have to comply with the GDPR (GDPR & Beyond, 2017). As Eric Schmidt, CEO of Alphabet, Google's parent company explains (Larrey, 2017, 46): *"Big Data is a reality. The computers which we use every day naturally collect that data. That raises certain questions like who is using the data, and what are they using it for?"*. Some people choose not to pay the seemingly free services with personal data out of the fear of data collection and its exploitation.

Guidelines for digital marketers regarding the personalization (John, Kim and Barazs, 2018):

A) Stay away from sensitive information

Google and Facebook implemented policies preventing advertisers to target on the basis of sexual orientation, race etc. For companies that sell sensitive goods, authors suggest advertising on website those customers are likely to visit.

B) Commit to at least a minimum amount of transparency

Authors suggest that marketers at least be willing to provide information about data use practices upon request. Such disclosures should be clear and easily accessible - one example is the AdChoices icon.

C) Use data judiciously

Author counsel restraint when personal information is used to generate recommendation or an advertisement that feels intrusive of inappropriate and making it clear when a third-party sharing is occurring.

D) Justify your data collection

Authors suggest that marketers explain why they are collecting personal information and how it will generate more appropriate and useful ads.

E) Try traditional data collection first

Authors argue that marketers should still gather information from customers the old-fashioned way. Supplementing less-transparent ways of using customers' information with more open ones can decrease the feeling of invasiveness.

## 5 Conclusion

The public sphere, daily habits of individuals and methods of doing business are intensively techno-centric in today's world order. Within this context, an exponential rise in the amount of data is not an unexpected issue. Establishments have been adapting to this new order by transforming their recruitment and marketing strategies. Consequently, digital transformation, big data, and digital marketing communications have composed a complex structure which can not be independently approached.

Efficient usage of data and knowledge discovery in databases within establishments have become a new "must" in this context. As mentioned previously, the current data is much bigger, can be obtained much faster and are much cheaper than traditional data. This new raw material, big data, has potential to lead new discoveries in terms of the marketing when it is processed with reliable methods and combined with the lessons learned from the past.

Big data opens new horizons for establishments and brands, this new data-driven context transforms their way of thinking. It also transforms phases of digital marketing communications' and enables brands to personalize their message. This situation creates new opportunities for establishing a strong and interactive relationship between consumers and brands. It is possible to construct a valuable way of communication by developing an understanding of real needs and expectations of consumers.

However, several concerns have been arising when it comes to collecting massive amounts of data and usage of big data analytics in order to increase the efficiency of the marketing process. At this point, showing respect to individual privacy by considering relevant laws and previous studies and conducting digital marketing activities within the framework of professional ethics have enormous importance.

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## 8 Understanding the Possible Contribution of Big Data Analysis to Storytelling Process

Oğuz Kuş

**Abstract:** Within the framework of this chapter, the potential contribution of big data into storytelling process has been discussed. At the first chapter, digital transformation and digitalization of business atmosphere have been described. At the second phase, philosophical and business-oriented explanations for big data have been provided and changing dynamics with the rise of big data was discussed. Following this, literature background on storytelling and elements of a successful story have been provided. Finally, the potential contribution of big data in terms of storytelling is discussed by establishing connections between big data and storytelling.

**Keywords:** Big data, big data analytics, storytelling

### 1 Where does data come from? A science-fiction which becomes reality today!

Digital transformation has remarkable importance in today's technology-centric world. The process of digital transformation has effects on various institutions of different kind and scales. In addition, the impact of digital transformation also being felt on societies. It is clearly possible to observe the influence of digital transformation on the daily life of regular citizens, global business atmosphere and practice of communications.

For instance, several important digital businesses such as Facebook, Amazon or Skyscanner have been rising in the scene and operating in different industries. The core concept of these businesses is translating a daily practice such as communicating, shopping or buying flight ticket into digital form. Various institutions of different kind and scales such as research centers, NGO's, international associations have been creating data-centers in order to store their data and extract value out of them. Because data is some kind of new energy source of transformed societies and data products have a high amount of added value.

Traditional concepts of daily activities have been transforming, individuals are able to buy public transportation ticket by SMS in several countries<sup>1</sup> instead of joining the queue in front of a kiosk or an automat. On the other hand, various eye-catching developments have been appearing in the field of smart city and home technologies such as monitoring free park slots by means of the sensors and reporting free spaces via smartphone of the drivers<sup>2</sup>. It is possible to indicate that smart floor system of IBM is a remarkable example in terms of the smart home technologies. The system can recognize the pattern of movements on it and in case of an emergency situation, it is able to call the ambulance.

As it is portrayed above, several components of daily life have been digitalizing in large or small scales. Digital transformation process has several results however the most significant result of this transformation is a clear growth in the amount of data. For instance, according to Turner, Reinsel, and Gantz (2014, 1), the digital universe is doubling in size every two years and by the year 2020, the data we create and copy annually will reach 44 zettabytes (44 trillion gigabytes). This prediction clarifies that amount of data increases faster than we think. As it is mentioned before, data collection efforts of different establishments also contribute to this process. A blog post which is written in 2012 indicates that NASA has been gathering approximately 1.73 GB of data from nearly 100 active missions in the time it took to read a sentence that consists of 10 words (Skytland 2012). According to McAfee and Brynjolfsson (2012, 62), it is estimated that Walmart collects more than 2.5 petabytes of data every hour from its customer transactions. A petabyte is one quadrillion bytes or the equivalent of about 20 million filing cabinets' worth of text.

Within the context of the article, the contribution of individuals to data growth must also be underlined. The daily life of regular citizens has been gradually digitalizing. Their way of reaching information, doing sports, shopping and interpersonal communication has been radically transforming. It is necessary to provide some data in order to portray the situation.

It is possible to indicate that internet user population has developed enormously since last 15 years. Based on data which is provided by The World Bank (2016), among OECD countries 78 out of 100 people have access to the internet in 2014 while it was 20 out of 100 people in 1999 (Figure 1). According to report which is published by PEW Research Center (2016a), smartphone ownership rates have skyrocketed in many countries since 2013. The report clearly underlines

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<sup>1</sup> Switzerland, Czech Republic, Finland, Slovakia etc.

<sup>2</sup> <https://www.siemens.com/press/en/events/2015/mobility/2015-09-smart-parking.php>

that smartphone ownership rates in emerging and developing nations are rising at an extraordinary rate, climbing from a median of 21% in 2013 to 37% in 2015. Another report of the PEW Research Center (2016b) reveals that cross the 40 countries surveyed, a median of 76% of internet users say that they use social networks.

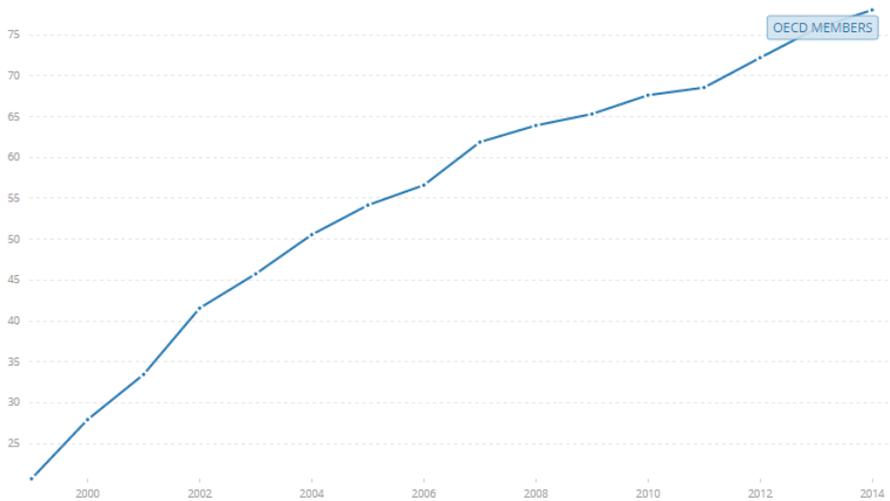


Figure 1: Raise in the internet access

Regarding the data, it is possible to suggest that individuals are more engaged with new technologies. This situation creates a world which is connected digitally. Consequently, data creation and flow of data between individuals-individuals, individuals-establishments, and establishments-establishments via new technologies increase and it creates a new concept of interaction. Therefore, amount of the data rapidly increases and it gains value in several fields in the same speed.

Data is of paramount importance for many establishments such as businesses, research centers, international organizations, NGO's or start-ups. An example from *Filter Bubble* (2011) provides an effective case for this situation. According to Pariser (2011, 29), while individuals read books on popular book reading device Kindle, the data such as phrases you highlighted, which page you turned and how you read books are feedback into Amazon's servers and can be used to indicate what books you might like next. Efficient data analysis allows businesses and start-ups to understand their current situation and make predictions for future. Research centers have been being capable of developing more detailly research projects and they expand the borders of scientific

research. Well analyzed data allows international organizations and NGO's to develop better situation analysis on a specific topic. These cases show that actors who store and analyze data properly have potential to extract information out of it. This means that they can create value out of data in line with their purposes, therefore it adds value to societies.

Another example sets light on how high amount of data can expand boundaries of scientific research topics. A research was published on Facebook Data Science blog in honor of International Cat Day in 2016. Within the scope of the research, Adamic et. al. (2016) have revealed interesting insights about cat owners and dog owners by using de-identified data from a sample of about 160,000 people in the United States who shared photos of cats or dogs (or both) on Facebook. Findings response to questions such as which one of them is more outgoing, which kind of book and movies they interested in and where they live.

As result of digital transformation developments and adaption of new technological inventions to daily life, several data sources appeared on the scene and data started to flow constantly in different formats, size, and speed from these sources. Consequently, the concept of -or the term of- big data have come to the light. In next chapter, the term "big data" has been approached in many dimensions, the area of usage of it has been portrayed and a short introduction to how big data might contribute to storytelling process has been discussed.

## 2 Definition of big data? A story on bytes, I mean plenty of them!

The term "big data" was first coined in late 90's by NASA researchers Michael Cox and David Ellsworth (Friedman, 2012). Cox and Ellsworth (1997, 236) have defined big data as follows: *"Datasets are generally quite large, taxing the capacities of main memory, local disk, and even remote disk. We call this the problem of big data."* Based on the given definition, it is possible to suggest that big data is recognized as a challenge more than an opportunity. In following studies, researchers have proposed several definitions to describe big data in a more structural form. And in structural definitions, it is possible to develop an understanding of components of the term big data.

Zikopoulos et. al. (2012, 5) proposed one of the most quoted propositions on components of big data. According to them, big data has three main characteristics, these are *volume* (terabytes, zettabytes), *variety* (structured,

unstructured) and *velocity* (batch, streaming data). Regarding the concept, *volume* defines the size of data. It is possible to indicate that measures such as megabyte or gigabyte fall short in order to describe the size of big data. The second component of big data, *variety*, points out structured or unstructured forms and different formats in data. Different tools might be used in order to collect data such as an automatic door, barcode scanner, phone camera, sensors or a satellite on space. Starting from this point, different forms and formats of data have been arising due to different devices are used in order to collect data. Lastly, the velocity of data refers to data flow speed. In addition to fore-mentioned components, Panneerselvam, Liu and Hill (2015, 7) suggest that it is essential to add two more components: *veracity* and *value*. According to them, "*veracity relates to the uncertainty of data within data a data set.*" On the other hand, they underline that value is one of the important elements of big data because "*there is no point in a big data solution unless it is aimed at creating social or business value.*"

Ciobanu et. al (2014, 5) approach from a business point of view to the concept of big data, however, their definition still attaches importance to philosophical dimension of this innovative term which has huge potential. Their definition of big data is as follows: "*Big data is more than simply a matter of size; it is an opportunity to find insights in new and emerging types of data and content to make businesses agiler and to answer questions that were previously considered beyond our reach.*" They are not alone in this type of point of view. According to Mayer-Schönberger and Cukier (2013, 27), big data is about three interconnected change of mentality. First of them, big data is the ability to analyze huge amounts of data; second, it is the willingness to accept real-life mess instead of having to accept the exclusive certainty of data. Last, big data is feeling respect to correlations instead of constantly searching causality.

On the other hand, the comparison chart of Davenport (2014, 4) is vital in order to develop a perspective on what are the challenging and beneficial parts of big data. Davenport (2014, 4) proposes a comparison which reveals a distinction between big data and traditional analytics (Table 1).

Big data creates several opportunities in spite of the fact that it contains several complex issues in its nature. The most significant advantage which is provided by big data is knowledge discovery. Extraction of information from huge amount and variety of data presents several advantages. At this stage, it is possible to mention about knowledge discovery in databases (KDD). Fayyad et. al. (1996,

39) describes KDD as an interdisciplinary implementation area, and the following statement of them clearly verifies that

*“KDD has evolved, and continues to evolve, from the intersection of research fields such as machine learning, pattern recognition, databases, statistics, AI, knowledge acquisition for expert systems, data visualization, and high-performance computing. The unifying goal is extracting high-level knowledge from low-level data in the context of large data sets.”*

Table 1: Davenport’s (2014) classification which shows differences between big data and traditional data

	<b>Big Data</b>	<b>Traditional Analytics</b>
<b>Type of Data</b>	Unstructured formats	Formatted in rows and columns
<b>Volume of Data</b>	100 Terabytes to petabytes	Tens of terabytes or less
<b>Flow of Data</b>	Constant flow of data	Static pool of data
<b>Analysis Methods</b>	Machine learning	Hypothesis-based
<b>Primary Purpose</b>	Data-based products	Internal decision support and services

Based on the statement, it is necessary to have interdisciplinary perspective in order to extract knowledge from the data (big or small scale). This interdisciplinary feature of knowledge discovery also creates a theoretical ground for usage of big data analysis in order to develop brand stories.

It is important to provide big data analytics cases in order to portray areas of usage of it. Mentioning successful implications in different fields is a necessity in order to underline possible benefits of big data.

As it is narrated above, big data has been used by many different organizations in various cases. For instance, Washington Hospital Center has been storing anonymized records of patients for 7 years. This data has been containing demographic information, tests, diagnosis reports, and treatments. These records have been analyzed in order to decrease the ratio of infections and re-visits to the hospital. These efforts have revealed very interesting findings and correlations. Findings showed that psychologic state of patients is vital. If the medical history of a specific patient was containing words such as *“depression”* at his/her first application to the hospital, it is revealed that this patient is more

likely to re-visit hospital in one month after his/her treatment completed (Mayer-Schönberger and Cukier, 2013, 135-136).

UPS is another example of successful big data analytics. They collect data from several sources such as the engine of the post-chaise, GPS which captures driver behavior and safety habits, sensors, devices which monitors deliveries and customer service and maps which collects address points and routes traveled. Sensors capture over 200 data points for more than 80.000 vehicles. As a result of this process, UPS has saved 39 million gallons of fuel since 2001 and 12.1 million miles of driving eliminated in 2012 (UPS, 2013).

Netflix, the online movie streaming platform, collects tremendous amounts of data from its 83.18 million consumers. The company collects data such as when you pause, rewind, or fast forward; when you pause and leave content (and if you ever come back); browsing and scrolling behavior; what time you watch content. Netflix uses this data in order to create loyal consumers. Extracted knowledge from data allows Netflix to learn watching habits of its members. The movie streaming website uses this knowledge to develop an algorithm which automatically recommends movies to its consumers. A tweet<sup>3</sup> which was sent by Netflix proves that their recommendation algorithm functions efficiently because it is written %75 Netflix viewing is driven by the recommendation algorithm (Kissmetrics, 2016).

On the other hand, social networks and search engines generally have business models which use data as raw material. For example, Facebook collects a huge amount of data from different sources. According to a news on Washington Post (Dewey, 2016), Facebook tracks 98 different personal data of its members. It is possible to indicate that even simple activities of a member such as hiding an advertising or clicking a like button on Facebook might be a signal for the platform. This data might be used in order to curate content and personalize News Feed of the users. These developments are important in order to strengthen user-engagement. In addition, it is vital for placing targeted and personalized advertisings.

Big data analytics has been widely used in retail and e-commerce industries. Peer-2-peer shopping website Etsy is one of the examples for this in the e-commerce industry. Etsy has been utilizing two main sources of data. First of them is transactional data such as purchasing data and membership data. The second data source which contains data on the behavior of a visitor such as

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<sup>3</sup> <https://twitter.com/netflix/status/365577591563882496> [13. 3. 2018].

clicks on pages or the text written to the search box is bigger. Etsy has been using this data in order to conduct better decision making, product development, marketing and PR (Blumleve, 2013). Regarding the concept, it is possible to suggest that big data and data analytics might be used in terms of the storytelling as it is possible to use for product development, marketing or PR. Explaining aspects of a brand story and its vitality imposes a huge importance in order to develop an understanding of the potential contribution of big data into storytelling process.

### 3 Aspects of the brand story and an important question: “Why is the story vital?”

As it is narrated above, size of the data in databases of companies has been increasing rapidly. While companies storing more and more bytes in their databases, they open the door to various opportunities. Information which is extracted by analyzing data brings several advantages. As it is underlined in the previous sections, areas of usage of data have almost no boundaries. Within this context, it is also possible to suggest that big data analytics might be used in order to produce branded-stories and develop storytelling processes. However, firstly, definition and components of a story must be clarified and soon after, the importance of the story for brands must be described. Because story and storytelling have been approached from branding perspective within the framework of the paper.

Stories are one of the oldest information transmission techniques. Stories have been used more strategically from education to branding for serious amounts of time. According to Miller (2011) story can be defined as, a series of events. When a story is approached from a branding perspective, it is important to establish ties between brand and elements of the story. This is an important step in order to increase the efficiency of the storytelling process. Miller points out that a story has eleven different elements: characters, place, time, storyline, sensory elements (smells, flavors, colors etc.), objects (clothing, costume), characters' gestures and attitudes, emotions, narrator's point of view, narrator's tone of voice and theme. These elements might be tailored in terms of the brand story based on the features of the target audience.

Serrat (2008) describes the practice of storytelling as following: “*Storytelling is the vivid description of ideas, beliefs, personal experiences and life-lessons through stories or narratives that evoke powerful emotions and insights.*” Based on this definition, it is clear that stories might allow brands to catch beneficial

opportunities. Because stories have warm communication aspects and they are efficient tools in order to transmit information in more personalized context. Serrat (2008) underlines that analysis might excite the mind but it does not offer an easy route to the heart. This proposition verifies that well-designed brand story is a good tool to deliver brand aura to the target audience. Because individuals are inclined to navigate the world using symbols and visual expressions (Fog et. al. 2005, 18) and a brand story is efficiently capable of delivering all these aspects.

It is a necessity for brands to create stories and myths in order to strengthen their image and reputation within the context of the postmodern societies. Because individuals in postmodern societies tend to buy a product because of the story and image it has instead of the need it fulfills. At this stage, describing features of a postmodern individual in postmodern societies in order to develop 360 degrees understanding of why stories and storytelling matter for brands.

Yde and Jørgensen (2010, 15) describe consumer and consumer behavior as follows:

*“Today, in the postmodern world, the individual is in focus [...] Now the consumer is in control. The individual defines him- or herself through individualized consumption and thereby shapes his or her own reality. This consumption is a product of our cognitive and emotional state and reflects our values and stances on various subjects – e.g. our attitude to the environment. Postmodernism emphasizes that quality alone is not sufficient to capture the attention and loyalty of the customers. Value, to the postmodern customer, lies in the connoted value and image that both the product, brand and the corporation signify.”*

According to Pospíšil (2010), consumers have a direct influence on production and they have individualities that can be divided into several different personalities. This situation makes consumers highly unpredictable. On the other hand, the division of individuality has disbanded “mass community” feeling. According to him, a feeling of fellowship is provided by the consumption. Consumers become a member of a specific community by buying a specific brand.

Regarding fore-mentioned concepts, brand stories have vital importance for individualizing brands. On the other hand, storytelling is able to strengthen the position of a brand on consumers’ mind. For instance, a brand which sells bottled water has nearly no option to differentiate its product. At this stage,

creating a brand story makes an appearance and a regular bottled water transforms into a bottled water which comes from Alpes in mind of the consumers. Another example can be provided from relatively niche industry: spray paints. Popular wisdom on spray paints is that they are mostly used in industrial activities and fixing works. However, specific brands such as MTN Colors, or Montana Cans position themselves as spray paints which are mostly used by fine art practitioners or graffiti artists. It is possible to see videos on their social network pages or blog posts which build a connection between spray paints and street art culture. This clearly shows that stories are useful in order to differentiate and position brands. Positioning and differentiation process by means of well-designed stories allow brands to have loyal consumers.

On the other hand, since stories might be beneficial in order to create fellowship feeling, they can build emotional contact with consumers too. Chen et. al. (2009, 2) have quoted Zemke's following idea: *"A good story touches something familiar within us, yet shows us something new about our lives or our world."* Within this context, it is possible to suggest that, stories can trigger the emotions of the individuals, this aspect of the stories able brands to have more active and engaging consumers. Therefore, brands might easily open new communication channels and concepts with the target audience. And this allows to add new aspects to stories and strengthen them. For instance, a consumer might see a Twitter post of a brand and start to follow the brand on Instagram and brand can deliver visual content to the consumer. This situation might allow brands to strengthen its storytelling process because consumer started to see visual posts too.

Sole and Wilson (n.d., 8, 9) evaluated storytelling in terms of the internal communications. However, benefits of stories might be valid for brand-consumer interaction too. They suggested that stories are high leverage ways of reaching a large audience, stories are a handy way to share culture and norms in moments with new group members, mending relationships and sharing wisdom. On the other hand, Serrat (2008) points out several important benefits of the stories such as making abstract concepts meaningful; helping to connect people and ideas; creating sense, coherence, and meaning; communicating complex messages simply; inspiring change.

Based on the given information, several benefits might be gained from storytelling in terms of the branding efforts. Well-designed stories might allow brands to reach to a large audience because, as it is indicated, stories might open new communication channels and they can strengthen themselves. In

addition, good stories help to make content on social networks more visible. Stories can be used in order to create word-of-mouth because they address emotions of consumers. On the other hand, brand aura might be transmitted to target audience via stories. Stories are good materials in order to transmit culture, values, and image of the brand to a specific target audience and, as it is mentioned, they can decrease the complexity of the branded messages. This is critical in today's fast-flowing world order.

As it is underlined, stories might mend the broken relationships between brand and target audiences, this verifies that in a moment of a crisis, stories might be useful. In addition, in digital era humanization of brand carries exponential importance and stories are a good way to humanize brands because it can provide a tie between brands and their target audience. Last but not least, stories are functional in order to create fellowship and community feeling and this is very important within the context of the post-modern society.

As it is narrated above, usage areas of big data expand gradually. Based on the given literature, this article mainly aims to present a proposition on how big data analysis might contribute to the process of storytelling and enrich this process with data-supported efforts. In the following section, possible contributions of big data to storytelling have been discussed.

#### 4 Big data as an aspect which enriches stories

Today, every brand supports its communication efforts with branded-stories and every step of the communication management process is supported by analytics. Especially, within the digital communication efforts, this situation is more visible. According to Fog et. al. (2005, 19, 20) establishments do not compete on parameters such as product design or technical finesse. They proposed that real challenge is building solid values. Storytelling gains importance when it comes to transmitting those values to the target audience and values allow individuals to define themselves in society.

At this stage, developing an understanding towards needs of the target audience and having knowledge of how individuals in the target audience would like to define themselves carry an enormous amount of importance. It is possible to suggest that big data analytics might assist this process. Brands are able to collect data from several sources such as social network comments, loyalty cards, CRM systems, customer feedbacks and surely these sources are not limited to the mentioned ones. An interdisciplinary approach in order to extract

knowledge from collected data and finding common patterns might enlighten what are the expectations of the consumers. Those techniques might be used in order to define the current situation or modeling predictions.

After identifying the needs of individuals in target audience with the help of big data analysis elements of a brand story and storytelling process can be rise on stronger grounds. Because it is possible to understand that which kind of component might be more efficient. For instance, by analyzing social media check-ins of individuals in target audience might give clues about where the story should take place or analysis of loyalty card data can give clues on what the characters of the branded-story should wear.

On the other hand, as it is indicated individuals have divided and characters in post-modern societies. As a result of this process, as Pospíšil (2010) indicated, mass community feeling is lost and fellowship feeling is brought by consumption. Big data analytics might allow brands to understand which kind of fellowship feeling is desired by the individuals in the target audience. We have seen how dog owners' and cat owners' daily habits and some demographic information are identified in detail within the research done by Facebook Research Center (2016). Big data analytics might provide similar insight to brands. They can develop a 360-degree perspective on their target audience and their habits, then they can create a story by using this information which provides a feeling of fellowship. In different segments of the target audience.

After composing the story. Big data analytics can contribute to the process of order decision on how storytelling process will work strategically and which channels might be more efficient for disseminating the story. Data can be collected from several sources such as Google Analytics data, social network interactions, reports from conventional channels and visitor count of a physical store. After analyzing collected data, brands might reach efficient results for determining the dissemination channel of branded-stories. On the other hand, in case branded-story is published on digital channels, data such as how long they stay on the site, which channels direct more visitors or how many pages they visited on the website can be tracked and this kind of data can be used in order to refine stories.

In addition, the inclusion of third-party data such as data collected by GSM operators or internet providers might be integrated into storytelling process and can enrich it. With the help of that, branded-stories might be delivered to individuals in target audience in a specific context. For instance, an individual might get an information SMS about fishing from an outdoor equipment

company while he/she is driving around a lake which is famous for fishing activities.

As Yde and Jørgensen (2010, 15) pointed out “Consumer is in control in today’s world” and request far more than psychical satisfaction when they buy a product or service. However, consumers are equipped with digital tools which are brought by digital transformation and they create more data while they are trying to be in control: feedbacks from social networks, blog readings before purchasing, measurement tool running shoe’s sensors which can be synchronized with smartphone applications, smart swatches which can track daily activities. This digital transformation and rise in data production allow brands to have better possibilities in order take advantage while producing a brand-story.

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# 9 Conducting Applied Research: Methodology, Ethics and Real Life Examples

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**Abstract:** Research includes methodological procedures to avoid dangers like gathering hit-or-miss data, arbitrariness in the data analysis process and weakness of findings in stating reality. Different problems require different kinds of researches. Among a lot of types in the relevant literature, applied research is designed and carried out so as to especially get specific data and findings for specific situations/problems. Design of the research includes determining the questions trying to be solved, necessary data type, budget and implementation schedule almost completely at a desk. At the implementation stage, the method which will provide up-to-date, reliable and valid findings is applied, the data is analysed, interpreted and this whole process is put together as a report. The ethical code of conduct must be obeyed in the whole research process.

The chapter presents also the key milestones of ethical considerations since the end of World War Two. The Nuremberg Code and psychological researches of Milgram are presented as cornerstones and imperatives of applied research. Afterwards, the chapter outlines current trends and aspects that should be respected when conducting applied research. The final remarks clearly show that dignity and integrity of every person are beyond research and good for the society. At the end of the chapter, two pieces of applied research are described in order to illustrate the adopted research methodologies and to explain the relevance of applied research for future business decisions.

**Keywords:** Applied research, method, data, sampling, ethics, informed consent, milgram, Nuremberg Code, online students, perception, higher education institution

## 1 Introduction

Both in the business world and the scientific world, when someone needs a research, a necessity to follow a scientific path (scientific method) and a data collection procedure (a technique/ techniques) to be applied according to the characteristics of the information s/he aims to get are the first steps. To put it

simply, research is a process and procedures for collecting data objectively, systemically and in a controlled way, then defining and interpreting the data.

Many types of research are mentioned in the research literature. Especially applied research has a strategic value as it provides specific answers/information to specific problems. As it is often needed, it is important for researchers to learn and understand this typology clearly and unhesitatingly. Although there are quite writings in the research methodology literature, the approach in this chapter is to clarify the complexity in the description of research types and to make it easier to gain applied research skills.

There are too many research methods and research method names, confusing for the new ones in the research world. The research methods in the literature of social sciences field are not under any kind of classification titles. On the one hand this is a common classification (see: Green, Tull and Albaum, 1988; Brewer and Hunter, 1989; Seyidoğlu, 1997; Gökçe, 1999; Gill and Johnson, 2002): basic research, applied research, qualitative research, quantitative research, desk research/secondary researches, nonreactive researches, field researches, survey research, experimental and quasi-experimental researches, exploratory researches, auditing research and social research.

In addition to these, there are some other types of research in the literature about communication management (see Berelson, 1952; Coulson-Thomas, 1979; Bowman and Ellis, 1986; Gregory, 2005; Smith, 2005): motivational research, market research, content and media researches, communications audit, public opinion poll, attitude research, panel research etc.

This chapter provides a brief overview of the key concepts of the research methodology and can serve as a starting point for a further in-depth elaboration of particular concepts. The value of the paper is in pointing to all relevant aspects (steps) in designing and conducting applied research, while detailed information regarding particular aspects should be obtained elsewhere. Hence the paper provides "a backbone/skeleton" of the research process, which should be complemented with information from other sources. The chapter first introduces the difference between quantitative and qualitative research and the difference between primary and secondary data. Then it continues by presenting the key methodological issues of designing and conducting applied research together with sampling issues and aspects of data analysis and reporting. The chapter concludes with ethical principles in research and with an illustration of the two real-life examples of applied research from the standpoint of a higher education institution.

## 2 Basic concepts of applied research

One should also understand the two parameters and the differences they create in order to take a closer look at the applied research, which sets the boundaries of the research, as a type. These parameters are data type and data source. An applied research refers to a kind of research based on primary data (data source), quantitative and/or qualitative data depending on the nature of the problem (data type). So researches which are different from each other in terms of data type and data source are mentioned below:

i) Differentiation between qualitative/quantitative research ii) Differentiation based on the use of primary data/secondary data.

### 2.1 Differentiation between qualitative and quantitative research

Quality and quantity are the two tightly tied dimensions of an objective reality. Hançerlioğlu (1986) says that if it is possible for a subject or an object to be understood and made clear through measurement, that feature is quantity. If it is possible through perception, then that feature is quality. Quality is the characteristic which makes objects or phenomena what they are, differentiate them from others and diversify them limitlessly and infinitely. However, every object or phenomenon has a quantitative feature tightly tied to that qualitative feature. In other words, every subject or phenomenon has its own volume, size, number, process speed and degree of development. Each phenomenon/subject or object to be the subject of a research are the unity of a specific quantity and quality (Hançerlioğlu, 1986). Quantitative research may be especially useful to understand the differences between identical phenomena. Qualitative research may reveal the differences between non-identical phenomena.

#### 2.1.1 Qualitative research

The roots of the qualitative research are grounded in an interpretive worldview and put importance on how the phenomenon or the subject expresses themselves. The roots of the quantitative research are grounded in a realistic worldview and aim at stating the quantities using numbers (Daymon and Holloway, 2003).

Among the definitions as of the qualitative research maybe one of the most basic and explanatory definitions is Strauss and Corbin's: "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (1998). This type of research has four main features: A

focus on natural settings, an interest in meanings, perspectives and understandings, an emphasis on process, inductive analysis and grounded theory (Woods, 1999). Strauss and Corbin (1998) state that the method in qualitative research has three dimensions: collecting data, processes and reporting. The processing of the data means organizing and rationally interpreting them. At this stage what is generally carried out is conceptualizing the data, classifying them according to different dimensions and creating a series of relations. The very last stage requires preparing research report text and diagrams and shaping the report to be published one day. Qualitative research is often used to build theories which are later empirically tested by the adoption of other methods as well.

### 2.1.2 Quantitative research

To put it simply, quantitative research is a kind of research which produces numerical/ quantitative data and presents statistical results (Gregory, 2005). Quantitative researches are widely used especially for psychology and social sciences studies in human sciences apart from natural sciences. According to Flick (2002), quantitative researches adopting the characteristics and validity features as a model places huge importance on developing numeric and standardized techniques. The principles selected as the baseline for the planning of this research are: clearly isolating cause and effects, measuring and quantifying phenomena, research design allowing the generalization of findings, operationalizing theoretical relations (Flick, 2002).

For instance, choosing random samples from the population is for ensuring representability (Serper and Aytaç, 2000). In addition, the observed phenomenon is classified based on the frequency and distribution (Armutlulu, 1999). In order to clarify the causality relationships and their validity as much as possible, the phenomenon and the relationships, the conditions resulting from this phenomenon and the relationships are controlled. Also, the research is designed in such a way that researcher affects the research as minimum as possible. Thus the researcher aims at improving the objectivity of the research and ruling out personal ideas. How the questionnaire will be formed, how the experiment will be designed and how the data will be statistically analyzed are determined with predefined procedures (Çömlekçi, 2001; Flick, 2002; İslamođlu, 2002).

## 2.2 Differentiation between primary or secondary data

Sources of data enable us to classify them as primary or secondary data. The data is primary when first-hand and secondary when it is collected from other sources had already presented and conveyed the primary data.

### 2.2.1 Primary Data

Primary data is necessary in order to collect authentic data for the problem itself (Kent, 1999). The question as to where to get the needed information is the answer of where the data will be gathered: from primary sources or secondary sources. Primary data sources are persons or events from whom/which the researcher himself/herself gathers data at first-hand. Primary data are directly for the researcher's needs.

### 2.2.2 Secondary Data

Secondary data is the data that the researcher does not collect himself/herself but the one produced and generally published by another researcher or institution. Secondary data is for another purpose. In the reality, where there is human action, there is a rich written literature and production of material elements. These can be stored within the institution, libraries, sectoral institutions, internet etc. and put into usage (Haywood, 1990).

The sources for this kind of data are newspapers and magazines, institutions' database records, online databases, companies that collect and sell common pools of data of known commercial value, sectoral reports and other kinds of publications, statistical institutions' publications, academic research reports etc. (Kent, 1999; Kotler et al., 2001).

Whether primary or secondary, the data collected has to have these five important features: valid, up to date, adequate, convenient and relevant data (Green, Tull and Albaum, 1988). This will lead to reflecting the reality of the data used in the research.

## 3 Research design

As it is mentioned above, an applied research can be qualitative or quantitative based on primary data. When there is a situation or problem which needs to be researched, the very first thing to be done is identifying the problem.

At this step a comprehensive definition needs to be made considering questions as to the source of the problem, where the problem is, since when there is a

problem, why it is accepted as a problem, whom it affects and how those affected are affected and how they get involved in the problem (Cutlip, Center and Broom, 2001; Peltekođlu, 2001).

The frame of the research is built thinking about the nature of the subject/phenomenon considered to the problem itself, the type of information the researcher wants to get and the opportunities available. At this stage known as the 'research design', the researcher decides on the objectives of research and the research questions, considers data type, provides research calendar and estimates the budget.

### 3.1 Defining the objectives and research questions

The problem of the research determines which questions need to be answered when the research is completed and defines the information the researcher needs to reach to.

Although the research is based on primary data, it would be wrong to start the research without taking a look at the published data/information about the subject. Gill and Johnson (2002) say these are the advantages of literature review:

- It gives an insight into the research questions or to which direction the researcher needs to go.
- It makes possible to follow up with theoretical developments and clear descriptions.
- It provides an insight into the subject of the research starting from the very beginning of the research.

### 3.2 Considering data types

While it is obvious that an applied research based on collecting primary data is necessary in order to get up to date, reliable and valid information because of the characteristics of the problem, what kind of data is needed is related to the nature of the problem and the ultimate information the researcher wants to get. For instance, if there is a need for an insight into getting to know the characteristics of the research subject/object, relations and process itself, that means the researcher needs qualitative data and a qualitative approach. On the other hand when the researcher wants to express the size, extent and dimensions of the problem in numbers and quantities (for example asking questions such as "How many people or workplaces are there?", "How many

times...?", "How much penetration?", "How much does it cost?") the needed data and approach are quantitative.

### 3.3 Time and budget

Until when the research will continue, how many staff is needed and the budget are projected before starting the research and an implementation plan is prepared. But the type of data chosen considering the nature of the problem should also be taken into account. A detailed schedule prepared in the beginning shows how much each stage of the research will take. In this schedule, durations are broken down into days-weeks-months. As they are not certain, these durations can be shorter or longer depending on how the implementation stage of the research goes.

## 4 Conducting applied research

The steps at this stage are (1) method and (2) analysis of the data and reporting the findings.

### 4.1 Method

One of the most delicate parts of the research process is the procedures about the method. A method refers to the procedures on data collecting type, choosing sampling, data collection techniques and tools.

#### 4.1.1 How to collect data: inquiry, observation or experiment?

A researcher can collect data in three ways: inquiry, observation or experiment. Each has its own data collecting tools and techniques for a touch and access to the source of the data. If the researcher wants to collect quantitative data using one of those three ways, s/he does sampling as there are too many subjects. If qualitative data is needed, the number of subjects/objects cannot be as high as in the research based on the quantitative data and sampling rationale here is different. Therefore, it is useful to give a short explanation of their rationale.

What is quantitative sampling rationale?

There is no need for including all the subjects/objects in the research in order to get the needed information about a big population. A research which will be implemented after selecting a sample - in a proper way - from that population will provide results representing the whole population. The statistics have proven this fact. This rationale is like tasting enough amount of seawater

instead of drinking it all in order to get the taste (Serper and Aytaç, 2000; Geray, 2004).

What is qualitative sampling rationale?

The difference between the qualitative and quantitative sampling rationale is that the former is purposive sampling (Daymon and Holloway, 2001; Yıldırım and Şimşek, 2003). Sampling in a qualitative research is for a detailed examination of the situation considered to have rich information. In compliance with the rationale it is based on, there are no generalizations as in quantitative researches (Yıldırım and Şimşek, 2003). Qualitative researches dealing with the whole population - a group, an organization or a village - does not generally require a quantitative sampling rationale.

#### 4.1.2 Choosing the sampling

Taking the sampling determined in the design stage as the basis, sampling is done in those following steps at the implementation stage (see Broom and Dozier, 1990; Erdoğan, 1997; Armutlulu, 1999; Serper and Aytaç, 2000; Çömlekçi, 2001; Daymon and Holloway, 2001; Yıldırım and Şimşek, 2003).

Whom to research? (sampling unit)

The answer to the question is not always clear. For example, if a researcher wants to examine decision-making process before buying a family car, will s/he need to interview the woman, husband, other family members or all of them? It is always suspicious to determine who will solve the problem of the research best or what subject/ object the researcher needs to focus on in order to find the best answer.

How many people needed? (size of the sampling)

In terms of quantitative researches, a wide sampling always produces more reliable results. If the sampling is chosen well, a small part of the population will also produce valid and reliable information. But in terms of qualitative researches, the type of the sampling, not the number of subjects/objects are more important. As the research is carried out in a flexible and designated as less as possible by its very nature, it diversifies the size of the sampling taking the nature of the phenomenon and the decision of the researcher into account.

What is the sampling selection process? (sampling procedure/ techniques)

Generally speaking, within the quantitative research terminology, there are two possible ways: probability sampling or non-probability sampling. We should specify that researcher can use probability sampling only when s/he has

detailed list of all the units of the population, the sampling frame. In case of non-probability sampling, the sampling frame is not available.

In the first way, the researcher knows the probability for each member of a population to be chosen in a sample and the researcher calculates the reliability limits of a sampling error. This is like a draw. But if this way is expensive and long (or there is no sampling frame available), the researcher can also choose non-probability sampling. If so, calculating the error is impossible. Sampling techniques mentioned here are the ones which are more likely used in public relations and marketing field and are more widespread. Probability sampling has three types: simple random sampling, stratified random sampling and cluster sampling. In the first one, all the members of the population have the same chance to be chosen as a sample. In the second one, the population is divided into special categories (for example age groups) and units are randomly sampled from each group. In the third one, the division is the same. Units to be chosen as samplings cannot be individuals, only groups/ blocks. Random sampling is done among those kinds of block units of the populations. These can be building blocks, trade union branches etc. A complete count is done in the chosen block units. This means that all the units from the chosen blocks/groups are included in this sample.

For non-probability sampling, it is not possible to calculate the reliability of the sampling and determining the error level (confidence interval) as each unit does not have the same chance to be chosen in a sample. This type of sampling has three kinds: convenience sampling, judgement (purposive) sampling and quota sampling. In the first one, the researcher chooses the members from whom s/he can get information most easily or uses the volunteers. In the second one, the researcher chooses the member who s/he thinks will give the most valid information. In the last one, the researcher finds the people in certain numbers from different categories and make interviews with them. For example, if the 70 % of the population the researches deal with are settled in cities and the rest is in rural areas, the 70 % of the units' being urbanite and 30 % of the units' living in the rural areas would be enough.

Apart from probability or non-probability sampling classification, also qualitative sampling types are determined according to their own needs. These are: extreme or deviant case sampling, maximum variation sampling, homogeneous sampling, typical case sampling, critical case sampling, snowball sampling, criterion sampling, confirming or disconfirming sampling and

convenience sampling. The very last one will not be further explained here because it is mentioned above in non-probability sampling part.

Extreme or deviant case sampling is based on the idea that looking at unusual or extreme manifestations of the phenomenon would provide the most information. Maximum variation sampling aims at reflecting the variety of the individuals (objects) who are the extreme sides of a problem. Homogeneous sampling is for creating small and homogenous samples and determining clear subgroups. Typical case sampling enables to choose the most typical ones when there is something new and different and presents those typicalities. Critical case sampling is done envisioning whether a critical case in a place or a condition will be present in other conditions as well or not. Researchers prefer it when they assume that in case a group encounters a problem the other groups will experience the same thing.

Snowball sampling begins with looking for who can give the best information about a specific question. The researcher asks the person/people the same question and demands the names of other individual/individuals to interview. This is a chain sampling like a snowball rolling and getting bigger and bigger. In later stages, it is seen that there are no new names, just the already known names are being repeated. This means sampling is over. Conforming or disconforming sampling might come out as a necessity during an ongoing research. These types refer to the selected samplings in order to validate and verify intensive and contradictory findings. Although these samples are mostly the ones the research get randomly / unexpectedly they should be included in the sampling.

The very last important point about findings gathered through qualitative samplings is the reliability and validity problem. Reliability of quantitative sampling findings (repeatability of the results) is much clear than the qualitative sampling findings due to they are measured and thus proven. It is impossible to prove the reliability of qualitative sampling findings in numbers. Still, it would not be true to say that qualitative sampling findings are not reliable as there is not a measurement as well which would prove they are unreliable. But as the reliability of the findings is a standard feature which a research should have, reliability of the qualitative sampling findings are essential and could be achieved by the following procedures: complete and multiform data gathering, comparing and contrasting, verification, putting emotional/intellectual distance between the researcher and subject/object of the research,

criticizing, avoiding overgeneralisation, spending a long time on samples. They finally provide qualitative sampling findings with high internal validity.

#### 4.1.3 Collecting data

The first step at this stage is determining data collecting tools and access and contact ways. In order to test these ways and tools, see the functionality of them and the performance of the research team, a test is conducted on a small scale of the planned research (pilot study). If needed, necessary improvements are made.

A questionnaire is most often used for collecting data. Nearly all the questions in the ones used for quantitative data are close-ended. It enables making fast and lots of interviews and gathering a lot of data. It is generally applied as 'Fill yourself.' There can be contacts though via phone or electronic environments (internet, computer). In the process in which qualitative data is the main, questionnaires with open-ended questions are used. As it takes longer, it is applied to a smaller number of research subjects. The researcher writes the answers on his/her own questionnaire. Also face-to-face and long interviews with a small group using open-ended questionnaire has its own name: focus group interview. In some cases, primary data are collected using mechanical tools. People meter used to measure TV watching is an example (Kotler et al., 2001).

In social cases with no experiment environment, data is collected through observation apart from questionnaires. During the observation, there are two different types of sheets to be chosen to collect data systematically: structured or semi-structured observation sheet. The observations are written on this. They can be applied both participatory (when the subject/s are contacted) and non-participatory (staying away from the environment but observing).

Experiments in a lab environment or quasi-experiments carried out in the subjects' own environment are other ways of collecting qualitative and/or quantitative data. In both environments, experimental and control groups are determined and data on both of them are collected. In the first one the environment is totally kept under control but in the second one, irrelevant variables are controlled as much as possible. Observations during the experiment are noted down. Lastly, it is crucial to state that logic of experiment is to establish 'cause and effect' relationships by manipulating the independent variable in a controlled environment and observing the effects upon the dependent variable.

## 4.2 Analysing and reporting data

Analysis of the data can be explained as 'systematically processing the gathered data in order to make them more convenient and meaningful, thus turning the data into meaningful information.

Data processing which provides the basis for the evaluation of quantitative data is generally made up of recording, classifying, calculating, summarizing and reporting (Karasar, 1995; Duverger, 1999; Geray, 2004). Data processing is made using statistical software programs. At the end of the data processing process completed using statistical ways, gathered statistical information is shown on charts or tables to make them understandable and facilitate their turning into a finding.

In the analysis of the qualitative data, these are the steps: Creating new categories out of data, naming, being able to ask analytical and stimulating questions, comparisons and contrasts, creating a new, integrating and realistic diagram using unorganized raw data (Strauss and Corbin, 1998). Thus the data will be described, categorized and handled in terms of the relations between the units. Software programs for the analysis of the qualitative data are available, but final findings are reached after the reasoning of these steps.

The report of the research is mainly based on stating all the findings as a text but when there are findings with a lot of numbers, complicated relations and processes or objects hard to describe, presentation styles which appeal to visual perception like tables, charts, diagrams and illustrations are used and make the results more understandable.

## 5 Ethical considerations in applied research

Ethical considerations in research lay the foundation of research because reputation and trust in research results depend on the application of appropriate research choices. Caruth (2015) traces ethics far back in the ancient Greek philosophical study of morality. The morality refers to a system of principles that significantly alter prior opinions regarding decisions and behaviours, while ethics has been referred to as a branch of philosophy pertaining to how choices are made between what is right and what is wrong. In order to overcome dilemmas in research ethics, Caruth (2015) proposes a conceptual model of ethical research and argues that ethics in research is a shared responsibility. Having in mind this model, the conclusion is that ethical considerations in research have broad implications for the society. Werhane et al. (2011) stated

that although Milgram original concern was to become familiar with human nature and understand how ordinary people play instrumental role in violent deaths and suffering of millions of innocent people in the Holocaust, Milgram believed that his findings had important implications for “business as usual” in the corporate world. Similar to that point, Sheppard and Young (2007) write about frauds in companies Enron and WorldCom and pose a question how to get the managers to take the moral high road despite orders by higher authority to do the opposite? The authors explain that a point to start is to show to the public and managers the pitfalls of obedience to authority (Sheppard and Young, 2007). The abovementioned point will serve as a direction in this paper with an aim to provide an overview of ethical considerations.

### 5.1 History of ethical considerations

The next part presents two most important milestones in ethics research: Nuremberg Code and Milgram’s experiment. According to Shuster (1997) the Nuremberg Code is the most important document in the history of research. This document was written in August 1947 during the “Doctors Trial” of Nazi doctors. The document was written by American judges following the accusations of torture and murder over humans in concentration camps. The Nuremberg Code is (Tikveel, 1949) important because it prescribes the first international standards in research. The ten aspects which the document outlines have high relevance nowadays and are focused on the following ten directions for research:

1. Voluntary participation of human subjects.
2. The experiment should provide results for the good of society (unprocurable by other methods or means of study).
3. The design of the experiment should be based on the results of animal experimentation and knowledge of the natural history of the disease or other problems.
4. The experiment should avoid all unnecessary physical and mental suffering and injury.
5. The experiment should not be conducted if there is a priori reason to believe that death or disabling injury will occur.
6. The degree of risk that is taken with experiment should never exceed the risk determined by the humanitarian importance of the problem.
7. Participants in the experiment should be protected against remote possibilities of harm and therefore appropriate preparations and facilities should serve this cause.

8. Only scientifically qualified persons should undertake the experiment.
9. Participants in the experiment should have the option to withdraw from the experiment.
10. If continuation of the experiment is likely to result in injury, disability or death, then the experiment should be terminated (no matter the stage).

Shuster (1997) implies that Nuremberg Code has definitely changed the way how research on human subjects should be undertaken. She recognizes the pioneering role of this code that laid foundations of human-rights approach in research.

The next important milestone in ethical considerations is research conducted by Yale University psychologist Stanley Milgram. According to Cunha, Rego and Clegg (2010), Stanley Milgram conducted one of the most well-known studies in social psychology. The instruction that was given to participants stated that the experiment studied the effects of punishment on learning, drawing on behavioural theories of operant conditioning. In reality, Milgram measured the willingness of participants to obey an authority (changing behaviour in response to a demand from an authority figure). The participant had the role of a teacher, while the confederate had the role of a learner. The learner was strapped to a chair and electrodes were attached to his arm. The teacher had a task to read word pairs, and when the learner made a mistake, the teacher delivered an electric shock to the learner. The learner wasn't actually being shocked, but teachers did not know this and pain sounds were pre-recorded. Cunha et al. (2010) explain the setting and instructions in situations when teachers question continuing, the experimenter would always tell them that they must continue. The range of shocks the participant believed the learner was getting ranged from 15 to 450 volts in 15-V increments (each mistake lead to an increment in voltage). The results of the experiment were surprising and showed that 65% of the participants administered shocks of the highest voltage.

Before conducting the study, Milgram asked different expert groups of people (psychiatrists, university professors, graduate students, psychologists and middle-class adults) what percentage of the teachers they thought would go all the way to 450 volts (Werhane et al., 2011). Almost all respondents predicted that everyone would disobey the experimenter and teacher will stop before 450 Volts. The most interesting prediction was given by psychiatrists who stated that majority of teachers would refuse to continue after the tenth level (150 Volts where the learner starts demanding termination of the process) and psychiatrists predicted that only one in a thousand would go up to 450 Volts

(Milgram, 1974, 31, according to Werhane et al., 2011). This was another reason why Milgram (Werhane et al., 2011) thought deception was necessary due to bad predictions because neither him or other practitioners that were consulted prior the study, believed that teachers would behave in that way. After the experiments, the study received attention but was also subject to profound ethical criticism. Deception of volunteers and psychological risks were questioned and this led to the development of approval procedures for research with humans as participants. Many institutional review boards (IRBs) were established in order to set requirements for treatment of human subjects. Obtaining informed consent and minimizing risks of harm to humans became mandatory standards. Smith, Klein and Kimmel (2002) outline that the importance of the study Obedience to Authority is reflected in the fact that the current code of American Psychological Association 2002 includes many principles that came out as a debate on the use of deception in Milgram's obedience research.

## 5.2 Ethical aspects

Ethical aspects are related to the responsibility that scientists have due to long-term effects that research results might have on policies and positive changes in the society. Beška (Beška, 2009) presents three different areas of ethical considerations in research which were defined by Reese and Freumouw (1984). Those three areas are: treatment and presentation of data, the relationship between science and society and treatment of participants. The last area (treatment of participants) is the area that usually scientists refer to, but the other two should not be neglected as well.

In order to learn the views and practices related to treatment and presentation of data, Özcan and Balcı (2016) conducted a study in Turkey on a sample of 275 academicians. The study findings are intriguing: 70.4% faced ethical problems when doing research and around half stated that in their previous research they could have unintentionally made an ethical mistake. They stated the following as unethical practices: copying, crediting authors, plagiarism, repetitive writing, author's rights, publishing only good results, and falsifying. The results suggest that only half of them were aware of the laws and regulations on the ethics of research, while the majority (93.8% ) stated the need for ethical training to academicians (Özcan and Balcı, 2016). The results draw an image of the situation in Turkey and outline the need for creation of awareness regarding ethical behaviour.

The relationship between society and science reflects two different sides (Beška, 2009). One side represents the responsibility of science towards society, while the other represents the treatment of science by the society. Such examples are concerns raised about Information Communication Technology (ICT) expressed by Jirotko et al. (2017). ICT concern ranges from headings that Artificial intelligence (AI) could become an existential threat to humankind to social transformations that have effect with AI technology. The authors write that AI shows how digital technologies are transforming the nature of work (from recruitment to payment). These new forms of digital society pose the questions of whose interests the science serves and how accountability and transparency can be assured (Jirotko et al., 2017).

Regarding treatment of respondents, Kenig (2008) writes that before any research, the usual practice is to give document for participation that respondents should sign. The document represents informed consent in which the respondents receive all relevant information regarding: 1) the objectives of research, 2) usage of data, how, why and by whom, 3) whether the data will be published in written form and who will have access to the report, 4) what questions they will be asked, 5) how data will be treated (confidentiality), 6) possibilities for harming the participant and benefits and 7) voluntary participation. Apart from informed consent, Kenig explains the following aspects: confidentiality, honesty, respect and reciprocity, understanding, the risk of harming and wellbeing of the research. The risk for confidentiality is related to revealing of the identity of respondents and it represents the basic rule of research ethics. Honesty refers to providing exact information to the participants and in special situations (findings outweighs the risk) if the researcher wasn't honest with the respondents then debriefing must be organized. Respect and reciprocity are related to getting the perspective of the participant and providing compensation to the participant. Understanding refers to emotional support in qualitative research, while the risk of harm is applying risk in uncertain situations. The last, but not least, is the psychological well-being of a researcher due to unexpected situations on the field and therefore debriefing for the researcher at the end of the project is needed.

All these aspects are concurrent with the conceptual model of Caruth (2015) which promotes shared responsibility and explains the role of each actor in the process. The author claims that history defines the parameters of what is acceptable or not acceptable in research and provides the laws and codes of conduct. The role of the researcher is related to her or his interpretation of what is right or wrong to the process. The institutional review boards (review

committees) are experienced researchers who guide the research, while the research community is the institution where the research is conducted. Their combined roles provide the ethical output and all actors should act as partners.

## 6 Real life examples of applied research

In this section, two examples of applied research are described with an emphasis on the research method and the implications of the research results. Both research studies were adopted by DOBA Business School (hereinafter referred as DOBA), a private higher education institution from Maribor, Slovenia. The first study investigated the personality, attitudes and study behaviour of DOBA's online students and the second study investigated the perception and reputation of DOBA and its competitors among the general audience.

### 6.1 Research on personality, attitudes and study behaviour of online students

#### 6.1.1 Research objectives

With this research, DOBA wanted to investigate the personality structure of its online students, their attitudes towards online learning and their reported study behaviour. The main aim for conducting the research was to learn more about the characteristics and perceptions of students enrolled in DOBA's online study programmes and to test prior assumptions in the literature about personality of online students being substantially different from personality of traditional students (e.g. Roblyer, 1999; Erdogan, Bayram and Deniz, 2008). Another aim was to assess the relationships between concepts and to find out empirically to what extent does students' personality predict their attitudes and study behaviour. Finally, the research also aimed to investigate whether there were different personality types of DOBA's students with different patterns of results on attitudinal and behavioural scales that would signal the need for a differentiated pedagogical approach.

#### 6.1.2 Research method

Having the above objectives in mind, the quantitative primary research was adopted due to two reasons: in order to (1) gather numerical data and to empirically test relationships between variables/concepts and to (2) collect data on a larger sample of online students to be able to make generalizations on the whole target population. The data was collected by means of a highly structured survey questionnaire that was available online and was distributed via official

school e-mail addresses. The survey questionnaire was composed of three existing questionnaires that were properly translated and to a certain extent modified and adapted. These were: a short 15-item Big Five Inventory of personality dimensions (Lang et al., 2011), the Course Experience Questionnaire (Richardson and Lawless, 2002) to measure attitudes towards online learning and the Revised Approaches to Study Behaviour (Entwistle, Tait and McCune, 2000) to measure students' reported study behaviour. Data collection took place in June and July 2017 with the average amount of time to fill in the online survey being 14 minutes.

The target population for this research was composed of all the students enrolled in DOBA's online study programmes in all key markets (Slovenia, Croatia and Serbia) and amounted to a total of  $N = 1.098$  online students. All members of the target population were invited to participate, which eventually led to a sample of  $n = 331$  online students. The response rate was around 30 percent and for such a small target population the size of the realised sample should normally be sufficient for proper generalization (as the sampling error is less than 5 percent). However, the sampling procedure was non-random which puts some constraints upon the sample's representativeness and the assessment of population parameters in terms of probability. The sample was, in fact, a self-selective sample in case of which one can never be completely sure if the sample adequately represents the whole target population. The shortcoming of self-selective samples is the tendency for particular subgroups of the target population being overrepresented in a study sample which may distort the general picture. Usually, respondents with more extreme viewpoints (e.g. those being most satisfied or dissatisfied with online study programme) are more likely to respond to an invitation and to participate. To test whether the sample properly reflects the target population the structure of the sample was compared to the structure of the target population according to three key demographic variables: gender, market and degree/level of the online study programme. The comparison revealed that in the study sample there were higher shares of females, students from Croatia and students enrolled in master study programmes. Hence the data were weighted according to these three key demographic variables prior to data analysis to ensure better representativeness of the study sample.

### 6.1.3 Research results

With respect to the big five personality dimensions, the results indicated that DOBA's online students are highly conscientious, with high scores on

dimensions of extraversion, openness and agreeableness and with a moderate score on the dimension of neuroticism. In that respect, they don't seem to differ substantially from the personality structure of the general population as reported in other research studies (e.g. Musek, 2015). Generally, students expressed favourable attitudes towards online learning. Elements of online learning with the highest scores were the following: the use of technology, general satisfaction with the quality of online courses and flexibility of online learning. On the other side, students were least positive about the amount of workload and about appropriate assessment (too much focus on memorising than on higher levels of Bloom's taxonomy). Next, constructive study behaviour prevails with deep and strategic study approaches being the most dominant. This means that students are to a large extent focused on meaning, understanding, connecting ideas and also that they are highly organised, time-efficient and motivated for studying. The analysis also revealed that personality significantly predicts study behaviour (with conscientiousness and neuroticism being significant predictors), while there was no significant direct link between personality and attitudes towards online learning. Two personality types of students were identified in the study sample, however, their patterns of results on attitudinal and behavioural scales were not that different for the need for different pedagogical approaches to be justified.

The key takeaways from this research for DOBA were the following:

- The finding that online students are not substantially different from traditional students in terms of their personality is relevant to the marketing strategy and for the proper addressing of potential new students.
- The results of attitudinal and behavioural scales confirmed high satisfaction and high perceived quality of various aspects of online study programmes, however, at the same time a few shortcomings have been identified that need to be improved in the near future.
- Neuroticism and conscientiousness have been identified as important predictors of study behaviour and in that respect, it would be useful to deliver a training to higher education teachers and other supporting personnel in order for them to be capable to recognize and assist the students with less favourable personality structure to facilitate more constructive study behaviour.

## 6.2 Reputation and perception of DOBA Business School and its competitors

### 6.2.1 Research objectives

The main aim of this market research study was to measure reputation and perception (image) of DOBA and its main competitors in Slovenia, in order to prepare a set of proper actions that would enable more effective positioning of DOBA in the market (in terms of clearly defined competitive advantages) and would contribute to an increase in the number of students enrolled in DOBA's study programmes in the forthcoming years. Other key objectives of the research were the following: (1) to measure recognisability of DOBA and its main competitors, (2) to measure recognisability of DOBA's study programmes, (3) to measure elements/components of DOBA's reputation in line with the Fombrun's reputation model and (4) to investigate the most relevant information sources regarding higher education study options.

### 6.2.2 Research method

Similar to the research cited above, the quantitative primary research was also adopted in this case, as it was highly important to gather precise numerical data on similarities and distinctions among competitive higher education institutions and to establish a sufficiently large representative sample of respondents which enables generalisation of research findings with a high level of confidentiality. Data collection was subcontracted to an independent market research agency. The agency helped and advised in the process of survey questionnaire development, programmed and hosted the online survey and distributed it via its online panel. Online panels are large groups of respondents who agreed to participate in online surveys (usually for a minimal compensation) and are often used in market research. With the careful recruitment of panel's members, a panel may produce highly representative samples. However, younger age groups and more educated respondents (e.g. those with higher education degree) are normally overrepresented in online panels, which makes it their main shortcoming. Data collection took place in March 2017 with the average amount of time to fill in the online survey being 10 minutes.

The research was targeted to all residents of Slovenia between 25 and 55 years of age, which is DOBA's primary target group (N = 906.447 in 2017 according to the Statistical Office of the Republic of Slovenia). A total number of n = 1.013 respondents were included in a sample. The sample was stratified according to gender, age and statistical regions so that the numbers of particular sub-

segments in the sample precisely reflect their proportions in the target population. Hence, the sample is said to be representative of the whole target population according to three respective demographic variables. Under the assumption that sampling in online panel closely follows the principles of random sampling, the sampling error, in this case, accounts for only 3 %, which enables highly accurate estimates of the parameters in the whole target population on the basis of sample results.

### 6.2.3 Research results

The study revealed some interesting data about the tertiary education in Slovenian adult population. Namely, around 10 percent of the target population is currently enrolled in part-time studies and another 20 percent intends to enrol in part-time studies in the near future, which seems as a promising market potential for higher education institutions. DOBA is well recognised in Slovenia. Spontaneous recall amounts to 27 percent, which is the top result among all the main competitors, while aided recall amounts to 65 percent. Participants were well aware of DOBA's study programmes covering disciplines of economy and business, leadership/management and marketing. Also, they were well aware of the implementation of study programmes in online learning mode – in fact, online learning was the top free association regarding DOBA. DOBA's general reputation is somewhat lower than the reputation of comparable traditional public higher education institutions, which can be attributed to the general negative attitude towards private education in Slovenia and to the prevailing misconceptions about online learning. In spite of that, DOBA has been recognised as an institution which follows the modern trends in education and as an institution with study programmes that are well adapted to the needs of the students. On the other side, some negative attributes of the overall perception have also been identified (e.g. somewhat lower perceived value of diploma on the market).

To summarise, the research confirmed a good recognisability of DOBA and its study programmes as well as a strong linkage with the provision of study programmes in online learning mode. However, the research also identified a few negative attributes of DOBA's image, which mostly stem from misinformation. Based on the research results, DOBA has already prepared a communication and marketing plan for different target audiences (general audience, prospective students, professional/expert audiences etc.) to combat the negative perception and to strengthen the reputation in the long run.

## 7 Conclusion

Research is a way of getting reliable, valid and up-to-date findings in the search for strategic decisions/solutions to current problems in business world and answers for social needs in the scientific world. Research methodology has a wide literature focused on a lot of technical details, philosophical approaches, design and analysis processes, ethical issues and coordination processes. These topics may seem difficult for the new ones in this world. Starting with the complexity of the classification of research types, all these issues like qualitative/quantitative conflict, a variety of processes resulting from the applied research's sensitive nature featuring reactivity, ethical problems which appear right from the time research need was born until the end of the implementing process, may be confusing for the beginners.

This chapter explains applied research in three dimensions: i) the method and how it is carried out, ii) ethical aspects and iii) real-life examples. As it is seen in the introduction section of this chapter, there are different types of researches. But these types have been named almost in a chaotic way. Among the names, we can see 'applied research'. The applied research that this chapter focuses on has been clearly described and explained first. Here, the characteristics of the applied research have been explained based on data type and data source. Thus, inexperienced researchers who probably have difficulty in determining the types due to chaotic classification in the literature could see what applied research is. Although there is a satisfying amount of literature on conducting applied research, the perspective in this chapter divides research process into two (designing and conducting), making it much easier to understand the process.

This approach enables the researcher to clearly differentiate the desk jobs, preparations before the implementation (field) and works during the implementation (in the field) in the research process, thereby creating a kind of 'how to do' guide which is easy to understand even at a glance. This guide explains what will be thought/planned/implemented for which reason and at which stage. This nature of the chapter which reminds of a guide has become complete enabling to raise awareness of 'ethical' codes and giving real life examples to understand the research concretely.

Within this scope, the chapter provided an overview of the two most important milestones in ethical considerations. Afterwards, the chapter presented different areas of ethical aspects that are prescriptive and must be used in every research. Due to the fact that respondents are willing to participate in the research and devote their time and/or other resources they have, the researcher

and her/his assistants should treat them with respect. Organization of research with humans is possible only with their participation and therefore wellbeing of participants should be the ultimate goal of each researcher. Apart from that, treatment of data and relation between society and science are crucial for the development of the society. All these conditions lead to a suggestion that the conceptual model proposed by Caruth (2015) seems most appropriate. The concept promotes shared responsibility and states that research ethics is dependent on history, the researcher, the institutional review board or ethics review committee, and the research community. The final remark of this issue agrees with the conclusion given by Caruth (2015) that responsibility for ethical research lies with the researcher, institutional review boards (ethics review committees) and the research communities.

The two pieces of applied research presented in the last part of this chapter were highly relevant for DOBA Business School as they provided valuable information about the two important target groups: DOBA's current online students and the prospective students, which are part of Slovene's general audience. The research results did have a direct effect on future business decisions. First, they have identified the need to change a marketing strategy in order to re-position DOBA on the market, to strengthen its reputation and hence to attract larger numbers of prospective students. Second, it has become clear that in terms of personality structure online students do not substantially differ from traditional students, which has significant implications for communication and recruitment of prospective students. And third, the research revealed a few shortcomings in the implementation of online study programmes that need to be further investigated and properly improved. All in all, the aim of providing real-life examples of applied research was to illustrate that in order to gather relevant insights to support future business decisions, the research should be carefully designed, following the methodological principles that were briefly discussed in the first part of this chapter.

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## 10 Achieving Business Expectations from Soft Skills in the Fields of Innovative Management, Leadership, and Communication

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**Abstract:** In this chapter we analyse the knowledge and work skills that will be needed to fill jobs. We start from the results of relevant research, based on which we developed a questionnaire for the implementation of the research in six countries: Bosnia and Herzegovina, Croatia, Macedonia, Slovenia, Serbia, and Turkey. In an extensive online survey, we were interested in the views of both top management and young people on the necessary skills and knowledge needed to successfully enter the labor market, as well as the most common obstacles to overcome. The results of our research were the basis for designing the curriculum for an online professional education programme that we call e-PROFMAN. When designing a curriculum, we put special emphasis on business expectations from the knowledge and skills in the field of innovative management, leadership and strategic communication. In this professional online education programme, we offered young graduates the opportunity to acquire the appropriate competencies, skills for achieving competitive benefits and learning effective leadership in a transnational business environment. With this programme, we wanted to promote advanced online pedagogical approaches, virtual mobility, intercultural cooperation and internationally recognised competences. The project has made it possible to disseminate innovative teaching and teaching methods in countries from central Europe to Turkey, open access to open educational content and transnational integration through the mutual recognition of competencies, skills and knowledge fully in line with the Bologna Transmission Credit System. After the one-year online training programme, we asked participants through the evaluation survey the same question about the necessary skills and competences for occupying posts and compared the results.

**Keywords:** Professional skills, management, leadership, communication, public relations, virtual collaboration

## 1 Introduction: future knowledge and work skills

The report on the Future of Jobs survey (World Economic Forum, 2016) states that over one-third (or more precisely 35%) of existing knowledge and skills, which are considered important in today's workforce, should be changed by 2020 (World Economic Forum, 2016). The changes brought before us by the fourth industrial revolution (development in the field of genetics, artificial intelligence, nanotechnology, 3D printing and biotechnology, smart systems - houses, factories, networks or cities) require the proactive adaptation of not only employers, but also every one of us, since such great development steps also mean that most professions will experience a thorough transformation. While some jobs are threatened by redundancy and others grow rapidly, existing jobs are also going through a change in the skill sets required to do them. The answer to the question: "What knowledge and skills will you need in 2020 to compete in the labor market?" were compared as shown in Table 1.

Table 1: Top 10 skills

In 2020	in 2015
1. <b>Complex Problem Solving</b>	1. Complex Problem Solving
2. <b>Critical Thinking</b>	2. Coordinating with Others
3. <b>Creativity</b>	3. People Management
4. <b>People Management</b>	4. Critical Thinking
5. <b>Coordinating with Others</b>	5. Negotiation
6. <b>Emotional Intelligence</b>	6. Quality Control
7. <b>Judgment and Decision Making</b>	7. Service Orientation
8. <b>Service Orientation</b>	8. Judgment and Decision Making
9. <b>Negotiation</b>	9. Active Listening
10. <b>Cognitive Flexibility</b>	10. Creativity

Source: World Economic Forum (2015)

The Institute for the Future for the University of Phoenix Research Institute (2011) analyses key drivers that will reshape the landscape of work and identifies key work skills needed in the next 10 years and looks at future work skills—proficiencies and abilities required across different jobs and work settings. These six drivers of change are:

- extreme longevity: increasing global lifespans change the nature of careers and learning;
- rise of smart machines and systems: workplace automation nudges human workers out of rote, repetitive tasks;
- computational world: massive increases in sensors and processing power make the world a programmable system;

Achieving business expectations from soft skills in the fields of innovative management, leadership, and communication

- new media ecology: new communication tools require new media literacies beyond text;
- superstructured organisations: social technologies drive new forms of production and value creation;
- globally connected world: increased global interconnectivity puts diversity and adaptability at the center of organisational operations.

On the basis of these drivers, ten skills have been identified, which they consider to be critical for success and the workforce, as shown in Figure 1. The individual colors indicate which drivers have particular relevance to the development of each of the skills.



Figure 1: Ten skills for the future workforce.

Source: Institute for the Future for the University of Phoenix Research Institute (2011)

As we already observed in the chapter 3 in this book<sup>1</sup>, the European Communication Monitor reports that between 2007 and 2017 ‘linking communication and business strategy’ has been identified as the most enduring challenge for communication professionals in the coming years and how to build and maintain trust for the business of the organisation in a digital era where

<sup>1</sup> See p. 50 in the chapter »Linking business strategies and communication: corporate governance as a corporate social responsibility”.

active audiences have their own social media, demand transparency and produce enormous volumes of information at high-speed (Zerfass, Moreno, Tench et al., 2013; Verčič, Verhoeven, Zerfass, 2014; Zerfass, Tench, Verčič et al., 2014; Zerfass, Verčič, Verhoeven et al., 2015; Zerfass, Verhoeven, Moreno et al., 2016; Zerfass, Moreno, Tench et al., 2017).

The European Commission's Opening up Education Initiative (European Commission, 2013) stimulates the development of new business and educational models of curriculum development, more open learning environments and innovative ways of teaching and learning through new technologies and digital content. This process is entirely applicable to professions such as management and communication, which reflects the importance of globalisation, entrepreneurship, and ICT in today's business environment. Young people should have knowledge and skills for a competitive edge in a rapidly changing transnational market. Chell (2013) stresses that there are a set of baseline skills that young people learn thorough education. They are then built upon through experience and training. These skills are for life, employability and entrepreneurial/innovative capability. Leitch (2006) recommends investing in the following skills: literacy and numeracy of young people to improve their chance of employability, enhance productivity at company-level, and competitiveness internationally.

## 2 Professional skills and competencies in management, leadership, entrepreneurship and communication

Skills have a major impact on each individual's life chances as well as enterprises and countries in today's globally connected and complex world, as analysed by the OECD (2013) survey of adult skills (PIAAC). The survey focuses on the skills of literacy, numeracy and problem solving. As individuals age and spend more time out of education, other factors become increasingly important for enhancing and maintaining these skills. These are participation in adult learning activities, the tasks they perform at work and engagement in activities involving the use of literacy, numeracy and problem-solving skills outside of work. OECD (2012) also prepared the OECD Skills Strategy, an integrated, cross-government strategic framework to help countries understand more about how to invest in skills to transform lives and drive economies. One of the activities is the development of skills through education, which should result from labour market needs.

CEDEFOP (2014) prepared a Terminology of European education and training policy with a selection of 130 key terms, including skill, basic skills and new basic skills. The definitions are as following:

Skill: "The ability to perform tasks and solve problems"

Basic skills: "The skills needed to live in contemporary society, e.g. listening, speaking, reading, writing and mathematics"

New basic skills: "The skills such as information communication technology skills, foreign language, social, organisational and communication skills, technological culture, entrepreneurship".

The competences are defined in the terminology database of the public relations (Termis) as "*related types of knowledge, abilities, skills and attitudes that mainly affect the work of an individual that is related to his work in the working environment and which can be measured according to accepted standards and improved by training and development*" (Logar, Verčič, Ašanin Gole et al., 2014).

At the same time, competences are a cluster of related abilities, commitments, knowledge, and skills that enable a person (or an organisation) to act effectively in a job or situation and indicate sufficiency of knowledge and skills that enable someone to act in a wide variety of situations (WebFinance, 2018). "*They include knowledge and experiences, characteristics, motives, self-image, moves and characteristics of an individual, behavior, skill and ability*" (Kohont and Svetlik, 2005, 51). So it's a combination of skills, knowledge and personal attributes that leads to superior performance for practitioners; the sets of behaviours the person can perform. These behaviours are based on the application, combination and potential integration of knowledge and skills.

## 2.1 Management and leadership skills

Robert L. Katz (1955; 1974) first argued the importance of identifying management skills for successful performance in managerial roles. He proposed a three-category typology of skills: technical, human and conceptual. These are general categories, but within each category, more narrowly focused abilities could be identified. Management authors (Peterson & Fleet 2004; Bigelow 1991; Carrol & Gillen 1987) believe that only a set of managerial skills, coupled with technical skills, enable managers to manage effectively. Davis et al. (1996) emphasise that a successful manager and an effective leader should have certain skills: be able to communicate clearly, resolve conflicts, analyse problems, coach and develop subordinates, and make decisions. In their study, Burke and Collins (2001) analysed the following management skills: delegating, conflict management, coaching and developing, personal organisation and time

management, communicating, personal adaptability, problem analysis and decision-making, and their association between leadership styles.

## 2.2 Entrepreneurial skills

Markman (2007) identifies entrepreneurial skills as technical (as in science and technology-led businesses), human skills (to handle relationships inside and outside the venture, to lead and motivate others), conceptual skills (to recognise and evaluate opportunities, process trends in an industry or market), and networking skills. Chell (2013) states that the dominant theory in entrepreneurship identifies the key skill as alertness to opportunity. Chang and Rieple (2013) identify relevant entrepreneurial skills as: management skills, environmental scanning skills, creativity skills, technical skills, and personal maturity skills.

## 2.3 Communication skills

The history of the discipline of communication is the story of identifying, investigating, and teaching social skills. There is also an ethical aspect to communication skills in that they can be used for good or ill. The integration of behavioral and psychological approaches has been, and continues to be, one of the greatest challenges in the study of communication and social interaction skills.

Within the field of public relations, practitioners have been noted to assume a variety of roles, which are necessary specific competencies, knowledge and skills. Dozier (1992) distinguishes between the managerial and technician role of communicators: "*Managers make policy decisions and are held accountable for public relations programme outcomes,*" whereas "*technicians carry out the low-level mechanics of generating communication products that implement policy decisions made by others*" (p. 333). He argued that communication managers enact elements of the expert prescriber, communication facilitator, and problem-solving process facilitator roles whereas the communication technician role could be conceptualised as separate and focuses on the technical aspects of public relations work. The top communicator plays a strong managerial role and participates in strategic planning and programming for the organisation, and has close partnerships with the dominant coalition of the organisation (Grunig, 1992, 2008; Dozier, Grunig and Grunig, 1995). Skills and competencies required for most occupations today differ from those required in the twentieth century due largely to the emergence of complex information and communication technologies. Arising from this dual role of communicators, the

Achieving business expectations from soft skills in the fields of innovative management, leadership, and communication

following main communication skills are required: social and intercultural skills, information literacy, analytical, critical thinking, and problem solving skills, strategic communication planning, digital/social media use, and intercultural communications.

## 2.4 Competencies and role requirements of communication professionals in Europe

In the European Communication Professionals Skills and Innovation Programme (ECOPSI), they studied the competencies and role requirements of communication professionals in Europe. The main focus of the project was to develop the understanding of the competencies held by senior communications practitioners and the contributing knowledge, skills and personal attributes that are relevant to their role and the role of future managers in a similar position (Tench, Zerfass, Verhoeven et al., 2013a). The project has produced a detailed benchmark report of communication competencies in Europe. They find that new corporate positions clearly demonstrate that communication practitioners now require a complex set of competencies to be successful in a global workplace that is currently undergoing phenomenal change, driven largely by the pressure to improve profits and lower costs (Tench, Zerfass, Verhoeven et al., 2013b, 7). As professional communicators are moving from mostly operational to more managerial, educational and reflective levels, building competencies and skills is the next big challenge for individuals and organisations, while communicators in Europe rely on professional associations and commercial training providers for further professional development. The result of this research is the ECOPSI Communication Role Matrix as shown in Table 2 below.

Table 2: ECOPSI Communication Role Matrix

COMPETENCY	KNOWLEDGE	SKILLS		PERSONAL ATTRIBUTES	
		HARD	SOFT (Human and Conceptual)		
Counselling (build relationships, consulting, coaching)	Languages Intercultural theory and issues Learning curves of co-workers Personality profiles	Diversity Consulting Consensus building Negotiation	Team building Conflict resolution Persuasive communication Motivation	Empathy Trustworthiness Team minded (worker) Negotiation Sympathetic Political intuition Authenticity Integrity Patience/tolerance	Participative Sociable Authority Calmness Self-criticism Responsiveness Self awareness Humour

(continued on next page)

COMPETENCY	KNOWLEDGE	SKILLS		PERSONAL ATTRIBUTES	
		HARD	SOFT (Human and Conceptual)		
<b>O</b> rganising/executing (planning, making it happen)	Corporate strategy Financial systems Planning systems Project management	Writing Strategy Planning Project management Time management Administration Organisational skills Creativity with budgets	Strategic thinking Planning Decision making	Composure Energy Competitive Leadership Enthusiasm Perseverance/resilience	Self-reliance Multi-tasking Proactivity Agility/Flexibility Results orientation
<b>M</b> anaging (cross functional awareness, business focus)	Management Economics Branding Law Knowledge about own organisation Business systems General knowledge Risk management Stakeholder management Public affairs/political dynamics Change management Language of the Board Understanding of own business model	Mapping (organisational network systems) Leadership	Negotiation Influencing Delegating Managing people Sense of timing (when to communicate)	Confidence Global and strategic vision Diplomacy Experience Courage Daring/Risk Taking (and being willing to fail and learn from this) Stress resistance Adaptability	
<b>P</b> erforming and creating (craft e.g. writing, design, presentation)	New technologies Communication processes Web 2.0 tools and effects on organisational communication Media systems and structures Intercultural aspects of communication messages and products Global media environment	Writing Editing Design skills Computer writing skills Multi media skills Visioning Verbal coherence/concision	Communication Presentation Creative problem solving Story telling	Communicative Entrepreneurial Polyvalence/supporting diverse and differing perceptions Initiative Lifelong learner Innovative and creative Enquiring Openness Pioneering	
<b>A</b> nalysing/interpreting (research, listening)	Research and analysis methods Human Resources (HR) policies and links to communication Prediction/forecasting Monitoring tools Web monitoring tools Listening, understanding and interpreting trends, linking them to business strategies Recognising trends	Critical thinking Reading comprehension Research Social environmental analysis	Forecasting Listening	Curiosity Questioning Good judgement Strong instincts	
<b>S</b> upporting/guiding (vision and standards, ethics, developing others)	Corporate governance Ethics/ethical frameworks Legal issues		Visioning	Ethical and socially responsible Authority Integrity Honesty Influence Reputation Sincerity Objectivity Sensitivity/humanity	

Source: Tench, Zeffass, Verhoeven et al., 2013a.

### 3 Methodology and sample survey

Considering the results of the presented research, we have investigated the most common obstacles to the efficiency of human resources in organisations and the most frequent personal needs of young employees by professional competencies and knowledge in the field of innovative management, leadership and strategic communication (Ašanin Gole, Ritonija, Andonov et al., 2016).

We designed the survey in the form of an online questionnaire containing 36 questions and 133 variables. The questionnaire was compiled in English, then translated into the languages of individual countries and previously tested in 30 selected respondents in December 2015. The survey was conducted in six countries: Bosnia and Herzegovina, Croatia, Macedonia, Serbia, Slovenia and Turkey in the period from 15 January to 15 February 2016, using the online platform 1ka.si, which was developed at the Faculty of Social Sciences of the University of Ljubljana.

The sample of the population was randomly made up of representatives of employees and management at various managerial levels in public, private and non-profit organisations, representatives of students from three higher education institutions involved in the e-PROFMAN project and unemployed graduates. Most of the questions were closed type with possible answers on the 7-step Likert scale. On some issues, there were several options to choose from, and some issues were open.

The online questionnaire consisted of four sets of questions:

- expectations of employers' leadership according to the necessary competencies for filling vacancies in their organisations, their satisfaction with the competences of employees and the need for professional development of their employees in the field of innovative management, leadership and communication (only managers were able to answer this set of questions);
- obstacles to the efficiency of human resources in organisations and the personal needs of employees for professional development (this set of questions was addressed to all employed respondents);
- trends in the business environment, innovative management, leadership and strategic communication (the set of questions was devoted to the entire sample of the surveyed population);
- socio-demographic questions about the organisational profile and the professional background of respondents (a set of questions for all respondents).

Respondents who identified themselves as managers in the first issue responded to all four sets of questions, employed respondents who did not identify themselves as managers, started to answer questions from the second set (obstacles and needs for professional development), students or the unemployed, they answered questions from the last two lots.

We were especially interested in the needs of employers and their views on the professional competencies of employees in the field of innovative management, leadership and communication, their satisfaction with the competences of employees in this field and trends in these three areas. The purpose of the research was to identify the key competencies required by employers in the fields of innovative management, leadership and communication, and to investigate the key barriers in the areas mentioned above for the efficiency of employees, and at the same time the needs of employees in professional skills in those fields. This was the main basis for the development of an online education programme, with which we wanted to enable the acquisition of appropriate competencies, skills in the field of innovative management, leadership and communication in order to achieve an effective presence in a transnational business environment.

#### 4 Results of the initial survey: expectations, obstacle and needs

The realised sample was 1,305 respondents from six surveyed countries. More than two-thirds (68%) of respondents are employed (33.2% managers in all three levels– strategic, middle and operational level), and 32% are unemployed or are unemployed students. More than half of the employed respondents (59%) come from the private sector, 19% organisations in majority ownership of the state or local communities, 15% from government, public sector and 7% from non-governmental non-profit sector. A third of respondents come from organisations that work regionally or internationally, and 15% from companies operating globally.

Below we present the results of respondents' answers to the following questions:

- Which professional knowledge/skills of innovative management, leadership and strategic communication listed below are relevant to job fulfilment? (Table 3, only managers and employees responded to this question)

- In your opinion, what is the most frequent need for (obstacles in) the effectiveness of human resources in companies / organisations? (Graph/Figure 2, only managers and employees responded to this question, respondents could answer with multiple answers).
- What are your personal needs for professional development? (Graph/Figure 3, all respondents answered this question; respondents could answer with multiple answers).

Table 3: Relevance of professional knowledge/skills of innovative management, leadership and strategic communication to the job fulfilment, n = 648 (only managers and employees responded to this question)

Importance of the skills to fill the vacancies		M*	SD
Management and leadership skills	organisational skills	6.1	1.30
	problem solving	6.2	1.13
	ability to take strategic decision	5.7	1.51
	strategic planning	5.6	1.51
	creative thinking	6.1	1.39
Entrepreneurial skills	creating and analysing business opportunities	5.5	1.47
	entrepreneurial innovation	5.3	1.51
	ability to networking	5.7	1.48
	ability to identify strengths and weaknesses	5.8	1.34
	ability to focus on your customers	6.0	1.36
Communication skills	strategic communication planning	5.4	1.58
	digital/social media use	5.4	1.61
	intercultural communication	5.3	1.67
	marketing communication	5.5	1.54
	issues management, risk and crisis communication	5.6	1.51

\*Improvement of skills was evaluated on a 7-point scale (1 – not at all, 7 – very much).

Source: Ašanin Gole, Ritonija, Andonov et al., 2016.

The surveyed managers at all three levels (top, middle and operational) and the interviewed employees in all six countries involved believe that the most important managerial and leadership skills required for job vacancies are problem solving skills, organisational skills and creative thinking. The ability to focus on clients is the most important entrepreneurial skill for them, and managing issues, risk and crisis communication is the most important communication skill. However, unlike respondents in Croatia, Serbia, Slovenia and Turkey, organisational skills are the most important managerial and

leadership skill for the interviewed managers in Bosnia and Herzegovina (they were assessed with an average score of 6.6), while in Macedonia creative thinking (they have an average score of 6.5).



Figure 2: The most frequent need for (and obstacles in) effectiveness of human resources in organisations (n = 887, total responses 2,398, respondents could answer with multiple answers)

Source: Ašanin Gole, Ritonija, Andonov et al., 2016.

Surveyed managers and other employees in all six countries consider the most frequently needed skills, and at the same time the most frequent obstacles, for an efficient human resources in organisations to be: communication skills, problem solving skills, creative thinking skills, leadership and managerial skills. Although there are differences in managers' responses and in the responses of other employees, this does not change the final result, since all respondents agree that these skills are the most common barriers (which are lacking in organisations).

In the following, we were interested in all three groups of respondents (managers, employees in other positions, students and unemployed people) about their professional development needs in the areas of innovative management, entrepreneurship, leadership and strategic communication. Respondents can again give more answers, and the results are shown in Figure 3 on the next page.

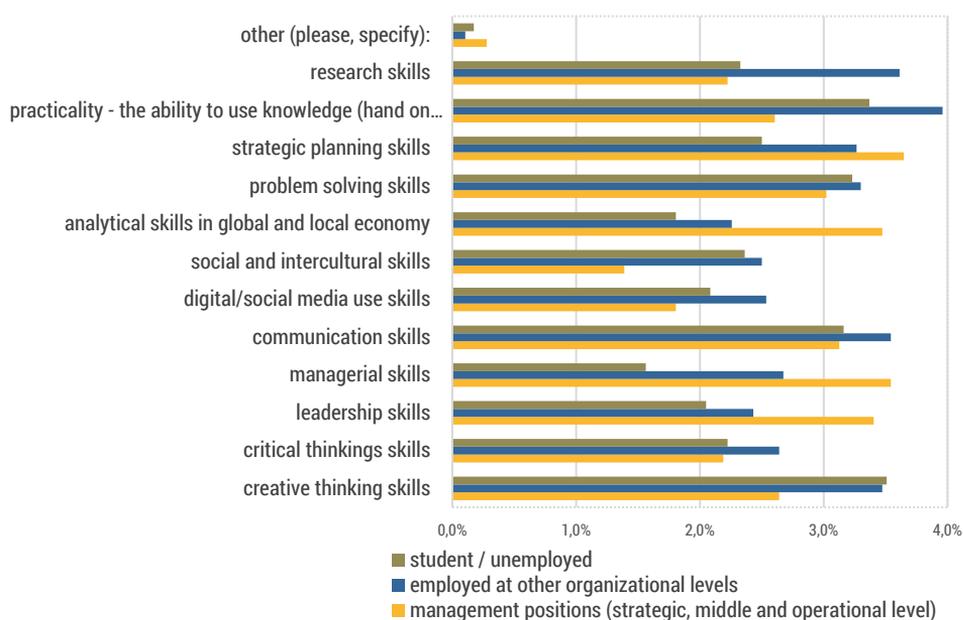


Figure 3: Personal needs for professional development (n = 1.305, total responses 2.879, respondents could answer with multiple answers).

Source: Ašanin Gole, Ritonija, Andonov et al., 2016.

The results of the initial research showed us the most common obstacles and the most frequent needs for further professional development of young people up to the age of 35 in the field of innovative management, leadership, entrepreneurship and strategic communication. The greatest needs for professional development have proven in the field of developing practical skills, research skills, creative thinking and communication skills. This was a good basis for further work in the preparation of a curriculum for a one-year professional education programme from the above fields.

## 5 Developing the curriculum

The next step in the curriculum development was to organise a five-day joint staff training for 33 higher education institutions (HEIs) representatives from Slovenia, Macedonia and Turkey (in March 2016). The representatives were members of the Consortium Board, the Curriculum Working Group and the Evaluation Board, operational administrators (student service and finance) and IT administrators. The Joint Staff Training was organised in Slovenia in March 2016. The aim of the joint staff training was to develop a mutual standardised

and centralised database. Twelve lecturers shared their expertise, experiences and best practices. They were also trained how to implement online learning methods and how to develop courses syllabuses, teaching materials and Open Education Resources (OER) suitable for an online programme.

The joint staff training was the starting activity of the curriculum development process, the OERs and the Learning Management System (LMS). Based on the research analysis, the following skills and content areas of the curriculum were defined by the lecturers:

- Business principles and processes: management, leadership, entrepreneurship, marketing, economics and finance.
- Strategic communication management: organisation communication management, public relations in digital media environment, issue management and crisis communication, persuasive communication techniques, strategic planning, critical thinking and problem-solving, ethical decision making.
- Research: knowledge of theoretical foundations and ability to conduct applied research.
- Globalisation: understanding intercultural communications and global relations.

## 5.1 Online courses

After the joint staff training the members of the Curriculum Working Group started developing eight course syllabuses, which contained learning objectives and results, teaching methods, real client-focused projects, learning materials and case studies, OERs, participants` obligations, seminar papers and final projects, etc. The following online courses were designed to be completed in the e-PROFMAN professional one-year programme:

- From a sparkle to flame: the power of creation
- Think like a leader, act like a leader: leadership reasoning
- Basic business instincts
- Using research @ the workplace
- Linking business, strategies and communications
- Future trends in corporate, marketing and leadership communication
- Intercultural communication
- How to make things work: achieving results.

Topics were adapted to the market challenges and needs. Online learning pedagogy and technology was utilised in the delivery of the joint curriculum. The participants/students selected courses that they found most relevant to their

long-term learning interests. The Learning Management System (LMS) provided virtual classrooms, online discussions, live streaming and video conferencing that was used for facilitating the individual and teamwork of students and enabled ongoing feedback within the virtual campus. The curriculum was implemented in English language which enabled participants to master the language in the oral and written form.

## 5.2 Teaching and learning materials

The learning materials enabled students to understand the key functional aspects of an organisation - management, leadership, marketing, finance, strategic communication, etc. Provided case studies were a simulation of real-life situations where students improved their critical thinking and problem-solving skills. Learning materials were focused more on what the learner is capable of doing rather than on what the learner is capable of repeating. Therefore, assignments and projects were designed in a way to enable participants to apply new learnings to real-world challenges by conducting research, developing innovative business and communication plans etc., and using the ICT. The teaching materials encouraged participants to exchange ideas and cooperate on projects in small teams, provoke class-wide discussions and provide peer feedback.

Teaching and learning materials were prepared in different formats including text, graphic, video and audio, in English, and were uploaded as online sources on the LMS.

## 5.3 Virtual collaboration

The virtual aspects of alternate and complementary higher education learning environments respond to the needs of the knowledge-based economy for continuous acquisition of new competences and skills to maintain high quality of productivity and efficiency. Teacher-directed learning is shifting to student-directed lifelong learning, whereby learning is undertaken anytime and anywhere. Lifelong learning encompasses professional learners who need to improve existing qualifications for current developments in their respective fields and those who wish to find new interests and add to their portfolio of skills. The dominant "problem-solved" approach in self-directed learning enables learners to articulate their own challenges, design their problem-solving strategies within a particular period, explore and synthesise resources for solving problems and provide solutions through discussion of the implications. The most suitable vehicle for acquiring knowledge and skills throughout life is

online learning. Online learning includes Internet and computer-based learning, virtual classrooms and digital collaboration, and provides learners with a flexible and personalised way to learn and use a broad range of resources.

In their efforts to enhance the quality of online learning, HEIs, especially from different countries, establish partnerships by creating virtual campuses. This way, online learning facilitates the international dimension of educational programmes, and promotes transnational cooperation and the sharing of expertise and human resources. Curricula jointly developed on virtual campuses are based on online and/or blended learning that offer interactive, multilingual and cost-efficient education by utilising cutting-edge information-communication technologies (ICT). ICT supported learning environments provide virtual mobility that includes cross-border cooperation among learners from different backgrounds, and various cultures learning and working together. Virtual mobility also offers possibilities for learning schemes in foreign countries, international experience and intercultural understanding for lifelong learners, particularly for those who have significant professional, social or economic constraints.

Thus, education programmes should equip learners with appropriate knowledge, skills and abilities to be more competitive in a (trans)national labour market and to contribute to economic development. Increasingly service-oriented economies lead to significant changes in the organisation of work and required competencies. New trends demand higher levels of skills, customer-oriented communication, problem-solving and entrepreneurial abilities. This forces HEIs to offer opportunities for entrepreneurship education and regularly update qualifications of working professionals and students as a future workforce, in order to meet the challenges and fully exploit the economic and employment benefits of the market.

Hence, the School of Journalism and Public Relations from Macedonia, the DOBA Business School (DOBA Faculty for Applied Business and Social Studies) from Slovenia and the Istanbul University from Turkey realised the project Joint Online Programme for Professional Development in Innovative Management, Leadership and Strategic Communication (e-PROFMAN) funded by the Programme Erasmus+ of the European Commission. Within this three-year project, the HEI partners established a virtual campus and implemented one-year extra-curricular programme, in which young working practitioners and students with no previous professional work experience mastered entrepreneurship, leadership and communication skills required by a competitive transnational business environment. The fully online programme

promoted progressive pedagogical approaches, virtual mobility, intercultural cooperation and internationally recognised competences. The project disseminated teaching and learning innovations in countries from Central Europe to Turkey, expanded access to open education resources (OER), and enabled transnational networking through mutual recognition of knowledge and skills, fully in line with the Bologna credit-transfer system.

One of the main objectives of the e-PROFMAN project was equipping the programme's participants with the appropriate skills and abilities to achieve competitive advantage and effective leadership behaviour in a transnational corporate environment and provide collaborative online learning and virtual mobility.

The online e-PROFMAN programme was intended for young working-practitioners to enrich competences for career growth, particularly in management positions, and for students to acquire skills that are more competitive and to increase their chances for employability. The project also targeted the business community - companies, agencies and chambers in the three countries, NGOs, other providers of lifelong learning and media in order to build quality and visible connection and to provide more efficient delivery of the project's results.

## 6 Evaluation of the project: achieving expectations from soft skills and learning experience

After completing the e-PROFMAN professional one-year online programme, we conducted a final online survey among all the participants in the programme (January-February 2018, n=80), in which it was thought reasonable to repeat some of the questions from the initial research, especially those related to individual skills.

Participants of the e-PROFMAN courses were asked, to what extent did participation in the courses improve different sets of skills. It seems that the course was perceived as most efficient for the development and/or further improvement of communication and social/intercultural skills (Table 4). These are the only two sets of skills with average grades above 6 on a 7-point scale and with the lowest standard deviations indicating the greatest degree of homogeneity in the perceptions of respondents.

The average grades for all the skills are generally rather high and very similar one to another, hence we may assume the grades to be highly inter-correlated. To check whether respondents actually graded different sets of skills similarly,

we conducted a hierarchical cluster analysis of variables (10 sets of skills). The results are interpreted based on a distance between variables/clusters. The smaller the distance, the greater the similarity of joint clusters.

Table 4: Development of skills

	M*	SD
Q8a: Creative thinking skills	5.67	1.30
Q8b: Critical thinking skills	5.65	1.50
Q8c: Organisational skills	5.85	1.27
Q8d: Communication skills	6.06	1.09
Q8e: Social and intercultural skills	6.01	1.03
Q8f: Analytical skills	5.47	1.39
Q8g: Problem solving skills	5.78	1.19
Q8h: Strategic planning skills	5.54	1.44
Q8i: Practicality - the ability to use knowledge (hand on know-how)	5.56	1.39
Q8j: Research skills	5.68	1.56

\*Improvement of skills was evaluated on a 7-point scale (1 – not at all, 7 – very much).

Finally, all the clusters merge into a single one and to interpret the results one should arbitrarily decide on the desired level of the similarity/difference between clusters. We decided to set up the criterion at value 10 in order to merge the most similar variables (and to somewhat reduce the initial number of variables) but still to preserve enough variability between clusters that are substantially different. In that respect it is possible to reduce the 10 initial sets of skills to 5 clusters as it is shown in the dendrogram below (Figure 4).

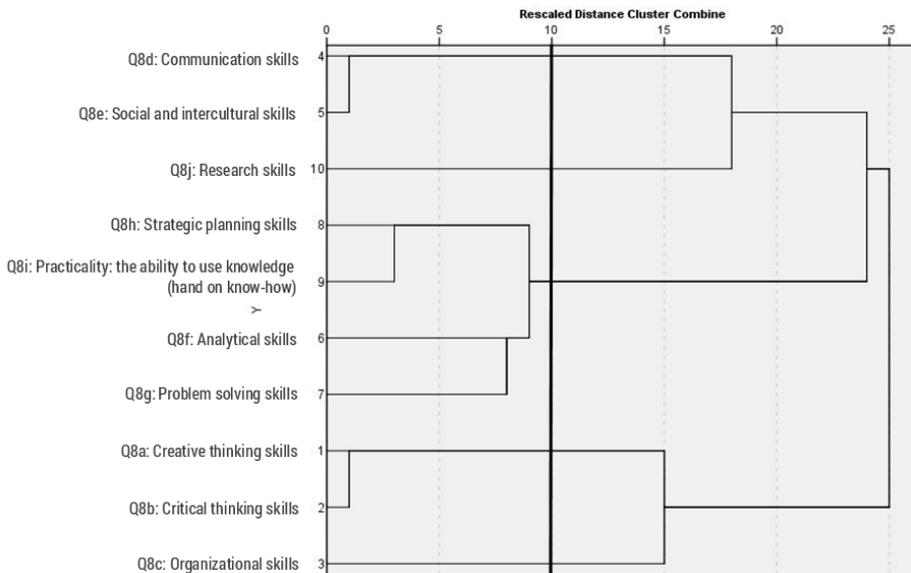


Figure 4: Dendrogram using average linkage (between groups) method

The highest degree of similarity is identified for communication and social/intercultural skills on the one side and for creative and critical thinking skills on the other side. Next to these two homogeneous clusters another more complex cluster has been identified merging 4 sets of skills: strategic planning skills, practicality, analytical and problem solving skills. Finally, two more sets of skills remain, organisational and research skills, which could be treated as two independent clusters.

Descriptive statistic of clustered sets of skills is shown in the table below (Table 5), together with the correlation coefficients of improvement of particular sets of skills and overall satisfaction with the learning experience. Improvement of particular sets of skills is significantly positively related to overall satisfaction. Perception of improvement of practical skills of analysing, planning and solving problems is strongly correlated with overall satisfaction while all other correlation coefficients are moderately strong.

Table 5: Descriptive statistic of clustered sets of skills and correlations with overall satisfaction

Clustered sets of skills	M	SD	r*
Organisational skills	5.85	1.27	0.485
Research skills	5.68	1.56	0.540
Communication and social skills**	6.03	0.98	0.591
Creative and critical thinking skills**	5.66	1.34	0.528
Practical skills of analysing, planning and solving problems**	5.59	1.21	0.738

\*All correlation coefficients are statistically significant ( $p < 0.01$ ).

\*\*Mean values were calculated by averaging the scores for all the variables pertaining to particular cluster.

## 6.1 Satisfaction with the overall learning experience

Participants of the e-PROFMAN courses were generally highly satisfied with the overall learning experience ( $M = 5.84$  on a 7-point scale,  $SD = 1.53$ ). The implementation of the course fulfilled their prior expectations to a large extent ( $M = 5.45$  on a 7-point scale,  $SD = 1.56$ ). They evaluated different aspects of the course learning activities and communication tools positively, with average grades above 5 on a 7-point scale (Table 6 on the next page).

To evaluate which aspect of the course contributed most to the overall satisfaction with the learning experience, we conducted linear regression analysis with 7 predictors (aspects of the course) and overall satisfaction as a dependent variable. The linear model is empirically supported as the multiple

correlation coefficient accounts for  $R = 0.808$ , which means that the predictors explain around 60 % of the variance in overall satisfaction.

Table 6: Predictors of overall satisfaction with the course

Aspects of the course (predictors)	M**	SD	Standardised beta
The activities used in the course modules were useful	5.82	1.09	0.490*
The activities offered enough possibilities for cooperation between students	5.95	0.96	0.057
The course's modules and the workshops offered a variety of different assignments	6.03	1.06	0.101
The online learning management system was well structured	5.45	1.71	0.283*
The communication tool for webinars supported and enabled communication between students, teachers and tutors	5.69	1.26	-0.211
Communication tools used in the course modules supported and enabled communication between students, teachers and tutors	5.69	1.40	0.257*
We used other tools outside the online learning management system	6.48	1.14	-0.049

\*Predictor is statistically significant ( $p < 0.05$ ).

\*\*Aspects of the course were evaluated on a 7-point scale (1 – totally disagree, 7 – totally agree).

The regression model is statistically significant ( $F(7, 65) = 17.406$ ;  $p = 0.000$ ). Standardised beta coefficients reveal three significant predictors, which are all positively correlated to overall satisfaction. The strongest predictor is the perception of the usefulness of the activities in the course modules. The other two significant predictors are the perception of the online learning management system being well structured and the perception of the usability of the communication tools used in the course modules.

## 7 Conclusion

One of the main objectives of the e-PROFMAN project was equipping the programme's participants with the appropriate skills and abilities to achieve competitive advantage and effective leadership behaviour in a transnational corporate environment and provide collaborative online learning and virtual mobility.

The online e-PROFMAN programme was intended for young working-practitioners to enrich competences for career growth, particularly in management positions, and for students to acquire skills that are more competitive and therefore increase their chances for employability. The project

also targeted the business community - companies, agencies and chambers in the three countries, NGOs, other providers of lifelong learning and media in order to build quality and visible connection and to provide more efficient delivery of the project's results. The main outcomes of the e-PROFMAN project were developed the curriculum, online courses and teaching and learning activities.

The main idea was to create a practically-oriented curriculum which would be tied to real-world experiences. The courses' syllabuses should incorporate service-learning opportunities that allow students to engage in client-focused projects. Mentoring and a problem-based approach would provide young practitioners and students with new skills that they could implement in their professional life.

The project envisioned establishing of a virtual campus for the HEIs from Macedonia, Slovenia and Turkey for the first time in these countries. Virtual mobility facilitated the access to the transnational programme for non-mobile professionals and students and enabled international and intercultural collaboration with a highly-selective peer group and lecturers from different European countries. The e-PROFMAN programme provided interactive and flexible opportunities for students that exceed geographical, social and financial barriers by utilising virtual classrooms and cutting-edge ICTs. The curriculum was designed to accommodate the needs of the international market but was adjusted to the specific challenges of the business communities in Macedonia, Slovenia and Turkey. Targeted young practitioners and students searched for newfound solutions in mixed teams through problem-based and real-client projects, online discussions and ongoing feedback in a virtual classroom. These project purposes were achieved by realising the following results:

- The development and implementation of the joint programme consisting of 8 online courses and two blended learning events.
- Strengthening the business, communication management and digital skills of 60 students and increasing their understanding of the importance of entrepreneurship, research and globalisation.
- The training of 12 lecturers to develop online learning methods, teaching and learning materials and courses syllabuses.
- The creation more than 100 pieces of pedagogical materials that will stimulate learner-centered teaching and problem-solving approach.
- The production of 12 sets of OER adapted by the learners according to their needs.

- The development of a Learning Management System (LMS) that will deliver online learning.
- The realisation of short-term joint activities such as staff training, students' camp and seminar, and 5 traineeships.
- The publishing of an online Evaluation Study Report.
- The obtaining international recognised certificate and ECTS credits pursuant to the Bologna system.

The modular structure of the programme allowed participants a self-directed approach to learning at their own pace and on their own turf. The students acquired high level of competences recognised in the partner countries within the Bologna credit transfer system and gained prestigious international certificates. The OER developed in native languages - Macedonian, Slovenian and Turkey, and translated in English, can be used freely under open licenses for other education and training settings in these countries. The partner HEIs transferred their know-how and expertise, disseminated organisational innovations and improved the skills of their staff, that cumulatively produced a strong impact on the institutional capacity of each project partner.

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# 11 Student Mobility and Intercultural Communication: An Analysis of the Future of Student Mobility with Reference to its History

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**Abstract:** Student mobility has been a key component in the globalisation process for many years since it directly affects the educational experience of future employers and employees. Besides fostering knowledge, it also helps create an educational environment where more people have equal access to educational sources. This study intends to look at the past and possible future of student mobility. Student mobility programmes are examined as degree mobility, credit mobility and transnational education, following a brief history of student mobility. Then, considering the fact that student mobility has also been called “multicultural education”, the student mobility process is analysed within the framework of globalisation, communication technologies, and intercultural communication. The study concludes that as a result of the developments in information and communication technologies, it is necessary to make various reforms in education policies as well as in politics, economics and socio-cultural politics so that student mobility can foster global cooperation and empowerment in the long run.

**Keywords:** student mobility, intercultural communication, internationalisation, global education, online learning, higher education

## 1 Introduction: internationalisation and history of student mobility

Global social impact is a key feature of the development of higher education. Universities have always been national and international – located at home but connected in various ways with international communities. Today, the world is very different from the world of the 11<sup>th</sup> century when the first modern universities began to emerge in Bologna. Today, in a world that is more connected and interdependent than ever before, there is also an increased focus on nationalism and narrow-minded approaches to race and religion. Perhaps more so than ever before, higher education institutions now have an important role in providing a meaningful contribution to the creation of dynamic local and global communities (Leask and de Wit, 2016).

The creation of such communities requires universities to engage in new ways of thinking about the internationalisation of teaching, learning, and curriculum. They need to develop students' ability to recognise fellow citizens as people with equal rights, regardless of their race, religion, gender, and sexuality (ibidem, 2016).

Universities have always had an international dimension, either in the concept of universal knowledge and related research, or in the mobility of students and teachers or scholars (The European Parliament's Committee on Culture and Education, 2015). Altbach (1998) identifies the university as an institution that has always been global. However, over the centuries, the international dimension of higher education has changed dramatically into the forms, dimensions, and taken approaches that we see today. These range from mobility and competition for attracting students, teachers, and scholars, research cooperation, knowledge transfer, student and staff exchange, internationalisation of the curriculum and of learning outcomes, cross-border delivery of programmes and projects to virtual mobility, collaborative online international learning (COIL), and digital learning (European Parliament's Committee on Culture and Education, 2015).

What we now understand as 'internationalisation of higher education' is a phenomenon that has emerged over the last 25 years. Its beginnings lie in the different manifestations of increased international orientation from the previous centuries, especially in the period from the end of the Second World War to the end of the Cold War (ibidem, 2015).

Numerous publications on the internationalisation of higher education refer back to the Middle Ages and the Renaissance period, to the times of pilgrimages (including students, teachers, pilgrims, and other travellers) to university cities where those who made the journey hoped to find knowledge and friends (de Ridder-Symoens, 1992). This description of the impact of the mobility of students, teachers, and scholars reminds us of the arguments that are used to promote mobility today: the use of a common language, recognition of qualifications, and the broadening of experiences and views. The fact that the European Commission named its flagship mobility programme after the Dutch philosopher Erasmus, an exemplary pilgrim of that period, reflects this historical connection (European Parliament's Committee on Culture and Education, 2015).

In the 20<sup>th</sup> century, especially between the two World Wars, a lot of attention was paid to international cooperation and exchange in higher education. The setting up of the Institute of International Education (IIE) in 1919 in the United States,

the Deutscher Akademischer Austauschdienst (DAAD) in Germany in 1925, and the British Council in the UK in 1934 are illustrations of this development (European Parliament's Committee on Culture and Education, 2015).

The trend of international cooperation continued after the Second World War, especially in the United States through the Fulbright Programme, as Europe was still mainly concentrating on reconstruction following the devastation of two wars (de Wit and Merckx, 2012). In this period between 1950 and 1970, internationalisation emerged as a process and strategy. Until that time it had not been recognised as such and the most commonly used term was 'international education'. Terms related to specific activities were used, such as study abroad, exchange, academic mobility, and multicultural education (de Wit, 2013).

European research and education programmes, especially the Erasmus programme in the second half of the 1980s, were the driving force behind a strategic approach to internationalisation in higher education, similar to the Fulbright programme in the US after the Second World War. The Erasmus programme grew out of smaller initiatives that arose in Germany and Sweden in the 1970s and a European pilot programme from the early 1980s. The original Erasmus programme was later combined with similar initiatives in the 1980s in the context of the Socrates programme and more recently under Erasmus+. These programmes were based on the need for more competitiveness in relation to the rest of the world, especially the United States and Japan, and for the development of a European citizenship. The activities were based primarily on cooperation through student and staff exchange and the development of joint curricula and research projects. Institutional response to these programmes quickly expanded in the 1990s and set a clear path for a European approach to internationalisation (European Parliament's Committee on Culture and Education, 2015).

A gradual shift from political to economic reasons for internationalisation can be noted from the second half of the 1990s. The principle driving force of internationalisation has now become economic (de Wit and Hunter, 2015). Over the past decade, recruiting international students, preparing graduates for the global labour market, attracting global talent for the knowledge society, and cross-border delivery of education have become important pillars of the internationalisation of higher education. The development of internationalisation is also evident from the emergence of national and global for-profit higher education institutions, branch campuses, educational hubs,

virtual mobility, and massive open online courses (MOOCs) (European Parliament's Committee on Culture and Education, 2015).

Until recently, the European emphasis in internationalisation has been on mobility and reacting to European Commission initiatives, while the main objective was to increase the number of incoming and outgoing students within the European Union.

In the UK and Australia, which over the last 40 years have focused on recruiting international students as an important source of income, more attention is now being paid to short-term credit mobility, internationalisation of the curriculum, and learning outcomes. A number of current studies on the internationalisation of the curriculum and on global citizenship come from these countries, including work by authors such as Barker, Green, Leask, Lilley, and Whitsed (Australia) and Clifford, Jones, Killick, Montgomery, and Ryan (UK). In general, countries and universities are becoming more proactive in broadening the extent of their international activities and developing relations with other regions.

## 2 Student mobility programs

International students can be classified into two groups. The first group comprises of students who decide on shorter international programmes and credit mobility (e.g. Erasmus) which is part of their study programme at home. The second group includes students who are enrolled in an entire programme abroad. The presence of international students is not interesting only to the hosting university but is also becoming increasingly interesting to cities and numerous other organisations which are connected to higher education activities. Over the last decades, staff mobility has developed less strategically, however it may gain in importance through the internationalisation of the curriculum. Substantial progress can also be noted in the development of mobility of programmes, projects, and even institutions, which is part of cross-border or transnational education.

### 2.1 Degree mobility

Global degree mobility more than doubled between the years 2000 and 2012, increasing from 2.1 to 4.6 million a year. It is estimated to reach seven million in 2020, with Europe remaining the preferred destination for degree mobility as it is chosen by 46% of mobile students. It is followed by North America (21%), Asia (18%), and Australia (10%). Africa, Latin America, and the Caribbean have also been recording growth in the last five years (OECD, 2014).

The dominating destinations of choice are English-speaking countries. The highest number of international students decided to study in the US (16%) and the UK (13%), followed by Germany (6%) and France (6%). In order to attract international students, France utilises its strong historical, cultural, and linguistic ties while Germany has invested significantly in promoting the country as an international study destination. Other European countries with a larger number of international students include Austria, Spain, and Italy (2% each) and the Netherlands, Belgium, and Switzerland (1% each). Luxembourg has the highest number of enrolled international students in higher education programmes, as they represent 34% of all enrolled students. Australia is second (19%) and the UK third (18%) (ibidem, 2014).

Asian students account for 53% of all mobile students and come mainly from China, India, and Korea. They are followed by students from Europe (23%), Africa (12%), Latin America (6%), North America (3%), and Oceania (1%) (ibidem, 2014).

In many countries, revenue generation is the main reason for recruiting international students. As an increasing number of universities are shifting to teaching in English in order to attract international students, this raises the question of the quality of implementation of study programmes. Institutions need to take a strategic approach and study their offer of study programmes for international students as well as the reasons for teaching in another language (de Wit, 2012). Other countries, such as Germany for example, do not focus on short-term financial benefits but also maintain their free tuition policy for international students. They have a long-term approach to attracting international students and talents, who they see as future ambassadors of their country contributing to its technological development and economy (European Parliament's Committee on Culture and Education, 2015).

In some countries, the key to attracting international students is the need for skilled migrants, especially due to changed demographic conditions.

Global competition for top talent has caused a number of countries to facilitate access to the labour market for highly qualified individuals and to create scholarship programmes. At the same time, these countries are restricting access to education and employment for the less talented or less qualified employees. Global rankings (e.g. Shanghai Ranking) play a key role in strengthening the reputation of both countries and institutions. The better the ranking, the more attractive it is to international talent. The more talent it attracts, the higher the ranking (ibidem, 2015).

## 2.2 Credit mobility

Compared to other world regions, credit mobility plays an important role in European policies. In 2012, Erasmus, Europe's flagship credit mobility programme, celebrated its 25<sup>th</sup> anniversary. Over three million mobile students have participated in the programme since 1987. The number of participating countries has increased from 11 to 34, including non-EU member states such as Macedonia, Iceland, Lichtenstein, Norway, Switzerland, and Turkey. The new Erasmus+ programme, which has been operating since 2014, combines all educational programmes at all levels and is open to a number of countries within and beyond European borders. It has an increased joint budget and the largest share goes to individual mobility with the aim of increasing mobility of the total student population to 20% by 2020. The programme offers scholarships for joint masters and a budget for strategic partnerships and innovative policy development (European Parliament's Committee on Culture and Education, 2015).

Credit mobility is the strongest in Europe. There are national and institutional policies in the US which encourage doing part of your studies abroad, however only 1.4% of the total student population is currently participating, principally at undergraduate level. In recent years, these numbers have increased, however the periods spent abroad are typically shorter. The share of mobile students in Canada and Australia is similar to that in the US. In other world regions (Latin America, Asia, and Africa), credit mobility or student exchange are largely absent, although national programmes have recently been launched in countries such as Brazil and Japan (de Wit et al., 2012).

## 2.3 Transnational education

Knight (2006) defines transnational education as "the movement of people, knowledge, programmes, providers, and curriculum across national borders" which is part of internationalisation of higher education and can be an element of collaboration projects between institutions, exchange programmes, and commercial initiatives. It can be seen as a phase of the globalisation of higher education which starts with cross-border student flows, moves to the development of hubs and campuses, and finally generates virtual programme mobility (Varghese, 2013). O'Mahony (2014) defines it as "award or credit bearing learning undertaken by students who are based in a different country from that of the awarding institution".

The growth of branch campuses and franchise programmes by foreign universities has been so dramatic that it has been described in the British Council and DAAD report (2014) as “a significant component of higher education in a number of developing countries”. These campuses and programmes have been set up mainly by providers from English-speaking countries. 20% of students enrolled in undergraduate studies in the UK are in fact at an offshore campus or at a foreign institution that has franchised the programme. More than 25% of Australian international students also study offshore (Altbach, 2012).

There has also been a substantial increase in cross-border activity in Europe, as confirmed by a number of studies, including the European Commission report (2013) which identified 253 branch campuses, franchise operations and validation activities in the European Union. Validation is a process with which a higher education institution from country A verifies whether a partner organisation from country B, which implements a programme, meets the quality standards for the partner institution to be able to award qualifications of the higher education institution from country A (Jošt Lešer, 2015). Institutions from English-speaking countries are again the main providers of such options of transnational education. As stated in the report, cross-border activity in Europe is still in its infancy and affects only a small number of students.

Branch campuses often attract the working population, individuals who seek to combine work and study and as such, they do not have a negative impact on enrolment in traditional campuses. Local students are willing to pay more to attend an international institution as they see a foreign degree as a means to better employment opportunities in their own country. There are also advantages for the host countries, as the presence of foreign universities increases access to higher education at very little cost (European Parliament's Committee on Culture and Education, 2015).

### 3 Globalization and its effect of education policies

As a result of the developments in information and communication technologies, it is necessary to make various reforms in education policies as well as in politics, economics and socio-cultural politics. The importance of concentrating on the international politics is increasing day by day in order to keep up with new world order with the globalisation which means a “concentration of social relations” (Giddens, 1990, 64).

International corporations that have become a global phenomenon in the years following the Second World War (Giddens, 2008, 89), have become widespread nowadays and global companies necessitate global leaders and global employees. International and regional governmental mechanisms have developed in the field of politics. In the economic field, an *information economy* or *weightless economy* (Giddens, 2008: 88), which depends on internet-based products and services, such as computer software, media and entertainment products has gained dominance. In the field of education, on the other hand, some important changes have been exercised as result of the removal of the barriers between schools and the rest of the world and emergence of “life-long learning” based intercultural aspects. According to Tsui and Tollefson (2007) globalisation effected by two inseparable mediational tools, technology and English; proficiencies in these tools have been referred to as “*global literacy skills*” (Spring, 2008, 351).

The purpose of global education is to foster the knowledge, attitudes and abilities that are required to be an active part of the information society as well as some significant aspects, such as cultural pluralism for individuals, acting more independently and respect for the elderly (Güven, 1999, 154). A report prepared by the Centre for Educational Research and Innovation within OECD, outlines the distinctive workplace competences in the neoliberal regime of the knowledge economy. According to this analysis, the leading “workplace competences” that are favoured in the current economic organisation of companies and sectors can be gathered under three groups: inter-personal skills, intra-personal skills, technological or informational and communicational skills (ICT). Inter-personal skills are “team work and the ability to co-operate in pursuit of a common objective; leadership capabilities”. Intra-personal skills are “motivation and attitude; the ability to learn; problem solving skills; effective communication with colleagues and clients; analytical skills” (OECD, 2001). Kumpikaite ve Duoba (2010, 41) emphasised that knowledge and skills of future employees should be constantly developed and that they should understand the importance of lifelong learning in order to be current with changes, information flow, and new technologies.

According to research, effective communication skills have been found to be the most important factor considered in recruitment (MacLennan, 2008, 5). A study conducted in the United Kingdom has found that students who have experienced mobility programmes are 24 percent more likely to find work after 6 months of graduation than other students (Universities UK International, 2017). In another study that included 31 countries (Van Mol, 2017) and examined the value of

employers' foreign education and training experiences linked to student mobility programmes, it was found that good foreign language and decision-making skills were key criteria for recruitment, especially for European employers. In other countries, it was found that employers do not fully understand the importance of student mobility programmes. These findings suggest higher education institutions might fail to communicate the benefits of foreign experience either to students or their potential employers, and more emphasis should be placed on the skills that a student mobility programme experience can offer along with personal and professional improvements.

Student exchange programmes at universities are crucial to the globalisation of education and the development of intercultural relations. Twenty years ago, even if universities were warm to international student movements, the programme remained "guest hospitality" and countries were abstaining from hiring these students. As time progressed between 1998 and 2004, the number of foreign students in the OECD area rose by 70% to reach 2.3 million students (OECD, 2006). In this context, it is possible to say that the importance of international student mobility programmes for education, culture and economic policies of the countries has become better understood over time.

#### 4 International mobility and its cultural effects

Intercultural communication refers to communication between groups of people from different cultures in the broadest sense (Neuliep ve Ryan, 1998). In the scientific sense, it is defined as an interdisciplinary field that examines issues such as interaction and meaning transfers among people belonging to different cultures, perception of foreigners, explanations and observance of cultural differences (Roth, 1996, 20, qtd. in Kartarı, 2014, 50). In today's global world, where cultural boundaries are almost disappearing, it has become commonplace to communicate with individuals from different cultures from everyday life to business life. Universities are also making a move to raising world citizens who will stand up in this multicultural nature of the world. In this context, it can be said that international student mobility programmes have a great importance in improving intercultural understanding. Today, effective global communication is a skill necessary for negotiation, relationship building, and collaboration within multicultural groups (Martinez, 2015, 152).

Student mobility programmes are particularly important in a multilingualism and multicultural context. According to the Common European Framework of Proposals (Council of Europe, 2013, 165), the concepts of multilingualism and

multiculturalism indicate the ability of an individual as a social being, who has competence in many languages and experience in various cultures, to use languages as a means of communication as well as having the aptitude to participate in intercultural interaction. Kartarı (2014, 26) emphasized that the history of humanity in the twentieth century will be referred to as the "Cultures Century". Today's globalized world conditions and the multicultural social atmosphere show that Kartarı's vision is correct.

Teichler (2003, 33), describes mobility programmes as having a vertical dimension and a horizontal dimension. The vertical dimension is about changing the place of education and the horizontal side contains cultural, educational and personal varieties. Today, while student mobility programmes are conducted for educational purposes, they also attract attention of its students, with positive effects, regarding cultural and individual differences.

Research shows that student mobility programmes are positively influential in the cultural context. According to İlater's (2016) research that followed students going abroad for education with Erasmus and Mevlana programmes, the results show that all the participants developed an understanding and sensitivity towards different cultures and values. At the same time, it was observed that the participants' characteristics, such as open mindedness and empathy towards the opinions of others, changed positively. Another research that examined student mobility within a nursing students' ERASMUS programme showed that the students gained the ability to compare their countries with the countries where they were being trained and were able to detect differences. Furthermore, it was found that students gained awareness about cultural differences. Although some of the students had problems related to communication, it was noted that this problem is overcome and the language problem is solved when it is merged with the culture of the target country (Keogh and Russel-Roberts, 2009). In this context, it is possible to say that the student mobility programmes have improved the socialisation skills and facilitated learning a new language. In a study conducted according to the scientific literature analysis it was determined that there are three important competences gained by student mobility programmes: (1) academic knowledge and skills, (2) cultural awareness and expression, (3) social and civic competencies. Among these, the most important category was measured as cultural awareness and expression (Kumpikaite and Duoba, 2013, 833).

Plenty of research has been conducted in the last years in order to find out how student mobility programmes change students' and practitioners' perspectives

of different cultures and how they affect students' learning process (Bohman and Borglin, 2013; Endes, 2015; Castro et al., 2016; Hepple et al., 2017). According to a research conducted by Dolga and his colleagues (2015), there are some skills that were strongly affected following an Erasmus mobility such as: language skills (89.8 %), relational skills (85.3 %), professional knowledge and skills (78.6%), scientific/academic knowledge and skills (69.6%). With regard to personal development they noticed the following influences - self-confidence (69.6%), personal independence (67.4%), attitude towards the profession (67%). This research shows that 70.8% of the participant students consider that the Erasmus programme has had a positive influence on their career, and 62.5% appreciate that the exchange has had a significant influence on their personal life. According to another research that explored students' and faculty's perceptions of the experiences provided by international exchange programmes, both incoming and outgoing Erasmus students assessed studying abroad in a positive way as a very productive learning period of their lives. Almost all surveyed students indicated that their foreign language proficiency had improved by the time they returned home, and it was also observed that in almost all students, their intercultural understanding and competencies had improved. Other than organizational and administrative difficulties, the problematic approach to enrolment and credits recognition represents the second major issue that students complained about; the interviewed students were not satisfied with the information provided by their home university and the logistic support that they received from University (Nedelcu and Ulrich, 2014).

## 5 Conclusion

It is essential to reconsider the crucial role of higher education institutions in the changing world. Regarding the rise of new technologies and the emerging ways younger generations learn, it is high time the concept of mobility is revised worldwide. While practitioners and academics should focus on engaging students in new ways of thinking and learning, they need to pay special attention to new ways of teaching, motivating, designing, evaluating, and constantly updating. Mobility is one of the key concepts in this renewal process since it brings an end to national and cultural borders.

Today's educational vision should aim to become not only cross-borders but also cross-cultures. As the studies also show, mobility programmes in action facilitate the globalisation process of education for students and the academic

staff. International cooperation in education through cross border activities fosters the reproduction of knowledge without getting stuck in one country and creates an equal world for learners and therefore enhancing education without borders. Hence, international cooperation is to be encouraged all around the world through easier regulations. Credit mobility is one of the key issues to be facilitated in different countries. If students are expected to experience the interculturalism of the rising world that enables cultures to be exchanged, to circulated, and even modified to a global culture, then they should be given more accessibility to mobility programmes.

The future of mobility seems to be directly related to the future of rising technologies. Today, we have the virtual educational platforms that give students the chance to be educated by educators from around the global for free. In the near future, we could have growth in online educational platforms that will give more students the chance to be educated at the same time with their peers. Virtual reality, artificial intelligence, gamification and new concepts we have not even heard of could be the key to the future of educational mobility. Another key that is surely essential while thinking about the future of mobility is intercultural communication. This is a concept that should be not only be being focused on by students but also by educators since it is directly related to the educational environment that today's and tomorrow's technologies will be making a reality. Having the required competences to have intercultural cooperation is significant for students to overcome the difficulties they might experience and it is also important for academicians to be able to resolve the possible problems students may face in international environments and to facilitate intercultural experiences.

All in all, educational mobility should be understood and designed so that global education will be able foster global cooperation and global empowerment for all. As globalisation is an inevitable force in today's world, educational programmes need to be constantly evaluated and updated so that they are efficient, fully up-to-date and available for everyone to provide equal opportunities for growth and education.

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## 12 Virtual Collaboration and Online Communication in Education Programs

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**Abstract:** In this paper, the authors discuss the importance of high-quality collaboration and communication in virtual learning environments in order to achieve the intended learning outcomes, satisfaction of participants and overall success of the courses, which is most often measured by completion rates. First we'll briefly describe the theoretical background, and then follow up with a detailed empirical evaluation of the implementation of three different online courses. These courses differ substantially in terms of scope, duration, intensity of involvement, collaboration demands, communication tools, etc. An end of the course survey was administered to all the participants of each course, in order to find out their perceptions regarding different aspects of the course implementation and to assess the impact on the outcome variables, such as general satisfaction and perceived improvement/development of communication-related skills. The survey results generally support previous research findings on how virtual collaboration and online communication is a key factor for a successful online course delivery. Moreover, the results have also confirmed that thoroughly planned interaction between the students, teachers and tutors and the choice of relevant communication tools to support interaction is directly linked to a higher level of satisfaction with the course.

**Keywords:** Virtual mobility, virtual collaboration, online communication, online course, online learning, higher education, MOOC

### 1 Introduction

According to the latest Erasmus Impact Study (2014), only 3% of students take part in mobility programmes in Europe, which means that 97% of them do not gain international and intercultural experience during their studies. Higher education institutions have begun to realise that they are responsible for the development of intercultural and global competences of their graduates. These competences will enable the graduates to function successfully in a national and international environment – as well as for those graduates who, for various reasons, do not have the need to go abroad.

In order to provide an international and intercultural experience, higher education institutions and private providers have started to intensively offer online learning, shorter and longer programmes, and to issue online degrees and certificates. They have discovered higher education that is made available globally is a new and growing market (Bruhn, 2017). MOOCs and MOOC providers such as Coursera, Udacity, MiriadaX, as well as HarvardX and MITx are further examples that are working at the global level. Online courses are available not only to students but to every individual around the globe who would like to expand their knowledge or improve their existing skills and competencies.

In recent years, two trends have emerged in higher education – internationalisation and digitalisation. Projects dealing with collaborative online international learning (COIL), virtual mobility (VM), or virtual transnational education have shown that the link between digital and international education is already a reality in many higher education institutions (Bruhn, 2017). Concepts such as virtual exchange, telecollaboration, globally networked learning, VM, and COIL have only just recently been coined. These concepts are commonly used to label various aspects of internationalising conventional higher education at the course or programme level and have proven useful in facilitating the idea of virtual collaboration and communication.

There is a considerable amount of literature about open and distance education, massive open online courses (MOOCs), and about the support that students receive in gaining intercultural competencies and global awareness with the help of virtual media. There is also substantial literature about virtual mobility which deals with the concept of virtual mobility and its strengths and weaknesses. Nevertheless, there remains a gap in the literature when it comes to a framework for the various ways in which communications technology (ICT) can be used to internationalise higher education and to enhance the virtual collaboration and online communication between students.

The purpose of this paper is to present the basics of collaboration and online communication in a virtual environment. The second part of the paper focuses on an empirical evaluation of the implementation of three different online education programmes (courses), focusing on the satisfaction and performance of students in relation to collaboration and communication.

## 2 Different formats of online courses (COIL, VM and MOOCs)

Developed at the State University of New York, collaborative online international learning (COIL) is an especially successful model of virtual mobility (Bruhn, 2017). COIL unites classes from two (or more) countries online and in this way “promotes interactive shared coursework, emphasising experimental learning and gives collaborating students a chance to get to know each other while developing meaningful projects together” (Guth, 2013). The term virtual mobility is more frequently used in Europe and can be found in numerous European documents while the term COIL is more frequently used in the US, especially since the approach was developed by the State University of New York (De Wit, 2013).

The term “virtual mobility” cannot be simply put aside, as it refers to the inclusion of international virtual experiences that are not necessarily based on collaboration, but provide other forms of virtual travelling, including virtual field trips and virtual internships (Vriens & van Petegem, 2011). Virtual mobility is often seen as “one of the most flexible, versatile and inclusive approaches in the provision of international experience opportunities” (Villar-Onrubia & Rajpal, 2016). Ritonija and Maček (2015) find that virtual mobility brings the same advantages that physical mobility brings. Students are given access to various experts from other international institutions as well as to various lectures and learning materials, which are usually located far away from their home country. Access to an international community of students is also an important advantage, as students have the opportunity to develop intercultural communication and raise their intercultural awareness, while learning how to overcome potential cultural, social and political barriers.

Numerous higher education institutions across the globe now use and consider MOOCs as a valid internationalisation instrument (Knight, 2014). These examples demonstrate that online learning providers can transcend national borders and enrol a large number of students from all over the globe. However, offering online programmes does not automatically cross national borders or have the same effects everywhere. Virtual universities have not always been successful. The most important reasons probably lie in the failure to attract a global target group, in the quality of programmes and intercultural issues (Marginson & van der Wende, 2007).

Bruhn (2017) says that we need to ask ourselves how ICT can help introduce the global dimension into all types of higher education programmes. Many mission statements of higher education institutions and objectives of national higher education internationalisation strategies state that their aim is to prepare students for a globalised world which challenges them to become global citizens and, through global engagement, encourage global understanding, thereby contributing to the global knowledge society. Higher education institutions that offer different types of online courses in the global market can more easily pursue their internationalisations goals, especially the development of intercultural competencies with the help of virtual learning environments and communication tools that enable synchronous and asynchronous communication between students from all around the world.

### 3 Virtual collaboration and communication in an online setting

One of the key elements contributing to student learning success and satisfaction in online courses is related to learner interaction (Cummings at al., 2015). Robyler and Wiencke (2004) state that, greater interaction in an online learning environment contributes to a higher level of student satisfaction.

DOBA Business School's experience (hereinafter DOBA) in online course implementation has shown that an ongoing and meaningful interaction increases students' satisfaction and success regardless of their prior experience in online learning. There are several types of interaction and communication in online courses: interaction between the students, the teacher and the tutor, interaction with the learning environment, and interaction with the course material. The interaction between different stakeholder (students, higher education teacher, and tutors) is facilitated via communication tools, which enable synchronous and asynchronous communication (Maček, Ritonija, Ašanin Gole et al., 2017).

Synchronous communication in online courses replaces the lack of live communication. Asynchronous communication, on the other hand, enables learning that overcomes geographical and time limitations. It offers students the opportunity to be equally included in the study process as well as it allows them to collaboratively gain knowledge and skills.

However, teachers cannot expect that all students will engage in course activities, interact with other students and use the communication tools offered

by the virtual learning environment. There is also a phenomenon of lurkers, who will never actively engage in the study process (Gulati, 2004). Lurkers are not frequent in online degree programmes or longer online courses but can be found more often in MOOCs and free online courses. There are approximately 29% of lurkers in DOBA's short (free) online courses, who log into the virtual learning environment regularly, read the course materials, attend webinars and follow the communication without interacting with the teacher, tutor or other students.

Since virtual collaboration is promoted by various team activities, Weller (2002) points out one of the problems that can lead to the dissatisfaction of students with online learning. Some students, who were used to study individually, have difficulties adapting to collaborative learning and especially to situations such as assessed team activities. This is also one of the major issues in for the online courses at DOBA where students are expected to deliver team projects and results but face inactive or reluctant students in their team.

#### 4 Virtual collaboration and communication supported by course activities

Communication and collaboration in an online setting requires strategic planning while interaction in a face-to-face environment may occur naturally and without thorough planning, designing or implementing.

Salmon (2000) developed the five stages online learning model, which includes access and motivation, online socialisation, information exchange, knowledge construction, and development. She states that the virtual learning environment promotes student networking and socialisation, with a special focus on careful planning of e-moderating. The online socialisation phase comprises of the receiving and sending of messages, which helps students create a community within the virtual learning environment. The students are thus connected by the sense of working together for a common goal. The quality and effectiveness of learning as well as the frequency of student interaction grow with each stage.

The online courses are prepared in advance which requires very careful planning and structuring, especially for all of the students' course activities. Teachers dedicate a lot of time and effort to designing the course as an active learning environment, making it different than a traditional study mode. Differences are in the selection of relevant and interesting tasks and the choosing of appropriate communication tools to support the tasks that encourage and support students' interaction and communication (Ritonija, 2016).

The course activities that enable students to gain experience in enacting or simulating the performance of competent professionals in the real world have to be selected by the teachers. The course activities can be classified in three types: activities to absorb, activities to do, activities to connect (Horton, 2006).

DOBA has designed an interaction and communication model in virtual mobility courses, and according to Horton's classification of activities (2006) the model focuses mainly on activities to do and activities to connect in order to achieve the learning objectives. This model has successfully been implemented in all types of online courses (short virtual mobility projects with other higher education institutions, online courses within the virtual summer school programme, online degree programmes and online programmes in different international projects such as e-PROFMAN).

Students are required to be in constant interaction and communication with their classmates, the teacher and the tutor. Among the most frequently planned activities at DOBA that promote virtual collaboration and communication are discussions, debates, presentations, comments, project based learning activities, team project activities, virtual round table debates, brainstorming, role playing, etc. Other interactive and reflective writing activities are also incorporated which help in raising the students' awareness of their own learning processes. Teachers also use activities that encourage students to become actively engaged learners, responsible for their own learning.

## 5 Communication tools that support online interaction

For a successful implementation of an online course it is important that all stakeholders are frequently interacting with each other and are also constantly present in the virtual environment. Communication in the virtual environment is an ongoing process, which takes place daily or even hourly during an online course. This is the reason why teachers have to choose the most appropriate communication tool and thoroughly plan the communication dynamic. Communication tools support the course content and activities as well as help students achieve their learning goals.

Teachers have access of a wide range of communication tools that are offered in the virtual learning environment. Communication tools are chosen according to different types of communication flows (e.g. teacher to students, student to teacher or tutor, team of students to team of students, student to the whole

group, etc.) and types of activities (e.g. discussion, simulations, project presentations, role-playing, games, etc.).

The forum used to be the most commonly used tool in an online course. However, evaluation of online courses in the last years shows that synchronous communication tools are gaining in importance and that they are more frequently used (e.g. Skype for Business, Blackboard Collaborate, Yammer, WhatsApp) Some other tools, which are also often used, are Facebook, YouTube, wikispace, Twitter, Padlet, etc.

In an online course a lot of different communication tools can be introduced and used. However, it is important that students have no difficulties using them. Too many tools used during the online course can have negative effects and can cause a higher dropout rate. With too many tools to handle students feel “technology overloaded” and can get frustrated.

## 6 Evaluation of three different online courses

The main objective of the empirical part of this paper is to compare three different modes of online courses (in terms of scope, duration, intensity of participants' involvement, collaboration demands, communication tools, etc.) and to evaluate them from the perspective of participants. We are particularly interested in analysing participants' satisfaction with the course, their perceptions regarding the contribution of the course to the improvement/development of (soft or transversal) skills as well as to assess relevant predictors of satisfaction and the role of collaboration and communication in a virtual environment. For the purpose of this empirical evaluation, we will compare the following online courses, which are briefly described below: Virtual summer school, e-PROFMAN and MOOC.

### 6.1 Description of the online courses

#### 6.1.1 Virtual summer school

Virtual summer school was organised by DOBA in June 2017. Different modules for different target groups were available but here, we will only refer to the International Week with the course titled, “Creative Cross Cultural Communication” that was targeted to domestic and international students and that took place between 16th and 26th of June 2017. A total of 172 students from 28 countries applied for the International Week – 71 of them were DOBA's students (all who chose the Intercultural Management elective course were

automatically enrolled in the International Week) and the rest were foreign students. Eventually, 26 of 101 foreign students (25,4 %) did not enter the learning management system (Blackboard) and another 25,7 % of foreigners were “lurkers” – they were present in the learning management system but they did not actively participate in the forum discussions and teamwork assignments. Participation was free of charge.

The International week took place in the form of short individual and team assignments in the Blackboard virtual learning environment and in the form of webinars given by national and international lecturers, which were attended online by all participants of the virtual summer school. In order to encourage participation and collaboration and to maintain motivation, course activities in the International Week were supported through collaborative technologies, such as Blackboard Collaborate, Skype for Business, OneDrive, forums, chats, etc.

#### 6.1.2 e-PROFMAN

The Joint Online Programme for Professional Development in Innovative Management, Leadership and Strategic Communication – Macedonia, Slovenia and Turkey – e-PROFMAN is an Erasmus + funded programme of the European Union. The main purpose of the project is to create and implement the joint online programme for professional development in innovative management, leadership and strategic communication as a part of lifelong learning. More than 180 students applied for the e-PROFMAN programme but only 150 were admitted. The programme was held from January 2017 until January 2018. Students could choose from 8 different online course modules, with 5 of them being mandatory. The course modules were from 3 to 4 weeks long and were the following:

- From a Sparkle to a Flame: The Power of Creation;
- Linking Business, Strategies and Communications;
- How to Make Things Work: Achieving Results;
- Think Like a Leader, Act Like a Leader: Leadership Reasoning;
- Creative Business Instincts;
- Future Trends in Corporate and Marketing Communication;
- Intercultural Communications;
- Using Research @ The Workplace.

Altogether, 149 students were involved in 1 or more e-PROFMAN courses. The whole online programme was organised in the Microsoft SharePoint platform. Students were divided in internationally mixed teams and had to accomplish

individual and team assignments on a weekly basis. Teachers also pre-recorded some sessions and prepared the OER, which were used in the modules. Each week one live session/webinar was organised, using Skype for Business. Since the forums in the course did not support a transparent communication, the main communication tools in the programme were Skype for Business, WhatsApp, Viber and Facebook.

### 6.1.3 MOOC

In the context of the ERASMUS+ international project, DESTINY, DOBA designed and developed a MOOC that was intended to increase knowledge of the principles of effective teamwork and to contribute to development/improvement of teamwork skills. This was not a typical self-paced MOOC with minimal teacher – participant interaction. When designing the MOOC, DOBA followed the principles of a c-MOOC (based on construction of knowledge by means of interaction and collaboration). Those principles were upgraded by the inclusion of interactive virtual sessions (workshops) that were moderated and that enabled the participants to practice their teamwork skills.

The MOOC was organised in the Moodle platform and it was divided into three-week modules. Each module was a coherent unit. The key topics that were covered were the following: differences between group work and teamwork, teamwork efficiency, team composition and team roles, and managing team conflicts. Each module consisted of short pre-recorded video lectures, compulsory literature sources and a few assignments. In each module there was (1) a simple experience-sharing in a Paddlet (whiteboard), (2) a more in-depth applicative forum assignment, (3) a short online test and (4) active participation in the workshop (interactive virtual session). Collaboration and interaction between participants was limited to forum discussions (they were encouraged to comment, discuss and peer-assess the forum assignments of their colleagues) and workshops (active participation in small groups of 5-6). For the purpose of live workshops, Blackboard Collaborate tool was used.

The MOOC was targeted to different target groups in Slovenia (employed, unemployed, students etc.). Eventually, 145 participants were enrolled in the Moodle platform. The MOOC was implemented in March 2017 in the Slovene language with participation being free of charge.

## 6.2 Evaluation method and procedure

To evaluate each of the courses, it is possible to use data on completion rates and the results of online survey questionnaires that were administered to all the participants of a particular course. Generally, the main aim of using survey questionnaires was to measure participants' satisfaction with different aspects of the course in order to analyse potential improvements before subsequent implementations. Also, indicators such as the participants' perception of their improvement/development of skills, their future intentions to join similar courses, willingness to recommend the course to others, etc., were also included in the survey questionnaires. Although questionnaires to evaluate the Virtual summer school and the e-PROFMAN programme overlap to a certain extent, no uniform questionnaire was used in all three courses that would allow for direct comparison of survey results.

Data on sample sizes and response rates in online surveys for all three courses is provided in the table below. The response rates in the case of the Virtual summer school and the MOOC range was around 30 %, while a substantially higher response rate was achieved in the case of the e-PROFMAN programme (almost 50 %). However, one needs to bear in mind that such samples are in fact non-random self-selective samples. With such samples one cannot be sure if a sample truly represents the population from which it was drawn. It often happens that participants with more extreme viewpoints (e.g. those highly satisfied or dissatisfied with the course) are more likely to self-select in a study sample. Also, those who dropped out of the course are not included. Hence, survey results should be interpreted with caution, having these limitations of the survey samples in mind.

Table 1: Population and sample sizes of survey research in all three courses

Course	Virtual summer school	e-PROFMAN	MOOC
Total participants	172	149	145
Sample size	59	72	46
Response rate (in %)	34.3	48.3	31.7

## 6.3 Evaluation results

In this section of the paper the evaluation results for all three online course formats are described and interpreted. In the case of the e-PROFMAN programme, the summary of the evaluation results of all 8 online course modules is presented. The students were asked to fill out the end of the course survey after each course. This way we could monitor the students' progress regarding their level of online literacy from month to month. In this paper we

focus only at the results of the whole e-PROFMAN programme and not individual online course modules.

We first start with general evaluation indicators and then we continue with the analysis of predictors of general satisfaction. Afterwards, the participants' perceptions regarding the improvement/development of skills are tackled and finally, we refer to obstacles and advantages of communication in a virtual environment.

### 6.3.1 General evaluation of the courses

The participants of the three online programmes were generally satisfied with the overall learning experience and/or the implementation of each course. Participants in the MOOC were the most satisfied ( $M = 6.23$ ) and participants in the Virtual summer school were the least satisfied ( $M = 5.07$ ). The e-PROFMAN programme managed to fulfil the prior expectations to a large extent ( $M = 5.45$ ), however, the Virtual summer school was somewhat less successful in fulfilling the prior expectations of participants ( $M = 4.75$ ). Other indicators can also be used to capture the general perception of the particular course. For instance, nearly all of the survey respondents of the MOOC (97.7%) and 76.0% of the survey respondents of Virtual summer school reported they would recommend the course to their colleagues and friends. Also, 91.7% of the e-PROFMAN's respondents and 76.0% of the Virtual summer school's respondents reported they would participate in similar educational courses again.

Table 2: General evaluation indicators of the online courses

Course	Satisfaction*		Fulfilled expectations**	
	M	SD	M	SD
MOOC	6.23	1.10	-	-
Virtual summer school	5.07	2.04	4.75	1.98
E-PROFMAN	5.84	1.53	5.45	1.56

\*In the case of the Virtual summer school and the e-PROFMAN programme the following measure of satisfaction was used: "Overall, I'm satisfied with this learning experience." (1 – strongly disagree, 7 – strongly agree). In case of the MOOC, the overall evaluation of the implementation of the course was taken as a measure of satisfaction (1 – very bad, 7 – excellent).

\*\*The following item was used: "The course has completely fulfilled my expectations." (1 – strongly disagree, 7 – strongly agree).

### 6.3.2 Predictors of general satisfaction with the course

In the case of the e-PROFMAN and the Virtual summer school the same indicators were used to evaluate different aspects of the course learning

activities and communication tools, so it is possible to directly compare the scores for the two online programmes. Participants evaluated both courses positively, with average grades above 5 on a 7-point scale (table 3 below). The comparison of the two online programmes reveals that the average grades for all aspects of the course are somewhat lower in case of Virtual summer school.

To assess which aspects of the course contributed most to the overall satisfaction with the learning experience, we conducted linear regression analysis with 6 predictors (aspects of the course) and overall satisfaction as a dependent variable. The linear model for the e-PROFMAN data is empirically well-supported as the multiple correlation coefficient accounts for  $R = 0.806$ , which means that the predictors explain around 60 % of the variance in overall satisfaction. The linear regression model is statistically significant ( $F(6, 66) = 20.405$ ;  $p = 0.000$ ). Standardised beta coefficients reveal three significant predictors, which are all positively correlated to overall satisfaction.

Table 3: Predictors of overall satisfaction with Virtual summer school and e-PROFMAN

Aspects of the course (predictors) <sup>a</sup>	Virtual summer school			e-PROFMAN		
	M	SD	Standardised beta	M	SD	Standardised beta
The activities used in the course were useful.	5.34	1.69	0.639**	5.82	1.09	0.495**
The activities offered enough possibilities for cooperation between students.	5.34	1.58	0.038	5.95	0.96	0.049
The course offered a variety of different assignments.	5.37	1.55	-0.062	6.03	1.06	0.100
The online learning management system was well structured.	5.28	1.78	-0.014	5.45	1.71	0.282**
The communication tool for webinars supported and enabled communication between students, teachers and tutors.	5.40	1.79	0.148	5.69	1.26	-0.212
Communication tools used in the course supported and enabled communication between students, teachers and tutors.	5.43	1.78	0.201	5.69	1.40	0.260*

\*Predictor is statistically significant ( $p < 0.05$ ).

\*\*Predictor is statistically significant ( $p < 0.01$ ). Aspects of the course were evaluated on a 7-point scale (1 – strongly disagree, 7 – strongly agree).

The strongest predictor is the perception of usefulness of activities in the course. The other two significant predictors are the perception of the online learning management system being well structured and the perception of usability of the communication tools used in the course.

In the case of the Virtual summer school, the same aspects of the course (predictor variables) better predict general satisfaction with the course. The multiple correlation coefficient amounts to  $R = 0.866$  and adjusted squared correlation coefficient to  $R^2 = 0.721$ , which means that predictor variables explain more than 70 % of variance in general satisfaction. The linear regression model is statistically significant ( $F(6, 51) = 25.605$ ;  $p = 0.000$ ). In this model, however, only one predictor proved to be significantly related to general satisfaction. This is the perception of the usefulness of the activities in the course, which has the highest standardised beta coefficient (the stronger the perception of usefulness the higher the general satisfaction).

In case of the MOOC, different indicators were used to evaluate the course and to assess their impact on general satisfaction, so the results cannot be directly compared to the other two courses. Here, 10 indicators (elements/aspects of the course) were entered in a linear regression model to predict general satisfaction. The multiple correlation coefficient is very high ( $R = 0.925$ ), which means that indicators, that were included in the model, explain around 80 % of the variance in overall satisfaction. The linear regression model proved to be statistically significant ( $F(10, 26) = 15.381$ ;  $p = 0.000$ ).

Table 4: Predictors of overall satisfaction with the MOOC

Aspects of the course (predictors) <sup>a</sup>	M	SD	Standardised beta	p
Practicality of course contents	6.23	1.02	-.249	.419
Appropriate resources	6.19	1.02	.201	.298
Types of activity assessment	6.05	1.22	.438	.059
Work of course instructor	6.43	1.06	.097	.543
Technical support (before and during the course, webinars)	6.40	0.93	-.122	.636
The complexity of course activities	6.14	1.34	.014	.961
The complexity of the MOOC	6.10	1.38	.141	.743
The rigor of activities/assignments	5.95	1.28	-.182	.488
Interactivity of assignments	6.18	1.15	.439	.090
Practicality of assignments	6.37	0.94	.218	.452

Aspects of the course were evaluated on a 7-point scale (1 – strongly disagree, 7 – strongly agree).

The analysis revealed two indicators with the highest standardised beta coefficients: Interactivity of assignments and Types of activity assessment. In

other words, the perceptions of these two indicators correlate the strongest with general satisfaction (the more positive the perceptions the higher the general satisfaction). However, both coefficients are on the verge of statistical significance, which could probably be attributed to a small sample size.

### 6.3.3 Development of communication-related skills

Participants of the e-PROFMAN programme and the Virtual summer school were further asked; to what extent did participation in the course improve different sets of skills. Again, the same sets of skills were measured in both courses. Here, we will only refer to communication and social/intercultural skills that are closely related to the topic of this chapter. The results show that participation in the e-PROFMAN programme substantially contributed to improvement of both communication and social/intercultural skills (average grades around 6 on a 7-point scale), while participation in the Virtual summer school was somewhat less successful in that respect (average grades slightly above 5 on 7-point scale).

Next, it seems that the perception of the improvement of communication and social/intercultural skills is significantly positively correlated to the general satisfaction (the higher the perception of improvement the higher the general satisfaction). In case of the e-PROFMAN programme, the correlations are moderately strong, but in case of the Virtual summer school, the correlations are even higher, indicating strong relationship between the perception of improvement of skills and general satisfaction.

Table 5: Improvement of skills in the Virtual summer school and the e-PROFMAN

	Virtual summer school			e-PROFMAN		
	M	SD	r	M	SD	r
Communication skills	5.16	1.90	0.673**	6.06	1.09	0.520**
Social/intercultural skills	5.45	1.70	0.741**	6.01	1.03	0.573**

Improvement of skills was evaluated on a 7-point scale (1 – not at all, 7 – very much).

r – correlation with general satisfaction

\*\*Correlation is statistically significant ( $p < 0.01$ )

In case of the MOOC, different sets of skills were measured and evaluated. The focus was on development of teamwork skills, which was in line with the topic of the MOOC. It is evident from table 6 that all sets of skills were graded very high (average grades around 6 on a 7-point scale), which indicates that according to participants' opinions the course has managed to contribute significantly to development of skills for effective teamwork, particularly in a virtual environment. As in the two other courses, all measures of skill

development are significantly positively correlated to the overall implementation of the course (measure of the general satisfaction), indicating moderately strong and strong relationships.

Table 6: Development of the (teamwork) skills in the MOOC

	M	SD	r
Teamwork skills (as an aggregate of knowledge and skills focused on usability)	5.95	1.07	0.777**
Teamwork skills for virtual teams	6.12	1.09	0.669**
Skills of learning in a virtual environment	6.05	1.22	0.684**
Skills of communicating in a virtual environment	6.10	1.06	0.606**

Note: 7-point scale was used (1 – very bad, 7 – excellent).

r – correlation with measure of the overall implementation of the course (indicator of general satisfaction)

\*\*Correlation is statistically significant ( $p < 0.01$ )

#### 6.3.4 Obstacles and advantages of learning in a virtual environment

Due to specifics of learning in a virtual environment we were interested if participants experienced any obstacles in online communication/collaboration. The results described below refer only to the e-PROFMAN programme, because this issue was not included in the evaluation questionnaire for the other two courses. More than half of e-PROFMAN respondents (54.7%) reported perceiving no obstacles, while others claimed that certain obstacles were present. From the table below it is evident that the two most frequently reported obstacles of effective communication were passive fellow students (85.3%) and difficulties with building relationships online (61.8%).

Table 7: Obstacles of effective online communication in the e-PROFMAN

Obstacles	n = 34	
	f	%*
Passive fellow students	29	85.3
Difficulties with building relationships online	21	61.8
Technical difficulties	15	44.1
Intercultural differences	9	26.5
Too many communication tools	8	23.5
IT literacy	6	17.6
Others	5	14.7

\*The sum of % is larger than 100 as multiple answers were possible.

Next, we were also interested in investigating if the presence/absence of obstacles in online communication during the e-PROFMAN programme is anyhow related to general satisfaction and the perception of improvement of skills. So, we compared the results of those who reported experiencing

obstacles in the online communication with those who experienced no obstacles. The comparison shows (table 8) that respondents who experienced obstacles in the online communication were less satisfied with the learning experience and they also reported a lower degree of improvement of their communication and social/intercultural skills. In the case of the sense of general satisfaction, the difference between the two independent groups is statistically significant ( $p < 0.05$ ), while in case of the improvement of communication and social/ intercultural skills the difference is on the verge of significance.

Table 8: Differences in general satisfaction and the improvement of skills according to the experience of obstacles in e-PROFMAN programme

	Experience of obstacles	M	SD	t value (df = 70)	p
General satisfaction	Yes	5.42	1.86	-2.141	0.046
	No	6.18	1.11		
Communication skills	Yes	5.79	1.22	-1.962	0.054
	No	6.28	0.92		
Social/intercultural skills	Yes	5.76	1.20	-1.987	0.051
	No	6.23	0.81		

Apart from obstacles in the online communication/collaboration, e-PROFMAN participants were also asked about the advantages of virtual collaboration in this particular course.

Table 9: Advantages of virtual collaboration in e-PROFMAN courses

Response category	f	%*
Convenience, comfort (easy to learn, flexibility, expressing genuine ideas/emotions)	30	41.1
Intercultural experience, international cooperation	30	41.1
Time efficiency	17	23.3
Academic development, gaining practical knowledge	16	21.9
Building on personal qualities (time management, self-discipline, IT skills, English language etc.)	14	19.2
Online, e-availability	11	15.1
Specifics of the course (teachers, materials, learning environment)	11	15.1
Social aspects (meeting new people)	8	11.0
Teamwork and improving teamwork skills	6	8.2
Developing communication skills	5	6.8
Other (e.g. money, cost savings)	7	9.6
None, no response	5	6.8

\*The sum of % is above 100, as multiple codes were possible with a single participant. Percentage for each category is calculated on the total number of survey respondents (n = 73).

The question was fully open with no predefined answers. Participants' responses were coded into similar categories and the aggregated results are shown in the table below. The two most frequently mentioned advantages refer to convenience and/or comfort of participating in an online course (41.1%) and to the acquisition of intercultural experience by cooperating with international participants (41.1%). Other frequently mentioned advantages refer to time efficiency (23.3%), academic development (21.9%) and development of personal qualities (19.2%).

## 7 Conclusion

In this paper we first attempted to summarise the relevance of the effective collaboration and communication in online courses and then to empirically demonstrate the linkage between the online communication and participants' satisfaction with the course, which is assumed to be one of the key outcome variables to measure the success of particular course. Evaluation data for three different online courses and programmes were analysed and compared for the purpose of this paper. These courses were substantially different in terms of general objectives, scope, duration, workload (intensity), requirements, assignments and activities and therefore it is rather difficult to attribute the observed differences to the specific characteristics of a particular course. To do this, an in-depth analysis of the implementation of each course/programme would be required and a standardised measuring instrument should be used to be able to directly compare relevant indicators. However, the main objective of this analysis was not so much to argue about the differences between the courses but to demonstrate the importance of a high quality of communication that would lead to participants' satisfaction and other outcome variables (such as reported improvement/development of skills).

In all three online programmes, the participants' general satisfaction was high and some other general indicators related to the overall satisfaction were mostly positive as well. Also, participants in all three programmes were quite positive about the course's contribution to the development of communication-related skills. However, general evaluation indicators for the Virtual summer school were somewhat worse than for the other two: participants were less satisfied and also, according to their opinions, the course was less effective in improving their communication-related skills. This discrepancy might be attributed to a short duration of the course and/or to a large heterogeneity of the participants – they were from 28 different countries and they may have been substantially

different both in terms of prior experiences with online learning and in terms of expectations from the course.

When assessing the drivers (predictors) of satisfaction, it was found out that both in the case of the Virtual summer school and the e-PROFMAN programme the perception of the usefulness of the course activities is what correlates the strongest with general satisfaction. This confirms the fact that for successful online courses, the design and planning of the course is crucial. Materials, activities and assignments should be carefully chosen to allow for the achievement of intended learning outcomes, which should in turn be aligned to the course objectives. In addition, the perception of the learning management system being well-structured and the perception of usefulness of the provided communication tools proved to be other (though less important) significant predictors of general satisfaction in the e-PROFMAN courses, but not in Virtual summer school. This indicates that structure, navigation and the provision of proper communication tools in the learning management system is highly important as well, as it provides the participant the opportunity to efficiently interact with the material, teacher and other colleagues and thus compensating for the lack of personal contacts. In the case of the MOOC, the interactivity of assignments was recognised as one of the key predictors of general satisfaction, again pointing to the fact that in a more or less static learning environment it was the interactive assignments, which demanded interaction/collaboration with teacher/colleagues (such as interactive virtual sessions for practicing teamwork skills) that contributed most to the general satisfaction.

The link between the quality of interaction and/or online communication on the one side and satisfaction on the other side was further demonstrated by moderate-to-strong correlation coefficients in all three programmes. Participants with stronger perceptions regarding the course's contribution to the improvement/development of communication-related skills (communication skills, social/intercultural skills, teamwork skills), reported a significantly higher general satisfaction with a particular course.

More evidence for the close relationship between online communication and the relevant outcome variables comes from the e-PROFMAN programme, where two groups of participants were compared according to their experience of obstacles in online communication (such as passive fellow students, difficulties with building relationships online, technical difficulties, intercultural differences etc.). Those who experienced obstacles in online communication were less

satisfied with the programme and also less positive about the programme's contribution to the improvement of communication-related skills, in comparison with those who did not experience any obstacles.

The empirical findings described in this paper are in line with previous research, which has emphasised interaction (and communication as interaction takes place by communicating) as a key determinant of student learning success and satisfaction in online courses (Cummings et al., 2015; Robyler and Wiencke, 2004). This has important implications for the design and implementation of further online learning courses. To ensure the achievement of learning outcomes and a high satisfaction of participants, collaboration activities/assignments supported by proper communication tools to facilitate interaction and communication should play a significant role in online education programmes. Apart from proper course design, it is also very important that the courses are properly implemented and managed to ensure smooth communication flows in all directions. Teacher and tutors are responsible to ensure and encourage high quality communication that is clear, timely, efficient, ethical, personal and/or task oriented (e.g. assessment feedback). The design and implementation of online courses becomes even more demanding when the courses are targeted to multicultural and multinational groups of participants. Managing international groups, such as in Virtual summer school and the e-PROFMAN programme, requires even more detailed planning, especially when participants are very diverse in terms of their cultural background. Therefore communication, collaboration and assignments should carefully be adapted to different needs, expectations, habits and value systems.

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## 13 Project Implementation and Evaluation: The e-PROFMAN Case Study

Nuša Lazar, Bojan Georgievski, Pinar Aslan

**Abstract:** The mission of the Erasmus+ project e-PROFMAN (Joint Online Programme for Professional Development in Innovative Management, Leadership and Strategic Communication) is providing accessibility to online learning and learners-directed approach for professional development, establishing interaction and networking among peers and professionals from different European countries and establishing transnational cooperation with the business communities in Macedonia, Slovenia and Turkey. Developing free online resources and learning materials relevant to the specific areas and online classes that are designed with a practical point of view were implemented into the programme. The online education in the programme is supported by blended learning activities which support the virtual mobility of online classes (such as Student Camp, Final Seminar).

The article analyses the regular annual evaluation surveys of the members of the Consortium Board as well as student surveys, which were collected after each module was completed. During the project different quality assurance activities and tasks were implemented. One of the key quality assurance activities was the preparation of the Quality Assurance Plan (QAP) which is described in detail in this paper.

**Keywords:** Enrolment process, programme implementation, programme evaluation, LMS, QAP.

### 1 International Erasmus+ projects and e-PROFMAN

*“Globalisation, internationalisation, virtualisation and industrialisation are four terms characterising four complex processes that touch on many areas of life nowadays. Naturally, higher education cannot be excluded from these trends that force single universities to share and exchange resources through international networks and to exercise flexibility when designing educational programmes and services in order to meet the demands of industry” (Alaoutinen and Voracek, 2003).*

International educational projects have been essential and popular for quite a long time since they enable students and lecturers to collaborate with people

from different countries to improve the learning environment in many different aspects. With the rise of new technologies, such projects have become much more practical and multi-directional thanks to new concepts such as virtual mobility, distance learning, transnational education, and exchange programmes. Virtual mobility, with the support of the learning environment, presents an innovation in mobility combined with an international experience online. The number of studies on the topic of virtual mobility is increasing. Beel and Keegen (2010) analysed two European projects where information technologies were used to help students in physical mobility programmes and enable other students to try virtual mobility. In his study, Woyenski (2014) analysed factors that influenced students' intercultural development and experiences when joining educational mobility. In their study, Ritonija and Maček (2016) analysed virtual mobility at DOBA Business School, which was first implemented in the 2005/2006 academic year and has had a participation over 1.600 students from 31 different countries.

This study aims to analyse an Erasmus+ project, e-PROFMAN, which is a joint online professional programme in innovative management, leadership, and strategic communication with a focus on the implementation, organisation, and evaluation of the project.

"The Erasmus Charter for Higher Education (ECHE) provides the general quality framework for European and international cooperation activities that a higher education institution (HEI) may carry out within the Erasmus+ Programme" (EACEA, 2018). Erasmus+ projects enable institutions in Europe and partner countries come together for a common purpose and collaborate to provide better learning opportunities. *"Erasmus+ includes a strong international dimension: cooperation with Partner Countries notably in the field of higher education and youth, through institutional partnerships, youth cooperation and mobility worldwide"* (EACEA, 2017b).

In Erasmus+ projects, the key is to facilitate the transition between education and work. Erasmus+ projects provide

*"funding for more than 25.000 partnerships across 125.000 education, training and youth organisations and enterprises. These organisations work with peers in other countries in their own sector and other sectors to develop, transfer and implement innovative education, training and youth practices. For example, they develop new teaching practices or curricula, or allow students to study real-life cases in business and industry"* (EACEA, 2017a).

Hence, Erasmus+ projects focus on making students learn about theory from a practical angle. This sort of education aims to boost employability of the students and their sense of entrepreneurship. Another other key point in Erasmus+ projects is to provide *“support for more than 300 large partnerships among education institutions and enterprises to tackle skills gaps and foster start-ups”* (EACEA, 2017a).

Taking these key points into account, the e-PROFMAN project is designed as an online professional programme that aims to equip students with competences for innovative management, leadership and strategic communication in order for them to be able to create and sustain positive changes in organisations. The project which is a collaborative Erasmus+ funded project by Macedonia, Slovenia, and Turkey has a working date from September 2015 to August 2018. The institutions engaged in the project are The School of Journalism and Public Relations from Macedonia, DOBA Business School from Slovenia, and Istanbul University from Turkey. The vision of the project is

*“Expanding the programme of the virtual campus in the region of South-East Europe (SEE) and raising awareness of young people of the importance of lifelong learning and new ICT for their career growth, which will contribute to a more qualified workforce for employers or develop self-made businesses and increase transnational employability”.*

The mission can be summarised as

*“providing accessibility to online learning and a learners-directed approach for professional development, establishing interaction and networking among peers and professionals from different European countries and establishing transnational cooperation with the business communities in Macedonia, Slovenia and Turkey”* (e-PROFMAN, 2015a).

Students who are admitted following the application process are able to choose five classes from eight classes in total. The curriculum is practically-oriented and visibly tied to real-world experiences. Topics are adapted to the market challenges and needs. The online courses incorporate service-learning opportunities that allow students to engage in client-focused projects. Mentoring and a problem-based approach aim to provide students with new skills that can be implemented in their professional work life (e-PROFMAN, 2015c). Online classes that are designed with a practical point of view are as follows (e-PROFMAN, 2015c):

- From a Sparkle to a Flame: The Power of Creation by Marina Letonja and Anita Maček;

- Linking Business, Strategies and Communication by Fatih Özkoyuncu and Oguz Kuş;
- How to Make Things Work: Achieving Results by Tanja Kocjan Stjepanovič, Jelena Janevska and Pinar Eraslan Yayinoğlu;
- Think Like a Leader, Act Like a Leader: Leadership Reasoning by Kosta Petrov and Ayşegül Özbebek Tunç;
- Creative Business Instincts by Natalie C. Postružnik and Jelena Janevska;
- Future Trends in Corporate and Marketing Communication by Seda Mengü, Pinar Aslan, Iztok Sila and Marina Tuneva;
- Intercultural Communications by Marina Tuneva, Mia Miše, Nataša Ritonija and Pinar Aslan;
- Using Research @ The Workplace by Ljupčo Efremov.

The online education is supported by blended learning activities which support the virtual mobility of online classes. The blended learning activities offered by the e-PROFMAN project are students' camp, job shadowing, and a final seminar. These face-to-face (f2f) meetings are also useful for getting together, sharing experiences and discussing best practices with professionals from different countries. Students have opportunities to meet the other participants and lecturers, who have been accompanying them throughout the whole programme, and learn how to relate with people with very different cultural backgrounds. By getting to know each other, students are challenged to improve their dialogue and understanding and to overcome many intercultural stereotypes (e-PROFMAN, 2015b).

### 1.1 Roles and responsibilities of project partners

This project is planned and implemented by three partner countries. The School of Public Relations and Journalism from Macedonia is the project leader with the role of planning, monitoring and overseeing the implementation of the Project. The primary duty of the project leader is to manage the process while confirming all the actions, ensuring that decisions that are made are fully adopted by the project consortium which consists of all three countries. In a nutshell, the project leader aims to act as a central hub for all partners.

All activities are clearly defined and distributed among all partners in regard to the transnational project approach. Furthermore, the intellectual, organisational and technical contribution of all partners are incorporated in the project's management and outputs. Still, each project partner is responsible for its delegated ground activities such as project management meetings, research, staff workshops, promotion and enrolment process, face-to-face learning

activities, evaluation, etc. Therefore, each partner covers different areas of project management - planning, implementation, control and budgeting, promotion, risk management, logistics, and evaluation, in order to achieve the objectives of the Project and ensure that the envisioned results are being achieved.

## 2 Implementation and evaluation of the e-PROFMAN project - necessary steps for a successfully mastered project

### 2.1 Promotional campaign and enrolment process

Approx. 10,000 young working practitioners and students were targeted for the promotional campaigns conducted by the project partners. Promotional campaigns were carried out from October 25th until November 25<sup>th</sup>, 2016 in the languages of Macedonian, Slovenian and Turkish as well as in English via online and direct promotions. SJPR, DOBA Business School and Istanbul University used their business and community links, and media relations to promote e-PROFMAN. Additionally, the SJPR partnered with the National Agency in Macedonia to spread awareness about the programme and attract more students who would be interested in enrolling. In terms of the communication methods used, various tools were utilised by the project consortium to attract potential students. The project team created the e-PROFMAN website that contains all the relevant information about the programme and lists the courses offered as well as a listing of lecturers involved in the programme in all countries.

Furthermore, social media was used aggressively by the project teams who disseminated information about e-PROFMAN enrolment opportunities through their social media pages (on Facebook, Twitter and LinkedIn). An e-leaflet was also created, that contained crucial information about the programme which was then disseminated through social media. Potential students were able to learn about the duration of the programme and its goals and objectives, as well as the intended results that would impact their career development. E-mail communication was also utilised. Through several e-newsletters, the partners informed their partner organisations about the value of enrolling in the e-PROFMAN programme. As the programme progressed, video testimonials from the lecturers were also developed and published on the partner organisations' websites and social networks, and the programme was also promoted via traditional media (interviews).

One hundred and forty-nine (149) students were enrolled in the e-PROFMAN Programme. The students came from 9 countries - Macedonia, Turkey, Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Egypt, Kazakhstan and Saudi Arabia. According to the enrolment statistics, eligible candidates for enrolment were young and mid-career professionals or students enrolled in their Bachelor studies who were no older than 35 years old, and who had acquired at least a high-school diploma and were employed.

The call for enrolment was published on the website of the project [www.eprofman.eu](http://www.eprofman.eu) and accompanying social media pages and was constantly disseminated during the promotional campaign. All applications were submitted online and a commission then reviewed the applications and assessed whether the applicant met all relevant criteria that was predetermined by the consortium. Afterwards, the project consortia conducted interviews with the candidates in order to evaluate the applicant's motivation, ambitions and English language speaking proficiency.

## 2.2 Implementation of the programme

The implementation ran smoothly since the consortium prepared all relevant documents and guidelines for both students and teachers in advance. The documents contained all information regarding the process of learning, teaching, as well as administrative and technical aspects of e-PROFMAN. The guidelines also explained how the online learning and teaching process would be delivered as well as the used methods and resources for teaching. Moreover, it outlined the roles and responsibilities of students and lecturers, the use of the learning management system, the way the students' assessment would be conducted as well as the awarding of ECTS credits. Thus, students had an accurate depiction of what they would be facing during the programme. All materials were made part of the Learning Management System that was the online learning system used by the teachers as well as the students.

The LMS provided a virtual learning environment (virtual classroom, online lectures and seminars, video streaming, chat rooms, e-mails etc.) and at the same time retained the students' e-portfolios. Furthermore, the LMS contained all resources for the learning process and allowed easy access to the data by all consortia partners and participants at any time.

Each of the courses had a course holder and an assisting lecturer with equal involvement during the development and delivering of the course. However, one lecturer was in charge of the course implementation. The process of course design was completed as follows: each course team develops the syllabus,

which was reviewed by the Consortium Board to ensure the quality of the course. The final syllabus was then delivered to the course lecturers. The lecturers had outstanding cooperation and regular communication during the course implementation and delivery. Five courses (out of 8) were put together by mixed teams of lecturers from Macedonia, Slovenia and Turkey: Intercultural Communications, Think like a Leader, Act like a Leader: Leadership Reasoning, Creative Business Instincts, Future Trends in Corporate and Marketing Communication, and How to Make Things Work: Achieving Results. The quality of the programmes was reflected in the evaluation reports of the students, who positively graded as all courses completed during the programme. They also positively graded their communication and interaction with the lecturers.

### 2.2.1 Students' camp

A milestone of the project was the organisation of the Students' Camp "Real Problem, Real Solution, Real Professional" held between 5-9 July in Ohrid, Macedonia. The Camp focused on providing students with skills and knowledge based on practical assignments and real-life examples. More than 75 lecturers and students had the opportunity to work on practical problems and take part in team assignments. The students attended three different workshops: (1) Creation of Innovative Product; (2) Digital Public Relation Campaigns or (3) Innovative Pull Communications Strategies.

The students acquired skills in planning, developing innovative products / services and business canvas, public relations through social media, managing digital communication and global understanding as well as soft skills for teamwork, leadership, decision-making and public speaking. During the completion of the tasks, students were in direct consultations with, and mentored by the lecturers, who lead the teams solely in the applying of acquired skills and techniques. The online database of learning materials and OER were available for access on the Learning Management System. At the end of the Camp, students teams delivered a public presentation using visual aids, and peer-learning was enhanced by Q&A sessions after each presentation. By completing the workshop on the Students' Camp, students obtained 3 ECTS credits.

### 2.2.2 Final seminar

At the Final Seminar, participants demonstrated the acquired knowledge and skills during their work on client-focused projects. The students from different countries, working in two main fields, produced strategies for real companies in

which they implemented theories and practices of innovative management, leadership and strategic communication. The strategies were based on a professional situation that was representative for the profession, occurred repeatedly and was about substantial problems that happen daily. During the seminar, each team worked on the brief to be given by the respective professional, and cooperated closely with their mentor to prepare a project. However, solely the team was responsible for the project results. The team work was presented in front of the entire "class" and finally, by completing the workshop on the Final Seminar, students obtained 3 ECTS credits.

## 2.3 Evaluation by students, professors and Consortium Board

### 2.3.1 Evaluation by Consortium Board

The Consortium Board consists of a project manager and project and financial assistant from SJPR, and two project coordinators from DOBA and IU. The Consortium Board members are responsible for project management on daily operational level: from its inception to execution, including planning, execution and managing the people, resources and scopes (Lazar et al., 2018).

After each year of the project e-PROFMAN the Consortium Board were asked to fill out the Questionnaire so that the Consortium Board could evaluate the work of the consortium during the year. So far two of these questionnaires have been sent out and evaluated, with the next evaluation for the Consortium Board planned for June 2018.

The questionnaire is prepared with open questions. The fields treated are as following: project management, implementation, monitoring and evaluation, dissemination. In brief the results of the questionnaire are:

#### Project management

Project activities are clearly determined and distributed among all partners, as well as delivered on time. The intellectual, organisational and technical contribution of all partners is equally incorporated in the project's management and outputs (from promotional campaign, enrolment process, to management of the teaching process).

The current work (coordination and communication) and work results of specially established teams in the project (Teaching, Administrative and IT Team) are carried out successfully and on time.

#### Implementation

The main developments in the project during the last years were carried out on time and completed by the schedule set at the beginning of the project.

All intellectual outputs were achieved and reached as initially planned (courses, teaching and learning materials, OERs, LMS, promotional materials).

Encountered challenges or/and problems in implementing the project goals were:

- the time for realization of activities was tight due to the complexity of the project and the schedule was seen as restrictive, but the project partners handled the project's obligations within the planned time-frame;
- the online educational model and LMS were confusing at the beginning, but this was not affected the completion of project obligations;
- communication between team members was reported as challenge because of different countries and time zones, but all lecturers and students were dedicated to complete their obligations on time and in a quality manner;
- funds for promotion and dissemination of project's results were lacking, still the most commonly used tools were briefings, newsletters, websites and social media announcements, as well as several papers for international conferences/journals.

#### Monitoring and evaluation

Formal agreements were signed between the SJPR as the project leader, DOBA Business School and the Istanbul University whereby all rights and responsibilities for the project implementation are clearly defined as well as how funding and revenue are allocated. All activities within the project were detailed and operationalised within the Annual Cooperation Plan by all partner organisations. The time-line is a vital tool for overseeing all activities and following the projects' progress.

A precise budget consisting of total envisaged costs related to all activities per partners and per years was prepared.

Regular scheduled reports were submitted by the partners to the SJPR in 3 monthly intervals in order to identify the status of activities encountered in the completion of work. They use a standard template that provides specifics on achievements related to the project's objectives reached in the current time period, and a 3-month financial 'snapshot' showing resource usage status.

A Quality Assurance Plan was produced in order to manage the proper day-to-day running of the project.

Skype meetings at regular intervals were held among representatives of all partner HEIs prior to all project activities in order to agree on objectives and monitor achieved results.

Frequent e-mail communication between the Consortium Board members as well as with the IT, Administrative and Teaching Staff allowed for the continuation of the project through a constant stream of output.

#### Dissemination

Dissemination activities include scientific articles presented to international scientific conferences and publications, scientific monograph at HEIs, dissemination as a result of communication strategy of HEIs and dissemination of OERs.

#### 2.3.2 Evaluation by professors and evaluation by students

Clear procedures for ongoing quality assurance for the Online Programme include feedback from the students and the lecturers. Their opinions on teaching and the learning process are taken into account in order to improve the quality of the Programme.

Table 1: Number of participating students by course and the response rate of student questionnaires after each course

Course	Number of participating students at course	Number of filled out questionnaires	Response (%)
From a Sparkle to a Flame: The Power of Creation	61	54	88.52
Linking Business, Strategies and Communications	70	41	58.57
How to Make Things Work: Achieving Results	40	26	65.00
Think Like a Leader, Act Like a Leader: Leadership Reasoning	54	34	62.96
Creative Business Instincts	45	20	44.44
Future Trends in Corporate and Marketing Communication	55	34	61.81
Intercultural Communications	49	33	67.34
Using Research @ the Workplace	48	20	41.66

Source: collected data of online questionnaires after each course (own calculations).

Throughout the course year, a survey was conducted among the participating students regarding their satisfaction with the implementation of each course. The sample comprises of 149 students who are enrolled in the programme; each of them could take 1 or up to 8 courses. For each course the number of

participating students and the number of filled out questionnaires are presented (the response rate) are presented in table 1 on previous page. As seen in Table 1 the number of participants per course differentiates from 40 to 70 participants. The response rate of students filling out the questionnaires is from 41.66 % to 8.52 %.

In Table 2 the average student satisfaction with the course in general (by different sub-questions) is presented. In average the students were satisfied with the courses (the average grade is from 4,2 to 4,4; where 5 is the best grade and 1 is the worse). The standard deviation for all sub-questions is around 0,90 that means that the average grades differ +/- 0,90 from the average grade. Over all we can conclude, that the students were generally satisfied with the courses.

Table 2: The average satisfaction with the courses (where 5 is the best grade and 1 is the worst) and standard deviation that refer to the course in general (n=262)

<b>Sub-question</b>	<b>Average</b>	<b>Variance</b>	<b>Standard deviation</b>
How well was the course prepared and organized	4,20	0,8512	0,92
There were sufficient materials (books, articles, videos etc.) for acquiring new knowledge	4,30	0,8881	0,94
There were a sufficient number of assignments, activities and/or projects for acquiring new skills	4,43	0,8037	0,90
The assignments were correspondent to the contents (theory)	4,33	0,7505	0,87
The Learning Management System enables the online learning	4,39	0,8707	0,93

Source: collected data of online questionnaires after each course (own calculations).

In Table 3 the evaluation of the knowledge, competencies and skills that students developed in the courses is presented. On average the students were satisfied with the knowledge and competencies they developed (the average grade around 4,0; where 5 is the best grade and 1 is the worse). The standard deviation is for all sub-questions around 1,0 that means that the average grades differ +/- 1,0 from the average grade. Over all we can conclude, that the students were generally satisfied with the knowledge, competencies and skills they developed.

Throughout the course year, a course report was also prepared by the participating professors regarding their work and experiences during their courses. The sample comprises of 15 professors who are responsible for preparing and presenting the programme courses. Two 2 of the professors participated in 2 different courses and filled a report for each course separately. The key results of the professors' reports are presented in Table 4 and Table 5 below.

Table 3: The evaluation of the knowledge, competencies and skills that students developed in the courses (where 5 is the best grade and 1 is the worst) and standard deviation that refer to each competence (n=262)

<b>Knowledge, Competences, Skills</b>	<b>Average</b>	<b>Variance</b>	<b>Std. deviation</b>
Professional knowledge and competences (regarding the content of the course)	4,07	0,9247	0,96
Information literacy skills (use of tools for communication on the course)	4,17	0,7999	0,89
Knowledge and competencies in written and oral communication (communication in the team, arguably professional writing ...)	4,17	0,8867	0,94
Entrepreneurial and management skills (the ability to problem-solving, flexibility, conflict resolution, critical thinking...)	4,11	0,9736	0,99
Innovation and creativity	4,06	1,0202	1,01
Personal development (self-initiative, positive orientation, continuous learning...)	4,21	1,0585	1,03

Source: collected data of online questionnaires after each course (own calculations).

In Table 4 the evaluation of courses by professors is presented. They were very satisfied with the implemented curriculum and the materials the students used to acquire new knowledge. Also the assignments' corresponded to the contents and the practical nature of the courses. All the mentioned fields were assessed with the highest mark by all professors - 5,0 (where 5 is the best grade and 1 is the worse). The standard deviation is for all sub-questions related to the evaluation of the course is 0,0 or 0,24 that means that the professors all evaluated the courses in a similar manner.

Table 4: The evaluation of courses by professors (where 5 is the best grade and 1 is the worst) and standard deviation that refers to each question (n=17)

<b>The following questions refer to the course</b>	<b>Average</b>	<b>Std. deviation</b>
You have implemented the curriculum completely and timely	5,00	0,00
You have enough time for realization of the activities	4,65	0,61
Activities were clearly determined and distributed among all lectures responsible for the course	4,94	0,24
There were sufficient materials (books, articles, videos etc.) for acquiring new knowledge (development of knowledge)	5,00	0,00
There was a sufficient number of assignments, activities and/or projects for acquiring new skills (development of competences)	4,94	0,24
The assignments were correspondent to the contents (theory) (practical nature of the course)	5,00	0,00

Source: collected data of online questionnaires after each course (own calculations).

A higher deviation (0,61) is found in the sub-question related to time for realization of the activities, which the professors evaluated differently. In total

we can conclude, that the professors were generally very satisfied with the courses.

In Table 5 the evaluation of the students' work by professors is presented. The average grade for each segment of the students' work differentiates from 3,8 to 4,8 (where 5 is the best grade and 1 is the worse). We can conclude that the professors were satisfied with the students' work – being the most satisfied with the assigned topics that were in accordance with students' capabilities to complete the assignments; and the least satisfied with students' work during the course.

Table 5: The evaluation of the students' work by professors (where 5 is the best grade and 1 is the worst) and standard deviation that refers to each question (n=17)

<b>The following questions refer to the students work.</b>	<b>Average</b>	<b>Std. deviation</b>
The students, when preparing their assignments, always used the online resources you have provided	4,06	0,75
The response from the students when preparing their tasks	4,38	0,55
The assigned topics were in accordance with the students' capabilities for completing the assignments	4,79	0,40
Team work of students during the course	3,84	0,70
The lectures and assignments have allowed the students to accomplish the results foreseen in the curriculum	4,76	0,56
I'm satisfied with students' performance	4,50	0,56

Source: collected data of online questionnaires after each course (own calculations).

We also measured with correlation coefficients how strong of a relationship there is between two variables in our collected data. For our analyses we used the Pearson's correlation measure of the linear correlation between two sets of data. The sets of data we measured were:

"The assigned topics were in accordance with the students' capabilities for completing the assignments" (from the questionnaires of the lectures) and "There were a sufficient number of assignments, activities and/or projects for acquiring new skills" (from the questionnaires of the students);

"The lectures and assignments have allowed the students to accomplish the results foreseen in the curriculum" (from the questionnaires of the lectures) and "Professional knowledge and competences (regarding the content of the course)" (from the questionnaires of the students);

"I'm satisfied with students' performance" (from the questionnaires of the lectures) and "How well was the course prepared and organized" (from the questionnaires of the students).

In Table 6 the above mentioned sets of data are presented with their Pearson's correlation coefficient. The range of the Pearson's correlation coefficient is from -1 to 1. Our results are as following:

Table 6: Pearson's coefficient for selected sets of data from the questionnaires for the lectures and form the questionnaires for the students

Sets of data compared	Pearson's coefficient
The assigned topics were in accordance with the students' capabilities for completing the assignments There were a sufficient number of assignments, activities and/or projects for acquiring new skills	1
The lectures and assignments have allowed the students to accomplish the results foreseen in the curriculum Professional knowledge and competences (regarding the content of the course)	0,74
I'm satisfied with students' performance How well was the course prepared and organized	0,96

Source: collected data of online questionnaires after each course (own calculations).

Variables "*The assigned topics were in accordance with the students' capabilities for completing the assignments*" and "*There were a sufficient number of assignments, activities and/or projects for acquiring new skills*" lie on a perfect straight line with a positive slope. Pearson's correlation coefficient is 1, as the value of one variable increases, so does the value of the other variable.

Variables "*The lectures and assignments have allowed the students to accomplish the results foreseen in the curriculum*" and "*Professional knowledge and competences (regarding the content of the course)*" indicate a strong positive correlation, since the Pearson's correlation coefficient 0,74 (or 74 %).

Variables "*I'm satisfied with students' performance*" and "*How well was the course prepared and organized*" indicate a very strong positive correlation, since the Pearson's correlation coefficient 0,96 (or 96 %).

The variables we studied are connected and correlated (based on the positive Pearson's correlation coefficient). We cannot discuss the influences of one variable to another, since the Pearson's correlation coefficient does not explain that aspect of the variable.

## 2.4 Quality assurance activities

During the project different quality assurance activities and tasks are implemented. The quality assurance activities focus on verifications of the use of proper project management procedures and actions, and the definition and verifications of the outputs, and as such are rather project specific (European Commission, 2016).

One of the key quality assurance activities during the project is the preparation of the Quality Assurance Plan (QAP). The QAP is a document which contains information that is required for the proper day-to-day running of the mentioned project. The document focuses on quality assurance, evaluation, risk management and dissemination. This document is an ever-evolving document; with updates as a new version provided when necessary (Lazar et al., 2018).

The QAP also includes chapters regarding budget control and time management. External funding and revenue among the project partners are allocated according to the signed formal agreements. The budget consists of total envisaged costs, which are completely related to all activities undertaken within the project and transparent financial reporting by all partners is obligatory and ensured. In addition, financial management meetings counter any external or internal events.

A time-line (General Three-Year Cooperation Plan) is a vital tool for overseeing all activities and is also a part of the QAP. All activities have determined dates and clear deadlines in order to deliver in a timely manner the envisioned outputs. Regular control of the mentioned activities is an obligation of all partners. The duration of each activity is determined by its priority and complexity of implementation. The project activities are also time-complemented so that they do not overlap. Hence, partner organisations have a detailed plan when each of the partners should conduct every task so they all can collaborate in the project management. This allows enough time for the planning, organisation, and implementation of the planned activities. At the same time this also largely reduces the risk of errors.

The focal point of quality assurance and monitoring control are deliverables. The members of the Evaluation Board from each project partner are responsible for the evaluation of the quality of the deliverables. Such quality assurance is part of the reporting process and is stated in detailed in the QAP. These activities include the above mentioned evaluation by students, evaluation by professors and evaluation by the Consortium Board.

Reporting is also a part of the QAP. The requirements for this activity are based on the Commission's regulation as contained in the contract, but they also have project specific aspects. During the project various report types are produced: internal reports, progress reports, interim reports, evaluation research reports, and final report.

A detailed risk management plan is developed utilising the proper methodology and is also a part of the QAP. It takes into consideration the economic and social context of the environment, as well as predicts problems and risks that can appear during the project (and who and how will be affected by them).

The final part of the QAP is the dissemination chapter. All three project partners are responsible for the implementation of the dissemination of the project's results, but the overall responsibility is on the project coordinators. The manners and tools for dissemination are incorporated in all activities along with a detailed dissemination plan. The project partners agree to make available their tools and techniques, contacts and networks, and, most importantly, their know-how and expertise for the dissemination of the project's activities and results. The partner HEIs also link project activities to their own event and dissemination activities.

### 3 Conclusion

The e-PROFMAN project is designed as an online professional programme that aims to equip students with competences for innovative management, leadership and strategic communication in order to be able to create and sustain positive changes in organisations. The project is a collaborative Erasmus+ funded project by Macedonia, Slovenia, and Turkey. The implementation of the project ran smoothly, due to a well prepared initial promotional campaign which assured in finding highly motivated young professionals as participants. Also, the ability of the consortium, to prepare in advance all relevant documents and guidelines for both students and teachers was one of the reasons for the well-implemented programme. The LMS provided a virtual learning environment (virtual classroom, online lectures and seminars, video streaming, chat rooms, e-mails etc.) which was agreed among partners and enabled a virtual cooperation of students and lectures from different countries.

Clear procedures for ongoing quality assurance of the online programme included feedback from the students and the lecturers, as well as regular evaluation by the Consortium Board. After each course, questionnaires for

students and lectures were distributed. Based on these questionnaires different segments of the courses were evaluated with statistical methods. Based on the results we can conclude that the students graded the courses as very positive. They also graded the communication and interaction with the international lecturers as positive. The knowledge, competencies and skills they gained during the programme were also graded very positive. Professors were very satisfied with the curriculum implemented and the materials they used to assist the students in acquiring new knowledge. The correlation between our selected variables is positive and linear (based on the positive Pearson's correlation coefficient).

Also, the processed questionnaires of the Consortium Board and the data gained indicate that the work of the board was successful. The fields looked at in the questionnaires were as follows: project management, implementation, monitoring and evaluation, dissemination. Partner institutions were very successful in execution of all these topics.

Overall, the implementation of the e-PROFMAN programme (from the desk research, to the promotional campaign and the enrolment process to the conducted courses) was very prosperous. The success of the programme also shows how the regular evaluation of the different segments of the programme, as well as the focus on quality control assured a positive experience for all involved.

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# Review of a Monograph: Instead of Conclusion

## 1 Monograph's Basic Data

Monograph: "Linking Business and Communication: From a Sparkle to a Flame"

Book collection: Lessons from economic and applied business and social studies

Editor: Pedja Ašanin Gole (editorial matter, selection, individual chapters; individual chapters - the contributors)

Foreword: Prof. Dr. Rasto Ovin

Contributors: Dejan Andonov, Pinar Aslan, Pedja Ašanin Gole, Natalie Cvikl Postružnik, Marko Divjak, Ljupčo Efremov, Pinar Eraslan-Yayınoğlu, Jelena Janevska, Meri Karanfilovska, Tanja Kocjan Stjepanović, Dimitar Kovačevski, Oğuz Kuş, Nuša Lazar, Anita Maček, Marina Letonja, Seda Mengü, Aydemir Okay, Ayla Okay, Ayşegül Özbebek Tunç, Fatih Özkoyuncu, Nataša Ritonija, Iztok Sila, Jasna Suhadolc, Žaneta Trajkoska, Marina Tuneva.

Published by: DOBA Business School (DOBA Faculty of Applied Business and Social Studies), Maribor, Slovenia, 2018.

## 2 Assessment of the Overall Approach

The central theme of this monograph is the contact points and the links between business and soft skills which are rounded up by interpersonal interactions - communication and its role in achieving business goals, the realization of business strategies.

Each chapter of the monograph takes into account the IMRAD structure, in which the authors present the research carried out in the last three years after the introductory critical presentations of the relevant literature.

The entire monograph confirms that we live in times of rapid economic, political and cultural changes. The pace of these changes and the consequences of increasing globalization are reflected in an environment in which all

considerations on the objectives for the future regarding business and communication need to be incorporated.

Communication and management face many of the changes brought about by globalization and the new economy. At the forefront, there is a new development paradigm that solves the problem of the rarity of economic resources as the main driver of development and redirects it to the efficient and successful use of the available renewable prosperity. Achieving sustainable economic growth requires, among other, a good business and communication system. As a result of globalization, internationalization occurs in all areas, which can be seen from a number of monograph contributions in various ways.

In all chapters, the research approach to clarifying problems, which are described by the individual authors in their original way in their contributions, is presented in an original way, and they, together with the appropriate research methodology, correct citations of sources and final literature, link to a meaningful whole. The title of the monograph also clearly summarizes the topics of the themes that are redirected to both the communication field and other related business areas. In the monograph, authors dedicate their scientific knowledge to a clear whole and offer an acceptable synthesis of the usefulness of the results of their findings and research in this segment. In particular, the present monograph is well rounded up by individual examples of good practices that present research results also in the real environment.

### 3 Research profiles

All 13 chapters of the monograph purposefully upgrade and linking business with communication. The monograph consists of 13 chapters - scientific and professional articles - written by a total of 25 authors. Apart from two chapters, researchers and lecturers from all three countries participated in all chapters of the monograph. The chapters are arranged in such a way that the reader is first introduced into the basics of entrepreneurship and business, leadership, innovative management and teamwork in the global environment of global society.

The first link between business, business strategies and communication, which is indicated by the longitudinal research of the European Communication Monitor as one of the major challenges, are sought by the authors in the communication of corporate governance and corporate social responsibility, with emphasis on stakeholder management as an important part of

communication management and at the same time realizing business strategies. The impact of globalization and new technologies on intercultural communication, which is becoming increasingly important in cross-border business, is actually a framework for further study of effective business communication in the world of chaos, integrated marketing communication and omnichannel marketing, digital marketing, the use of big data with digital transformation and understanding of the use of analytics big data in the storytelling process. This part of the monograph makes a rational round of the chapter on the methodology and ethics of applied research with a clear overview of the use of research in business.

The last four chapters present a theoretical and empirical analysis of the employers' needs for the "soft skills" of their employees (the survey was carried out in six countries), which was the basis for designing and implementing an online education program in the e-PROFMAN project, financed by funds Erasmus+. With a critical overview of the theory and practice of intercultural communication among young experts and students, the monograph brings us into the world of mobility, international business and cooperation, which brings with it new challenges of intercultural communication and virtual mobility as a modern way with unblemished possibilities of lifelong education. The influence of increasingly online communication and virtual mobility in the business world contentively rounds up the connection between business, the implementation of business strategies, and the role of communication and other soft skills in the modern world. The last chapter is actually the evaluation report of the e-PROFMAN project implementation.

#### 4 Structure of the contributing authors

The monograph "*Linking business and communication: from a sparkle to a flame*" is the work of 25 authors, higher education teachers from three countries:

- from Macedonia (7 authors: Assoc. Prof. Dr. Ljupčo Efremov, Sen. Lect. Jelena Janevska, Assist. Prof. Dr. Meri Karanfilovska, Assoc. Prof. Dr. Dimitar Kovačevski, Assist. Prof. Dr. Žaneta Trajkoska, Assist. Prof. Dr. Marina Tuneva),
- from Slovenia (10 authors: Sen. Lect. Pedja Ašanin Gole, Sen. Lect. Natalie Cvikl Postružnik, Assist. Prof. Dr. Marko Divjak, Sen. Lect. Tanja Kocjan Stjepanović, Lect. Nuša Lazar, Assoc. Prof. Dr. Anita Maček, Assist. Prof. Dr. Marina Letonja, Lect. Nataša Ritonija, Sen. Lect. Iztok Sila, Jasna Suhadolc)

- and from Turkey (8 authors: Lect. Pinar Aslan, Prof. Dr. Pinar Eraslan-Yayınoğlu, Lect. Oğuz Kuş, Prof. Dr. Seda Mengü, Prof. Dr. Aydemir Okay, Prof. Dr. Ayla Okay, Assoc. Prof. Dr. Ayşegül Özbebek Tunç, Lect. Fatih Özkoyuncu).

The authors got to know each other and participated in the three years project financed by Erasmus + and in which they developed a one-year online education program for young people up to 35 years old in the fields of innovative management, entrepreneurship, leadership, business and strategic communication (“e-PROFMAN”).

## 5 Concluding remarks

The chapter in the monograph study business-social phenomena, all of which address the common theme of business and communication, the challenges that our society at the moment is facing. The contributions in the monograph are important as independent contributions for the development of the science in respective fields. The monograph as a whole is rounded up, effectively addressing many complex, interdependent business-social phenomena and processes. The monograph will surely serve as an interesting reading to various scientists and representatives of professional circles as a source of scientifically based research and conclusions drawn from them, as well as suggestions for action, and may also offer ideas for further research.

The content in the monograph certainly fulfills the criterion of didactic and research suitability, but it should be emphasized that the topic is very relevant and certainly deserves more attention in the current time.

It is interesting to read the monograph today, at the time of being published, but it will be interesting to read it later on, perhaps in the context of tracking changes in the actuality of social challenges over time.

Contributions in the monograph reflect very well the changes in the environment at the local, regional and global levels, in particular with regard to increasing the complexity of processes that require a multi- and interdisciplinary approach in business and communication.

Some contributions also reflect the fact that, due to the increased speed of technological change, society is becoming increasingly knowledge-based, where communication plays a key factor in the cultural, socio-economic and

sustainable development of individuals, communities and nations. Knowledge has become a fundamental source of economic competitiveness.

As the whole, the text I have reviewed is content-related and structured, up-to-date and understandable, transparent and convincingly written.

It is a text that can serve as a reference book for students, for stakeholders in business and communication area as well as for general and wider professional public.

Different methods of the scientific apparatus are used: the authors in the context summarize international studies from relevant fields at different levels. These are intertwined with previously performed original theoretical and empirical studies by participating authors, which are explanatory and affirmative in nature.

The monograph can be qualified a scientific one. It is a publication in which the problem of business and communication is dealt with systematically and comprehensively.

In particular, there is a noticeable fresh explanation of new concepts, links, and also dilemmas related to the processes of assessing causative effects.

Based on the contents of the monograph, the method of submitting the key parts of the content and in the light of the scientific and professional appropriateness of the arguments and explanations used by the authors, it can undoubtedly be ascertained that the peer-reviewed text is appropriate and consistent with the purposes of a scientific monograph.

April 27, 2018

Prof. Dr. Vito Bobek  
University of Applied Sciences FH Joanneum, Graz, Austria



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