

Editorial Foreword

Solmaz Filiz Karabag

This issue of Journal of Applied Economics and Business Research contains four research articles in varying areas of interest. In the first paper, Nicolette Lakemond, Kristina Säfsten, Glenn Johansson, Thomas Magnusson analyze how firms coordinate and manage geographically and organizationally separated production units, located in emerging countries, and product development units, located in a classical core country. They use three different cases, from two firms which have geographically and organizationally separated units, to understand the coordination and management strategies of these types of firms. The analysis reveals that not only product and process related factors but also organizational and geographical factors affect interface complexity. These findings demonstrate that the degree of firm's interface complexity will determine coordination and management strategies. When there is a high degree of interface complexity a firm predominantly uses knowledge integration logic, complemented with some measures of standardization in the interface between product development and production. On the other hand, when there is a low degree of interface complexity a firm prefers to employ a task partitioning logic complemented with some integration measures.

In the second paper of this issue, Yusuf I. Mugaloglu discusses financial exclusion which mostly small and medium size firms (SME) experience in the financial market in emerging economies. The discussion points out that firms experience financial exclusion when they have financial asymmetric, collateral and reliable, information about financial instruments which might be useful for its investment projects. As a result of that asymmetric information, firms cannot get access to bank credit or equity finance. Therefore SMEs solve these financial needs through being potential customers of informal financial institutions such as pawn brokers. After discussing the reasons and results of financial exclusion, the author offers a policy suggestion under the label "Multi-Layered Capital Markets".

In the third paper, Anders Steene documents the history of tourism education in Sweden, using a narrative approach. Dr. Steene, one of the first people who started tourism education in Sweden, makes sense of the world with how he experienced the process of tourism education development. His narrative approach displays past tourism education, how it is today and how it might be in the future. His paper extends not only our understanding of the slow development of tourism education but also the current and future challenges which it will encounter in Sweden. The paper ends by suggesting some tactics for tourism stakeholders in order for it to have a better position in the education arena in Sweden.

In the final paper, W. G. J Groenewegen and F. H. T. de Langen study critical success factors for the survival of startups based on radical innovation. The conceptual model of the paper is based on three factors: the uniqueness of the advantages of the innovation, the startup organization characteristics, and the personal characteristics of the entrepreneur. In this study, the survival of startups is operationalized in two ways: the growth in turnover and the growth in employment. The critical success factors are specified using several variables

such as having a business plan, starting capital, uniqueness of the advantages of the innovation, customer pro-activeness, multiple founders and a relevant social network. The results display that both a business plan and starting capital are positively related to start up growth in employment and in turnover, while the uniqueness of the advantages of the innovation, customer pro-activeness, multiple founders and a relevant social network are positively associated with growth in turnover but not with in employment.

I would like to thank you for your interest in JAEBR and sincerely hope that you will enjoy reading this issue.