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Editors

Mile Vasic, Naseem Abidi, Deepak Kalra, Ramakrishna Yanamandra

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Scientific conference
Business and Public Administration Forum
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Possibilities of ecotourism development in the Biosphere Reserve Poľana

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Abstract

Biosphere reserves are internationally recognized as model areas for the practical application of interdisciplinary knowledge to understand and maintain the relationship between man and nature and to coordinate change, including conflict prevention and biodiversity protection. Their role is even strengthened by the Agenda 2030, which declares the importance of the relationship between man and nature, including biodiversity protection. They are also a unique selling point because of their special value declared by the title world natural heritage of UNESCO.

Although the biosphere reserves include also the protected areas, the greater part of it is suitable for environmentally friendly activities. To the recommended ones belong the activities within ecotourism and rural tourism. These concepts in tourism development provide an opportunity to balance the number of tourists visiting the country, preservation of nature and the well-being of the local population. At the same time, it is based on the participatory governance of all relevant actors, mainly local community, tourists, entrepreneurs, public administration bodies to look for the optimal way of protection and sustainable tourism development for the next generations.

The aim of the paper is to identify the possibilities for the development of ecotourism in the Poľana biosphere reserve in the Slovak Republic based on the deep analysis of the territory and good practices of the foreign biosphere reserves. We suppose that the development of ecotourism can contribute not only to solving the socio-economic problems of the territory, but also to the transition of the regional economy to the path of sustainable development. It is based on the exploitation of all resources with target to balance the socio-economic activities satisfying the needs of stakeholders and uniqueness of the nature and its biodiversity, as well as cultural specifics of the territory.

The paper presents partial results of the project APVV-20-0108 Implementation of Agenda 2030 through biosphere reserves in the Slovak Republic.

Keywords

Biosphere reserves, ecotourism, sustainable development.

JEL classification:

L83, Q56, Z32

Introduction

The current global challenges and changes highlight the necessity to be smart in drawing limited resources not only in development activities but also in everyday life. Preserving the

biodiversity and its uniqueness is also one of the Sustainable Development Goals in Agenda 2030, which is interconnected with other 16 aims. Agenda 2030 is an internationally recognised action plan on how to shift the world onto a sustainable and resilient path which integrates people, plants and prosperity (UN, 2022). To fulfil the aims of Agenda 2030 the preference is given to all economic, social and environmental activities which are sustainable, environmentally friendly and inclusive based on the strong partnership of actors from different sectors. Biosphere reserves belong to places where this approach can be fully implemented. They are model territories based on the harmony of human and nature, and that is why social and economic development in this area must be properly managed and in accordance with the principles of sustainable development (Vitálišová, Vavrúšová, 2023, UNESCO 2017). In the paper, we pay attention to the development of biosphere reserve on the principles of ecotourism as a suitable way how to preserve the uniqueness of the territory but also strengthen its development function.

Ecotourism as a term appeared for the first time in 80s of 20th century reflecting the increasing interest in tourism development in natural areas. By Fennel (1999) and Bramwell, Lane (1993) it is a form of resource-based tourism oriented on the conservation and management of nature and cultural heritage enhancing the environmentally friendly activities with low impact and locally oriented, building awareness about nature and culture based on the unique experience. The development of the territory is based on cooperation and partnership with stakeholders, mainly local community, tourists, entrepreneurs, public administration bodies to look for the optimal way of maintaining and appreciation of the local resources with respect of their unique value.

Ecotourism is a suitable form of tourism for areas of natural protection. Even considering that not the whole territory of the biosphere reserve belongs to natural protection, ecotourism provides the tailored mix of activities that help to protect environment as well as maintain the well-being of the local people. The paper presents ecotourism as a part of the sustainable tourism development. The principles of sustainable development can be fully implemented in the case of biosphere reserves. It is declared by the Man and Biosphere programme, which is directly linked to the Agenda 2030 and is facilitated by the participatory governance in biosphere reserves to ensure acceptable and sustainable outcomes. (UNESCO, 2017).

By UNWTO (2002) the core of ecotourism is to provide the experience and to educate tourists in nature and cultural values. The experience is usually more authentic, original, organized individually or in small groups. The providers of services come from the territory, so they know it very well. All activities are implemented with respect to the natural and sociocultural environment. The locality benefits from the territory in a form of alternative employment, income opportunities for the local community, increasing awareness and promotion of the locality leading to better protection and maintenance of the natural and cultural heritage by responsible authorities.

The object of our research is the Poľana biosphere reserve. The aim of the paper is to identify the possibilities for the development of ecotourism in the Poľana biosphere reserve in the Slovak Republic based on the deep analysis of the territory and good practices of the foreign biosphere reserves.

The paper includes three main chapters. The first chapter defines ecotourism as a potential path of socioeconomic development in biosphere reserves based on the theoretical review. The second part characterized the methodology used. Subsequently, the paper presents the research results in a form of case study dealing with the Slovak biosphere reserve Poľana and its potential for ecotourism activities. In the last part of the paper, we formulate also some potential paths of its development in line with the principles of ecotourism.

The paper is an output of the project APVV-20-0108 Implementation of Agenda 2030 through biosphere reserves in the Slovak Republic.

1. Biosphere reserve as an object of ecotourism

The biosphere reserve is an internationally recognized territory within the framework of the UNESCO Man and the Biosphere (MAB) programme, consisting of terrestrial, marine, and coastal ecosystems and their combination. It is an area that is created primarily for the purpose of strengthening sustainable development and supporting local solutions to global challenges, through connecting and preserving biodiversity with its sustainable use and development. (UNESCO, 2022).

According to the UNESCO Technical guidelines for biosphere reserves (2021) the biosphere reserve is a tool to advance the well-being of human and nature; it is not merely a title or a synonym for nature conservation. It must be representative of their biogeographic region and of significant for biodiversity. It means that the territory has an outstanding value based on its biodiversity which is presented in the core area of biosphere reserve. The development of biosphere reserve is based on a participatory approach, so the local community and the environment should benefit from the status of biosphere reserve.

Each biosphere reserve consists of three zones. The first zone is a core zone, protected by legislation because of unique natural values, with the preference to preserve biodiversity and monitor little disturbed ecosystems. From the ecotourism point of view, the buffer and transition zones are important. The buffer zone where research and uses compatible ecological protection are allowed. It promotes a biological link that acts as a natural corridor between the nuclear zone and the transition zone. The third is a transition zone or zone of cooperation where sustainable resource use is practised by the local entities with the aim of supporting the socio-economic development. These activities also include ecotourism initiatives (Fabriciusová, Slávik, 2010; Vitálišová, Vaňová, Rojíková, 2022). They can partially contribute to all three function of biosphere reserves – conserving biodiversity and cultural diversity; sustainable economic development and logistic support (UNESCO, 2022).

Currently, UNESCO (2022) has recognised 738 biosphere reserves in 134 countries, including 22 transboundary sites all over the world, which are united in the world network of biosphere reserves.

Based on the research of the Canadian Commission for UNESCO, MAB National Committee Canada (2002) the ecotourism can be a suitable activity in the biosphere reserve, but its practical realization has to be responsible and ecologically conscious. For ecotourism, each zone of biosphere reserve provides different possibilities of development. The core area is a source of unique experience because of the untouched fauna and flora, the other two zones take advantage of it and complete the offer of the territory by other relevant tourism services. The ecotourism activities in biosphere reserve require a high level of knowledge and preparation from both leaders and participants that will give the ecotourists the emotional and inspirational stimulus that biosphere reserves can provide, and develop increased understanding and perspective so that they will take henceforth an active personal responsibility toward the natural environment.

From the biosphere reserve point of view, the ecotourism promotes and fosters environmentally conscious behaviour of visitors. It does not interfere negatively with the environment. The unique selling point of the ecotourism product is based on the exceptional value of nature and culture within the territory. Additional services are only a complementary part of the product. The experience as a result of ecotourism is authentic, in the real environment, biocentric, which means that it accepts the environment without possibilities of

modification. It assumes that the visitors will be educated and their expectation will be associated with new knowledge or appreciation (Butler, 1990).

Ecotourism activities in the biosphere reserve minimize physical, social, behavioural and psychological impacts on the destination and its community (OECD, 2018; Swarbrooke, 1999). To the specifics of ecotourism, also belong establishing the financial flows that contribute to maintaining the natural and cultural heritage as well as the financial support for local people and local businesses in the territory, which is why it can be seen as an enterprise-based strategy for biodiversity conservation, integrated conservation, and development projects (Kiss, 2004). It strengthens economic vitality (e. g. new services, new products, and innovations), development of infrastructure, and the construction of institutions on the ecological principle and new skills of local community within the territory (International Ecotourism Society, 2022). Furthermore, one of the key principles in ecotourism is the participation of stakeholders as well as in community-based tourism (CBT) (Luccetti, Font, 2013). Participation of local stakeholders and their ecological awareness is an integrated part of sustainable ecotourism concept (Vitálišová, Borseková, Blam, 2021). Moreover, to make ecotourism activities attractive, they take advantage of the unique nature, culture, atmosphere, people, habits, and their interactions. However, they have to respect the local community, its identity, and values.

The development of ecotourism is a long-term integrated planning process with wider economic, social, and environmental policy considerations within an overall sustainable development framework (WTO, 1998; Hall, 2008; Kahle-Piasecki, 2013). Sustainable tourism development tries to find balance in activities taking into account the traditional financial, social, and environmental aspects. By Bosak, 2016; Simpson, 2008; Edgell, 2006; Diamantis, 2018, to the main actors of sustainable ecotourism development belong tourists, local community, public administration authorities, service providers, tourist agencies, non-governmental organizations, various ecologically oriented groups, etc.

The offer of ecotourism activities in the territory as Poľana includes especially the various forms of education activities such as hiking and walking in nature with observation of fauna and flora; rural and cultural tourism activities, tours to the remains of the volcano, climbing, cycling, bird-watching rafting, kayaking, photo tourism, camping, self-improvement travel, in winter cross-country skiing, etc. (Kiper, 2013; CBI Ministry of Foreign Affairs, 2020).

2. Methodology

The aim of the paper is to identify the possibilities of ecotourism development in Poľana biosphere reserve in the Slovak Republic based on the deep analysis of the territory as well as good practices of the foreign biosphere reserves.

The main source of data are personal interviews with the manager of the Poľana biosphere reserve and local stakeholders (agricultural producers, state company Forests Slovakia, local mayors and entrepreneurs). These data are supplemented by statistical data on the tourism collected by the Slovak Statistical Office and the official information published on the websites of the Poľana biosphere reserve, municipalities belonging to the territory of the biosphere reserve and other relevant stakeholders. All information collected was used to assess the potential of the biosphere reserve territory for the development of ecotourism activities. To make data easily readable, we use the presentation in graphs and tables. Based on the results of the analysis and examples of foreign best practices, we formulate recommendations on how to strengthen the tourism development in the biosphere reserve.

3. Potential for the development of ecotourism in the Poľana biosphere reserve, in the Slovak Republic

In the Slovak Republic, there are four biosphere reserves. The object of our research – the Poľana biosphere reserve was declared as the second in the Slovak Republic. The Poľana biosphere reserve is located in central Slovakia. The Poľana Mt., recognized as a protected area in 1981 and 1990 it became also a member of the world network of the UNESCO Biosphere Reserves. The biosphere reserve is managed by the Protected Landscape Area Poľana headed by Ing. Vladimíra Fabriciusová, PhD. (director of The Protected Landscape Area Poľana). The location of Poľana in the Slovak Republic is presented in the Figure 1.

Figure 1: Location of the Poľana biosphere reserve



Source: <http://www.sodbtn.sk/obce>, cit. 3.2.2023

This large part of the biosphere reserve is created by a mountain landscape with a diverse topography, reflecting a complex geologic history of volcanic activity, faulting, and erosion. This territory with an area of 24,158.23 ha includes the core zone of 1,333 ha; the buffer zone of 7,930 ha; and the transition zone of 11,097 ha. The boundaries of the Poľana biosphere reserve reflect the natural borders of the mountain range. The territory of the Poľana biosphere reserve overlaps with four Central Slovak districts: Banská Bystrica, Zvolen, Brezno and Detva. It includes 13 cadastral territories - municipalities Detva, Dúbravy, Hriňová in Detva district; municipality Očová as part of the Zvolen district; municipalities Hrochoť, Ľubietová, Poniky, Povrazník as part of the Banská Bystrica district and Čierny Balog, Hronec, Sihla, Strelníky, Valaská in the Brezno district (Urban, 2016). The composition of the Poľana biosphere reserve by zones illustrates Figure 2.

Carpathian endemic species live here beetles, butterflies, reptiles, birds, as well as large predators including wolf (*Canis lupus*), Eurasian brown bear (*Ursus arctos arctos*) and lynx (*Lynx lynx*). Some of them are strictly protected, some are endangered. The avifauna is exceptionally rich. There are 174 species of birds in the area. Taking into account the occurrence of endangered and rare bird species, the Poľana has been recognised as the Important Bird Area of Slovakia.

The landscape of the biosphere reserve is unique, exceptional, and perfect for ecotourism. There are mosaics of small-block strip plowing, alternating with meadows and pastures on former fields, spanned by borders, in places overgrown with willows, brambles, and wild cherries. The area is typical of the agricultural activities realised by the traditional way (e. g. mowing with a hand scythe, sheep grazing). From the ethnological point of view, traditional settlements were made from wood and constructed in specific composition – house, haylofts, potato cellars, farm buildings. The unrepeatability character of the landscape is formed by the wooden painted crosses and preserved folk art traditions. It is closely connected with the specific folklore, traditions and habits of local community. This is also reflected in the characteristic form of settlements called “lazy”, the scattered settlements alone or in small groups in extravillan with agricultural and animal production for their own purposes (Beňušková, 2017). At the territory of biosphere reserves there are only three settlements, one recreation centre, several farm- and forest houses.

Currently, the area of biosphere reserve is characteristic of relatively low density of inhabitants, and it belongs to the least urbanised areas in Slovakia (1.96 inhabitants/km²) (Fabriciusová, Slamová, Jančura, 2015). The average age of the local community is relatively high, most of them are retired. Due to the lack of more advanced work possibilities, people commute to cities, usually the seats of districts. Today, 3,900 inhabitants live permanently in the Transition zone. The phenomenon of the last years is the withdrawal of young people from the territory due to better job opportunities especially in the western part of Slovakia.

Another demonstration of unique culture is reflected in the local costumes “kroj”, folklore groups, and traditions. Dances and songs from the territory are performed at the festival, which has been organized since 1966. The international festival of folklore and traditional folk culture – Folklore Festival Poľana is one of the most successful events in Slovakia. At festivals, people also like to return to their national roots through costumes that express their pride and love for this region. The history and culture are also reflected in the museums located in different parts of Poľana, e. g. in Očová in a form of craft yard, Podpolianske museum in Detva, House of Arts Arteska in Detva, Forestry OpenAir Museum Vydrovo etc.

The agriculture in Poľana is represented mainly by self-employed farmers, engaged in both plant and animal production. Most agricultural land is permanent grassland used for cattle breeding by self-employed farmers as well as agricultural cooperatives. However, the traditional agricultural practices disappeared due to inhabitants' withdrawal (Action plan of biosphere reserve Poľana, 2014; Fabriciusová, Slamová, Jančura, 2015). Because of this trend, the share of grass land in the territory has decreased twice during the last 50 years which is reflected also in increasing number of endangered spaces in fauna and flora (Gallayová, 2008).

Poľana as a “hiking destination” is promoted by various thematically oriented web portals that specify the suitable routes. Many educational trails and locations are also suitable for ecotourism (chkopolana.sopsr.sk). The educational trail Kyslinky – Poľana – Kyslinky is 11 km long and passes through protected areas such as the National Nature Reserve Zádňá Poľana, Nature Reserve pod Dudáš and National Natural Monument Vodopád Bystré. There is a 1 km long route in the Kalamárka Nature Reserve Educational Site. The Boky educational trail (Zvolen district) is 5.1 km long. The Mičinské travertine educational site (Banská Bystrica

district) is surrounded by travertine mounds. The educational trail through the Slatina valley (Zvolen district) is 6.5 km long. The Pustý hrad educational trail (Zvolen district) is 6.4 km long. Educational trail of The Forestry open-air museum in Vydrov (Brezno district) is 3.3 km long. Near the open-air museum is the National Nature Reserve Dobročský prales. Educational location Kráľická tisňava – Kráľický waterfall (Banská Bystrica district) it is situated in the Natural Monument Kráľická tiesňava. The educational trail to the Harmanecka cave (Banská Bystrica district) is 1.3 km long, it passes through the Harmanecka cave National Natural Monument. The educational trail to the National Nature Reserve Dobročský prales passes through the protective zone of the protected area. Many of them are suitable also as bike routes. There are a few places that are very popular for rock climbing (e. g. Kalamárka).

For hunters, there are some hunting grounds for red deer and large beasts and for fans of fishing, the local springs are very popular for types of salmon-trout fishes, which are characteristic of high level of water purity.

The challenges of the further development in the territory require new ways of further preservation of the unique values of the territory as well as its sustainability. One of the possible solutions could be the development of ecotourism initiatives. The development of ecotourism could contribute to solving the problems with the weak and unattractive job offers; agricultural land management, raising awareness of the territory, reducing unemployment through newly created places in new services offered to visitors, improving the skills of local people within the offered services, or increasing their standard of living.

As first steps, it is necessary to construct or reconstruct the tourism infrastructure. Because the borders of the biosphere reserve are natural and statistical data are available only for administrative units, we combine the data collected from municipalities and districts. But the data of the districts map the situation only partially, because the biosphere reserve does not cover them all.

The accessibility of the territory, mainly the cities, is relatively good by car, bus or train. The problem is the frequency of connections to the villages as well as to the starting points for tourists which should be fostered or realised during season by the shuttle bus.

Even the biosphere reserve offers a very varied offer within ecotourism based on the unique features of the territory, for tourists it is important to have the necessary services, e. g. accommodation, food options, and availability of information as well as access to and across the territory. The statistical data presented in Table 1 and 2 show the number of accommodation facilities in the municipalities and districts that are included at least partially in the biosphere reserves. The official number of accommodation facilities in municipalities belonging to the biosphere reserve is relatively low, but it is possible to identify many of private owners of apartments and cottages that offer them for renting without official registration.

Table 1: Number of accommodation facilities in municipalities in the Poľana biosphere reserve

District	Municipality	2018	2019	2020	2021
Banská Bystrica	Hrochoť	0	0	0	0
Banská Bystrica	Ľubietová	3	3	3	3
Banská Bystrica	Poniky	0	0	0	0
Detva	Detva	7	7	9	7
Detva	Hriňová	4	6	6	5
Brezno	Čierny Balog	6	8	7	9
Total		20	24	25	24

Source: Slovak Statistical Office, 2023.

The number of accommodation facilities in the districts that belong partially to the biosphere reserve is around 300 containing cca 12 000 beds.

Table 2: Accommodation facilities and their average price in the districts which partially cover the Poľana biosphere reserve

Year	2018	2019	2020	2021	2022 (to 31. 9.)
Number of accommodation facilities					
District of Banská Bystrica	122	144	130	134	150
District of Brezno	93	97	93	107	111
District of Detva	27	28	26	28	29
District of Zvolen	54	51	47	46	43
Total:	296	320	296	315	333
Total number of available bed places (including camping grounds)					
District of Banská Bystrica	4 178	4 980	4 487	4 241	7 409
District of Brezno	3 875	4 166	3 898	4 298	4 004
District of Detva	1 128	1 162	888	866	872
District of Zvolen	2 936	2 831	2 953	2 883	2 587
Total:	12 117	13 139	12 226	12 288	14 872
Average price for accommodation services (EUR)					
District of Banská Bystrica	24,2	25,5	26,30	21,5	28,2
District of Brezno	34	31,5		41,1	32
District of Detva	22,9	29,3		34,20	35,60
District of Zvolen	24,1	24,5		23,2	29,1
Average price in total:	26,30	27,70	26,30	30,00	31,23

Source: Slovak Statistical Office, 2023.

As we can see in Table 2, the lowest number of accommodation facilities is in the Detva district, the largest part of which belong to the biosphere reserve, but the average price is the highest. The orientation should be paid to look for alternative way of accommodations which are not so costly, is possible to establish also in the nature and are more in line with ecotourism principles, e. g. building camping places with the basic infrastructures or renting rural houses or rooms by residents.

The territory of Poľana is very famous for many local handmade crafts products as well as food products from milk, pork and beef meat, honey and bakery products. Local producers are marked with the regional mark Podpoľanie which is a guarantee of original production and quality. By this label, also a few restaurants are awarded in Detva and Kriváň.

Visitors can find information about the territory in a few info centers – directly in the territory of biosphere reserve in Hriňová, others in the district cities (Zvolen, Detva, Banská Bystrica, Brezno). In smaller municipalities, the tasks of info centres are usually realised by the municipal authority that is why also their accessibility is during working hours from 8 a.m. to 4 p. m. The possibilities of ecotourism as well as their promotion are mainly supported by the employees of the Protected Landscape Area Poľana through many events for the public and educational events for children and young people. There is no specific portal geared towards the promotion of Poľana as a “tourism destination” and the recognition of the title “biosphere reserve” is relatively low by residents as well as by tourists. Representatives from the Protected Landscape Area Poľana are very important coordinators of cooperation among local stakeholders. They implement the participative management approach in the development of

biosphere reserve based on regular meetings and projects with representatives of local municipalities, entrepreneurs, NGOs and citizens.

To sum up the potential for the development of ecotourism in the Poľana biosphere reserve, the weaknesses and strengths are the following:

Strengths	Weaknesses
fauna and flora of the territory culture, cultural identity, architecture, typical settlements educational trails local craft products local food products partnership within the territory, strong support of the employees of the Protected Landscape Area Poľana partnership within the local stakeholders localities for hunting and fishing	weak promotion of the territory weak awareness about the territory accessibility within the territory less eco-friendly accommodation premises forest management oriented on the profit lack of farmers using traditional way of land management withdrawal of young people from the territory and alienation of the population

Conclusion

The paper presents the Poľana biosphere reserve characterised by unique features of fauna and flora as a suitable object for ecotourism activities. Based on statistical data and conducted interviews with local stakeholders, we identified the weaknesses of the territory that could be solved by the development of ecotourism. The territory of Poľana fights with a few challenges such as withdrawal of young people, alienation of the population, loss of interest in traditional farming, etc. That is why the development of activities which are friendly to the unique nature, but also create the opportunities for locals to find new job, increase their revenues and their living standards, should be very welcomed. On the other hand, the ecotourism strategy can be implemented in the territory only with the acceptance of the local people, who value the protected area. Therefore, the participative governance of biosphere reserves is a key precondition for effective planning and development of biosphere reserves (Reed, Price, 2020). It is confirmed also by case studies from abroad, e. g. in Monviso Transboundary Biosphere Reserve in Italy (Mondino, Beery, 2019).

Even the territory has great potential, if it is not adequately promoted, no visitors come there to spend their holidays. The employees of the Protected Landscape Area Poľana perform promotional activities more or less as voluntary ones, which is reflected in the scope of activities. The educational promotion activities are also in the hands of the Protected Landscape Area Poľana in a form of workshops, conferences, special lessons for children at very high professional level. The promotion of the biosphere reserve as “ecotourism destination” should be done more systematically in cooperation and partnership with other local stakeholders, municipalities and Central Slovakia destination management organization. The inspiration in improving the awareness and information delivering can be a network of info points in the Julian Alps biosphere reserve. The premises of the centres are used for various educational activities, workshops, local community activities. They include also a souvenir and gift shop with local products. During the summer, tourists can buy here a Bohinj Card that includes free transport by bus (regular services throughout Bohinj throughout the card validity and organized services in high season in hop-on and hop-off buses, free taxi, train; parking; boat ride on Lake Bohinj) as well as free entrance tickets to various cultural attractions as churches, museums and other discounts. All discounts are provided with the aim of eliminating the carbon footprint and supporting public transport modes; to promote local producers and local cultural heritage.

The development of ecotourism should support local producers, especially in crafts and food products. The situation in agriculture in Poľana is complicated. There is a lot of

agricultural land, but there are not enough skilled workers or regular sales. The solution can be cooperation between local farmers, restaurants and schools. An inspiring example comes from France, from the Luberon Lure Biosphere Reserve in a project 'From the Farm to Your Canteen'. The project is geared towards the support of local producers and the consumption of local products within the territory of biosphere reserve, as well as the support of healthy lifestyle. From 2009, in local school cafeterias in 30 municipalities in biosphere reserve, the meals are prepared from local resources (meat, vegetables, fruits, etc.)

Moreover, close to the territory of Poľana, there are at least 2 high schools that deliver the study programmes in agriculture (Banská Bystrica, Rimavská Sobota) and based on the principles of dual education the students could be trained by self-employed farmers and agricultural cooperatives (Unesco, 2023).

Another opportunity for the residents is to offer accommodation for the tourists. With ecotourism alternative forms of accommodation are associated as camping places with tents or caravans. The territory of Poľana is specific by scattered settlements consisting of a few distant buildings. Due to the decline in agricultural production, many of them are no longer used. They could be reconstructed to the plain accommodation premises with some unique features or experience, such as sleeping on hay or sleeping “off” without electricity and mobile connections etc. Similar tourism infrastructure is developed in Altai, in Russia in a form of camp consisting of small cottages with common toilets and bathrooms for hiking tourists. In combination with local food products, it can bring the unique and original experience for potential visitors.

The research results revealed the great potential for the development of ecotourism in the Poľana biosphere reserve. The territory can offer a lot of unique subproducts and experience, but the priority is the support of the development by the residents, stakeholders, municipalities, which co-create the product of the territory.

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Regional quality marks as a competitive advantage of biosphere reserves

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Abstract

According to UNESCO, biosphere reserves are ‘learning places for sustainable development’. They are areas for testing interdisciplinary approaches to understanding and managing changes and interactions between social and ecological systems. They are places that provide local solutions to global challenges. Following these thoughts, we understand four components – economy, society, institutions, and environment as crucial for ensuring resilience and sustainable economic development of biosphere reserves. The basics for sustaining economic development of a territory is to strength its competitiveness.

The paper aims to research the utilization of regional quality mark as a potential source of competitive advantage of a biosphere reserve on the examples of international known regional quality marks and how this approach can be implemented in the Slovak biosphere reserves.

Regional quality mark represents unique high quality local agricultural, food, handicrafts products or services, those are result of activities of local craftsmen, food and agricultural producers and providers of accommodation and catering services. The role of regional quality mark is to present quality of region, its inhabitants, culture, traditions, and positive attitude to environment and mainly to promote and to support sale of unique regional products from local producers. The quality mark is represented by the logo for the products and services that have been certified as compliant with the standards of quality concerning the protection and conservation of the environment, nature, biodiversity, and cultural heritage. It also supports the product innovations in a form of local production offer, which could contribute to the development of business activities and the creation of new jobs.

The paper presents partial results of projects Implementation of Agenda 2030 through biosphere reserves in the Slovak Republic.

Keywords

Biosphere reserves, regional products, competitiveness advantage, development

JEL classification:

M21, Q56, R11, R58

Introduction

The sustainable development of territories, rural and urban areas has become a challenge in recent decades. In the times of globalisation, climate change, pandemic crisis is very important to create assumptions for resilient and lasting development. Globalization bears on competitiveness in all areas of economic and non-economic life (IMD 2023). Being able to compete successfully with other companies, organizations, regions or countries is necessary assumption for economic development. Countries with created competitive advantage will be able to maintain further development and sustainability.

Marketing, especially marketing of territories understands the competitive advantages of the region as the significant advantage of a specific preference, exceptional ability in quality or quantity, or how to use potential of the region, which has the region over its competitors, and which enables region to realize greater value than achieved competition in the same market. Knowledge and proper use of competitive advantage is an assumption for success of the region

in the market. Competitive advantage is the result of strategic management. Competitive advantage results from a specific and unique characteristic of the region, from choosing of markets and from the way of using regional potential. Specific, exceptional feature of the region is understood as a unique priority to the region, enabling it to achieve better results than its competitors. These may include attributes such as curiosity (something that differ the region in the opinion of customers from other areas), uniqueness (something difficult to imitate or to achieve) and utility (something that means for customers benefit) (Borseková, Petříková, Vaňová, 2012)

Development expresses the state of a particular territory not only in quantitative terms (related to economic growth) but especially in qualitative indicators (Maier, Tödting, 1997, In Vanová 2006). The term development is also associated with other attributes that characterise the angle of view, e.g., economic, social, regional, local development etc. (Vaňová, 2021). Local economic development is also affected by random events in the external environment, such as policy decisions of central government, bodies at international level (e. g. European Commission), development and situation in other regions within or outside the country, changes in global or national demand, unexpected major technical and technological changes, significant changes in domestic and global trade, mobility of capital, wars, epidemics, and the like. "These events can disrupt the territory's structure and provide opportunities for other competing activities" (Porter, 1998, p. 124).

In general, development can be understood as a long-term rise in endogenous capabilities based on the efficient use of internal resources and external conditions. 'Endogenous development is understood as local development, produced mainly by local impulses and grounded largely on local resources'. (OECD, 2019). The essence of endogenous development is the efficient use of internal resources, the maintenance of ecosystems and the sensitive creation of growth or development poles. Local development approaches focus on the strengthening of the self-help capacity of local actors, which is considered to be a precondition for establishing and sustaining local economic development (OECD, 2019).

Biosphere reserves (BREs) are a very specific kind of protected area with valuable and unique conditions, fauna, and flora. According to UNESCO "biosphere reserves are learning places for sustainable development. They are sites for testing interdisciplinary approaches to understanding and managing changes and interactions between social and ecological systems, including conflict prevention and management of biodiversity. They are places that provide local solutions to global challenges. Biosphere reserves include terrestrial, marine and coastal ecosystems. Each site promotes solutions reconciling the conservation of biodiversity with its sustainable use. Their status is internationally recognized" (UNESCO, 2023). Characteristic feature of BRs is that they involve local communities, and all stakeholders in planning and management of its development. At the territory of a BRE three main function are integrated. BREs are oriented on:

- Conservation of biodiversity and cultural diversity
- Economic development that is socio-culturally and environmentally sustainable
- Logistic support, underpinning development through research, monitoring, education and training (UNESCO, 2023)

These three functions are pursued through the Biosphere Reserves' three main zones (as seen on picture 1) – core area, buffer zone and transition area.

Picture 1: Main zones of Biosphere Reserve



Source: UNESCO (<https://en.unesco.org/biosphere/about>)

Core area represents a strictly protected zone that contributes to the conservation of landscapes, ecosystems, species, and genetic variation. Buffer zone surrounds or adjoins the core area(s) and is used for activities compatible with sound ecological practices that can reinforce scientific research, monitoring, training and education. Transition area is a place where communities foster socio-culturally and ecologically sustainable economic and human activities (UNESCO, 2023).

The paper aims to research the utilization of regional quality mark as a potential source of competitive advantage of a biosphere reserve on the examples of international known regional quality marks and how this approach can be implemented in the Slovak biosphere reserves. On the basis of three chosen BREs from Switzerland, Turkey and Slovenia we have found positive examples how to manage the territory of a BRE with the aim to assure a sustainable source of income for inhabitants in line with protection of unique environment and biodiversity of its territory.

1. Biosphere reserves in the Slovak Republic

The territory of Slovakia is rich on beautiful and protected areas. In the Slovak Republic there are located four BREs (for location see picture 2) namely: Poľana Biosphere Reserve, Slovak Karst Biosphere Reserve, Tatra Biosphere Reserve and East Carpathian Biosphere Reserve. The territory of Tatra Biosphere Reserve covers two national parks on each side of the political boundary between Poland and Slovakia. East Carpathian Biosphere Reserve is a transboundary mountain reserve stretching across Poland, Slovakia and Ukraine.

Picture 2 Location of biosphere reserves in Slovakia



Source: Štátna ochrana prírody

The Poľana Biosphere Reserve is situated in the central part of Slovakia. It contains the highest volcano mountain in Slovakia. A unique geological and geomorphological character of this area is a result of volcanic activity in the period 13 – 15 million years back. Forests cover nearly 85 % of the area. Typical fauna of the biosphere reserve includes large beech forests, fir-

beech forests and hillside forest communities. In this area, horses and traditional agricultural tools are still used for agricultural work. The specific architecture and culture of the territory is formed by the traditional wooden houses, haylofts, potato cellars, wooden painted crosses. The territory around Poľana, known as Podpoľanie, is very famous for its preserved traditions of folk art and traditional folk festival in Detva. From the administrative point of view, the territory covers partially the districts of Banská Bystrica, Zvolen, Brezno and Detva. For the territory of BR is typical rare settlement and only very few people have their permanent address there (as seen in table 1).

The Tatra Biosphere Reserve is situated in the northern part of the Slovak Republic. It is a transboundary BRE consisting of two national parks - the Tatras National Park (TANAP) in Slovakia and the Tatras National Park –Tatrzański Park Narodowy (TPN) in Poland. The character of fauna and flora in the territory reflects its high mountain level. The Tatra BR encompasses Eastern Tatras, Western Tatras, Undretatra’s basin and furrow. The territory is characteristic also by preserved features of traditional folk culture a folklore. They also differ significantly from neighboring regions in Poland and Slovakia. Traditional use of Tatras BR land is agriculture and forestry and from the 19th century also tourism. During the season, 3.5 - 4 million tourists visit this territory.

The East Carpathian Biosphere Reserve, as a first trilateral biosphere reserve in the world, is situated in eastern part of Slovakia and covers the area of administrative boundaries of three European countries – National Park Poloninas (Slovakia), Bieščad National Park (Poland) and Užansk National Park (Ukraine). The location of the BR at the junction of the East and West Carpathians is mirrored by a unique range of fauna and flora species and communities. The well-preserved vegetation-beech forests, cut meadows, pastures, and special mountain meadows “poloninas” – predetermines the natural diversity of biocenoses. Almost 90 % of the whole BRs’ territory are covered with forests - mainly virgin forests and more than half of the forests of the BR are in private. Forestry is the dominant economic activity and primarily providing opportunities for low-skilled jobs. Typical feature of the BRE is decreasing number of inhabitants due to lack of working opportunities.

The Slovak Karst Biosphere Reserve is the largest karst area of the plateau type in Central Europe. It is situated in the southeastern part of Slovakia, at the border with Hungary. A karst landscape is characterized by its relief and bedrock, as well as special hydrology. There are 1300 caves, which since 1995, together with the caves of the Aggtelek Karst in Hungary, have been included in the UNESCO World Heritage List. Its flora is one of the richest in Central Europe. The region has an industrial-rural character and more people are employed in agriculture than industry. The density of settlement is relatively low, the territory belongs to the economically weakest districts in Slovakia with highest unemployment rate (up to 16, 69 % in December 2022) On the plateau, forestry is predominant, with some agriculture. Settlements and related economic activities are concentrated in the basins and river valleys. Table 1 sums up the basic information about the Slovak biosphere reserves.

Table 1: Basic information about Slovak biosphere reserves

Biosphere reserve	Established	Size of territory	Inhabitants
Slovak Karst Biosphere Reserve	1977	74 500 ha	47 900
Polana Biosphere Reserve	1990	24 158 ha	400
Tatra Biosphere Reserve	1992	113 221 ha	40 000
East Carpathian Biosphere Reserve	1998	208 076 ha	2 424

Source: elaborated according to <https://en.unesco.org/biosphere/eu-na#slovakia> and <https://www.sopsr.sk/web/?cl=1600>

Nowadays managements of Slovak BREs are oriented mostly on the protective function that means on conservation of biodiversity. The reason is that Slovak legal enactments have been oriented on protection of the environment and the legislation make it more difficult to start development activities oriented on utilisation of the BREs' territory. Without any change in the legislation this could cause further backwardness of BREs. Exception represents the management of Poľana BRE, which is oriented on cooperation with stakeholders in the BRE and understands the opportunity for local economy that offers the territory of Poľana BRE. One of challenges that management of Poľana BRE faces is low awareness among both locals and visitors (personal communication with deputy of Lesy SR, November 2022).

2. Regional quality mark an opportunity for development of biosphere reserve

Qualification labels are market mechanisms, information signals employed by producers to stimulate favourable consumer responses, particularly when consumers are faced with choosing between products within the same category (Cochoy, 2004). Qualification also offers consistent quality guarantees to consumers, leading to repeat purchasing and development of a good reputation. According to Moran, 1993 and Allaire et al., 2005 specification and labelling of a product raises its market profile and distinguishes it from competing items. (In: Tregear, A., et al. 2007).

Regional quality mark represents a system of graphic designation of regional products, services and events. Each product or service, labelled with a regional brand, promotes not only the creator, producer or provider itself, but also the territory in which it was generated, thus forming its overall identity. Regional labelling is a way of building the regional identity, promotion and visibility of regions as well to promote their economic, cultural and social development.

Regional products are considered an important element of European cultural identity, contributing to the development and sustainability of rural areas. The European Union has been involved in regional product labelling since the early 1990s. At present, examples of the local or regional branding of various, usually agricultural products can be found in almost all European countries. (Jad'ud'ová et al., 2022).

Growing demand for products with a known origin and guaranteed quality is a natural response to the globalization of production and supply. Regional labelling should provide extensive information to consumers, not only information about the origin of the product. Producers must consider the characteristics of consumers and they must also pay attention to their demographics, socio-economic status, cultural traits, personality, and attitudes. Consumers buy products based on credibility and references. Regional quality mark (regional product labelling) is one of the options how to promote the sustainable development of a certain region, as it is aimed at local entrepreneurs, and thus at supporting the social, cultural, and environmental development of the local economy.

The sale of local quality products is an opportunity for local entrepreneurs to earn more money and moreover less money ends up in international companies. Regional quality products foster local producers of products and services, initiate creation of new jobs, increases the volume of (local) taxes investments in the territory and crates basis for strengthening tourism. Following the principles of endogenous development theories (Šofrancová, 2008), regional products represent potentially fruitful resources for development as they can incorporate and valorise many local assets with special or immobile characteristics linked to the local economic development and territory.

According to Bryden (1998), and his idea of potentials of immobile resources for creating competitive advantages in rural areas, regional quality products are a part of immobile

resources. Bryden regards social capital, cultural capital, environmental capital and local knowledge capital as four parts of immobile resources. Brands of regional products are built on tradition, encompassing habits of manufacturing and consumption and they are based on the localization of production processes and the origin of raw materials (In: Terluin, 2003). Regional quality marks incorporated all components of regional immobile resources and enables their appreciation and activation.

Slovak Republic has not a long tradition in labeling regional quality products. This initiative has started within implementation of the LEADER programme principles after the year 2010. Nowadays 17 regional quality marks are established in the Slovak Republic. Key actors in this process are usually local action groups (non-profit organisations representing entities from public, private, civic, and non-profit sectors), regional tourism organization, regional government, or civic associations. Those institutions are responsible for setting the criteria for granting the label of a regional quality product and for the whole evaluation process. Local actions groups are associated in The National Network of Slovak Local Action Groups which covers the national level of coordination and promotion or regional quality products labelling.

For regional products a uniform logotype design of labelling local products and services in Slovakia has been chosen and minimum principles of regional product or service certification, which will be respected in every acceding region, have been adopted. Besides these, each region takes into account its specificities and uniqueness in its principles (Regionálne značenie na Slovensku). Only agricultural and food products, artisanal products made in the area of the given region and accommodation and catering services provided in the given area are entitled to obtain the label regional product. The interested businesses (producers and service providers) must also meet the conditions for granting the label of regional product set by the coordinator of regional product brands and comply with the general principles of the brand and region (for details see Table 2).

Table 2 Criteria for granting the label of a regional quality product in Slovakia

PRODUCTS AND GOODS	
Basic criteria	Criteria of uniqueness
Producer with address of production place in the region	Tradition of production of a subject
Meeting ethical principles and positive relationship with the environment	Using local raw materials
Products/goods of a standard quality	Proportion of (artisanal) handwork
Product does not harm the environment	Product uniqueness and originality
ACCOMMODATION AND CATERING SERVICES	
Basic criteria	Criteria of uniqueness
Location of service provision in the region	High quality of provided services
Meeting ethical principles and positive relationship with the environment	Environmentally friendly behaviour
Service provision of a standard quality	Uniqueness of the facility in relation to the region
SERVICES AND PRODUCTS OF TOURISM	
Basic criteria	Criteria of uniqueness
Service is provided within the region's territory	High quality of provided services
Meeting ethical principles	Positive relationship to the environment
Service provision of a standard quality	Uniqueness in relation to the region

Source: Melišová (2017)

In the territory of each Slovak BRE one regional quality product has been granted (for details see the table 3). In the Poľana BRE regional quality product Podpol'anie was established in 2011 and nowadays more than 40 (physical or legal) persons can use the quality mark mostly oriented on craft products and food. Regional quality product Podpol'anie is one of the oldest

regional quality products in Slovakia. The subject responsible for Regional product Podpoľanie is Local action group Podpoľanie (civic association). Thank to good relations of Local action group Podpoľanie with the management of Poľana BRE, they coordinate their activities and they have been trying to support local businesses and to keep traditions and traditional habits and cultural heritage of the Poľana BRE.

In the territory of Slovak Karst BRE regional quality product Karsticum was introduced in the year 2011. This regional product comprises producers and sellers in the territories of the Slovak Republic and Hungary. In the Slovak Republic it covers the districts of Rožňava, Spišská Nová Ves, Gelnica, Košice okolie. More than 40 products are labelled as regional product Karsticum. For management of Slovak Karst BRE is typical emphasis on protective function of BRE and protection of environment. In this BRE there is a huge potential for wide utilization of Karsticum regional quality product, what can help this region to foster it socio-economic activity and to reduce high unemployment rate (district Rožňava). For logo of Karsticum regional product see table 3.

In the territory of Tatry BRE regional quality mark Product Liptov was established only in the year 2021. The Product of Liptov is one of the youngest regional quality marks in Slovakia. So far 12 products have been labelled mostly oriented of food products and craft products. The body responsible for regional quality mark Product Liptov is Board comprising of deputies from Regional Organization for tourism, Tourism association, Local action group Horný Liptov and Local action group Dolný Liptov. The territory of Tatry BRE is one of the most visited territories by tourist in Slovakia.

In the East Carpathian BRE regional quality mark Poloniny - real quality was established in 2020 with the aim to support sustainable development of the region and more responsible utilization of local potential. So far 14 products have been labelled with this quality mark, most of them are oriented on providing experiences in the BRE and traditional food typical for this part of Slovakia. The committee responsible for regional quality mark Poloniny real quality comprised of deputies from Regional organization for tourism Horný Zemplín and Horný Šariš, town of Snina, Slovak bee-keepers association, National Park Poloniny and non-profit organizations. Basic information about regional quality marks established in Slovak BRE presents table 3.

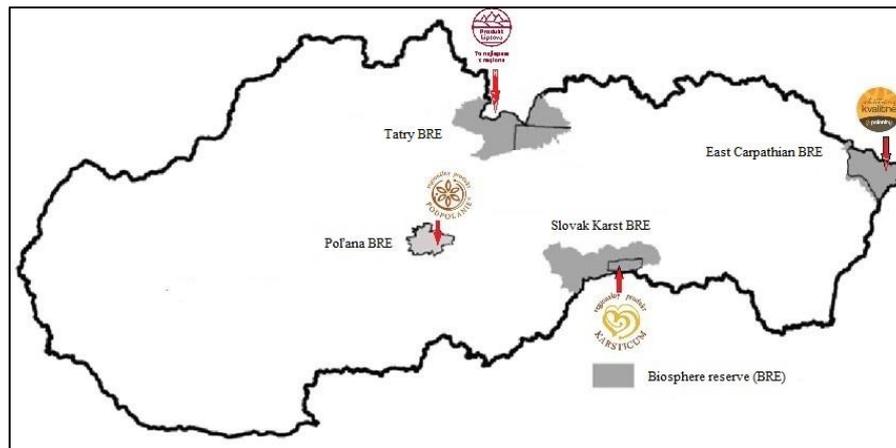
Table 3 Basic information about regional quality marks

Regional quality mark	Biosphere reserve			
	Poľana Biosphere Reserve	Slovak Karst Biosphere Reserve	Tatry Biosphere Reserve	East Carpathians Biosphere Reserve
Year of regional quality mark establishment	2011	2011	2021	2020
Name of the regional quality mark	Podpoľanie	KARSTICUM ®	Product Liptov	Poloniny real quality
Number or products labelled as regional quality mark	43	48	12	14
Logo of the regional quality mark				

Source: own research

It is important to mention, that regional quality marks were not established from the initiative managements of Slovak BREs. It was initiative of nonprofit organizations mostly local action group to activate local producers and to foster their activity as well as to save and develop regional culture and traditions. Despite of quiet long existence, Slovak BREs are not consider as a place that can provide sustainable development for inhabitants and whole communities, because they have not had the possibility. Their existence was primary oriented on conservation of unique environment and not on supporting socio-economic development. From this reason we present in following text examples of three successful BRE that will be used as a best practice for Slovak BREs in order to create competitive advantage.

Picture 3 Location of regional quality mark according to biosphere reserve



Source: own elaboration

3. Regional quality product in biosphere reserves – best practice examples

We can find several appropriate examples of BRE, which meet the philosophy set by the UNESCO in the Man and Biosphere program and that is “biosphere reserves are learning places for sustainable development” We chose three biosphere reserves: Entlebuch Biosphere reserve in Switzerland, The Julian Alps Biosphere Reserve in Slovenia and Camili Biosphere reserve in Turkey.

3.1. Entlebuch Biosphere Reserve

Entlebuch was designated by UNESCO as the first BRE in Switzerland in 2001. Within the worldwide network of biosphere reserves, Entlebuch represents pre-Alpine moorland and karst landscapes. The area over 400 square kilometres located between Lucerne, Berne, and Interlaken offers peat bogs and raised bogs, alluvial and riverine forests, unspoilt moorlands, idyllic Alpine pastures, and complete cave systems, such as the Schratzenfluh and the Napf area. The population of BRE reaches approximately 17 000 people. For inhabitants is characteristic a highly participative approach, that enables to build rich offer of tourist and cultural activities in line with principles of sustainable development and considering the unique nature protection in the BRE. The territory of BRE Entlebuch is not only peace and relaxation in unspoilt nature, but it also offers a wide range of leisure activities. There is a choice including the energy and fairy-tale trails, Kneipp facilities, mud baths, satellite-guided hiking and field trips. Even from a historical and cultural point of view, the region has much to offer - the ancient craft of charcoal burning in Romoos and the pilgrimage site of Heiligkreuz are just highlights of a visit to the largest book in the world (<https://en.unesco.org/biosphere/eu-na/entlebuch>)

The core aim of the Entlebuch BRE management was to raise its regional value. The Entlebuch BRE provides successful business model through the regional quality mark Echt

Entlebuch. The quality mark, which is owned by the UNESCO Biosphere Entlebuch municipal association, managed and overseen by the Branding Commission was introduced in 2001, which means more than 20 years of experience with managing and improving regional quality product. Initially the emphasis was on milk; alongside dairy products, meat processed in the region and various other specialities formed the first range of Echt Entlebuch products. Since then, the range has grown steadily larger. Today, more than 500 products are certified. Every 'Echt Entlebuch' producer commits to working hard and follow the rules and principles of the 'Echt Entlebuch' product. (<https://www.biosphaere.ch/en/unesco-biosphere-a-z/regional-products/the-echt-entlebuch-brand/>). According to a study made by Knaus, Ketterer Bonnelame, Siegrist, (2017) regional product in Entlebuch BRE contributed to the regional economy in the amount of 5.8 million US (measured using Gross added value method). This represents twice the yearly budget of the BRE and underline the high return on investment of well-managed protected area.

3.2. The Julian Alps Biosphere Reserve

The Julian Alps BRE is the first BRE in Slovenia. It includes the Julian Alps and the Triglav national park, the only national park in Slovenia. The Julian Alps Biosphere Reserve spans three administrative units: Tolmin, Radovljica, and Jesenice. It covers about 10 percent of Slovenia's territory. The programme also includes the transboundary cooperation with Italian Natural park Prealpi Giulie (<https://www.tnp.si/en/home-2/balance-between-people-and-nature/>). To promote the uniqueness of the territory embodied in the local product the regional quality mark was created. It is managed by the Triglav National Park. Triglav National Park Quality Mark is a proof of quality, tradition and sustainable practices. The TNP Quality Mark is awarded to providers who make and sell food and products that are organically grown or carry a protected designation of origin, and crafts products based on traditional methods and recipes. In the field of hospitality sector TNP Quality Mark is a symbol of achieving excellence in environmental protection as a part of sustainable tourism. It is provided also to the other personal or public services in the municipalities of Triglav National Park. Providers who have obtained the Triglav National Park Quality Mark are easily recognisable from the logo. The logo can be used for products and services that have been certified as compliant with the standards of quality concerning the protection and conservation of the environment, nature, biodiversity and cultural heritage. The Triglav National Park promotes also the golden projects within the territory. On the official website of the Triglav National Park Quality Mark is available the whole database of the awarded producers or services providers where the visitors can find all necessary information about them including their localisation in the park. The inspiration can be identified in the providing the Quality Mark also to schools that are included in the Community of Schools of the Julian Alps Biosphere Reserve with public recognition for their dedication and active involvement in the protection of natural and cultural heritage, promotion of the principles and values stated in the Statute of the Community of Schools, as well as proactivity in strengthening the identity of the Community of Schools. (<https://www.tnp-kakovost.si/en/>)

3.3. The Camili Biosphere reserve

Another example is the Camili Biosphere reserve in Turkey, which is included to the World Biosphere Reserves Network by UNESCO in 2005. It is located in the north-eastern part of Turkey, on the border with Georgia. Camili Biosphere Reserve contains a wide variety of species and natural ecosystems linked across a considerable range of altitudes (350 m -3 500 m). From the agricultural products, beekeeping and honey production (the bees in the basin belongs to the highly productive Caucasian bee race which it is one of three most important bee

ances in the world) is very popular. Approximate 200 households occupy with beekeeping and 30 tons of honey is produced per year. Annual average income for the region is about 1 500 00 US Dollars. 5000 Caucasus queen bees are produced and supplied to the markets and annually 175 000 US Dollars is generated for income in the basin. Nearly each family in the basin has a farm for producing beans, cabbage, and other vegetables. The important product is also hazelnut. It is specially sought and demanded by the markets for its quality and taste. A total of approximately 400 tons of hazelnuts is produced per year in the basin and average 1 250 000 US Dollars are generated per year (Ertürk, 2014).

In 2010, based on the long tradition of home-made products, the management of biosphere reserve implemented a project Camili Biosphere Reserve Local Products Certification Project to create a trademark – organic product certificate for local producers. The local beneficiaries were trained about the organic agriculture and certification system, and 32 of them deserved to obtain the certificate. The guaranty mark was obtained from the Turkish Patent Institute. The use of rights of the logo and name was given to the Camili Basin Village Association by the Ministry without any charge in 2011. In recent years, beekeeping has become a major source for revenue and employment in the basin and it is moving towards a well-known and the best quality trademark in the sector (Ertürk, 2014).

Discussion

From our research comes out, that the understanding of BRE as a place for sustainable development differs in various countries. In Slovakia BREs have been seen as places oriented on protection and conservation of environment. This approach limits the utilization of their potential and causes several difficulties in the territories. For example, East Carpathian BRE suffers under decrease of inhabitants, Slovak Karst BRE belongs to the economically weakest regions in Slovakia with the unemployment above 16, 16 % (December 2022), what means that this region do not utilize the potential in appropriate way. Only Tatry BRE belongs to tourist most visited regions in Slovakia.

For successful fulfilment basic BREs' functions defined by UNESCO (Man and the Biosphere) it is necessary to involve inhabitants and all stakeholders into the planning and practice of development process. According to Terluin (2003) partnerships and institutional networks of local, regional, and national authorities and other stakeholders are seen as the main tools in the process of mobilising of endogenous potential and achieving sustainable development and competitive advantage. Example from Entlebuch BRE confirms Terluin's opinion and shows that active participation of stakeholders is crucial precondition to achieve sustainable socio-economic development.

The managements of BREs in Slovakia is facing low awareness of contributions of BRE for local economy among stakeholders and mostly inhabitants living in BREs. This negative situation could be solved using clear communication strategy targeted at specific groups to explain them the essence and advantages of living in the BRE and what positive effects it could have on local economy and their lives. Example of Julian Alps BRE shows that schools are suitable places where to educate not only children, but secondary whole families about the philosophy and importance of BREs and regional quality products. This approach can be used even in Slovakia to improve the awareness of Slovak BREs.

The competitive advantage of the region is an important starting point for taking a position on the market because it makes region more attractive. It is often the basis for the setting of marketing objectives. The superiority over the competition became the basis of marketing strategies that are not aimed only at the customer satisfaction. Marketing concept argues if the regions want to be successful, they must provide the greater value to the customer

as competitors offer (Saloner, Shepard, Podolny 2001). This value in case of the biosphere reserves can be reflected not only in the unique territory but also in the high-quality local products awarded by the regional quality mark. Jaďud'ová, Rezníček (2012) identified some theoretical and practical benefits of regional quality product. According to them, the theoretical benefits include the satisfaction of the local community and producers of regional products with the quality of their living standards. The practical benefits include the possibility of easier access to the local labour market and an increase in the economic level of the region (In: Jaďud'ová et al. 2022).

Adding value to local food through product certification promotes development by local people so they can save traditional production processes and pass it on to the next generation as a local brand. Regional products in BREs also contribute to the development of sustainable rural tourism through offering unique experiences typical for certain territory (example from Julian Alps BRE). Regarding local residents, a regional quality product can strengthen solidarity with the region and encourage public participation in different types of development in the region and mediate contacts between producers and other local participants. The regional quality products become important to bridge producers and consumers, they can **offer** consumers, residents and visitors **a quality product** they can give as a gift, take home as a souvenir from holiday or use to bring the flavour of the territory to their kitchen.

Example from Switzerland, Turkey show, that regional quality products could contribute to ensuring of sustainable development and creating competitive advantage for BREs. In Switzerland Entlebuch regional products contributed to the regional economy with a sum that was twice as big as the yearly budget of Entlebuch BRE. This concept how to measure impact of regional quality product on regional economy has very limited application in Slovakia due to lack of necessary statistical data. Moreover, the example the Camili BRE shows that even agriculture in line with nature protection can bring an adequate income for inhabitants as well as develop traditions. Example from Julian Alps BRE is very inspiring because the idea of awarding schools with quality mark could be a good start how to educate local communities in Slovakia.

According to Bryden (1998) the competitive advantage of rural areas should be based on immobile resources, which are not open for competition. These immobile resources comprise the following four types: social capital, cultural capital, environmental capital and local knowledge capital (In: Terluin, 2003). Regional quality products and the whole philosophy of sustainable development in line with protection of environment are part of social capital, cultural capital, environmental and local knowledge of the BRE. Consequently, it creates a good assumption, that regional quality products could co-create competitive advantage of BRE.

Conclusion

It is a long-term process to enable people to understand the principles of regional branding, but we understand it as a good start how to promote endogenous resources in order to achieve further competitiveness of BREs. According to examples from Switzerland, Turkey and Slovenia we state that well managed BRE can achieve sustainable development together with protection and conservation of the environmental values.

Regional quality products and the whole philosophy of sustainable development in line with protection of environment are part of social capital, cultural capital, environmental and local knowledge of the BRE. Consequently, it creates a good assumption, that regional quality products could co-create competitive advantage of BRE. To achieve this it is necessary to change the understanding of functions of BREs in Slovakia. It is important to educate and involve stakeholders into the planning and practice of development process. Clear

communication strategy together with education could strengthen the low awareness of BRE in Slovakia. Crucial assumption for all the activities is political support and the willingness to change legal enactments.

The paper presents partial results of projects Implementation of Agenda 2030 through biosphere reserves in the Slovak Republic.

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Leadership Style and Motivation of Care Workers: the Case of Health Networks in France

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Abstract

The Covid19 pandemic has shown that the ingenuity of care workers has been pivotal in helping keep the health organizations afloat in France. This is not new and we have seen it many times in previous health or social crises, where the ingenuity of care workers has contributed to ensure rapid care. The Covid19 pandemic has merely confirmed it once again. In this paper, we seek to understand what motivates care workers in their jobs to come up with ingenious solutions and get around problems encountered and the factors that smash their motivation and inventiveness to deal with problems. In particular, we seek to understand whether their involvement in strategic decision-making in healthcare organizations could affect their motivation. The aim is to understand how the leadership style of executives in health authorities and healthcare networks can affect the motivation of health workers.

To explore this question, we examine the case of health networks in France that have undergone successive restructurings initiated by the health authorities and we are particularly interested in the motivation of care workers working within health networks during these restructurings. We develop a theoretical framework around the leadership style and its impact on the motivation of actors in organizations. We seek to provide recommendations regarding the leadership style that would be most conducive to improving the motivation of care workers in French healthcare organizations.

Keywords

Motivation, healthcare, network, care workers, leadership

JEL classification

L3, L2, J2, J5, M1.

Introduction

The field of health care in France, and in particular hospitals, has undergone numerous reforms over the last few decades with a view to modernizing the public service. The chronic shortage of financial and human resources, the need for comprehensive and multidisciplinary management for complex medical cases, combined with an increasing diversity of management protocols, make it necessary to carry out profound transformations in healthcare field. The health crisis linked to Covid-19 has further demonstrated, amplified and highlighted this.

Faced with these multiple challenges, the public authorities regularly carry out restructuring movements aimed at rationalizing health expenditure and the supply of care. These are a source of profound organizational changes. Admittedly, whether they result in success or failure, changes are inherent to the evolution of an organization and remain 'varied, numerous, increasingly complex, leading to multidimensional effects' (Bareil, 2008); giving

rise to numerous psychological states and reactions from the actors (Philip de Saint Julien, 2018). Indeed, public authorities rely on rigid regulatory and normative frameworks and adopt a top-down approach, while taking into consideration the constraints of economic performance, and while dealing with professional and institutional silos specific to health organizations. This makes it difficult to adopt changes designed unilaterally by health authorities and imposed on health organizations and care workers.

A number of studies and writings have been published over the past thirty years, denouncing the negative impact of the so-called "top-down" approach adopted historically by the institutional authorities in France. But despite decades of scientific production advocating collective action to reshape the field of healthcare, and despite attempts to do so by decision-making authorities, these same issues remain relevant. The field of healthcare is facing a "disenchantment" of the different actors, on both patients and care workers part, characterized by a deterioration in working conditions, a continuous reduction in the supply of care, and a constant tension in the hospital system. Also characterized by a strong and specific identity dimension (Sainsaulieu, 1977, 2019), the actors in the healthcare field, particularly the nursing staff, are experiencing greater uncertainty and professional stress; they are subject to injunctions that are 'increasingly paradoxical between the imperatives of management and the imperatives of care, in an increasingly reticular organization that results in multiple bricolages' (Bourret, 2008); they encounter role ambiguities and role conflicts (Kahn et al., 1964). The care worker is thus the 'secant marginal' (Crozier & Friedberg, 1977), the actor involved in several systems of action, interacting with each other.

In this article, we question the design of change projects initiated by public authorities in the French healthcare field, the leadership style that accompanies their deployment, as well as the motivation of care workers to adopt it in healthcare organizations. We are particularly interested in health networks in France. We focus on the behavior of care workers in health networks during the deployment of restructurings initiated by the health authorities. We try to understand what motivates them in their work to find ingenious solutions and work around the problems encountered and the factors that break down their motivation and inventiveness. In particular, we seek to understand whether their involvement in the design of the organizational changes they will be required to adopt might affect their motivation. The aim is to understand how the leadership style that accompanies the design and deployment of organizational change in the health field could improve the motivation of care workers and the action of health organizations?

To explore this issue, we begin by presenting the context of health networks in France, giving a brief overview of the multiple restructuring movements initiated by the public authorities and addressing the perceptions of health workers in health networks of these change projects. In the second part, we propose a theoretical framework on the interaction between leadership style and the motivation of actors.

1. The context of health networks in France

The origins of health networks in France go back to the beginning of the 20th century, when they were set up to treat tuberculosis patients. However, it was in the 1970s that we witnessed the birth of the first network organization between field workers and hospitals, as part of the reform of psychiatry which established sector psychiatric teams. At the beginning of the 1970s, gerontological networks aimed at keeping elderly people at home also appeared. Subsequently, the concept was extended to other pathologies such as AIDS, drug addiction, palliative care, oncology, perinatal care, diabetes, etc., hence the general term "health network". The health

network has an associative legal status (Law 1901). It is headed by a director and relies on a multidisciplinary team, including doctors, nurses, psychologists, and sometimes a social worker, etc., to ensure the coordination of care around the patient maintained at home. It supports the attending physician and constitutes a bridge between town medicine and hospital medicine. The health network thus makes up for a weakness in the French health system: the hospital-city link.

However, despite its proven usefulness, the health network has been at the heart of several successive restructuring projects since the 1990s aimed at modernizing the French health system, which is faced, on the one hand, with a shortage of public financial resources and, on the other hand, with the growing complexity of medical treatment and the shortage of specialized human resources. An official report published in 2012 recommended the pooling of single-theme health networks (particularly cancer, gerontology and palliative care) into a single multi-theme network. In 2016, the law n° 2016-41 of 26 January dedicated to the modernization of the French health system then created the complex pathway coordination mechanism known as the Territorial Support Platforms (“*Plateforme Territoriale d’Appui*”, PTA). This system is supposed to absorb all the territorial medical and medico-social coordination structures, including the health networks. Then the Coordination Support Facilities (“*Dispositif d’Appui à la Coordination*”, DAC) were created, with a view to absorbing the PTAs and all the structures linked to the coordination of care. This research focuses on the perceptions of field actors and care workers when the above-mentioned projects were initiated.

When the health authorities introduced the various restructuring projects mentioned above, a feeling of injunction was very frequently reported by care workers and attributed to several factors. While some care workers justified it by the concentration of financial resources for health structures in the hands of the Regional Health Agency, others explained it by the constant reduction of budgets allocated to health networks despite the increase in the number of patients being treated. Some others attributed it to the obligation to extend their territorial coverage and to move towards other themes, which was perceived as a devaluation of the specificities of the territories and themes. Some care workers consider that the health network reflects the needs of its territory and any institutional injunction at this level is perceived as inappropriate (Courie-Lemeur, 2016).

Furthermore, some care workers attribute the feeling of injunction to the obligation to carry out the change project within a specific timeframe; others explain it by the posture of the health authorities and their way of steering the change project. The health authority’s poor support for the change, its lack of transparency and its attitude suggesting favouritism according to the territories and personalities of the network actors were also generally denounced. Also, some care workers justified the feeling of injunction by the inconstancy of the health authorities’ projects. The succession of restructuring projects (some of which are not completed even before new ones arrive) is perceived as a sign of instability in the public authorities’ project. Some even consider that the health authorities are trying to make the health networks shoulder its failure as a regulatory body and its posture towards the health networks is presented as a discouraging factor. Others described its posture as lenient in the past, even lax and rather police-like today. They justified this change in posture by the current shortage of public financial resources and its lack of understanding of the reality on the field (Courie Lemeur, 2018).

In an attempt to understand the interaction between the leadership style of health authorities and the motivation of care workers in health organizations, such as health networks,

we develop a theoretical framework around the levers of motivation and their interactions with the leadership style. We will thus answer our problematic.

2. Theoretical framework: the leadership of health authorities and the motivation of healthcare workers in France

Leadership refers to the notions of influence and power, where it is presented as a process through which an individual will influence the action of a group to better achieve its objectives (Plane, 2015). A leader's authority and power can have different sources of legitimacy: charismatic, traditional or rational-legal (Weber, 1922 in Le Flanchec & Rojot, 2022). These are accepted because of the power of roles, gradual and routine commitment and/or psychological and situational factors. They are based on formal resources but also on informal resources such as the control of one or more areas of uncertainty: relations with the environment, control of information, a degree of competence and/or the use of institutional or organizational rules (Crozier & Friedberg, 1977). The leader ultimately works to influence and motivate others to contribute to the success of an organization of which they are members, or even of a project or mission (House et al., 2004; Boucher & Lescure, 2007; Cristol et al., 2011; Garcia, 2013).

The leader develops power over others, but according to Crozier (Boucher & Lescure, 2007), this power can be multiform and can act on the motivation of the actors subject to his leadership. Thus the leader can be 'authoritarian' by adopting a directive approach. He can be 'democratic' by being concerned with the interaction between actors and by soliciting their participation and involvement in decision-making. It can be 'lax' by not giving directives. They can be 'exploitative authoritarian' by not trusting, remaining distant and inspiring fear. They can be 'paternalistic authoritarian' by being benevolent, even if they do not trust and inspire fear. He can be 'consultative' by building on the relationship of trust and having a developed relationship with his subordinates. They can be 'participative' by building a real team spirit and strong trusting relationships. They can be 'compromise-seeking' by maneuvering to reconcile the needs of individuals with the challenges of productivity. They can be 'social' by prioritizing the human aspect and being concerned with social relations, creating a good atmosphere and reducing conflict. It can be 'integrative' by working to build trust, by seeking to improve motivation and involvement of the actors, while defining a common objective, with a view to increasing productivity. He can be 'autocratic' by adopting an authoritarian style, focusing on productivity and marginalizing the needs of individuals. They can be 'laissez-faire' by remaining in the background and disinterested in both individuals and production (Plane, 2015; Boucher & Lescure, 2007; Dejoux, 2017).

Several currents have followed one another since the beginning of the 20th century to analyze the notion of leadership, such as the theory of personality traits, which focuses on the qualities and traits linked to the personality of the leader (Plane, 2015; Kirkpatrick & Locke, 1991; Golberg, 1993); or behavioral theory, which seeks to understand the link between the leader's behavior and his or her leadership style (Plane, 2015; Boucher & Lescure, 2007; Dejoux, 2017); or even contingency and situational theory, which addresses the link between the context in which the leader operates and his or her leadership (Hersey & Blanchard, 1982; Garcia, 2013; Kets de Vries, 2006). This leads to several leadership styles, which may impact differently on the motivation of the actors involved in the action.

2.1. Leadership style in healthcare field in France

In the healthcare field in France, as in the whole public sector, the leadership of institutional decision-makers is mainly a top-down leadership linked to a formal authority generating a subordination link, and not a leadership emanating exclusively from the qualities of the leader and the recognition by others of his or her characteristics pushing them to follow him or her voluntarily (Dejoux, 2017; Garcia, 2013; Cristol et al. 2011; Plane, 2015).

For the top-down leadership, legitimacy and power are derived mainly from institutional sources (Ghadiri, Flora & Pomey, 2017; Gravereaux, 2018) and hierarchical power. This is accompanied by pyramidal, centralized and top-down norms and organizational forms, with classic management typologies systematizing action and hierarchizing the relationship between actors (Ghadiri, Flora & Pomey, 2017; Gravereaux, 2018). As in armies, according to a principle of 'command and control', it is the leaders who decide and the troops have no choice but to obey. Certainly, there has been some alleviation with the emergence of the school of human relations and the generalization of the concept of management, which advocates that 'it is better to give desire than to impose'. However, inspiration and impetus continue to come from above (Riveline, 2012). By defending this way of working, decision-makers are reproducing entrenched organizational routines, but they are also defending their power, even if this is at the expense of agility.

But when innovation takes place at the interfaces of highly institutionalized contexts such as healthcare, the creation of innovative spaces should respond to three key processes (Dougherty & Dunne, 2011). First, the knowledge capacities of all stakeholders should be combined. This requires joint regulation that articulates formal and informal knowledge combining the experiences and practices of all necessary institutional and field actors.

On the other hand, the innovations developed should be articulated within the framework of a long-term strategy, while taking into consideration the logic of action (Amblard, 1996) of all the actors (institutional and field), as well as the challenges of territorialities (De Maillard, 2000; Grenier & Rimbart-Pirot, 2014). The construction of an articulated set of autonomous rules and joint rules by the actors, in declination of institutional regulations and public policies, will allow them to better appropriate them and avoid the loss of meaning (Joffre, 2014).

Finally, action should be taken to renovate public policies by involving a variety of actors throughout the process. This will lead to a renovation of public action to better deal with the fragmentation of the health field, the emergence of new demands, and the need for personalized care (Duran & Thoenig, 1996).

In fact, it is a question of renewing the way in which we govern, by modifying the articulation between the power of decisions and the knowledge of the different actors and by challenging the duality between the 'everything regulated by the policies' and the 'let us do it' claimed by certain professionals (Moore & Hartley, 2008; Grenier, 2006, 2014).

To succeed in initiating such transformations, a 'de facto leadership' seems better suited than a 'de jure leadership'. The evolution towards a 'de facto leadership' is more favorable to the development of the strategic skills of the actors and organizations involved in innovations in the health field. It can better contribute to the sustainability of such innovations and to the sustainable transformation of this field.

When leadership is emanating exclusively from the qualities of the leader and the recognition by others, it becomes a “down-top-down” leadership. It becomes above all a skill held by a particular person within a group of individuals, enabling him or her to unite around him or her and to promote the adaptation of action to a given situation (Hersey & Blanchard, 1982). It is the leader's ability to adopt an evolving leadership style, enabling him or her to adapt to a given situation, which will condition the achievement of an organization's objectives and results (Garcia, 2013). Leadership thus becomes situational (Hersey & Blanchard, 1982).

Leadership is then the result of an interaction between the leader, the follower and the situation (Kets de Vries, 2006). A good decision is therefore not always a rational decision: 'Action must be rapid and therefore irrational so that reflection does not suffocate the motivation necessary for taking action' (Geoffroy, 2012). Beyond the qualities and personality traits that enable a person to stand out from the others and to govern, it is his or her behavior with regard to the actors around him or her that will enable him or her to impose himself or herself as central.

For example, a crisis situation requires the leader to manage delicate, sudden and often rapid kinetic issues. They must prepare their staff to think about the unthinkable, to get directly involved and to instill the necessary dynamics to deal with an unprecedented or unforeseen situation. His action must not be content with being technical, anchored in traditional management methods. To prevent the loss of cohesion and to preserve the stability of the organization, the leader must embody a vision, maintain the confidence of the employees and consolidate the identity of the organization. His action is therefore essential to the survival of the organization for which he is the guarantor (Lagadec, 2012). Leadership then becomes transformational and focuses on the motivation and development of employees to improve their performance (Bass, 1985).

Leadership become then situational and transformational, which is at once 'consultative', 'participative' and 'integrative'. The leader then becomes a conductor, whose prowess lies in his or her ability to synchronize and harmonize the interventions of the various musicians, whose expertise is complementary because of their similarities and/or differences. He is required to give meaning, inspire, federate in a sustainable way and make actions converge to achieve the predefined objective. It feeds and is fed by collective intelligence, defined as the capacity to unite intelligence and knowledge to achieve an objective and as the capacity of a group to ask questions and seek solutions together (Zara, 2008).

Thanks to collective intelligence, it stimulates creativity and innovation (Cristol et al., 2011), motivates and retains employees (Boudrias & Morin, 2011), and changes their behavior while giving real meaning to their work (Boucher & Lescure, 2007).

Forms of collective intelligence appear as soon as, within an organization, the collective use of scattered information held by different individuals is observed. Collective intelligence will then consist of increasing a group's capacity for understanding and action (Autissier & Guillard, 2019). This approach aims to create a consensus around the collective action to be taken through both individual and collective cognitive processes. A macro-competence is thus formed, an assembly of the organization's collective competences and quite strategic for ensuring its growth and survival.

Depending on the richness of the connections between the neurons, between the actors of an organization (Lenhardt, 2018), the constitution of a collective will, in fact, determine a level of collective intelligence. A zero level corresponds to a perfectly homogeneous collective where

the individuals are functionally identical. The level of collective intelligence will be all the higher as the variety of the collective increases, linked to a diversity of statuses, knowledge, skills and professions (Bonabeau & Theraulaz, 1994; Géniaux & Mira-Bonnardel, 2003); all the more so as the effectiveness of the group, of the collective, is focused on the overall contribution of the group rather than on individual effort (Gunasekaran et al., 2016).

Improving collective intelligence will result in knowledge management, which implies the need to identify, preserve, value and protect it. The leadership style then becomes a determining factor for the motivation of the actors involved in the action.

2.2. Motivation in health organizations

Within an organization, the leadership and management style can be represented as a continuum, between an authoritarian style on the one hand, and a non-directive style on the other: the former seeks to structure its will, to give each person his or her attributions; the latter seeks to establish more interpersonal relations, relations based on trust, by delegating responsibility for activities to the group and/or to individuals. Between these two poles, multiple forms of leadership exist, more or less directive or collaborative (Tannebaum & Schmidt, 1973).

The question of the relevance of the style of leadership, according to the 'maturity' of the actors, in the sense of Hersey and Blanchard (1982) is, in fact, primordial. The notion of 'maturity' has a particular meaning. Not being defined as a state of equilibrium reached by the individual, as a full physical, intellectual and emotional development, the "maturity" of an actor is a function of two elements: his level of competences, of his knowledge, know-how and interpersonal skills; and his level of motivation, of energy that he is ready to put into his work (Hersey & Blanchard, 1982). Four levels of maturity are possible. Level M1 corresponds to individuals with little maturity, little competence, little motivation: they have a low level of competence for the position held, they know little or nothing about the requirements of their position and are little motivated. Level M2 corresponds to individuals with medium/low maturity, low competence but motivated: they have a slightly better grasp of the requirements of their job, their skills are low but they are motivated. Level M3 corresponds to individuals with a medium/high maturity, low motivation but competent: they master their job, know the expected requirements but have a low level of motivation. Level M4 corresponds to individuals with high maturity, who are both competent and motivated in their work (Hersey & Blanchard, 1982).

Depending on the level of 'maturity', in a dynamic approach, leadership must be situational (Hersey & Blanchard, 1982) and the art of the leader is to diagnose which mode of leadership the individual, the team needs (Le Flanchec & Rojot, 2022).

The effectiveness of a situational leader depends on the development of the people in his or her team, with this development ensuring the success of the group in the long term; it consists of adopting, at a given moment, the style according to the context encountered; it consists of constantly evaluating the 'maturity' of the players, i.e. identifying their degree of competence and motivation; and finally, it consists of creating the conditions that allow the maturity of the players to develop (Hersey & Blanchard, 1982).

Table 1 summarizes the motivational levers with regard to the leadership style that we apply to the case of health network actors.

Table 1. - Leadership vs. Motivation of health network actors

Leadership	Leadership vs Motivation	Leadership vs. Motivation of health network actors
<p><i>"Top-down Leadership"</i> = <i>"Authoritarian leadership"</i>: the leader adopts a single leadership style</p>	<p>Authoritarian style: hierarchical operation and unilateralism in decision-making power - Formal authority with subordination; hierarchical power - Mobilization of "quasi-injunction" / "negotiated injunction"</p>	<p>The health authorities adopt an authoritarian leadership style with the health network. Restructuring projects for the health network are constructed in a unilateral way by the health authorities. They are imposed on the health network in a top-down manner, given the organization of the French health scheme, which attaches all financial resources dedicated to health networks to the Regional Health Agency (ARS). It is the ARS that decides on their allocation and defines the criteria and conditions to be met in order to benefit from them. This generates a feeling of injunction among health network actors <i>"With the ARS, it's like in the army, they are the ones who decide and we have to obey without flinching (...) it's an injunction, or at least within the network we see it that way"</i>¹</p>
<p><i>"Down-top-down leadership"</i> = <i>"Situational leadership"</i>: the leader adopts, in an evolutionary manner, a leadership style adapted to the maturity of the actors</p>	<p>Authoritarian style - maturity level M1: the leader is very task-oriented and not very relationship-oriented; the actors are not very motivated or competent. The leader prescribes precise directives and instructions, makes decisions; controls the execution of tasks and the results obtained; does not allow room for manoeuvre, autonomy</p> <p>Persuasive style - maturity level M2: the leader is very task and relationship oriented; actors are low skilled but motivated. He provides support, fosters good interpersonal relationships; provides extensive explanations of the reasons and consequences of the goals he has set; encourages the individual and the team</p> <p>Participative style - maturity level M3: the leader is not task-oriented and is very relationship-oriented; the actors are competent but not very motivated.</p>	<p>The leadership style of the health network leader: between authoritarian & persuasive style. Occasionally participative. The leadership style is defined by the nature of the task. For issues related to the governance of the health network, as well as strategic decisions within the network or in relation to health authorities and other organizations in the territory, the health network manager adopts a directive style. He or she makes decisions, prescribes precise instructions, and informs team members of the decisions taken. <i>"It is clear that decisions about the direction of the network and its strategic choices depend on me and the network presidents. The team, I inform them of our choices, that's all."</i>² Concerning the issues related to patient care, when the health network director is trained as a doctor, he or she participates in decision-making concerning the patient. He appears to be very relationship-oriented when it comes to developing collaborations with other health organizations in the area to improve patient care, or when he seeks to develop alliances to improve his bargaining power with the supervisory authorities in order to access additional financial resources for his health network. His leadership style is therefore persuasive.</p>

¹ Courie Lemeur (2018)

² Courie Lemeir (2016)

	<p>He encourages exchanges between a competent but unmotivated team; listens to and takes into account opinions, seeks to create a friendly atmosphere</p> <p>Delegative style - maturity level M4: the leader is not very task and relationship oriented; the actors are motivated and competent.</p> <p>There is no need to explain objectives and tasks to a competent and motivated team; they are allowed to work autonomously, without having to control and supervise</p>	<p><i>“I managed to negotiate with the Regional Health Agency (ARS) and convince them to fund us a new doctor's post (...). We are the only network in the territory that has a social worker post, because I was able to convince the big bosses at the ARS.”³</i></p> <p>He can also be participative at times, when it comes to decisions related to the functioning of the team or also when collaborating with other health structures. The director seeks to create a friendly atmosphere and encourages interpersonal relations within the team.</p> <p><i>“We can only be participative if we want to work together (...) We have created a joint working group, with people from their homes and ours, to build common tools”⁴.</i></p> <p>Level of maturity of staff in health networks: between levels M3 & M4: the multidisciplinary composition of the health network team and the specialization of its members mean that competence in patient care is strong. The employee has the necessary knowledge, skills and attitudes. They know how to use their basic knowledge or previous experience to ensure the coordination of care around the patient.</p> <p>His/her motivation is generally strong, because of the meaning he/she gives to his/her work (service to the patient and to society). Their motivation may be hampered by the lack of resources available to them to carry out their work.</p> <p>However, when it comes to regulatory changes, restructuring projects or experiments initiated by the health authorities, the employee expects information to come from the outside, particularly from the manager. They need to be told what to do.</p> <p>His motivation may be weakened by a feeling of incomprehension about his work, by a conflict with the director of the health network, or by the continuous change projects imposed on him by the health authorities. He thinks that the health authorities do not realize the reality of the needs on the ground and that all the attempts to explain them to them for several years have never been successful.</p> <p><i>“I don't know much about the ARS projects, it's xxxx (director) who deals with that (...). When there is something new and important, he explains it to us.”⁵</i></p> <p><i>“There is nothing we can do about it (...) anyway it won't change anything”⁶.</i></p>
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³ Courie-Lemour (2016)

⁴ Ibid

⁵ Courie-Lemour (2018)

⁶ ibid

Conclusion

The health and medico-social sectors in France are constantly being restructured in order to improve patient care while optimizing the use of increasingly scarce specialized financial and human resources. And each time, the restructuring attempts fail to achieve the targeted objectives. Although defensible, these projects are not always unanimously supported by the care workers, and this is generally reflected in the poor success of the projects. The Covid-19 pandemic crisis has shown the flaws in these restructurings and that the reality is still far from the desired Grail.

We have used the case of health networks and the different waves of restructuring they have undergone to explore the impact of the leadership style of the leaders of health authorities and health networks on the motivation of care workers working in these networks. We have attempted to show that a de facto leadership style that is transformational would have a better impact on the motivation of care workers in health networks than a de jure leadership that is exclusively directive.

Such leadership at the level of the health authorities would favor the motivation and involvement of the actors in the field in the formulation of objectives and the deployment of public actions. This would enable the players to understand the meaning of the changes planned by the public authorities and their involvement in such a reflection and in the decision-making process can have a positive effect on their motivation and their support for such projects. And the mobilization of such leadership would be all the more vital as the change desired by the public authorities is of a radical nature.

At the level of health networks, our research has enabled us to observe that the leadership style of managers is de facto and transformational, with a level of maturity of the staff between the M3 and M4 levels. Health professionals in these organizations are generally competent due to their training. However, their motivation may fluctuate: sometimes it is strong because of the meaning given to their work and sometimes it is weak because of the lack of resources available to them to carry out their work or because of the perception of injunction in the change projects imposed on them, or even because of conflicts with the approach of the network director. The leaders of the health networks seem to mobilize persuasive and participative leadership, but particularly when collaborating with other health organizations in the area, or when building alliances to develop negotiating power with the health authorities. However, with regard to the members of their teams, their leadership remains mainly directive and is only participative when making decisions related to the internal functioning of the team. The construction of strategic decisions remains exclusively in his hands, where he makes decisions, prescribes precise instructions, and subsequently informs the team members of the decisions taken. This seems to have a negative effect on the sustainability of their motivation.

Thus, the changes imposed on health organizations seem to impact on the motivation and commitment of health professionals. But if their organizational commitment seems to be

diminishing, their commitment at work has been maintained until now because of the presence of 'commitment anchors' (actions, people, ideas, values, etc.) (Kouadio & Emery, 2017.). Public service allows for the ideals of equity and social justice to be lived out, for a job to be meaningful and of concrete use in and for society. The meaning and concrete usefulness that they perceive in their job for society reinforces this commitment. But the weight of these anchors seems to be weakening, and the leadership style of health authorities and health network leaders seems to accentuate this.

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Servant Leadership in Asian High-Power Distance Cultures: A Literature Review and Framework

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Abstract

In cultures where organizational codes of structure embed deeper historical and traditional values, specifically in Asia, existing mainstream leadership styles like the paternalistic one may present challenges for the servant-driven philosophy of leadership to propagate the empowerment of followers. Thus, whether followers respect a servant leader in high power-centric cultures still represents a literature gap. This paper presents an exploratory review of the interplaying factors influencing respect for leaders, where servant leadership and authoritarian style within paternalism meld, in Asian high-power distance cultures, as part of a larger study aimed at determining how leaders may better understand the process of gaining followers' respect. The servant leadership diffusion in Asia and critique, continued by a deeper understanding of the Asian followers, their relationship to authority, and the influence of cultural expectations are illustrated, as the basis to build a case for servant leadership theory in Asia, toward a focus area for future research.

The authors conducted a review of seminal and current theories of a servant, respectful, and authoritarian leadership styles, power, as well as followership literature, with a specific focus on followers' respect for the leader in Asian high-power distance cultures. The initial criteria for inclusion involved a sample indexed in databases of EBSCO, ProQuest, and Google Scholar. Key search term of *servant leadership* was used in the title, abstract, or keywords, written in English. A total of 111 articles were found relevant, of which 8 were excluded. The final research corpus was comprised of 103 papers published between 2001 to 2023.

To the best of the authors' knowledge, this is one of the first literature reviews to have a specific focus on followers' respect for the servant leader in Asian high-power distance cultures.

Keywords

Servant Leadership; Respect; Followers; High-power Distance; Asia

JEL classification:

Z19, Z10, Z13

Introduction

Extensive research has been conducted on servant leadership across cultures, and due to organizational, social, and nation-specific cultural dimensions and norms, servant leadership characteristics studies have been adapted to them (Abu Bakar & McCann, 2015; Ertosun & Adiguzel, 2018; Jing, 2019; Parris & Peachey, 2013; Yang et al., 2018). Growing scholarly interest has led to studies comparing European/Western and Asian cultural viewpoints (Mittal & Dorfman, 2012). The servant leadership style is an expanded approach (Gordon, 2002) that has been shown in several research topics as a favored model. Yet, in cultures where codes of structure in organizations consist of deeper historical and traditional values, such as in some Asian countries, challenges may present due to the mainstream paternalistic characteristic of Asian leaders.

Similarly, followers' respect for the leader is an important concept in leadership, so far unexplored. Research has shown that trust is attributed to the level of respect for the leader, and it is unlikely that trust can be displayed without respect (Clarke, 2001; Shuang et al., 2018; Zigarmi et al., 2018). Trust in the leader promotes a favorable environment focusing the work during challenging times and showing positive behavior, as employees respond to the conduct they receive from their leaders (Zhou et al., 2022). The topic of whether a servant leader is well respected by followers in high-power-centric cultures in Asia still represents a gap in the literature. Furthermore, an understanding of servant leadership's effectiveness in high-power-distance Asian societies is still in its infancy (Eva et al., 2019; Lee et al., 2019; Rowley, Ishikawa, & Oh, 2019; Verdorfer, 2019; Neubert et al., 2022), furnishing a chance to further add to the body of research in servant leadership.

The leadership approach is an interplay of the relationship between leaders and followers, hence, without a deeper understanding of the follower's perspective and their self-awareness of their own abilities and characteristics in this relationship, the concept of leadership would not exist (Yukl, 2010; Uhl-Bien et al., 2014; Aghaei et al., 2021). Followership research regards their awareness of their relationship with their leaders, in terms of traits and behaviors received and given, as well as their own concept of being a follower (Carsten, 2010; Lord, 2020). Followership studies are rooted in leadership-centric research, accentuating that followers are the recipients of leadership attributes exercised, further, they have been recognized to be agents impacting the followership outcomes and the entire leadership process (Uhl-Bien et al., 2014). This provides an opportunity to contribute to the nascent followership literature, as part of the bigger picture of leadership agents.

Past studies have frequently reflected on individual leadership styles, separating servant leadership and paternalistic characteristic of authoritarian parental protection and masculine style, while servant leadership is geared towards a more supportive, participative and feminine style. Both styles are present in Asian cultures (Zhang et al., 2019). Employees are demanding more participative-supportive and equalitarian behaviors from their leaders, despite the cultural acceptance of legitimate power and authority (Cai et al., 2023; Harahap et al., 2023; Hu et al., 2023; Jaiwant et al., 2023; Yuan, & Li, 2023; Manik, et al., 2023). This surfaced the need to propose a new framework encompassing the duality of two possible co-existing leadership styles, servant and authoritarian, mediated by diverse modus of respect attributed to the follower and

dependent on the followers' self-concept and choice of self-determining actions (Zhang et al., 2019). Reciprocated respect for the leader's outcomes may occur, as the result of the willingness to follow and partner with the leader in goal attainment for the organization.

This paper builds on Verdorfer's (2019) original empirical research in two European countries focusing on whether genuine servant leaders gained respect from their followers, further suggested to explore in other cultures with diverse dimensions. As such cultural dimensions carry a code of conduct diverse from regional embeddedness (Hofstede, 2010), we further explore cultural aspects that influence the respect for servant leaders by viewing elements of power-centricity in Asia, from the followers' standpoint. We include the examination of the development of followership theories to explicate the importance of the follower-focused perspective in leadership. Furthering the studies on the topic researched, this paper also expands on Quaquebeke & Eckloff's (2009) inventory of respect categories in Asia, as per their recommendation. Workplace interpersonal respect is known through research to augment job satisfaction and collaboration, a well-desired attribute from leaders, yet scarcely received. Respect in the workplace is an untapped phenomenon, as a lack of leadership respect prevails. Limited understanding of behaviors attributed to showing respect toward followers is known in scholarly work. It has been suggested to further examine which respectful leadership categories may map leader-follower exchange combined with other leadership styles or models (Quaquebeke & Eckloff, 2009).

This paper uses the narrative review process recognized as appropriate when a non-systematic review is implemented (Gregory & Denniss, 2018), the examination and summarization of the existing literature are considered significant in the discipline of social science (Rumrill & Fitzgerald, 2001). Hence, the authors find the chosen approach to be within the context and appropriate for this paper's purpose.

This literature review is concentrated on work conducted as part of larger multiple case studies that explored the perceptions of managers in Asian corporations regarding which distinct conditions promote followers' respect for genuine servant leadership, and in which way and for which reasons.

1. Methodology and Design

1.1. Material Collection

To review studies related to servant leadership, we identified articles from multiple sources in the field of organizational behavior, organizational psychology, leadership, and general management. We covered the timeframe between 2001 to 2023, although servant leadership has been academically researched for a span of over 30 years, it reached its peak after 2010 and the initial intention was to avoid missing valuable data points. 2020-2021 showed a dip in research, especially of empirical nature, assuming due to the global pandemic, Covid 19, which caused nations to take precautionary health measures with standard operating procedures that would include entire nations' lockdowns and limits of interactions, unless virtually.

1.2. Screening

To implement the research, we utilized multiple databases including EBSCO, ProQuest, and Google Scholar. 745 articles were found to be potential servant leadership related and 94 articles were found in general leadership and management related, whilst we eliminated studies irrelevant to servant leadership and the scope of this exploratory review, we decided to include both empirical and qualitative studies to widen the ground covered.

Table 1: Screening of Potential Data, Search Terms

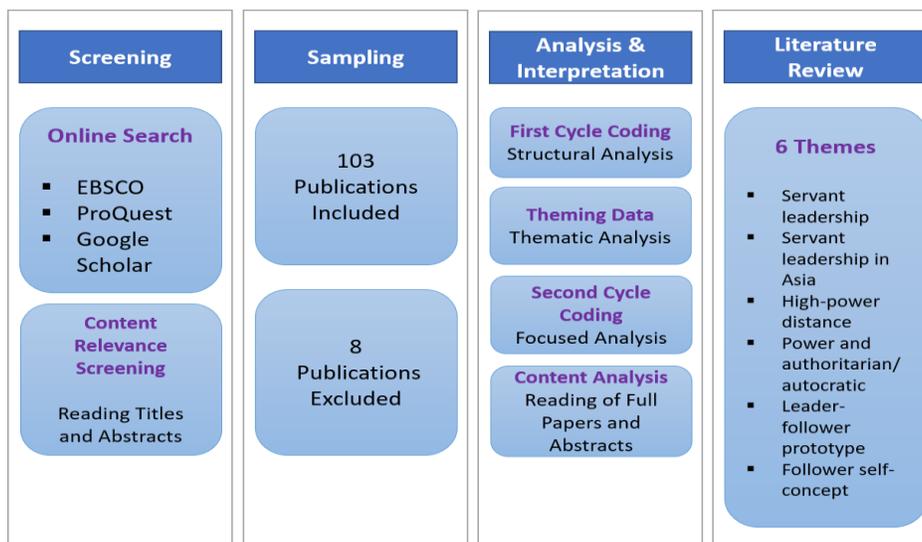
<i>Keywords Searched</i>	<i>Results</i>
Servant leadership and cultural	61
Servant leadership and Asia	15
Servant leadership cross-cultural	22
Servant leadership future research	97
Servant leadership employee performance	94
Servant leadership and respect	2
Servant leadership and power	98
Servant leadership and follower	177
Servant leadership follower respect	8
Servant leadership leader respect	20
Servant leadership systematic review	21
Servant leadership criticism	12
Paternalistic leadership in Asia	11
Authoritarian leadership in Asia	13
Leadership versus management comparison	94

Source: Author's elaboration

1.3. Sampling

Out of the 745 combined articles found, 420 were excluded by title relevance, and 325 abstracts were read. 118 articles were found relevant to this research.

Table 2: Research Design



Source: Author's elaboration

The initial criteria for inclusion involved sample indexed in databases of EBSCO, ProQuest and Google Scholar, to insure data collection cross-checking and saturation (Fusch & Ness, 2015; Yin, 2017). We used the search term *servant leadership* in the title, abstract, or keywords, written in English. We reached 207 papers from the initial screening. Paper titles and abstracts were read and where necessary; full texts were also read to identify relevance and context, and finally remove duplicates. This led to screening closely related contexts to complete the scope of the search, therefore, adding search terms on paternalistic 11, authoritarian 13, and leadership versus management comparisons 94. The same screening procedure repeated for these terms was implemented. A total of 118 were found relevant for this study on the second screening. In both screenings, a total of 111 articles were found relevant, of which 8 were excluded. The final research corpus was comprised of 103 papers published between 2001 to 2023.

1.4. Data Collection and Analysis

This research profited from multiple approaches described below. The approaches considered for this paper were chosen with the intention to prepare an exploratory narrative review of the literature which considers the complexity of the problem taking into context cultural, personal, and behavioral circumstances (Rumrill & Fitzgerald, 2001; Yin, 2017; Gregory, 2018). The narrative approach is useful as a summarization of theories, concepts, and empirical and qualitative existing literature playing an important role in the field of social science (Rumrill & Fitzgerald, 2001). First-cycle coding, theming data, and second-cycle coding (Saldana, 2016) were used to prepare the data from the research corpus for a literature review in this paper, as part of a larger study aimed at determining how leaders can better understand the process of gaining followers' respect.

First Cycle Coding. Structural analysis was used as this is exploratory research and we initiated by relating it to the research query: In what distinct conditions does servant leadership promote followers' respect for their leader, specifically within the Asian organizational context? The following descriptions were found:

- Cultural, high-power distance
- Cultural, collectivist
- Cross-cultural, high-power distance
- Employee performance
- Respect and trust
- Power and empower
- Follower self-concept and self-awareness
- Leader and follower prototype
- Paternalistic, authoritarian, autocratic leadership
- Management versus leadership

Theming Data. Thematic analysis proceeded to support weaving behaviors, and emotional development in the Asian culture as themes so we could cluster similar ideas and descriptions of behaviors together to further explore coherence in a narrative in the review of the literature.

Second Cycle Coding. Focused coding was the method used after thematic analysis to ascertain the most salient categories in the data corpus in which six themes emerged:

- Servant leadership
- Servant leadership in Asia
- High power distance
- Power, authority, autocratic
- Leader/follower prototype
- Follower self-concept

2. Literature Review

2.1. Leadership, Management, and Followers Interplay

In attempting to define the roles of a manager versus a leader, scholars have often used functional comparison to provide their distinctive characteristics. Key differences in operationalizing management versus leadership when elaborating goal setting is that managers are focused on decision-making against risk and adversities, as well as opportunities, whereas leaders are leveraging employees to provide enhanced performance. Strategy for managers is seen as a product delivery tactic, yet, for leaders, strategy is a process portion within the larger scheme of execution pattern in achieving organizational goals. Self-perception between managers and leaders determines the type of organizational contribution between the roles in that managers tend to see themselves as the preserver of the organizational balance, through compliance with policies and setting up of structures and systems, tend to elevate the manager's self-worth. While leaders are change-makers, not needing to belong to the organization, through influencing approaches such as inspiring and supporting in achieving organizational desired results, determine their fulfilling concept of self-worth. Thus, those with manager type of characteristic inclination are often inspired by those with leader character inclination. Research suggests that when those with leader inclination have a hierarchical power over manager inclination, organizations thrive since the leader-inclined character brings the organization with vision and direction, while the manager-inclined character would execute and operationalize initiatives for desired achievement. Reversing the position power, however, tends to be a challenge (Zaleznik, 1977; Watson, 1983).

Modern days organizations are complex, often formed with matrices of multiple reporting lines as globalization has expanded the way we work through technology, virtual and smaller nimble teams to achieve organizational goals. As such, the distinction between a leader and a manager is less obvious. Nevertheless, people remain the center of both roles in that, collaboratively, leaders and managers work with employees to achieve organizational goals, as perceptions of all three shape the working climate and environment. Compared to managers who flourish in the skillset of establishing structures and policies, leaders are generally seen to possess visionary, interpersonal, and technical skills. Clarity of direction, purpose, and way forward is not always achieved between those in positions of power and employees. Thus, professionals in positions of power are encouraged to learn and engage employees and team members to understand their perceptions in order to better influence them toward goal attainment (O tara, 2011).

Leadership is an influencing process through diverse mechanisms, guiding employees to achieve common goals for the good of the company, whilst shaping behaviors through established organizational and personal powers. Organizational power involves the utilization of legitimate, reward, and coercive methods, while personal power includes expert and referent influencing approaches toward employees, sculpting their behaviors, performance, task completion, job satisfaction, absenteeism, and turnover (Lunenburg, 2012; French et al., 1959). Flatter organizations demand that employees, as followers, step up in assuming power, or leader responsibilities other than waiting for their turn to assume legitimate power, for the need of making decisions and problem-solving (Tracy, 1990). Employee satisfaction and commitment together with job performance are highly linked to personal power, compared to organizational power. Whilst coercive power is negatively related to job outcomes. Nevertheless, leaders in organizations combine the use of multiple powers to attain objectives in various degrees of intensity, prompting to the concept of empowerment which is used as a strategy to boost work outcomes (Lunenburg, 2012).

The leadership process is a collaborative process between leaders and followers, thus, the concept of leadership is a combined effort of engagement between both entities. In absence of one entity, leadership cannot take place. Hence, followers' decision to engage, to follow and their perception of the leader are critical determinants of the leadership process since both leaders and followers contribute to the leadership process (Yukl, 2010; Uhl-Bien et al., 2014, p. 89; Aghaei et al., 2021, p. 2).

The followers' self-concept or perception of their aptitude, characteristics, and capabilities bring about self-awareness in support of the role they play when interacting with their leader (Van Knippenberg et al., 2004).

Both, the leader's perception of their followers, the follower-prototype, and the followers' perception of their leaders, the leader-prototype, contribute to exhibiting the quality of the relationship between leaders and followers (Sy, 2010; Khan et al., 2019).

The manner in which the influencing process has been practiced in different cultures, amongst managers and leaders, has caught researchers' and practitioners' attention in its applicability (Parris & Peachey, 2013; Zhang, et al., 2019; Farahnak, et al., 2020).

Worth noting that the power shift in organizations from leader-centric to employee or follower-centric is becoming more and more apparent (Holzinger, 2006; Matshoba-Ramuedzisi et al., 2022). As such, the appropriate formula providing an optimal condition for managers to influentially thrive becomes vital for organizations to accomplish.

To effectively perform in organizations a combination of skillsets is required in professionals, as opposed to distinguishing simply between manager or leader roles, in that those responsible for employees should possess a combination of managerial capabilities and leadership qualities. Strategically, a way to achieve a competitive edge is for organizations to provide systematic leadership development to managers and enable them to perform leadership roles and responsibilities in appropriate circumstances (Toor et al., 2008).

2.2. Servant Leadership Critique

Greenleaf first coined the term servant leader in 1977, defining this as someone with a deep desire to serve first, a conscious choice also to lead, versus another who focuses on establishing their leadership power first and only secondly to serve. The servant leader concept surged from Greenleaf's assimilation of Hesse's 'Journey to The Earth', a decade prior to his thoughts that he encompassed in his essay on servant leadership as a response to the societal challenges of corruption, institutions, and systems flaw, while people in power lacked attention on providing a new hypothesis to solve such a historical problem. A better way suggests the servant leadership path, leading by serving people in lieu of self-glorification (Blanchard & Broadwell, 2018).

Based on Greenleaf's essays, ten servant leadership attributes have been established: *listening; healing; awareness; persuasion* (rather than coercion); *philosophy; conceptualization; foresight; stewardship; commitment to the growth of people; and building community* (Spears, 1995, 1998, 2005). However, these remain theoretical as they have not been empirically tested. In addition, six servant-led organizational variables have been generated: *values people; develops people; builds community; displays authenticity; provides leadership; and shares leadership* (Laub, 1999). Psychometric surveys have also been produced, including the Servant Leadership Survey, used extensively across cultural comparisons for the model. The six characteristics of a servant leader are: empowering, humility, authenticity, interpersonal relationship, providing direction, and stewardship. Interculturally, servant leadership has been confirmed as a measurable model across languages, nations, and cultures in Europe (Van Dierendonck et al., 2017).

In a meta-analysis comparing transformational, servant, ethical, and authentic leadership styles of similar attributes, Hoch et al. (2018) found that servant leadership transcends invariance. Compassion and humility, as traits, are also inseparable from servant leadership, and as organizations seek to excel and achieve competitiveness, they are becoming nimbler. Therefore, more learning types of organizations through the basic five characteristics of humbleness are essential. On reaching a more advanced quality of humbleness, compassion, and altruism emerge which instigate transformative aspects in followers. Humble leaders are more persuasive and adaptive to change, and thus readier to lead organizations in uncharted areas of competition (Friedman et al., 2017). Servant leadership characteristics are mimicable; therefore, a transformative effect can be virally observed in organizations through servant leaders' followers (Liu & Shi, 2018). In addition, a servant leader would demonstrate authenticity as a trait, geared by self-esteem, the "unobstructed operation of one's true, or core, self in one's daily enterprise" (Kernis, 2003, p. 1).

There are, however, researcher critiques that caution against over-emphasis on traits that place too much weight on the leader (Alvesson et al., 2019).

Scholarly work on the relationship between servant leadership and followers' leadership avoidance, found that servant leadership had a small but strong negative impact on followers. Followers' desire to become leaders themselves around the concept of placing the good of followers before themselves built up pressure and intimidation in becoming a leader as they perceived it to be highly demanding (Lacroix & Verdorfer, 2017). However, the reverse was true

when leader–follower congruence was high and the ideal leadership prototype was high. At the same time, servant leadership was deemed a good predictor for organizational citizenship and follower performance (Lacroix & Verdorfer, 2017; Meuser et al., 2011). Another study showed that managers who frequently lead by taking others’ perspectives and using servant leadership were invigorated, whilst managers with less experience in taking others’ perspectives felt depleted, resulting in the withdrawal of leadership responsibilities (Liao et al., 2020).

Several other factors have hindered the prevalence of servant leadership:

- The lack of consensus on the definition of servant leadership, despite over thirty years of research and measures (Van Dierendonck, 2011; Wong et al., 2019).
- Scholars have criticized the concept of servant leadership being publicized as a way of life as opposed to a management theory, causing the lagging of acceptance amongst researchers who argued against empirically testing a way of life (Parris & 47 Peachey, 2013; Van Dierendonck, 2011).
- Another shortcoming is the lack of a unified instrument to measure servant leadership empirically (Liden et al., 2008; Parris & Peachey, 2013; Van Dierendonck, 2011).
- Organizational cultural norms can either hinder or incentivize the practice of servant leadership. Without appropriate supportive structures that reward, instead of punishing, those who attempt to lead as servants, and in the absence of a culture of service in place can be a challenge (Foster, 2000), since servant leadership in a high-power distance culture can be considered too soft (Liu, 2019).

The cultural dimension of power distance assumes that followers indisputably accept authority (Hofstede et al., 2010), disproving the concept of servant leadership. Thus, servant leadership is better endorsed in low power distance cultures, such as in the West (Verdorfer, 2019). Power distance has played a moderator role in relation to servant leadership related to research on stakeholder effectiveness, job satisfaction, and decision-making (Malik & Yukun, 2019; Zhang, Zheng et al., 2019).

In addition, a previous study in Europe has shown evidence that genuine servant leadership is compatible with cultures dominated by high individualism and high uncertainty avoidance, therefore, bias against servant leadership claims of “passivity and weakness are inaccurate and misleading” (Verdofer, 2019).

With followers’ role taking up increasingly more attention in leadership, as well as in the leader–follower relation research (DeRue & Ashford, 2010; Khan et al., 2019; Alvesson & Einola, 2019), the question persists: How effective is servant leadership in promoting followers’ respect for their leaders in Asian high-power-distance cultures? (Eva et al., 2019; Lee et al., 2019; Rowley, Oh, & Jang, 2019; Verdorfer, 2019; Neubert et al., 2022).

Finding the antecedent conditions attributing to servant leadership style and respect in high-power-context cultures is paramount to shedding light on both leaders and followers as well as providing the awareness needed to generate optimal conditions for success (Verdorfer, 2019).

2.2.1. Servant Leadership and The Follower

The leadership process does not happen without followers' active contribution (Yukl, 2010; Collinson, 2006), thus focusing to develop followers in becoming future leaders and transitioning the leader to serve followers, as a mutually influencing process through collaboration (Savage-Austin & Honeycutt, 2011). The traditional leadership practices are no longer viable (Greenleaf, 2002), as people-focused leadership behaviors are more appealing, thus both leaders' and followers' further development is critical in support of organizational performance (Crossman & Crossman, 2011; Savage-Austin & Honeycutt, 2011). Thus, servant leadership, with the central motivation of serving others first, is the single leadership philosophy steered by the followership theory (Davis, 2017).

2.3. Followership Theories

Since the essence of servant leadership is to serve others' needs first, seemingly reversing the traditional hierarchical pyramid upside down, it is important to consider the literature focused on followership in order to further understand the topic.

In their review of followership literature, Khan et al. (2019) found two schools of thought in the concept of followership: 1) role-based – described by a role performed by a formal or informal position; and 2) constructivist approach – where both follower and leader co-create through their dyadic relationship; summarizing that followers affect leaders' behaviors, and are therefore seen as active agents in the concept of leadership — in other words, leadership may not exist without followers or followership. Kelley (1988, 1992), Reggio et al. (2008), and Khan et al. (2019) identified five styles of followership: The Sheep and the Yes-people who are dependent uncritical thinkers, the former more passive and the latter more active; Alienated Followers and Star Followers who are independent critical thinkers, the former more passive and the latter more active; and the Pragmatic Followers who are in the middle ground, resident in their vantage point.

Chaleff (2009) and Khan et al. (2019) distinguished two dimensions of followers: 1) the degree to which followers support their leaders; and 2) the degree to which followers challenge the behaviors or roles of their leaders, which are harmful to the organizations and group values. Naming them courageous follower styles, Chaleff identified four styles in followership: Partner and Implementer provide high support to the leader, with the former reflecting the high challenge axis and the latter the low challenge axis; Individualist and Resource, with the former, reflecting the high challenge axis and the latter the low challenge axis, with both in the low support quadrant.

Kellerman (2008) and Khan et al. (2019) defined followers as those who have generally lower authority and less influence and power than their superiors and therefore mostly conform. In a continuum between followers who do absolutely nothing and those who are proactive, committed, and passionately involved, Kellerman (2008) identified five types of followers: Isolate and Bystander belong to the non-proactive action takers of the continuum; Participant acts as independent agent, more proactive than the Bystander and less involved than the Activist, they focus more on their self-interest; Activist and Diehard belong to the passionate and action takers of the continuum.

In implicit theory on followership (IFT), since the leader would have an opinion of what an effective follower prototype is, and vice versa in implicit theory on leadership (ILT), it is safe to assume that the dyadic relationship of leader–follower may be substantially influenced by each other’s expected perception of what their ideal or effective traits and behaviors should be. Hence, leaders would have expectations about followers’ traits and behaviors (Khan et al., 2019; Sy, 2010). IFT has six-factor structure traits, three from Followership Prototype and three from Followership Anti-prototype: a) Followership Prototype – Industry, Enthusiasm, Good Citizen; and b) Followership Anti-prototype – Conformity, Insubordination, and Incompetence. In the IFT approach, as the follower becomes more proactive, productive, and involved, the leader automatically provides more autonomy and has higher expectations of the follower, which reflects a role-based school of thought in followership.

Kelley (1992) cautions the importance of followers since their effectiveness has a direct impact on leadership and organizational outcomes. Followers with courage would challenge the status quo (Chaleff, 2009), and those with a higher level of engagement are more active and committed to delivering an outcome (Kellerman, 2007), as Townsend and Gebhardt’s (1997) argue that a good follower does not play a passive role, rather supports the organization in goals attainment, as the organizational goals should be the core priority above their self-interest (Baker et al., 2014). Thus, the leader-follower relationship should not be controlled by the leader, otherwise causing hazards towards organizational outcomes (Chaleff, 2003).

No matter the philosophical theories behind followership, the followers’ self-concept has been recommended for further exploration. This notion is important because it provides insights into leadership effectiveness, stimulated by an external environment. Self-concept influences the followers’ motivation as it feeds into their attitudes and behaviors, impacting their commitment to the organization (Van Knippenberg et al., 2004; Nguyen, 2019; Bantha, 2021). In another similar study, mindfulness was used to help individuals transform from egocentric, over-self-protective, and self-promotive perspectives because it promoted self-worth. Simultaneously including self-concept would support the discernment between true servant attitude and servility, therefore it would not take advantage of the leaders’ kindness (Verdorfer, 2016). In addition to this study, other reports claim that genuine servant leadership arises through humility and standing back and promotes followers’ empowerment and loyalty (Sousa & Van Dierendonck 2015).

Van Quaquebeke and Eckloff (2010) summarized followership definitions in two contexts. *Vertical followership* is when followers freely choose to be influenced by the leader, which can take place consciously, after appraising a leader and thus determining respect for him/her, or subconsciously representing their level of identification with the leader. *Contextual followership* is derived from the self-determination theory that there are three basic human psychological needs: autonomy, competence, and relatedness (Deci & Ryan, 2000). As a result, followers under this demarcation self-regard with self-determining actions, and therefore behave more proactively and self-reliantly.

2.4. Leadership and Power

Gordon (2002) looked at the contextual antecedents to power and how this affect organizational leadership evolution in the 21st century. Technological advancements have helped generate new structures of working, such as collaboration, network, federalist, shamrock, and virtual. With such changes, organizational boundaries have become blurry, with the emergence of collaborative organizations and boundaryless sharing of information and resources giving rise to employee empowerment. In terms of leadership, power distinction is primarily visible in vertical terms. Organizational culturalists declare that good leadership depends on the extent to which a leader's style can be synchronized to their organizational culture.

Theorists who see leadership as a process, or a dispersed leadership concept, believe in decentralizing leadership skills and leadership responsibilities. With the concept of self-leadership, autonomous teams appear, with employees able to self-direct and self-support toward accomplishing their goals (Gordon, 2002). When empowerment or sharing of leadership occurs, attention focuses on the leader and may also outgrow the leader role when empowerment implies that followers may lead. Power is therefore decentralized, and followers are given a voice for their opinions and decisions.

Nonetheless, there is a caveat to empowerment as not all organizational structures may be able to support it. This school of thought argues that, firstly, in organizations traditionally managed with embedded *codes* of conduct, even if the leader intends to share the power, those traditional codes take precedence and may not support the empowerment concept; secondly, in organizations with historical, deep structures, where power is not transferrable due to a deeply ingrained behavioral order, followers may feel inappropriate to be taught leadership skills to lead themselves and become empowered. Hence, empowerment may not be welcomed by the employees.

Gordon (2002) argued that total empowerment in organizations is not happening since, adversely, the leader's role would become deceptive. Nevertheless, the evolution of organizational structures is visible. On the one hand, there is an increasing lack of appetite for rational authority and, on the other, the rise of relational power is seen as a form of power that is amenable and desired between leader and follower, where stronger working and supportive relations are imbued. The key is for the leader to stay differentiated and at the same time be relational and supportive of followers' growth, collaborating and empowering them. This is not necessarily an easy task, from the author's point of view, given that many organizations are still functioning with deep-seated historical structures.

In support of Gordon's argument, Zigarmi et al. (2015) studied employees' perceptions of leaders' use of power to impact their work intentions. They argued that the use of legitimate and coercive powers was not agreeable with the followers, while the use of expert power and referent power was preferred. Additionally, when the leaders increased legitimate power, followers' intentions to give discretionary effort, perform, endorse the organization, stay and be good organization citizens decreased. Thus, the authors recommend the latter two types of power if leaders wish to build positive relations with their followers. Employees perceive a leader's behavior or use of power through experiences in daily interactions, where, at every point of

connection, followers appraise the leader's behaviors in decision-making and their communication style. Each negative or positive appraisal generates a cumulative sense of well-being. When positive, the follower will tend to exhibit the five positive work intentions mentioned above; when negative, the satisfaction level with the leader decreases and can cause a lack of productivity and engagement and, in worse cases, even attrition. The authors encourage future research to study how power is used on knowledge workers, especially in the Generation Y era.

Similarly, Peyton et al. (2019) examined the relationship between leaders' power use, followers' motivational outlook, and followers' work intentions. They found that when leaders use soft power or multiple types of soft power, such as expert, informational, and referent powers, followers' function from a place of strength when optimal motivational outlooks are achieved and their psychological needs - autonomy, competence, and relatedness - are met. Hence, their five positive work intentions may more than likely be exhibited. They also saw that when hard power, such as legitimate, coercive, and reward power, is used, followers reach a suboptimal motivational outlook and the five work intentions are reduced since their psychological needs are not being met.

It can be concluded that intrinsic motivation to help followers achieve the three basic human psychological needs of autonomy, competence, and relatedness is associated with followers' optimal motivational outlook, whereas external motivation such as rewards and authority-based motivational tools reflect followers' suboptimal motivational outlook. It follows that leaders need to consider using more soft powers instead of hard powers for followers to be engaged in the five positive work intentions.

2.5. Cross-cultural Theories of Servant Leadership

Studies in servant leadership have covered cross-cultural applicability (Liden, 2011; Zhang, Zheng et al., 2019), team-level effectiveness (Irving, 2005), followers' empowerment (Murari & Gupta, 2012), followers' well-being (Panaccio et al., 2015), followers' work engagement and social capital (Clercq et al., 2014), followers' creativity development through competence (Thao & Kang, 2018), service performance, and the transmission of service behavior towards followers (Liu & Shi, 2018), trust as a mediating factor for servant leaders providing higher quality of work engagement outcomes during the pandemic sustaining emotional and psychological safety and work-life balance (Rahal & Farmanesh, 2022), servant leadership demonstrating positive relationship in developing followers' work resilience during the pandemic, as well as, organizations amidst crisis and complexity while employees were experiencing emotional exhaustion (Cai et al., 2023).

Scholarly findings have concluded that servant leadership attributes are supported in different cultures, yet certain elements of the model would weigh differently in diverse cultures. The model promotes team effectiveness as it generates trust, both at the leader and the organizational levels, organizational citizenship, and effective leadership; procedural justice has also been observed. It has been found to also increase team and leadership effectiveness and enhance collaboration. For followers, it has been shown to increase job satisfaction, improve working climate and well-being, and enhance creativity and helping behaviors, lowering employee turnover and rising commitment to work and organization. On the other hand, research has

demonstrated that there is not enough evidence to support these issues on topics of servant leadership having positive relationships with succession planning, the propensity to engage, adopting servant leadership on demographic variables, and association with workplace spirituality (Parris & Peachey, 2013).

In a study comparing ten regional clusters including Anglo, Confucian Asia, Eastern Europe, Germanic Europe, Latin America, Latin Europe, Middle East, Nordic Europe, Southern Asia, and Sub-Saharan Africa, on cultural dynamics moderated by servant leadership attributes on egalitarianism, moral integrity, empowering, empathy, and humility. Mittal and Dorfman (2012) found substantial insights reflecting that despite the general favoring of servant leadership across the countries above the midpoint scale, different cultures presented diverse degrees of endorsement of the leadership style. Cultural values and principles primarily drove these. Distinguishable findings showed that egalitarianism and empowerment were most endorsed by European cultures and least endorsed by Confucian Asia, which could be explained by the latter societies' high-power-distance dimension. Conversely, empathy and humility were mostly endorsed by southern Asian cultures and least by European cultures. Moral integrity was widely endorsed by all cultures, reflecting the importance of this attribute across societies as part and parcel of achieving effective leadership. Societies prone to high-performance orientation endorsed servant leadership more than those with high power distance, indicating that servant leadership's bad connotation of *the leader as a servant* and this leadership style as being too *soft* may be deemed inappropriate given its practical adoption by such societies.

Two primary findings of the Mittal and Dorfman (2012) study are directly relevant here: 1) Although the high-power-distance societies have also endorsed servant leadership, their lesser scale identified them to be Confucian Asian countries; 2) Pro-performance-orientation societies highly endorsed servant leadership. Confucian Asian societies scored in the lower range, above the midpoint scale, on egalitarianism and the act of empowering. As high-power distance cultures, and based on their Confucian upbringing, hierarchies there are well accepted as statuses given at birth, and hence less favoring of egalitarianism. In addition, these are societies that back assertiveness; thus, empowerment would be less of a need. Interestingly, the high-performance-orientation societies showed high support for servant leadership, particularly on the two attributes discussed: egalitarianism putting followers first; and empowerment, focusing on people's development. Therefore, these were attributes highly endorsed by societies that focused on results and the achievement of goals through people enablement. Mittal and Dorfman further suggested the examination of the effectiveness of these constructs.

2.5.1. Authoritarian Leader-type in Asia

In Asia, the paternalistic leadership style is predominantly visible in high-power distance cultures. Paternalistic leadership encompasses three characteristics: benevolence, morality, and authoritarianism (Pressentin, 2015). The latter characteristic refers to leading with dominance, thinking rigidly with low tolerance, and low empathy generally resulting in negative consequences. Authoritarian characteristics in leaders were commonly illustrated in traditional societies, with preferences for conformity and security, associated with cultures with high power distance and vertical collectivism (Harms et al., 2018).

Several empirical studies showed that the paternalistic leadership style is ramped up in Asia. Specifically, within cultures with adherence to authority (Lee et al., 2023)

Studies performed in Taiwan and in Malaysia showed similar findings that followers under the influence of authoritarian leadership suffered from depleted emotional well-being, manifesting their anger in psychological stress in the form of anxiety and depression rather than through direct confrontation. It is proposed that since such societies are collectivist in nature, they are in a better position to tolerate and work under the authoritarian leadership style while serving the collective. Nevertheless, this leadership style develops communication barriers between leaders and followers as it mandates obedience towards the one in the position of power, typically in high-power distance cultures (Lee et al., 2023).

During the Covid 19 pandemic, the work-from-home concept was found to be arduous to implement in Asian high-power distance countries such as Indonesia, China, Japan, Thailand, Malaysia, and India as the mainstream autocratic approach to leadership, with a high degree of supervision, punishment, and lack of trust, during the absence of physical presence meant that monitoring and controlling became more challenging for the leaders (Himawan et al., 2022).

Recent studies indicate the need for leaders to be more participatory, by introducing practices that nurture a trustful workplace environment rather than resorting to what the culture provides as a norm, deemed ineffective in the long term and in times of crisis and change (Himawan et al., 2022).

Although Confucius Asia, notably China, scored high in autocratic leadership preference, consequences resulting in poor rapport and communication between leader-follower, and lower team performance (Harms et al., 2018) is indicative that follower conception of the leader reflects on their motivation to engage and perform.

A study reflecting on the impact of Asian cultural values in relation to the effect on leadership roles and styles, it was found that the nature of autocratic leaders tended to make independent decisions, therefore, unaffected by cultural values (Arun et al., 2022). This provides possibilities to explore other leadership styles that would resonate more in view of the needs of modern society, such as the current generational needs as well as societal needs gearing organizations to propel more openly to explore resonant styles of leadership.

2.5.2. Servant Leadership in Asia

Servant leadership has been evoked in research in Asia for several years (Madison & Eva, 2019; Prasad & Sugianto, 2019; Sendjaya et al., 2019). The majority of the studies have focused on China and the Chinese comparatively with Western or American leadership behaviors (Liden, 2011).

A study by Newman et al. (2017) concluded that servant leadership is well-accepted in China. Their findings showed that empowerment promotes high levels of organizational citizenship behavior and leader-member exchange as well as reciprocity by the follower, with the leader more open to gratitude for receiving empowerment. The more proactive followers did not require the leader to provide psychological empowerment. On the other hand, the followers did

not engage in a discretionary effort, since, the authors argue, that may have been caused by a cultural factor of the Chinese societies being more collectivist and of high-power distance; additionally, they were not of a managerial stature. The authors continued that as reciprocity and leader–member exchange increase in the leader–follower relation, it would be possible for the level of organizational citizenship behavior to grow over time. Yet, attention should be focused on the less proactive followers to support their needs for individual growth.

This evidence of interest in servant leadership in Asia has spurred researchers to further study the region’s multinational workplace environment (Cooke & Kim, 2018; Newman et al., 2017; Prasad & Sugianto, 2019). Followership is not a role but a mutual relation or a relational interaction by both leaders and followers in the constructivist school of thought, hence it is socially constructed. Under the identify construction approach by DeRue and Ashford (2010) and Khan et al. (2019), both the leader and follower are involved in a reciprocal granting and claiming of their identities; thus, the leader and follower are not static but mutually shaping their relationship over time in a continuum. This is to say the leader must claim that they are a leader, and the follower must claim they are a follower, thus allowing the leader to lead. If a mismatch of claiming and granting occurs, the leader–follower relationship cannot be constructed.

In the Shamir (2007) and Khan et al. (2019) co-production approach, both leader and follower are causal agents, collaborating in a leadership process and co-creating outcomes and results, as together they strengthen the vision and goals towards this process, because of the organization’s success. This co-production constructivist approach elevates the follower’s position to one of the active contributors to the leadership process and seals the leader’s power and control. Therefore, the constructivist model elaborates that without followership, leadership does not exist, hence observing how followers’ engagement behaviors occur and how they will determine the leadership. This will end up being a more balanced approach.

The follower-centered perspective of leadership (Bligh & Schyns, 2007; Khan et al., 2019) suggests that leader outcomes should be based on follower perceptions. It explains that the traditional leader-centric perspective in leadership causes a halo effect on outcomes and, additionally, evidence has shown that positive or negative outcomes in organizations are caused by leaders or leadership. Bligh and Schyns (2007) argued that leadership effectiveness is dependent on the reciprocal relationship between leader and follower, and the emphasis on the connection between leader and follower is constructed in the follower’s perception. The follower perspective towards leader–follower relations is critical, and therefore, more acute attention toward their experiences, perceptions, and reasoning of leadership behaviors received may constitute a more valid assessment of a leadership style, particularly by followers whose actions and behaviors are crucial to leadership outcomes (Alvesson & Einola, 2019).

In most organizational settings, a follower is also a leader. Thus, in the context of the research, it would be interesting to inquire into the aspect of respect for the leader, meaning, does a follower who leads, in any case, hold a place of official hierarchical authority or not? Along these lines, we can also assume that respect for the leader is boosted or scaled down depending on the follower’s expectation of the leader prototype.

Leader–follower prototype perception is not universal but culturally dependent, as an earlier study on leader prototypes has shown; while the leadership traits were generally accepted, the behaviors had to adapt according to cultural context (Holzinger & Dunham, 2006). More recent research has also shed light on the idea of seeing followers as charismatic leaders within a group of followers. In the high leader–member exchange context, the follower–leader relations are more satisfying as the relationship tends to generate trust, helpful resources, and followers who are supported by the leader. In a low leader–member exchange context, the follower–leader relation tends not to go beyond formal work, so stress and fast turnover are more likely to be an outcome of this relationship. The leader’s effectiveness depends on their ability to generate a fit to the follower’s expected prototype of them and therefore the effectiveness of the behaviors depends on the follower’s cognition (Xu et al., 2019).

The Asian corporate environment is dominated by a multicultural dynamism of diversity in cultures doing business within Asia. Such diversity is represented by international people living in Asian countries from other Asian expatriates, European, Latin American, African, and North American employees, as well as business people. During intra- and inter-group discussions, business negotiations, and virtual team leadership, it is important to notice the cultural aspect of that diversity (Hofstede et al., 2010). In other words, being prepared and aware of the cultural dimensions of the Asian business process and having knowledge of employee expectations are key for trust to occur (Xu et al., 2019). The closer the expected prototype is matched, the higher the chance trust can begin to surface on the relational level (Holzinger & Dunham, 2006).

Another element is the high-context Asian countries’ communication style that is more explicit in expressing meanings and desires, which will lead to an outcome. Low-context cultures will have to adapt when shifting their people to work in the region, as a leader–follower clashes can often appear to be an individual attitudinal or character problem on the surface — in reality, it is more often than not a cultural misunderstanding of different contextual backgrounds and upbringing of the people involved in the relationship (Mullen-Rhoads et al., 2018). Hofstede’s seminal work on cultural dimensions (Hofstede et al., 2010) discusses the several cultural dimensions among countries. Among the dimensions, power distance is the degree to which an individual accepts power dominance.

In the majority of Asian countries, power distance is high, representing their acceptance of authority and unequal power distribution. The leader is normally expected to have power and make decisions, organizations are more hierarchical, and followers tend to be more submissive, prefer to avoid conflict, focus on collective goals, and the admission of paternalistic behaviors is typical. In Western cultures, the power distance dimension tends to be low, and leader–follower relations are less formal and less hierarchical. This suggests that power distance provides a clear differentiation in behavior expectations among cultures, depending on which side both the leaders and followers are standing on. Taking it a step further, it is a dimension that could potentially create a cultural prototype alignment or misalignment as far as behavioral and trait expectations in leader–follower relations are concerned.

As organizations are becoming flatter, employees expect more equalitarian treatment from their leaders, especially seen in multinational companies. They are also visible in Asia with

Generation X. Generation Y is now taking up a larger share of leadership roles (Barbuto & Gottfredson, 2017), raising these questions: 1) How do specifically Asian prototype expectations of leaders show up? 2) To what extent are followers attributing the power distance dimension in their perception of leader behaviors and traits in Asia? 3) To what extent are leaders being respected based on the attribution of prototyping and power distance perceived by their followers in Asia?

Holzinger and Dunham (2006) concluded that in the follower-centric approach to leadership: 1) the behaviors and characteristics of followers can influence the leader–follower relationship effectiveness; 2) perception, or prototypes, of effective leaders or followers, have a greater impact on their effectiveness than behaviors and characteristics; and, finally, 3) within Asian societies inter- and intra-regional differences exist, therefore, the leader–follower dimension must be considered, especially when stereotyping is ineffective in their relational growth.

In addition, even when Asian cultures are more adaptive to changing environments, conceptions of prototyping followership are more strongly embedded. In other words, leaders in Asia have a firmer idea of what effective follower behavioral traits should look like in different cultures studied. Respectively, as an organization flattens, empowerment becomes a conventional strategy resulting from organizational structural evolution. With empowerment, decision-making is shared between leaders and followers, while traditional power, authority, and boundaries of hierarchy may be dissipating.

2.5.3. Asian Leadership Practices

A study investigating a problem concerning the usage of servant leadership in an Australian firm found that employees' cultural stereotyping of their leader's expected behaviors did not relay employees' identification of their leader as applying servant leadership. The employees saw the very applauded leader behaviors to be of a servant rather than of a leader, given that more heroic, traditional, and tougher behaviors of leadership were expected in that environment (Liu, 2019).

The ability to influence others is reflected by leader–member interactions and employees perceived and expected identification of their leader. In times of uncertainty and high pressure, leaders may become more exigent, thus dampening employees' creativity and the ability of organizations to innovate (Hou et al., 2019).

An additional repercussion of the authoritarian regime is that it reduces employees' feeling of empowerment, resulting in their perception of not having a choice or much control of their jobs, which again has a direct negative effect on innovation, while customer-facing employees have been reported to feel ostracized by their leader (Dedahanov et al., 2019; Kanwal et al., 2019). Empowerment promotes employees' voice to generate ideas, concerns, and topics for organizational improvement, bringing about intrinsic motivation at work, autonomy is gained, and ownership of goals and tasks is observed. Intrinsic motivation has been shown to increase employees' commitment and performance at work (Ju et al., 2019). A servant leader empowering and paying individual attention to help employees grow provides an environment that optimally fosters employees' motivation and confidence, while reciprocity of similar behaviors is possible (Newman et al., 2017; Peyton et al., 2019).

A large portion of leadership studies in Asia take place in China (Liden, 2011), and although China's cultural dynamics may be distinct from many non-Chinese-centric cultures, research from China may provide insights into other transitioning economies, given its high-power-distance resemblance with other Asian societies. Specifically, such insights relate to, for example, employees needing more participation, involvement, and team cooperation, and a coaching leadership style, representing the key components of Chinese *new-generation employees* and leadership style preferences, versus the directive style. Employees' need for involvement increases as trust in the leader decreases; hence, their desire for high relationship orientation depicts their inclination towards the coaching-leadership approach.

Since internationalization and sustaining organizational competitiveness are processes of change management occurring continuously, leaders must consider an organizational change to be a socio-cultural variable that can be explored and improved upon within the leader-follower relation, as it might influence leader behaviors and, therefore, leadership styles (Halkias et al., 2017).

Numerous academic publications have been promoting the servant leadership model's ability to provide the necessary leadership traits and behaviors to achieve positive work intentions through employee engagement, especially in organizations of knowledge where workers seek more equalitarian forms of interaction (Newman et al., 2017; Peyton et al., 2019; Zigarmi et al., 2015). Researchers have been encouraging organizations to partake and invest in training programs on servant leadership since this need is also observed in high-power-distance cultures in Asia (Arain et al., 2019; Bao et al., 2019; Eva et al., 2019). Likewise, scholars have pointed out that servant leadership is a model that can support reducing organizational attrition rate, specifically of millennial employees (Verdorfer, 2019).

Finally, servant leadership is seen as the style able to move organizations forward in engaging employees and shifting away from an autocratic mindset and practice, a characteristic within the paternalistic leadership style, as it bolsters organizational health and performance (Laub, 2018).

The Asian cultural dynamics are structured around collectivist relatedness, utilizing their inner moral compass of mutual respect to avoid shame and honoring others with good decisions, especially in the Confucius cultures where the leader is seen as the protector and father when exhibiting benevolence and moral conduct side of the paternalistic leadership style. Resonant to the servant leadership style, it promotes social justice and respecting those without power (Segundo, 2023).

2.6. Respectful Leadership

Research has shown that interpersonal respect in the workplace engenders beneficial behaviors such as augmenting collaboration, job satisfaction, and extra-role behavior. Followers' respect for their leader contributes to leadership effectiveness through reciprocity and mutually shaped relations and identities, by fitting followers' expected prototype of a leader and trust building (Clarke, 2001; Shuang et al., 2018; Xu et al., 2019; Zigarmi et al., 2018). Within Asian cultures, in high-power-distance contexts, respect for a leader can also be determined by how the leader

exhibits their authority (Verdorfer, 2019; Xu et al., 2019) and, in understanding leadership as an influencing process, the perceived worthiness of their influence (Liborius, 2014; Verdorfer, 2019). There is, however, limited research on the specific leadership behaviors that correspond to showing respect toward subordinates. There is also a need to more deeply understand respect from the perceptions of both follower and leader and, additionally, what conditions promote followers' respect for their leader.

In research regarding respectful leadership, Van Quaquebeke and Eckloff (2010) performed a separate qualitative and quantitative study. In the first, 19 categories of respectful leadership attitudes and behaviors were found that directly mapped onto the three basic human psychological needs of autonomy, competence, and relatedness (Deci & Ryan, 2000). The authors realized that “respectful leadership is highly desired but hardly experienced in real life,” and supported that “once it is encountered in organizational practice, employees will be very satisfied with their job” (Van Quaquebeke & Eckloff, 2010, p. 356). In the second, quantitative, study, 12 items were found for a respectful leadership scale. To ensure the sound quality of the scale when applied to actual leaders, the authors examined the psychometric qualities of these 12 items. Van Quaquebeke and Eckloff found that respectful leadership, as assessed by their second study's 12 items, is positively related to the dependent variables surveyed: identification with the leader, appraisal of respect for the leader, feeling of self-determination, and job satisfaction.

In furthering the research on the Far Eastern region, Quaquebeke & Eckloff (2009) recommend the expansion of the respect inventory to include giving face, as it relates to honoring one's opinion in public, honoring one's social identity and honoring one's public image (Mao, 1994).

Given that followers play an important role in the leader–follower relationship and leadership overall (DeRue & Ashford, 2010; Alvesson & Einola, 2019; Khan et al., 2019), the above further underline the need to answer the still open question of how effective servant leadership is in promoting followers' respect for their leaders in Asian high-power-distance cultures (Eva et al., 2019; Lee et al., 2019; Rowley, Ishikawa, & Oh, 2019; Verdorfer, 2019; Neubert et al., 2022).

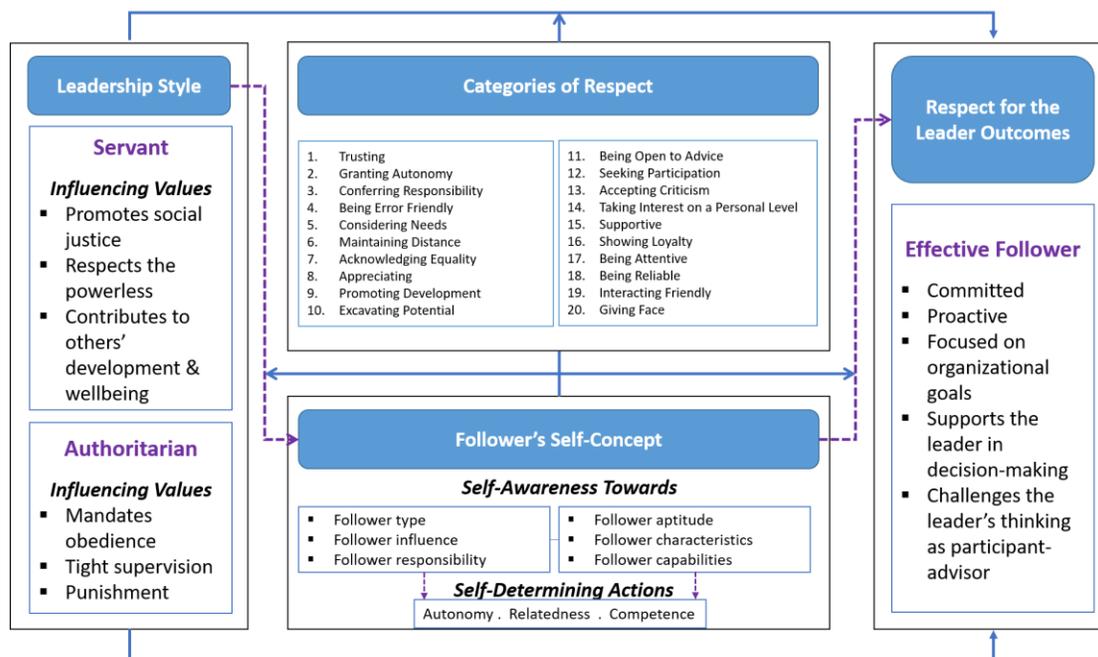
3. Framework

3.1. The Case for a New Framework

From the reviews, there is an argument to be made supporting the case of a new framework linking leadership styles choice between servant and authoritarian-paternalistic, categories of respect, follower self-concept, and respect for leader outcomes. Past studies have frequently reflected on individual leadership styles, separating servant leadership and paternalistic characteristic of authoritarian, while the review presents that both servant and authoritarian styles are present in Asian cultures (Cooke & Kim, 2018; Newman et al., 2017; Prasad & Sugianto, 2019; Lee et al., 2023), their implementation becomes the choice of the leader, possibly impacted by several factors in the leadership process, beyond this paper's focus such as situational constraints (Ndonye, 2022). Drawing from the followership theories, followers contribute an active part in determining their commitment to the organization (Bantha, 2021; Nguyen, 2019; Van Knippenberg et al., 2004),

however, little is known as to what conditions promote commitment to respect and to follow a leader. Based on followers' self-conception and self-determination theory, followers' choice to willingly follow a leader and to operate self-reliantly by taking self-determining actions is a subject that still represents a gap in leadership research (Ndonye, 2022), especially in the Asian context. Asian cultural dynamics utilize their inner moral compass of mutual respect to honor others and avoid shaming, as well as for sound decision-making (Segundo, 2023). Younger generation employees are demanding more participative and equalitarian behaviors from their leaders, despite the cultural acceptance of legitimate power (Zigarmi et al., 2015; Newman et al., 2017; Liu, 2019; Peyton et al., 2019). This surfaced the need to propose a new framework encompassing the duality of two possible co-existing leadership styles, servant and authoritarian, mediated by diverse modus of respect attributed to the follower and dependent on the followers' self-concept and choice of self-determining actions. Consequently, reciprocated respect for the leader's outcomes may occur, therefore, the willingness to follow and to partner with the leader in goal attainment for the organization.

Figure 1: Conceptual Framework



Source: Author's elaboration

The conceptual framework theorizes effective achievement of respect for the leader outcomes in the process of interaction between leadership styles and followers' perception of self-concept illustrated in Figure 1.

Theories in leadership have thus far been conceptualized with leader-centric views with limited perspective from the followership sight, along with the primary moderating factors surrounding influence and motivation, reflecting a limited picture of the leadership process (Ndonye, 2022). This paper proposes an expanded view to exploring the follower's perspective towards the leader moderated by the categories of respect towards the follower. By investigating the different social

functions and underlying cultural dynamic dominating the high-power distance societies, we hope to be able to pinpoint the specifics of the leadership style interaction, through the critical indicators of influence and motivation in the leadership process with direct or indirect influence on follower effectiveness and outcomes (Van Quaquebeke & Eckloff, 2010). Further, past studies have not reckoned with followership to be a potential organizational outcome or strategy (Ndonye, 2022), the current proposed framework utilizes followers' self-concept as a variable mediating between leadership style and respect for leader outcomes.

3.2. Research Propositions

Consistent with the framework suggested the following propositions were developed:

Leadership Styles and Respect for the Leader Outcomes

Attending to followers with respect supports the follower's identification with the leader, appraising the leader with respect, feeling of self-determination, and job satisfaction.

Proposition 1: Execution of the Servant Leadership Style will have a positive effect on the overall Respect for the Leader Outcomes.

Proposition 2: Execution of the Authoritarian Style will have a negative effect on the overall Respect for the Leader Outcomes.

The Function of Follower's Self-Concept

Proposition 3: There is a correlation between the Leadership Style choice, the Category of Respect deployed, and the Follower's Self-Concept.

Proposition 4: Despite that, the chosen Leadership Style affects the deployment of the Category of Respect, the quality of impact is subject to the Follower's Self-Concept.

The Function of Categories of Respect

Proposition 5: Categories of Respect moderate the relationship between Leadership Style and Respect for the Leader Outcomes.

Proposition 6: The mediating effect of Follower's Self-Concept on the relationship between Leadership Style and Respect for the Leader Outcomes is moderated by Categories of Respect.

Proposition 7: The relationship between the Leadership Style used and Follower's Self-Concept is moderated by Categories of Respect.

4. Limitations and Future Research

The literature review included ample theories, frameworks, and empirical and qualitative studies. Nevertheless, to ascertain the focal point of the phenomenon studied, limited disciplines were considered relevant to advance the understanding of the study constructs. The propositions have not been empirically validated, as such, the present study calls for future research to contemplate the proposed conceptual framework to be validated in an extended study. Similarly, this paper

provides an opportunity to advance methodological and theoretical alternatives to Western-centric views, particularly regarding power distance and servant leadership.

Conclusion

This literature review demonstrates that a significant body of research exists describing the benefits of servant leadership for individuals, teams, and organizations. Another body of research focuses on a follower-centric response to leader behaviors and the importance of paying attention to the follower perspective to achieve effective leadership. Yet, scholars have highlighted that the question of whether servant leadership promotes respect for the leader in high-power-distance cultures is yet to explore.

Research has shown that the servant leadership style has been unmatched in proclaiming explicitly that its focus is to serve by putting the interest of others before the leader's own, focusing on leading the follower towards attaining autonomy, empowerment, and self-reliance for success in their endeavors (Van Dierendonck, 2011). Notwithstanding, cultures with deep historical traditions and values, such as those in Asia, may present a different preference for leadership style geared towards paternalistic characteristics (Dedahanov et al., 2019; Hou et al., 2019; Kanwal et al., 2019), for their unequivocal acceptance of authority (Hofstede et al., 2010). Thus, the issues of whether servant leadership as a style is widely accepted in high-power-distance Asian cultures and how servant leaders are respected in such cultures represent a gap in the literature (Eva et al., 2019; Lee et al., 2019; Rowley, Ishikawa, & Oh, 2019; Verdorfer, 2019; Neubert et al., 2022). Power distance may present distinctive behavioral expectations among cultures from both the leaders' and the followers' perspectives. Taking it further, it is a dimension that could potentially create cultural prototype alignment or misalignments in behavioral and trait expectations in leader–follower relations (Holzinger et al., 2006). Yet, as organizations are becoming flatter and the younger generation of millennials is taking up more leadership roles, it has been observed that more equalitarian treatment is expected in leader–follower interactions (Barbuto & Gottfredson, 2017). In addition, learning from other paternalistic societal research is that post-pandemic and post-millennial generations are demanding leader-behaviors to adjust to providing more flexibility, security, and fairness and to value diversity and inclusivity (Alkan et al., 2023). This spurred the need to propose a new conceptual framework to the body of research in servant leadership and followership.

This study reviewed seminal and current theories of servant, respectful, and authoritarian leadership styles, as well as followership literature, to provide an understanding of followers' respect for the leader in Asian high-power distance cultures. A conceptual framework was proposed to represent the relationships among the constructs identified in the phenomenon. Servant and authoritarian leadership styles were identified as key apparatuses co-existing in the organizational context within the Asian cultures, with an impact on followers' actions that could produce strategic value, resulting in effective followership in operating organizational goals. The inventory of respect categories was accentuated as they regulate the relationship between leadership style and followers' respect for the leader's outcomes. Each construct was explained and clarified within the propositions and linked back to the respective theories.

Servant leadership is an area of research of much value and well explored in the West, as such, more can be done for the Asian context by exploring its cultural embeddedness. The followers' respect for servant leaders, combined with the cultural paternalistic habits and conditions in co-action, is nascent, thus, should continue to be explored in order to expand our understanding of servant leadership in the region and its deployment.

To the best of the authors' knowledge, this is one of the first literature reviews to have a specific focus on followers' respect for the servant leader in Asian high-power distance cultures.

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Unlocking the Potential of AI in Education: What Higher Education Needs to Know

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Abstract

Artificial Intelligence (AI) is a rapidly growing field transforming how we interact with technology. AI has the potential to revolutionize education by creating new opportunities for teaching, learning, and assessment. In this paper, we will explore the potential of AI in higher education, the challenges and opportunities associated with it, and the best practices for implementing and evaluating AI in higher education.

AI has been used in education for decades to support teaching, learning, and assessment. However, the recent advances in AI technology have opened up new opportunities to use AI in innovative and exciting ways in higher education. AI applications in higher education include automated grading of assignments, personalized learning pathways, and automated tutoring. AI can also identify student problems and recommend solutions, develop more effective curricula, and create new learning experiences.

AI can be used to automate repetitive tasks, personalize instruction, identify student problems, and create more effective curricula and assessment tools. However, some challenges are associated with its use, such as the need for more understanding regarding AI technology and the lack of AI infrastructure and resources in higher education. Institutions must ensure that AI is used responsibly and ethically, that all data collected is secure and that students' privacy is respected. By understanding the potential of AI in higher education and following the best practices for implementing and evaluating AI, institutions can unlock the potential of AI and create new opportunities for teaching, learning, and assessment.

The paper will be based on a secondary data reviewing journals on the topics of Artificial Intelligence, Higher Education and the future of learning. The limitations to the findings are limited to the information available in the research material reviewed. The paper can be a foundational overview related to the impacts of AI on the future of higher education for further primary research.

Keywords

Higher Education, Artificial Intelligence, Learning, Future

JEL classification

D83

Unlocking the Potential of AI in Education: What Higher Education Needs to Know

"We cannot hold back AI any more than primitive man could have suppressed the spread of speaking" - Doug Lenat and Edward Feigenbaum

Ever since the term "Artificial Intelligence (AI)" was hyped in 1956 at a conference at Dartmouth College, we have seen and heard about AI taking over many jobs that can be repetitive, lacking the need for social intelligence and intricate human dexterity. We have seen significant advancements in AI since the early 1990s. The applications of AI in many industries have been increasing since the early 1990s. This paper will delve deeper into the implications of AI on higher education.

It's hard to scroll (Palazzolo, 2023) very far on Twitter without running into a thread or post about Generative Artificial Intelligence (GAI) and Online Machine Translation (OMT). Across the internet, from Facebook groups to Reddit forums, users are raving about the ability of this new AI technology to create content like children's books and ridiculous images with just a few lines of human-prompted guidance.

What is AI?

Defining AI, (Tegmark, 2017) begins by defining intelligence. The author explains that scholars could not develop a unified definition of intelligence during a symposium on AI by the Swedish Nobel Foundation. Some of the thoughts outlined were "capacity for logic, understanding, planning, emotional knowledge, self-awareness, creativity, problem-solving and learning" (Tegmark, 2017, p. 60). The author defines intelligence as "the ability to accomplish complex goals" (Tegmark, 2017, p. 61). Abbas, 2021 defines AI as automating cognition using social and cognitive phenomena. This phenomenon allows a machine to socially integrate with society to perform competitive tasks requiring cognitive processes and communicate with other entities by exchanging messages with high information content and shorter representations.

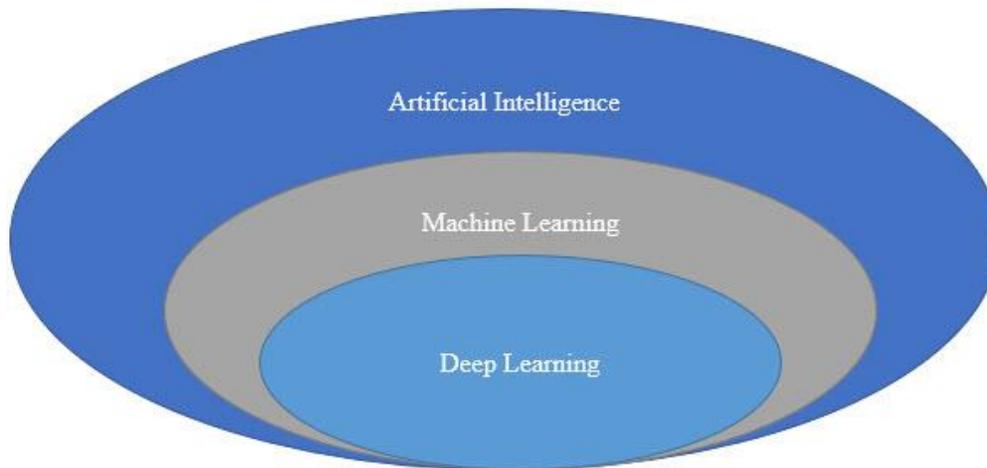
Elon Musk, a big supporter of Open.AI and CEO of Tesla, is designing full self-driving cars using AI, the CEO explains that AI poses one of the greatest risks to humanity and can cause significant disruption to the future of work. For AI to be great and continue to advance, we need machines that can analyze large amounts of data and learn from this data. As IBM (IBM's Deep Blue, n.d.) explained, AI has three layers. Deep Learning is a type of Machine Learning with many layers of representation, including deep and often complex artificial neural networks operating on "raw" features that replicate human actions. Some industries include autonomous driving cars, computer vision, text recognition, etc. However, Deep Learning alone cannot provide transparency or explanations for actions.

On the other hand, Machine Learning is data-driven, exhibiting behaviours that make distinctions not explicitly programmed. These decisions are usually highly statistical, making AI highly competitive, with the ability to decide based on a particular data set from past experiences or driven by specific algorithms to inform future choices. The ability to have machines continually improve and get better at making decisions allows AI-supported devices to replace all types of jobs that were only suitable to humans, such as driving vehicles, making financial decisions, and reading medical radiology test results with high levels of accuracy. In brief, AI is a broad field

characterized by general goals of finding new insights, interpreting data/communication intended for humans and exhibiting expertise on a topic.

Figure 1

Layers of machine learning



Our ability to think and learn are the main attributes that make us human. Even though it has been shown that machines can compete and win against humans, such as IBM's Deep Blue, beating the chess world champion (*IBM's Deep Blue*, n.d.). Humans are far more intelligent in completing specifically defined tasks, with skills that include learning languages, driving vehicles, social and emotional intelligence, adaptability, and dealing with ambiguous situations.

Computers transform information presented to them into a sequence of zeros and ones. This means that not only humans can learn, but the same rules and patterns that allow humans to learn can also exist outside the human brain. Computer programmers and AI researchers have significantly improved the ability of machines to learn. Machine learning refers to the function of devices that can improve their software.

Humans have leveraged machines from the 1st to the current 4th industrial revolutions. According to Klaus Schwab (Arroyo Lazo, 2018), the Fourth Industrial Revolution builds upon the Third, which refers to the ongoing digital revolution since the mid-1900s and is distinguished by a convergence of technologies that erases the boundaries between the physical, digital, and biological domains. We have been using machines for manual tasks throughout history. If we define our competencies and skills by our cognitive skills, such as language, creativity, and intelligence, then machines pose no threat.

History of Artificial Intelligence

In many ways, the world we live in today feels like a Wonderland; Image recognition, intelligent speakers, and self-driving cars are all possible due to artificial intelligence (AI) advances. Although it was established as an academic discipline in the 1950s, AI remained

relatively obscure from a scientific perspective and had limited practical interest for more than fifty years. However, with the advent of Big Data and advancements in computing power, it has now made its way into the business world and public discourse.

AI can be categorized based on the type of intelligence it displays, such as cognitive, emotional, and social intelligence, into analytical, human-inspired, and humanized AI. Alternatively, AI can be classified according to its evolutionary stage into Artificial Narrow, General, and Super Intelligence. Since the 1950s, experts have made periodic predictions that we are just a few years away from achieving Artificial General Intelligence (AGI), which refers to systems that exhibit human-like behaviour in all aspects and possess cognitive, emotional, and social intelligence.

Isaac Asimov, a prominent science fiction writer, did not explicitly introduce the concept of singularity in his works. However, his stories and essays often touched upon themes related to the exponential growth of technology and its potential impact on humanity. Asimov's works often explored the consequences of technological advancement and raised questions about the role of artificial intelligence, robotics, and other emerging technologies in society.

Asimov's most well-known work, the "Foundation" series, envisioned a future in which a group of scientists uses mathematical models to predict the course of human history and guide humanity through a period of turmoil. The series also features the character of R. Daneel Olivaw, a humanoid robot who serves as a bridge between humans and machines.

While Asimov did not use the term "singularity," his ideas about the potential dangers and benefits of technology have influenced many discussions about the singularity and its implications for humanity. The singularity concept was first popularized by mathematician and science fiction writer Vernor Vinge in the 1980s and has since become a widely discussed topic in science and technology circles. We are not there yet in 2023.

Around the 1940's, Alan Turing, an English mathematician, focused on real-world problems rather than fictional ones and created The Bombe, a code-breaking machine for the British government during World War II. Its purpose was to decode the Enigma code used by the German army. The Bombe, about seven by six by 2 feet large and weighed about a ton, is commonly regarded as the first functional electro-mechanical computer. In 1950, Turing authored a groundbreaking article entitled "Computing Machinery and Intelligence," in which he outlined the process of building intelligent machines, focusing on how to test their intelligence. To this day, the Turing Test he proposed remains a standard for assessing the intelligence of artificial systems. If a machine can interact with a human in a way that is indistinguishable from human interaction, it is deemed intelligent.

Discussions about using statistical methods to achieve accurate AI date back as far as the 1940s, when Canadian psychologist Donald Hebb formulated the theory of Hebbian Learning, which imitates the neuron processes of the human brain. This theory led to the development of research on Artificial Neural Networks. However, progress in this field halted in 1969 when Marvin Minsky and Seymour Papert demonstrated that computers did not have the computational power to handle the demands of artificial neural networks effectively.

The resurgence of Artificial Neural Networks occurred through Deep Learning, which was demonstrated when AlphaGo, a program created by Google, defeated the world champion in the board game Go in 2015. Go is considerably more complicated than chess, with 361 possible moves at the opening instead of just 20 in chess. For a long time, it was believed that computers would be unable to defeat humans in this game. AlphaGo achieved its high performance using a specific artificial neural network called Deep Learning. Artificial neural networks and Deep Learning serve as the foundation for most of the AI applications we are familiar with. From the discussion above, it is evident that AI is set to become as pervasive a part of daily life as social media or the internet did in the past. As a result, AI will profoundly impact our personal lives and bring about a fundamental transformation in how companies make decisions and engage with their external stakeholders, such as employees and customers.

The Future of Work

MIT economist Andrew McAfee predicts that automated services will eventually replace most current positions. The current and future jobs likely to continue are interpersonal ones requiring social awareness, humanistic competencies and human dexterity (Aoun, 2017).

The author and futurist, Jeremy Rifkin, wrote a book in 1995 entitled ‘The End of Work’ in which he explored the decline of the global labor force and the dawn of the post market era. He predicted that technological change would destabilize labor markets which would result in the decline of the global labor force. While this may appear to be far-fetched in 2023 given labor market shortages, nonetheless the debate as to whether technology is a complement to, or a substitute for labor, is ongoing (Rifkin, 1996).

In the early 20th Century, the United States underwent what (West, 2018) refers to as a "mega change" due to the nation's shift from a farming and rural economy to an industrial one. Decades passed before the government could address the impacts of this shift and restore stability. However, another major change looms ahead; this time, the world is moving from an industrial-based economy to a digital one. The new business model, centered around automated robots and artificial intelligence (AI), underpins this transformation. The impact of this shift is already visible, particularly in blue-collar jobs. In particular, some of the most dependable jobs for individuals who could not afford to attend college, such as those in restaurants, retail, and transportation, are now being affected by automation.

In the United States, restaurants are increasingly deploying tablets that offer menu recommendations and descriptions to replace waitstaff. Self-checkout options that are becoming increasingly sophisticated are also replacing cashiers in many retail stores. Amazon is operating retail stores where customers will soon be able to utilize an app to charge their purchases to their Amazon account. Additionally, experts anticipate that automated vehicles will result in fewer accidents and enhanced fuel efficiency because of their ability to perform smoother acceleration and braking compared to human drivers (West, 2018). AI is already replacing numerous jobs in the financial sector by identifying slight fluctuations in the stock market that may indicate an opportune time to purchase or sell stocks. It can also promptly conduct comprehensive background checks to determine whether an individual is eligible for a bank loan. Furthermore, the author explains that hospitals use AI to scan medical images to detect potential cancerous lymph nodes providing a more cost-effective and accurate diagnosis.

The industrial workplace has undergone continuous automation over the past few decades, with massive factories running on rows of machines instead of people (Frank, 2017). However, the fact that these factory floors have reduced their workforce by 90 percent does not necessarily mean that every worker has to be concerned about losing their job. The author's analysis of numerous studies reveals that technology has historically eliminated and created jobs. According to the studies, approximately 19 million US jobs (or around 12% of the workforce) will likely be automated in the next decade. However, the same studies suggest that new technologies will also create roughly 21 million new jobs, effectively balancing out the job market and keeping unemployment figures similar to current levels.

According to research by Forrester, robots will automate the tedious and repetitive parts of jobs, like grading homework, that are often considered boring. We see traditional publisher software such as Pearson's MYLAB complementing in class and online learning. Software such as this enriches the student experience by providing simulations, videos, quizzes, Dynamic Study Modules and online study guides. This has become ubiquitous in higher education.

In addition, as information is readily available faculty at colleges and universities are engaged in using Open Educational Resources (OERs) which are replacing traditional texts at zero cost to students. By taking over these monotonous tasks, workers will have more time to focus on their clients and students, leading to a higher quality of work and a better experience for everyone involved. In his book "The Fourth Age" (Reese, 2018), The author clarifies that even though machines can exhibit lifelike qualities, they lack the essential life force that animates humans and other animals. As the Dalai Lama pointed out, "Humans are not machines. We are something more. We have feelings and experiences." If we accept the humanistic and dualistic viewpoint, there will likely be many employment opportunities available in the age of artificial intelligence. As humans are unique compared to both animals and machines, it follows that specific jobs will always require human intervention and ability beyond the capabilities of robots.

The Internet of Things (IoT)

The Internet of Things (IoT) will be a crucial element of the digital economy, enabled by the high-speed connectivity of the fifth-generation (5G) internet network. It involves connecting entire physical goods and household objects systems, enabling them to be monitored and adjusted in real time. AI can leverage these IoT tools to track vital health statistics; all these portable monitoring devices can soon be available to your healthcare professionals in support of your healthcare. Infrastructure has also seen improvements from the IoT with the advent of blockchain and Lorelei technology, IoT can become cheaper to operate, leading to faster adoption.

Colleges and universities, can leverage IoT to create "smart campuses" where real-time monitoring of everything from wayfinding, energy management, transportation, lighting and public safety can be of value.

Ethics and AI

In his book, Human Compatible, Russell 2019, explains that today's computers can process information at astounding speeds. The author outlines the following principles to design good AI. 1) AI should only have one objective: the utmost fulfillment of human preferences. The author calls this the altruism principle. It ensures an AI will always place human preferences above its own 2) AI should initially be uncertain about those preferences. This is the humbleness principle.

The idea is that an uncertain AI will never fixate on a single objective but will change its focus as new information comes in. 3) The final principle for making beneficial AI is that human behaviour should be their ultimate source of information about human preferences. This learning principle ensures that an AI will always remain in a direct relationship of learning with humans.

Some issues have already arisen with all these advancements and thoughts on building ethical AI, which is currently being utilized by law enforcement in Chicago to identify areas more susceptible to criminal activity. However, there have been reports of innocent individuals in these areas being targeted and harassed by police, raising concerns about the system's accuracy and fairness. Drones can be programmed to target people based on the colour of their skin. This underscores a crucial aspect of AI: its predictions can never be entirely impartial, as they are greatly influenced by the quantity and quality of the data used, as well as the value judgments of the designers when they establish the "fair criteria" for the system.

In their paper titled "Keeping Humans in the Loop: Pooling Knowledge through Artificial Swarm Intelligence to Improve Business Decision Making" (Metcalf et al., 2019), the authors propose that artificial swarm intelligence can aid humans in making better decisions. The authors draw inspiration from decision-making in the animal world, such as flocks of birds or ant colonies. They suggest a framework that combines explicit and tacit knowledge to avoid biases such as herding behaviour or the limitations of other techniques like surveys, crowdsourcing, or prediction markets. They demonstrate the applicability of this method in sales forecasting and defining strategic priorities.

In "Letting the Computers Take Over: Using AI to Solve Marketing Problems" (Overgoor et al., 2019), the authors present a six-step model for using AI to enhance marketing decision-making. This model involves a comprehensive understanding of the business and data, preparing and modelling data, and evaluating and implementing solutions. The authors apply this framework to three case studies involving common issues in today's business environment. These include designing influencer strategies for word-of-mouth programs, selecting digital marketing images, and prioritizing customer service on social media.

Rather than attempting to regulate AI itself, it may be best to establish universally accepted standards for the training and testing AI algorithms, possibly in conjunction with a form of warranty, similar to the safety and consumer testing protocols used for physical products. This would permit stable regulation, even as the technical aspects of AI systems evolve. Another related issue is the responsibility of businesses for errors in their algorithms or the necessity for AI engineers to abide by a moral code, similar to the oaths taken by lawyers or doctors. However, such regulations cannot prevent intentional hacking of AI systems, misuse of these systems for microtargeting based on personality traits, or dissemination of fake news.

China is developing a social credit system that merges surveillance, Big Data, and AI to enable "trustworthy" individuals to move freely while making it difficult for "discredited" individuals to act. Conversely, San Francisco has opted to ban facial recognition technology, and scientists are exploring techniques to create virtual invisibility cloaks that make people undetectable to automated surveillance cameras.

The European Union has taken a different approach to China and the United States by introducing the General Data Protection Regulation (GDPR), which significantly limits the storage and processing of personal information. As a result, the development of AI in the EU is likely to be slower than in other regions, raising the question of balancing economic growth and personal privacy concerns. International coordination in regulation will be necessary, as the nature of AI makes it unlikely that a localized solution will be effective in the long run. This will result in unique ethical, legal, and philosophical challenges that must be addressed in higher education.

Use of AI in Higher Education

Globally, post-secondary institutions are dealing with the challenges of catering to a growing diverse group of learners. The COVID-19 pandemic has offered a glimpse of a world with higher unemployment rates, highlighting the need for lifelong learning. The notion that education ends around 25 no longer applies in a rapidly changing job landscape. Individuals must adapt and continuously acquire new skills as technology and industries evolve. Luckily, remote learning has made remarkable progress, providing online courses enabling individuals to learn independently. This could be an invaluable asset for job training. Artificial intelligence (AI) has revolutionized how we learn and interact with technology in the classroom. From AI-assisted predictive analysis to personalized curriculum, AI has drastically changed how education is delivered and received. AI is no longer a concept in the distant future but is present in today's classrooms.

Artificial Intelligence (AI) can potentially revolutionize the field of education. According to a study by K Nagao and K Nagao (Nagao, 2019), AI can provide a platform to accelerate human learning, enabling students to learn more quickly and effectively. By utilizing AI technologies such as natural language processing, deep learning, and machine learning, students can be exposed to a broad range of educational materials; these materials can be accessed more quickly and efficiently than ever before. AI can also help teachers evaluate student performance more accurately and efficiently, enabling them to better tailor instruction to each student's needs. Furthermore, AI can provide personalized guidance and feedback to students, helping them to stay on track and achieve their educational goals. All in all, AI can potentially provide students with unprecedented access to educational materials, enabling them to learn more quickly and effectively than ever before. (Nagao, 2019)

The impact of artificial intelligence on education is becoming increasingly evident, with the technology being used in various ways. According to C Chace in his 2020 article on .com, AI "enables educators to gain insights into students' behaviour and performance that can be used to tailor instruction and support for each student" (Chace, 2020). This can revolutionize how we think about teaching and learning, as educators can customize coaching to the individual needs of each student. AI can also create personalized learning pathways and provide tailored feedback, allowing students to learn at their own pace and style. Furthermore, AI can automate grading, providing more accurate and timely feedback. This could help reduce the time spent on grading and allow facilitators to focus on delivering a more personalized learning experience.

The potential of artificial intelligence (AI) in enhancing education is explored in the study conducted by F Pedro, M Subosa, A Rivas and P Valverde (Pedro & Rivas, 2019). AI can create virtual learning environments, which can help make learning more engaging and immersive. AI has the potential to increase student engagement and motivation, as well as to support collaborative

learning. (Pedro & Rivas, 2019). The use of AI in higher education is getting further immersed in tools such as 1) Student and Employee Facing Virtual Assistants, 2) the use of AI to scale current services to their online communities, 3) Giving students, Staff and partners instant responses to their enquiries about all matters to do with college regulations, requirements, processes, information and messaging, 4) Your best advisor replicated the highest quality services endlessly at all times 5) On-demand availability and access to information 24/7 regardless of time zones or office hours and can be accessed directly from the student's device of choice, 6) Personalization- The AI system knows some information about a student and their classes from the Student Information System (SIS) and gives them a personalized response based on their program and other collected data, 7) Ongoing improvement- the systems can continue to be trained to improve its understanding and coverage of potential questions. A study by the IBM Institute for Business, completed in October 2020, found that implementing virtual agent AI to support students and staff at higher education institutions could lead to a 99% increase in reported satisfaction.

AI-implemented systems in Student Information Systems (SIS) can provide detailed attrition risk analysis by modelling attrition and predicting which students are at risk based on grades, attendance, behaviour, and other factors. Limited information makes it hard to see individual student needs transitions to Intervene at the right time for each student to support graduation. The use of AI in higher education is not without some humor. Spinbot.com is a common website that 'spins' content to new words. Thus 'It was a dark and stormy night' becomes 'It was a dim and turbulent evening'. Faculty who read about 'Steve Works' when the report is supposed to be about 'Steve Jobs' are often on the receiving end of this software.

Generative Artificial Intelligence

A new technological wave is known as generative artificial intelligence. ChatGPT, released in November 2022 by the artificial intelligence lab OpenAI, has created hype and a sense of fear for all higher education institutions. The AI program generates highly articulate and nuanced text responding to short prompts. Many people have used the tool to write love letters and poetry, asked the tool to create vacation plans and even complete students' school work.

This technology has disrupted certain middle and high schools, causing teachers and administrators to try and determine whether students are utilizing the chatbot to complete their academic assignments. As a result of concerns about cheating, certain public school systems, such as New York City and Seattle, have prohibited the use of the tool on school Wi-Fi networks and devices, although students can still find ways to access ChatGPT.

Colleges and universities have hesitated to prohibit the use of the AI tool because they are uncertain of its effectiveness and do not wish to impede academic freedom. The rise and availability of AI writing bots have forced colleges and universities to revamp how they teach and assess. A faculty member at Northern Michigan University decided to transform essay writing for his courses. The educator plans to require students to write first drafts in the classroom, using browsers that monitor and restrict computer activity. In later drafts, students have to explain each revision. Another faculty member at another institution plans to incorporate ChatGPT into lessons by asking students to evaluate the chatbot's responses.

The emergence of ChatGPT has prompted a significant change in teaching and learning across the United States, leading university professors, department chairs, and administrators to revamp classrooms. Some professors are entirely redesigning their courses by incorporating more oral exams, group work, and handwritten assessments, among other changes, particularly because generative AI is still in its nascent stages. OpenAI is expected to release GPT-4, which is believed to be better at generating text than previous versions, while Google has developed LaMDA, a rival chatbot, and Microsoft has invested \$10 billion in OpenAI. Additionally, startups in Silicon Valley, such as Stability AI and Character.AI, are also working on developing generative AI tools.

ChatGPT has become a priority in conversations around academic integrity at many universities. Task forces are being formed and comprehensive discussions are being held by administrators in response to the tool. Much of the guidance being offered is to adapt to the technology, and higher education institutions are taking steps to educate students about the new AI tools. Some universities, such as the University at Buffalo in New York and Furman University in Greenville, SC, plan to discuss AI tools in required courses for entering or first-year students to teach concepts such as academic integrity. Academic integrity policies are also being revised to include generative AI in their plagiarism definitions. Additionally, in-class assignments, handwritten papers, group work, and oral exams are favoured over the tool's use.

The misuse of AI tools will likely not end, so some professors and universities plan to use detectors to root out that activity. Turnitin said the plagiarism detection service recently announced that it plans to incorporate features to identify AI, including ChatGPT, soon.

Edward Tian, a senior at Princeton University, has created GPTzero, a tool to quickly detect when text submitted was created by generative artificial intelligence. To date, more than 6,000 educators from some of the most reputable higher education institutions have signed up to use GPTZero.

Uses of ChatGPT

Well published in all media, you probably know of how ChatGPT is changing businesses and the way we work and communicate. You only need to go to OpenAI's website to unlock the power of ChatGPT. Not only can you use ChatGPT on its official website but on WhatsApp, Gmail, Google Sheets, and more places. Here are examples of how ChatGPT can be used:

- 1- God In A Box: ChatGPT on WhatsApp- Use this app when you run out of things to say while in the middle of a conversation. This app can be used to keep the conversation going.
- 2- You can also use “Merlin” in Chrome the way you would use ChatGPT on the Open.AI platform. You can use this extension in the same way you'd use ChatGPT. With Merlin you can have ChatGPT's functionalities on sites such as Gmail, Google Sheets, and anywhere you search/write on the internet! Using ChatGPT and Merlin, you can ask Merlin to generate a summary based on text of a specific webpage, write professional email replies in Gmail, Master complex Excel formulas. If you want to improve your productivity as a programmer, you should download the extension "Code GPT" on VSCode. This extension allows you to generate code, explain code and find problems in code.

Drawbacks of ChatGPT

While the writing might be human-like, the tool doesn't always present accurate facts and only knows current events before 2021. The tool is not deemed to be as creative as humans can be. Teachers can take comfort in the fact that ChatGPT is currently unable to generate truly original content. Its ability is limited to producing text and information based on past experiences and cannot generate novel ideas. Although ChatGPT may be able to create a well-written and persuasive academic paper, it will most likely rely on preexisting research and ideas rather than offering new insights or contributions to the field.

One of the many opportunities and challenges facing educators is the use of Online Machine Translation (OMT). Examples of OML include Google translate, DeepL and Microsoft Bing Translation.

Given the increasing number of students coming into English speaking educational environments who lack English proficiency, the use of language translation software can be seen as a help. The same can be said for English speaking students going to learn in other educational environments where the spoken language is different. Microsoft Research highlights some of the advantages of using translation software in the classroom. (Microsoft Research, 2018). There are many practical videos that guide users as to the use of translation software. One of the most prevalent is Google translate (Google translate) (Microsoft Research, 2018).

Teaching In The Age Of AI Means Getting Creative

At the undergraduate or lower levels of instruction, academic assignments usually involve summarizing existing knowledge rather than producing original scholarship, which is typically expected at the master's and doctoral levels. Hence, AI text-generating tools are likely to be more problematic for undergraduate-level education.

Despite the potential concerns, AI-powered content generation also presents an opportunity to usher in a new era of knowledge co-production between humans and machines. With the ability to search and retrieve information, devices can provide humans with vast amounts of data to analyze and review, leading to a faster and more efficient generation of new knowledge. Furthermore, such advances can assist students with learning disabilities to express their ideas and imagination in previously challenging ways.

In addition, AI-generated content has the potential to address various forms of academic dishonesty. For example, essay mills have offered an escape from doing academic work for a long time, but the availability of ChatGPT's free services could put an end to their business. Moreover, this technology may provide equal opportunities for academic misconduct to low-income students who previously did not have access to such resources.

The AI industry is exploring digital watermarking to detect AI-generated content, aiding academic institutions in identifying authorship of submitted work. Although chatbots cannot generate original content, they can assist students in organizing their thoughts and creating drafts that can be revised and edited, simplifying the writing process. ChatGPT's reality has prompted professors to reassess their teaching methods and rethink their course content. Some educators suggest requiring students to reference class discussions in their work, attach reflection videos or

blurbs, and include specific rhetorical skills in their pieces. However, it's crucial to emphasize critical thinking in course syllabi and written assessments, or these methods will quickly become obsolete. Despite current attitudes towards ChatGPT, many educators remain optimistic that such technology will push us to prioritize deeper comprehension over skill development.

ChatGPT, Jasper, Caktus and other similar tools are many disruptive technology tools that institutions had to deal with over the last few years. Institutions should embrace this technology and look at how course designs might be used to support academic integrity, and how to better communicate to students what is acceptable and what is not acceptable in various course contexts. Open.AI has declared that the tool's intent is not to be used for misleading purposes and that the company is creating tools to help identify text generated by the system.

We knew this day would eventually arrive when automation came for knowledge work in the form of artificial intelligence. So instead of seeing ourselves competing with technology, we should find ways to complement it and view ChatGPT as a tool that assists us in collecting information and in writing drafts.

Final Thoughts

Rather than resorting to Luddite tendencies and attempting to ban technological advancements, colleges and universities should acknowledge the reality of artificial intelligence and welcome chatbots like ChatGPT as tools to facilitate a focus on what truly matters: the creation of new scholarship, rather than awarding credentials for summarizing what we already know. Creating assignments that require creativity, critical thinking, and synthesis of information will help mitigate the use of AI tools and properly assess learners for the work submitted in alignment with attaining the 21st-century competencies sought out by employers today.

Artificial intelligence has great potential to assist educators in improving the quality of education. AI can help to make teaching more efficient and effective, customize learning, and provide personalized feedback to students. AI also has the potential to open up new avenues of learning, such as providing access to learning materials and opportunities to people who previously had limited access. AI provides many exciting possibilities for educational institutions, teachers, and students. However, educators must take the time to understand and use AI responsibly so that it can be used to benefit both educational institutions and learners.

Faculty should craft a policy for their class as to how AI tools could be used in the learning process. Taking advantage of tools that can create meaningful content with AI, students must learn to work with ChatGPT and other Large Language Models (LLM). Some guidelines outlined in by Mollick & Mollick, 2023, include 1) the need to plan for AI tools and the need to revise policies to meet ever-changing technology, 2) Knowing that human imagination isn't going anywhere. Creativity isn't going anywhere; creating assessments to meet the needs of the new classroom environment is critical to the success of student learning and minimizing the impact of LLMs.

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Role of Climate Change in Environmental Terrorism and its impact on National Security

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Abstract

In recent times, climate change is associated with terms such as national security and environmental terrorism. As absurd as it may sound at first, this is exactly what many recent case studies and scientific reports suggest. However, till now relatively few researches have highlighted this relation.

This article tries to expose and highlight the link that exists between climate change and terrorism. It also presents concrete examples of underdeveloped/developing nations (Nigeria, Iraq, Syria and Afghanistan) where this reality is closely observed. We study in detail about three different NSAGs (Boko Haram, ISIS and Taliban) to demonstrate how climate change has the potential to act as a risk multiplier in certain regions and threatens national security by making such regions more vulnerable to terrorist recruitment. Hence, we also conclude that the issue must be dealt with solemnly by the concerned authorities.

Keywords

Climate Change, Environmental Terrorism, NSAGs (Non-State Armed Groups), Terrorism

JEL classification:

F18, F51, F52, Q15, Q54

Introduction

Several studies have found and reported a link between climate and environmental terrorism and the subject has also been addressed recently by the United Nations. To lay the foundation of this present issue, last year, an article published by the United Nations, warned the countries impacted by the Climate Change. It clearly stated that such nations that fall prey to climate change are also under a greater threat of terrorist recruitment and violence. Therefore, in this study we try to elaborate and explain in detail the present issue. Few studies have looked at the association connecting climate - related risks and military conflict based on field research. Scholars have highlighted the accessibility of such vulnerable places and the overall unpredictability of events in their reflections on these difficulties (Augsten et al., 2022). Therefore, the main objective of this paper is to mention and throw light on the following aspects from the existing literature:

1. The link between climate change and environmental terrorism- What is the relation between the two? How does climate change impact the peace within the country? How does it disrupt national security?
2. Providing real life examples where environmental terrorism has caused NSAGs to dwell and aggravate the issue of environmental terrorism affecting national peace.

3. The paper tries to justify that climate change not only has a major impact on the environment but also on the national security of a country by making its citizens vulnerable and more susceptible to terrorist recruitment.

This article presents examples of the developing/underdeveloped countries that are facing environmental terrorism currently. We study the existing literature about the topic and carry out a critical literature review. The examples emphasize the involvement of NSAGs (Non-State Armed Groups) and its influence on the population living within the country, but more crucially, the relationship connecting environmental terrorism and climate terrorism, which affects the different countries' security interests. The terrorist organizations that we will discuss about in this article are as follows:

1. Boko Haram
2. Islamic State in Iraq and Syria
3. Taliban

In the past few years, climate change has been discussed in many different contexts and is associated with terms such as environmental terrorism and national security. It is a subject that is not so often discussed, hence it becomes even more crucial to consider addressing it, when talking about climate change in general. (Silke, A. & Morrison, J., 2022). This paper contributes to the existing literature by offering insights to the readers especially policymakers and concerned authorities regarding what is going wrong with the countries undergoing climate change and facing serious ecological issues that are not only impacting the environment but also the national security.

1. Literature Review

Although there is a long history of human activities affecting the environment negatively (more than 2000 years), many believe that it was not until the 20th century that people started seriously noticing the gravity of the environmental threats. (Cirjak, 2016) However, on the other side, there are statements that suggest otherwise. Other sources claim that even five thousand years ago, individuals of the Indus civilization knew the effects of pollution on human beings and responded accordingly. (Weyler, 2018)

Climate change is also one such concrete example of human activities affecting the environment negatively. According to an article published on the official website of NASA, previous research about human impact on climate change had portrayed it as "inadvertent climate modification." Even though the effect of human activities on climate change was known, the direction of this change was not clear. (NASA, n.d) Therefore, one may not deny that people's understanding about the environment and similarly, the effects of their actions on their surroundings is still evolving and is not completely understood. Terrorism may be described as the application of force or fear of individuals to accomplish societal purposes. (Adelaja, A. & George J., 2019).

Although environmental terrorism, which involves using resources as both a target and a weapon of war, is practiced for a long time, its impacts are now incomparable in scope. With a growing worldwide population and evident global warming, resource control and destruction can now have a more severe and enduring impact on human health and the economy, as well. This can create political instability and other threats to international peace and security (Kohler, C. et al., 2019). Despite substantial disagreements about the impact of climate change, most people

acknowledge that the planet is evolving and also that human life has performed a significant part in this process. (Wu, et al., 2016). While many still have this stereotypical view of climate change as only an environmental issue, others have succeeded in linking it to national security. It impacts safety and security on a global scale by fueling competition for natural resources, economic distress and social discontent. (Kanga, 2022)

Tahir et al., 2022 claims that more than 300,000 people died as a result of climate change in 2010, and there were approximately US\$ 15.9 billion in losses worldwide (Tseng et al., 2020). Terrorism has increasingly been blamed for environmental damage in recent years. (Bildirici, M. & Gokmenoglu, S.M., 2020) A study done in 159 countries from 1970 to 2015 to define a relation between temperature increase, terrorist attacks and fatalities shows a positive link between the two. It further explains that with an increase in temperature, the number of deaths because of terrorist attacks also rise (Craig et al., 2019). This is a crucial finding, especially for countries like Nigeria facing ecological issues.

A last year published article from the UN explains how such regions majorly affected by climate change, usually suffer poverty and weak governance, and as a result, different terrorist groups and non-state actors take charge and start exploiting the people living within such regions for the scarcity of resources. This not only weakens people's trust in authorities but also makes terrorist recruitment easier and smoother because the unemployed people are left with no other choice but to cooperate with such terrorist groups for keep getting the resources that the terrorists have taken control of. Therefore, it becomes their survival mechanism. In fact, in simple words, with an increase in population, the pressure on available resources also rises. This process creates a breeding ground for NSAGs, who recruit and train young people. (United Nations, 2021). Therefore, in the following section, we study three such NSAGs that try to exploit resources in the regions that face serious consequences of climate change.

2. Research Methodology

This research work is a review paper that primarily focuses on environmental terrorism. Providing real life examples and excerpts from various published reports and recently published articles, it throws a light on this concerning issue. In order to maintain the credibility of this paper, only credential sources have been used. To extract suitable database for writing this article, terms such as '*Environmental terrorism*', '*Environmental terrorism and national security*', '*Environmental terrorism in Nigeria*', '*Environmental terrorism in Syria*' and '*Environmental terrorism in Taliban*' were searched on Google Scholar. Initially, 45 articles were identified, however, preference was given to those articles that were more relevant to the subject and were more recent.

For writing this article, critical literature review methodology is used. This paper includes references from several reports and scientific papers that associate climate-related issues to national insecurity and terrorist activities. Its purpose is to present concrete examples and proof that changing climate has the capacity to escalate risks in defenseless areas with limited natural resources and inadequate governance, which further contributes to NSAGs recruiting the local citizens, thereby putting the national security at risk. While writing this paper, credible and most recent sources of information were used.

3. Discussions

3.1. Boko Haram in Nigeria

Boko Haram has been designated as a foreign terrorist organization. Despite this fact, the group varies from many other terrorist groups in terms of its methods, particularly the need to dominate actual physical territory. According to the same approach, the effects of the Boko Haram uprising on agricultural production and land use are roughly comparable to those of earlier violent conflicts. (Adelaja, A. & George J., 2019)

Nigeria is a nation in Africa, and in country places, agriculture is the main economic land use in the majority of the developing countries, notably those in Africa. 80 percent of African farmers, or small-holder farmers (SHFs), produce below two hectares of land. (Adelaja and George 2019) According to the Helpdesk Report of 2019, signs that Nigeria's climate is altering include a rise in temperature, unforeseen precipitation events, higher sea levels and flooding, more frequent severe weather events, affected freshwater supply, as well as biodiversity. (Haider et al., 2019).

In the region around Lake Chad, including Niger, multiple crises and stressors converge. (Climate Diplomacy Report, 2016) The region is facing a major humanitarian crisis as it has created favorable conditions for NSAGs (Non-state armed groups) to exploit the already scarce resources and use them as a weapon. To understand the situation better, earlier, the North Eastern region of Nigeria used to be a harmonious place with most of its population earning a living through farming, fishing and livestock production. However, numerous people have lost their occupations over a course of time as a result of climate change and its repercussions such as longer droughts, that put them at a much greater risk of being targeted by Boko Haram, Nigeria's armed group. (Olukoya, 2019)

Conflicts among migrant farmers from the North and inhabitants in the South have gotten worse as a consequence of the existence of Boko Haram, which exploits farmers by taking power of fields and agricultural production. As a result, there are now more people who are relocated. (Gagné, K. & Su, Y., 2022). Water shortage and desertification in Nigeria's northern area are results of climate change, which has decreased agricultural production and the country's food supply (Adelaja and George 2019). Conflicts between migrants and locals have resulted as a result of this (Obioha 2008, 2009). Violence-filled conflicts have become more intense in some parts of Western Africa as a result of climate risk. (Augsten et al.,2022).

Lake Chad, which spans the borders of Chad, Niger, Cameroon, and Nigeria, is a significant supply of freshwater for many people in the region. It was formerly a haven for biodiversity and a source of irrigation and fishing. Since the 1960s, Lake Chad has shrunk by almost 90%. It was formerly one of Africa's greatest lakes. Climate change-induced precipitation declines, the creation of contemporary irrigation systems for agriculture, and rising human demand for freshwater are all contributing factors to the receding water (ESA, 2019). It is interesting to note how climate change plays a role of “threat multiplier” in such vulnerable areas by altering competition over increasingly scarce resources. (Hussona, 2021) Nigeria's society and economy are negatively impacted by climate change in a number of areas, including agriculture, food production, water resources, health, energy, human settlement, and societal connections (Haider, 2019)

Adelphi (2017) claims in a study that there is no direct connection between climate change and violence resulting from NSAGs. Instead, the effects of climate change may increase unstable environments affected by conflict (Telford, 2020) and make space for NSAGs to function (Butts

& Bankus, 2013). In other words, such regions act as a breeding ground for terrorist organizations and threaten their national security.

3.2 Islamic State in Iraq and Syria (ISIS)

Climate change has already been mentioned as a catalyst for political violence and a threat amplifier for security in one of the United States' reports. These concerns are substantiated by the fact that groups like the Islamic State of Iraq and Syria (ISIS), for example, already have shown their capacity to exploit the environment by utilizing natural resources as tools to manipulate the population. ISIS's tactics in Syria and Iraq, in which they instill fear in favor of ideological objectives, are yet another classic example of environmental (Spadaro, 2020). As per the findings of a survey conducted by Pew Research Centre among 41,953 respondents in 38 countries in 2017, climate change and ISIS are primary threats to national security. (Poushter & Manevich, 2017)

ISIS has gained support from the communities and regions that are deficient in water. For instance, in a subdistrict named Tharthar, farmers that were located closer to the encroaching sand joined ISIS in a greater number in comparison to the ones living near the river. (Schwartzstein, 2017) One possible explanation could be that these militant groups search for places with scarcer resources, where people are unemployed and more vulnerable to ISIS recruiting. Iraq ranks first in being the most affected nation terrorism for three consecutive years (2015-2017) while Syria ranks the fourth. (Bildirici, M. & Gokmenoglu, S.M., 2020)

Water scarcity and recurrent droughts were both considered as significant causes of the political turmoil that led to the Syrian civil war. 112 For years, Syria has seen significant crop supply reductions as well as water shortages that have destroyed the livelihoods of a large number of farmers, affecting 1.3 million Syrians and pushing additional 2 to 3 million into extreme poverty. (Spadaro, 2020) Therefore, it is evident that ISIS is also contributing to a major economic and environmental damage for the country. According to another study, among the nations thought to be the most affected by climate change is Iraq. It devastates the security of the nation due to its protracted political turmoil, extreme heat, water shortages, and numerous other climate-related difficulties. (Zena, 2022)

ISIS has weaponized other resources besides water stress. The committee has also observed that a tactic driven by climate change is the growth of wildfires in already stressed regions. ISIS has exploited the dry, hot, and windy weather in Syria and Iraq to conduct prolonged arson wildfires, causing the devastation of local farmers' crops and agricultural resources. ISIS incited the use of fire in 2019 to punish the supposed failure of local farmers to pay taxes, and not long ago, the group exploited this threat as a terror propaganda (Spadaro, 2020).

Research has focused on many nations that have experienced extensive and protracted conflict, but it is important to comprehend how climate threats may interact with and increase the vulnerabilities of these communities. (Augsten et al., 2022)

3.3 Taliban in Afghanistan

Afghanistan has had a long history of resource degradation that leads to serious conflicts. While some of the issues relate to climate change, others relate to poor resource management. However, all of these threats affect the national security and peace. (Vision of Humanity, n.d)

The growing difficulties brought on by climate change worsen the numerous issues Afghanistan is currently experiencing. (Hakimi, H. & Brown, O., 2022) Afghanistan allegedly

warmer by 1.8 degrees Celsius between 1950 and 2010, which is more than double the global average, but it is only responsible for just a relatively minor proportion of carbon dioxide emissions. All year, Afghanistan is dry and hot. (Arvin, 2021) 4.3 million people were estimated to flee their homes in Afghanistan by the end of 2021 as a result of the country's economic meltdown, ten years hostilities, as well as an unstable political environment resulting from continuous conflicts. (Sayed & Sadat n.d) In fact, according to Lopez-Lucia, E. (2015), displacement is known to be one of the most common coping strategies among the people of Afghanistan.

How is all of this related to climate change? The answer is simple- frequent climate-induced drought and flood have contributed to driving brutal hunger among the people of Afghanistan. Due to this, half of the population is facing food insecurity. This is also partly because people's lives and livelihoods are in an immediate threat. According to recent reports, Afghanistan's food insecurity increased between September and October 2021, leaving over 19 million people in dire need of food and other necessities. Climate change, which limits physical access during the winter, financial and political instability, and unemployment are the main causes of these crises. In addition, the recent drought conditions in the nation have caused severe food and health difficulties for the civilians. (Masood et al., 2022)

Another aspect that must be mentioned is global trade in illicit Afghan opiates. It is now one of the worst transnational drug and criminal risks in the world, as per the UN. At the local, regional, and global level, its serious repercussions affect security in addition to healthcare and governance. (United Nations, n.d) Afghanistan overtook Europe as the nation with the most terrorism-related fatalities in 2017, with the number of terrorism-related deaths globally dropping by 27% between 2016 and 2017. (Bildirici, M. & Gokmenoglu, S.M., 2020)

Many people from Afghanistan faced the possibility of food shortages as a result of the Covid-19 epidemic as well as the severe droughts. Afghanistan has experienced a broad range of precipitation throughout its history, however some farming communities in the east, north, and mountain region are estimated to receive up to 40 percent lower rainfall during the spring, whenever the primarily rain-fed crops would need freshwater the most. The large percentage of people from Afghanistan earn a living through agriculture. (Arvin, 2021).

Despite doing little to stop some of the consequences of climate change, the former government in Afghanistan and the global community invested a large amount of money over the past 20 years building and maintaining water supplies. For example, the former Afghan government has built 2 separate reservoir and diversions dams even during dry seasons to regulate flow of water and provide irrigation to farms who reside in the southern or southwestern of the country. The authorities and its allies also developed a variety of policies and rules to control migration, quality of the environment, as well as decrease the impact of natural catastrophes. (Sayed. N. & Sadat, S.H., 2022).

Conclusion

Climate change does not only represent an environmental concern as it has extended its limits and in today's world proves to be a threat to society and national security. This paper provides illustrations of three different NSAGs including Boko Haram, Taliban and ISIS that have proven to put a negative impact on people as well as the quality of their lives, making them more

vulnerable to the terrorist recruitment. Due to the lack or deficiency of natural resources, the society falls prey to unwanted conflicts and are ultimately used as a weapon by the terrorist groups.

In conclusion, vulnerable places like Nigeria, Taliban and Syria will continue to act as a breeding ground for NSAGs or terrorist groups till the authorities don't take strict actions to take back the control and demolish any unfavorable factor trying to challenge or harm the national security. Moreover, these countries' poor economic state further leaves limited options to the citizens of these countries and make them more susceptible to terrorist recruitment. This is a major reason why previous research believes that serious ecological issues such as climate change, are acting as a catalyst in putting national security at danger.

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Human Resources Development Model Towards QS Ranking by Business and Management Subject and State Higher Education of Legal Entity: A Case Study at Faculty of Economics and Business Universitas Negeri Surabaya

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Abstract

Global dynamics have an impact on university and faculty human resource management, as well as international accreditation requirements. The development of quality human resources at the university and faculty levels in Indonesia is urgently needed so that qualified and competitive human resources are available for the university to become a world-class university. Based on the phenomenon of global dynamics, the internal and external conditions of institution, its history, its vision and mission, empirical studies, and the Quacquarelli Symonds world university ranking by business and management subject, it is critical to conduct research in order to compile human resource development model for the Department of Business and Economics at Universitas Negeri Surabaya towards Quacquarelli Symonds world university ranking by business and management subject and to support Universitas Negeri Surabaya towards state higher education of legal entity. The research method used is descriptive qualitative. The informants were the head of economics and business faculties and a part of Indonesian economics and business faculties association. Documentation, surveys, interviews, group discussion forums, manuscript preparation, and review of academic manuscripts were used to collect data for this study. The research method used a qualitative descriptive approach with secondary and primary data. The results of the human resource development model are implemented through policies, specifically; academic reputation policy, lecturer development policy, lecturer citation development policy, and lecturer internationalization policy. This study will help the Department of Business and Economics at Universitas Negeri Surabaya develop its human resource development model. This research can also be used as a recommendation and research reference, particularly in terms of the Quacquarelli Symonds ranking by business and management subject at the faculty level in tertiary institutions.

Keywords

Human Resources, Human Development, University Ranking by Subject, Institution of Higher Education, Legal Entity

JEL classification:

O15, I21, I23, P48

Introduction

Global dynamics have a significant impact on human resources. Every individual is required to have qualified and competitive human resources so as not to be eroded by the progress of the times. Competitive advantage is an important factor for universities and companies to succeed in winning the competition, if a company does not have a competitive advantage, then don't even try to compete. Competitive advantage is more a process of dynamic activity than just the output it produces. Companies must strive to achieve competitive advantage through; continuously adapting to changes and trends and external activities and internal capabilities, competencies, and resources; and effectively formulating, implementing, and evaluating various strategies that reinforce these factors (David, 2009). Higher education as a market is unique in itself to always carry out the best strategic management to maintain the sustainability of its market-oriented life cycle. This condition requires higher education organizations to continue to maintain their lives and become winners in competitions.

Globalization and current developments have an impact on university-level and faculty-level human resources as well as demands for international accreditation. The quality of higher education in Indonesia must continue to be improved to become a World Class University. Referring to the Quacquarelli Symonds (QS) rank conducted by the QS research institute engaged in the education sector (MENRISTEKDIKTI Press Release Number: 88/SP/HM/BKPP/V/2018). Quacquarelli Symonds releases their annual QS World University Rankings, which rank universities worldwide (QS). The complete evaluation is now a part of the QS system, which also features global subject rankings and ratings for five distinct areas (Asia, Latin America, Europe, and Central Asia, the Arab Region, and the BRICS). Among its peers, the Academic Ranking of World Universities and the Times Higher Education World University Rankings, it is the most widely read because it is the only international ranking to receive approval from the International Ranking Expert Group (IREG). Improving the reputation of international universities, for example through the QS World University Ranking, THE (Times Higher Education) University Ranking, and/or other ranking methods can be one of the measuring tools for faculty improvement. Efforts made by School of Business and Economics as concrete steps to be able to lead Universitas Negeri Surabaya to a World Class University with the availability of abundant human resources, in 2020, College of Economics Universitas Negeri Surabaya is transforming into the Faculty of Economics and Business (FEB). This is following the Decree of the Chancellor of Surabaya State University Number 495/UN38/HK/KP/2021 Concerning the Change of the Name of the Faculty of Economics (FE) to the Faculty of Economics and Business (FEB) dated 05 April 2021.

Based on research results, reputation will increase the interest of prospective students (Wibowo, 2014; Harahap, 2017). The government of Indonesia uses the QS World University Ranking as a yardstick on its path to creating world-class universities. In the same vein, QS compiles a variety of rankings for the business education sector, including as the Global MBA, EMBA, Distance Online MBA, and Master of Business. It also ranks the best student cities in the world and the strength of various higher education systems. Universitas Negeri Surabaya has the opportunity to increase its autonomy to become wider to become a Legal Entity State University (PTN-BH). In the future, Universitas Negeri Surabaya will soon step into PTN-BH. HRD, is the process of strategically arranging the education, training, and management of a company's employees in order to maximize productivity. Surabaya State University currently has the status of PTN-BLU based on Minister of Finance Decree No. 50/KMK.05/2009 concerning the

determination of Universitas Negeri Surabaya as a BLU Agency. There is a high probability for Universitas Negeri Surabaya as a PTN-BLU to upgrade its status to PTN-BH.

Higher education in realizing its existence to achieve goals requires effective HR planning. A tertiary institution will not be able to maintain its existence, develop and improve quality, without the support of HR, both in terms of quantitative, qualitative, strategy, and operations. HR planning related to the needs of teaching and educational staff must be adapted to certain strategies so that the main goal of facilitating the effectiveness of the institution can be achieved. The future strategies of the Faculty and University which are influenced by changes in environmental conditions require the leadership to develop programs that can translate current issues and support future institutional plans. Some external factors that affect the activities of institutions in planning human resource development, among others: are globalization, technological advances, economic growth, and changes in the composition of the workforce. Changes in the characteristics of the workforce, marked by reduced growth rates for lecturers, increasing years of service for the elderly, and increasing diversity of teachers/lecturers, prove the need for HR planning.

Based on the phenomenon of global dynamics, the internal and external conditions of the institution, its history, vision and mission, empirical studies, and the ranking of world universities Quacquarelli Symonds based on business and management subjects, it is important to research to develop a human resource development model. Faculty of Economics and Business, Universitas Negeri Surabaya towards Quacquarelli Symonds world university ranking in business and management and supports Universitas Negeri Surabaya towards becoming a higher institution as legal entity.

1. Literature Review

1.2. Instrument QS Ranking by Subject

The development direction of FEB at Universitas Negeri Surabaya will follow indicators which include academic indicators, workforce indicators, and student indicators. This is a worldwide benchmark The Ministry of Research, Technology, and Higher Education of the Republic of Indonesia uses the QS World University Ranking as a benchmark for the quality of Indonesia's universities on the path to World Class status.

Refer to QS Top Universities webpage, QS Subject Rankings of World-Class Universities. Rankings in the 2021 QS World University Rankings by Subject are based on four criteria: (1) academic reputation; (2) employer reputation; (3) research citations per paper; and (4) H-index. The 51 disciplines represented in the QS World University Rankings by Subject are studied at the universities ranked highest in the world. Due to the significant demand for subject-level comparisons, these rankings attempt to assist prospective students in locating the world's top institutions in their chosen profession.

1.3. Academic Reputation

The Since its introduction in 2004, the QS World University Rankings has been predicated on the results of a QS global poll of academics. One hundred thousand plus academics contributed in 2021. Respondents provided their detail identity before selecting their primary country of residence, primary region of competence, and primary faculty area of expertise, and a secondary area of expertise. Respondents were asked to name up to ten U.S. institutions and thirty international institutions they deemed excellent for research in each of the (up to) five faculty areas they had specified. They have no say in which school they attend.

In order to compile, the survey data was parsed to identify respondents' specific areas of expertise. Respondents who specify a single specific area of competence are given more weight than those who name two or more.

1.4. Employer Reputation

The QS World University Rankings stand apart from other international university rankings because they prioritize job prospects for graduates. Around the world, 50,000 graduate-level employers participated in QS's poll for the 2021 QS World University Rankings by Subject.

Employer Reputation surveys conducted by potential employers operate in a fashion analogous to those conducted by universities, with the exception that employer surveys do not employ channels for various departments within the faculty. Companies are being invited to name up to 30 prestigious universities from across the world and up to 10 from the United States that they believe produce outstanding graduates. They were also questioned about the specific fields in which they had decided to hire. The answers to these two questions can help us determine what constitutes success in a field.

1.5. Research Citation Per Paper

When compiling, we have big focus on citations per paper. It would be impractical to compile an accurate count of faculties broken down by discipline for each university, so this is the result. In order to rule out the possibility of anomalies caused by a small number of highly cited publications, minimum publishing thresholds were established for each subject. The number of required publications and the relative importance given to the citation indicator are both modified according to the norms of each academic fields. Scopus is used for all five years of citation data.

1.6. H-Index

Since 2013, the h-index number has been entered into the QS Rankings by Subject. H-Index is a statistic that may be used to evaluate how important and productive an academic or scientist has been over their career. The foundation of this index is the amount of citations, or references, that a collection of scholarly articles has received from other works. The H-index can be used to compare the production and influence of an entire research group, institution, nation, or even journal; in addition to reviewing individual researchers, it can also be used to evaluate individual researchers.

1.7. Growth and Development of Human Resources

The development and training of human resources have a high urgency to be implemented during an increasingly rapid development of the times and demands for quality and competitive human resources. Today, company or institutional resources have limitations related to the provision of sufficient funds, manpower, and time for all individuals to attend training at the same time so integration or a combination of organizational training and independent training is needed to achieve time efficiency and cost efficiency (Xia, 2020). The activities that pertain to human resources can be broken down into three primary categories: (1) doing an analysis of the organization and coming up with suitable plans for the administration of human resources and their further growth (2) creating missions and activities, namely obtaining, developing, and maintaining human resources, and (3) formulating strategies/methods and procedures for managing and developing human resources. In order to facilitate the growth of human resources in an organization, institution, or corporation, these three aspects will be carried out in sequential order (Sanamthong & Meksuwan, 2021).

In general, the purpose of training and development for employees is because the company wants a change in employee performance so that it can be in line with company goals (Mangkunegara, 2012). Any training and development activities carried out must be integrated with the human resource strategy within the company if this is to be carried out effectively. Organizations place value and importance on human resource training and development as an important aspect of their success. Opportunities for training and human resource development have an important role that is tailored to the needs of academic heads. Universities are expected to design intervention programs and activities that will foster personal values, group dynamics, work-life balance, and behavior in responding to problems and problems without offending individuals or groups to maintain and maintain peace and harmony between leaders and academics to achieve performance. This also emphasizes the importance of training and development opportunities that are adapted to institutional needs and the times (Reyes & Redona, 2021). Universities must also be active in placing appropriate monitoring and measurement systems to track the performance of lecturers and employees and evaluate results to develop human resources by comparing them regularly and systematically (Khasawneh et al, 2008).

Faculty and university decision-makers must be able to implement effective human resource development practices to build superior competence of lecturers, teaching staff, and employees by increasing the integration between human resource development and organizational effectiveness (Kareem, 2019). Faculty and university management must understand and apply dynamic capabilities to integrate, build, and reconfigure human resources and internal and external competencies. In a rapidly changing environment, faculty and university management must be prepared to implement human resource development models and adopt dynamic capability mechanisms to improve human resource quality and organizational effectiveness (Kareem, 2019). Knowledge training and development, namely that employees need extensive knowledge because the management process that is most needed is making decisions.

1.8. The Role of Higher Education in Human Resource Development

Human resource development, also known as HRD, is the process of optimizing an organization's performance via the careful planning and execution of its employees' educational and training opportunities and administrative and supervisory routines. Armstrong & Kottler (1997) state: "Development of human resources is related to the availability of learning opportunities and development, creating training programs that include planning, implementing, and evaluating these programs." De Simone et al, (2002) claims that human resource development can be characterized as a collection of actions that are both systematic and organized, and that these activities are designed by the business to facilitate its employees in acquiring the skills necessary to meet job needs, both now and in the future.

Success in developing human resources is increasingly crucial for Indonesia to realize along with increasing competition in the labor market among ASEAN countries, one of which was triggered by the enactment of the ASEAN Economic Community (AEC) in 2015. Labor market liberalization under the MEA umbrella made the market workers in Indonesia can easily be entered by workers from other ASEAN countries. However, on the other hand, Indonesian workers also have a great opportunity to enter the labor market of other ASEAN countries (Harding et al, 2018). This is the point where the significance of efforts to increase the quality of Indonesian human resources to win competitiveness both in the home and global labor markets becomes apparent.

Apart from the AEC, the new challenge in developing human resources currently faced by Indonesia is related to the industrial revolution 4.0 which is a condition where there are very significant changes in industrial processes carried out by humans. On the other hand, the industrial revolution has largely taken over the role of humans at work, so available Human Resources (HR) are required to be responsive to these changes to balance global competition in the industrial world (Abbas, 2019). The ability to utilize digital technology for industrial and business development, in general, is mandatory for Indonesian HR.

Efforts to anticipate challenges and take advantage of opportunities from the implementation of the AEC and the development of the digital economy require the role of universities as an institution whose main function is to improve the quality of human resources in a country. The main factor in a process of teaching and learning activities in higher education is the lecturer. Therefore, career development for lecturers as professional educators and scientists needs to be the main concern of a tertiary institution. Lecturers must be given opportunities and support from tertiary institutions to improve their quality in carrying out the Tridarma of Higher Education, namely: teaching, research, and community service (Purba, 2015).

Higher education is the highest educational institution in a country which is a determining factor in improving the quality of human resources. This is why improving the quality of tertiary institutions has become the main focus of attention from the governments of various countries in the world. The focus of attention on improving the quality of tertiary institutions is increasing because higher education institutions are currently facing many challenges such as globalization, diversity, technological advances, and increasing demands for quality of service (De Waal & Kerklaan, 2013).

Universities must actively incorporate various competency elements that are in line with the needs of the labor market and the times. It would seem that different modules, lesson plans, and approaches to teaching should be able to foster the development of a wide range of student competences and soft skills. In addition, a solution may also come in the form of a mentorship program that pairs interns with professionals already working in the field. Students have the opportunity to develop their personal, emotional, and social competencies in accordance with their fields of study and areas of special interest through participation in this program, which provides them with the opportunity to gain both technical knowledge and experience that is directly related to their chosen line of work (Kombo & Kakuba, 2020).

2. Methodology

The type of research used is descriptive qualitative research. The informant is the head of the economics and business faculty and part of the Indonesian Association of Economics and Business Faculties (AFEBI). Data collection techniques in this study were carried out through documentation, surveys, interviews, workshops, Forum Group Discussions (FGD), preparation of academic papers, and review of academic papers. Validation of the correctness of the informant's answers was carried out using the triangulation method, namely, the observation and questions were the same on different occasions. The answers obtained from the same informants were compared to the same or not with the previous answers, then compared with the results of field observations. Data from the field is transcribed into general writing, then sorted based on emerging topics. Data processing is done by grouping the topics obtained into certain themes, data processing is done to make it easier to conclude the propositions of the research. The presentation or processing of data is based on a common opinion, and the equation is made in numerical form

in the form of percentages, amounts, averages, and so on. These data are used as a basis for modeling research problems. Two main activities are the focus of this research, namely operation plans and action plans: (1) Workshops related to strategy/best practices/AUR QS series based on subject; Resource persons: AFEBI; (2) FGDs; Participants from the head of the dean, head of the study program, SPF, GPM, and offline rating units; (3) Prepare a draft review and review; (4) Reviews or rubrics from experts; and (5) Preparation of the final draft.

3. Results

3.1. Summary of HR at School of Economics and Business Universitas Negeri Surabaya

Human Resources (HR) at the Faculty of Economics and Business have advantages, in addition to an established organizational system at the faculty level, the personnel in it have competence. Overall, faculty members teaching at the Faculty of Economics and Business are loyal, highly dedicated, and cooperative in working together. Opportunities for autonomous development open opportunities for lecturers in each department to develop themselves flexibly. In addition, the availability of a qualified educational information system at the faculty and department level has had a positive impact on the easier and more efficient implementation of HR management.

Qualification, quality, and suitability of human resources demonstrate a relative advantage. Lecturers at the FEB hold Master and Doctoral degrees, 39.7% (34 people) lecturers with doctorates, 66.7% (104 people) with Masters degrees, and there are four professors. To improve the quality of lecturers, 39 lecturers are currently pursuing doctoral degrees. The ability of lecturers to write and conduct research is quite good, and the increased opportunities for collaboration between departments and external parties have helped to improve teaching quality and student quality. As many as 67 lecturers at the Faculty of Economics have obtained Educator Certification, and most of them also have professional expertise certificates according to their scientific fields. To increase the percentage of doctoral lecturer by providing study assignment letters or study permits.

The Faculty of Economics and Business's 37 educational staff members are all highly educated. The faculty fully supports teaching staff development in both formal and non-degree programs. Those with an undergraduate degree are encouraged to pursue a master's degree in their field of work by obtaining financial assistance from the university, participation in DIKLATPIM, education and training, workshops, outbound, and technical training in their areas of expertise are some of the other education staff development programs. In terms of staff development training, some examples include credit score assessment training, finance training, and ASET training, excellent service training, firefighting training, HR audit workshops, human resources conferences, technical guidance for SKP preparation, and performance appraisal of civil servants, as well as IT training for laboratory technicians.

3.2. HR Development Targets for the Faculty of Economics and Business for 2022-2027

The process of developing human resources at the FEB Universitas Negeri Surabaya for 2022-2027 necessitates the use of indicators to measure and determine the progress and progress of human resources. The FEB Universitas Negeri Surabaya can use these indicators to measure the performance of lecturers, teaching staff, and all employees, which can then be used by decision and policymakers to determine the best policy. The following are the primary performance indicators used in this study:

Table 1: Key Performance Indicators Used in Research

Key Performance Indicator (KPI Unit)	Achievement Targets					
	2022	2023	2024	2025	2026	2027
Number of lecturers per study program	9	10	11	12	13	15
Number of lecturers Doctoral qualification	33	35	40	45	55	65
Number of lecturers with JAD Professor	4	6	8	15	20	30
Number of lecturers with JAD Head Lecturer	24	26	28	35	45	60
Number of lecturers with JAD Lector	34	38	42	50	60	70
Percentage of lecturers who have competency or profession certificates that are recognized by industry practitioners	8	12	16	25	34	45
The number of lecturers who carry out tridharma activities on other campuses based on their field of knowledge, or work as practitioners in the industrial world	8	12	16	25	34	43
Number of lecturers carry out further studies abroad	2	2	2	2	2	2
Number of lecturers who are visiting lecturers/invited speakers/bestari partners international Journal	12	16	20	25	30	40
Number of part-time/full-time foreign lecturers	8	10	12	21	30	39
Key Performance Indicator (KPI Unit)	Achievement Targets					
	2022	2023	2024	2025	2026	2027
BKD lecturer for education/teaching	Minimum 12 sks					
BKD reporting	1 x per semester					
Lecturers attend training	1 x per semester	1 x per semester	1 x per semester	2 x per semester	2 x per semester	2 x per semester
Number of Lecturers have lecturer certification	80	95	100	110	120	130
Administration staff minimum high school education	<10%	<5%	0%	0%	0%	0%
Laboratory assistants have the competence according to the lab placed, at least S1 or have KKNi Level 6	≥1 laboran /laboratory					
Educators attend training	1 x per years					
Tendik has competency certification according to their field	≥5%	≥5%	≥5%	≥5%	≥5%	≥5%

Source: Faculty of Economics and Business's Document

3.3. SWOT Analysis for HR Development at Faculty of Economics and Business

In order to identify goals, inadequacies, strengths, potentials, and possibilities, those working to enhance human resources need to conduct an exhaustive investigation. This information can then be utilized to make suitable decisions, policies, and movements as concrete steps to improve the quality of personnel working at FEB Universitas Negeri Surabaya. The following is the conclusion of the SWOT analysis that was carried out in the context of developing human resource economics and business studies at Universitas Negeri Surabaya:

Table 1: SWOT Analysis in the Context of HR Development at Faculty of Economics and Business

Strengths (S)	Weakness (W)
<ol style="list-style-type: none"> 1. The number of lecturers who have Masters and Doctoral educational qualifications is by the needs of the study program 2. The ratio of the number of lecturers to students is sufficient 3. All lecturers carry out the Tri Dharma of Higher Education well 4. The ability to establish cooperation between lecturers and practitioners and institutions outside Universitas Negeri Surabaya is good 5. The monitoring and evaluation system for lecturers and educational staff is well implemented 6. The existence of ISO is increasingly improving the quality of service and competence of lecturers in each study program 	<ol style="list-style-type: none"> 1. The number of administrative staff is still lacking 2. Lecturer motivation to develop competency and further studies is still lacking 3. The academic climate is running less optimally 4. Mastery of English for some lecturers still needs to be improved
Opportunities (O)	Threats (T)
<ol style="list-style-type: none"> 1. There is quite a high interest from the world of business and industry (DUDI) for collaboration with every study program in the faculty in tri-dharma activities. 2. Collaboration and exchange of lecturers with other universities both at home and abroad 3. There are many scholarship opportunities for further studies for lecturers both at home and abroad 4. Many seminars, workshops, and training activities are held by various universities and professional organizations for the scientific development of lecturers 	<ol style="list-style-type: none"> 1. Competition between tertiary institutions where many lecturers from other tertiary institutions have further studied abroad 2. The expectations of the public/higher education service users for the qualifications of lecturers continue to increase 3. Many tertiary institutions implement bilingualism in the lecture process

Source: Faculty of Economics and Business's Document

3.4. HR Development Strategy at Faculty of Economics and Business

Based on the SWOT analysis of HR at the Faculty of Economics and Business, UNESA has greater strengths than weaknesses, and better opportunities than threats, so the development strategy should be directed at expanding or developing study programs. HR Development Strategy Priority can be carried out through: (1) Increasing the number of lecturers to take part in doctoral programs both at home and abroad; (2) Inviting practitioners and schools to develop curricula and improve teacher quality; (3) Involving lecturers in seminars, workshops and training activities to improve competence; (4) Providing discussion space for lecturers of all disciplines; (5) Improving cooperation with universities both at home and abroad in order to improve the competence; (6) Motivating lecturers to further study abroad; (7) Provide opportunities for lecturers to develop their competence; (8) Strengthening the implementation of ISO service and administrative

procedures; (9) Improving English language training activities for lecturers and education staff; (10) Increasing the ratio of lecturers and students to get closer to the ideal number (1:25); (11) Efforts to accelerate the number of professors through training conducted by the economics faculty; (12) Increasing the academic position of lecturers so that the percentage of lecturers who have the academic position of head lecturer increases.

3.5. Strategy Implementation

Implementation of HR development strategies at in the Department of Economics and Business at the University of Negeri Surabaya in the near, medium, and far futures. Implementation of the External Short-Term Strategy (1-3 months) through (1) Adding lecturers to meet the ratio of lecturers: to students according to Higher Education Quality Standards; (2) The addition of teaching staff to Work Units that require development that is fast enough to support the University's vision and mission. Long Term External Implementation (4-12 months) through (1) Lecturer Academic Position Improvement from Lector to Head Lector; (2) Increase in lecturers with doctoral education and/or already have JAD Lector/Head Lector; (3) Increasing the number of practicing lecturers from within and outside the country, either as guest lecturers/non-permanent lecturers or as home base lecturers; (4) Increasing the competence of lecturers with advanced study programs or competency certification by their field of knowledge; (5) Improving the competence of educational staff with expertise certification programs by their fields of work; (6) Collaboration with educational institutions that can hold doctoral programs. Implementation of Internal Short Term (1-3 months) through (1) Preparing manpower planning for the next 5 years, including plans for further study and improvement of Lecturer Academic Positions; (2) Completion of an HR management information system to increase the efficiency of human resource services. Implementation of Internal Long Term (4-12 months) through (1) Mapping lecturers and education staff according to the level/band in the career path of lecturers and education staff; (2) Increasing the careers of lecturers and education staff according to their competence; (3) Formulate competency criteria for each level/band to increase transparency in increasing the career path of lecturers and education staff; (4) Prepare individual Key Performance Indicators for each lecturer and education staff as a basis for performance evaluation. The short-term and long-term implementation, which is carried out internally and externally, is an effort that is considered important to strengthen the Faculty of Economics and Business as one of the faculties that Universitas Negeri Surabaya can be proud of.

Conclusion

This research is motivated by global dynamics, internal and external conditions of the institution, its history, vision and mission, empirical studies, and the Quacquarelli Symonds world university ranking based on business and management courses, which must also be balanced with significant leaps. The leap in question is the development of human resources in college of business and economics at Universitas Negeri Surabaya to support the status as higher institution of legal entity. The human resource development model of Universitas Negeri Surabaya's Economics and Business Faculty takes into account the organizational development plan and the needs of stakeholders. It is hoped that the intention, enthusiasm, and real efforts in developing human resources to face global challenges will make a positive contribution to improving the quality of human resources in a World Class University. The purpose of this study is Developing a Human Resource Development Model of Faculty of Economics and Business Universitas Negeri Surabaya Towards QS Ranking by Business and Management Subjects and Higher Institution as Legal Entity.

The study's findings are grounded in a description of the human resources at FEB Universitas Negeri Surabaya; a count of lecturers organized by their areas of expertise; a count of lecturers pursuing advanced degrees; a count of the demand for academic positions for lecturers; a count of lecturers' research data and publications; a set of development targets; and a SWOT analysis. The proposed human resource development model for the Faculty of Economics and Business, Universitas Negeri Surabaya towards QS Ranking by Subject Economic and Business and supporting Universitas Negeri Surabaya to become a Legal Entity through policies namely academic reputation policies, lecturer development policies, lecturer citation development policies, and lecturer internationalization policies.

The academic reputation-policy is directed at improving academic reputation at the international level through several activities or work programs, namely summer courses abroad, visits by lecturers/professors, research collaborations and publications with overseas universities, assignments of lecturers abroad, and assignments of lecturers to participate in international seminars abroad. The lecturer development policy is aimed at developing further doctoral studies abroad and post-doctoral programs abroad. In addition, he also accelerated the number of lecturers with doctoral qualifications by eighty percent of the number of existing lecturers. The lecturer citation development policy is directed at developing and optimizing scientific clusters in collaboration with writers from foreign universities so that relevant scientific works can be cited one another and also increasing the number and quality of scientific works with high novelty and special issues produced by lecturers. The internationalization policy for lecturers is directed at improving the institution and network of lecturers so that they can assist lecturers/professors on foreign campuses, become keynote speakers and invite speakers from abroad. In addition, there are also lecturer internship programs in multinational companies abroad. This research is useful as a human resource development model for the Faculty of Economics and Business, Universitas Negeri Surabaya. This research can also be used as a recommendation and research reference, especially a human resource development model at the faculty level in tertiary institutions.

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The Role of Economic Optimism in the Formation of Innovative Economy

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Abstract

It is important to discuss the peculiarities of the formation of the innovative economy after the development of the innovative policy of economic development has become relevant at the modern stage of the development of the world economy. The specificity of the economic development of the post-Soviet countries led to the addition of other factors to the existing innovative models. The formation of an innovative economy without the development of innovative policies and strategies is impossible. All of this clearly indicates the relevance of the topic.

As firms mostly prefer to solve short-term tasks, first of all, the state should create a mood of economic optimism in the society. As a result of the research, we conclude that the predominance of short-term interests is driven by political, legal, and macroeconomic instability. It is discussed in the research the essence and need for economic optimism and we can say that, excessive optimism gives us innovation.

The research purpose is to clearly show the role and influence of economic optimism on the formation of an innovative economy. Through the innovative decision model, it is discussed the "geometric interpretation" of the innovation mechanism and showed the dependence of innovation implementation on the rate of economic growth.

There are several research methodologies that are used to analyze the innovative economy. In order to achieve the set aim qualitative and quantitative approaches, analysis and synthesis, graphic plotting, comparison, linear regression, correlation were used.

The value of research is its relevance, applicability, and the need for conclusions, both for firms and policy makers. Important indexes given in the research are based on sociological research, so its reliability is limited and requires correct understanding. Despite this the research provides some recommendations to implement or refuse the innovation.

Keywords

Formation of Innovative Economy; Optimism; Economic Growth

JEL classification:

O11; O30; O33; O40

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Introduction

The research deals with the most relevant but at the same time the most problematic issues of scientific research of the 21st century - the innovative economy, the influence of economic optimism on its formation, and the decisions to introduce innovation or to refuse to introduce innovation. Innovative economy has become important for the economic success of developed countries. The formation of an innovative economy is a long-term process that requires the creation and introduction of new technologies, the improvement of the education system, the development of science and information systems, which is impossible without the development of innovative policies and strategies (Danelia, 2021).

In the conditions of globalization, classical economic doctrines cannot fully reflect many aspects of the country's economic competitiveness, since non-traditional factors of economic development, such as knowledge and innovations, play an equally important role in achieving the country's economic goals.

It is worth noting that in the Georgian economic literature, a complex research on the development possibilities of the country's innovative economy, which will be the basis for the formation and development of the concept of the innovative economy in Georgia, is rarely found. The specifics of the economic development of the post-Soviet country, which was manifested by the difficult and slow pace of transition from the command economy to the market economy, are difficult. The research discusses four main models of innovative economy formation, as well as the essence and need of optimism for the country. It must be said that excessive optimism leads to innovation. First of all, the state should create a mood of economic optimism in society, because companies prefer to solve short-term problems.

The purpose of the research is to clearly show the role and impact of economic optimism on the formation of innovative economy. Predominance of short-term interests is due to political, legal and macroeconomic instability. In addition, the "geometric interpretation" of the mechanism of innovation is discussed through the innovative decision model, and the dependence of the implementation of innovation on the rate of economic growth is shown.

The research methodology is explained based on the study of the works of famous scientists and their generalization. Qualitative and quantitative approaches, analysis and synthesis, graphic design, comparison, linear regression, correlation are used. An innovative decision model is presented and the relationship between economic growth and economic optimism is also discussed.

1. Peculiarities of Innovative Economy Formation

According to Bezzubchenko et al. (2019) it is possible to distinguish out four main models of innovative economy formation in countries. These are: Euro-Atlantic, East Asian, Alternative and triple helix model.

The Euro-Atlantic model reflects a complete innovation cycle. From the idea of creating a product to the production of finished products. It presents all the components of an innovation system, such as science (fundamental and applied), prototyping and its mass production. This

model mainly belongs to the developed countries of Western Europe (Germany, France, Switzerland, etc.).

The East Asian model is used in the countries of the Southeast Asian region. Unlike the Euro-Atlantic model, the East Asian model makes little use of basic science research. The countries of this model are more focused on the production and export of high-tech products. This model of national innovation system is used by Japan and Singapore.

The alternative model of innovative development includes such countries (Portugal, Turkey, Thailand, Chile, etc.), which have an insufficiently developed scientific direction, have almost no possibility of creating high-tech products, and are mainly innovation-carrying countries.

The fourth model includes the triple helix model. This model implies a combination of higher education institutions, the state and business at the stage of national innovation policy development.

It can be said that all models have their value, however, we believe that none of them can describe the specifics of the economic development of the post-Soviet country, which was manifested by the difficult and slow pace of transition from the command economy to the market economy. In order to adapt the mentioned models to the post-Soviet countries, we consider it necessary to add other factors to the existing innovative models, such as: independent research and analytical centers and international development and donor organizations that help Georgia and countries with similar economies in the conditions of globalization, whose help is mainly expressed in financial support, which It is growing every year.

2. The Essence of Mood in the Economy

First of all, we must clarify that "mood" is not just an academic measure. Mood is quite important when making individual or business decisions that affect the future, so it is an extremely important factor. A person's level of optimism (or pessimism) affects their "microeconomic" behavior, which ultimately affects all macroeconomic variables: income, prices, employment, and more.

Economists have long recognized that economic decisions (and outcomes) depend on mood. Consumer and business mood are part of economic theories of various business cycles. Business mood is considered a supply-side factor that affects investment, production, and prices. Similarly, consumer mood is a demand factor that determines what people spend (in Georgia, domestic consumers make up 85% of total demand).

Given that changes in perception are both a cause and effect of real economic developments, the academic literature is rich with conflicting empirical evidence on whether sentiment drives the business cycle or vice versa. Some authors argue that mood as a causative factor is overstated and overestimates the influence of politics and the media (the main shapers of public perception). Others, for example, argue the opposite (Leduc&Sill, 2010).

The use of expectations in economic theory has a long history. In particular, it was used by A. Pigou, J. M. Keynes and J. R. Hicks. Keynes viewed expectations as "waves of optimism and pessimism" that he believed determined the level of business activity. The theory of rational expectations considers this category as the starting point of its analysis (Mekvabishvili, 2016).

As we read in Mekvabishvili's (2016) book, in addition to Keynes' research, the theory of insufficient consumption was reflected in Hobson's and Foster's studies. According to them, the cycle is caused by an imbalance between supply and demand. This theory is explained by the

psychological characteristics of people, their survival tendencies. The demand for the means of production decreases and this is followed by a fall in investment. The analysis of the profit rate is of great importance in the study of the crisis. During an economic boom, the optimistic mood among the population and entrepreneurs increases the optimistic expectations of the return of capital. As a result, excessive optimism gives us economic development, reduction of loan interest, increase in wages, etc. But this period is followed by a downturn, during which optimism is replaced by pessimism and the opposite effect occurs. The interest rate rises and the rate of profit tends to zero. In the same book (Mekvabishvili, 2016), we read that, according to Keynesians, it is necessary for the state to conduct an effective policy at such a time. Keynes's theory that cyclical fluctuations are caused by changes in consumption has been replaced by neoclassical "demand-side economics" due to its current incapacity (Mekvabishvili, 2016).

As Silagadze (2010) describes, theories related to human psychology were developed in later periods. One of the first to develop this theory was Pigou. According to him, crises depend on the psychological state of the population: changes in pessimism and optimism cause waves of crises and booms in the economy (Silagadze, 2010).

Tolkacheva (2009) discussed the researches of American researchers Satterfield and Zelingsman and said that optimism represents the systematic success of the future. It is possible to classify optimism, pessimism and realism. A good analogy can be made for understanding altruism, selfishness, and envy. These differ functionally. If the utility function U_i is set of certain preferences and the utility function U_j is set of preferences $U_i = f(x, U_j)$, then $\frac{\partial U_i}{\partial U_j} > 0$ person represents altruism, and $\frac{\partial U_i}{\partial U_j} < 0$ for the envious, $\frac{\partial U_i}{\partial U_j} = 0$, for the egoist. A similar approach can be used to define optimism, pessimism and realism. In other words, systematic overestimation of the situation is optimism; Systematic underestimation - pessimism, accurate prediction of systematic events – realism (Becker, 2003). Altruism and optimism are positive economic effects of human civilization. It is these effects that help society escape from institutional and technological traps.

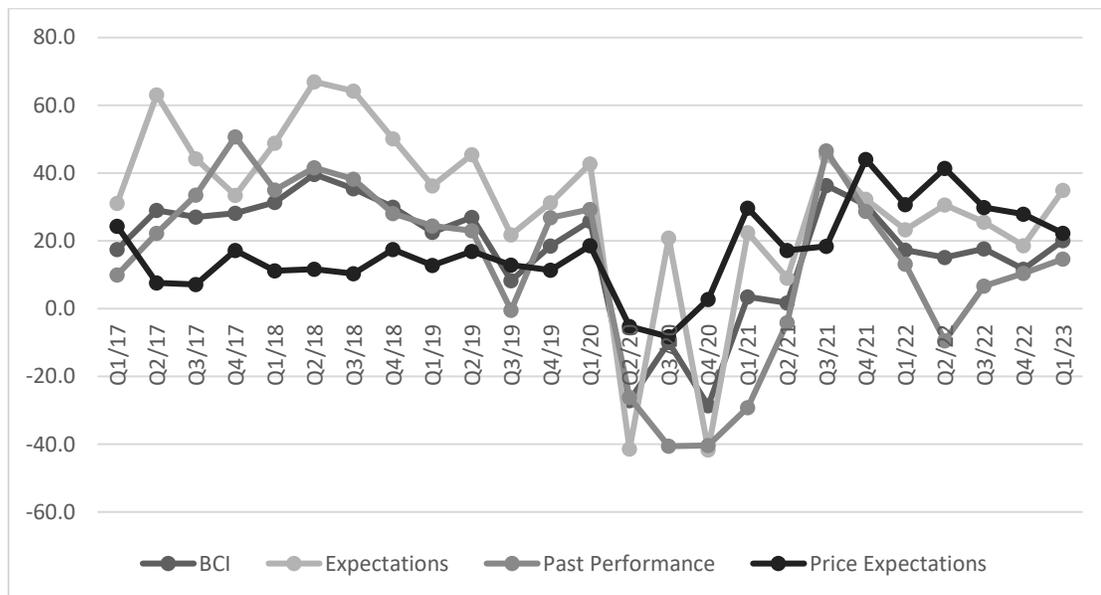
Also, parallel to optimism and pessimism, we can single out one interesting moment. The fact is that there is a lot of evidence in neuro-economics that the right hemisphere of a person reacts more actively to gains, and the left hemisphere - to losses, from this we conclude that the right hemisphere of a person reacts to intuitive decisions, while the left hemisphere reacts to logical schemes or risks. The development of both hemispheres at the mental level is observed, which has received the following name in science - "balance of sunspots" (Pomansky, 1989).

Optimistic and pessimistic predominance are associated with economic cycle phases. The share of the optimist in the economy changes dramatically from one phase of the cycle to another. Inflated financial bubbles and risky transactions are perceived as catastrophic events for markets and affect the conscience of pessimists.

Although the index of economic optimism has been calculated for years, it is not a subject of serious judgment, as it is mainly based on sociological studies and there is a high risk of errors. It should also be noted that the index should be a positive indicator in order not to introduce a feeling of instability to the market, which reduces the feasibility of its calculation. Based on the fact that the trust factor is important in this direction, we think that the state as an institution has higher trust than similar individual indices.

The ISET Policy Institute has been calculating the Business Confidence Index (BCI) since December 2013. (ISET-PI, <https://www.iset-pi.ge>).

Figure 1. Business Confidence Index



Source: ISET-PI – Research Institute of ISET

As shown in the Figure1, the Business Confidence Index for the first quarter of 2023 increased by 8.4 points and became equal to 20.1. The positive change of BCI is caused by the improved current situation and expectations for the future, which is directly reflected in the implementation of innovations (ISET-PI, <https://www.iset-pi.ge>)

As for economic growth in Georgia, according to preliminary estimates, in December 2022, compared to the corresponding period of the previous year, the growth of the real gross domestic product (GDP) amounted to 11.0 percent, and the average real growth of 2022 was determined by 10.1 percent (Geostat, <https://www.geostat.ge>).

It should be noted that economic optimism really has a great impact on economic growth, as evidenced by the correlation analysis on the example of Georgia.

3. Innovative decision model

The key to describing economic evolution is the model of making innovative (investment) decisions. It is quite simple and has been developed for quite some time. The subjective mechanism of decision-making about the feasibility of introducing an existing innovation is important, regardless of its type and nature. (Balatsky, 2002). Innovation can be considered new goods (services), new technologies (production and management) and new institutions (rules of interaction) (Balatsky, 2003). The mechanism of introducing these innovations is universal and can be studied from a single methodological point of view. Consider a situation where a firm is faced with a choice: to implement an innovation or to refuse. The decision-making process can be easily formalized, thus planned innovation allows to move from one economic regime (old) to

another (new) economic regime. However, innovation has its price (Polterovich, 2008). As Balatsky (2010) discussed in his article the transition process is determined by the ratio of three quantities: old (C_S) and new (C_N) current production costs corresponding to the old and new economic structures (Balatsky, 2013). Also, as a result of the implementation of the innovation, capital costs (K_0) arise. Sometimes the introduction of innovations allows not only cost savings, but also higher income. According to Balatsky (2013) an innovative alternative can be expressed as follows (1):

$$\int_0^{\tau} [C_S(t) - C_N(t)] dt = (1 + r)K_0 \quad (1)$$

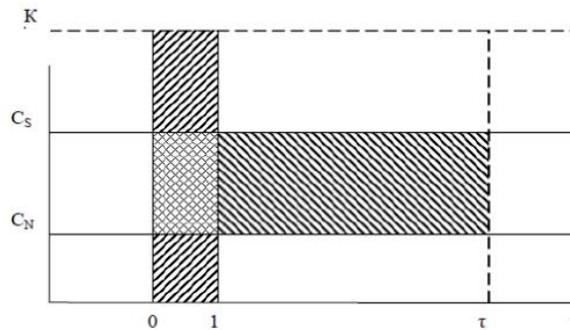
Where, t is time (for example year); τ - is the period during which the firm expects to pay off the implemented innovations (planning horizon), r is the efficiency of investments (percentage) in innovations throughout the considered period τ .

Equation (1) is interpreted as a condition of technological equilibrium, indicators C_S and C_N - as current production costs, as for the innovative price K_0 are capital costs (investments). If we consider institutional innovations, then formula (1) is interpreted as a condition of institutional equilibrium, indicators C_S and C_N are transaction costs, innovation price K_0 - transformation costs. Accordingly, innovations will be implemented when the profit norm of the transformation operation will be greater than zero ($r > 0$) and will be greater than some minimum level - r^* ($r > r^*$); Otherwise, innovation will be blocked (Balatsky, 2010).

The presence of the integral in the formula (1) is related to the fact that the current costs of the company belong to the category of constant (ongoing) costs, and the price of innovations - to the category of one-time costs. Values can only be measured at a certain time interval τ .

According to Balatsky (2013) an important conclusion follows from the formula (1): the longer the horizon of planning of the economic entity (τ), the more likely the emergence of innovation.

Figure 3. Geometric interpretation of the innovative mechanism



Source: Balatsky E.V. (2010)

According to Balatsky (2010) a graphical diagram of the innovation initiation decision is shown in figure 3. Geometrically, the decision to implement innovation is formulated as follows: the area of the rectangle tilted to the left and including the area of the double-tilted rectangle must be greater than the area of the rectangle tilted to the right, which also includes the area of the double-tilted rectangle. Let's convert formula (1) into a more convenient form, as shown in formula (2) (Balatsky, 2013):

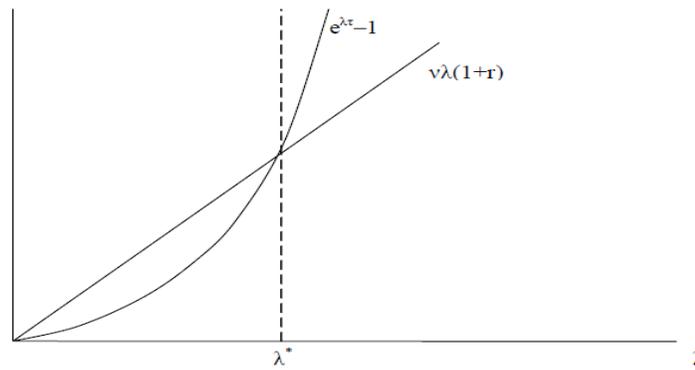
$$(C_S - C_N) \int_0^\tau x(t)dt = (1 + r)K_0 \quad (2)$$

According to Balatsky (2013) now suppose that the firm's revenue growth rate is constant over time and is equal to $\lambda = \left(\frac{1}{x}\right) \left(\frac{dx}{dt}\right)$. Then $x(t) = x_0 e^{\lambda t}$, where x_0 is the value of x at the initial moment of time. Then, formula (2) is concretized as follows:

$$(C_S - C_N) \int_0^\tau x_0 e^{\lambda t} dt = (1 + r)K_0 \quad (3)$$

If we introduce the integration into the innovation parameter, then $v = K_0/[x_0(C_S - C_N)]$, in this case, the formula (3) will get a better interpretation: $e^{\lambda\tau} - 1 = v\lambda(1 + r)$ (4). The model was clearly explained by Balatsky (2010).

Figure 4. Dependence of implementation of innovations on the rate of economic growth



Source: Balatsky E.V. (2010)

Formula (4) provides an extremely clear and elegant geometric model of the innovation implementation mechanism (Figure 3). An important feature of the proposed scheme is the existence of a critical value of the economic growth rate λ^* , which serves as the limit of the innovation dichotomy: with low economic growth rates, innovation is not profitable; it is profitable with high economic growth rates. Therefore, the growth rate of the firm (economy) is an independent factor in the innovation process (Balatsky, 2013).

Conclusion

The formation of an innovative economy is a long-term process that requires the creation and introduction of new technologies, the improvement of the education system, the development of science and information systems, which is impossible without the development of innovative policies and strategies (Danelia, 2021).

Most economists have long recognized that economic decisions (and outcomes) depend on mood. A person's level of optimism (or pessimism) affects their "microeconomic" behavior, which ultimately affects all macroeconomic variables.

During an economic boom, the optimistic mood among the population and entrepreneurs increases the optimistic expectations of the return on capital. As a result, over-optimism leads to economic development, lower interest rates, higher wages and leads to innovation (Mekvabishvili, 2016).

The difference between optimists and pessimists leads to "Optimism Bias" among researchers (Sharot, 2011). We can describe the positive expectations of an optimistic person according to three cognitive modes (Hecht, 2013):

1. Selective processing of information (optimistic people direct their attention to positive aspects and tend to ignore negative ones);
2. Degree of control (optimists are confident in their decisions and trust their abilities);
3. Attribution style (optimists attribute their achievements to internal and stable factors).

In the economy, when measures are taken to avoid the crisis, it further increases the risks of a new crisis, which may turn out to be more acute. Therefore, the introduction of innovations also requires in-depth calculations (Mekvabishvili, 2016).

As we have seen from the discussion of the innovation decision model, with low economic growth rates, innovation is not profitable; it is profitable with high economic growth rates. Therefore, the growth rate of the firm (economy) is an independent factor in the innovation process (Balatsky, 2013).

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Challenges Regarding the Concept of the EU Cohesion Policy for the Period 2021-2027

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Abstract

The Cohesion Policy of the European Union is the Union's main means that promotes balanced and sustainable development across all the regions in the EU. Such an elaborate policy with spatial effects, pertaining to all aspects of sustainability, economic, social and environmental, necessarily needs to be consistently reassessed, both continuously and for each programming period. One of the first steps preceding the design of the concept and specific features of the Cohesion Policy is mapping the challenges that should be addressed by the current programming period, 2021-2027. Even though the basic documents for the current financial and conceptual design of the Cohesion Policy are already in force, certain constant and structural challenges, entailing both ideological and pragmatic financial aspects are necessary to be determined to the end of enhancing the implementation and effectiveness of the policy. Therefore, through dominant content analysis of legal, strategic and other documents, as well as through secondary analysis of relevant literature and empirical research, this paper makes advances in determining which of the challenges of the Cohesion Policy represent an operative priority and which are systemic, as well as to which of the challenges the scientific method could be applied, as opposed by the ones that could be addressed mostly through political negotiation under the frame of multilevel governance. Some of the most prominent challenges are: establishing the adequate policy objectives related to identified needs along with methodology for funds' distribution, then, finding the right ratio of the competitive and social dimension of the policy, determining the right investment forms, finding creative ways to support the regions lagging behind despite their abundant financing, and identification of ways to simplify the bureaucratic procedures of the policy with retention of anti-corruption rules. Further continuous empirical research based on this policy's stakeholders needs is both necessary and ongoing.

Keywords

Cohesion Policy, Challenges, Funding, Administrative procedures, Ideological paradigm

JEL classification:

Q01, O10, D78, R11, R 58

Introduction

The Cohesion Policy (hereon: CP), being the central European Union's policy promoting economic, social and territorial cohesion through the contemporary prism of broader sustainable development, is evolutionary and complex. As such, it indispensably faces a great variety of challenges, ranging from the conceptual and axiological ones to the problems of implementation and effectiveness. This imposes the need, to reveal selectively the most relevant challenges which individually or in some of their combinations have the greatest impact on the design, effectiveness and implementation of this policy. The mapping of the challenges of the latest programming period of CP, 2021 – 2027 should provide insight into the core of the either permanent or temporary features of effectiveness of the policy. To this end, mostly qualitative analysis would be applied, of legal and strategic documents as well as of secondary empirical findings.

The paper proceeds by immediate addressing of the more general and specific challenges of the Cohesion Policy which entail several crises, then, several aspects of funding: setting axiological and pragmatic priorities, planning, targeting and concentration of funding, as well as challenges regarding the implementation of the policy.

1. Crises' negative impact on the effectiveness of the Cohesion Policy

Crises tend to deepen regional divergence and various societal gaps. Among the challenges concerning the strategic priorities and implementation of the CP, several crises had a critical negative impact on the developmental trends of this policy: the last recession, the exit of UK from the European Union, the COVID-19 pandemic and the ongoing Russian-Ukrainian conflict.

Despite the 15-year distance from the great recession, the negative effect this phenomenon produced on the European convergence can still be felt. It exerted a great negative influence upon the capacities of the European enterprises and governments to finance investment and innovation projects (EC, 2020). The recession inflicted a stronger blow to the less developed areas in the EU, especially in the field of employment and meeting the local needs (Crescenzi, 2018) that contributed the EU to allow a significant reallocation of its financial resources towards a higher support of the European least developed areas, although in some cases it led towards reduction of the national financial resources previously intended for some key priority spheres (Crescenzi, Giua, 2019). The way to recovery of the crisis-hit European regions was highly asymmetric where this diversification derived from the various GDP impacts on each particular country and region. The recession exerted a great negative influence on the capacity to achieve the goals of the CP. This means that the economic cohesion was exacerbated - instead of narrowing the income gap, it came to a higher economic polarization between the EU west-European core and its southern and eastern periphery. The EU southern member states experienced a sharp divergence while the majority of the EU eastern member states stagnated in the realm of the average income. The social cohesion was undermined by the rapidly achieved high levels of unemployment and growing income inequalities (Crescenzi, 2018).

The second challenge of a special importance that had a negative impact on the developmental trends of the CP was the UK decision to leave the European Union. This aspect, in addition to imposing political crisis to some extent and raising the issue of identity, created a financial problem too, since the UK played a significant role in the EU policies and financially contributed to the area of agriculture and cohesion. This put some pressure upon the EU budget, raising the question how to compensate that hole in the budget that would consequently imply passing a reduced budget in the ensuing planning periods. The Brexit itself brought some asymmetric shocks (some areas suffer higher losses than others) (Crescenzi, 2018).

The COVID-19 pandemic also led to postponing of certain CP goals and represented a disruptive force in achieving the targets of this policy. The pandemic had various effects on regions and the new patterns of regional development were not well-defined during the course of the pandemic. However, the prognosis is analogous with the previous economic crisis which is that prolonged economic divergence among the EU regions can be anticipated. The essential difference between this crisis and that of 2008 is that the pandemic crisis is not structural (Fedajev et al., 2021). Anyhow, COVID-19 will significantly force further economic divergence within the EU, with some long-term effects (Margini et al., 2020).

COVID-19 is undoubtedly a regional crisis, spatially uneven in its impacts (Bailey et al., 2021). While Bisciari et al. (2020) consider that the CEE member states show greater resilience to the COVID-19 crisis and divergence would be more prominent in EU-15, others accentuate that regions in Southern Europe are likely to suffer larger and more long-lasting recessions than those in the north and east (Odendahl, Springford, 2020; Fedajev et al., 2021). Either way, the pandemic initiated a divergent path for EU regions and countries.

Finally, the ongoing Russia-Ukraine conflict has broader international implications, yet besides these two countries, the EU is the most affected entity at this point. This situation has greatly impacted the CP in terms that the EU sanctions affected regions in a disparate way; then, the supply chain disruption, higher spending on defense, inflation and refugee situation challenged the capacities of the CP in every way (Gaspar, Pereira, 2022).

However, the principles of the policy and the factors that impact its effectiveness remain continuously at play for the broader period, regardless of these induced crises. Despite the numerous methodological challenges of understanding and measuring the impact of CP, still, dominantly it is considered that there has been a CP-promoted process of convergence among EU regions and especially among countries, except for the period of the recession and COVID-19 crisis, when it paused and even reverted. The CP is also considered to have played a mitigative role regarding the last economic crisis in CEE countries (Musiałkowska et al., 2020), while today, in what we hope to be post-COVID times, it plays a significant role due to its concepts of green recovery and just transition which implementation is yet to be evaluated.

2. Specific challenges of the Cohesion Policy

2.1. Targeting and effectiveness of funds

The Cohesion Policy faces various challenges, but the basic one that occurs as a permanent trait featuring all conceptual periods of this policy, is the issue of financing, more precisely whether this financing is directed towards adequate objectives and whether it is sufficiently effective (EPRS, 2016), which can be resolved into several aspects defined below.

Generally, the EU Regional Policy does not face such deep structural problems as the regional policies of less developed countries do, considering that this European policy has been developed for decades through involvement of the scientific thought and balanced political influence. Therefore, neither in the analyses of the public consultations nor in the EU reports and strategic documents can be found complaints related to the insufficient financing or a high neglect of the regional and individual needs. The remarks concerning the funding are of a different nature, i.e. they refer to the effectiveness of the funds, to the financial compliance with appropriate objectives and planning, as well as funds' continuity.

Elaborating this, the concentration of spending has a positive effect, but this varies to a considerable extent among the regions and the various categories of objectives (Crescenzi et al., 2017). In this context, even negative effects can be identified due to the planning inconsistency, but these effects are most obvious in the previous programming period (2014 – 2020) developing the possibility for them to be put in correlation with the effects of the crisis. Anyhow, the most negative effects come from the degree of the misalignment between objectives and identified needs. This sort of misalignment directly affects the effectiveness of spending in the field of cohesion: “the spending on cohesion policy interventions become less effective when actual

expenditures deviates from ex-ante planning (Ibid.). This problem is emphasized in countries with well-known limited effectiveness of public spending and planning.

Another issue that the Cohesion Policy tends to address is determining the optimal usage of the CP funds, in order to stimulate investments in Europe, as well as determining the modes and kinds of support providing the most efficient incentive to this process: grants, loans, financial instruments or their combination with further thematic concentration. The financial instruments provide aid of investments in forms of loans, guaranties, capital and other mechanisms for risk mitigation, but the former are difficult to manage by the regional authorities. Therefore, for the 2021-2027 period, the European Parliament proposed to the European Commission to reform the financial instruments in order for them to be adapted for optimal use to the beneficiaries covering the member states and the regions, expected in that way to attain improved transparency and accountability (Crescenzi et al., 2017).

An important specific issue is the allocation methods of the Cohesion Policy funds– whether the allocation of funds according to GDP per capita should continue or the funds would be allocated according to some other indicators that assume social progress. This could be seemingly a technical issue, but it should determine who will benefit from the funds, which implies political complexity. GDP differs across countries but is a confined economic indicator, therefore, the social indicators could be useful for application in order to reveal the genuine challenges which the regions face. One of the often suggested alternative indicators is the social development index which takes into consideration the basic human needs, the bases of welfare and the opportunities.

2.2. Ideology and functionality in funding

Priorities of the Cohesion Policy immensely reflect EU's declared values.

In this sense, the former EU Commissioner, Corina Cretu has succinctly pointed out that a great challenge represents the finding of the right ratio of funds' allocation between the two cohesive complementary goals: competitiveness and cohesiveness. Even though they are treated as complementary in the recent EU strategic documents, still, it is conspicuous that the competitive and the social goals are also mutually competing or conflicting goals. This is confirmed by the further elaboration of this Commissioner, as she illustrates that overwhelming competitiveness favours the more developed regions, mainly the cities which in every way are being developed with a positive dynamism. On the other hand, excessive cohesiveness is possible to lead to many missed opportunities for development of new capacities. The European Parliament had taken a unifying stand – it regards reaching cohesion as a precondition for provision of long-lasting competitiveness of the regions (EPRS, 2016). This certainly can be viewed from the reverse perspective as well – that the most competitive regions could produce the highest economic results both within the European Union and outside it, in that way contributing to the overall competitiveness of the EU in the foreign markets. Yet, the latter line of consideration follows a very liberal direction, while the paradigm around which this paper revolves refers to the sustainable development that inherently cover social welfare dimensions. Anyhow, conciliation of these two dimensions, the competitive and the social one, is a permanent challenge of the CP.

Another permanently discussed topic over each programming period is which areas should be prioritized for the Cohesion Policy funds' investments in order to solve the problems of the dynamic reality. Concerning the current period 2021-2027, the most emphasized areas in the process of their determination were: stimulation of economic growth and employment, research

and development, environment, small and medium-sized enterprises, information and communication technologies, low-carbon economy, social inclusion, education and administration capacities. But, considering the modern dynamics, new issues emerge: immigration, energetics, issues dealing with transfer of technologies, association among the regions with strategies of smart specialization and so on. In this respect, the tendency of the CP is to find out how, in which ratio and intensity to be involved in the management of the new challenges (EPRS, 2016).

Cohesion funds already address integration and other aspects of immigration, but even within this domain, some additional questions might be posed, such as the one for the possible additional financing that requires political agreement and special negotiations. Next, ICT, innovations and digital skills are diversely developed throughout the regions and the issue of their support is differently addressed with a stratified approach. In this context, cities find their place, since they contain more than 70% of the EU population that produce the vast portion of the economic growth, which sets the question what the role of the urban dimension should be within the Cohesion Policy (Ibid.).

As seen, many specific social aspects, i.e. social areas and public policies contain their own problems, but simultaneously they have direct implications towards the CP, since it covers these issues. Additionally, such are the challenges in the field of the EU employment and labour, in respect of the facts that the future labour decreases due to demographic changes; 2/3 of the fit for work population in the EU is employed, with higher unemployment rates among women, elder workers and youth, as well as the higher rate of labour market exclusion of the long-term unemployed (EC, 2020).

The elaborated aspects of determining priorities can be linked to the respondents' answers of the public consultations conducted by the European Commission. The finding of this empirical endeavor regarding education and employment is that the support of the European Social Fund should be more layered, comprehensive and should go beyond one programming period, while some initiatives should be less restrictive in relation to their target groups. The respondents identified as problematic the management with the climate changes and some other environmental problems, including the energetic transition. Some other challenges established from the public consultations are those related to the inclusive trans-regional, or trans-border programs, administrative burdening capacity and tourism (EU, 2018). As well, the respondents regard that the social inclusion promotion and combating poverty are of a great importance and the existing initiatives towards these ends should be increased for 20% in the ensuing period. The respondents encourage higher support for the migrants and migration issues (Ibid.).

One of the permanent key Cohesion Policy challenges is how to support the EU regions that are lagging behind despite their previous abundant funding. This represents a problem of political bargaining as well as negotiations between the net fund contributors and net fund users (EPRS, 2016). This has been a permanent challenge, since the priorities and the allocation amounts envisaged in the Multiannual Financial Framework have been adopted on the basis of elaborate scheme of multilevel governance principles, but often hindered by the intergovernmental elements of the decision-making process regarding this important document (MFF). Here the question is set how the CP should be linked to the economic management in EU and the structural reform agenda. In this context the macroeconomic interdependence is stressed which means that the cohesive financing should depend on the rules for economic government in EU, that leads to tensions between the economically more stable and less developed member states. The CP functions better in sustainable macroeconomic circumstances (Piattoni, Polverari, 2016).

Another question of huge current importance is to solve the dichotomy of protecting legality and correct spending, more precisely, prevention to abuse the European funds on the one hand, and the burden of the bureaucratic procedures that exhaust resources on the other, concerning their time of implementation, institutional and private engagement. Namely, the CP expenditures together with those for rural development are the sections of the EU Budget for which the European Court of Auditors repeatedly detects a high level of irregularities (Ibid.). In the course of the previous three programming periods the EU law makers used to adopt increasingly more complex system of checks and balances directed towards verification of legality and conformity with the regulation of the expenditures. Consequently, the volume, scope and intensity of the Auditors' activities have enhanced. As a result of this, the number of management institutions and employees involved in the auditing activities has enhanced as well both in the member states and within the European Commission (Ibid.). The audit findings of the Court show that these changes have contributed to the decreasing trend of the level of irregularities: concerning the expenditures of 2009 within the programming period 2007-2013, there are estimates that the deviance rate was 3%. This is considerably lower rate in comparison to that in the programming period 2000-2006, recorded in 2007 and 2008, when at least 11% of the expenditures were estimated to be susceptible to deviation. In the ensuing periods it is not probable to expect reaching such a high rate again. However, the abused sums today are far from negligible – each year more than 390 million of the Structural and Investment funds are abused (OECD, 2019). Additionally, the distributive policies generally are expected to be more susceptible to political manipulation, and in the western democracies, the allocation of the infrastructure investments and regional grants is clear that is under the influence of the state civil servants or some high government officials whose aim is to maximize their election success (Bachtler et al., 2017). That is the logic to introduce complex control procedures by the EU, related to the spending of Cohesion Policy funds. On the EU level, the implementation control is mainly assigned to the Court of Auditors, but in case of doubt of fraud, OLAF steps in as well as the European Public Prosecutors Office (established in 2021), while on national level, the internal control for each operational programme is a joint responsibility of several authorities, out of which the Managing Authorities usually initiate the procedure. Still, this enforced arrangements for CP control are expensive. Just illustratively, from 2014 onwards, around 87 million euro is spent only on account of control expenses (ECA, 2020).

On the other hand, taking in consideration the findings of the open public consultations conducted by the European Commission from January to March 2018 in respect to the cohesive funds, covering as well the European Aid for the Most Underdeveloped, European Fund for Globalization and European Program for Employment and Social Innovations, it is confirmed that generally, the excessive bureaucracy burdens the process of implementation of the Cohesion Policy measures. On the question in what measure the specific obstacles hamper the successful achievement of the aims of the funds/programs, the respondents, including the regional and local authorities and business and trade associations identified the complex procedures as the most important obstacle – 86% of the answers, next, the extensive audit and control procedures was the second most important obstacle – 68% of the answers, and a lack of flexibility in response to unpredictable circumstances was the third most important obstacle with 60% of the answers (EU, 2018). The European Commission was working as early as 2016 on simplification of the procedures in order to facilitate the approach to the cohesive funds to their potential users and government authorities, for instance, through easier financing of small and medium-sized enterprises, using simplified modes for refunding costs or wider usage of on-line procedures (EPRS, 2016). Declaratively, there were attempts for simplifications of Cohesion Policy

procedures as far as 1999, but with poor effects because the application of overburdened administrative procedures in this period reduced the value of the invested resources providing demotivation for participation of the subjects that needed this policy the most (Piattoni, Polverari, 2016). At the time being, concerning the current programming period, the European Commission has issued the strategic documents containing simplifications that would be a subject of result estimation in the ensuing period. Until now, the criticism dealing with the burdening application and inflexibility of the procedures, administrative requirements and heavy control package are serious and permanent obstacles despite the former attempts for simplification of the CP procedures.

2.3. Implementation

There are challenges in respect to the Cohesion Policy implementation both on domestic level and in the interaction among the national, subnational and EU authorities. One of these challenges is the management of the CP resources that becomes increasingly complex which endangers the effective CP implementation and its legitimacy among the stakeholders. Thus, in relation to the national and regional operational programmes, tensions may occur among the sectorial ministries, general directorates and local authorities within a region where the politicians might favour approval of a project for a personal benefit in elections, which means the process has its strong political component (Piattoni, Polverari, 2016). Even in the case where the state has reached a higher level of democracy and process of decision making, the sole regional authorities might be problematic, considering that a large number of European regions behave as developing countries. To support this, in a research conducted by Lublin, it is found out that the regional political parties have a tendency to neglect the public interest and in a lack of capacities to deliver real results they resort to deployment of cultural, language and ethnic topics to conceal their political incapacity (Lublin, 2014).

In this context, among the versatility of factors impacting the effectiveness of the CP, administrative capacity is one of the most important, concerning both the national and sub-national levels. Low governing capacities diminish the impact of public investments, including the cohesive investments (EC, 2017) and can lead to losses in financing for both. The managing of structural funds in the CEEc is insufficiently efficient while the absorption is constantly suboptimal. Hence, the challenge that arises is the problem of domestic co-financing in countries with weaker institutional and other capacities. As well, there are regions which use the cohesive funds in areas which are not necessarily associated with development or do not have any long-term justification. In the period 2007-2013 the European Commission agreed to reduce the contribution of the national governments to 7% in Greece, 10% in Spain, 17% in Portugal and 23% in Italy, reductions that will later lower the Cohesion Policy impact (Piattoni, Polverari, 2016). In such countries with macroeconomic imbalances and with a need for fiscal consolidation, the Cohesion Policy implementation is faced up to many obstacles, including the structural weaknesses, the increasing difficulties for access to external financing and limited fiscal space for public investments (as well for gaining national co-financing) (Ibid.). The countries across EU vary in their domestic capacities for policy management and evaluation which will continue to persist as a challenge in the following periods.

Conclusion

The proper conceptualization of each policy largely depends on the adequate determination of its challenges. The Cohesion Policy is an elaborate policy that is currently based on the EU strategic

broader notion of sustainability which itself is compatible to the global sustainability goals. The significance and the complexity of this policy presupposes even greater attention to each part of the process of policy design and implementation, in this instance the elaboration of CP challenges.

Crises, such as the great recession of late, Brexit, the COVID-19 pandemic and the Russian – Ukrainian armed conflict, foster manifold instabilities, create economic and social disturbances and negatively impact regional convergence. This exacerbates the possibility of adequate targeting and allocation of many EU policies, including the Cohesion Policy.

The fundamentals of the CP are solid, since they have been developed over a long time, based on scientific approach and balanced political influence, although at times problematic, due to the decision making process with intergovernmental elements and the inclusion of manifold actors according to the principles of multilevel governance. The financing is sufficient to provide a high level of functionality of this policy.

However, the CP faces certain perpetual challenges. An important challenge of each programming period is to set the priority investment areas of European Structural and Investment Funds and to evaluate the effectiveness of such financing. This prioritising includes not only determining allocation ratios to adequate objectives, but also axiological aspects – whether the competitiveness or the social dimension of European functioning should prevail. The modes of support of investment priorities as well as eligibility criteria for cohesive funding have been issues of determination, as well. Another challenge is how to support EU regions that are lagging behind despite abundant financing throughout the previous programming periods. Additionally, despite the declarative EU aspiration for a simplification of the policy, burdening and complicated procedures both in the decision making process and the implementation of the policy as regards the most basic subjects are a constant issue to be dealt with. However, most of the problematic points of the effectiveness of the CP are detected at the level of national implementation of the policy, the administrative capacity and largely depending on each country's political maturity and capacity. Constant research in these areas across territorial and sectorial contexts is both ongoing and necessary to the end of increasing the effectiveness of the Cohesion Policy for the next programming periods.

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