The provision of services in both public and private sectors has increased dramatically over the last
decade and a half. Many economies have shifted to a predominantly services model, leaving manu-
factoring and agriculture in their shadow. This situation has been accelerated by increasing levels of con-
tracting out by governments and businesses. Therefore, this book demonstrates how service science
research fits in with the current management and business climate and how to go about strategic plan-
ing activity and evaluating it for best results. The treatment of subject matter is expansive, conceptual,
as well as practical.

This scholarly volume explores in detail such areas as strategy development, service contracts, hu-
man capital management, leadership, management, marketing, e-government, e-commerce; including
real world examples of the selected cases, it will give readers the tools to utilize the knowledge and
techniques to succeed in their careers. Furthermore, this book brings together the collective knowledge
and wisdom of the diverse group of scholars from across the globe.

The global perspective of the current state of service science, from over four dozen leading scholars
and business drivers from nearly twenty countries, provides the blueprint for service enhancement, op-
timization and excellence. As the construction of the current era develops, service science will and must
take a pivotal position where people and resources combine within a service framework. In essence,
the framework around the dynamic combination of people, resources and technology is service. My
mantra of “Leading People and Managing Resources,” is echoed clearly in this work. The perspectives
gained from this volume, coupled with action-based knowledge, will engage innovations of service and
increased value wherever people interact with each other, with resources and technology. The entire
building or packaging incorporating the sophistication of service science, innovations and technologies
so that a value – based, customer focused, and mutually beneficial experience can reinforce the corporate
strategy and brand while meeting and exceeding customer expectations is the purpose of service science
scholarship and practice; the purpose is encapsulated in this volume.

Contemporary concepts and thought in service science are elegantly yet explicitly displayed in the
opening part of the book. The foundation of service science is well mortared as the second part is pre-
sented. Today’s technology, innovations and fluidity have created a changing and different set of norms
and mores with regard to service quality. These realities are expertly welded into the framework of the
service science domain in this section. The third part of the volume incorporates strategy and knowl-
dge into the structure. This section develops the necessary applications, thought and considerations for
enhancing the value chain, for both vertically and horizontally integrated entities, and service quality
across industry boundaries.

Specifically, this book aims to:

- Examine the relationship between corporate success and investing into services management and
  marketing, leadership, human capital strategic planning, as well as, into technology.
Examine the strategies and policies affecting research and innovations in the service economy.
Assess the service science from an interdisciplinary perspective to link the elements of business strategy, business process and services management.
Prepare the readers for higher levels of policy development in service science.

The following unique features make this book distinctive:

• The novel nature of the chapters will further enlighten the reader about service science management, marketing, and technology areas where corporations can learn from the innovative and successful corporations to achieve a sustainable competitive advantage in the global marketplace.
• This book brings together convention highlights prepared by renowned professionals and scientists within the field. As such, readers can form a comprehensive vision of the developments which are shaping the structure of the business and management fields.
• This book will greatly benefit practitioners as well as academicians as an innovative source and reference for developing strategies, policies, and teachings in service science.
• It is a very practical, informative, interesting, and timely book with real-world experiences, and powerful insights. It makes a very significant contribution to our understanding of one of the most neglected areas of management and business subjects.
• This book offers the reader excellent coverage of macro and micro issues revolving around service science and strategy development.

In Chapter 1, “Services and Service Management,” Balázs Heidrich and Gabor Rethi provide an introduction to Service Management. They provide an overview of the special characteristics of services compared to the traditional goods-focused approach. They then examine the different approaches concerning services and a wide range of definitions of services. It is essential to understand the special attributes of services, because a different approach and leadership style is needed when compared to a production company. The service providers have to face a more heterogeneous environment and, with the advent of the internet, they have to compete with other companies across borders. With a better understanding of the concept of services, they examine service management as a means of discovering most efficient way to manage services. Finally, they consider the special traits and attributes of the service market and the indication of a need for a new management concept and introduce the popular and well-known service management approaches and a new approach: the Culture-Based Leadership Model of Services.

In Chapter 2, “The Management of Services Contracts,” by Guy Callender, the management of services creates a new and exciting development in business relationship management. It is a field which grows as organizations increasingly seek to specialize and also replace in-house service delivery with contractual relationships with suppliers. This chapter explores many of the attributes and challenges of planning, developing, and managing service contracts within complex supply chains.

The chapter entitled “A Model of Profitable Service Recovery,” written by Kristen DeTienne, Aaron Brough, and David Blen Nance presents a model of service recovery designed to improve profitability by differentiating the recovery efforts offered to different customer segments. To predict customer responsiveness to recovery efforts, the model advocates the use of both (1) company knowledge and databases to classify customers by past profitability and (2) the severity of the service failure they have experienced. The chapter makes recommendations related to the level of recovery quality and the type of recovery effort that should be extended to customers in each segment of the classification scheme. Using this strategic model of service recovery, executives can avoid wasting costly resources on unprofitable recovery efforts and instead direct those resources to the customers most likely to respond favorably to recovery efforts. By focusing recovery efforts on these customers, the probability of generating a profit through recovery efforts is increased.
In the chapter entitled “Increasing Service Exports: A Key Contributor in the Growth of the Global Knowledge Economy,” Max Coulthard indicates that many business leaders and government policymakers see knowledge-based service exports as a way to achieve global competitive advantage. This Australia-based study of service exporters identified key barriers to success and potential roles for government agencies. Major findings included the requirement to: better define service exports; ensure exporters are classified accurately; provide appropriate and timely planning; improve financial support; attract qualified and appropriate human resources; plus the need for government incentives and support to increase the innovation and export orientation of service-based organizations.

In a supportive chapter, “A Theoretical and Empirical Investigation into Service Failure and Service Recovery in the Restaurant Industry,” Pierre Mostert, Danie Petzer, and Christine De Meyer highlight the effect service recovery. Despite organizations’ best intentions to achieve zero defect service environments, this objective is unlikely due to the multi-dimensional nature of service encounters. Organizations should therefore provide effective service recovery in the event of service failures. This chapter theoretically and empirically considers service quality, service failures, and service recovery among South African restaurant patrons and compares findings to similar studies among United States and Irish restaurant patrons. Despite experiencing a service failure, most restaurant patrons would support the restaurant again in the future provided that service recovery was effective. Even a simple apology may rectify customer satisfaction and lead to customer retention.

A correlative chapter, “Structuring the Service Encounter: A Test of Alternatives,” written by Maria da Graca Batista, Miguel Pina e Cunha, and Armenio Rego presents an analysis of the influence of three forms of structuring the service encounter (standardization, spontaneity, minimal structure) on the perception of service quality and job satisfaction. The authors performed two studies (experimental and correlational). The results point to the existence of higher levels of job satisfaction and service quality under the use of minimal structures. There is an element of originality in this study since it empirically explores the application of minimal structures to the service encounter and the findings help practitioners to make more informed choices about the structures they adopt for the management of service encounters.

The chapter, “How Service Firms Manage Innovation: Development Process and factors of Success,” by Frederic Jallat, demonstrates that successful service innovation is often the result of a rigorous and systematic implementation of disciplined organizational and management processes. In the service industry, these innovation processes entail specific management qualities and unique management modes, which will be detailed and analyzed.

By acknowledging the strategic importance of developing and managing new activities in the service sector, the author studies the key business dimensions and performance drivers of innovation, and the determinants of new service success. Therefore, this chapter seeks to address three objectives:

1. To yield a critical synthesis of research linked to managing innovation in the service industry.
2. To provide a detailed study of innovation management and success factors within the service sector.
3. To determine the links between the service development process and how new services perform.

Global service sector growth and the contracting out of services have produced a complex business environment that has major challenges for corporate success. Nowhere is this more evident than in intercultural service encounters where the delivery of service standards has become integral to developing a competitive advantage and inducing customer loyalty. In Chapter 8, “Managing Intercultural Service Encounters: Establishing the Need for Intercultural Training,” Suvenus Sophonsiri and G. Barry O’Mahony identify the various aspects of service delivery that are significantly influenced by
culture. They explain the dimensions of culture that have been found by cross-cultural researchers to be essential to service delivery success and describes how cross cultural training can be used effectively in the international service sector.

The chapter entitled “The Role of External Indicators in Measuring the Service Performance of Local Governments: An Italian Case Study,” by Fabio Cassia and Francesca Magno, discusses the role, adoption and application of external performance indicators within local government. These indicators measure citizens’ satisfaction with offline and online public services and allow administrators to collect timely knowledge about their “customers.” In other words, they play the same role as customer satisfaction research in private companies’ marketing activities. Despite their relevance, external indicators are often overlooked and criticized by both professionals and researchers. This chapter will also review and challenge the main criticisms of external indicators, which state that external indicators are useless and unreliable. Through the analysis of a case study within Italian local governments, the discussion will demonstrate that these indicators have a significant role in public administrators’ decision making, provided that local government embraces a citizen-oriented culture.

Following the irreversible economic and global changes in recent decades, the business landscape has transformed dramatically and thus many fundamental business concepts have to be reassessed. The role of services in the process of value formation evolved as services become the main source of employment, economic value formation and innovations. Responding to severe global competition, companies extended the variety of business models and complexity of business networks. However, the current state of economic development is not sustainable, threatening the global balance.

Chapter 10, “Service Science, Value Creation, and Sustainable Development Understanding Service-based Business Models for Sustainable Future,” by Albena Antonova, proposes a complex model for companies to enhance their value offering, through optimization of services value co-creation, and addressing sustainable issues. It investigates different approaches of service science and services to improve business models toward more sustainable practices. There will be identified different knowledge flows between various products and service providers and final clients, aiming to improve client satisfaction and product use and finally, to result in better value for customer. Increasing knowledge and services within material products means adding more value for customers and limiting resource use and disposal.

A correlative chapter, “Productivity and Innovation in Services: The Multidisciplinary Perspective Offered by Service Science,” by Aleksandar Ivanovic and Leonora Fuxman, highlights a multidisciplinary approach to the service science research. Technology leveraging is identified as the key force enabling the advancement in all three main areas of services research. Its strategic priorities include encouraging service infusion and growth, improving well-being through transformative service, creating and maintaining true and sustained service culture. Service development requires stimulating service innovations, enhancing service design, and optimizing service networks and value chains. Finally, better service implementation encompasses effective branding and selling services, enhancing the service experience through value co-creation, as well as measuring and optimizing the value of services.

The chapter, “Technology-Induced Customer Services in the Developing Countries,” written by Wilson Ozuem and Geoff Lancaster, states that the emergence of the internet has signaled the coming of a new era in the history of cultural transmission. Indeed, a baffling array of industries have adopted and implemented internet technologies in tandem with its prototypical subsets, especially in developed countries. Whilst there has been some surge in the adoption and implementation of internet businesses in developing countries, it appears that these countries are still lagging behind in the delivery of technologically-induced customer services. Despite the bifurcation between the level of internet adoption and implementation, most extant literature related to understanding the dynamics of customer services
in technologically induced environments is dominated by scholars and practitioners in developed countries. This dominance has not only provided a truncated view of prevailing trends, but has obscured unique evolving business models from sub-Saharan countries. Drawing on an interpretivist ethnographic methodological approach emerging through an interest in the origins of culture and civilisation, primarily through analysis of (primitive) societies, this chapter provides a background on the sub-Saharan perspective on general technologically induced environments, which is necessary to formulate the basis for a contemporary sub-Saharan e-business models. The aim is to look afresh at problems faced by the banking sector in the delivery of services to customers, and to demonstrate how these users might brace themselves generatively to meet the challenges it poses.

The late skyrocketing costs of innovation became a severe limiting factor for companies’ internal development of innovation. Open innovation comes as a sounding solution to investments ensuring type, variety and needed pace in innovation. Open innovation, however, implies the efficiency of a supporting framework to search, gather and mobilize external technical information from elsewhere into a company. In this chapter, “Technical Competitive Intelligence System: An Innovation and Technology Management Tool,” Leonel Cezar Rodrigues examines the innovation development and describes the processes and functionalities of a TCI system, conceived to support open innovation processes. The proposed TCI system follows the classical logic of intelligence systems and takes into account the nuances inherent to a technical information intelligence system. The system is also contextually linked to open innovation to show functionality and critical role in the implementation of an effective innovation strategy whether of product or service companies.

The chapter entitled “Business-to-Business eCommerce: How Companies Use the Internet in Marketing Products and Services to the Consumers,” by Fahri Karakaya, discusses the use of Internet by businesses in marketing products and services to other businesses. The chapter starts with the well-known technology adoption model and the relationship between technology adoption and firm profitability and then expands into how businesses market to other businesses using a variety of methods and examples. Most businesses targeting their products and services to other businesses or distributors have developed web sites where purchasers can obtain information and place online orders with little or no human involvement. In addition to company specific web site, there are also web portals where business customers and sellers meet to buy and sell products using auctions and bids. The chapter then discusses how to increase online traffic using search engine optimization as well as identifying potential customers using electronic databases. The chapter ends with the discussion on the importance of relationship marketing for B2B businesses using Customer relationship Management software or other means.

A correlative chapter, “B2B eCommerce: Current Practices,” written by Fahri Karakaya, focuses on the effective use of the Internet for marketing products and services. The chapter starts by presenting statistics about Internet usage and online sales in the U.S. and around the world. It then examines the evolution of the web sites from a static format to an interactive format with the start of Web 2.0. As a plus to small businesses, the chapter also briefly outlines the steps involved in starting an online business and the advantages and disadvantages of having one. Special emphasis is placed on developing an eMarketing strategy drawing on the marketing mix, online marketing research, and search engine optimization, as well as social media marketing. The chapter ends by showcasing Amazon.com web site’s marketing tools as excellent examples of effective eBusiness.

The chapter, “An Innovative Firm: The Renova Case Study,” written by Susana Rodrigues, offers a discussion on understanding the factors that drive successful innovative firms is central for sustaining competitive advantages. Researchers argue that competitive advantages through innovation could be achieved by undertaking or developing new products or new processes (technological or organisational).
Based on the literature reviewed, a model was developed to capture the nature of an innovative firm. The model was applied and validated. This chapter argues that innovation is possible where it would be less expected. The identification and exploitation of key innovation factors lead, when implemented, to innovative firms: those that continually provide the market with innovation. This chapter offers important insights into understanding the meaning of an innovative firm. It provides a good supporting case of a real company to help understand the various aspects of innovation within a mature commodity-producing industry.

A correlative chapter, “Service Science Innovations: E-Government,” written by Tatiana Leonova and Galina Poltnikova, highlights the purposes, problems and principles of the organization and structure of the electronic government, questions of development of the electronic government in the countries of the world and the spectrum of represented services. One of the major problems of public authorities activity is rendering of a set of the state services to citizens, business, other branches of the government and government officials. Development of information-communication technologies and their implementation in government system allows raising efficiency and speed of document circulation and to lower costs of social communications for each member of a society. This phenomenon has received the name of the electronic government.

The chapter entitled “Resources, Capabilities, and Business Success,” written by Alan Simon and Chloe Bartle, explores resources and capabilities that align with the demands of the environment in which an organization operates conduce to successful performance. Physical, human and organizational capital resources that are valuable, rare, inimitable and organizable can provide the firm with unique capabilities that lead to competitive advantage and value creation. Seven generic strategic capabilities are related to organizational success. These are service quality; visionary leadership; innovation and creativity; selection and retention of good staff with good technical skills; credibility, integrity and honesty; excellent differentiated products or services and adaptability and flexibility. Dynamic capabilities are defined generally as the ability of the firm to reconfigure its resources in changing times and thus allow the organization to adapt and evolve. Specific dynamic capabilities include team and product development processes; customer retention; leadership; organizational culture; redeployment of assets; strategic thinking and knowledge management. Hard and soft business success measures are profitability, growth, improved teamwork, customer and employee satisfaction and quality. There is very little literature reporting empirical testing of the relationship between resources, capabilities and success. Thus the chapter discusses the findings of the few studies that have done so and we deduce from them that the relationship between capabilities and success is a complex one. This is because a common thread across all the studies is that many capabilities are linked to many success measures in a complicated matrix of statistically significant relationships. This suggests that in order for organizations to score highly on both financial and non-financial success measures, they need to deploy the many capabilities discussed in this chapter.

In a supportive chapter, “Understanding Business Strategy,” written by Emanuel Gomes and Paul Jackson, explains the importance of having an overall corporate strategy and propose a possible logical structure for the strategic management process. To understand Business Strategy it is necessary to gain an appreciation of some of the processes that strategists have to undertake in order to analyse and execute successful business strategies. The chapter discusses the importance of the analysis of the strategic position of the company first and is followed by a discussion of the complexities involved in the strategy formulation phase. Some considerations and issues are raised about the implementation of the strategic choices, as strategic execution is one of the main keys to business success.
Sustainable development is considered essential for avoiding a global scale environmental crisis. Using the primary data provided by 68 UK SMEs, in a chapter entitled “Business Strategies Incorporating Sustainable Development Principles: Toward an Application of a Function Economy,” Calin Gurau, Celine Pascual-Espuny, and Ashok Ranchhod investigate firm managers’ level of knowledge regarding the concept and principles of sustainable development, and analyses its impact on the specific sustainability strategies adopted by these firms. The findings indicate a relatively low level of managerial knowledge, as well as a scarce application of sustainability strategies in the investigated SMEs. The need to develop management education and best practice examples in order to increase the understanding and the practical application of these concepts are emphasized.

A correlative chapter, “Entrepreneurship and Competitive Strategy,” written by Shepherd Dhilwayo, highlights the importance of entrepreneurial competitive strategy. In today’s turbulent business environments, organisations which adopt entrepreneurial strategies are likely to be more capable in identifying potential opportunities, relocate resources and shift managerial commitment quickly, and in developing unique products and services. The intertwined relationship between competitive strategy (business level strategy) and entrepreneurship is critical in making strategy more potent and organisations more competitive. Different competitive strategies, namely Miles and Snow’s prospector, defender, analyser and reactor strategies and Porter’s generic, low cost, differentiation and focus strategies are analysed, clearly showing how these integrate with entrepreneurship. An integrated entrepreneurial competitive strategy is critical in the success of today’s organisation.

The chapter “Leadership Perspectives on the Global Markets for Corporate Control,” written by Kathleen Marshall Park, discusses the latest leadership perspectives on mergers and acquisitions, which represent a simultaneously established and expanding phenomenon known as the global market for corporate control. Worldwide traffic in mergers and acquisitions totaled over USD12 trillion in the last century, with the first decade of the present millennium already exceeding USD8 trillion in corporate assets exchanged in domestic and international interfirm combinations. The financial prominence of mergers and acquisitions coupled with their intensive and often very invasive impact on shareholders and stakeholders of the transacting firms make the market for corporate control a fruitful context for the renewed exploration and application of strategic management perspectives with a particular focus on service science research.

Chapter 23 entitled “PLC and SWOT Reengineered: Strategy Development Tools for Service Industries in Global Competition,” written by Peter Mayer and Robert G. Vambery, offers revitalized tools aimed at finding ways to better manage and leverage changes to the benefit of services industry businesses. Recently the businesses of some leading successful service industry companies have suffered greatly to the point of threatening their very survival, while other companies succeeded to protect and even strengthen their businesses by reinventing or “recycling” their services/products in responses to the changes in their industries. Two widely used such strategic tools are the SWOT and PLC analysis and the SRCL (Service Re-Cycle for Life).

In a supportive chapter, “Strategic Marketing: Models and Plans,” written by A. Noel Doherty and F. Victor Lu, presents the tools, tactics and strategies used by marketers to identify opportunities (or threats), evaluate alternative solutions and solve problems. Scope and perspective of the environment are considered from the level of organizational planning and the goals of the organization. At the highest level of an organization attention is focused on the desirability and effectiveness of the various businesses that comprised the organization. Is the organization effectively allocating scarce resources across its various businesses? Should units be grown, manufactured, harvested or divested? Strategies and planning tools are explained from the product and market perspective. The principal growth and sustainability strategies
of market penetration, market development, product development and diversification are explained and illustrated. The meaning and importance of segmentation, targeting and positioning are also explained. In the chapter entitled “Business Education Across Cultures and Languages,” Yamen Koubaa presents first the effect of culture and language on the efficiency of business education across cultures and languages. He begins with the effect that culture and language may have on the amount and the quality of knowledge transferred from business educators to business learners when the educator and the learner are affiliated to different cultural backgrounds or when the language of education is different from the native language of the educator, of the learner or of the two. Then, he defines several concepts related to business education across English and several other languages. Findings reveal that culture and language have a significant impact on the perception of business concepts and on the ways business educators deliver their knowledge. The research involves seven languages namely Arabic, Chinese, French, English, Japanese, Russian and Spanish and their respective cultures.

In a chapter, “New Perspectives on Knowledge Management,” Helmut Kasper, Jurgen Muhlbacher, & Barbara Muller, who are no strangers to the field of knowledge management, examine the interconnections in knowledge management. The authors give an overview of knowledge management, display various forms of knowledge relevant to different companies, discuss the process steps of knowledge management: generation, transfer, retention and most important: show how knowledge, companies and environments interact to optimize their corporate knowledge flows. Their aim is to provide a comprehensive picture of the complex interconnections in knowledge management. They draw upon approaches discussed in contemporary literature on knowledge management and additionally argue that the way knowledge is handled and retained depends on various systems logics that influence how knowledge is handled and managed within organizations.

A correlative chapter, “Formulating a Knowledge Management Strategy,” written by Adeline du Toit & Carina Human, presents a systematic approach that can be followed to formulate a knowledge management (KM) strategy. The management of knowledge should be integrated into the other management activities in the enterprise and linked to the business strategy. An empirical survey was conducted to investigate the current situation with regard to KM activities in a life-insurance company and to determine the relationship between the KM activities and the business strategy. The results indicated that there is a clear understanding of the importance of KM and steps are recommended to formulate a KM strategy for the enterprise.

The chapter, “International Applications of Knowledge Intensive Services of Management and IT Consulting in Transitional Countries,” by Leonora Fuxman and Aleksandar Ivanovic, examines service management and IT consultancy in emerging markets. The Authors discuss historical development, current trends, segments of activity, implementation areas, challenges and problems usually met in business practice, and a number of cases and managerial implications for their possible solutions. Management and Information Technology (IT) consulting both in Ukraine and in Serbia are still in their development stage. Most problems they meet are due to a lack of managerial and restructuring experience in a free-market economy. However, significant innovation as well as necessary managerial education and IT infrastructure improvement have been achieved to make them affordable and attractive alternative to a large range of organizations in these economies in transition.

The correlative chapter, “Network Strategies of Hospitality Companies in Emerging and Transitory Economics: Evidence from Russia,” written by O. Balaeva, E. Burnatseva, M. Predvoditeleva, M. Shere sheva, and O. Tretyak, sheds light on network organisational forms – hotel chains – actively implemented in hospitality services. The concepts of networks are critically analysed and applied to explorative case studies of hotel chains operating in Russia. This chapter adds to the literature in the hospitality industry
by expanding on existing theories of network strategies and illustrates their different patterns within the framework of modern hotel chains’ strategies. The detailed description of the current Russian hotel market situation is presented. The main trends in the Russian hospitality sector are analyzed and key factors stimulating the development of Russian hospitality are outlined. The huge potential of Russian hospitality sector is revealed. Among the factors resisting the future development of the market the following were named: the lack of the developed service standards system and the lack of the developed marketing policy and strategies (i.e. inefficient pricing, sales and communication policy); lag in modern technologies. In this environment the process of formation of domestic and international hotel chains are examined.

The chapter entitled “Dynamic Knowledge: Diagnosis and Customer Service,” by Jose G. Hernandez R., Marcia J. Garcia G., and Gilberto J. Hernandez G., demonstrates how to make an enterprise diagnosis; with the right tools a better management of Dynamic knowledge can be established. The chapter starts from the position of the Customer Services Manager, which is the reason for the Logistic Model Based on Positions (LoMoBaP) and using that position as a key to perform an enterprise diagnosis, the results are expressed through a Matrixes Of Weighing (MOW).

Chapter 31, “Knowledge is Power: Knowledge Management, Innovation and Competitive Advantage: An Example from Egypt,” written by Rania Nafie and Stephanie Jones, suggests that the success of the Knowledge – Knowledge Management – Knowledge Transfer – Innovation – Competitive Differentiation and step-by-step progression may be moderated and even compromised by cultural considerations. These can be the result of organizational and/or national cultural characteristics impacting on organizations and employees. These organizational and national cultural variables can be closely intertwined. The geographical focus of this chapter is based on Egypt, located in the Middle East/North Africa, currently in a state of political upheaval. The focus on Egypt reflects the interest and experience of the authors, and the perception that culture may be playing a part in the problems experienced by companies in Egypt in achieving a high level of sustained innovation. Companies in Egypt are still struggling to gain competitiveness in world markets, and culture is playing a big role in this struggle. Currently, politics and demands for democratic representation are also muddying the waters. These cultural issues, the authors argue, can be seen in terms of moderating the behavior of employees in the knowledge accumulation and knowledge transfer processes. Qualitative evidence is presented from interviews with managers at five Information and Communications Technology companies which suggest that the authors’ propositions may be well-founded.

Chapter 32, “Human Capital Management and Optimization: A Resource-Based View,” written by Jurgen Muhlacher, demonstrates that the recent work on human resource development mainly emphasises that individual skills are strongly oriented towards the future. These enable a person to tackle upcoming challenges in a self-organised manner. So both the current requirements and the skills necessary in future have to be seen as a strategic competitive advantage for the company. Only this change in perspectives makes it possible to use further education as a strategic instrument of management development.

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