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SEPARATION OF MANAGEMENT AND CONTROL IN SMES FROM EMERGING MARKETS: THE ROLE OF INSTITUTIONS

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Abstract: Demand by growing owner-run SMEs for specialized management knowledge is resolved primarily through the separation of ownership and control, using top management labor market and agency contracts. Under certain environmental institutional conditions, owners of Russian SMEs face difficulties separating ownership and control. Using a dataset of 500 companies from fast growing industries in St. Petersburg and Moscow, this study analyzes how various perceived characteristics of the institutional environment influence the probability of separation of ownership and control. Executive summary is available at pp. 27.

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Introduction

Empowering medium and small business companies as a way to support economic growth and innovation is an often declared and internationally accepted policy (Wennekers, Thurik, 1999; Stel, Carree, & Thurik, 2005). Among other elements, access of growing companies to high quality executive management predetermines long term corporate financial and strategic success. Access to such a management market is especially important in transition countries, because developing SMEs face competition from more efficient international competitors who have access to the international labor market. For newly created companies run by owners, the demand for management specialization creates the issue of separation of ownership and control. In the economic setting of transition countries and emerging economies such as Russia, high level power and ownership concentration in both large businesses and SMEs may mean that separation of ownership and control is still a second choice option for Russian SME development policy.

The problem of separation of ownership and control in SMEs has been overlooked in favor of a focus on large corporations. As discussed in the corporate governance literature, smaller firms tend to have fewer reasons to bear agency costs and separate ownership and control (Jensen, Meckling, 1973). In addition, the problem of separation of ownership and control has most frequently been analyzed in standard settings with stable institutional frameworks in large business where the overall benefits of separation of ownership and control overcome agency costs.

Increasing interest in researching emerging economies leads to the development of an institution-based approach with the focus on the dynamic interactions between institutions and organizations (Peng, Wang, Jiang, 2008). A firm's strategic choice is defined not only by industry conditions and the availability of internal resources and the firm's capabilities, but also by the impact of formal and informal restrictions that firms face within the institutional context and which are taken into consideration by managers (Bruton, Dess, & Janney, 2007; Peng, 2003; Peng et al., 2008).

The issue of separation of ownership and control has a significant impact on the business environment and institutional setting. Firms in developing and transitional settings tend to have a higher concentration of ownership and control (La Porta, Lopez-de-Silanes, & Shleifer, 1999). Additionally, local owners consider using informal instruments more often than formal principal-agency contracts when managing business (Peng, 2008; Young, Peng, Ahlstrom, Bruton, & Yiang, 2008). However, there is a research gap in examining how and why various issues of ownership and control separation are resolved in transitional settings. The Russian business environment bears many risks for owners and managers (Riaño,

Hodess, & Evans, 2009) therefore we may assume increasing agency costs and diminished possibilities for successful separation of ownership and control even in those cases where such change is needed. According to Jayaraman, Khorana and Nelling (2000) there is a possibility that if the firm does not delegate management from the owner CEO to a hired CEO at a particular point in the SME's growth, the firm will lose value. If certain environmental conditions limit possibilities for all SMEs functioning in transitional settings, the whole developing or transitional economy may face severe penalties in international competition. This study seeks to contribute to the existing literature and current policy discussion of SMEs' development by examining how various institutions influence the decisions of Russian owners/managers. We will also contribute to the literature of corporate governance in SMEs in transitional institutional settings such as Russia in three fast growing industries: HoReCa, Trade, and IT&C (internet and communication). As far as we know, this is the first study of the separation of ownership and control in SMEs on such a dataset in Russia.

The purpose of this paper is to identify how the specific Russian institutional environment influences Russian SME owner CEOs' decisions to cede management to hired CEOs by analyzing the impact of the perceived attitude of specific environmental factors on the owners' decisions. The terms "hired manager" or "hired CEO" as used in this paper refer to individuals holding these roles in non-ownership positions.

This research studies threshold firms (firms that are at the threshold stage of separation of ownership and control). Such firms experience the need to exchange the responsible decision maker for both general management activities and strategic firm growth from the owner to a hired manager. Institutions that impose negative influences onto the management separation decision of threshold firms are studied as institutional barriers. This research also aims to compare the concentration of ownership in companies managed by owner CEOs to those run by hired CEOs in order to formulate new research hypotheses concerning potential differences between owner-managed and hired CEO managed businesses. Russian SMEs in Moscow and St. Petersburg serve as the objects of research.

The twin notions of "hired CEO" and "owner CEO" describe the logical framework of principal–agent relations between the owner and hired outsider. Regardless of who is running the firm — the "hired CEO" or "owner CEO" — both are expected to be strategic decision makers and administrators. In the event that the "hired CEO" succeeds the "owner CEO," he or she becomes the executive who determines further growth patterns of the firm. Because of the paucity of women CEOs in Russian SMEs, we will refer to the owner or CEO as "he" throughout this paper.

The rest of the paper is organized as follows. A brief discussion of Russian institutional and policy background is presented in Section 2. The conceptual framework together with the literature review is provided in Section 3. Section 4 describes the data set and characterizes the differences between subsamples of companies run by hired CEOs and owner CEOs. Section 5 presents an empirical approach to examining the impact of perceived environment characteristics on separation of ownership and control. Concluding remarks and potential policy implementation appear in the final section.

Institutional and Policy Background of Russian SMEs

The current stage of economic development in Russia is characterized by significant transformational processes and the development of newly created institutions. Russia is one of the largest economies among emerging economies in terms of market size, and it enjoys the relative macroeconomic stability granted by oil revenues (Sala-i-Martin, 2009). In recent years, the Russian government has issued a number of different laws that address corruption, economic development and human rights protection (Latuhina, 2010). Nonetheless, various reports of international research organizations show high levels of corruption and economic crime in Russia including tax evasion (PriceWaterhouseCoopers, 2009; Riaño, Hodess, & Evans, 2008; 2009; Sala-i-Martin, 2009).

Both corruption and significant participation in the "shadow economy" (Williams, Round, 2009; Williams, 2009) play important roles in the performance of the Russian economy. According to the Annual Global Competitiveness Research (Sala-i-Martin, 2009), Russia experienced a decline in performance in comparison with other BRIC countries. Among the most problematic factors, corruption was highlighted as the most severe (19 percent of poll responses by business practitioners). Another global research project conducted by the international civil society organization Transparency International places Russia in a "hostile environment" (Riaño et al., 2009), along with the least developed countries of Africa and Middle East. According to the Global Corruption Barometer research (2009), corruption is seriously widespread in Russia. Indicators concerning public officials and civil servants showed them as "most corrupt institutions" at 4.5 out of 5 (5 signified "extremely corrupt").

Research conducted by PriceWaterhouseCoopers (2009) showed an even more drastic view of how the Russian market behaves. According to the 5th Global economic crime survey, 71 percent of respondents had experienced some form of economic crime, while 86 percent of respondents indicated heightened incentive or external pressure to commit fraud. This

kind of response shows that corruption and illegal behavior have become a market wide feature. Companies identified bribery and corruption as well as misappropriation within their own staff. These factors lead to poor employee credibility and make troublesome the possibility of delegating authority. According to the 2009 Global economic crime report, 96 percent of respondents mentioned fraud either among their employees and outside criminals or within the company itself. These external institutional factors create informal impediments to a normal way of doing business, substituting it with a distinct "Russian way" of doing business. Aidis and Adachi (2006) explained that behind the possible reasons for the "Russian way" lay informal impediments such as "the lack of rule of law, inconsistent enforcement of regulations, regional autonomy and pervasive corruption" (pp. 31-33). If we look at the experience of an international ethically-driven company such as IKEA, this exogenous pressure affects even the best global players who enter the Russian market (Kramer, 2010).

Issues of small and medium-sized enterprise development in Russia remain a priority for national economic development, as evidenced by activity and state support of various political and social associations and the ongoing legislative activity of the Russian government. However, in an historical perspective, entrepreneurs and their firms in Russia have never received support either from the government, the Russian business environment, or from cultural traditions comparable to the level of support observed in most developed economies of the world (Zhuplev, Shein, 2008; Ahlstrom, Bruton, 2010). There are numerous administrative barriers for starting new businesses in Russia, including excessive documentation requirements, a lengthy registration period, artificially imposed regulatory obstacles, redundant complexity of formalities, and unsupportive attitudes from public and government institutions (Luo, Junkunc, 2008). To date, the Federal State Statistics Service reports that not more than 15 percent of the economically active population is involved in small and medium-sized businesses (Vasilieva, 2010). According to Global Entrepreneurship Monitor results, only 3.9 percent of the adult population in Russia was involved in the process of starting a new business in 2010 (Global Entrepreneurship Monitor: Russia 2011). SMEs in Russia have created only 11 percent of the GDP. As comparison, the U.S. share of small and medium-sized enterprises in that country's GDP exceeded 50 percent, while China had more than 65 percent (Zoidov, Morgunov, & Bidgamova, 2009).

Despite the fact that entrepreneurship is one of the most rapidly developing trends in research worldwide, there is a lack of research on entrepreneurial activities in Russia, especially in what pertains to the behavior of firms, their business models and the growth of small and medium-sized en-

terprises (Djankov, Miguel, Qian, Roland, & Zhuravskaya, 2005; Zhuplev, Shtykhno, 2009). Some authors (e.g. Williams, Round, 2009) note that a significant portion of the entrepreneurial activity in Russia is in the zone of grey and non-observable operations, and that fact complicates their analysis. According to Williams (2009), almost 100 percent of entrepreneurs in Russia are involved in a hidden form of business. However, in long-term studies of SMEs in Russia (e.g., Zhuplev, Stykhno, 2009), findings indicate a significant trend of increasing rates of new small and medium-sized businesses from 1994-2009, despite the hostility of the institutional environment. Other studies (Zoidov et al., 2009) also note that bribery, official corruption and unfair competition have been the main forces holding back the active growth of entrepreneurial firms.

It is possible to regard observed behavior patterns of entrepreneurs in transition countries such as Russia not only as a result of various exogenous factors such as bad laws and corruption, but also of a complicated endogenous behavior model (Williams, Round, 2009). This behavior includes both a reaction of business owners to external pressures and their own willful actions of avoiding formal rules. The current research is based on a pattern of business owner reactions to a specific exogenous environment, which leads to a specific method of separation of ownership and control.

Hypotheses Development

In the late 1990's, starting with an article by La Porta, Lopez-de-Silanes, and Shleifer (1999) researchers identified a significant divergence of empirical evidence for the actual separation of ownership and control, especially in transition countries and emerging economies (La Porta, Lopez-de-Silanes, & Shleifer, 1999; Daily, Dalton,1992; Claessens, Djankov, Fan, & Lang, 2004). Studies of Asian countries made it possible to identify the impact of institutional factors on separation of ownership and control (Peng, 2004; Fan, Jian, & Yeh, 2008), and also drew attention to organization-wide performance impact as a result of difficulties in the separation of ownership and control (Peng, 2008; Young et al., 2008). Many firms in developing and transition countries followed informal institutions to a greater degree. Researchers note that in the context of emerging economies there is weak institutional protection of minority shareholders' interests, the majority of firms is characterized by high concentration of ownership and control and low estimation of business value (Claessens et al., 2002; Lins, 2003; Dolgopyatova, 2007; Commander, Svejnar, & Tinn, 2008). Several authors who investigate agency problems note that in emerging economies significant problems are caused by the fact that hired

managers violate their contractual obligations with the owners, including entrenchment and possible expropriation of the owner's assets by these managers (Dharwadkar, George, & Brandes, 2000). Russian researchers of the present issue also report on existing problems in Russian companies, where the actual separation of management and ownership does not occur (Dolgopyatova, 2007; Yakovlev, Danilov, 2007).

The given conditions present a special case for firms whose owners feel the need for separation of management and ownership. Zahra and Filatotchev (2004) have stressed that it is important to study corporate governance issues in young "threshold firms" which are at a transition stage to professional management. As a result of the growth process, small firms demand new sources of knowledge and need a replacement for the managing director for everyday operations and strategic development. A change in the growth stage from small owner-managed company to professionally oriented larger firm predetermines some possibilities for creating competitive advantages by the growing organization. Fama and Jensen (1983) stressed that it is exactly the firm's need for specialized knowledge that influences the necessity of separation of ownership and control. However, nobody assumed that the same necessity could appear not just in corporations but also in the smaller "threshold" firms (Zahra, Filatotchev, 2004). Zahra and Filatotchev also considered the influence of information asymmetry between managers and owners in the course of creating of new organizational knowledge and skills. They underline that skills and knowledge which produce owner CEOs become irrelevant for the firm at a certain moment of development. A resource-based approach helps analyze how companies cope with resource demands at various stages of firm growth. If the owner CEO is not replaced by professional management, his/her management can lower the value of operations or even destroy the success of the company (Jayraman, Khorana, & Nelling, 2000). Organizational capability to search, use and involve new knowledge and skills is connected directly with the company's ability to have access to sources of such knowledge (Zahra, George, 2002) on behalf of hired employees.

Since the institutional environment influences firm growth in emerging economies, threshold firms may face specific institutional obstacles while trying to solve the task of transferring management from the owner to the hired manager. If the threshold firms in certain market conditions face such institutional barriers owing to increasing agency costs and the decrease in the probability of ownership/management separation, considerable threats for the growth of firms will appear. This becomes an even more severe threat when entrepreneurial firms from emerging markets face global competition (Zhu, Hitt, & Tihanyi, 2007). From the point of view of resource-

based theory, such threshold firms lose the possibility to create unique competitive advantages. As a result, the majority of threshold firms face the risk of growth pathologies, a decrease in rates of economic growth, and loss of competitiveness (as compared to their international peers).

Institutions shape the framework for organizational decision-making and shape the trajectory of an organization's strategic choices (Cyert, March, 1963; March, Simon, 1958; Young, et al., 2008; Peng, 2003; Peng, Lee, & Wang, 2005; Powell, 1996; Thornton, Ocasio, 1999; Teegen, Jonathan, & Vachni, 2004). Institutions create limitations for organizational actions, which in turn affect performance (He, 2008; Young et al., 2008). As formal institutions are unstable in developing and transition countries, they do not always provide mutually beneficial exchanges between economic agents (North, 1994; North, 1990). In emerging and transition markets institutional limitations and underdeveloped institutions limit strategic choices of business (Puffer, McCarthy, & Boisot, 2010). As a result, many firms tend to use informal institutions in emerging markets (Peng, Heath, 1996; Ahlstrom, Bruton 2010). A new entrepreneurial culture may be formed via the informal economy. This can be seen when studying an entrepreneur's business motivation (Williams, Round, 2009). Even such a basic issue of stable economic interaction as trust may play different roles in various environmental conditions (Welter, Kautonen, Chepurenko, Malieva, & Venesaar, 2004).

The owner's decision about management succession is linked to the separation of the entrepreneur's ownership from his personal control over the firm. In turn, separation of ownership from control is closely related to the development of institutions of law and the quality of enforcement of laws that protect property rights. Property rights are the foundation of business: entrepreneurs will not invest in a business if they cannot secure return on their investment (Dolgopyatova, 2007; Ben-Amar, André, 2006; Commander, Svejnar, & Tinn, 2008). In countries with less secure property rights, investment in business is lower and the speed of economic growth is slower (McMillan, Woodruff, 2002; Puffer, McCarthy, 2001).

All observable violations of formal institutions and insecurity of property rights force owners to weigh the need for succession to a hired CEO against the probability of adverse risks associated with such action. Even in a hostile institutional environment, the hired CEO does not face the same possible losses in terms of property as does the owner CEO. For this reason, we anticipate that owner CEOs will evaluate such institutional environments more negatively than hired CEOs. Thus, some owner CEOs prefer to retain full control: the more the owner CEO perceives the institutional environment as creating serious risks to property rights, the more likely he or she will continue to manage the company.

To determine whether this theory is valid, we consider the following hypotheses:

Hypothesis H1a. The more hostile the owner CEO perceives regulating authorities and officials, the greater the likelihood the owner CEO retains managerial responsibilities.

Hypothesis H1b. The less secure the owner CEO perceives property rights, the greater the likelihood the owner CEO retains managerial responsibilities.

Hypothesis H1c. The less secure the owner CEO perceives defense of contract law, the greater the likelihood the owner CEO retains managerial responsibilities.

It is difficult for an owner to monitor the hired CEO's activity effectively, and within hostile environmental conditions such as exist in Russia there is a high risk of contractual breach between the owner and hired CEO. In itself this is problematic, but this issue is compounded by the role of corruption and other illegal operations (such as tax evasion) endemic to developing and transition countries in business operations: as stated above, the business decision makers may face pressure to participate in some form of illegal activity. Further, institutional weaknesses increase the reliance of business success on the owner's personal relations with clients, officials, and other stakeholders (Peng, Shekshnia, 2001). Some research reveals that retaining an owner CEO protects specific assets that are difficult to separate, measure, and transfer across organizational boundaries (Fan et al., 2008). For this reason, we presume that the presence of specific assets in the form of the owner's personal contacts with those taking bribes and those providing illegal schemes will reduce the likelihood of managerial succession to a hired CEO. Peng (2004) and Peng, Lee, and Wang (2005) suggest that because institutional support for corporate governance is weak in emerging economies, concentrated ownership and other informal strategic instruments are the prevailing entrepreneurial strategies.

The dependence of business operations on illegal schemes such as tax evasion, bribery, and other corrupt methods for the sake of survival or growth (Aidis, Adachi, 2006) in a regular violation of existing rules creates a legitimate threat to a business and its owner, but also increases the likelihood that authorities themselves will engage in semi-legal or illegal predatory behavior (for example, in a form of selective police raids officially aimed at financial fraud crimes but informally aimed at money extortion). In the case of conflict between an owner and hired CEO in such a context, the awareness of such practice would pose significant risks of blackmailing and other threats for anyone who gets himself in a vulnerable position – both hired CEO and owner. If a hired CEO carries out illegal activities, it be-

comes difficult for the owner to control both the hired CEO and organizational activities. At the same time, if the owner gets caught doing something illegal in front of his employees and they are having an informal disagreement, the possibility arises of the employees acting against the owner in retaliation. Under such circumstances, owners whose businesses are most exposed to risks of illegal conduct (i.e. a high proportion of cash settlements with customers and suppliers) will avoid delegating authority and will try to avoid sharing sensitive information with subordinates as much as possible. In cases where such risks are lower, it is more likely that managerial responsibilities will be transferred eventually to a hired CEO. In this case "business compliance with legal standards" is the main risk indicator: the less an entrepreneurial firm complies with institutional rules, the greater the likelihood that the owner CEO will continue to manage the company. Thus we suggest the following hypotheses regarding institutional norms:

Hypothesis H2a. The less a firm complies with existing tax regulations, the greater the likelihood that the owner CEO retains managerial responsibilities.

Hypothesis H2b. The less a firm complies with existing regulatory rules and safety regulations, the greater the likelihood that the owner CEO retains managerial responsibilities.

Hypothesis H2c. The more frequently a firm uses corrupt payments, the more likely it is that the owner CEO retains managerial responsibilities.

Hypothesis H2d. The higher the owner CEO perceives the business' dependence on corrupt relationships, the greater the likelihood that the owner CEO retains managerial responsibilities.

Some comparative studies of firm performance in emerging economies show that managerial succession usually destroys the value of the firm, in contrast to the same process in developed countries (Fan et al., 2008). The investigation of managerial succession and performance thus raises one more question: what is the impact of the concentration of ownership on the likelihood that the owner CEO will retain managerial responsibilities (cf. (Rubenson, Gupta, 1996))? Some scholars claim that a dispersed ownership structure and the presence of external interests dictate a higher standard of performance (Pfeffer, Salancik, 1978). The more owners a company has, the more demands they will put forward to a CEO. According to Denis, Denis, & Sarin's (1997) empirical research, there is a connection between top executive succession and managerial ownership; a change in high managerial ownership is less likely to affect stock price change. Peng (2003) presents some evidence that in emerging economies the largest group of shares in entrepreneurial firms is held by the owner or owner's family, who also hold managerial responsibilities. This study em-

phasizes how management succession from owner CEO to hired CEO is related to concentration of ownership (Peng, 2003; 2004). Thus, the likelihood that the founder will leave the CEO position is less when he or she is the sole owner of the firm, in contrast to ownership dispersed across a group. On this basis, we formulate the following hypothesis:

Hypothesis H3. Concentration of ownership in firms managed by the owner CEO on average will be higher than the concentration of ownership in firms managed by a hired CEO.

Summing up the conceptual model the following can be said: in emerging economies similar to Russia, weak legislation and poor law execution cannot protect the owner's interests. Moreover, being under institutional pressure the owner-manager is often forced to use illegal business schemes (tax evasion, bribing officials) (Aidis, Adachi, 2006; Peng, 2003). This leads to the fact that in actual practice, the owner has something to hide and it is very difficult for him/her to trust others. When deciding on the separation of ownership and control, the owner estimates high risks of property loss and extremely high agency costs (Fan et al, 2008). Negative external institutional environment (corruption, dependence of business survival from informal relations of key persons with government officials and illegal operations) hinder the separation of ownership and control. In such circumstances, the owner possesses a limited set of alternatives to address the problem of management professionalization, the transfer of management responsibilities from the owner to a hired manager is difficult, and the prospects for future growth without losses of the value to the business become unlikely. This issue has an especially high impact on the subset of the so-called threshold firms. Such threshold firms maintain attributes of small and medium-sized enterprises and tend to obtain specific organizational attributes and routines by separating ownership and control (Zahra, Filatotchev, 2004). In other words these firms experience growth-related necessity in specialized knowledge and skills that can be obtained only by delegating management authorities from the owner CEO to a hired CEO. Since separation of ownership and control is inaccessible by owners' efficiency and growth, loss of threshold status is possible (Jayraman et al., 2000).

Method

Data and Sample

Data was collected by the research team in Russia in 2008. This survey was originally designed to analyze firm growth, and the survey sample was dedicated to Russia's most entrepreneurially active regions. Moscow and St. Petersburg were chosen due to their high level of entrepreneurial

activities per indices in 2007-2009[1], and because more than 50 percent of all SMEs in 2004-2006 were registered there[2]. The total number of Russian SME's in 2008 was 1,618,038 firms; the population of SMEs in Moscow and St Petersburg was around 377,473 companies[3].

The initial targeted population included only privately owned commercial enterprises with up to 500 employees and which had been in business from 2007 until the interview date in 2008. These companies represented three of the most rapidly developing sectors in the Russian economy of the pre-crisis period: wholesale and retail trade, catering and hotel industry (HoReCa), and the IT industry (information technology and telecommunications, digital television, software, etc.)[4]. Issues of growth are crucial for this study, since the problem of threshold firms is directly connected with the rate of firm growth, its size, need for specialized knowledge, and age (Zahra, Filatotchev, 2003).

To insure external validity of the study we used proportional random sampling. After having chosen the sample aforementioned traits, we identified two subgroups of the general population (all private firms with up-to 500 employees from three industries registered in St. Petersburg and Moscow). Then we randomly extracted firms from the general population proportionally with region, industry, and size of firms. Total sample includes 500 SMEs.

In the sample, 27.8 percent of companies had fewer than 50 employees, 31.2 percent had 50 to 100 employees, 24.2 percent had 100 to 200 employees, and 16.6 percent had 200 to 500 employees. In terms of legal structure and form, 78.2 percent were limited liability companies, 17.4 percent were closed corporations, 3.2 percent were open joint stock companies, and 1.2 percent had other legal forms. The distribution of companies by sector was 71.8 percent in wholesale and retail trade, 15 percent in HoReCa, and 13.2 percent in communications and IT&C. According to the data set 315 of firms were run by an owner CEO, whereas 185 firms were run by a hired CEO.

We further reduced the sample in order to remain as close to the threshold notion as possible: out of the owner CEO run subsample, we chose only those companies in which company representatives mentioned that their companies needed a change in management style (52 companies excluded). Thus, our final sample size is 354 companies.

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[1] www.corp-gov.ru/upload/file/20061117%20-%20Pressa%20INVEST
[2] www.giac.ru/content/file.asp?r=%7B470C4969-0B5B-4D51-88DB-970DF19DF654%7D
[3] http://www.gks.ru/bgd/regl/b10_47/IssWWW.exe/Stg/01-06.htm
[4] http://www.gks.ru/bgd/free/b01_19/IssWWW.exe/Stg/d000/i000510r.htm

The database contains the responses of top managers and firm owners regarding their view of hostility of officials, security of property and contractual rights, compliance with regulatory and tax climate, accepted corruption payments and informal networks. These responses constitute the endogenous valuation of institutional factors by respondent. Moreover, since the initial survey had a wider aim then the current research, the dataset also contains information about the education, experience and age of owner, size, age and performance indicators of firms, the number of employees, and similar items. In order to add exogenous factors to the dataset, additional information regarding the surveyed companies was manually extracted from official SPARK-Interfax database (data of registration, address of registration, declared profits).

Table 1 reports the means of variables for the samples of owner CEO and hired CEO run companies and the results of two-sample t-tests of the hypothesis that the sample means are the same.

Table 1
Means for owner CEO and hired CEO responses

Variables	Mean value Owner CEO run companies	Mean value Hired CEO run companies	t-test
Hostility of officials	2,83	2,97	1,17
Security of ownership	3,61	3,65	0,38
Security of contract law	3,68	3,61	-0,68
Compliance with tax rules	4,29	4,19	-1,05
Compliance with departmental rules	4,22	4,21	-0,13
Bribes	0,12	0,17	1.37
Corruption	2,78	2,96	1,32
Size: logarithm of employees quantity	3,27	4,19	5,40 ***
No. of observations	**207**	**147**	

Table 1 shows that owners on average feel themselves less secure from state officials, feel less ownership security, and have smaller companies than owners and top managers in those firms where formal separation of ownership and control has already occurred, however the difference is insignificant.

The hired CEO run subsample has lower values of contract law security, tax and departmental rules compliance index, as well as higher appreciation of bribes and corruption as a normal business practice, but this difference is also statistically insignificant. As expected, we find specific differences between owner CEO and hired CEO subsamples; however, they do not fully correspond to the logic of the hypotheses and conceptual framework (for example, higher bribery rate, and corruption at hired CEO subsample). This may result from the structural complexities of the sample, such as industrial differences.

Model

Along with the general idea of the threshold, we assume that as the firm grows and matures, the owner will be more inclined to delegate authority (Zahra, Filatotchev, 2008). However, when making the delegation decision, the owner will consider alternative scenarios about what could happen after ownership/control separation. Under harsh economic conditions, the owner will consider a high likelihood of negative scenarios when the hired manager might cause economic damage through fraud and crime. The owner will also fear huge monitoring costs created by possible corruption and un-monitored activities, as well as personal risks due to illegal activities. We assume that in those cases where a particular negative view of the environment is considered by the owner, the likelihood of separation of ownership and control is the lowest. The utility that the owner will derive from each alternative as well as the evaluation of the external environment is assumed to have its endogenous value. Taking into consideration the approaches to management succession modeling in such papers as Corsi (2006) and Furtado and Caran (1994) we can sum up this conceptual model in a linear probability model. The first two sets of hypotheses are tested with three estimation methods - logit, probit and an LPM (Greene, 1993; Wooldrige, 2000). The model is solved with the maximum likelihood estimation. The resulting outcomes are compared against each other. For logit and probit methods, marginal effects are computed.

Model variables were constructed based on the survey questionnaire. For example, for the item, "Who manages the company--the owner or a hired CEO?" the following variable was constructed:

$$\text{Owner} = \begin{cases} 1, \textit{if respondent answered "Owner"} \\ 0, \textit{if respondent answered "Hired CEO"} \end{cases}$$

If the respondent was asked "Estimate the level of government hostility on the market where your company operates," based on his answers a corresponding variable was constructed:

$$\text{Official} = \begin{cases} 1, \textit{if respondent answered "Very low level of hostility"} \\ 2, \textit{if respondent answered "Rather low than high level"} \\ 3, \textit{if respondent answered "Medium level"} \\ 4, \textit{if respondent answered "Rather high than low level of hostility"} \\ 5, \textit{if respondent answered "Extremely high level of hostility"} \end{cases}$$

According to this principle other variables were constructed. It is also important to mention that the variable logarithm of quantity was constructed based on the assumption that the larger a company becomes, the more complex becomes the company's management, thus demanding professionalization and formalization of management (Flamholtz, 1986; Boeker, Karichalil, 2002). In this case we assume a greater likelihood of a hired manager running day-to-day operations.

Having analyzed the available conceptual model and dataset, the authors decided that an additional territory variable was needed as a way to ensure that exogenous forces were controlled. This is especially relevant since most of the independent variables of the model represent owners' estimates of their perceptions of the environment which are, in fact, endogenous to the ownership/control decision. Unfortunately, the available dataset contains mostly categorical variables related to measures of environment quality. As a result, we have limited options for constructing new average regional characteristic variables. Instead, we have constructed the control variable "region" which equals 1 if respondent's firm resides in Moscow and 0 if in St. Petersburg.

We also added two binary variables to control for industrial background: the variables "Industry: HoReCa" and "Industry: IT and Communications". "Industry: Trade" is the base group and is included in general intercept. Additional variables to check for industry heterogeneity are added by multiplying two industry dummies and the size variable.

The constructed basic estimation model can be represented in the following way:

$$\begin{aligned} P\{Y = 1/x\} = F(\beta_0 + \ & \beta_1 * hostility + \beta_2 * ownsec + \beta_3 * contsec \\ & + \beta_4 * regcomp + \beta_5 * taxcomp + \beta_6 * corrup + \beta_7 * brib \\ & + \beta_8 * logsize + \beta_9 * horeca + \beta_{10} * IT + \beta_{11} * sizehor \\ & + \beta_{12} * sizeit + \beta_{13} * reg + \varepsilon \end{aligned}$$

Where F=Φ (in the case of probit regression) and F=Λ (in the case of logit regression), ßi presents unknown parameters of the model and ε is a random error characterizing the impact of random factors on dependent variable Y.

Since the available dataset did not allow control of responses for the exogenous properties of the local business environment, the resulting model needed additional tweaking. We assume that if the firm interacts with corrupted tax officials who create possibilities for developing financial schemes for tax optimization, then the firm gets involved in different kinds of illegal activities, including money laundering, "under-the-table" salaries in cash, and other similar schemes. In order to control for that we made two additional model variations. First, using the registration data of respondent companies and the official state ROSSTAT database we have gathered additional information regarding which tax agency each surveyed company belonged to at the moment of the survey. With these data we have built tax district dummies. Each tax district dummy equals 1 if the respondent's firm belongs to a specific tax district or 0 if it does not. There are 28 district dummies according to the available firm registration data. The dummy with the largest number of respondent firms was not included in the model (Moscow federal tax agency №39). The adjusted model can be denoted as:

$$
\begin{aligned}
P\{Y = 1/x\} = F(\beta_0 + {}&\beta_1 * hostility + \beta_2 * ownsec + \beta_3 * contsec \\
+ {}&\beta_4 * regcomp + \beta_5 * taxcomp + \beta_6 * corrup + \beta_7 * brib \\
+ {}&\beta_8 * logsize + \beta_9 * horeca + \beta_{10} * IT + \beta_{11} * sizehor \\
+ {}&\beta_{12} * sizeit + \beta_{13} * dis7702 + \beta_{14} * dis7703 + \cdots + \beta_{39} \\
* {}&dis7823 + \varepsilon
\end{aligned}
$$

The obvious drawback of such an approach is that the resulting dummies control not just institutional aspects of the business climate, but the business climate as is (e.g., infrastructure, location). Partly this may be contrasted with the assumption that a lot of companies in Russia use different addresses for legal and business matters, so therefore the tax district dummy would concern only the tax climate; however there are no existing statistical surveys that could support this assumption. Also since so many variables are included, the estimates from these models can be considered incorrect (Peduzzi, Concato, & Kemper, 1996). Therefore even though this model might provide some control over the business climate, an additional approach was needed.

We also tried to use external measures of environment quality. To do that we used a Moscow tax agency rating designed by Marker News Agency[5] researchers using confidential statistics provided by the Moscow Office of the Federal Tax Service. Each tax agency was rated from 1 to 34 according to the "aggressiveness" criterion. This criterion included

[5] http://www.marker.ru/interactive/taxes

the annual number of mistakes found in tax reports by tax officials, the number of tax investigations with additional charges to tax payers, the efficiency of in court and out of court settlements between tax payers and the tax agency, and the efficiency of the so-called "salary commissions." The overall values of the rating considered differences in number of registered tax payers in each district. Using this data and information about tax agency districts (constructed in the previous model) we have constructed the variable "Moscow tax agency rating" for each company from our subsample of companies registered in Moscow. Due to limitations of data this approach does not allow studying the subsample of St. Petersburg firms. However if the basic model confirms that the control variable "region" shows no significant differences between St.Petersburg and Moscow environment, the results of this model could allow us additional speculations. This additional model can be reported as:

$$P\{Y = 1/x\} = F(\beta_0 + \beta_1 * hostility + \beta_2 * ownsec + \beta_3 * contsec$$
$$+ \beta_4 * regcomp + \beta_5 * taxcomp + \beta_6 * corrup + \beta_7 * brib$$
$$+ \beta_8 * logsize + \beta_9 * horeca + \beta_{10} * IT + \beta_{11} * sizehor$$
$$+ \beta_{12} * sizeit + \beta_{13} * mos\_rat + \varepsilon$$

Results and Discussion

We used three models: basic, adjusted and additional as mentioned above. The basic model included estimation methods using LPM (linear probability model), logit and probit regressions, and calculation for logit and probit marginal effects. The adjusted and additional models use logit and probit regressions, and calculation for logit and probit marginal effects. An additional two-sample paired t-test was run. The results of the hypothesis testing with the basic, adjusted and additional models are shown in Tables 2, 3 and 4. These tables represent obtained coefficient valuations, marginal effects for logit and probit methods, standard deviations, significance of the obtained results and estimated goodness of fit. Since we use logit and probit regressions, the pseudo R-square produced is not good for explaining the power of the model. Therefore we decided to use McKelvey and Zavoina (1975) adjusted R-square since this method is considered best when comparing with other R-square analogues (De Maris, 2002). Table 5 contains results of two-sample t-test.

According to the estimated results, the quality of the basic model is relatively high: all three methods are statistically significant estimations at 1 percent and have average goodness-of-fit estimates. The general intercept obtained a statistically significant estimate using the LPM method. Significant negative estimates of Industry (HoReCa) x Logarithm of

the quantity variable allows us to assume that there exists industry heterogeneity as to how the issue of ownership/control separation is addressed. More thorough research of HoReCa industry firms may lead to additional findings regarding the ownership/control dilemma. The variables security of ownership, security of contract law, compliance with tax rules, compliance with departmental rules, logarithm of quantity, HoReCa, and industry (HoReCa) x logarithm of quantity obtained statistically significant estimates.

Table 2
Basic model: combined results of LPM, logit and probit methods

Variables	LPM		Marginal effects after logit		Marginal effects after probit	
Hostility of officials	0,01	(0,03)	-0,01	(0,04)	0,01	(0,03)
Security of ownership	-0,11 **	(0,04)	-0,16 **	(0,06)	-0,15 **	(0,06)
Security of contract law	0,12 ***	(0,04)	0,17 **	(0,07)	0,17 ***	(0,06)
Compliance with tax rules	0,13 **	(0,06)	0,17 **	(0,08)	0,17 **	(0,07)
Compliance with departmental rules	-0,11**	(0,05)	-0,14 **	(0,07)	-0,14 **	(0,07)
Bribes	-0,03	(0,09)	-0,07	(0,12)	-0,07	(0,12)
Corruption	-0,01	(0,02)	-0,02	(0,03)	-0,02	(0,35)
Logarithm of quantity	-0,09 ***	(0,02)	-0,11 ***	(0,03)	-0,11 ***	(0,02)
HoReCa	0,47*	(0,25)	0,56 ***	(0,15)	0,56 ***	(0,13)
IT&C	0,06	(0,35)	0,14	(0,40)	0,12	(0,40)
Industry (HoReCa) x Logarithm of quantity	-0,16 **	(0,06)	-0,31 **	(0,13)	-0,30 **	(0,11)
Industry (IT&C) x Logarithm of quantity	-0,01	(0,09)	-0,03	(0,12)	-0,02	(0,11)
Region	-0,01	(0,06)	-0,01	(0,08)	-0,01	(0,07)
Intercept	0,87 ***	(0,27)	-			
Prob > F	0,00					
Prob > chi2	-		0,00		0,00	
R-squared	0,23		-			
McKelvey & Zavoina's R2	-		0,38		0,42	
No. of observations	**217**					
* significant at 10%; ** significant at 5%; *** significant at 1%						

The adjusted model has a smaller sample size (170 data entries comparing to 217 in basic model) due to missing values of reporting registration data among respondents. The quality of the model is average, both methods provide significant estimations at 5 percent and have average goodness-of-fit estimates. The adjusted model reports similar estimates of security of ownership, security of contract law, compliance with tax rules, compliance with departmental rules, logarithm of quantity, HoReCa, and industry (HoReCa) x logarithm of quantity. As for the district dummy variables – three district variables got significant estimates: Moscow Federal Tax agency №17, St. Petersburg Federal Tax agency №1, St. Petersburg Federal Tax agency №10. This suggests that the specific business environment may have influence on the owner's decision to separate ownership and control and partly supports the aim of the study.

Table 3
Adjusted model: combined results of logit and probit methods

Variables	Marginal effects after logit		Marginal effects after probit	
Hostility of officials	-0,03	(0,05)	-0,03	(0,05)
Security of ownership	-0,20 **	(0,08)	-0,20 **	(0,08)
Security of contract law	0,20 **	(0,08)	0,20 **	(0,08)
Compliance with tax rules	0,18 *	(0,09)	0,17 *	(0,09)
Compliance with departmental rules	-0,16 *	(0,09)	-0,16 *	(0,08)
Bribes	0,01	(0,15)	0,01	(0,15)
Corruption	0,01	(0,04)	0,01	(0,04)
Logarithm of quantity	-0,11 ***	(0,04)	-0,10 ***	(0,03)
HoReCa	0,6 ***	(0,16)	0,6 ***	(0,15)
IT&C	-0,35	(0,61)	-0,35	(0,56)
Industry (HoReCa) x Logarithm of quantity	-0,34 **	(0,15)	-0,32 **	(0,13)
Industry (IT&C) x Logarithm of quantity	0,13	(0,21)	0,12	(0,19)
Dis7702	-0,26	(0,24)	-0,26	(0,24)
Dis7703	-0,001	(0,6)	-0,01	(1,5)
Dis7705	-0,25	(0,31)	-0,26	(0,30)
Dis7706	0,20	(0,18)	0,21	(0,19)
Dis7707	0,04	(0,31)	0,06	(0,32)
Dis7711	-0,15	(0,38)	-0,15	(0,32)
Dis7717	0,34**	(0,15)	0,36**	(0,15)
Dis7720	0,004	(0,40)	0,01	(0,40)
Dis7721	-0,15	(0,27)	-0,15	(0,27)
Dis7723	-0,22	(0,35)	-0,20	(0,35)

Variables	Marginal effects after logit		Marginal effects after probit	
Dis7724	0,01	(0,29)	0,01	(0,29)
Dis7725	-0,12	(0,38)	-0,13	(0,38)
Dis7728	-0,16	(0,33)	-0,13	(0,30)
Dis7731	0,23	(0,39)	0,23	(0,39)
Dis7734	-0,002	(0,19)	-0,001	(0,17)
Dis7736	-0,27	(0,19)	-0,25	(0,18)
Dis7801	-0,51**	(0,16)	-0,51**	(0,17)
Dis7803	-0,06	(0,35)	-0,05	(0,34)
Dis7808	-0,09	(0,26)	-0,09	(0,25)
Dis7810	-0,42**	(0,22)	-0,42**	(0,23)
Dis7813	0,01	(0,33)	0,03	(0,32)
Dis7816	-0,30	(0,35)	-0,28	(0,37)
Dis7817	0,04	(0,24)	0,04	(0,24)
Dis7818	0,29	(0,33)	0,29	(0,34)
Dis7819	-0,16	(0,47)	-0,13	(0,45)
Dis7822	-0,06	(0,75)	-0,06	(0,66)
Dis7823	-0,18	(0,23)	-0,18	(0,22)
Prob > chi2	0,02		0,02	
McKelvey & Zavoina's R2:	0,48		0,51	
No. of observations	170			

The additional model has a very small sample size compared to the basic and adjusted models (76 data entries), which is a serious drawback. This model is significant at 1 percent and has average goodness-of-fit. The Moscow Tax Agencies Rating variable obtained a statistically significant positive estimate which means that such aspects of business climate as Tax Agency aggressiveness may have an impact on the likelihood of the owner's decision to separate ownership and control. Calculations of the additional model also denote statistically significant estimates for the variables security of ownership, logarithm of quantity, and industry (HoReCa) x logarithm of quantity. Even though this model has a small sample size and some variables did not obtain significant estimates, we obtained positive significant estimates for endogenous and exogenous business climate variables against the likelihood of the owner's decision to separate. Since in the basic model we obtained no statistically significant estimates for the region variable, we may assume that tax agencies' aggressiveness has an impact on companies from St. Petersburg subsample.

Due to the small sample size used in the additional model we will primarily use the basic and adjusted models to test hypotheses H1a, H1b, H1c, H2a, H2b, H2c and H2d and to identify factors that influence the likelihood that an owner CEO will transfer managerial responsibilities to a hired CEO.

Table 4
Additional model: combined results of logit and probit methods

Variables	Marginal effects after logit		Marginal effects after probit	
Hostility of officials	0,03	(0,07)	0,04	(0,06)
Security of ownership	-0,27 **	(0,13)	-0,26 **	(0,12)
Security of contract law	0,14	(0,12)	0,14	(0,12)
Compliance with tax rules	0,10	(0,16)	0,08	(0,15)
Compliance with departmental rules	-0,27	(0,17)	-0,25	(0,15)
Bribes	-0,03	(0,28)	-0,02	(0,27)
Corruption	-0,08	(0,06)	-0,08	(0,06)
Logarithm of quantity	-0,17 ***	(0,05)	-0,16 ***	(0,05)
Industry (HoReCa) x Logarithm of quantity	-0,09 **	(0,04)	-0,09 **	(0,04)
Industry (IT&C) x Logarithm of quantity	-0,11	(0,09)	-0,11	(0,08)
Moscow Tax Agencies Rating	0,04*	(0,02)	0,04*	(0,02)
Prob > chi2	0,00		0,00	
McKelvey & Zavoina's R2:	0,59		0,56	
No. of observations	76			

Hypothesis H1a—a hostile environment has a negative impact on the likelihood of handing over management—could not be refuted or accepted. This can be explained by the fact that in practice, hostile environments affect both parties in the dilemma of separating ownership and control equally (owner CEO and hired CEO). We cannot say that the hostile influence of officials forces the owner CEO to retain control. Hypothesis H1b, "security of ownership," obtained statistically significant support with all models. We can assume that insecurity of property rights is one of the most important obstacles to managerial succession from owner CEO to hired CEO. The owner CEO is concerned above all with his/her own interests, and if the owner cannot be sure that his interests will be protected after the separation of ownership and control, he will not hire a CEO. The risk of property loss is higher than the risk of performance failure and the dependence of the business on the owner's competence. Hypothesis H1c was refuted, likely by the owner's application of other "non-market" instruments to protect contracts. The more actively the owner participates in business management and the more pronounced his/her role in contract defense, the higher his/her confidence will be. Such decisions can complement the owner's confidence in the security of contract rights. Meanwhile, the hired CEO will not receive such an opportunity, as the owner will monitor and control him through all possible methods.

Hypothesis H2a was refuted. This may mean that owners normally have higher expectancy of how their businesses correspond to the tax regulations. Thus, even when using grey schemes, owners may consider this a partially legal tool to diminish tax costs while formally satisfying formal tax rules.

Hypothesis H2b was supported suggesting that violations of formal regulatory codes are common for owner CEOs and therefore may hinder the possibility of managerial succession, as a hired CEO might find such deviations unacceptable and compliance would bring increasing costs, reducing the owner's income. Such a decision by the owner CEO may have practical profit oriented reasons because the process for compliance with formal regulations may be too costly for an owner. For a profit oriented and environmentally driven economic agent, it might be easier to bribe fire and other services regularly, rather than invest in compliance with large-scale safety procedures. Such short term oriented ideology may be connected with owners' fears of losing their assets, their feeling of ownership and overall insecurity. Also, it is worth noting possible difficulties for testing hypotheses H2c and H2d. The researchers have been faced with the respondents' reluctance to disclose information about violations that might be detrimental to decision-makers. According to Alexander Surinov, head of the Federal State Statistics Service, about 20 percent of the Russian economy is unobservable or "shadow" (Smolyakova, 2010). This means that at least every fifth entrepreneur operates in the illegal sector or practices tax evasion. This is inconsistent with findings obtained in this study, where only 11 percent of respondents have named bribes a "normal business practice." These results suggest that respondents are reluctant to share the real story, and so they provide false answers. This also applies to hypothesis H2b. According to Yevgeniya Shkolova, Deputy Minister of Home Affairs of Russian Federation, small and medium businesses are the main "bribers," and the amount of bribes to officials grows annually. The amount of bribes in 2009 tripled over that in 2008 (Arsyukhin, 2010). For example more than 70 percent of respondents have stated that the behavior of controlling officials (including police) can be considered "aggressive." Under such conditions, even if external surveys show that every third businessman in Russia pays bribes, anyone who would confess to such behavior would be at risk of scrutiny from other aggressive and bribe-seeking officials. As for "corruption" responses – since more than 28 percent of firms in the sample have a considerable level of dependence on corruption, responses about bribes are also likely to be hidden in at least 8 percent of "difficult to say" responses. This leaves us with at least 20 percent of firms considering bribes normal business practice. It is also possible to as-

sume that there are several different groups of respondents: (1) those who responded positively to "bribes is a normal business practice," (2) those who were afraid to confess that "bribes is a normal business practice" even though they agree that "corruption is a normal practice which puts influence on business success" and whose business is not "compliant" with legal rules; and (3) those respondents who rarely meet with "bribes" and "corruption" at all. For the purpose of the present research, the responses from group (1) allow us to test the posed hypotheses, however, the vast range of opinions from group (2) is something that needs a further, more thorough and probably qualitative analysis.

Table 5
Results of comparative analysis of subsamples

Independent sample \ Variable	Concentration of ownership
Hired CEO, mean value	66.70
Owner CEO, mean value	72.80
emp	0.045
N	335

The result of a t-test for concentration of ownership supports hypothesis H3, confirming the claim that on average in many Russian companies with a high concentration of shareholding, the owner would occupy the leading managerial position (Dolgopyatova, 2007). This requires further study as to the factors that promote a high concentration of ownership in Russian companies. Most empirical studies on Russian corporate governance show that high concentration of ownership is typical for many Russian companies and that the level of concentration increases annually (Yakovlev, & Danilov, 2007; Dolgopyatova, 2007). Peng and Shekshnia (2001) suggest one possible reason for this is that in transition countries, the poor quality of institutions hinders managerial succession, and so ownership and control remain in the hands of the owner. It would be fruitful to explore further the influence of different institutional factors on the concentration of ownership in companies.

Executive Summary

In sum, hypothesis H1b (security of property rights), hypothesis H2b (impact of non-compliance with regulatory codes), and hypothesis H3 (higher concentration of ownership in companies managed by owner CEOs) are supported. These results may indicate that, among numerous institutional factors, some act as barriers to managerial succession and to the professionalization of business. At the same time, companies that managed the transition showed better performance. Among external factors, insecurity of property rights or forced circumvention of regulatory codes can impede management succession. As mentioned, owners convinced of the high risk of property loss would not pursue the separation of ownership and control. Since owner has limited trust in the protection of his rights by the current law then he would prefer using informal measures and limit his exposure to formal institutions. This conforms to results of Doing Business 2011 report[6] presented by the World Bank and IFC regarding the importance of property rights protection for entrepreneurial development. Property rights protection serves as a quintessential factor for ease of doing business, entrepreneurial growth and overall national economic growth. Our findings give additional support for this idea and uncover the influence of property rights protection on owners' decisions to separate ownership and control. Partial support for hypothesis H2, concerning regulatory codes, suggests this issue requires further investigation through case-study analysis and not quantitative studies, as respondents are likely to give false answers to the questionnaires. It is also important to identify the influence of the time factor on implementation of business strategies. As for hypothesis H3, the confirmation of differences in the concentration of ownership, subject to the owner's participation in management, can provide a new direction for future research. Many researchers note that, in the context of emerging economies and transition countries (such as the Russian setting) in most firms there is a dominant owner CEO; this is considered a response by entrepreneurial business to the current institutional environment.

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[6] http://www.doingbusiness.org/~/media/fpdkm/doing%20business/documents/annual-reports/english/db11-fullreport.pdf

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Опубликованные научные доклады

№ 1 (R)–2005	А. В. Бухвалов Д. Л. Волков	Фундаментальная ценность собственного капитала: использование в управлении компанией
№ 2 (R)–2005	В. М. Полтерович О. Ю. Старков	Создание массовой ипотеки в России: проблема трансплантации
# 1 (E)–2006	I. S. Merkuryeva	The Structure and Determinants of Informal Employment in Russia: Evidence From NOBUS Data
№ 2 (R)–2006	Т. Е. Андреева В. А. Чайка	Динамические способности фирмы: что необходимо, чтобы они были динамическими?
№ 3 (R)–2006	Д. Л. Волков И. В. Березинец	Управление ценностью: анализ основанных на бухгалтерских показателях моделей оценки
№ 4 (R)–2006	С. А. Вавилов К. Ю. Ермоленко	Управление инвестиционным портфелем на финансовых рынках в рамках подхода, альтернативного стратегии самофинансирования
№ 5 (R)–2006	Г. В. Широкова	Стратегии российских компаний на разных стадиях жизненного цикла: попытка эмпирического анализа
№ 6 (R)–2006	Д. В. Овсянко В. А. Чайка	Особенности организации процесса непрерывного улучшения качества в российских компаниях и его связь с процессами стратегического поведения
№ 7 (R)–2006	А. Н. Козырев	Экономика интеллектуального капитала
№ 8 (R)–2006	Н. А. Зенкевич, Л. А. Петросян	Проблема временной состоятельности кооперативных решений
№ 9 (R)–2006	Е. А. Дорофеев, О. А. Лапшина	Облигации с переменным купоном: принципы ценообразования
# 10 (E)–2006	T. E. Andreeva V. A. Chaika	Dynamic Capabilities: what they need to be dynamic?
№ 11 (E)–2006	G. V. Shirokova	Strategies of Russian Companies at Different Stages of Organizational Life Cycle: an Attempt of Empirical Analysis
№ 12 (R)–2006	А. Е. Лукьянова, Т. Г. Тумарова	Хеджевые фонды как инструменты снижения рисков и роста ценности компании
№ 13 (R)–2006	Л. Н. Богомолова	Применение этнографических методов для изучения процессов принятия потребительских решений

№ 14 (R)–2006	Е. К. Завьялова	Особенности профессионально-личностного потенциала и развития карьеры линейных менеджеров отечественных производственных предприятий
№ 15 (R)–2006	С. В. Кошелева	Удовлетворенность трудом как комплексный диагностический показатель организационных проблем в управлении персоналом
№ 16 (R)–2006	А. А. Румянцев, Ю. В. Федотов	Экономико-статистический анализ результатов инновационной деятельности в промышленности Санкт-Петербурга
№ 17 (R)–2006	Е. К. Завьялова	Взаимосвязь организационной культуры и систем мотивации и стимулирования персонала
№ 18 (R)–2006	А. Д. Чанько	Алгебра и гармония HR-менеджмента. Эффективность обучения персонала и диагностика организационной культуры
№ 19 (E)–2006	T. E. Andreeva	Organizational change in Russian companies: findings from research project
# 20 (E)–2006	N. E. Zenkevich, L. A. Petrosjan	Time-consistency of Cooperative Solutions
№ 21 (R)–2006	Т. Е. Андреева	Организационные изменения в российских компаниях: результаты эмпирического исследования
№ 22 (R)–2006	Д. Л. Волков, Т. А. Гаранина	Оценивание интеллектуального капитала российских компаний
№ 23 (R)–2006	А. В. Бухвалов, Ю. Б. Ильина, О. В. Бандалюк	Электронное корпоративное управление и проблемы раскрытия информации: сравнительное пилотное исследование
№ 24 (R)–2006	С. В. Кошелева	Особенности командно-ролевого взаимодействия менеджеров среднего и высшего звена международной и российских компаний
№ 25 (R)–2006	Ю. В. Федотов, Н. В. Хованов	Методы построения сводных оценок эффективности деятельности сложных производственных систем
# 26 (E)–2006	S. Kouchtch, M. Smirnova, K. Krotov, A. Starkov	Managing Relationships in Russian Companies: Results of an Empirical Study
№ 27 (R)–2006	А. Н. Андреева	Портфельный подход к управлению люксовыми брендами в фэшн-бизнесе: базовые концепции, ретроспектива и возможные сценарии

№ 28 (R)–2006	Н. В. Хованов, Ю. В. Федотов	Модели учета неопределенности при построении сводных показателей эффективности деятельности сложных производственных систем
№ 29 (R)–2006	Е. В. Соколова, Ю. В. Федотов, Н. В. Хованов.	Построение сводной оценки эффективности комплексов мероприятий по повышению надежности функционирования объектов электроэнергетики
# 30 (E)–2006	M. Smirnova	Managing Buyer-Seller Relationships in Industrial Markets: A Value Creation Perspective
№ 31 (R)–2006	С. П. Кущ, М. М. Смирнова	Управление взаимоотношениями в российских компаниях: разработка концептуальной модели исследования
№ 32 (R)–2006	М. О. Латуха, В. А. Чайка, А. И. Шаталов	Влияние «жестких» и «мягких» факторов на успешность внедрения системы менеджмента качества: опыт российских компаний
№ 33 (R)–2006	А. К. Казанцев, Л. С. Серова, Е. Г. Серова, Е. А. Руденко	Индикаторы мониторинга информационно-технологических ресурсов регионов России
№ 34 (R)–2006	Т. Е. Андреева, Е. Е. Юртайкин, Т. А. Солтицкая	Практики развития персонала как инструмент привлечения, мотивации и удержания интеллектуальных работников
# 35 (E)–2006	T. Andreeva, E. Yurtaikin, T. Soltitskaya	Human resources development practices as a key tool to attract, motivate and retain knowledge workers
№ 36 (R)–2006	А. В. Бухвалов, В. Л. Окулов.	Классические модели ценообразования на капитальные активы и российский финансовый рынок. Часть 1. Эмпирическая проверка модели CAPM. Часть 2. Возможность применения вариантов модели CAPM
№ 37 (R)–2006	Е. Л. Шекова	Развитие корпоративной социальной ответственности в России: позиция бизнеса (на примере благотворительной деятельности компаний Северо-Западного региона)
№ 38 (R)–2006	Н. А. Зенкевич, Л. А. Петросян	Дифференциальные игры в менеджменте

№ 8 (R)–2007	М. Н. Барышников	Баланс интересов в структуре собственности и управления российской фирмы в XIX – начале XX века
# 9 (E)–2007	D. Volkov, T. Garanina	Intellectual capital valuation: case of Russian companies
№ 10 (R)–2007	К. В. Кротов	Управление цепями поставок: изучение концепции в контексте теории стратегического управления и маркетинга.
№ 11 (R)–2007	Г. В. Широкова, А. И. Шаталов	Характеристики компаний на ранних стадиях жизненного цикла: анализ факторов, влияющих на показатели результативности их деятельности
№ 12 (R)–2007	А. Е. Иванов	Размещение государственного заказа как задача разработки и принятия управленческого решения
№ 13 (R)-2007	О. М. Удовиченко	Понятие, классификация, измерение и оценка нематериальных активов (объектов) компании: подходы к проблеме
№ 14 (R)–2007	Г. В. Широкова, Д. М. Кнатько	Влияние основателя на развитие организации: сравнительный анализ компаний управляемых основателями и наемными менеджерами
# 15 (E)–2007	G. Shirokova, A. Shatalov	Characteristics of companies at the early stages of the lifecycle: analysis of factors influencing new venture performance in Russia
# 16 (E)–2007	N. Drozdova	Russian "Artel'nost" — Myth or Reality' Artel' as an Organizational Form in the XIX — Early XX Century Russian Economy: Comparative and Historical Institutional Analysis
# 1 (E)–2008	S. Commander, J. Svejnar, K. Tinn	Explaining the Performance of Firms and Countries: What Does the Business Environment Play'
№ 1 (R)–2008	Г. В. Широкова, В. А. Сарычева, Е. Ю. Благов, А. В. Куликов	Внутрифирменное предпринимательство: подходы к изучению вопроса
№ 1A(R)–2008	Г. В. Широкова, А. И. Шаталов, Д. М. Кнатько	Факторы, влияющие на принятие решения основателем компании о передаче полномочий профессиональному менеджеру: опыт стран СНГ и Центральной и Восточной Европы

№ 9 (R)–2010	Д. В. Овсянко	Направления применения компонентов менеджмента качества в стратегическом управлении компаниями
# 10 (E)–2010	V. Cherenkov	Toward the General Theory of Marketing: The State of the Art and One More Approach
№ 11 (R)–2010	В. Н. Тишков	Экономические реформы и деловая среда: опыт Китая
№ 12 (R)–2010	Т. Н. Клёмина	Исследовательские школы в организационной теории: факторы формирования и развития
№ 13 (R)–2010	И. Я. Чуракова	Направления использования методик выявления аномальных наблюдений при решении задач операционного менеджмента
№ 14 (R)–2010	К. В. Кротов	Направления развития концепции управления цепями поставок
№ 15 (R)–2010	А. Г. Медведев	Стратегические роли дочерних предприятий многонациональных корпораций в России
№ 16 (R)–2010	А. Н. Андреева	Влияние печатной рекламы на восприятие бренда Shalimar (1925 – 2010)
№ 17 (R)–2010	В. Л. Окулов	Ценность хеджирования для корпорации и рыночные ожидания
№ 1 (R)–2011	А. А. Муравьев	О российской экономической науке сквозь призму публикаций российских ученых в отечественных и зарубежных журналах за 2000–2009 гг.
№ 2 (R)–2011	С. И. Кирюков	Становление и развитие теории управления маркетинговыми каналами
№ 3 (R)–2011	Д. И. Баркан	Общая теория продаж в контексте дихотомии «развитие – рост»
# 4 (E)–2011	K. V. Krotov, R. N. Germain	A Contingency Perspective on Centralization of Supply Chain Decision-making and its Role in the Transformation of Process R&D into Financial Performance
№ 5 (R)–2011	А. В. Зятчин	Сильные равновесия в теоретико-игровых моделях и их приложения
№ 6 (R)–2011	В. А. Ребязина	Формирование портфеля взаимоотношений компании с партнерами на промышленных рынках
№ 1 (R)–2012	А. Л. Замулин	Лидерство в эпоху знаний