

**Proceedings
of the 7th European
Conference on
Management Leadership
and Governance**

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Edited by
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France

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Preface

These Proceedings represent research presented at the 7th European Conference on Management, Leadership and Governance (ECMLG) hosted this year by SKEMA Business School, Sophia-Antipolis, France. The Programme Chair is Dr Charles Despres from the SKEMA Business School.

The opening keynote address is given by Christopher Blodgett from NATO School, Oberammergau, Germany.

The main purpose of ECMLG Conference is for individuals working in the area of Management Leadership and Governance to come together to share knowledge with peers interested in the same area of study.

A key aim of the conference is about sharing ideas and meeting the people who hold them. The range of papers will ensure an interesting two days. The topics covered by the papers illustrate the wide range of issues that fall into this important research area.

With an initial submission of 212 abstracts, after the double blind, peer review process there are 55 academic research papers, 7 PhD papers and 4 work in progress papers published in the Conference Proceedings. These papers represent research from Belgium, Canada, Cyprus, Czech Republic, France, Germany, Indonesia, Iran, Japan, Jordan, Kenya, Lebanon, Malaysia, New Zealand, Nigeria, Poland, Romania, Saudi Arabia, South Africa, Thailand, United Arab Emirates, United Kingdom and United States of America.

I hope that you have an enjoyable conference.

Dr Charles Despres
SKEMA Business School, Sophia-Antipolis, France
September 2011

Biographies of Conference Chairs, Programme Chairs and Keynote Speakers

Programme Chair



Dr Charles Despres is Professor of Organisation Theory in the Knowledge, Technology and Organization department and a member of the corresponding SKEMA research centre (KTO). Charles holds a Ph.D. in Business Administration with a concentration in Organization Theory /Cognitive Systems from the University of Utah, Salt Lake City, USA (1995). He focused his doctorate on the organizing implications of

large-scale information systems and subsequent research has centered on the triad of information, organization and culture, Since 1997 his academic and professional career has concentrated on the emerging field of Knowledge Management. He joined IMD (Lausanne, Switzerland) in 1991 as an ABD Research Fellow. In 1996 he assumed research / professorial roles at the Institute d'Administration des Entreprises (Aix-en-Provence) and the Theseus Institute (Sophia Antipolis). Dr. Despres was Professor of Organization and Director of International Development at the Euromed School of Business (Marseille) from 1997 - 2002. In 2003 he joined the Conservatoire National des Arts et Métiers (Paris) as Director of Programs at its International Institute of Management. In parallel he was associated with the College de Polytechnique during 2005 as a Director focusing on Knowledge Management, International Affairs and Certificate / Degree programs. In 2006 he became Director of Development for the Conservatoire in the Languedoc Roussillon region of France.

Keynote Speaker

Chris Blodgett is a Lieutenant-Colonel Royal Military College Canada graduate and Air Force Officer in Canadian Forces. He began as a Navy Tactical Maritime Helicopter Navigator. Possessing a MA in Management & Policy and certifications in KM, IM, strategy, change and HR, he was the DND/CF KM Director prior to his present KMO position at NATO School Germany.



Mini Track Chairs



Dr M. Gordon Hunter is a Professor Information Systems in the Faculty of Management, University of Lethbridge, Alberta, Canada. He has held visiting positions at universities in Australia, England, Germany, Monaco, New Zealand, Poland, Turkey, and USA. He applies qualitative interview techniques (Personal Construct Theory and Narrative Inquiry) in interdisciplinary research such as

small business, agricultural management, governance of intellectual assets, and cross-cultural investigations. His current research interests in the information systems (IS) area include the effective management of IS personnel; the role of Chief Information Officers; and the use of IS by small business.

Philip Merry is founder and CEO of Singapore's Global Leadership Academy and a cross-cultural leadership consultant for 31 years in 52 countries. Specialising in the practical application of happiness and well-being concepts to the multi-cultural workplace he helps organisations devise happiness strategies that positively impact productivity. Philip balances his commercial work with development work in women's leadership and is a long term facilitator with the UN. In recent years he has consulted regularly in Bhutan. English by birth and resident in Asia for 24 years Philip is a research associate at Henley Business School where he is researching the leader's influence on workplace happiness across cultures.



Dr. John Politis PhD is an Associate Professor of Management at Neapolis University, Pafos in Cyprus. He regularly publishes peer reviewed academic papers in quality journals and his research output is presented at refereed conferences. He is currently a member of a number of editorial boards, including The Leadership and Organisational Development Journal and the Knowledge Management Research and Practice Journal. Before taking up his current position, John was an Executive MBA faculty member for the Centre of Excellence for Applied Research and Training, and a Pioneering Faculty of Business and Engineering Management programs at the Higher Colleges of Technology in the United Arab Emirates. He was also a lecturer and consultant in a number of Australian universities. John has also spent more than 18 years in Australia and Europe in a wide range of managerial roles and has been elected a Fellow of a number of professional associations.

Dr Florian Sala is a Doctor of Experimental psychology as well as a clinical psychologist and psychotherapist. At the SKEMA Business School Sophia Antipolis he is Professor of Management and Human Resources Management and former Dean (2001-2003). He has been the Programme Director of MSc in HRM since 2009. In 1992 he co-founded the Institute of Psychoanalysis and



Management (IPM) of which he was the national chairman until to 2000. His major interests are Psychopathology at the workplace, Psychoanalysis and Group Dynamics.

Preventive Measures for Dealing With Corporate Conflicts

Olga Erahtina

Higher School of Economics, Perm branch, Russia

Abstract: *In this article the author draws our attention to the growth of corporate conflicts which has become one of the most widely spread tendencies in business environment in recent years. This negative situation*

results from the imperfection of preventive system in this sphere. The purpose of this article is to develop the system of measures to prevent corporate conflicts and to eliminate conditions under which they can arise. The author assumes that when developing general principles and techniques of dealing with corporate conflicts, it is essential to understand that the conflicts are based on the objective clash of interests of corporate members. The more complex the corporate structure is, the more there are incompatible interests and goals that are sources of new corporate conflicts. The process of dealing with the problem of corporate conflicts consists of a few stages. At the first stage it is necessary to retrace all conflicting interests. We can identify four general groups of conflicting interests in a corporation: the conflict of corporate interests and shareholders' interests; the conflict of shareholders' interests; the conflict of managers' interests and shareholders' interests; the conflict of between company's governing bodies. At the second stage we should identify the main reason for conflict of interests in each group. For example, the managers' opportunism caused by their desire to fulfill their interests at the expense of the corporate interests accounts for the third group conflicts. The third stage deals with the general principles and techniques of resolving conflicts of each type, that have been proposed by the economic theory and the judicial practice. In the economic theory it is considered that transferring the rights to a share of residual income to directors can help shareholders to solve the problem of the directors' opportunism. However, it is only a partial solution. In its turn, corporate legislation suggests applying two mechanisms to solve this problem: to limit managers' authority in transacting business and to impose the liability for their decisions. The author makes a comparative analysis of legal mechanisms used in different countries to prevent corporate conflicts, and discusses the imperfection of the Russian corporate legislation. At the same time company promoters should take into account that no legislation can solve the problem of conflicts. The legislator cannot foresee all the conditions under which conflicts can arise, and provide the only possible solution to each of them. That is why most rules of corporate law are non-mandatory. These norms allow the members of the corporation to enshrine in the company charter the method of legal regulation that would provide the balance of interests inside the company and the consistency in taking decisions. At the fourth stage the author analyses the non-mandatory norms of corporate legislation and the Corporate governance code to develop proposals for formulating provisions of the charter aimed at preventing corporate conflicts.

Keywords: corporate conflicts; imperfection of preventive system; measures for conflicts minimization; incompatible interests and goals
