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Guest Editorial

"**Business Models/Projects: Design, Venture, Manage and Evaluate**"

1. Theoretical background

While drawing attention to the historical perspectives on 'the sense of business', early scholars posit that business is a core attribute that's embedded in the culture not for profit but largely for exchange and survival. Based on subjective dialogue, researchers define the term 'business' differently though paid less attention to exploring what the "architecture of business" is. For example, a design or model for a tailoring business is different to that of a restaurant business. This infers that elements such as "create, innovate, venture and manage" are special and need to be kept in mind for every business. The business models/projects stream has attracted a mass of disciplines include economics, strategy, finance, accounting, international business, law and sociology. Thus, it provides sophisticated data in order to conduct qualitative and quantitative research as well as to uphold its interdisciplinary tone. A remarkable record is that as of 2013, a special issue of *Long Range Planning* on 'business models' published in 2010 has received more than 150,000 downloads, and more than 3,500 Google Scholar and more than 500 ISI citations (Baden-Fuller and Haefliger, 2013).

Business models are defined as a source of value creation whilst considering resources, capabilities and opportunities (Sanchez and Ricart, 2010). They seek to explain how value is created, not just how it is captured (Zott, Amit and Massa, 2011). Specifically, Teece (2010) suggests that an established business enterprise usually adopts a particular business model that illustrates "the design or architecture of the value creation, delivery and capture mechanisms it employs". In other words, "the manner by which the enterprise delivers value to customers, entices customers to pay for value, and converts those payments to profit". By and large, the architecture of business has distinct meaning to the sense of business (Baden-Fuller and Mangematin, 2013; Eppler, Hoffmann and Bresciani, 2011; Palo and Tähtinen, 2011).

The elements of a business model include "the firm's value proposition, the market segments it addresses, the structure of the value chain, which is required for realizing the value proposition, the mechanisms of value capture that the firm deploys, and the often firm-specific ways in which these elements are linked in an architecture" (cf. Saebi, Lien and Foss, 2016). On the other hand, there are several components and partial models of an integrated business model, such as strategy model, resources model, network model, customer model, market offer model, revenue model, manufacturing model, procurement model, and financial model (Wirtz, Pistoia, Ullrich and Göttel, 2016).

A number of literature reviews on business models and innovation have suggested that business models are mainly rooted in resource-based view (RBV) and transaction cost economics (TCE) theories (see DaSilva and Trkman, 2014; Foss and Saebi, 2017; Wirtz et al., 2016; Zott et al., 2011). Since business models is a burgeoning research field in strategic management, scholars have paid a great attention toward conceptualizing what business models are, how business models are evolved, and what theories explain business models. For instance, scholars have developed several interesting concepts in business models, including business model evolution, business model renewal, business model replication, business model learning, business model erosion, business model lifecycle, business model transformation, business model innovation (Saebi et al., 2016), and foreign market entry and buyout models (Reddy, Xie and Huang, 2016). However, although business models literature is well developed by conceptual proliferations, scholars have hardly paid attention to empirical validation of theoretical arguments and hypotheses testing.

2. Special Issue Papers

With this theoretical background, the special issue welcomed scholars to submit their academic research on various themes in business models, including innovative ideas to architecture ideal business models, motives of innovation in business models, financing business enterprises, venture capitalists role in business projects, bank financing, leasing and contracting in new business projects, inventory and supply chain issues in projects, barriers to success in new business models, evaluating project performance, cost estimation and control in project management, and socially-driven vs. value-driven projects, among others. The special issue call for papers has received a good response from strategy and finance researchers globally. Following double blind review system, we have accepted six articles for the *Issue* in 2017. A summary of articles in this special issue is presented below.

Kovshova and Nair (2017, this issue) in their paper titled, '*Crowdfunding in Russia: a thematic analysis of funder motives*' study the motives of funders' participation in a large Russian crowdfunding platform, Planeta. Using a semi-structured interview method, the authors find that funders' participation in crowdfunding projects is driven by internal and external reasons. For example, there are three intrinsic motives (help others, sympathy to owners, interest to a project) and five extrinsic motives (inspiration of owners, self-fulfillment, self-affirmation, social utility, uniqueness of rewards) in the internal environment. External reasons describe key characteristics of a crowdfunding project.

Srivastava and Agrawal (2017, this issue) in their paper titled, '*Innovative strategies for the development of rural India through village cottage and agribusiness enterprises*' analyze successful business models in India, such as Amul India, Suguna Chickens, PepsiCo India, ITC e-Choupal, McCain India and Cottage industry. The authors propose a model for the village, cottage and agribusiness enterprises (VCAe) to create innovative solutions for the sustainable development in rural areas, ranging from the product, structure, process and marketing efforts. According to authors, VCAe is [an] "integrated hub or center focusing on coordinating with the producers of village, cottage and agribusinesses which are operating in rural areas where the production takes place in the domestic setting of the producers. At the same time, the workforce includes the members of the family who are continuously engaged in the activities like growing or producing product, supplies, storage and distribution of it."

Goel, Agrawal and Sharma (2017, this issue) in their paper titled, '*Factors affecting labour productivity: an integrative synthesis and productivity modelling*' review past literature that examine labour productivity and indentify 20 key factors affecting productivity. These key factors are classified into five categories, namely, internal to employee, internal to organization but external to employee, internal to industry but external to organization, internal to nation but external to industry, and international factors. The authors propose a model 'FLOPACE' (focus, leadership style, organization structure, planning, adaptability, control and reward, entrepreneurial culture) for enhancing labour productivity, and present an exemplar for calculating productivity index.

Eletter and Yaseen (2017, this issue) in their paper titled, '*Loan decision models for the Jordanian commercial banks*' develop credit decision support using linear discriminant analysis, multi-layer perceptron and CART decision trees for the protection against credit risk. To do so, the authors use a pooled data set of personal loans from Jordanian commercial banks. Findings suggest that the multi-layer perceptron model achieved the highest average correct classification rate as well as the lowest estimated misclassification cost.

Misra and Mohapatra (2017, this issue) in their paper titled, '*Does investment style affect portfolio returns: a study on Indian markets*' examine Indian capital market index 'CNX NIFTY 500' for constructing long and short term winners/losers portfolios. In order to test the predictions empirically like size, growth, value and momentum, the authors apply Carhart's 4-factor model. Results indicate that Indian equity market offers significant profits if investors buy stocks with large market capitalization and sell stocks with small market capitalization.

Nguyen (2017, this issue) in the paper titled, '*Management education as an industry and MBA as a product: revisiting joint MBA programs using Porters five forces model*' analyze a case study on joint and merged MBA programs in France using Porter's five forces model to explain that management education is one of specific industries which use alliances to gain competitive advantages. The author highlights that a synergistic competitive advantage is driven by the cooperation inside the industry of management education itself, with its cooperative programs.

3. Future research themes

As of January 2017, the *Google Scholar* has produced more than 400K results for "business models". Even more interesting, a large number of articles are published in journals, books and conference proceedings during the last decade. This immense publication outcome indicates the growing recognition and academic rigor in business models research. Since the extant business models literature has profoundly grounded on conceptual proliferations and theoretical notions, scholars are encouraged to conduct qualitative and quantitative analysis using interview and archival sources (see Reddy (2015) for conducting case study research in emerging markets). For example, participation by public-private partnerships (PPP), private equity investments and crowdfunding is gaining popularity in business models research (Amatucci and Esposito, 2013; Hwang, Zhao and Gay, 2013; Meidutē and Paliulis, 2011; Mollick, 2014). A few studies are associated with emerging countries and scholars can take this opportunity to improve the existing literature on business models innovation and projects. Studies that examine new models in firm internationalization processes, financing business enterprises, management of PPP projects, foreign investments in infrastructure projects (e.g. transport, warehousing), procedural and documentation issues in business projects, public funding in business expansion projects, financing and contracting in business projects, costing and cash flow problems in business projects, valuation issues in business projects (Reddy, Agrawal and Nangia, 2013), financial closure of business projects, reasons behind the failure of start-up businesses, government and political issues in PPP projects, and barriers to success in doing business in emerging markets, are most sought.

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