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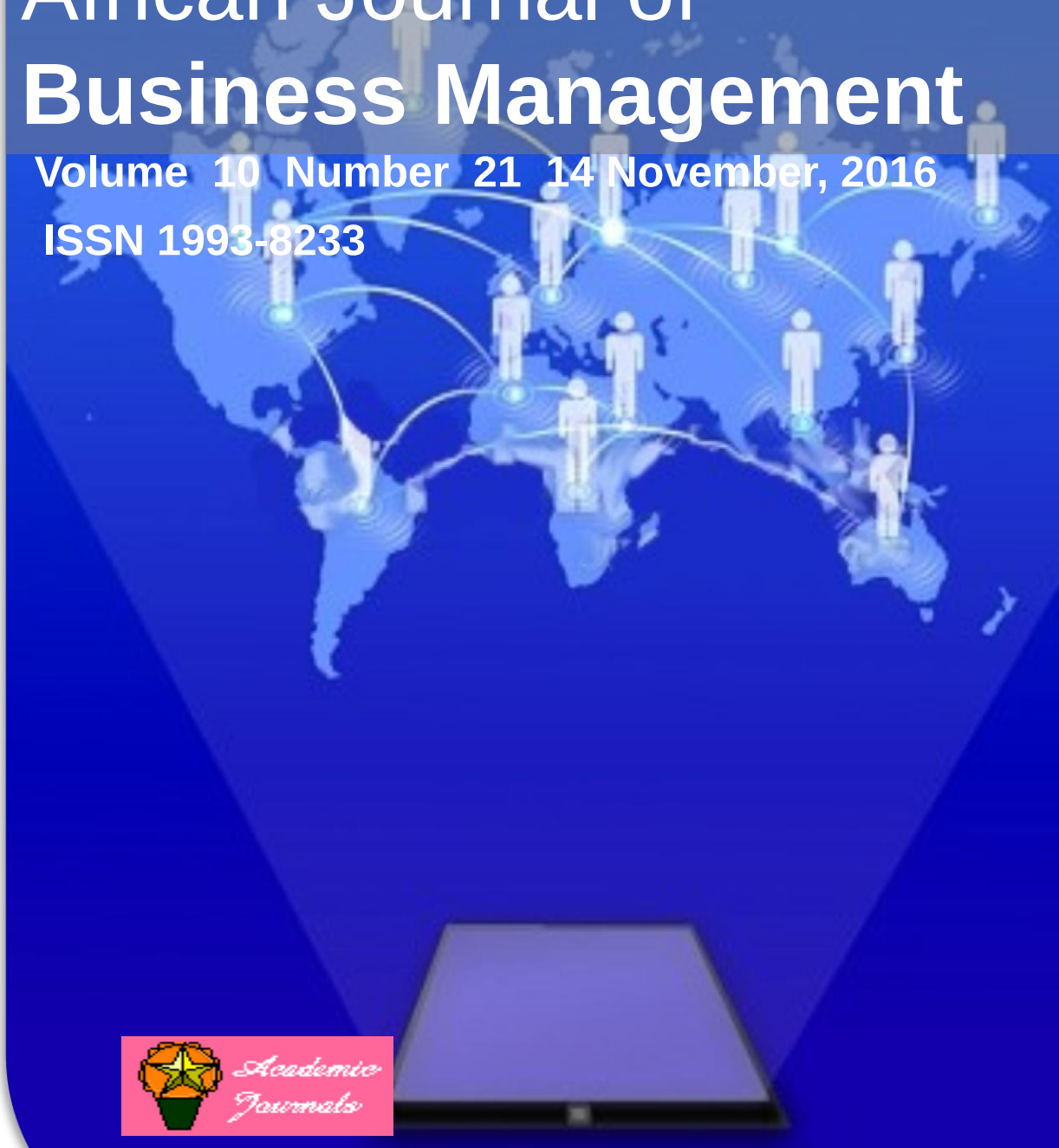

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Table of Contents: Volume 10 Number 21 14 November, 2016

ARTICLES

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Full Length Research Paper

Study of an extant of applicability of leadership theories in different culture clusters- An analysis through the lens of GLOBE Project

Mishra Ganesh Prasad

Department of Management, Waljat College of Applied Sciences (In Academic partnership with B.I.T. Mesra, Ranchi), Muscat, Sultanate of Oman.

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In this paper three leadership theories are described (Charismatic/Value-based Leadership Theory, Team Orientation Leadership Theory, and Participative Leadership Theory) and the extent to which each theory might or might not be applicable in three different cultures (GLOBE Study is used to select the cultures). The project focuses much on the following cultural clusters taken for the study: South Asian cluster, Sub Saharan culture, and Middle East cultural cluster. GLOBE study referred to "Global Leadership and Organizational Behavior Effectiveness," studied for 11-year that involved 170 researchers from 62- nations worldwide (Dorfman et al., 2012). Each theory has been described in a separate section along with contrasting features and their application in three different cultures.

Key words: Charismatic/Value-based leadership theory, team orientation leadership theory, participative leadership theory, GLOBE study.

INTRODUCTION

Yukl, (1994) stated that since 20th century, Leadership has been one of the important topic of study for social scientists worldwide, still up till now there is no consensus on a common definition of leadership. The topic of Leadership has been since the most debated topic till date in organizational psychology, social sciences and management studies (Pfeffer, 1993). In the preceding paragraph first the concept of leadership is discussed and then culture which would make us understand better about the leadership theories and its applicability in different culture clusters.

RESEARCH METHODOLOGY

Secondary Data sources from various journals, articles, books and analysis from GLOBE project program conducted by House et al. (2004) and findings from Hofstede (1980), "Culture's consequences: International differences in work-related values," has been taken for this study.

Leadership

According to Winston and Patterson (2006), " A person

E-mail: drgpmishra@gmail.com.

who is able to choose, prepare and is able to influence the followers enthusiastically and willingly to energize in a coordinated and concerted way by providing impetus and emphasis towards achievement of mission, vision and objectives of the organization can be called as a Leader. GLOBE researchers define Leadership as the persons capability and aptitude to inspire, motivate, encourage, guide assist others for their contribution towards the success and effectiveness of an organization where they are involved (House et al., 2004: 15).

Culture

Culture is defined as an intangible and non–figurative, multifarious and intricate challenging term (Barber and Badre, 1998), scholarly attitudes, ideas, morals, standards, regulations, type, signs, and customs that are common to a group of people (Northouse, 2007: 302), custom of actions, deeds, behaviors (Stephan and Uhlaner, 2010), faith so as to direct staff together with observations, performance, principles, and suppositions concerning their work (Staniland, 1985), “essential, fundamental and common observation and ethics that help human beings to unearth resolution to the problems of exterior adaptation and internal amalgamation” (Schein, 2004: 17). Now let us understand cultural dimensions used in GLOBE project. GLOBE project established nine cultural dimensions based on the conclusion by Inglehart (1997), Schwartz (1994), Hofstede (1980), and others. For our study we take three cultural dimension.

They are: Power distance, Uncertainty avoidance and Humane orientation.

Power distance

Power Distance is an extent to which societies, groups, individuals anticipate for equal distribution of power among themselves. In other words power distance can also be defined as the degree to which a community consents and approves and recommends ability, influence and control differences, and status privileges. The specific questionnaire item used in GLOBE project related to Power Distance is–“Followers are expected to obey their leaders without question.” The characteristics of High power distance are as follows (House et al., 2004): Resources available to only a few, Information is localized and hoarded, upward social mobility is limited, Power is seen as providing social order, and society is differentiated into classes. The characteristics of Low power distance are as follows (Cornelius N. Grove (2005): Information is widely shared, upward social mobility is common, power is linked to corruption and coercion, and society has a large middle class population.

Values and practices

The GLOBE study found that there was huge difference in the average score for power distance values and power distance practices. Considering 61 societies for the GLOBE study, the average for power distance values was a hugely different 2.75 as compared to the average score for power distance practices was 5.17 on a scale of 1 to 7. This shows that middle managers view themselves as working in a situation in which there’s a substantial gap in status and power between themselves and their supervisors but they wish they didn't. As for as the scores for United States of America was concerned, the GLOBE researchers team had high expectations initially on power distance dimensions which would be an authentic predictor of a low score on participative leadership but they were shocked to note the results which did not show the findings accordingly. This was the reason that why GLOBE researchers did not report that predictive relationship exists. Another statistical test was conducted which showed that there was negative correlation between participative leadership and power distance. GLOBE findings showed that there were strong positive correlations between self-protective leadership and power distance. The findings also showed that among Asian society’s high power distance values and practices are connected and linked with self-protective leadership dimension whose elements were status consciousness and face-saving.

Uncertainty avoidance

Uncertainty Avoidance is the degree to which societies, groups, individuals depends upon societal process, procedures to assuage impulsiveness of future events (House et al., 2004). In other words uncertainty avoidance aims at alleviating the unpredictability of future events by following social norms, rules, and procedures (Cornelius, 2005). In other words uncertainty avoidance is an extent to which the indistinct and indefinite situations are perceived to be intimidating and frightening which means that uncertainty avoidance is the extent to which thoughtful and careful actions have been taken to reduce vagueness and uncertainty by enforcing rules, regulations and procedures. The specific questionnaire item used in GLOBE project related to Uncertainty Avoidance is “Most people lead (should lead) highly structured lives with few unexpected events.” The characteristics of high uncertainty avoidance are as follows- societies show strong resistance to change, societies take moderate and carefully calculated risks, societies rely on formalized procedures and policies, societies are orderly and keep their records thoroughly. The characteristics of low uncertainty avoidance are as follows- societies show only moderately resistance to change, societies take less calculated risks, societies rely more on informal norms for

most of the matters, societies are less orderly and maintain fewer records, and societies use informality for interactions with others.

Values and practices

GLOBE study after the study 61 societies found two types scores one was what is the present score of uncertainty avoidance and the other was what should be the score of uncertainty avoidance. They found that there was no significant difference between what it was and what it should be. The average score for uncertainty avoidance practices ("as is") was 4.16 on a scale of 1 to 7 scale, while the average score for uncertainty avoidance values ("should be") was 4.62 which was not much different as compared to the other.

Application to leadership

Team-oriented leadership was strongly and positive correlated with the high value of uncertainty avoidance which means that the more the society and organization values the reduction of uncertainty, the more they report endorsing team-oriented leadership. Researchers of GLOBE admit that this type of statistical relationship between the two was not expected. Worldwide it is appealed about team oriented leadership association with high uncertainty avoidance A strong and positive relationship was found between Humane oriented leadership, self-protective leadership and uncertainty avoidance which clearly meant that being self-protective, one of the means to reduce uncertainty. GLOBE study found strong negative correlation with participative leadership and uncertainty avoidance. This outcome means that if the score on uncertainty avoidance is very high in any society or an organization then it is very likely to be found for same society and organization to have a low level of participative leadership.

Humane orientation

Humane Orientation is the degree to which societies, groups, motivates to achieve rewards for being just, reasonable, humane, selfless, liberal, kind and gentle, to others. In other words Humane orientation is aimed at the extent to which society or an organization encourages and provides rewards to the individuals (House et al., 2004: 569). The specific questionnaire item used in GLOBE project related to Humane Orientation is "People are generally (should be generally) very tolerant of mistakes." The high humane characteristics are as follows: people are advised and insisted to be sensitive to all forms of racial discrimination, child labor is limited by public sanctions, members of the society are responsible for promoting the well-being of others, individuals and people are motivated predominantly by a need for belongingness and affiliation, and in societies and organizations, the interest of the others are equally important. Low humane characteristics are as follows- societies and organizations are not sensitive to all forms of racial discrimination, child labor is given low importance and preference, the state provides social and economic support for individual's well-being, people are motivated mainly by a need for power and material possessions, and in such type of societies and organizations, one's own self-interest is of prime importance.

Values and practices

GLOBE study found that the average score for humane orientation practices ("as is") was different than the average score of humane orientation values ("should be"). Considering the study on 61 societies, the present score for humane orientation was found to be 4.09 and the "should be" score for humane orientation was found to be 5.42 which was on a higher side.

Application to leadership

GLOBE study found that there was strong and positive correlation between a high values placed on the humane orientation cultural dimension and global leadership dimension of the same name.

Leadership theories

For our study we try to discuss three Leadership theories based on GLOBE study- Charismatic/Value-based Leadership Theory, Team Orientation Leadership Theory, and Participative Leadership Theory.

Charismatic/Value-based leadership theory

The underlining and fundamental characteristics under-lining Charismatic/Value-based Leadership Theory is the person's ability to inspire, motivate, to stimulate, to enthuse and to anticipate elevated results from their followers based on core ethics and morals. Charm and persuasiveness are the two main characteristics of the leader in charismatic leadership style of Leadership. The GLOBE researchers define Charismatic/Value-based Leaders as those persons who are eloquent and focus on values such as self-respect, self-esteem, tranquil, harmony, peace, attractiveness and autonomy (House, 2004). Charismatic/Value-based Leaders focus on result and performance and willingness to put forth

organizational interest before themselves. GLOBE researchers perceived this type of Leadership as one of the most effective Leadership. The GLOBE charismatic/ value-based leadership Theory includes the following six primary leadership dimensions: (a) creative thinker and imaginative, (b) motivational, (c) altruism, (d) veracity, (e) influential and (f) result oriented. Charismatic leadership style requirements are: kindliness and warmth towards their surroundings and atmosphere, wants and requirements of their employees or followers, eloquent, coherent, powerful and expressive, visionary, tendency of risk taking toward personal and professional works and skilled in practicing eccentric and exceptional behavior.

Advantages of charismatic leadership

Leaders in this type of Leadership motivate and encourage people to work in collaboration for achieving a common cause. There is central mission of the organization towards where the charismatic leaders are committed. For succeeding in their mission and vision, charismatic leaders make their priorities to learn from mistakes so that they are able to achieve success in their life. Cohesiveness is achieved in the organization by Charismatic Leaders who have clear purpose to achieve things, moreover the followers also have clear purpose to achieve in their life.

Disadvantages of charismatic leadership

Arrogance may prevail because of charismatic style of leadership. It may also happen that organization may depend heavily upon such charismatic leaders and at the time sudden demise of such leaders or due to retirement, the organization may suffer a lot. Unresponsiveness towards their subordinates or constituents is also seen sometimes in charismatic leaders. Learning form mistakes maybe a far cry for such charismatic leaders. Sometimes such type leaders may think that they are above rules, regulations and laws because of which they may commit errors and violations.

Benefits of charismatic leadership

Charismatic leaders demonstrate their impeccable quality of fighting for others and for leading better quality of life so that the world may be a better place to live-in. Charismatic leaders are eager and keen to favor those people who have a different views of society or the organization and have the courage of their convictions. Charismatic leaders are wise enough to view the distance between what is required ad what needs to be done by understanding the current scenario so that they are able to understand that are needed by their subordinates. Other benefits of Charismatic leaders are that they are able to generate ideas and visualization for their followers and in return the followers feel enthusiastic to contribute towards a common goal.

Assumptions of charismatic leadership

Assumptions of Charismatic Leadership are: appeal, attraction and elegance are required to generate followers. Charismatic Leaders are required to their coolness and be self-reliant which one of the fundamental need of leaders.

Adherence to convictions and commitment to their cause is the basic fundamental qualities of Charismatic leaders. Transformational leaders and Charismatic leaders are similar in nature as they are able to share multiple similarities. Charismatic leadership does not depend upon the process or structure rather it depends on the personality and actions of the leader. Some of the religious examples of charismatic leadership are Mother Teresa, Pope John Paul II and Martin Luther King, Jr. Some of the Political examples of charismatic leadership are Sir Winston Churchill, Ronald Reagan, etc. and some of the Business examples of charismatic leadership are Jack Welch, Lee Iacocca, etc.

GLOBE project research findings

GLOBE researchers found that Anglo cluster countries had the highest scores for Charismatic/Value-based Leadership. Lowest scores for Charismatic/Value-based Leadership were found for Middle East clusters, they scored second in ranking for Charismatic/Value-based Leadership after participative, humane-oriented, self-protective and autonomous in that order. The countries that under Middle East cluster are Turkey, Kuwait, Egypt, Morocco and Qatar. Findings by GLOBE study states that performance orientation level of the society strongly affects the extent to which leaders and the leadership is viewed effective. Performance orientation has a strong correlation with outstanding leaders and leadership. GLOBE research also found that global leadership dimension of Charismatic/ Value based style was highly correlated to high score of performance orientation. Hence, it was quite noteworthy about this type findings of leadership.

This research also showed that performance orientation was one of the important predictor for Charismatic/Value-Based leadership globally. Such Charismatic/Value-Based leadership were likely to be effective in those societies and organizations that value innovation, continual improvement in performance, superior performance and value excellence. GLOBE study also found positive correlation among participative leadership and performance orientation.

Team-oriented leadership theory

According to Javidan et al. (2006: 73), (Team-oriented leadership is defined as that dimension of leadership which focusses on effectiveness of building team and execution and enactment of a common determination, resolution or objective between the members of the team"). In Team-oriented leadership a leader first forms a team and executes its programs through this structure and processes (Dorfman et al., 2004). Team-oriented Leadership Theory concentrates on building team and goal" which includes being tactful and "administratively competent" (House, 2004). Teams can be considered as a form of small groups that can be related to higher in-group collectivism practices (Gelfand et al., 2004). The five primary leadership dimensions of this theory comprise the following: (a) conjointly related concerted team building, (b) amalgamation of Team, (c) tactful, (d) malicious in converse tally and (e) administratively competent. According to (Robert J. Rossberger and Diana E. Krause, 2015), the items and indicators of Team–oriented Leadership are (1) Group-oriented which is related to the wellbeing of team - members (2) Collaborative that works in collaboration with others (3) Loyal means team–members always favors their subordinates even at the time of problems and complications (4) Consultative means team–members refers and checks with other team–members before making plans or taking action (5) Mediator means team–member interferes to resolve any encounters among the team–members and (6) Fraternal which means tendency towards being a virtuous colleague or assistants. One of the disadvantage of Team-oriented Leadership Theory is that groups permit free-riding (Delton et al., 2012) and social loafing (Karau and Williams, 1993). According to this theory, the overall result and enactment is comparably more significant and imperative than the ones own result and enactment; there are chances that weak team members may try to "hide" in the team which can eventually lower the level of performance-orientation practices. Similarities between Charismatic and Team Oriented Leadership style are In service of a common goal, try to Leaders rally around them and Inventiveness, creativeness and impudence audaciousness are stimulated.

Findings of GLOBE Project

The leadership dimension in Team oriented leadership in GLOBE study are as follows: collaborative team orientation (for the first team), team integrator (for the second team), Diplomatic, Malevolent (reverse scored) and administratively competent. The score was highest for South East Asian, Confucian, Latin American, Eastern. European, African, Latin European, Nordic, Anglo, Germanic and Middle Eastern clusters.

Participative leadership theory

Participative leadership Theory involves assistants, juniors, dependents, peers, managers, seniors and other participants for decision making and its implementation (Javidan et al., 2006: 73). This theory is also connected to uncertainty avoidance practices (Venaik and Brewer, 2008).The fundamental dimension of this theory is participation and involvement. This Leadership style is contrary to Autocratic Leadership where members are not involved in decision making process. This theory assumes that if other members of the team, other individuals and teams are taken for decision making, it can improve better understanding of the problem and issues can be resolved easily. Involving other team members and individuals for decision making increases the chance of enhancing the knowledge and viewing problem in a holistic manner for those individuals who are given authority to take decisions. It is a common notion that team members are more devoted and dedicated when they are involved in the decision making process. While working in joint goals, collaborative and jointly approached efforts can bring success as compared to the individuals who are less competitive to handle. In case of joint decisions social commitment to each of the team member increases that increases the commitment of the team members and moreover several persons taking decisions may take the decisions better than a single individual.

Another assumption of this theory is that individuals, team members and employees have a tendency to act more when they are entangled in the process of decision-making. According to this theory social commitment is increased which increases their commitment in making decisions. Participative leadership Theory encompasses wide variety of spectrum like selling of ideas to the team, etc. This approach of Leadership is also known as democratic leadership, Management by Objective (MBO), empowerment, consultation, power-sharing and joint decision-making. In participative leadership, information and knowledge is openly shared by the team members and the leaders that encourages individuals to share their notions, thoughts and ideas. At the end the Leader amalgamates all the information and knowledge shared by the team and finds a solution as proposed and advised by the team.

According to Robert and Diana (2015) the items and indicators of Participative Leadership are (1) Non-delegator means reluctant to renounce and abandon control of tasks (2) Micromanager means a minutely observant supervisor who asserts and contends on making all decisions (3) Non-egalitarian means belief that there is no equality among the individuals and limited people should have equal rights and privileges (4) Individually oriented means apprehensive of placing high value on maintaining individual people rather than maintaining group needs.

Advantages of participative leadership

Advantages of Participative leadership: Value and due weightage is given to all team members, Better results and performance is possible as the team members demonstrate more commitment towards achieving aims and objectives In the absence of the Leader, the team shows outstanding results. Group self-confidence and determination is increased; and competitiveness among the team members is decreased.

Disadvantages of participative leadership

Disadvantages of Participative leadership: Sometimes team members may feel social pressure to follow to group; It may also happen that in order to take a decision-making, it may take a long time; Participative Leadership style works best in creative environment, when one requires to find more than one solution to a problem.

Discussion on GLOBE project findings

According to GLOBE study organizational and societal performance-oriented cultural values were positively associated with the dimension of participative leadership (Javidan et al., 2006). Middle East cluster nations scored lowest in Participative Leadership. The countries that come under Middle East cluster are Turkey, Kuwait, Egypt, Morocco and Qatar. Sub-Sahara Africa cluster- The Sub-Sahara Africa cultural cluster reflects apprehensiveness and responsive to others, exhibit strong family loyalty (Northouse, 2007: 309-313). The score was highest for Germanic, Anglo and Nordic clusters.

The score was medium for Latin European, Latin American and African cluster whereas the score was lowest for Eastern European, South East Asian, Confucian and Middle Eastern clusters.

Leadership in South Asia cluster

GLOBE study related to South Asia identified that Charismatic/ Value based leadership attributes were effective in these regions.

According to GLOBE study South Asia Cluster, the countries that were included were as follows: India, Indonesia, Iran, Malaysia, the Philippines, and Thailand. High Charismatic/ Value based leadership attributes in these nations were found to be positively correlated with participative leadership styles.

According to (Northouse, 2007), the Characteristics for South Asian cluster was found as a reflection of a strong family and deep concern for their communities.

Leadership in Middle East culture

We now discuss about Leadership in Middle East culture clusters. Middle Eastern countries consist of Turkey, Kuwait, Egypt, Morocco and Qatar. Sub Saharan countries comprise of Zimbabwe, Namibia, Zambia, Nigeria and South Africa (Black sample). Middle Eastern nations have common norms and practices as Islam is the prevalent religion in all the nations (Kabasakal and Bodur, 2002). According to them cultural values are strong in such cultures like high power distance and high in group collectivism among the MENA region (Middle East and North Africa region). Israel where predominant religion is Judaism has lower power distance and in group collectivism than the other MENA region. In Middle Eastern clusters the leadership style which is on high score is Team oriented, Inspirational, Visionary, integrity and collaborative.

The GLOBE analysis showed some differences in their findings, two nations of the Middle Eastern clusters for example “Humane Leadership” was found more effective in Qatar whereas in Turkey “Decisiveness” dimension is the most effective Leadership. “Integrity” was found to be the most effective Leadership style in Israel whereas “Administratively Competent” was scored highest in Leadership dimensions in Morocco. In one of the study conducted in Oman, Head of Institutions and departmental heads consider dealing with followers as important contributors to the organization and they hold subordinates' trust, maintain their faith and respect, show dedication to them, appeal to their hopes and dreams, and act as their role model (Praveen et al., 2015). GLOBE study found striking differences in Middle East cluster in terms of attracting their attention due to their style of wearing clothes and other Islamic cultural factors. Charismatic/Value based leadership had high score in these nations and the lowest scores were found to be for top leadership dimension. Participative leadership scores were on lower side in south Asian clusters.

Leadership in Sub–Saharan African culture clusters

According to Wanasika et al. (2011), it provides a detailed on Leadership in Sub-Saharan African cluster. GLOBE Sub-Saharan African cluster includes five societies. They are South Africa, Zimbabwe, Zambia, Namibia and Nigeria. According to GLOBE findings, there exist contrasting individualistic and collective cultural characteristics including egalitarian and hieratical institutions among the Sub-Saharan African cluster. It is further divided into five different themes. “Human Interdependence and striving for harmony” have been recognized in the first theme. The second theme is “Group solidarity” which is predominant in Sub–Saharan culture which reflects loyalty to one’s tribe, family or clan. This cultural dimension reflects Team oriented and

Humane Leadership styles. “Patriarchal and Patrimonial” is reflected in the third theme. “Colonialism” by European powers which were dominant till late twentieth century is reflected in the fourth theme. The fifth theme is Violence, Tribalism, poverty and corruption”. These are the different themes of culture that are predominant in the Sub–Saharan clusters. According to Yukl (2010), in the Middle Eastern clusters differences in cross cultural context still remained relatively unexplored. In these regions HO CLT leadership dimensions were found to be high in their scores. An effective Charismatic/Value based leadership was also found in these regions.

Conclusion

Leadership has been one of the important topics of study for social scientists worldwide. Still up till now, there is no consensus on a common definition of leadership. The topic of Leadership has been since the most debated topic till date in organizational psychology, social sciences and management studies and when Leadership is studied in cross cultural context, then it becomes the most discussed topic in all spheres of an organization. In this project GLOBE study findings are illustrated for three leadership styles, three cultural dimensions and three cultural clusters. The three leadership styles studied in this project are Charismatic/Value based leadership, participative leadership and team oriented leadership. Three cultural dimension studied are Power distance, uncertainty avoidance and humane orientation. Three cultural clusters studied in this project are South Asian cluster, Sub-Saharan cluster and Middle East cultural cluster.

Conflict of interest

The author have not declared any conflict of interest

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Full Length Research Paper

Information technology governance in Lebanese organizations

Hussin J. Hejase[1]*, Ale J. Hejase[2], Ghinwa Mikdashi[3], Alaa Al-Halabi[4], Khaled Alloud[4] and Rani Aridi[4]

[1]Faculty of Business Administration, Al Maaref University, Beirut, Lebanon.
[2]School of Business, The Islamic University of Lebanon, Beirut, Lebanon.
[3]Grenoble Ecole de Management, Grenoble, France.
[4]Faculty of Business and Economics, American University of Science and Technology, Beirut, Lebanon.

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Information technology (IT) Governance is relatively a new topic in Lebanon whereby executives and board directors institute the appropriate leadership, organizational structure and processes so that the enterprise's IT sustains and extends the organisation's strategies and objectives. It has a well-defined process and specific components that enable organizations to effectively attain competitive advantage. This research aims to assess how Lebanese top management deal with IT Governance by assessing the level of maturity of the implementation of the said concept, and sheds light on the drivers and barriers behind IT Governance implementation. The research adopts a deductive, quantitative and comparative approach where data is gathered from different organizations and then analyzed in order to formulate a general proposition on the said status of IT Governance. The chosen research technique is survey questionnaire and the research statistical tool is statistical package for social sciences (SPSS). Detailed results are depicted using descriptive analysis as well as inferential analysis. Inferential analysis includes crosstabs and regression analysis. All the analyses are used as basis for the findings and to formulate a general proposition regarding the variables upon which implementation of IT Governance depends on. The research is concluded with lessons learned and future research recommendations.

Key words: Governance, IT, implementation, Lebanon.

INTRODUCTION

The National Computing Centre (2005) and Selig (2008) contend that the interest in Corporate Governance has been of greater significance nowadays, especially after the damage caused by a series of global events characterized by fraud, financial crisis, and institutional unethical behavior. Many reasons support the aforementioned significance including organizational connectivity and networks with customers and suppliers, speed of response to stakeholders, automation of critical business processes, the fact that directors rely on information provided by IT systems for their decision making, and the role of IT in adding value to business strategy. "IT has the

*Corresponding author. E-mail: hhejase@mu.edu.lb.

potential to deliver, and for those who can use it will continue to deliver, strategic value at all sorts of levels" (Bannister and Remenyi, 2005). Moreover, Ernst and Young Global Limited (2016) supports the aforementioned claims, and through a survey to Chief Information Officers (CIOs), the company asserts that IT through artificial intelligence "is a further source of savings. Real-time supply chain optimization drives highly effective warehouse management and more accurate stock replenishment, while in financial services, dealers can trade complex products faster. Organizations that service customers in their homes or businesses have also used IT to improve efficiency, by planning their routes better, which leads to fewer vehicles, shorter journeys and lower fuel costs" (Para 17). Furthermore, Ernst and Young Global Limited (2016) strongly believe that "IT has contributed immensely to business success in the past decade but it's clear that management wants even more innovation, and that IT has to continue offering more than just operational support and help create competitive advantage" (Para, 24-26).

The National Computing Centre (2005), in its endeavor to encourage organizations to develop a successful Governance strategy, recommends the following: "the need to effectively manage IT resources and avoid IT failures and poor performance has never been greater", and calls the top management's attention to the fact that "the current climate of cost reduction and budget restriction has resulted in new norm – there is an expectation that IT resources should always be used as efficiently as possible".

The last decade has witnessed many ethical crises which translated into chaos affecting organizations and countries worldwide; a fact that significantly intensifies the need for information transparency, consistency and top management literacy about the wellbeing of their corporations; consequently, organizations are encouraging IT Governance.

According to Schwartz (2007), "organizations today are subject to many regulations governing data retention, confidential information, financial accountability and recovery from disasters. While none of these regulations requires an IT governance framework, many have found it to be an excellent way to ensure regulatory compliance. By implementing IT governance, you'll have the internal controls you need to meet the core guidelines of many of these regulations, such as the Sarbanes-Oxley Act of 2002" (Para 5). A mandatory Act to which Soxlaw (2006) provides the guidelines: "All organizations, large and small, must comply. The legislation came into force in 2002 and introduced major changes to the regulation of financial practice and corporate governance. Named after Senator Paul Sarbanes and Representative Michael Oxley, who were its main architects, it also sets a number of deadlines for compliance" (Para 1-3).

This research aims to explore and assess the status of IT Governance in Lebanon, including the assessment of the extent of knowledge and awareness that Lebanese employees and managers demonstrate, taking into consideration that research on the managerial and strategic state applied in the Lebanese organizations is growing, but considered below par compared to the international market due to various reasons, including, institutional challenges, technical issues related to performance and measurement, financial issues related to funding and expenditure, accountability, internal policies, and technology requirements (Salem, 2003). Moreover, the research intends to identify the pros and cons of its implementation, and finally issuing recommendations for owners and top management of organizations to deal with such an important topic in contemporary management.

This research is believed to add value to previous studies about this issue in Lebanon, with more focus on managerial levels, and will shed light on the state of the implementation of the various components of IT Governance, after examining and identifying the frameworks of use and the Lebanese professionals' knowledge of IT Governance components and the way they are implemented. Furthermore, this research assesses the challenges be it operational, financial, or those resulting from the external environment.

Research objectives

The research objective can be listed as:

- Discover Lebanese professionals' awareness of IT Governance frameworks
- Examine the status of IT Governance frameworks' implementations
- Analyze the different variables found during conducting the research, and comparing these variables with the IT Governance status to draw an organized and full spectrum of IT Governance in Lebanon.

LITERATURE REVIEW

Weill and Ross (2004) define IT Governance, stating that "IT governance represents the framework for decision rights and accountabilities to encourage desirable behavior in the use of IT". Also, Weill (2004) discerns that "good IT Governance draws on corporate governance principles to manage and use IT to achieve corporate performance goals.

Effective IT Governance encourages and leverages the ingenuity of all enterprise personnel in using IT, while ensuring compliance with the enterprise's overall vision and principles". While, a best-practice-based definition is given by the IT Governance Institute (ITGI) (2008): "IT Governance is the responsibility of executives and the board of directors, and consists of the leadership,

Table 1. IT governance structures, processes and relational mechanisms.

Structures: Roles and responsibilities, IT organization structure, CIO on board, IT strategy committee, IT steering committee(s)
Processes: Strategic Information Systems Planning, Balanced (IT) Scorecards, Information Economics, Service Level Agreements, COBIT and ITIL, IT Alignment / governance maturity models
Relational mechanisms: Active participation and collaboration between principle stakeholders, partnership rewards and incentives, business/IT colocation, cross-functional business/IT training and rotation

Source: Peterson (2003).

organisational structures and processes that ensure that the enterprise's IT sustains and extends the organisation's strategies and objectives".

Furthermore, Khther and Othman (2013), referring to the Information System Audit and Control Association – ISACA's (2009) definition, contend that "IT Governance is basically concerned with the way IT delivers value and it's the management of the risks associated with it which can be brought about through the strategic alignment of business and IT, resource management and performance management". Also, ISACA (2011) reports, as one of its important findings of a worldwide survey, that "considerations for security, shared services, IT resource maximization and governance concerns have contributed to a growing focus on enterprise-based IT management and IT governance. Included are issues surrounding IT strategic alignment with business mission, regulatory compliance, and adherence to generally accepted security and control practices. However, while there is some increase in recognition of the need for IT governance at the C-suite level, progress is still slow".

Nowadays, the role of IT has evolved to a great extent; it has been transformed from a mere support function in the value chain to a more complex and critical role in the sustainability, development, and growth of the business. "From business improvement to strategic transformation initiatives, executives appreciate that IT can be a powerful tool to help their enterprise achieve its most important objectives" (ITGI, 2008).

Hemmatfar et al. (2010) assert that "IT can be used to support a variety of strategic objectives, including creation of innovative applications, changes in business processes, links with business partners, reduction of costs, acquiring competitive intelligence, and others". With this development in IT role and the data that IT maintains, the importance of IT Governance has become more significant; especially with what was described by Năstase and Unchiaşu (2012) in that "today's economy brings a new spectrum of IT related risks, such as disclosure of confidential data, non-availability of services negotiated due to systems downtime, or missed business opportunities caused by a rigid IT infrastructure". Added to the high and critical dependency on IT created by the pervasive use of IT assets (manifested by infrastructure and information systems) is the emergence of and the need for IT Governance.

IT governance implementation framework

De Haes and Van Grembergen (2005) in their literature review contend that "IT governance can be deployed using a mix of structures, processes and relational mechanisms". Moreover, the authors, referring to several researchers (Samamurthy and Zmud, 1999; Duffy, 2002; Patel, 2004; Peterson, 2004), recommend that "a holistic approach towards IT governance acknowledges its complex and dynamic nature, consisting of a set of interdependent subsystems that deliver a powerful whole". They add that "depending on multiple contingencies, the optimal mix will be different in every organization" (ibid). The authors provide some examples of these structures, processes and relational mechanisms as shown in Table 1.

The success of the IT governance process, regardless of the chosen framework to implement, is highly dependable on the best governance practices that organizations should be considered when designing and applying their model of IT Governance. Dragoon (2003) identified four IT governance best practices which are summerized in Table 2.

Moreover, Gheorghe (2006) agrees with Dragoon (2003) points of view, and discerns that IT governance enables the company to take full advantage of its information by integrating and institutionalizing best practices, thus maximizing benefits, gaining competitive advantage and successfully exploiting the opportunities.

Components

IT governance is composed of several domains or components that form the dimensions around which IT governance is applied. According to McLeod (2013), "ISACA organization, a leading global provider of certifications, knowledge, advocacy and education of information systems, assurance and security has developed some useful guidance which separates IT

Table 2. Dragoon's four IT governance best practices.

***(*1) Identify relative strategic value**
Businesses develop a stack of projects as they grow: it is always a critical step to account for their business value as well as cost and risk. Taking General Electric (GE) as an example, GE relies on a cause and effect matrix to help sort out which IT projects it will pursue. However, the first step of identifying relative strategic value occurs when business leaders identify strategic focuses for the year; followed by then would-be project owners identifying whether their project has low, medium or high impact for each strategic initiative on the matrix (Para 1)
(2) Top Business executives should set it priorities
Getting busieness executives involved in sharing control over the decisions of the IT department, will not only help IT align with business objectives but will also encourage business executives to share accountability. For example, 73% of CIO-100 honorees say that the CIO and business unit sponsors share responsibility for achieving value from IT projects (Para 2)
(3) Communicate priorities and progress clearly
Communicating the organizational priorities will help in aligning the IT strategy with that of the corporate. This occurs, and will be more fluent, when there's good communication that sets the proper tone and ensures that people understand how critical the IT Governance processes work is (Para 3)
(4) Monitor projects regularly
Part of the governance that CIOs should exert on IT related invesments, is the regular monitoring and status reports on those projects that cost organizations sometimes fortunes. Status reports may be in the form of dashrboards which help summarize progress against milestones, resource usage, user involvement barriers, or using graphical signs such as using green, yellow or red traffic lights to indicate the status of each project at a glance (Para 4)

governance into five separate domains" (ISACA, 2013), each of which is briefly described in Table 3. Selig (2008) stresses that "the approach to IT Governance must be consistent, but yet scalable, and tailored to each organization's environment and management style, key issues, opportunities, level of maturity, audit/legal requirements, available resources and cultural readiness". Moreover, McLeod (2013) contends that what is perhaps most important is that the "recommendations, standards and best practices contained in the domains are considered and applied in accordance with the needs, requirements and capabilities of the business. As such the ISACA model is arguably most useful when it is considered as a basic guideline for injecting IT governance best practices into the business when and where they are specifically needed. It is however advisable that no matter the size and maturity level of the business at least some elements from each domain should be present to ensure effective IT governance" (Para 9).

IT governance frameworks

Selig (2008), McLeod (2013) and Calder (2016) agree that organizations must take into consideration every organization's needs, requirements, and culture when defining their approach to IT Governance. Calder (2016) contends that "most IT management frameworks and standards offer solutions and tools that can help with IT governance, but they are typically very detailed, and have narrow scopes. No single framework or standard provides a full set of IT governance tools and, collectively, they can provide a confusing picture that actually hinders the core purpose of IT governance" (Para 1). Furthermore, IT Governance Ltd. (2016) asserts Calder's observations by stressing that "there are many IT-related management frameworks, standards and methodologies in use today. None of them, on their own, are standalone IT governance frameworks, but they all have a useful role in the efficient management of IT operations" (Para 1). Table 4 is a summary of existing third-party IT Governance frameworks and standards as compiled by Calder (2016).

The current research, being an exploratory to assess awareness issues, followed a focused view by selecting five well-known and widely used frameworks for IT Governance, that is, COBIT 5, ITIL, Balanced Score Card, PMBok, and ISO/IEC 27002:2005 (previously ISO/IEC 17799). Whereby the first four are proprietary frameworks and the fifth is a national/ international standard. ISACA (2012) contends that COBIT 5 is a robust framework that satisfies the benefits that any organization is looking for, including:

(i) Maintain high-quality information to support business decisions,
(ii) Achieve strategic goals and realize business benefits through the effective and innovative use of IT
(iii) Achieve operational excellence through reliable, efficient application of technology
(iv) Maintain IT-related risk at an acceptable level

Table 3. Five domains of IT governance.

1). Framework for the governance of enterprise IT
Organizations need to implement an IT Governance framework which is to be in continuous alignment with enterprise governance and the key drivers (both internal and external) to direct the company's strategic planning, goals and objectives.
1.This framework should, wherever possible, attempt to utilize industry standards and best practices (COBIT, ITIL, ISO, etc…) in accordance with the explicit needs and requirements of the business.
2.The IT Governance model should be driven at the top level of the organization with fully defined and enforced roles, responsibilities and accountabilities across the organization.
2). Strategic management
To be effective in enabling and supporting the achievement of business objectives, business strategy must drive IT strategy. As such, the strategy of business and IT are intrinsically linked and efficient and effective business operations, for growth relies on the proper alignment of the two.
1. Some of the most effective methods for achieving this alignment are the proper implementation of an enterprise architecture methodology, portfolio management, and balanced scorecards
3). Benefits realization
IT Governance helps the business realize optimized business benefits through the effective management of IT enabled investments. There is often considerable concern at a board or senior management level that IT initiatives are not translated into business benefits
4). Risk optimization
In an increasingly interconnected digital world, the identification, assessment, mitigation, management, communication and monitoring of IT related business risk is an integral component of an enterprises governance activities
5). Resource optimization
To be effective, IT requires sufficient, competent and capable resources (people, information, infrastructure and applications) in order to meet business demands and execute the activities required to meet current and future strategic objectives

Source: McLeod (2013).

(v) Optimize the cost of IT services and technology
(vi) Support compliance with relevant laws, regulations, contractual agreements and policies".

As for ISO/IEC 27002:2005 (previously ISO/IEC 17799), IT Governance (n.d.a) presents ISO 17799 as "a 'code of practice', meaning that it lists a substantial number of specific security controls that may be applicable to an IT environment. Selection from these controls is normally performed via risk assessment, and the methods outlined within ISO 27001" (Para 4). Furthermore, ISO 17799 contains 12 prime content sections, specifically covering: "Security Policy, Organizational Security, Asset Classification, HR, Physical and Environmental, Communications and Operations, Access Control, Systems Development, Business Continuity, Compliance, Risk Assessment, and IS Acquisition" (ibid, Para 5).

Also, according to the Association of Modern Technologies Professionals (2016), ITIL is a "public framework that describes best practice in IT service management .It focuses on the continual measurement and improvement of the quality of IT service delivered, from both a business and a customer perspective. The aforementioned focus has contributed to ITIL prolific usage and to the key benefits obtained by those organizations deploying the techniques and processes throughout their organizations" (Para 4). Furthermore, ITIL's benefits include:

"increased user and customer satisfaction with IT services; improved service availability, directly leading to increased business profits and revenue; financial savings from reduced rework, lost time, improved resource management and usage; improved time to market for new products and services; and improved decision-making and optimized risk" (Para 5).

The Balanced Scorecard (BSC) (IT Governance, n.d.b), on the other hand, "is a framework for measuring an organization's activities in terms of its vision and strategies. It seeks to measure a business from four perspectives: Financial perspective; Customer perspective; Business process perspective; and Learning and growth perspective. The BSC approach has spawned many derivatives and related methodologies, and certainly, the evolution in this respect continues" (Para 3).

Finally, Ramlaoui and Semma (2014) contend that "The

Table 4. Third-party IT governance frameworks and standards.

According to Calder (2016, Para 4, 5 and 7), there are a number of third-party IT Governance frameworks and standards that an organization might deploy, many (but not all) of which have associated certification schemes.

The frameworks are divided into two classes:

(1) Proprietary frameworks

1. CoBIT® (Control Objectives for Information and Related Technology) - is increasingly internationally accepted as good practice for control over information, IT and related risks. Its guidance enables an enterprise to implement effective governance over IT. It is published by ISACA.

2. Val IT, a framework for the governance of IT investments, also published by ISACA and now is in its second version.

3. ITIL® (IT Infrastructure Library®) - an integrated set of best practice recommendations for managing the IT Service Lifecycle in line with the requirements of the business. The earlier ITILv2 is still in use by many organizations; ITIL (owned by the OGC) is now probably the world's most widely used IT management framework.

4. OGC Best Management Practice series, which is primarily focused on the effective management of IT projects, consists of MSP® (Managing Successful Programmes), PRINCE2® (Projects in Controlled Environments), M_o_R® (Management of Risk); the recently launched P3O® (Portfolio, Programme and Project Offices); PMBOK (Project Management Body of Knowledge) and OPM3 Organizational Project Management Maturity Model) are alternative project management frameworks.

5. There are also IT and information security architecture frameworks such as the Zachman Framework, TOGAF (The Open Group Architecture Framework), and SABSA (Sherwood Applied Business Security Architecture).

(2) National and international standards

1. ISO/IEC 38500:2008, the international standard for the corporate governance of information and communication technology;

2. ISO/IEC 27002:2005 (previously ISO/IEC 17799) - the international code of best practice for information security, and ISO27001:2005, against which an organization's information security management system can be independently certified as conforming, They are also known as the BS7799 standards in the UK;

3. ISO/IEC 27005:2008, the international code of practice for information security risk management, and BS3110, the recently launched British Risk Management Standard whose scope is wider than information security risk management;

4. ISO/IEC 20000:2006 is the two-part international standard for IT service management and is heavily based on ITILv3; it enables organizations to have their IT service management systems independently certificated;

5. BS25999:2007, the two-part British Business Continuity Management Standard; ISO/IEC 24762, the international IT disaster recovery standard, and BS25777, the British IT Service Management Continuity Standard; and,

6.Capability Maturity Model Integrated (CMMI) is a quality management tool used to describe typical organizational behavior at each of five levels of process 'maturity'.

Source: Calder (2016), Para 4, 5 and 7. (http://www.ncc.co.uk/article/?articleid=13371).

project management body of knowledge (PMBOK) is a collection of processes and knowledge areas accepted as best practice for the project management profession. As an internationally recognized standard (ANSI/PMI 99-001-2008 and IEEE 1490-2011) it provides project managers with the fundamental practices needed to achieve organizational results and excellence in the practice of project management".

METHODOLOGY

The research philosophy adopted is positivism where the researchers are independent, and assumed the role of objective analysts. While the research approach is deductive whereby a theory is assessed based on an existing practice developed as a result of collecting and analyzing data. Also, the research is exploratory, comparative, and casual where the researchers seek descriptive statistics first, then try to create relationships among variables in order to explain the problem or answer the questions understudy. The main purpose of the research is to assess whether companies in Lebanon are acquainted with the implementation of IT Governance.

Methodology choice

The quantitative nature of the research is based on a survey questionnaire which was distributed to a sample of fifteen Lebanese organizations, including banks, investment companies, and IT companies. The focus was on IT personnel in order to have as much reliable results as possible since IT personnel are exposed to the different frameworks of IT Governance. 150 questionnaires were distributed between 17/1/2014 and 27/1/2014. Several follow up mechanisms were applied, including face-to-face contact and emails. The questionnaires were designed to be filled by managers and employees. All questionnaires were completely retrieved.

Questionnaire design

The researchers took into consideration the research ethics and did not include any privacy-evading questions or any misleading and uncomfortable questions. Due to the confidentiality promised in the

questionnaire, the research team didn't state any organizations' names.

The survey questionnaire was divided into four sections with a total of 28 questions: 27 close-ended questions and 1 open-ended. Some of the close-ended questions gave the individuals the option to state freely their answers. Multiple choice question type is mainly used in addition to five-level Likert Scale type in the attitude section. The four sections were designed to assess certain features as follows:

Knowledge: The section consists of five dyadic and multiple choice questions. Its purpose is to assess respondents' knowledge of IT Governance;
Attitude: The section consists of five five-level Likert Scale questions. It is designed to assess how the respondents' organizations deal with IT Governance;
Implementation: The section consists of eleven multiple choice questions. This section is important to assess how the respondents' organizations implement IT Governance; and,
Demographics: The section includes six multiple choice questions to profile respondents.

Sample size

The research team used non-probabilistic sampling where mainly convenience sampling was used. Respondents' willingness to participate was the main motivator. Also, the members of the sample shared the same technical background which justifies their adequacy for the research and consequently being homogeneous. The final sample size is 100, which is still a suitable size for an exploratory research. It is worth mentioning that 150 questionnaires were distributed to different employees and managers from 15 different companies. Only 100 questionnaires were valid after removing questionnaires half filled (20), wrongly filled (17), and handed in very late (13). Therefore, the response rate is 67%.

Data analysis

All responses were entered to the statistical package for social sciences package for social sciences (SPSS) version 23 program "Statistical Product and Service Solutions, an IBM product acquired by IBM in 2009 (Hejase and Hejase, 2013). The study was performed using exploratory statistics; data tables including frequency and percentage distributions were used and supported by their respective figures. Moreover, cross tabs and regression analysis were performed to study relationships between variables that may add value to the findings of the research.

RESULTS

Demographic statistics

Respondents were 69% males and 31% females. 39% belong to the 30 to 39 age group; 37% belong to the 20 to 29 age category; 17% belong to the third age category 40 to 49; and, two other age groups have a total percentage of 7%, which is less than 20 and more than 40 years old. Moreover, the weighted mean average age is 33 years old, which shows that the sample of respondents is young and mature for the topic in question. As for the respondents' education, results show that 61% of the respondents hold a BA/BS degree, 36% hold an MBA/MS degree, 2% of the respondents hold PhD degrees. This indicates that the respondents have a high level of education.

Table 5 shows that 44% of the respondents were employees with no managerial position, 40% were IT managers, while 16% were high level IT managers and executives (CEO, CIO, CTO, IT Director). Also, results show that 32% of the respondents have 5 to 9 years of experience, 31% have 10-14 years, and 18% have 15-19 years, while 15% have more than 19 years of experience. The remaining 4% have less than 5 years of experience. The weighted mean average number of years of experience is 13 years. The aforementioned indicate that the majority of the respondents are of managerial level, resulting in the conclusion that the information that is collected pertains to people who have experienced managerial issues.

As for the respondents' salaries, results show that 33% of the respondents have a monthly income between $1000 and $1999, 24% between $3000 and $3999, and 21% between $2000 and $2999. The other three income groups (<$1000, $4000 to $4999, and >$4999) have a total of 22%. The weighted mean average salary is 2,850 USD per month.

Overall, the demographic results regarding age, years of experience, job position, and monthly income are homogeneous, indicating a mature, experienced, and well compensated group of respondents. Hence, their responses that were acceptable reflect that they are people who have had to take managerial decisions.

Knowledge about IT governance

Four variables are examined: familiarity with the term IT Governance; knowledge of major IT Governance frameworks; and, benefits, limitations and critical success factors of IT Governance. The grand majority, or 90% of the respondents, shows that they are familiar with the term 'IT Governance'. Table 6 shows that the respondents are highly knowledgeable (73%) about PMBOK (Project Management Book of Knowledge), and67% about IT Balanced Scorecard (BSc). The respondents are also knowledgeable about Control Objectives for Information and Related Technologies (COBIT) and Information Technology Infrastructure Library (ITIL), but not knowledgeable about ISO 17799 (ISO standard guidelines for Information Security Management). As for the IT governance benefits, 69.7% of the respondents believe that IT governance determines responsibilities and accountabilities; 72.7% believe that IT governance defines and explains IT value; 77.8% believe that IT governance aligns IT projects with strategic business objectives; while 63.4% believe it facilitates decision making. The aforementioned results indicate that the majority of the respondents are convinced that IT Governance has valuable benefits of strategic significance. The afore-mentioned results fit the top management priorities

Table 5. Respondents' Job position/designation.

Variable		Frequency	Percentage
	CIO	5	5.0
	CTO	1	1.0
	CEO	2	2.0
Valid	IT director	8	8.0
	IT manager	40	40.0
	Employee	44	44.0
	Total	100	100.0

Table 6. IT frameworks knowledge.

Frameworks	Bad	Fair	Good	Very good
	Valid percentage			
COBIT	14.0	34.0	34.0	18.0
ITIL	13.0	31.0	35.0	21.0
ISO 17799	14.0	39.0	30.0	17.0
PMBOK	9.0	18.0	46.0	27.0
IT BSc	9.0	21.0	45.0	22.0

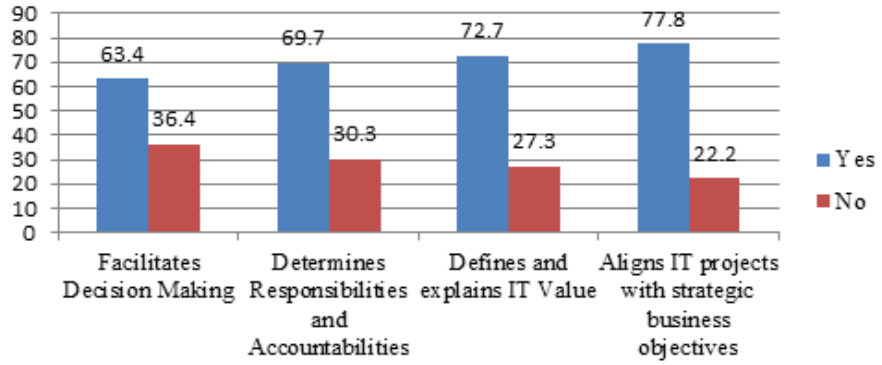

Figure 1. IT Governance benefits bar chart.

reported by GartnerEXP (2002) including: "strategizing for business-IT alignment; providing leadership and guidance for the Board of Directors and senior executive; and demonstrating business value of IT". Figure 1 depicts the benefits discussed earlier.

Furthermore, results show that 53.6% of the respondents believe that issues in prioritization and investment decisions lead to limitations of IT governance; 55.7% believe that IT governance results in decision making and authority conflicts; while only 39.2% believe it results in conflicts between departments. The afore-mentioned findings indicate that around half of the respondents (49.5% on the average) believe that IT governance has no major limitations; while the other half of the respondents believes that there are limitations for IT governance. Indeed, Peterson (2004) contends that "IT Governance models are influenced by many factors simultaneously, and determining the right structure is a complex endeavor".

Finally, in accordance with the dimension of respondents' knowledge of IT Governance, Figure 2 shows that 61.2% of the respondents believe that the most critical success factor for IT Governance is management commitment and involvement, while 69.4% and 90.8% do not consider key stakeholder participation and transparency to be of critical value, respectively. These results confirm to a certain extent what has been reported by Brooks (2011). Management commitment and involvement matches Brooks's first critical success factor or "top management accountability and respon-sibility", while the other two factors, transparency and stakeholder participation, labelled uncritical by the

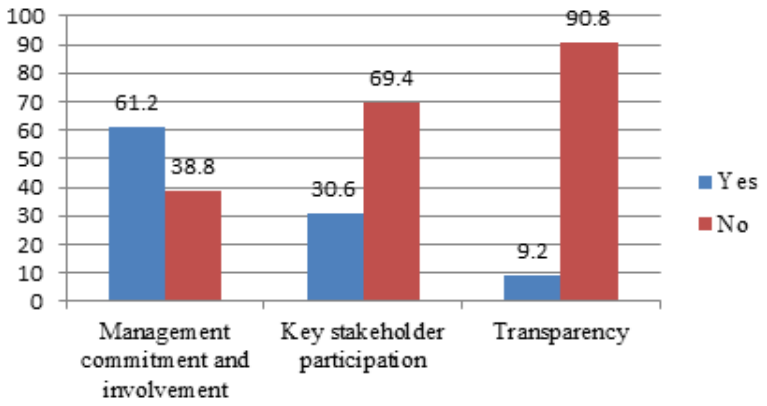

Figure 2. IT governance CSFs.

Table 7. Attitude towards IT governance.

Statement	Agree	Neutral	Disagree
IT governance affects job responsibilities	82	18	0
IT Governance affects work procedures	79	21	0
Board consultation in major IT investments	81	19	0
IT strategy aligned with corporate strategy	73	37	0
IT steering committee controls IT governance	49	40	11

Lebanese respondents are ranked fourth and sixth. However, one must be concerned about the result related to transparency since transparency is a fundamental outcome for IT Governance best practice. According to Gheorghe (2006), IT governance solutions provide total transparency of the IT projects and investments, the control needed for the optimization of the business and assurance for compliance with relevant standards and regulations.

Respondents' attitude about IT governance

Table 7 depicts the results related to the respondents' attitude towards IT governance. Table 7 shows that 82% of the respondents agree that implementing IT governance at their organizations will affect their job responsibilities. 79% of the respondents agree that implementing IT governance at their organizations will affect work procedures and norms. 81% of the respondents believe that major IT investments in their organization are taken in consultation with the board, while the others are neutral about this subject. 73% of the respondents believe that the IT structure/strategy is aligned with the corporate structure/strategy, while the others are neutral about this subject. And. 49% of the respondents opinionate that there exists in their organization an IT steering committee that controls and contributes to IT governance. The aforementioned results show that the respondents have good understanding of IT governance requirements as supported by Selig (2015) in his book "Implementing Effective IT Governance and IT Management" which stresses "strategic planning practices" for best outcomes of IT governance.

IT governance implementation issues

68% of the respondents answered that their organizations are of medium size, 27% belong to large organizations, and only 5% belong to small organizations. 55% of the respondents answered that their organizations operate in the Telecommunication/IT industry, 34% in the Retail/ Industrial industry, and 11% in the Finance/Insurance industry. 42% of the respondents answered that their organizations have between 15 and 29 employees in their IT departments, 19% have less than 15, 15% have 30 to 44 employees. The remaining 24% is divided equally between two ranges (45 to 59 and more than 59). The majority of the respondents or 86% believe that IT is highly important in their organizations' day to day operations, 12% believe it is of average importance, and only 2% see it of low importance. This outcome is agreed upon and classified by Selig (2015) under management control practices, whereby such control practices "focus on the tactical and operating plans and programs, with

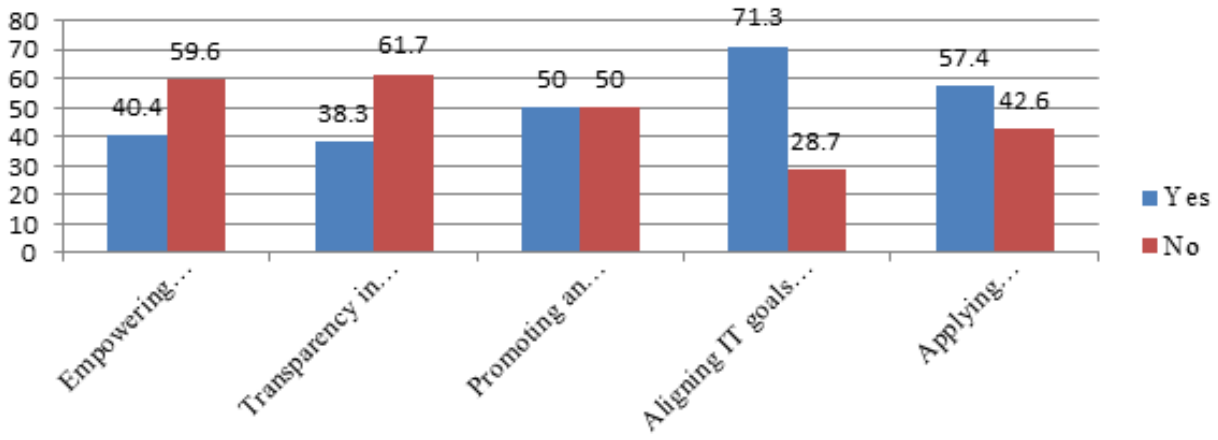

Figure 3. IT Governance implementation drivers bar chart.

emphasis on the day-to-day operational environment".

Understanding business needs

Furthermore, 59% of the respondents confirm that their IT department understands the business needs to a great extent, 37% to a small extent, and only 4% to yet a smaller extent. These results show that the IT department is reasonably involved in the organizational future outlook. However, 81% of the respondents confirm that their organizations have a documented plan that outlines strategic objectives and priorities; 73% of the respondents claim that their organizations have an IT documented plan that outlines strategic IT objectives and priorities.

Effectiveness of IT governance

When respondents are asked if their organizations address IT Governance effectively, results show that 41% of the respondents believe that their organization is addressing and managing IT Governance with extremely high effectiveness, 50% claim their organizations address IT Governance with either low or some effectiveness, and a minority of 9% believe that their organizations are not effective in addressing and managing IT Governance.

Status of IT governance implementation

Results show that 28% of the respondents answered that their organization is planning to implement IT Governance, 26% answered that their organization is currently implementing IT governance, and 34% are divided equally between no plans to implement and have been implemented and are at a mature stage. The remaining 12% answered that they don't know the status of IT governance implementation at their organization. These results coincide with the previously presented results about IT governance understanding and their effectiveness. Based on the aforementioned results, the reader must observe that the Lebanese organizations represented in the sample of the current research are lagging behind in terms of the full potential of IT Governance. ITGI (2003; cited in Năstase and Unchiaşu, 2012) asserts that the implementation of IT governance ensures that the IT function adds value to the company while balancing risks versus return.

Drivers behind implementing IT governance

Results depicted in Figure 3 show that the majority of the respondents believe that the primary drivers behind implementing IT governance at their organizations are aligning IT with organizational goals (71.3%), and are applying performance metrics and accountability frameworks to IT (57.4%). Other drivers are less important according to the results shown.

Moreover, results show that according to the respondents, decentralized/informal organizational culture is the primary barrier to implanting IT Governance at their organizations (41.5%), followed by lack of participation of the necessary parties (36.2%), lack of adequate funding (33%), lack of fit with strategic objectives (31.9%), and insufficient coordination of governance structures/ processes (29.8%). It is noticeable that no option attained half of the answers, and that the options have close percentages. This indicates that the respondents feel that the mentioned barriers are almost of the same importance.

Năstase and Unchiaşu (2012) contend that basically, "IT governance is made of two issues: IT delivers value to the business and IT risks are mitigated to an acceptable level, which can be translated into strategic alignment of

Table 8. Crosstab results.

Correlation	Pearson R	Asymp. Sig.	Pearson Chi-Square	Asymp. Sig. (2-sided)	Pearson chi-square tabulated	Relation valid and Stat. Sig.
COBIT knowledge * respondents' Job position/designation	-0.472	0.000	49.033	0.000	(df =15, α=5%) 24.996	$X_c > X_t$ Yes
ITIL Knowledge * Respondents' Job position/Designation	-0.471	0.000	48.413	0.000	(df =15, α=5%) 24.996	$X_c > X_t$ Yes
ISO 17799 Knowledge * Respondents' Job position/Designation	-0.533	0.000	52.903	0.000	(df =15, α=5%) 24.996	$X_c > X_t$ Yes
PMBOK Knowledge * Respondents' Job position/Designation	-0.497	0.000	49.159	0.000	(df =15, α=5%) 24.996	$X_c > X_t$ Yes
IT Balanced Scorecard Knowledge * Respondents' Job position/Designation	-0.513	0.000	57.296	0.000	(df =15, α=5%) 24.996	$X_c > X_t$ Yes

Inferential statistics

The second part of analysis of data presents inferential statistics necessary to explore, assess and describe relationships between variables. According to Wyse (2012), when conducting survey analysis, cross tabulations are appropriate for analyzing the relationship between two or more variables. Cross tabulations provide a way of analyzing and comparing the results for one or more variables with the results of another (or others). The purpose of the research is to assess the status of IT governance implementation among different Lebanese organizations. Therefore, results from the survey questionnaire, help identify the primary drivers and barriers of implementing IT governance in these organizations.

Crosstabs analysis

This section represents crosstabs analyses between Respondents' Job Position/Designation and knowledge of the five IT governance frameworks (COBIT, ITIL, ISO 17799, PMBOK, and IT Balanced Scorecard). Theanalyses include Chi-square tests and correlation (Pearson's R) analysis.

Results in Table 8 show that middle management authority respondents know more about COBIT as compared to C-level executives (CXOs) and employees. 24% of the employees have fair knowledge of COBIT versus 9% of the IT directors and managers and 1% of the CXOs; also 7% of the employees and 7% of the CXOs versus 7% of the IT directors and 31% of the IT managers who have good to very good knowledge.

Results show that middle management authority respondents know more about ITIL as compared to CXOs and employees. 23% of the employees have fair knowledge of ITIL versus 7% of the IT directors and managers, and 1% of the CXOs; also 9% of the employees and 7% of the CXOs versus 7% of the IT directors and 33% of the IT managers who have good to very good knowledge. Results show that middle management authority respondents know more about ISO 17799 as compared to CXOs and employees. 25% of the employees have fair knowledge of ISO 17799 versus 14% of the IT directors and managers, and 0% of the CXOs; also 5% of the employees and 8% of the CXOs versus 5% of the IT directors and 29% of the IT managers who have good to very good knowledge.

Results show that middle management authority respondents know more about PMBOK as compared to CXOs and employees. 17% of the employees have fair knowledge of PMBOK versus 1% of the IT directors and managers, and 0% of the CXOs; also 19% of the employees and 8% of the CXOs versus 7% of the IT directors and 39% of the IT managers who have good to very good knowledge. Results show that middle management authority respondents know more about IT balanced scorecard as compared to CXOs and employees. 21% of the employees have fair knowledge

Table 9. Model summary.

Model	R	R square	Adjusted R square	Std. error of the estimate	Change statistics					Durbin-Watson
					R square change	F change	df1	df2	Sig. F change	
3	0.84[c]	0.708	0.699	0.688	0.081	26.635	1	96	0.000	1.910

[c]Predictors: (Constant), number of employees in IT department, IT governance familiarity, IT department has a documented plan that outlines the strategic IT objectives and priorities; [d]Dependent variable: Status of IT governance implementation.

of IT Balanced Scorecard versus 0% of the IT directors and managers, and 0% of the CXOs; also 15% of the employees and 8% of the CXOs versus 8% of the IT directors and 39% of the IT managers who have good to very good knowledge.

From the earlier mentioned results and analysis, it can be concluded that knowledge of IT governance frameworks is statistically significantly related to Job Position. However, the aforementioned result reflects a partial compliance to what the National Computing Centre (2005) has recommended. The National Computing Centre (2005) asserts that "a key characteristic of any successful IT Governance initiative is the establishment of an enterprise-wide approach that clearly sets out roles and responsibilities, emphasizing that everyone has a part to play in enabling successful IT outcomes" (p. 31).

Regression analysis

Hejase and Hejase (2013) contend that a multiple regression model is needed when the researcher faces the scenario where more than one independent variable is causing variations in the dependent variable under study. Therefore, the next step is to assess and form possible relationships which may help analyze the status of IT Governance implementation in Lebanon. One regression model results are based on the different crosstabs tested. Results are as follows:

The dependent variable, "Status of IT Governance Implementation" in model one was tested against twelve independent variables; the three iterations using stepwise regression resulted in having three statistically significant independent variables:

1. Number of employees in IT Department
2. IT Governance familiarity
3. IT Department has a documented plan that outlines the strategic IT objectives and priorities

Regression summary results as depicted in Table 9 show that the model (after three iterations) is quantitatively adequate due to the high values of the coefficient of correlation (R = 0.841), the coefficient of determination (R2 = 0.708), and Adjusted R2 = 0.699 which is more accurate than R2 and insensitive to the number of independent variables and sample size; however, the model is qualitatively acceptable and statistically significant with F-value = 26.635 with an associated probability of 0.000, which is less than $\alpha = 0.05$. Furthermore, results of ANOVA testing indicate that the regression equation predicts better than would be expected by chance. The F-value = 77.537 with an associated probability of 0.000 which is less than $\alpha = 0.01$. Moreover, the Durbin-Watson statistic (1.910) is approximately 2, which indicates that the "linear regression analysis is meaningful since the residuals are independent or uncorrelated" (Hejase and Hejase, 2013). The aforementioned values indicate that there is statistical significant evidence that the independent variables in all three models are related to the dependent variable (Status of IT Governance Implementation). Table 10 shows the standardized coefficients with their corresponding P. Sig. characterizing the independent variables. Table 10 shows the following comparison of explanatory variables:

Interpretation of the regression model, depicted in Table 10, shows that respondents' organizations whose IT workforce is large, who are familiar with IT Governance concept, and whose IT Departments have documented plans that outline the strategic IT objectives and priorities, have the potential to improve the current status of IT Governance implementation. This model is supported by the facts explained earlier in Table 7, which support positive organizational behavior towards IT Governance and the strong IT role in preparing the grounds for the organization efforts for better implementation. Furthermore, Figures 4 and 5 support the fact that the resultant regression relationship is valid and suitable to relate the dependent and independent variables.

Reliability test

Hejase and Hejase (2013) contend that reliability testing involves the assessment of the internal consistency of each survey set of items, essentially assessing whether all the items belonging to one set were measuring the same thing by using Cronbach's alpha technique, where the reliability increases when the alpha value approaches

Table 10. Regression coefficients.

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	4.519	0.387		11.682	0.000
	Number of employees in IT department	0.557	0.057	0.563	9.696	0.000
	IT Governance Familiarity	-1.533	0.231	-0.369	-6.641	0.000
	IT Department has a documented plan that outlines the strategic IT objectives and priorities	-0.842	0.163	-0.300	-5.161	0.000

a. Dependent variable: Status of IT governance implementation.

Table 11. Reliability statistics.

Cronbach's alpha	No. of Items
0.824	44

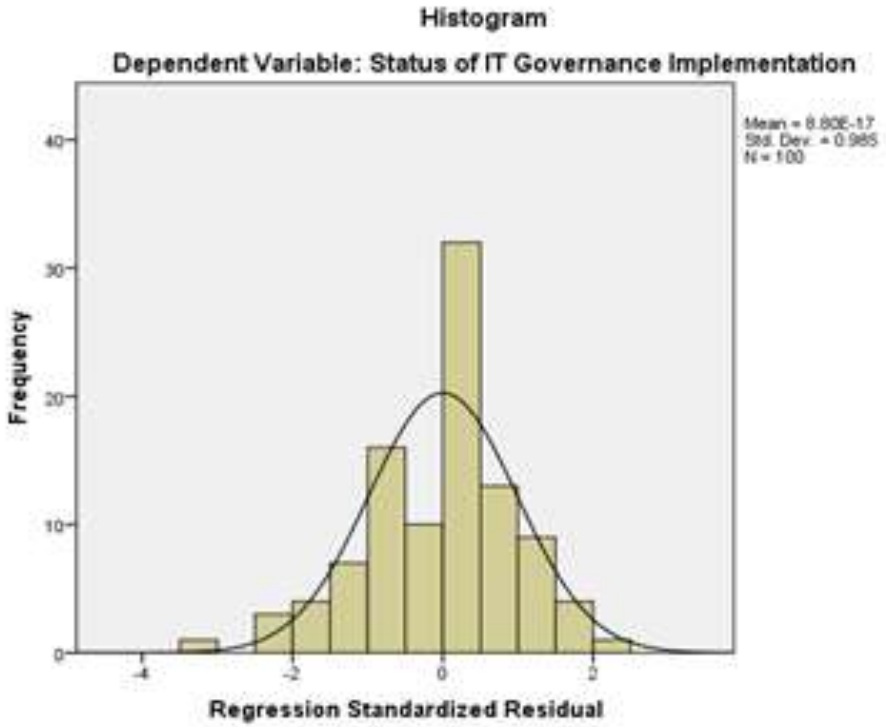

Figure 4. Regression standardized residual histogram.

1. For the current research, Table 7 shows that Cronbach's Alpha is 0.824, which is considered a highly acceptable value indicating the homogeneity of the questionnaire items for an exploratory research. According to Burns and Burns (2008), "an alpha value of 0.8 or above is regarded as highly acceptable for assuming homogeneity of items". Furthermore, according to Burns and Burns (2008), "the Cronbach's alpha process of assessing internal reliability is in a sense a demonstration of construct validity, when it shows items all loaded together as one coherent scale or group of items clumped together to measure different aspects". Valid cases are 90, excluded cases are 10 where listwise deletion is based on all variables in the procedure

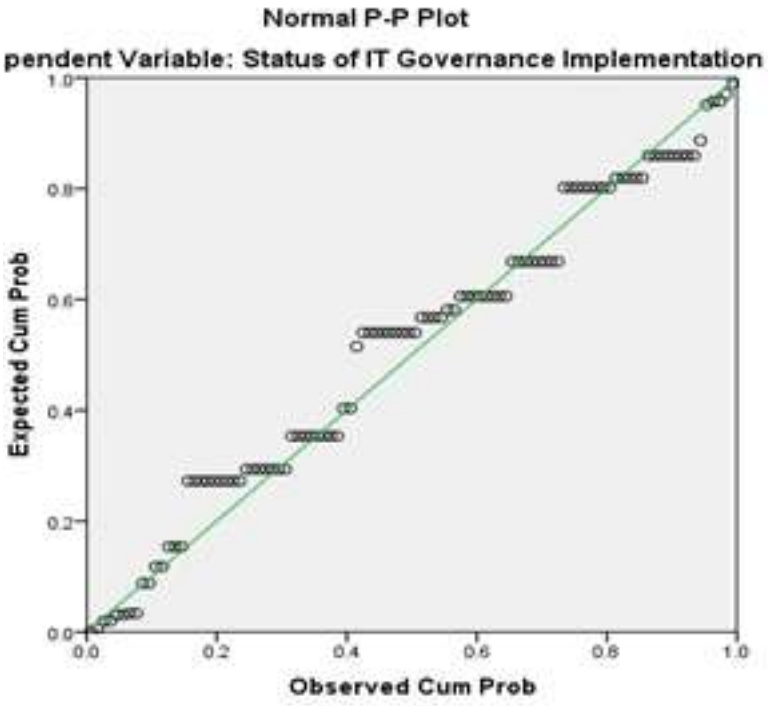

Figure 5. Regression normal P-plot.

CONCLUSIONS AND RECOMMENDATIONS

The level of knowledge of IT governance frameworks is statistically significant and mostly related to Job Position. Results have shown that IT middle management represented by IT directors and IT managers are more knowledgeable about COBIT, ITIL, ISO 17799, PM Book and Balanced Score Card approaches in comparison to employees and CXOs. Moreover, the status of IT Governance implementation depends on the number of employees of the IT department, familiarity of IT Governance between employees, and presence of an IT documented plan for IT strategic objectives and priorities. The aforementioned facts require having a large number of employees in an IT department require setting clear accountability and responsibility rules as well as defining clear work procedures and norms; this will directly influence positively the implementation of IT Governance. In addition, familiarity of IT Governance between employees enables them to identify components, characteristics, and/or presence of IT Governance. If an employee is unfamiliar with IT Governance, he/she may not recognize or identify the aspects of an IT Governance plan even if its existence is effective and efficient. Finally, the presence of an IT documented plan for IT strategic objectives and priorities is one of the aspects of IT Governance, which is an observed fact where 73% of the respondents believe that the IT structure/strategy are aligned with the corporate structure/strategy.

This research aims to assess the status of IT governance in Lebanese organizations. The research also assesses the level of maturity of the implementation of IT governance as well as sheds light on the drivers and barriers behind IT Governance Implementation. This research shows that Lebanese respondents have shown a strong sense of direction with respect to IT governance, where respondents agree that implementing IT governance at their organizations will affect their job responsibilities (82%); will affect work procedures and norms (79%); that major IT investments in their organization are taken in consultation with the board (81%); that the IT structure/strategy are aligned with the corporate structure/strategy (73%). The aforementioned results show that there is an above the average maturity with respect to IT Governance. Furthermore, 81% of the respondents confirm that their organizations have a documented plan that outlines strategic objectives and priorities and 73% of the respondents claim their organizations have an IT documented plan that outlines strategic IT objectives and priorities. Such an outcome supports the fact that Lebanese respondents have a good knowledge of the strategic outlook of IT governance. And another positive result is that 90% of the respondents have confirmed that they are familiar with the term ‘IT Governance’.

IT governance benefits

As for the IT governance benefits, 69.7% of the

respondents believe that IT governance determines responsibilities and accountabilities, 72.7% believe that IT Governance defines and explains IT value, 77.8% believe that IT Governance aligns IT projects with strategic business objectives, while 63.4% believe it facilitates decision making. The aforementioned results indicate that the majority of respondents are convinced that IT Governance has valuable benefits. Furthermore, the majority of the respondents, or 86%, believe that IT is highly important in their organizations' day to day operations.

Drivers behind implementing IT governance

Results show that the majority of the respondents believe that the primary drivers behind implementing IT governance at their organizations are aligning IT with organizational goals (71.3%), and applying performance metrics and accountability frameworks to IT (57.4%).

Limitations of IT governance

Research findings show that 53.6% of the respondents believe that issues in prioritization and investment decisions lead to limitations of IT governance; 55.7% believe that IT governance results in decision making and authority conflicts, while only 39.2% believe that IT Governance results in conflicts between departments. The aforementioned facts reflect a miscommunication among authority levels; a fact that may hinder the success of IT governance implementation efforts. Brooks (2011) confirms that the above mentioned limitations represent strategic alignment issues which negatively impact the successful implementation of IT governance on the long term.

Critical success factor

Finally, along the dimension of respondents' knowledge about IT governance, more results show that 61.2% of the respondents believe that the most critical success factor for IT governance is management commitment and involvement, while 69.4 and 90.8% do not consider key stakeholder participation and transparency to be of critical value, respectively. Ernst and Young (2006) stress the aforementioned fact about management commitment by contending that, "achieving successful alignment of IT with the business starts with getting senior management involved and accountable for IT governance, and able to support the board in setting direction". However, Ernst and Young (2006) contradict the other finding and contend that not involving stakeholders is a fatal error "a major pitfall is not spending the time getting IT and business stakeholders aligned on the subject of IT value so that investment can be articulated and measured in business terms".

Barriers against IT governance

Results show that according to the respondents, decentralized/informal organizational culture is the primary barrier to implanting IT Governance at their organizations (41.5%), followed by lack of participation from necessary parties (36.2%), lack of adequate funding (33%), lack of guidance from strategic objectives (31.9%), and insufficient coordination of governance structures/processes (29.8%). The aforementioned barriers are serious and impact the IT Governance process' success. Dahlberg and Kivijärvi (2006) contend that "alignment of business and IT is impacted by an organization's competitive strategy and business objectives, beliefs concerning IT (for example, IT knowledge, attitudes and past experiences), corporate governance and organizational culture (e.g. corporate governance practices and structures, performance measurement culture, corporate history), and by the perceived status of IT governance (perceived value and business opportunities delivered by IT)". Based on the conclusions mentioned earlier, the following recommendations regarding IT governance in the Lebanese organizations can be stated:

- Top management leadership of the Lebanese organizations should understand the benefits and primary drivers behind implementing IT Governance.
- Lebanese organizations should put more effort into applying IT Governance frameworks, especially integrated frameworks.
- Top management should empower IT employees by sharing with them strategic issues in order to enhance their knowledge of IT Governance, IT Governance should be viewed as a means of standardizing work and not as a generic law that states rules and procedures.

The aforementioned recommendations abide by the recommendation provided by Ribbers et al. (2002) and Patel (2004); both cited in De Haes and Van Grembergen (2005), and who contend that "optimal mix of structures, processes and relational mechanisms is of course different in every organization and depends on multiple contingencies" (p. 16). Furthermore, the aforementioned recommendations are sustained by the recent Lebanese organizations' intention to deal with the subject of IT values and IT Governance with the newly formed CIO Lebanon Association (Nicolian et al., 2014).

IMPLICATIONS

This research provides guidance for academicians, practitioners and researchers on how IT Governance is deployed in practice. Furthermore, this paper adds to the very little recorded research in Lebanon and the Arab

region. Although more and rich research is conducted on Governance per-se in the Arab region (World Bank, 2009; Stel, 2013; Moubayed-Bissat, 2015), little is done about IT governance. For example, the World Bank (2009) reports that “Arab Countries in Transition (ACT) governments fare poorly on global governance rankings. According to the World Bank’s Worldwide Governance Indicators, the perception of government effectiveness—the reach and quality of public services, the professionalism and independence of the civil service, the quality of policy formulation and implementation, and the credibility of the government’s commitment to such policies—has declined in several ACTs between 2010 and 2012”.

However, the aforementioned does not reflect direct IT governance. On the other hand, Baaklini (2009), an MBA student at the American University of Beirut, researched the gap analysis between awareness and implementation of IT Governance in the Lebanese banking sector by assessing the five dimensions of IT Governance. Al-Qirim and Ajami (2013) conducted their research on IT governance in higher education in Abu Dhabi, UAE. They assert that “an efficient IT governance ITG is required to assure that all kinds of expensive and complex information technology is appropriately governed. They proposed a theoretical framework derived from COBIT and Six Sigma to help in governing IT in higher education institutions”.

While, Ramlaoui and Semma (2014) from Hassan 1 University, Morocco, conducted a comparative analysis between different IT governance frameworks, namely, COBIT and PMBOK. In addition Nicolian et al. (2014) found that there is a “lack of formal IT Governance” in their sample of Lebanese organizations, especially the ones in the banking sector, which have instituted structural forms of governance. Also, the Lebanese Internet Society (2015) conducted a forum within the context “The Internet Multi-stakeholder Governance Model” to discuss and assess “if the partnership between the Internet stakeholders in Lebanon is healthy and effective and to identify policies and procedure that might improve that partnership and make it more effective” (Para 3).

This research also contributes to the already existing cases in higher education and banking, by adding an insight into how new companies can reveal how other organizations are using IT governance practices and what the determining contingencies are. In congruence with De Haes and Van Grembergen (2005), “the ultimate goal is to measure the relationship between the established IT governance framework and the degree of achieved strategic alignment”.

LIMITATIONS

This research is exploratory and is based on a relatively small sample of one hundred questionnaires; a fact that is a limitation as the researchers cannot generalize the results and findings. Furthermore, results represent three specific service institutions, namely, banking, investment institutions and IT firms. Another limitation is in terms of scope. However, this research is still considered an eye opener on the topic where no formal research is published in Lebanon.

Based on all what has been mentioned previously, future researches on IT governance in Lebanon must focus more on the drivers of implementing IT governance, and most importantly on the barriers that prevent this implementation. Future research should focus on ways to mitigate and/or eliminate these barriers in order to facilitate the implementation of IT Governance. The researchers feel that those barriers are essentially the basis for future IT Governance research in Lebanon. Future research should also highlight the importance of the benefits of IT Governance on the IT department and on the organization as a whole. As a methodology choice, it is recommended to focus more on face-to-face interviews, specifically with medium and high level IT managers including the C-level executives in order to guarantee the completeness of data provided.

Conflict of Interests

The authors have not declared any conflict of interests.

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Sustainability in the Brazilian rating system of housing means in Brazil

Anderson Soares Lopes[1*] and Paulo S. Almeida[2]

[1]Member of the research group Hospitality in Service Competitiveness (Universidade Anhembi Morumbi) and CIDSGAM–Sustainable City and Environmental Management (EACH-USP), Brazil.
[2]University of São Paulo, School of Arts, Sciences and Humanities (USP-EACH), Brazil.

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The present article investigates the development of practices and adoption of new technologies and new forms of acting into the sort of hosting located within the territorial limits of Brazil, regulated by EMBRATUR, following the ordering criteria of the Brazilian Classification System, especially from the perspective of sustainability on the cultural, environmental and social contexts. The investigation adopted bibliographical and document research, using several publications available at national and international levels. Because of this, the aim was to contemplate the multiple participants in this scenery, among them highlighting the kinds of hosting and the organs responsible for regulation, with the objective of verifying the applicability of this system and evaluating its progress in relation to the forms of classifying the previous sectors. Finally, it is registered that the sector that demonstrates an ability to obtain better advances trying to qualify its services and add value to the offered product.

Key words: Tourism, hotels, Brazilian classification system, SBCLASS, sustainability, hospitality.

INTRODUCTION

This study analyzes the national hosting industry, and especially aims to explore from the perspective of sustainability the criteria for lodging facilities within the territorial limits of Brazil, regulated by EMBRATUR, the Brazilian Tourism Institute. To facilitate this analysis, we will use the Brazilian System of Classification (SBClass); this tool aims to facilitate the performance of active enterprises in the hosting industry and stimulate competitiveness to better assist tourists and visitors to decide the type of development in which they will stay (BRASIL, 2011a). Thus, these acts are associated with aspects of hospitality and tend to cover different facets of human nature, among which is the apparent demand for conservation of the natural ecosystem and the preservation of life. This perspective is also present in tourism, as this activity has the possibility to develop actions in the context of sustainability, so according to the position, position in society and people contemplated sustainable tourism has to have a distinct meaning, sometimes better understood from the perspective of management, or as a factor of social, environmental and cultural change (Bramwell and Lane, 2005). This reality amplitude and distinction also has to be developed when considering the issue of sustainability, so Ignacy Sachs

*Corresponding author. E-mail: aslturjp@yahoo.com.br.

(2002), applied the use of different dimensions to introduce the concept of eco-development (Sartori et al., 2014), among these it was presented the economic dimension. In this context, these enterprises are always seeking to innovate and suit its proposal to provide services to the needs and expectations of its customers. For Sartori et al. (2014) it is considered different fields of activity, among them management, engineering, economics, show areas of different activities, but they tend to have important contributions in the area of sustainability. So these organizations provide services to the same end, better provide and fulfill the expectations of guests and because if this generate sense of value. The creation of value for the various stakeholders and which have direct or indirect relationship with a host resource constitutes a complex task, especially when they consider their customers. Therefore, Zago and Wada (2013) show that this process consists of four stages, that is, communication, promotion or opening for trading estimating the risks of activity and finally transparency. These components are considered, sometimes arranged in the form of data or situations that tend to guide the day-to-day organization.

Seeking to develop the tourism activity in the sphere of sustainability, there is the role of different stakeholders in the development of this activity, as the performance of establishments for commercial purposes operating in tourism, the guidelines for development, the role of public power the locality, collaboration with the private establishments for tourism, the role of the host community, social and cultural sphere, and eventually, the proactive activities (Brokaj, 2014).

Clarke and Chen (2008) propose a model that is possible to adapt these wishes to the many organizations working in the hosting industry and the provision of services, as shown by pyramid of needs proposed by Maslow. Thus, in this model the lodging facilities that provide essential services are located at the most basic level of human needs, since the enterprises that offer services with greater distinction are at the highest level of the pyramid. Therefore, when considering the different sectors, services and functions of a host resource, it is aimed to explore aspects inserting the perspective of sustainability in these projects, especially in this case to assess the applicability of the regulated Classification Brazilian System by Embratur. So the research problem investigates what are the sustainability aspects located in the Brazilian Classification System and its applicability in the lodging facilities installed within the territorial limits of Brazil. On the other hand the assumptions that guide the article would be the prospect of sustainability applied to the SBClass is in line with the real situation of the lodging facilities installed within the territorial limits of Brazil and the sustainability criteria outlined in SBClass can be used in most hotels that develop their operations in the country. Among these premises it is justified the importance of this study because the researchers visualize the apparent gap in this field, namely the lack of more detailed research that aims to understand and comprehend the Brazilian System of Classification presents viable guidelines and easy deployment in lodging facilities, especially when it comes to the prospect of sustainability. As the main objective of the research, the objective is to ascertain the sustainability criteria inserted in the Brazilian Classification System for evaluating the lodging facilities installed within the territorial limits of Brazil and so inform their applicability in the domestic lodging industry. The specific objectives of this study are:

1. Identify sustainability aspects in the hosting industry.
2. Present the sustainability aspects included in the Brazilian System of Classification.
3. Evaluate the applicability of sustainability criteria entered into the Brazilian System of Classification.

Through the objectives located in this study, it is expected to distinguish and enumerate possibilities for use and management of sustainability parameters for lodging facilities, and so contribute and add knowledge in the areas of tourism, hospitality and sustainability.

MATERIALS AND METHODS

To achieve the objectives of this study, a survey was developed in books and articles, since according to Zanella (2009), it becomes common that researchers seek to publish and disseminate their research in scholarly journals. The surveyed set of issues has widely aspects related with the keywords of this study, tourism, hotel, Brazilian System of Classification - SBClass, sustainability and hospitality. In developing this research, it was tried to search for documents made available on the websites of EMBRATUR and the Ministry of Tourism, for example, Ordinance No. 100 of 16th June 2011 and Ordinance No. 273 of June 21st, 2011. According to Zanella (2009) is in the scope of information retrieval research about the company's or organization's own documents, these are sometimes located in other research institutions and even arranged in the form of statements or government notifications. So, among other issues in the context of this research, it is observed that through Ordinance No. 100, of June 16th, 2011, the Brazilian System of Lodging Facilities Classification (SBClass), the Council of National Technical Means Classification hosting (CTClass) and eventually, the media forms and norms for classification of enterprises in the hosting industry were created (BRAZIL, 2011a).

Through this, they will consequently take this article's considerations of academic thinking about the applicability of sustainability criteria located in the Brazilian Classification System in the lodging facilities installed within the territorial limits of Brazil thus, pondering their guidelines, and assessing the current of thought in the government sphere in the context of sustainability. The first part of the research seeks to reveal the evolution of thought and paradigms about habits and customs in the Brazilian population, then immediately extends these premises for sustainable character in the hosting industry, and this way contemplating the evolution of Classification Matrix hotel. Just after it will be presented the concept, guidelines and other specifics of the Brazilian System of Classification, as well as in this article phase will be described the sustainability parameters located in this tool. Finally, this study makes considerations of the current situation of the national hosting industry on sustainability.

Table 1. Birth rate per thousand ihabitants in Brazil from 2000 to 2013.

Year	Birth rate (per thousand inhabitants)
2000	21.13
2001	20.84
2002	20.33
2003	19.76
2004	19.12
2005	18.45
2006	17.75
2007	17.06
2008	16.38
2009	15.77
2010	15.20
2011	14.68
2012	14.22
2013	13.82

Source: IBGE, Directorate of surveys, coordination population and social Indicators, Brazil population projection by sex and age for the period 1980 - 2050 review 2008.

RESULTS AND DISCUSSION

Paradigm change

The evolution in thinking and paradigms that guide the daily habits and customs of the mankind tends to change the daily routine, this activity is related to events associated with a complex situation and is sometimes unnoticed by the man himself, which constitutes the main been active in this context. This development consists of an adaptation of the thought of man, that is, their needs and their means. So, it is observed that there are needs to review the traditional development model for inserting actual management practices that consider aspects related to respect for society, their health, their values and culture, and above all recognize the importance of the environment (Brokaj, 2014). This change process tends to look historical, economic, cultural, gastronomic, technological, climatic factors, religious, family, etc. To complement this statement, deals with the transition habits and customs observed in Brazil in the XIX century that was consumed good quality tea on the tables of Brazilian families, and due to commercial factors related to logistics and distribution of this product, this raw-material was gradually replaced by coffee.

In this context Garcia (2011) reveals that for a long period the tea was the drink served at the tables of Brazilian families. During this period the country was constituted in a good quality tea producer who presented the government's apparent interest in exporting this input, and can take tea samples produced in Rio de Janeiro to be proved by traders in London, then took this to be analyzed according to their marketing capability on the European continent (Garcia, 2011). Yet the culture of tea production in the country did not prevail among other factors influencing this issue it is highlighted a number of factors associated with the abolition of slavery and also the lack of interest from the European market at the time of consuming it, mainly due to issues associated with high monetary value of the Brazilian tea (Garcia, 2011). So it points that issues related to marketing perspective stood out and directly or indirectly influenced the change in eating patterns in the country. The set of factors that lead men to change their habits, can have a global reach, regional and local. Therefore, it is demonstrated in Table 1. Birth rate per thousand inhabitants - Brazil - from 2000 to 2013, shows the evolution of the birth rate in Brazil, where due to changing dynamics in society, Brazilian families are having fewer children and therefore it decreased.

Facing Table 1, it is exposed to reducing the number of births in Brazil, among other reasons for this fact highlights the inclusion of women in the labor market, the most common use of contraceptive methods and the change in relative values motherhood. But this event does not occur only in Brazil, actually in many of the countries with the low birth rate considered developed economy constitutes a reality. In developing countries other than Brazil, there is the China that through a birth control policy keeps this rate in low numbers. Given these facts there has been a change of habits in the population, in the first case depicts the change in the consumption of the population before consuming coffee and now consumes tea. In the second case was briefly placed the falling birth rate in Brazil and elsewhere in the world. In the same perspective it turns out that over the past decades globalization, advancing technology and the development of the media has contributed to the

deepening of these changes and the diffusion of theories and schools of thought not seen by society since then. This situation also occurs in the tourism and lodging industry.

To Bramwell and Lane (2005) by observing new horizons stand out that in past decades the context of sustainable tourism would be applied to the development of this activity on a small scale, but because of advances in this area it can already be applied to larger proportions tourism. Thus, it turns out that even in the face of the challenges mentioned, the set of ideas about sustainable development is gaining greater application in different areas. According to Sogayar and Rejowski (2011) the main catalysts for change agents are the internationalization and globalization, ethics and sustainability. In this study it is highlighted particular attention to the prospect of sustainability understanding that came into being a stronger appeal to issues associated with environmental preservation and maintenance of natural contributions. To Brunacci and Philippi Jr. (2005) sometimes the terms associated with the concepts of sustainability, such as sustainable development, social and environmental sustainability, clean production, are repeated without any applicability or meaning. With this issue, Brunacci and Philippi Jr. (2005) show that the search for sustainability standards are largely related to respect for the terrestrial ecosystem, it means, natural and urban environment, and ultimately, improved quality of life and human well-being. So search the harmony between economic development, the environment, cultural values of a region and its society.

The transition to sustainability

In business and in the current tourist market, there is a wide and frequent change of paradigms, so the values considered correct in the past decades can sometimes find themselves forgotten or discredited and instead other values (guidelines) are observed, which tend to guide the business environment. Therefore, when discussing the project's topic formulation in the tourism industry it is needed to evaluate the opportunities and examine its consequences. This in order to avoid criticism of the traditional tourist sector that has become common view megacomplexos failure cases built to tourist flows in places hitherto devoid of basic infrastructure. So the study by Burgui (2013) landscape impacts in coastal areas and stood out characteristics of tourism development has been identified, carried out in order to disregard the environment, and social and cultural issues. Among other impacts Burgui (2013) highlights the wide occupation of the territory with the large number of buildings, the removal of native vegetation and natural for deployment of artificial gardens, and finally, the disregard for the environment of the enterprise such as the local population and their culture.

For Burgui (2013) there are other variables associated with the services, which sometimes disregard the different stakeholders in the development of the activity. However, according to Elkington (1994) the area of sustainability must present the stabilization of three important aspects, such as environmental, economic and social (Sartori et al., 2014). So Burgui (2013) informs the sun tourism supply and sea, and the purchase and sale of entitled packages "all inclusive", where all services consumed by tourists are offered by the school, without additional spending by tourists in this model Business local people somehow is excluded from productive tourism chain, become limited the possibilities for participation in the development of this activity. Because of this background, it appears that efforts around sustainability are largely related to a global awareness, the result of perception and reflection of man facing climate changes in their environment or environmental appeals observed in several parts of the world. Sartori et al. (2014) presents challenges to be faced when considering the agenda of sustainability, such as the constant search for an integration of economic, environmental, institutional and community; the search for sensitize society; and finally, develop actions and attitudes thought to future generations. Therefore, there is, according to Peres and Resende (2011), a series of events with the proposal to provoke a debate about the development associated with environmental preservation, among them stands out:

1. Club of Rome in 1972 where researchers published a study entitled "Limits to Growth".
2. Statement Cocoyok in 1974 that prompted the debate about the causes of the population explosion and consumption limits of natural resources.
3. Dag Hammarskjöld-report in 1975 along with the Declaration of Cocoyok sought to stimulate changes in ownership and prevent environmental devastation.
4. Brundtland Report in 1987.
5. Rio-92 Conference - in which it aimed to instigate debate and develop concepts associated with environmental protection and sustainable development.

Through these events, we observe that from 1987 it can be seen the emergence and growing number of publications to sustainable term (Bramwell and Lane, 2005). To Brunacci and Philippi (2005) the carried out and the reflection of these events were essential to rethink economic philosophies and social trends. Given this progress were scored as redefine the use of natural resources, control of investments and the criteria of technological development. In this transition process observes the perceptive attention and request of consumers for companies to adopt procedures and processes in order to reduce environmental impacts, and become environmentally friendly. Thus, it is considered

that sometimes the search for improved front image to consumers and other stakeholders, organizations incorporate into the daily routine approaches in order to respect the environment and to incorporate practices located in the context of sustainability (Sogayar and Rejowski, 2011). It turns out that portion of these procedures sometimes are part of the daily routine of the organization and are inserted into codes of conduct, classroom training or manuals for employees. Corroborating this scenario also observed the emergence of organizations that develop their activities in favor to the environment or social development, seeking to narrow differences income and ethnic or fighting for better working conditions of most excluded people, for the purpose of creating a more friendly environment, equitable and fair in different contexts of human life.

According to Bramwell and Lane (2005) the objective is to use several ways according to the characteristics of each locality to adjust the development model, among these it is considered tourism development patterns, in order to find the best way the use of natural and cultural resources, as the tourism sector and related areas have broad objectives and the banner of sustainability needs to be part of all this activity. This way is also evident in the consumer market the emergence of numerous seals and social and environmental certificates, which directly or indirectly add value to products and services offered, by enabling consumers pay a little more with the apparent certainty to be contributing to sustainable development. In the tourist market and contemporary aspects associated with sustainable tourism label also become a reality. This and other aspects also occurred in the hosting industry, and so these companies in order to not lose space in the market for competition sought to incorporate this set guidelines, which soon after became a government requirement. In fact, as a result the internal and external pressures equalization and maintenance of existing fauna and flora in different parts of the country the Brazilian government reacted and sought to develop ways to preserve the environment, described in the form of laws.

Therefore, it is observed that sustainability in the environmental sphere is being defended by researchers in the field to expand environment-related services and thus, systematically reduce the amount of material which in turn would impact the nature, environment and society in an area (Sartori et al., 2014). So the companies in the hosting industry aimed to employ and develop sustainability indicators incorporating a set of procedures and processes to their daily operating procedures of these indicators are located on the research carried out by Peres and Resende (2011) when analyzing the hotel industry in Green Hills, Ontario. A table that addresses a set of good practice to the precepts of sustainable development has been developed, these are located in the different dimensions of sustainability (Peres and Resende, 2011), and they are classified as Sustainability Management Index (IGS). It should be informed that in this study it was chosen to highlight only the guidelines raised by Peres and Resende (2011) on the environmental and socio-cultural spheres as shown in Table 2 Sustainability Indicators in Lodging Facilities.

Table 2 shows a set of practices that can be adopted in the hosting industry to diminish the impact on different dimensions of where entrepreneurship is installed. For purposes of this study, it is considered that these new technologies, processes and practices are evolving daily, as it continually aims to think and rethink new ways of working. So are sought ways to become less aggressive companies to the environment in which they are embedded. After all it is observed the apparent increase in government requirements as well as consumer expectations for organizations to voluntarily become correct in environmental, cultural and social, because, this way, this will attract the attention of your customers (Peres and Resende, 2011), before this scenario the organization's managers will have to choose, even if unintentionally, adopting these practices.

Brazilian system of classification and sustainability parameters

Scholars through their research focused on demonstrating the relationship between development and sustainability. In the design and development of their research Sartori et al. (2014) presents a set of terms and words associated with the issue of sustainability, which are day-to-day lives and in everyday society. The definition elaborated by Burgui (2013) concerning the sustainable development in tourism becomes possible to identify a number of expressions which together account for this activity, among them are located the preservation of natural resources, the satisfaction of tourists and income generation in the long term. After describing the process of public management of tourism in the context of sustainability in Albania and Brokaj (2014) reveals that this process is essential to demonstrate the government's position regarding the development of the tourism activity and its regulatory standards. Brokaj (2014) demonstrated through their research the role of government with regard to their responsibilities, development and political control in Albania. Because of this, it was aimed to expose this research only the criteria that are considered in the context of sustainability, among these:

1. Protection of environmental features and management of visitors to natural resources.
2. Encouraging the local community in support of tourism activities.
3. Conservation of spaces open to the public and influence on the target community.
4. Search for the artistic and cultural development of the local community as a positive activity often focused on

Table 2. Sustainability indicators in lodging facilities.

Indicators	Dimension
Employment of workers of own locality.	Socio-cultural
Adoption of selective waste collection practices.	Environmental
Use of measures to save electricity.	Environmental
Purchasing recycled products for use in daily operations.	Environmental
Control of the total electricity consumption (month).	Environmental
Control of electrical energy expenditure per guest daily.	Environmental
Encouraging the maintenance of traditions and local culture.	Socio-cultural
Cultivation of community socio-cultural actions.	Socio-cultural
Search by reduced turnover of employees.	Socio-cultural
Training and qualification of employees.	Socio-cultural
Control of total water consumption (month).	Environmental
Encouraging employee participation in actions developed by welcoming community.	Socio-cultural
Use measures to prevent water waste.	Environmental
Control of water consumption per guest daily.	Environmental
Applying means for reuse material.	Environmental
Use of alternative energy sources.	Environmental
Support for community environmental initiatives.	Environmental
Control of the total waste production (month).	Environmental
Control of waste production per guest daily.	Environmental

Source: Adapted from Peres and Resende (2011).

tourism.

Through these notes made, Brokaj (2014) it is considered that the perceptions of respondents about the tourism practice in the sphere of sustainability, on the benefits generated, primarily in the economic sphere, for example, generation of opportunities, jobs and income, the role the local government has to be limited to the control of cultural assets, such as the museums located in this tourist destination. In Brazil the business perspective aspects in the sphere of sustainability even if belatedly began to enter in governmental regulations governing the market and to a limited extent environmental and social approach became part of everyday life of organizations. Tourism and lodging industry this was no different, and so the search for a classification and standardization of lodging facilities at national level there is a lot of misconceptions. This happens to be better observed at the end of the 70 in which it sought to establish standards for this sector, so it was created the classification of lodging facilities in Brazil. This categorization has failed, among the reasons cited by Menezes and Silva (2013) presenting the findings that intended the building facilities, 70% of requirements and settled only 30% of these requirements to the services provided by the enterprise, it was noted then found that it needed a better analysis for their classification. For the purpose of this research is considered that this categorization might already have given further guidance to the services offered, as relevant part of the activities of lodging facilities happens through the provision of services, and when it is successful tends to generate value to its guests and to ensure the return of its enterprise customers.

Among the most adequate reasons for this fact there is the land area of our country which sometimes has given rise to enterprises with features and different proposals, which in most destinations the projects sought to suit the needs, expectations and culture their guests. Thus, it turns out that the classification of this sector becomes priority because it is observed that aspects associated with standardization and classification of enterprises in turn comes to add the qualification of these and to better target their customers in relation to the hosting that they will stay in. In 1998, it was approved a new regulation that sought to classify the hosting projects into four types, the Brazilian Certification System, as it was called then established the National Institute of Metrology, Standardization and Quality (INMETRO) as regulator (Menezes and Silva, 2013). In 2002 through a pioneering initiative between Embratur and the ABIH established according to Petrocchi (2007), *apud* (Menezes and Silva, 2013), the General Regulations of Lodging Facilities and the Regulations of Official System of Classification of Lodging Facilities, seeking as in previous classification systems classify enterprises operating in the hosting industry in Brazil.

This matrix indicated that the projects could be arranged in six categories, and inserted major innovations in this sector such as the National Paper of Guest Registration - FNRH, which since then assists the safety

of lodging facilities, as through this tool has access to important data of guests such as full name, date of birth, social security number or passport (if foreigner), e-mail, telephone and full address. But Brazil (2012) demonstrated the interest of the Ministry of Tourism to replace the FNRH by electronic records. In attempt to ease access to data of guests, and regulate the sector, it is necessary to ease access to the data of movement of tourists in the country. The declaration of the daily movement of guests in Brazil is mandatory, according to the Tourism Law. So according to Brazil (2012) the hosting enterprise needs to be registered in the Register System of individuals and companies - Cadastur, to join this system. The supply of such chips is mandatory for all establishments that operate legally and have therefore record in Cadastur. By 2012, however, most of these papers was lost and the information of most travelers did not reach the database Ministry of Tourism. With the scanning system, however, a large number of establishments has abandoned the printed form. Some even began to allow the client to fill these home information, the site, the so-called "web check-in". The goal by the 2014 World Cup was to deploy the digital platform in about 50% of lodging facilities that are in Cadastur the Tourism Ministry, which corresponds to approximately 3700 projects, including hotels, inns and hostels (BRAZIL, 2012).

Another important innovation established by the Rating Matrix deployed in Brazil in 2002 was the need of the Hotel Incident Report - HIR, which contributed and contributes to the improvement of statistics on occupancy rate of lodging facilities, through it obtained statistics like the guests' profile and other data on tourism. Among the reasons for this classification matrix not get the desired success highlights the fact that this does not encompass and address the disparities and other differences located in the lodging facilities installed in the country (Menezes and Silva, 2013). So in 2008 he aimed to develop and carry out research in order to develop a new classification matrix, more current and is under Brazilian reality. Thus, it sought to measure the applicability and functionality requirements and other components of this code experiencing it in lodging facilities in different regions of Brazil (Menezes and Silva, 2013). Thus, it was created and formulated the SBClass in order to match the services offered in the hosting industry in Brazil to international standards. So it turns out that the star rating system has new requirements, and that before deploying them sought to develop ways with the apparent purpose to determine whether they measure up to these real situation of the lodging facilities installed in markets and territorial limits Brazil (Menezes and Silva, 2013).

In this scenario, the national hosting industry through guidelines inserted by EMBRATUR with support and partnership of other entities, among them the Ministry of Tourism, Inmetro, the Brazilian Society of Metrology and civil society made the Technical Cooperation Agreement No. 002 of 26 March, 2009 (BRASIL, 2011b), has considered the prospect of sustainability in the classification matrix lodging facilities approved in 2011 (BRASIL, 2011a). The aspects covered by the Classification Brazilian System are analyzed by a representative of the Inmetro, these have mandatory requirements (obligatory) and elective (BRASIL, 2011b). In this perspective for the project receive a certificate of participation and compliance with these requirements will have to achieve 100% of mandatory requirements and 30% of elective requirements. It is found that this assessment has a period of 36 months where this period there will be a new assessment. Through the Regulation of Matrix Lodging Facilities Classification (2011) it appears that the criteria investigated are the infrastructure, services and sustainability (BRASIL, 2011a). Due to this scenario the current managers to develop projects for the installation of restaurant and hotel or lodging facilities in tourist destinations and receptive cores need to consider factors in order to reach the expectations of visitors (tourists), and not affect aggressively and negatively the quality of life of local people and the rational use of natural and social resources.

CONCLUSION AND POLICY IMPLICATION

This study aimed to limit regarding issues related to tourism, hotel, Brazilian Classification System, sustainability and hospitality, and in relation to the research problem which aspects of sustainability located in the Brazilian Classification System and its applicability it was found that the Brazilian System of Classification presents aspects of sustainability through 14 items, which represent operational guidelines or new ways to develop the operational activities and management of these enterprises. Consequently, the analysis showed that these guidelines can be subdivided into three categories among which are environmental, cultural and social, for the purpose of this research is considered that this constitutes a breakthrough for tourism and national hosting industry since the previous classification engines did not contemplate the prospect of sustainability. Therefore, from the perspective of sustainability in the environmental context the Brazilian System of Classification Lodging Facilities provides guidelines related to decreased energy consumption, rational use of water consumption, monitoring of solid waste and the development of activities with intended to alert and move guests to the question of sustainability (BRASIL, 2011a).

Among other measures in this context highlights the treatment of wastewater (sewage and garbage, for instance), developing ways to reduce the emission of gases and odors from the operation of the enterprise and the promotion of measures to reduce noise generation in facilities so as not to harm the natural environment,

residents and guests of the destination themselves (BRASIL, 2011a). From the perspective of sustainability in the cultural and social context SBClass points stimulating the production of goods and services related tourism sector, support for activities aimed at generating employment and income for the local community, support for cooperative initiatives and promotion activities sociocultural, shipping and disposal of opinion polls to analyze the printing of guests and the services provided, offering training and education for employees, the development of activities in order to appreciate the local culture, and finally, the option by providers that respect and promote values associated with the prospect of sustainability (BRASIL, 2011a). But it turns out that because this classification system is voluntary, and there is major aspects of set of practices carried out in the control environment of these organizations, most hotels in the country do not show interest in joining this system and consequently, follow their rules.

The analysis carried out by the theoretical framework has shown that in relation to the hypotheses of the research that the prospect of sustainability applied to the SBClass has the possibility of being applied in most lodging facilities that operate and develop its operations in the country, but the EMBRATUR, the Ministry of Tourism and other stakeholders need to develop major criteria of control in an attempt to qualify the tourist offer, the enterprises operating in the hosting industry and value the goods and services offered. Among the results of this study were identified through research Peres and Rezende (2011) sustainability aspects to be developed in lodging facilities, where we sought mainly to contemplate the environmental and socio-cultural perspectives. Eventually, it is considered that this research was instrumental in trying to raise awareness among enterprises operating in the hosting industry to adopt sustainability parameters in their routine operations, and the pursuit of the development of new technologies and forms of action less aggressive to the environment wherein the development is installed.

Conflict of interests

The authors have not declared any conflict of interest.

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