

## **James G. March was awarded the title of „Honorary Member” by the European Group for Organizational Studies (EGOS) in 2000.**

*- Parts of the laudatio speech in Helsinki by Károly Balaton -*

It was in Stanford in 1990 when you initiated a research program to study organizational changes in Central and Eastern Europe during the period of socio-political transformation. We had regular meetings with you, formulating the research questions and the theoretical background. The empirical research was started later that year. Our collaborators came from the Czech Republic, Romania, Bulgaria, and Austria and the first workshop, in which you participated, was organized in Budapest in May 1991. The aim of the program was to study four interrelated processes of change: selection, learning, decision processes and diffusion or institutionalization. During the ten years of research work since then, we have prepared many case studies and conducted a number of surveys. In explaining the processes of organizational transformation, we profited a lot from your theoretical concepts. I would like to mention two of these concepts here:

One is the distinction between learning by experimentation and learning by exploitation. It is our understanding that both types of learning are present in the Central and East European transformation. Foreign direct investors usually set up their organizational structures based on experiences in their home countries. After some years of operation in the region they tend to experiment with new solutions fitting better into the socio-cultural environment of the host countries.

The other is the limited attention and problem-solving capability of management. Our studies have shown that the foci of managerial attention in the early stages of transformation differ from those in the later stages. Managers select a few, and, in their subjective evaluation, important issues to deal with in a certain period. After the issues of ownership, organizational form and composition of management are settled, new problems such as quality improvement and management systems come to the forefront of managers' attention.

These examples show the relevance of your theoretical concepts, even under conditions of new emerging organizational situations. Thanks for your useful comments on my research papers that I sent to you and thanks for your friendship and continuing support of our studies.