

## **Editorial**

Greetings! This is the first issue of the Brazilian Administration Review under my direct editorial guidance. It is an enormous responsibility and I will have to strive to maintain the quality standards set by Professor Clóvis Luís Machado-da-Silva, previous editor-in-chief. At the same time, I will make every attempt to build on the established traditions and international target readers.

In this issue, five articles are made available. To begin with, Denise Fleck discusses an inductive theoretical work inspired by the empirical study of the high-tech rivals General Electric and Westinghouse; Denise's comparative historical analysis suggests that each firm's responses to five organizational challenges have affected their chances of enjoying long-term success. In the second article, Edson Crescitelli and Júlio Bastos Figueiredo propose a simulation model capable of monitoring of brand equity over time. As a result, an easily implemented model was generated, capable of executing continuous scenario simulations by surveying casual relations among the variables that explain brand equity. To follow, Luiz Artur Ledur Brito and Flávio Carvalho de Vasconcelos present a paper entitled "The Variance Composition of Firm Growth Rates" in which they investigate the variability of the growth rates of firms using the variance components. The analysis was done using the Compustat Global database with 80,320 observations, comprising 13,221 companies in 47 countries from 1994 to 2002. In the fourth text, Maria Aparecida Gouvêa, Milton Carlos Farina and Patrícia Siqueira Varela have carried out a large study that combines several groups of municipalities in São Paulo State intended to indicate whether the variables 'per capita transfer amounts from the Municipalities Participation Fund [MPF]', 'Product and Service Circulation Tax Quota [ICMS]' and 'collected tributary income' have different average values among the municipalities of São Paulo State that present different economic and social situations. The results show that the tributary income has the greater difference of averages among the groups. Their findings also show that MPF distribution criteria are applied differently and contribute to the available income fairness, giving support to local governments in the development of public policy. In the final fifth article, entitled "Is the Need to Evaluate a Real Consumers' Need?", Valter Afonso Vieira analyzes the Need to Evaluate the [NES] scale in Brazil. Specifically, the paper assesses its psychometric properties. From the evidence reported in the study, the validity of the NES scale is poor and its dimensionality questionable.

I hope you all enjoy this edition.

**Rogério H. Quintella**  
**Chief Editor**