Corrigendum

The authors of the article "*Value Creation Through Restructuring – Key Value Drivers and Value Creation Models*" by Siniša Mali, Slađan Barjaktarović Rakočević and Gheorghe Savoiu [OiK, Vol. 2012, Iss. 4 (153) (Dec 2012)] have failed to include a publication by Stifanos Hailemariam [Corporate Value Creation, Governance and Privatisation: Restructuring and Managing Enterprises in Transition – The Case of Eritrea, University of Groningen, 2001] in their cited literature. Below we publish the necessary corrections.

As a process of improving business efficiency, restructuring is nowadays widely implemented in both the developed and the developing countries. Companies and economies undergo restructuring processes in order to achieve a higher level of performance and survive when the existing business structures become ineffective [Hailemariam 2001].

The goal of the restructuring process is to transform the company into an enterprise that creates value for the shareholders [Hailemariam 2001].

*McTaggart, Kontes and Mankins define value creation as managing performances of individual business units with respect to the realized money flows and the returns on investment rate [*McTaggart, Kontes, Mankins, 1994; *Hailemariam 2001].*

*According to Knight, value is created by operational and investment decisions managers make on a daily basis [*Knight, 1998]. *For the value-based management to succeed, it has to be built into daily decision-making. This means achieving a high level of managerial understanding of how management can have an impact on the increase in the company's value and on the translation of abstract concepts of value creation into meaningful daily operation tasks [Hailemariam 2001]*

The focus on value creation implies that decisions and activities are assessed in terms of how much value they will create, and that the value-creation oriented behaviour is encouraged throughout the organization. Establishing a value-creation culture requires far-reaching organizational change. If management is oriented toward results, business aspects like ICT will be adopted more easily Čudanov, Jaško 2012]. *Monnery maintains that the value creation process requires that managers should fully apprehend which factors create value and in which way they should encourage employees to do things in a different manner [*Monnery 1995; *Hailemariam 2001].*

Value is created only if the business unit or the entire company can earn the rate of return on invested capital that exceeds its cost of capital [Hailemariam 2001].

*pentagon is used in creating a conceptual framework and identifying the key value drivers to measure whether value in business is created or lost [*Copeland, Koller, Murrin 1996]. *This framework is based on the analysis of the free cash flows and the key value drivers [Hailemariam 2001].*

weighted average cost of capital. The value of the growth potential is, on the other hand, determined by the key value drivers – the rate of return on invested capital, amount of net new investments, competitive advantage period, investment rate, and the weighted average cost of capital. The competitive advantage period indicates the period of time during which the expected rate of return on invested capital exceeds the company's weighted average cost of capital [Hailemariam 2001].

*Two authors, Crum and Golderberg, developed a conceptual framework for the assessment of the company sustainability known as a PARE model (Potential and Resilience Evaluation Model) [*Crum, Goldberg 1998]. *These authors maintain that taking steps that improve the potential and resilience of the company is value creative [Hailemariam 2001].*

According to the model, strong potential and strong resilience show that the company is a powerful competitor and actions should be taken to retain this position [Hailemariam 2001].

On the other hand, low resilience and low potential show that the management should think about liquidation or, at least, about a serious restructuring of the company [Hailemariam 2001].

Analysis of the company in terms of its potentials and resilience helps identify the problems and points to the corrective steps that should be undertaken to create value [Hailemariam 2001].

*According to this model, the attractiveness of the industry and the competitive advantage are the major sources of value creation [*Porter 1985]. *The more favourable they are, the higher the likelihood that the company will create value [Hailemariam 2001].*

After reviewing the position submitted by the main co-author, the Editorial Board decided to publish a revised version of the study and replace the Retraction Notice with a Corrigendum. The authors wish to apologize for the error.