



**Varazdin Development and Entrepreneurship Agency**

in cooperation with

**University North**

**Faculty of Management University of Warsaw**

**Faculty of Law, Economics and Social Sciences Sale - Mohammed V University in Rabat**



## **Economic and Social Development**

33rd International Scientific Conference on Economic and Social Development –

"Managerial Issues in Modern Business"

Editors:

**Tomasz Studzieniecki, Melita Kozina, Dunja Skalamera Alilovic**

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## **Book of Abstracts**

Warsaw, 26-27 September 2018

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# **MANAGEMENT OF CORPORATE HUMAN CAPITAL IN THE BULGARIAN ECONOMIC UNITS AS AN OBJECT OF THE BEHAVIORAL PARADIGM**

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## **ABSTRACT**

*In the context of behavioral economics, topical questions are raised: how the specific features of rationality and of irrationality as socio-psychological characteristics affect the interactions in an organization; how these characteristics affect the economic behavior of individuals, process management and achievement of goals. The "behavioral wave" in the modern economy is the necessary component that is lacking in the conceptual and pragmatic management models concerning Bulgarian economic units. A new look at the status of Bulgarian companies is needed in order to identify the problematic areas of their management and organization as well as a critical assessment of the business practices in them, in order to draw out guidelines for the formation and improvement of micropolicies. Probably, there are some reasons for revealing the controversy about whether that new paradigm is a hidden form of liberal perceptions or a social engineering that leads to excessive constructivism. The goal of the authors, however, is not to be involved in this type of discussion that focuses on the clarification of more specific economic policies, but the impartial perception of what is adequate and relatively sufficient to explain the complex relational change in the relationship rationality - irrationality, relative to the specific manifestation of corporate human capital.*

*The practice shows that a significant role in the manifestation of corporate culture as well as its interaction with social capital in the context of corporate governance play the well-known social-utilitarianist rules but there are also irrational by definition components such as sympathy, antipathy, ambition, superiority, sense of urge, etc., which, although psychologically determined, prove to be prominent factors as in many cases they obstruct or even block the good and sensible management processes.*

**Keywords:** Behavioral Economics, Corporate culture, Corporate human capital, Social Anthropology, Motivation

\*\*\*\*\*

## **NEXUS BETWEEN HUMAN CAPITAL DEVELOPMENT AND HUMAN CAPITAL INVESTMENT IN NIGERIA**

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### **ABSTRACT**

*Human capital development has been identified as one of the major keys of economic development. This study examines the nexus between human capital investment and human capital development in Nigeria using time series data spanning through 1983 to 2015. The study made use of Phillip Peron to test for stationarity and Vector autoregressive model (VAR) was employed in the study to analyze the complex relationship of human capital investment and human capital development. The study revealed causality relationship between human capital investment and human capital development in Nigeria. The findings also show that both Total Factor Productivity, Education expenditure, Health expenditure and Life expectancy exhibited*

*impact on human capital development in Nigeria. The study recommended that concerted effort should be made to improve on both Education and Health spending in order to increase human capital development in Nigeria. In addition government should make appropriate policy that will increase life expectancy. This will guarantee improvement in Nigeria human capital development.*

**Keywords:** *Human Capital Development, Human Capital Investment and Total Factor Productivity*

\*\*\*\*\*

## **TECHNOLOGICAL QUALITY ASSESSMENT IN ONLINE COMMERCIAL SERVICES**

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### **ABSTRACT**

*In article it is defined the e-commerce service and its quality, especially in technological dimension. There are presented foregoing commercial online services quality measurement but Authors suggest that this methods do not sufficiently consult aspects related to the technology of designing Internet services. The authors explain that the study of the commercial services on-line quality in the technological aspect will enrich the current methods of measuring quality.*

*Contribution of the paper is catalogue of proposed determinants to get the measure of online commercial services qualities in technological dimension. The core of this article is discussion of selected commercial sites in maritime e-commerce branch audit results, that point to a poor technological quality of commercial services. The aim of the practical research is to assess the extent to which selected internet stores meet the criteria for the technological quality of on-line commercial services. The audience of proposed in this paper method for measuring the quality of e-commerce, should be a sales website owners. The research results prove the need to shape the quality of on-line commercial services in the technological dimension. The article proves the need for tracking, knowledge and the application of ICT to support current business activities, especially in e-business.*

**Keywords:** *commercial on-line service, e-service quality assessment, maritime e-commerce technological quality*

\*\*\*\*\*

## **FAMILY VIOLENCE**

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### **ABSTRACT**

*Family violence is a major problem today. It represents a violation of fundamental human rights of all victims irrespective of age, gender, status, education, race, nationality, sexual orientation or material situation. The forms of violence are psychological, physical, sexual and economic. The most common victims of violence are children, women, elderly people and persons with special needs. Family violence is defined as a set of*

*behaviors whose purpose is to establish power and control over others by using force, intimidation and manipulation. Includes physical, psychological, sexual and economic violence.*

**Keywords:** *family, violence, victims, prevention, recognition*

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## **IMPLEMENTATION OF THE SIX SIGMA METHODOLOGY IN A-ROSA HOTEL**

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### **ABSTRACT**

*This study shows a complete analysis of some business processes in a hospitality services company, the Hotel resort "A-ROSA", Germany. The company is working to continuously improve business processes by developing the Total Quality Management (TQM) philosophy in order to meet the needs and expectations of customers, while making the company profitable. In the paper, the Six Sigma Methodology is applied in order to find an optimal solution for the execution of the business processes and common satisfaction of all parties involved. Other tools and techniques have also been applied such as: Pareto diagram, Ishikawa*

*diagram, Trend Map, etc. The practice of the Six Sigma methodology has strengthened the company's brand and increased the number of tourists and customers.*

**Keywords:** *Six Sigma Methodology, Continuous Process Advancement, TQM Philosophy, Pareto Diagram, Ishikawa Diagram, Trend Map*

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## **THE FUTURE OF MANAGERIAL EDUCATION**

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### **ABSTRACT**

*The book "Shut down the business school. What's wrong with management education" by Martin Parker (2018) professor who had worked for 20 years at Bristol University has started an important debate. The author claims that business schools need to stop teaching most of the standard curriculum. I would argue stronger – in the era of digitalization and internet they need to change the way of teaching. As an example: Student Teacher Evaluations (SET) should not be treated as measures of teaching quality because: (1) it encourages students to view themselves as customers/consumers of education, while the quality of their learning depends both on their and teacher's efforts; (2) as it was shown in the conducted by Michalowicz (2016) under my supervision analyses of more than 130 thousand of SET forty percent of students NEVER deliver their feedback via SET; (3) that younger lecturers contrary to old ones believe that students reciprocate good grades by giving the teacher good evaluation (Michalowicz, op.cit. ). As a consequence teachers could inflate their demands and grades; (4) the metanalysis conducted by Uttl, B., White, C., A., Gonzalez D. W. (2017) has shown that students do not learn more from highly rated professors.*



*There was no relationship between SET and students achievement. Students expect to receive practical knowledge. They do not realize that the results of the managerial research conducted in the "ceteris paribus" paradigm are difficult to use in practice and in teaching.*

**Keywords:** *cognitive overload, educational reforms, managerial education, student evaluation of teaching (SET)*

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## **FROM EL BOUAZIZI TO ISIS: PAST SEEDS AND PRESENT HARVEST (TOWARDS UNDERSTANDING THE CAUSES OF THE SHIFT FROM CLAIMS FOR FREEDOM TO VIOLENCE)**

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### **ABSTRACT**

*The spark of the so-called "Arab spring" was initiated when a Tunisian hawker, called Mohamed El Bouazizi, set fire to himself in response to a humiliating and unjust reality. Events unfolded, and the spark spread to other countries, although to varying degrees. However, what was expected to be spring turned into a bloody winter. The present article tries to show that the sad shift from claims for freedom and social justice into violence and intellectual defection is not due to the current sad reality; instead, it is the harvest of the seeds ploughed throughout*

*the history of the Arab world. Education programs, preaching and media contributed to the emergence of these takfiri and violent groups, especially the group called ISIS.*

**Keywords:** *Arab Spring, Arab world, ISIS, Takfiri, identity, illiteracy, resurrection*

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## **IMPACT OF THE ORGANIZATION OF THE ASSOCIATION OF COMPANIES ON THE ECONOMY OF ITS PARTICIPANTS**

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### **ABSTRACT**

*The paper deals with the functioning of the association of companies in the civil engineering and its impacts on particular participants within their economic results. The association of companies represents the kind of the co-operation, where there are associated at least two participants. This type of company is founded mainly for a purpose of the participation in the tender procedure. In the frame of its working there must be assessed contractual conditions between parties, which are connected not only with the organization, but also with the financial conditions (the share on revenues and costs of particular participants within the association of companies). The objective of the paper is to*

*describe the functioning of the association of companies in civil engineering and on the case study to demonstrate the influence of functioning of the association of companies on economic results of particular participants. The case study will come out from the zero (real) variant, which will be supplemented with next models characterizing different variants of the financial management of the association of companies with impacts on particular participants. Results of the case study will be commented within the total conclusions.*

**Keywords:** *association of companies, construction companies, financial management*

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## **INNOVATIONS AND SAFETY IN PASSENGER RAILWAY TRANSPORT - THE TRAVELERS' PERSPECTIVE**

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### **ABSTRACT**

*Rail transport is particularly demanding when it comes to safety of passengers and cargo. Ensuring adequate security would not be possible without the implementation of various innovations related to fire risk prevention, communication between train staff and passengers, or the functioning of the train itself. The purpose of this article is to determine the scope of innovation on the example of EN57 and ED78 vehicles, as well as to get to know*

*travelers' opinions on modifications introduced on trains. The methodology applied included an in-depth interview with a railway expert, plus a survey of 115 passengers, as well as an analysis of secondary statistical data on safety of passenger rail transport. The results of the analyses show that passenger trains have changed a lot, and the introduced changes concern both the aesthetics of vehicles, amenities for travelers, and innovations that affect the safety of travel. Travelers' opinions also confirm that passenger transport has undergone a major metamorphosis, but passengers do not notice many of the changes related to safety; this should be attributed to carriers' insufficient communication about innovations, and consequently in building a positive image of the company and rail transport as such.*

**Keywords:** *competitiveness, electric multiple units, passenger transport, railway development*

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## **COMPARATIVE ANALYSIS OF BUSINESS EXCELLENCE MODELS**

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### **ABSTRACT**

*In Nowadays competitive world every organization seeks for Business excellence and for the mutual benefits of the parties involved in it, such as, employees, customers and others Several Business Excellence models are applied throughout the world. Exist rising trend of implementing different Business Excellence frameworks also known as Quality Models for the improvements of organizational business performance. Models are also known as Quality Award Models and are used in recognising the best practices in the various sectors. A lot of countries of the world are integrating these models as their quality improvement tools*

*for business assessment with competitors. On the research is focused on the review of the major Business Excellence Models such as European Foundation for Quality Management, Malcolm Baldrige National Quality Award and Australian Business Excellence models and their influence. The aim of research was to find out the commonalities and differences among these models on the basis of their emphasis on the criteria of the frameworks. The research is based on theoretical approach that has applied comparative analysis as a measurement tool to identify the emphasis of different Quality Excellence models.*

**Keywords:** *Business Excellence Model, Comparative analysis, Deming Prize, European Foundation for Quality Management, Malcolm Baldrige National Quality Award*

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## **DECISION ENGINEERING: SETTLING A LEAN DECISION MODELING APPROACH**

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### **ABSTRACT**

*Despite several decades of advances in information-communication technologies (ICT) supporting decision makers, basic spreadsheet modeling and statistics are still the dominant modeling approaches in supporting decision making (Ranyard et al, 2015.; Ackerman et al, 2014.; Turban et al, 2015.; Davenport, 2009.). The usage of "lightweight" analytical tools can be explained by the observation that simple methods disrupt minimally established organizational decision-making processes and modeling of routine decisions usually seek to enhance the efficiency and effectiveness.(Luoma, 2016). Herchel (2007) identified so-called "the execution gap" showing that*

*corporations` ability to collect data is increasing faster than ability to use the data. Decision management systems (DMS) try to fill that gap by incorporating descriptive, prescriptive and predictive analytic models in order to automate operational and some tactical business decisions. Resulting models standardized routine decisions with inserting programmable logic into automated business processes, presenting explicit form of institutional default heuristic. Decision engineering can be considered as an activities` assemblage that involve discovering and modelling decisions, building and deploying ICT components that combine advanced analytics with business rules and optimization. Decision engineers are a new kind of facilitators, who build decision requirements models of operational decisions in business processes. These models serve as a foundation for managers` and modelers` understandings when and which type of modeling should or should not be made part of organizational decision making process. Bearing in mind that humans shape their tools and then that tools shape humans and that ICT will always support "the how and not the what", we try better to understand the ways that the modern decision management tools influence the decision making behavior. Differently put, could the design and implementation of decision management systems in organizations serve as a lean decision modelling approach that improve behavioral fit of modern managers?*

**Keywords:** *Decision making, Decision management system, Business analytics, Business intelligence system, Operations management*

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## **METHODICAL APPROACH FOR THE ECONOMIC EVALUATION OF SPECIFIC PROJECTS ON WATERWAYS**

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### **ABSTRACT**

*The paper is focused on the area of the economic evaluation of specific projects carried out within the waterway. As specific projects are for purposes of this article considered mainly projects of service and safety anchorage, which have no direct impact on the capacity of the waterway or its navigability, however they are increasing the safety and the comfort of the navigation for all participants. The objective of the paper is to evaluate the suitability of partial approaches for the economic valuation, the attention will be paid mainly on the utilization of the Cost-Benefit Analysis (CBA) and Multi-Criterial Analysis (MCA), which has been already used as a part of qualitative and quantitative analysis. The legal part of the problem will be also taken into account. The legal part solves mainly the duty of the elaboration of the specific analysis (CBA or MCA) for evaluation of specific projects on waterway. Results and conclusions following the research will be presented and verified on case studies of projects consisting in the realisation of service and safety anchorage carried out on the waterway Baťa Channel in the Czech Republic.*

**Keywords:** *Economic Evaluation, MCA, CBA, Anchorage, Methodology*

# **THE INFLUENCE OF FEMALE CEOS ON PERFORMANCE AND INDEBTEDNESS: AN EMPIRICAL ANALYSIS OF SPANISH HOTEL COMPANIES**

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## **ABSTRACT**

*One of the most detailed areas studied in business is female presence on boards of directors. There are many factors that affect the situation of women in society and stop them from having a career, but for sure the recent access of women to university studies, their preference for studying social sciences, and the difficulty of combining family and work commitments should be mentioned. Additionally, there is a deep-rooted cultural phenomenon, called 'Glass Ceiling', which gives social acceptance for inequality of genders. On the other hand, nowadays women are present in almost every area of the economy, and they start to perform many responsible functions. This is due to different factors, such as industrialization, the First and Second World War, many technological advances, but also declining birth rates, and women's access to education. Considering such a background, this paper analyzes the influence of gender diversity in management on the profitability and degree of indebtedness, on a sample of 4347 companies from the hotel sector. The purpose of this article is to show the relationship between presence of women in the top management and the level*



*of profits and indebtedness of companies. Apart from the financial analysis, different theories and empirical evidence regarding the relationship between women in senior management and profitability of the company have been discussed. The results obtained in the research show that hotels run by women generated lower financial results, such as profitability, ROA or ROE. This may be related to greater caution of women in making decisions. The study focuses on the Spanish market, where there is currently an open debate about the importance of women's presence in business management, driven by the creation of legislation on gender equality, which is also observed in other European countries. Thus, the discussed topic is important both from the economic and social point of view.*

**Keywords:** *code of good governance, gender equality, hospitality, social changes, Spain, stereotype of a woman*

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## **DETERMINANTS OF INTRA-INDUSTRY TRADE: AN INVESTIGATION WITH BMA FOR THE EUROPEAN UNION**

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### **ABSTRACT**

*The empirical literature on determinants of intra-industry trade (IIT) is vast and comprehensive, yet as the authors failed to properly account for model uncertainty it has brought inconsistent and conflicting results. To resolve this issue, Bayesian model averaging was applied to investigate the robustness of 48 potential determinants of bilateral IIT for the panel of 26 European Union countries over the 1999-2011 period. Application of BMA demonstrated that 11 of them are robust determinants of IIT, namely real GDP product, trade*

*openness, membership in the European Union and the Euro area, corruption, and differences in factor abundance. Among the factors of production, the key role in the determination of IIT patterns can be assigned to the differences in human capital. Yet, transportation cost and cultural similarity have no impact on the IIT patterns.*

**Keywords:** *intra-industry trade, Bayesian model averaging, European Union*

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## **THE ROLE OF PROCESS IMPROVEMENTS TOOLS IN BUILDING RELATIONSHIP BETWEEN SUPPLIERS AND INDUSTRIAL CLIENTS**

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### **ABSTRACT**

*The purpose of this research paper is to present the role of process improvements tools in building relationships between clients and suppliers on the industrial goods market. Their identification was based on an analysis of the literature, as well as on the results of empirical research conducted by the CATI technique and covered 300 producers that were suppliers for enterprises from the chemical, metal and automotive industry sectors operating in Poland. The results of the conducted research indicate that the main supplier requirements relating to technical quality of products, shortening cycles of process implementation and willingness of the supplier to reduce costs. One could also observe that for many industrial clients, their relationships with suppliers are not just confined to fulfilling rigorous requirements.*

*Increasingly, they recognize that building their competitive advantage also requires building partnerships with suppliers that are manifested in joint projects in the field of effective application of the requirements of tool (like quality, environmental and safety management systems, Toyota Production System or Lean Management concept), which have an impact on the improvement of the products and processes in the supply chain.*

**Keywords:** *Industrial Goods Market, Process Improvement Tools, Supplier Requirements, Supply Chain Management*

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## **THE STRATEGY OF NOSTALGIC BRAND – EXPERTS' STUDY**

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### **ABSTRACT**

*Nowadays, the customers often feel in danger in current unstable and unpredictable period of industrial, political, social and economic transition. In this environment, the weakened individuals find themselves in search of security references, identity, well-being, dream, emotion and re-enchantment, and consequently they want to return to the past and their memories, yearning for a sense of security and stability. They become nostalgic, seeking values of authenticity. On this basis, enterprises develop a strategy of nostalgic brands that appeal to the emotions, experiences and memories of the consumers. As a result, the basis of relations between the consumer and the brand*

*is nostalgia, which is a positive attitude towards brands that are directly or indirectly related to the consumer's past. The aim of this article is to evaluate the possibilities of implementation of the strategy of nostalgic brand. The results of own empirical research conducted in 2018 on a group of 16 international experts are presented. Both French and Polish experts positively evaluated the potential of nostalgic brands. Some differences in the opinions of the French and Polish experts are visible. The proposition of model of the nostalgic brands positioning is also presented. According to the experts, the basic principle for positioning of the nostalgic brand is having a strong brand history. Nostalgic brands are recommended for the following sectors: fashion, food, cosmetic (especially perfumes), luxury products, automotive, high-tech (music), entertainment and decorative. The results can serve as a guide for managers in implementing the strategy of nostalgic brand and can help identify the crucial elements needed for positioning of the brand based on the nostalgic feelings.*

**Keywords:** *nostalgia, nostalgic brand, brand strategy, brand positioning*

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## **GLOBL BLOCKCHAIN TECHNOLOGY MARKET ANALYSIS – CURRENT SITUATIONS AND FORECAST**

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### **ABSTRACT**

*Blockchain is a cryptographic technology designed for managing distributed ledger systems, which, as a rule, is used to manage online transactions. The the distributed ledger technology has been boosted by the development of various crypto-currencies, such as bitcoin. Initially, blockchain technology was used, mainly in the financial market but today there is an active introduction of technology in such verticals as healthcare, energy sector, insurance, state and municipal management. The major driving factors for the blockchain technology are transaction speed, transparency and low usage cost. This study includes the global market analysis for the use of blockchain technology in different economy sectors, its regional structure, business application and the forecast of its development until 2024. This study also identifies the main market drivers, affecting its growth and the problems faced by suppliers and the market as a whole. It also examines key market trends and their impact on the current state of the market and its development scenarios.*

**Keywords:** *Bitcoin, Blockchain, Distributed Ledger Technonolgy*

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## **CONDITIONS AND DIRECTIONS OF DEVELOPMENT OF BOOK FAIRS - PERSPECTIVE OF THE POLISH MARKET**

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### **ABSTRACT**

*The book is a very specific market product which is very difficult to sell. It gives way to multimedia and other complementary products, which (according to some analysts) slowly displace the book from the contemporary market. That is why the preparation of the exhibition at the book fair requires so much experience and commitment. Not only is it about the competition between books but also about the interest in reading books. The exhibition is not supposed to only create interest in the offer of the publisher but also the interest in reading books in general. On the Polish market one can observe the development of book fairs in several exhibition centres. However, the level of readership in Poland is still at a low level. The current situation is perceived as a threat to the development of the publishing market, and thus book fairs. Both research and analysis are needed to help determine ways to reduce this risk and seek directions of development of this sector. The aim of this article is to present the situation of the contemporary book fair market in Poland, selected factors that may affect its shape and the possible directions of its development. The study also contains strategic implications for the organizers of these events and exhibitors participating in such events.*

**Keywords:** *book fairs, level of readership, trade fairs*

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# INVESTMENT PSYCHOLOGY AND BEHAVIOR ANALYSIS IN THE KOREAN RECONSTRUCTION MARKET

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## **ABSTRACT**

*In this study, RGIRP(Realized Gain in Index of Real-estate Price) and RLIRP(Realized Loss in Index of Real-estate Price) models were used to test the disposal effect in the Korean reconstruction market. In addition, a comparative analysis of disposal effects was conducted by comparing direct impacts and indirect impacts between apartments within 500 meters and apartments within 500m~1km in the reconstruction zone. As a result, it was analyzed that there is a disposal effect within the 500 meters direct impact area of the reconstruction work site centered on Seoul area, but the disposal effect is not existed within 500m~1km of the indirect impact area. Also, it is analyzed that there is no disposal effect for apartments with large assets by asset size, and disposal effects for apartments with small assets are partially observed. This study analyzed that the behavior of investors according to the reconstruction market would be different, and it seems that the policy authorities will need to implement the reconstruction policy considering the investment sentiment.*

**Keywords:** *behavior of investors, disposal effect, reconstruction market*

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## **CRYPTOCURRENCY: GENERAL CHALLENGES OF LEGAL REGULATION AND THE SWISS MODEL OF REGULATION**

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### **ABSTRACT**

*Legal regulation of cryptocurrency is preceded by the challenge of its definition. It is impossible to uniquely define the term cryptocurrency. The English language dictionary Meriam Webster defines it as any form of currency that only exists digitally, that usually has no central issuing or regulating authority but instead uses a decentralized system to record transactions and manage the issuance of new units, and that relies on cryptography to prevent counterfeiting and fraudulent transactions. This definition also corresponds to the proclaimed intention of the creators of this new technology. Although there have been earlier, less successful attempts, it is generally accepted that the chronologically first commercially available cryptocurrency-bitcoin, was released on the market in early 2009. Its mysterious author, Satoshi Nakamoto (for which many believe is the pseudonym behind the entire team of software engineers) published in 2008, a paper laying out the basics of future technology of crypto currencies and their purpose. The paper explains that bitcoin is a peer-to-peer version of electronic cash would allow online payments to be sent directly from one party to another without going through a financial institution such as bank. The problem of transaction recording and the prevention of multiple use of the same assets is solved by the introduction of "block chain" technology, a kind of digital accounting chain in which each transaction and each issue is*



*entered cryptographically. It is decentralized and set up so that the processor work (a series of complex mathematical operations performed by different types of microprocessors) required for a digital coin to be "forged" is inevitably equal to the work required for issuance of each new coin. In this way, the crypto currency becomes essentially resistant to forgery in the form of a false issuance, and the dynamics of its issuance is determined by the complexity of the mathematical problems that are being solved. The chain is also definitely limited, since the number of issued coins is halved every four years, so the total number of issuable bitcoins is mathematically limited to 21 000 000, which gives the cryptocurrency a self-defined deflationary (or anti-inflationary) framework. It is estimated that the last bit of the coin will be broadcast in 2140. The advantages of the cryptocurrencies are numerous. From the privacy and security of transactions, to general global availability, which is of particular importance in a world where about 30% of the population has no access to financial services, while Internet access (as the only technical requirement for the use of crypto currencies) is considerably more widespread. Advantages are inevitably accompanied by disadvantages, and in the case of cryptocurrencies, they are not few in number. They relate primarily to the possibility of misuse of a wide range of criminal activities, from money laundering to the pursuit of illegal transactions, arms, narcotics, and human trafficking. Lately, there has also been a risk of investment fraud related to the opening of crypto funds, to which, among other things, warns the U.S. Securities and Exchange Commission. All this leads to the need to formulate a regulatory framework for digital cash, ie, cryptocurrencies. It is a challenge that is closely followed and interwoven with the problem of their substantive definition, because all the cryptocurrencies are partly, and as we see many entirely, go out of the reduced framework of the digital global substitute of national currencies.*

**Keywords:** *Cryptocurrency, Legal regulation, Swiss model, General challenges*

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## THE EVOLUTION OF ROMANIAN MACROECONOMY POST-CRISIS

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### ABSTRACT

*The EU, a major trading power in the world it is operating as a single market, made up of 27, respectively 28 countries. Romania, part of the EU28 since 2007, is continuing with the good work and continues to catch up with the others EU countries and the EU average, reaching 60% of the EU average at the end of 2016, compared with about 40% in 2007. The aim of the study is to analyze the evolution of the Romanian macroeconomy in accord with the 27, respectively 26 EU country, post BREXIT, by taking in consideration that the world had confront with the worst economic and financial crisis of the last century. By considering this case, we need to highlight that the Romanian GDP has doubled. Besides this, in the year 2017, the Romanian economy growth reached 7%, marking the highest level of post-crisis economic growth which makes it the 16<sup>th</sup> economy of the UE28. However, the GDP per capita remains the second lowest in the UE, after Bulgaria. At the regional level, 7 regions from 8<sup>th</sup>, have a GDP per capita below the 60%. This indicates an increase in terms of disparities between the capital region, Bucharest-Ilfov, who exceeds the EU average, around 140% with the rest of the country. The Romanian macroeconomic growth will continue to be affected by the negative demographic trends, coupled with limited domestic labor mobility and high migration. According to National Institute of Statistic, on 1 January 2017, the resident population represented 19.63 million people, with 122.000 people less compared to January 2016. The main reason for this decrease is the negative natural increase: the number of dead persons exceeding the number of births by 68.061 persons.*

**Keywords:** *Macroeconomy, GDP, growth, post-crisis*

## **RESEARCH ON ACCESSING EUROPEAN FUNDS FOR YOUNG FARMERS IN ROMANIA UNDER THE TWO NATIONAL RURAL DEVELOPMENT PROGRAMS**

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### **ABSTRACT**

*The attention to be given to young farmers will need to be more and more concentrated in order to be able to solve their future problems. The paper aims to highlight the significant impact that measures for young farmers have had, as well as what needs to be taken into account in the future to meet the future needs of this extremely important and vulnerable group of farmers. By analyzing the quantitative and qualitative data it could identify a number of relevant aspects regarding the impact of the measures on the Romanian farmers and agriculture. The two measures have had positive effects, but at country level, a single program addressed to young farmers is insufficient to revitalize rural areas where young people are almost absent. Accessing European funds for agriculture has played and continues to play an extremely important role in the development of agricultural holdings and rural areas. One of the measures highly appreciated by farmers was represented by the young farmers, whose financing was a useful one in the context of their cash availability being reduced relative to the investments that can be made in agriculture so that the farm either cost-effective. In Romania and the European Union, the number of young people working in agriculture is quite low as this branch needs to operate continuously to ensure a flow of food for the population so that young farmers have to integrate into this activity for you replace the elderly.*

*Although there are 3 years until the NRDP 2014-2020, the SubMeasure 6.1. shows an average of those who accessed it higher than in the case of Measure 112 of the NRDP 2007-2013 with about 15% influenced by a number of factors that have facilitated access to these funds, which should also be taken into account in the coming period.*

**Keywords:** *agriculture, rural space, young farmers*

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## **THE PECKING ORDER THEORY (POT) AND START-UP FINANCING OF SMALL AND MEDIUM ENTERPRISES (SMES): INSIGHT INTO AVAILABLE LITERATURE IN THE LIBYAN CONTEXT**

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### **ABSTRACT**

*Purpose: The Pecking Order Theory (POT) states that businesses adhere to a hierarchy of financing sources prefer internal financing when available; and, if external financing is required, debt is referred over equity. Thus, this paper aims to test the application of POT as an exploitation of start-up financing of SMEs in Libya.*

*Design/Methodology/Approach: The conclusions were drawn from desk research. A comprehensive literature search of published academic, peer reviewed professional literature using*

*a variety of databases including journal articles, conference papers and thesis, both published and unpublished, was conducted. The main sources was the Internet.*

*Findings: By reviewing the available literature on access to finance by SMEs in Libya, the Pecking Order Theory (POT) was supported.*

*Research limitations: There are a number of stages in the SME life cycle. SMEs financing needs will vary depending on a number of variables, including the stage of development of a business. This study is limited to start-up stage. Moreover, The main limitation of the literature review, as a study methodology, is that it relies on information which has already been researched (secondary information). Thus, an empirical study is needed to provide more support to findings of this study.*

*Originality/Value: This is the first review of this area and thus should help intending and existing scholars. It could help policy makers to undertake some serious public policy serving the SMEs access to finance.*

**Keywords:** *Small and Medium Enterprises (SMEs), Pecking Order Theory (POT), Start-Up Financing, Literature Review, Libya*

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## **MULTI-CRITERIA HIERARCHY OF DEVELOPMENT REGIONS FROM THE TOURISM PERSPECTIVE – ROMANIA**

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### **ABSTRACT**

*Romania has a rich and varied, yet insufficiently valued tourist potential because of poor tourist infrastructure, lack of qualified staff, poor international promotion and bad service quality. Tourism is an important economic branch which can help achieve the main objective of regional development policy, namely reduce regional economic and social disparities. This is possible thanks to tourism which can use a number of specific elements that cannot be capitalized by other activity sectors. The present paper aims at achieving a multi-criteria hierarchy of Romanian development regions from the tourist perspective. For this purpose, we have used the real rank method which is based on a number of specific tourism activity indicators and their relative importance. The analysis of regions' ranking for the two reference years 2001 and 2016 has emphasized the following situation: two regions have retained their rankings (the North-West and the South Muntenia regions), whereas the other six regions have either got on top of the rankings or lower. The status of the South-Eastern region (having been in the top ranking for a long time) is surprising as it has been surpassed by the Center region, which originally ranked fourth. The explanation for this improvement is given by better indicators such as: the total number of tourists, the number of overnight stays, the number of tourist structures, modernized roads.*

**Keywords:** *regions, tourism, Romania, hierarchy, real rank method*

## **FUNCTION AND IMPORTANCE OF INTERNAL AUDIT IN HOTEL GROUP „BUDVANSKA RIVIJERA“**

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### **ABSTRACT**

*Purpose: Evaluate the efficiency of internal audit in risk management strategies and come up with recommendation on how internal audit can efficiently manage risk in star rated hotels group "Budvanska rivijera".*

*Methodology: In this paper the survey is applied as a method of scientific research. By this survey a clear insight is given into the real contribution of the internal audit in business of the company itself and how the work of internal audit reflects on the performance of the other functions and business sectors over which internal audit has a control function. Therefore, a conducted survey examined the settings and segments of the internal auditor's operations, rules, procedures, and responsibilities.*

*Findings: It is expected that the results of scientific research paper show that there is a high correlation between the function and importance of successful implementation of internal audit with the success of hotel business. The best example for this is the company "Budvanska rivijera", whose primary factor is the*

*tourist business in Montenegro. Permanent, continuous, wholly-effective internal audit activities are constantly monitored across all sectors of the business of this hotel company.*

*Contribution: The scientific contribution of the paper is to conduct a thorough research of all the participants in the company's management, all business processes, business activities, relations, rules and procedures, and empirical research in a comprehensive, systematic, and holistic manner by covering scientific and theoretical definitions. It will help the professional and scientific community in hospitality industry in the future work, both from a theoretical and empirical standpoint.*  
**Keywords:** *internal audit, internal audit effectivitiess, hotel sector*

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## **EFFICIENT MARKETING METHODS AIMING TO COMPLY WITH THE REQUIREMENTS OF MODERN CLIENTS**

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### **ABSTRACT**

*This paper aims to present marketing methods aimed to improve the relationship between companies and its clients. Marketing plays an increasingly important role in society, which is closely linked to increasing competition and can influence positively or negatively the local, national and global economy. Due to increased competition on the products and services market, customer income and access to information, it is imperative to present methods that will facilitate knowledge, understanding of their importance and their application by companies.*



*The most influential marketing people explore the frontiers of the most effective communication between companies and customers, paying special attention to telecommunication methods, to online ones, trying to create experiences and new consumer habits to satisfy, in a higher level, the consumption needs of customers. Correctly understood by some countries, the marketing manager allowed tremendous development of the respective companies, a development that was not anticipated by a majority of the world's population a hundred years ago. Company managers need to know client queries, recognize changes in demand, to know what competition is doing, and provide the best value of money for their products or services. By applying these methods, we will know exactly how many products or services we can sell to the targeted target audience, which is the best selling price in relation to customer income and cost of production, what is the degree of customer acceptance and satisfaction, and also the most effective ways to attract and persuade customers to test, taste and buy our products or services once, at least.*

**Keywords:** *Client queries, Companies, Competition, Economy, Effective communication, Marketing methods*

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## **GRI REPORTING FRAMEWORK AS A TOOL OF SOCIAL ACCOUNTING**

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### **ABSTRACT**

*Social accounting is aimed at identify, measure and reporting on social and environmental aspects related to the functioning of company. Thus, it is important to ensure the quality and reliability of information generated by reports. For that reason, organisations around the world are involved in development of norms, standards and guidelines concerning the reporting of social and environmental information. At present, the most comprehensive tool in this field is GRI Reporting Framework. The aim of the article is to identify the level of the use of GRI Reporting Framework in the process of preparing social reports. The realization of the article's purpose was based on descriptive method consists of analysis of the subject-related literature concerning social accounting and review of the GRI Reporting Framework documents. In addition, the method of desk research, based on selected studies showing global practices in the use these type of tools and on reports submitted to the GRI Sustainability Disclosure Database and CSRinfo's registry, were applied. Results of the research lead to the conclusion that GRI Reporting Framework occupies a significant place in the process of social reporting both on the global scale and in activities undertaken by companies operating in Poland.*

*This is due to the fact that it allows companies to select and disclose the most significant matters related to economic, social and environmental impacts. However, the analysis of the content of selected reports showed diversified range of indicators published by individual organisations, with the result that comparison of their engagement and performance in the field of sustainable development may pose a problem.*

**Keywords:** *GRI, reporting on social and environmental issues, social accounting*

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## **THE CONCEPT OF ORGANIZATIONAL AMBIDEXTERITY AS AN EXAMPLE OF PARADOXICAL STRATEGY**

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### **ABSTRACT**

*The success of enterprises in the conditions of globalization and hyper-competition depends on the ability to cope with paradoxical strategies. Organizational ambidexterity is an example of a strategy based on capability of exploiting the existing competencies while simultaneously exploring new opportunities. The main goal of the article is to review contemporary definitions of the ambidexterity and its usage in current organization theory. The author's goal was to review the definitions and systematics of the concept and identify gaps in this area. The contribution of the research is to highlight implementation dilemmas present in provided literature overview. The element combining the definitions of organizational ambidexterity is the presence of two opposite*

*activities that must be simultaneously or sequentially combined. Exploitation focuses on what the company already has and knows and is associated with such concepts as efficiency, repeatability, stability, reliability, low level of uncertainty and high level of success. Exploration focuses on what is to be discovered and is associated with low efficiency, experimentation, flexibility, tolerance for errors, high uncertainty and low level of success. The analysis shows that there is inevitable friction within the organization resulting from the combination of conflicting processes. In particular, three areas of the most persistent tensions are distinguished: around the strategic goal, around the customer orientation and around personal motivation. Even if there is a consensus that organizational ambidexterity is necessary several implementation issues remain unsettled.*

**Keywords:** *exploitation and exploration, organizational ambidexterity, paradoxical strategies*

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## **'QUESTIONS BANK' IN TERMS OF WŁADYSŁAW JACHNIAK AS A MANAGERIAL TOOL OF FINANCIAL EDUCATION**

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### **ABSTRACT**

*The article is a contribution to organizational history. It analyses and validates 'Question Banks', the concepts proposed by Władysław Jachniak's (1915-1994), a Polish independent entrepreneur and economist from so called communist period. 'Question Banks' was created in the 1970s (the times in Poland of the centralized industry with a relative opening to the West) as a training material for economists operating in those economic realities: period of loans, growth of consumption, huge investments and WOG (Large Economic Organizations). The aim of the analysis was to determine the suitability of this training material for adaptation in the conditions of the current economy. Moreover, Władysław Jachniak's 'Question Banks' was analysed as a potential tool for a coach and mentor in modern business. The article also presents the elements of the theoretical perspective on the concept of professional development, which are necessary for 'Question Banks' utility in financial education today. In order to show the financial reality during the life and work of Władysław Jachniak in comparison to the present times, a comparative analysis of budget expenditures in 1974 and in 2017 was made. The research uses data from the 'Question Banks' itself, from the budget laws of 1974 and 2017 as well as*

*reports and articles on the issues discussed. The validity of the main concepts used by the author of Question Banks was also examined by comparing the frequency of their occurrence in the current database of scientific articles. The proposals contain recommendations on how 'Question Banks' can be adapted to current managerial practice. The article shows how managers can use the experience and tools of their predecessors to today's challenges in the field of economic education, mainly for the purpose of effective mentoring and coaching duties.*

**Keywords:** budget, coaching, managerial training, mentoring

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## **A POLITICAL ECONOMY ANALYSIS OF THE CHINESE SYSTEM OF SOCIALIST MARKET ECONOMY**

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### **ABSTRACT**

*In order to do political economy analysis, one should not only consider purely economic and political factors. Certain other relevant non-economic institutional factors such as history, religion, culture, national ideology, political identity and even*

*climate are of at least equal importance. They contribute to a society's definition of its interests, influence its behavior, and in turn, shape the unique economic pattern of the individual county with the help of those purely economic factors within the country. Those economic factors, such as labor force, natural resources, monetary capital, technological knowledge, etc., alone cannot decide what kind of goal they would pursue in developing their national economy, nor which economic path the country would take. Due to different experiences each country had in its past, they tend to have their own ideals, values, beliefs which would influence the political path they chose for themselves. Chinese economy is a socialist economy in essence, at least according to the Chinese Government and the Communist Party of China. Chinese economy is also, at least partially, a market economy which transformed from planned economy. The feature and characteristics of Chinese economy, i.e., socialist market economy, are deeply influenced by the political factors such as national political science (philosophy ideology), official religion (or the lack of) and historical experience. In order to understand the Chinese economy and its future paths, it is important to study those factors.*

**Keywords:** *Chinese economy, institutions, political economy, socialist market economy*

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## **CONTEMPORARY INNOVATION PROCESSES AND MANAGERIAL ISSUES**

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### **ABSTRACT**

*In this paper we analyze the influence of open innovation on the structure and organization of the contemporary innovation process. The paper starts with a literature survey followed by a*

*few empirical cases. On the basis of this, the multi-process model of innovation is presented. Afterwards we identify the main managerial issues or rather challenges to be faced by managers of innovation processes in enterprises.*

**Keywords:** *innovation, innovation process, innovation management*

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## **ROMANIAN WINES - PAST, PRESENT, FUTURE**

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### **ABSTRACT**

*The vine and the wine are dated to the territory of the present country called Romania for 6,000 years ago. Famous historians of antiquity have written about these lands and about the treasures which they could meet here, including wine. A king on these lands, Burebista, tried to destroy the vine at some point but he failed. An insight into history was made in order to discover the beginnings of wines in the space between the Carpathian Mountains, the Black Sea and the Danube. Studies have been carried out to show the current state of harvesting, grape processing and the level of wine production in Romania comparing with other countries successful in this wonderful field, both in Europe and other continents such as Australia or South America. I also presented the wine-growing areas of Romania, the country's great vineyards and some very tasty local wine varieties. Among the conclusions related to wine production are the following: Romania has a glorious past, a present disappointing by the drop of exports (especially due to the lack of*



*coherent legislation in this respect), but the future seems promising if we will follow the examples of the countries who have succeeded in this field such as: France, Italy or Spain from Europe, Chile from South America or South Africa (Continent Africa). This paper will highlight some of the problems faced by the wine producers both at legislative and production level and, at the end of it, there will be some recommendations to help winemakers in Romania.*

**Keywords:** *future, past, present, Romania, wine producers*

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## **R&D EFFECTIVENESS IN THE PHARMACEUTICAL INDUSTRY**

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### **ABSTRACT**

*One of the challenges for the Big Pharma is finding the golden line in the tradeoff between innovation and pricing. This paper investigates the relationship between R&D expenditures, patents and gross profits, based on US pharmaceutical industry panel data. The initial hypothesis states that there is a positive relationship between the R&D expenditures, patents applied in a current year and the company's profitability measured in terms of gross profits. The study concludes that there is a significant positive relationship between the R&D spending and the number of the applied patents in a current year. However, the relationship between the patents applied and the profitability has proved to be negative.*

*The incline in the total assets and sales volume leads to the increasing profitability, whereas the size of the firm measured by the number of employees has an opposite negative effect. Results are relevant to the ongoing discussions regarding the fairness of pharmaceutical industry pricing, since it provides an evidence on the relationship between R&D expenditures, patents and gross profits.*

**Keywords:** *Big Pharma, patents, profitability, R&D*

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## **BETWEEN CONSUMERISM AND DECONSUMPTION - ATTITUDES OF YOUNG POLES AS A CHALLENGE FOR MARKETERS**

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### **ABSTRACT**

*Deconsumption is a voluntary giving up of behaviors aimed at satisfying desires created by marketers in favor of a conscious, rational and ethical choice intended to satisfy one's real needs. Deconsumption means taking responsibility for the long-term and multi-faceted effects of consumer decisions that are being taken nowadays. It assumes the elimination of consumer's hedonistic behaviors oriented at immediate gratification in favor of more demanding ones, which are characterized by postponed gratification, but – in the long run – are of more value. Deconsumption is a reaction against the feeling of exhaustion caused by excessive consumption (consumerism) and a distinctive feature of a consumer living in a post-ownership era, for whom the value lies in the benefits from using a products and not in its ownership and possession. Deconsumption is demonstrated mostly by limiting (rationalizing) consumption [caused by disappointment and fatigue resulting from excessive consumption, lowered importance of consumption and a human*

*element within the system], greening consumption, servitisation, being involved in collaborative consumption (sharing economy and access economy). In a broad sense, deconsumption also includes anti-consumer behaviours, including those related to consumer resistance (e.g. consumer boycott, retaliation against companies that, for instance, abused their position, etc.). So far, deconsumption has not been adequately described in the literature on the subject (both in Poland and abroad) and there is a great cognitive gap regarding this phenomenon. Most of the research carried out in this area is of qualitative character. Quantitative research has been focusing on selected aspects and, additionally, it has been conducted on low-key, convenient trials (mainly involving students). The basic aim of this study is to diagnose the deconsumptive attitudes and behaviour of Generation Y in Poland. People born between 1980 and 2000 acquired consumer awareness in a competitive, free-market economy. Thanks to technological development they have access to global information and they can follow trends from different parts of the world. Are they therefore ready to give up a consumer lifestyle and the will to increase their ownership? The conclusions are based on the results of quantitative research conducted on a representative sample of 600 young Poles. The sample was selected by random-quota method. The respondents were selected based on gender, age and place of residence.*

**Keywords:** *consumerism, deconsumption, Generation Y*

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# SELECTED PROBLEMS OF THE CREATION AND DEVELOPMENT OF THE INFORMATION SOCIETY AGAINST A BACKGROUND OF GLOBALIZATION

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## **ABSTRACT**

*The paper presents an analysis of a particular set of diagnostic features. It spans the years 2010-2017 and is based on data for 35 selected countries published by the Central Statistical Office as well as national and OECD statistical yearbooks. The variables, whose relevance and statistical accuracy were first verified, formed a basis for the classification of the countries according to Internet usage by physical persons aged 16-74. The aim of the analysis is to apply a selected taxonomic method – the maximum gradient method – to identify groups of countries with a similar level of Internet usage.*

**Keywords:** *Econometric Methods, Globalisation, Information Society, Taxonomic analysis*

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## THE INFLUENCE OF CLIMATE CHANGE ON SUSTAINABLE DEVELOPMENT

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### **ABSTRACT**

*Climate change produces major changes in all sectors of the economy, especially in agriculture for plants, animals, forests, aquatic resources, invertebrates and micro-organisms. All the climate change scenarios considered have led to decreases in wheat and corn production and animal production, with direct consequences on population nutrition. Conclusion: Climate change can cause substantial reductions in international cereal and livestock production. Agriculture and livestock are among the most climate sensitive economic sectors in developing countries, while rural communities are more vulnerable to the adverse effects of climate change. Climate change is real and is happening now. In this context, risk management in managing the effects of climate change is a useful and extremely important leverage.*

**Keywords:** *climate change, poverty, economic disturbance, risk management, preventive measures*

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## **THE EFFECT OF OVERFLOW AT WORKPLACE ON EMPLOYEES PRODUCTIVITY AND WELL BEING**

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### **ABSTRACT**

*The constant inflow of e-mail messages, documents or the need to deal with workplace procedures has resulted in many employees being exposed to information overload. Experiencing overload can be problematic from an organizational perspective diminishing the accuracy of decision-making, personal well-being, levels of experienced stress, job satisfaction, but also decision making, innovation, productivity, and fulfillment of job responsibilities. Two studies investigated the effect of overflow induced by email segregating task on cognitive performance and physiological markers of stress and cognitive load: heart rate (HR) and heart rate variability (HRV). In Study #1. 134 participants were assigned to the overflow or control conditions and their subjective feeling of overload and cognitive performance were measured. In the overload condition participants reported higher levels of overload and exhibited lower levels of cognitive performance in a subsequent task as measured by mean response time and number of errors in the Stroop task. In Study #2. Twelve participants completed 3 sessions consisting of 3 tasks each. HRV was lower during the overflow task than during baseline indicating a greater cognitive*

*load during the overflow condition. This effect did not diminish with repeated exposure to the overflow task. HR decreased during subsequent overflow tasks relative to baseline indicating the within-session habituation of stress in response to repeated exposures to the overflow task. Participants' self-response regarding core affect showed no difference between the overflow tasks relative to baseline. This indicates that physiological measurement of overflow may provide insight into monitoring overflow not available with questionnaire methods. Negative consequences of overloading are very important from the point of view of the organization, because impairment of cognitive tasks can translate into worse decision making and more mistakes made by employees, while a decrease in heart rate variability can lead to health consequences.*

**Keywords:** *Cognitive Load, Employees Well-Being, Heart Rate Variability, Stroop Task, Workplace Overflow, Workplace Stress*

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## **PERFORMANCE APPRAISAL SYSTEM FOR ADMINISTRATIVE STAFF: A PILOT IMPLEMENTATION STUDY AT THE UNIVERSITY OF WARSAW**

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### **ABSTRACT**

*This paper presents a reflective pilot implementation study aimed at the development of a performance appraisal system for the administrative staff of the University of Warsaw. Such systems are relatively rare in academic institutions and until now there was no general performance appraisal system for administrative staff at this particular University. This paper describes a preliminary attempt to create an adequate model and methodology, as well as its initial implementation. The pilot implementation study was conducted at the University's Faculty of Psychology and – after some adaptation - in two offices of the University's central administration (number of employees N=70). The authors' model of administrative staff performance appraisal consists of three pillars – (a) an auto-evaluation form filled by the employee, derived from the positive psychology theory of Martin Seligman, (b) a behavior-based employee evaluation form tailored by the manager and filled by him, and (c) a "plans and goals" form filled by the employee and the manager together, derived from Peter Drucker's management by objectives (MBO) theory. The implementation methodology was focused on a coaching and training process with the managers*



*performing the staff evaluation. In order to assess the reception of the performance evaluation system some qualitative methods have been used (interview, N=2, survey, N=17). Based on the results of the pilot implementation study further research directions are presented for future studies and practical application.*

**Keywords:** *Administrative Staff Management, Higher Education Institutions, Performance Appraisal System*

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## **THE LEGAL ASPECTS OF INSOLVENCY OF THE ENTERPRISE (SELECTED ISSUES)**

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### **ABSTRACT**

*The aim of the study is to determine possible legal actions that should be taken in case of insolvency or threat of insolvency of the enterprise and their legal and practical consequences both for the enterprise itself and for the members of the management body which is responsible for running the company. The paper concentrates on legal crisis prevention measures that can be taken to continue the activity of the enterprise under Polish regulations. In particular, three arrangement procedures and the remedial procedure are in focus. The article not only pays attention to legal regulation of the abovementioned procedures but also to practical consequences of initiating each of them and possible threats to the wellbeing of the enterprise after initiating them. Subject to analysis is also the right time to initiate restructuring procedures and possible consequences of not initiating proper procedure in the right time. Description of the bankruptcy procedure is limited with the stress being put on the*

*possibility to avoid liquidation of the company and continue the activity of the enterprise.*

**Keywords:** *bankruptcy, insolvency, arrangement procedure, remedial procedure, restructuring procedure*

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## **THE INFLUENCE OF THE TYPE OF CUSTOMER (INDIVIDUAL VS INSTITUTIONAL) ON THE PRINCIPLES OF WRITTEN COMMUNICATION OF A LARGE ORGANIZATION**

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### **ABSTRACT**

*The overall objective of communication is to achieve the common understanding of a specific content. A letter is as an indispensable tool of communication in business. In order to increase the*

*efficiency of written communication it is important to shape the message in such a way, so that it is properly understood by the recipients. The market segmentation is the basic tools for matching marketing mix instruments with the recipients. An important segmentation criterion that differentiates the clients is the type of customer - individual or institutional. The objective of the paper is to investigate whether there are significant differences in the expectations of individual and institutional customers regarding written correspondence, justifying the necessity of dividing customers into separate market segments in order to conduct different written communications with them. The paper reviews the available literature and contains the results of a qualitative research conducted by the authors in cooperation with a large energy company in Poland.*

**Keywords:** *Qualitative research, Market segmentation, Individual consumers, Institutional customers, Written communication*

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## **CHANGE OF THE PREVIOUS PATH OF DEVELOPMENT IN THE ACTIVATION OF PERIPHERAL AREAS OF WEST POMERANIA IN POLAND**

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### **ABSTRACT**

*Peripheral areas of West Pomerania in Poland underwent marginalization since the beginnings of the political transformation. Attempts at activating them failed to bring intended results. Therefore, the aim of this article is to design a path of development for the studied areas which would be*

*different from the hitherto taken actions. The proposed approach is based on the polarization-diffusion model with the use of seaports as growth poles. Both primary and secondary sources of information were used in the article. To this end, the literature on the subject and numerous publications and scientific studies were reviewed. Research was conducted in the form of in-depth interviews with selected representatives of municipalities and seaports. Research results showed that the main barriers limiting the development of the peripheral areas of West Pomerania are the low quality of human capital and insufficient mobility of the workforce. The resulting high unemployment rate lowers the purchasing power of the local community. As a consequence, the studied areas are not attractive to investment capital. In the polarization-diffusion model, the main player is the key enterprise which involves local entities in the production process. The produced goods are exported to foreign markets characterized by a high purchasing power of their consumers. The development of local entrepreneurship increases the demand for workforce. Money introduced into the economic cycle stimulates other sectors of the local economy. The efficiency of the new path of development requires the involvement of public authorities in the acquisition of the key enterprise and creation of conditions for diffusion and absorption of developmental impulses. The proposed model solves the key problems of peripheral areas, which are: limited mobility of the workforce, insufficient local demand, and low quality of human capital. The polarization-diffusion model is in line with the change in the current thinking about regional development, which should be seen as a chance for its implementation.*

**Keywords:** *growth poles, regional development, seaports*

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## **USING THE APPARATUS OF SIMULATION MODELING IN THE PROCESS OF DEVELOPING ADVERTISING STRATEGIES OF ENTERPRISES**

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### **ABSTRACT**

*The main problems in the field of advertising strategies development of enterprises, as one of the important factors in increasing the efficiency of their marketing, production and economic activity, are determined. The peculiarities of the formation of advertising strategies in the market of pharmaceutical goods are considered. The expediency of using a flexible mathematical apparatus in the process of developing and approbation strategies and their consequences for the future is substantiated. The model-simulator of the advertising strategies formation of the enterprises is offered, that developed on the software platform of the integrated system of multilevel imitative modeling - AnyLogic. The developed model-simulator is intended for daily application in the process of making managerial decisions regarding the formation and adjustment of the advertising strategy of enterprises in commodity markets. The model is quite typical and can be easily adapted to the specifics of not only concrete pharmaceutical companies, but also for enterprises in other industries.*

**Keywords:** *advertising strategy, AnyLogic, enterprise, pharmaceutical model-simulator, simulation modeling*

## **COMMUNICATION WITH EXTERNAL AND INTERNAL PUBLIC ACCORDING TO STAKEHOLDER MANAGEMENT PRINCIPLES: EXAMPLE OF SPORTS ORGANIZATIONS**

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### **ABSTRACT**

*Sport became a lifestyle, which influences the behaviour and the way of living of a growing number of people. The goal of this paper is to conceptualise and develop a theory about the work of contemporary sports organizations based on stakeholder management. Theoretical discourse of this paper focuses on internal and external stakeholder – influential publics and includes: communication with employees, volunteers, consumers, club members, sponsors, donors, investors and state authorities. Mentioned perspective sets public relations on a level of strategical management function, because it is able to influence the way that stakeholder – influential groups support organizational goals. Successful communication implies respecting the needs of customers with which it enters into business, representation of potential benefits or additional funding. Measuring of sports organizations' public relations effectiveness is necessary in order to determine the desirable level of business success in the public relations department.*

**Keywords:** *sport, public relations in sport, internal public, external public, measuring effectiveness in public relations practice*

# **ANALYSIS OF THE CORRELATION BETWEEN CORPORATE GOVERNANCE AND THE ECONOMIC-FINANCIAL PERFORMANCE OF THE ECONOMIC ENTITIES**

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## **ABSTRACT**

*Performance is a combination of efficiency and effectiveness. If efficiency is to achieve maximum effects with minimal effort, effectiveness is the quantification of the extent to which the objectives are met. The new economic configuration of commercial transactions, characterized by change and unpredictability, leads to a shift from a reactive approach, based on previous planning and subsequent control, to a dynamic, proactive, characterized by the quantification-action-reaction. The quantification of the performance of the economic entity is carried out with the help of the indicators. The indicator thus becoming a decision support tool that verifies whether the actions taken are registered in the direction approved by the General Meeting of Shareholders and the Board of Directors. Therefore, quantification of performance involves identifying a methodology in which the following components appear as the main directions of action: customers, shareholders, business partners, own staff, various interested audiences, widening the company's responsibility to groups other than shareholders, managers, employees and trade unions, internal processes, quality system, information system. In this paper I propose to analyze the correlation between corporate governance and the performance of economic entities, known to be the fact that economic agents with poor corporate governance have low economic performance (low yield of assets, equity and investments, etc), expose*

*themselves more often the risks (eg stock price volatility of BSE listed companies, low interest rate, etc.). I believe that it is necessary to create a new global governance model that takes into account the organizational and evolving dimension of the entity, but also other partners whose actions can maximize the efficiency, performance or value of the brand, and which puts particular emphasis on creating value or wealth for stakeholders. We need a new policy to maximize shareholders' wealth.*

**Keywords:** *performance, indicators, corporate governance, quantification, well-being*

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## **ANALYSIS OF THE ECOTOURIST PROFILE IN ROMANIA, HUNGARY AND BULGARIA**

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### **ABSTRACT**

*Applying the current principles of developing sustainable tourism in protected natural areas and adjacent areas has led to the emergence of ecotourism as a distinct form of tourism designed to respect the integrity of natural landscapes and ecological biodiversity in line with the requirements of certain tourist segments that want to spend their holidays in nature and at the same time to create opportunities for community development. The present study aims to present the current stage of development of this form of tourism at national and international level and to come up with a set of directions that guide the efforts to capitalize through ecotourism of areas where the nature and the local culture occupy a central place, in accordance with the requirements of national law, as well as*



*international conventions. Ecotourists cover a broad spectrum of travelers more and more motivated to experience, being interested in the natural environment of the places they visit, as well as in learning about local communities. They are especially attracted to rural areas where there is a mix of traditional landscapes and villages. They are in a constant search for various experiences that can not be ensured through holidays for mass tourism. The work we are proposing is the result of a study by university teachers, master students and PhD students from the management and agro-tourism specialty at the University of Agronomic Sciences and Veterinary Medicine of Bucharest. The study was carried out during 2010-2017 period, the target group consisting of 300 ecotourists: 100 from Hungary, 100 from Bulgaria, and 100 from Romania. Based on research into their behavior, preferences and motivation, it has emerged that an ecotourist is characterized by a high level of education and training, above average income and willing to spend more in a destination during a stay extended.*

**Keywords:** *The ecotourist profile, Sustainable tourism, Ecotourists, local communities*

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## **TOURISM NETWORK: KRAPINA – ZAGORJE COUNTY CASE**

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### **ABSTRACT**

*Tourism networks may be defined as social structures that enable business entities to build the level of mutual trust in order to create and develop jointly local tourist product. They are imaginary organizations, both formal and informal, which present social construct of people, activities and ideas. Complex or better said structured nature of tourism includes a number of stakeholders into building networks: entrepreneurs, public organizations, NGOs. The survey was used to question 148 stakeholders who participate in creating joint tourist product in NUTS3 region of Krapina-Zagorje County, Republic of Croatia. They are enterprises, craftwork, small family agriculture businesses, public institutions and bodies, NGOs and individuals who participate and contribute to creating and implementing tourist product, which do not have formal business linkages, but function as informal tourism network. The survey questioned their level of cooperation in 9 areas, divided into 3 benefits. Results, further checked by T-test, show that within informal network public sector better understands cooperation and higher values benefit i.e. the test proves correlation in attitudes of public sector examinees in comparison to private sector examinees.*

**Keywords:** *tourism networks, Krapina-Zagorje County, community involvement and participation, building linkages*

## **ANALYSIS OF CROSS-BORDER ACQUISITIONS OF FAMILY-OWNED COMPANIES IN THE REPUBLIC OF CROATIA**

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### **ABSTRACT**

*In today's world of constantly changing national economies, businesses are increasingly looking for appropriate growth strategies that will ensure sustainability and competitive advantage in the long run. Mergers and acquisitions represent one of the most accepted and most widely used model of implementation of growth strategies. Expanding the borders of the European Union the doors of the international market opens in which apply entirely new business rules and where large multinational companies dominate. The issue of competition and competitive bidding is especially challenging in the context of small family-owned companies. This paper represents the case that serves as an example of good practice and successful takeover motivated by the quest for market power and long-term survival of business. The case presents a takeover in which the French multinational company Atalian Global Services took over Ekus d.o.o., a family-owned company in Croatia.*

**Keywords:** *cross-border mergers and acquisitions, mergers and acquisitions (M&A), outsourcing, family-owned companies, performance indicators*

## ECONOMIC ASPECTS OF VIRTUAL SERVICES

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### **ABSTRACT**

*A virtual service can be defined as an economic activity using ICT to contact and match the demand for a given service (real or potential consumers) with its supply (providers of that service). Virtual services offer new examples of ICT support to business and form an important and fast-growing part of service market which, in turn, is a part of labour market. We claim that each market beside its demand and supply has its own organizer who sets, often informally, rules for its demand-supply game. These three market actors (people, institutions, firms, etc.) are connected by formal and/or informal relations what can be pictured as a triangle, called the market triple. For each virtual service the rules of the demand-supply game are strictly formalized and presented by the organizer as its application (computer program) which matches virtually, through an internet platform, the demand for a given service with the supply equalizing it. We study economic aspects of that matching, including a division of responsibility for the demand-supply game among the three market actors. By an example of Uber, we introduce a concept of the organizer and study its role on the Uber's market. We show that each virtual service beside its market has its own market triple which indicates who of the three actors does the matching. For instance, it is the supply side in the case of Uber, but the demand side in the case of Airbnb, while the organizer matches demand and supply on the Forex market. In conclusion, we discuss a contribution of virtual services to a development of the on-demand economy, and demonstrate how our methodology can be used in debates on the Uberisation of contemporary economy.*

**Keywords:** *Demand-supply game, Economic analysis of virtual services, Labour market, On-demand economy, Uberisation*

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## **THE INFLUENCE OF AN EXCESSIVE PUBLIC DEBT ON THE ECONOMIC TRENDS IN THE REPUBLIC OF CROATIA**

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### **ABSTRACT**

*Lately, the problem of a public debt takes place as a central macroeconomic question. The level of public debt of the Republic of Croatia, and especially the dynamics of its growth, indicates a troublesome situation in the system of public finances. The instability of the financial system and the increase in government spending have been manifested in the strengthening of the state debt borrowing increase, whose sources of funding are already largely limited due to the financial crisis. With the goal of settling incoming debts and stabilizing the system, the economy is turning to borrowing either on the domestic or foreign markets. Previous and current situation in the Republic of Croatia suggests the existence of excessive macroeconomic imbalances caused largely by the existence of excessive levels of public debt and the profound financial crisis, which ultimately reflected on the system of the public finances. Therefore, there is a need for applying special policies and strategies for managing public debt that would lead to stabilization of state indebtedness using tailored measures on the financial market. This paper deals with the impact of public debt on the economy of the Republic of Croatia, as well as the possible measures of stabilization of the system. Given the former research, the emphasis is placed on the oscillating path of public debt growth and the budget deficit, as*

*well as the consequences of such negative movements have on the economy. The conclusion that is to be drawn is that every measure of stabilization of the system has its positive and negative effect on the economy. What consequences will prevail primarily depends on a combination of measures that will apply economic policy makers.*

**Keywords:** *public debt, government deficits, GDP, stabilization measures, sustainability*

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## **SELECTED METHODS OF PSYCHOLOGICAL MANIPULATION IN THE MARKETING OF FINANCIAL SERVICES**

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### **ABSTRACT**

*The main purpose of this article is preliminary identification of manipulation techniques and methods used in banks for staff relationship management. The empirical contribution of this article is to discuss the influence of immediate supervisor on the consumer's consultants in the banking sector. The author has tried to answer the research questions, Are there any manipulation techniques used by bank managers? If, yes, what methods of psychological manipulations are applied by supervisors on to their employees. Data is gathered by using interviews with an experts' group and by the critical reflection on the professional experiences of the author of the article. The initial results highlight some manipulation techniques used by bank managers on the consumers' consultant, for example, the reciprocity technique, group technique, the contrast technique,*

*authority technique, word manipulation technique, impression management technique and social manipulation techniques, such as the foot-in-the-mouth and dialogue, the door-in-the-face", stressful situations, feelings of guilt. It is also worth noting that in opposition to techniques there are examples of psychological counteraction to manipulation, for example, the instinct to restrain aggression and empathy, change assessment into opinion, violation of the principle of reciprocity, self-esteem, personality and manipulation. The author also paid considerable attention to aspects such as rights and needs of the employee in the sales of financial services and his job satisfaction.*

**Keywords:** *Customer consultant, Financial services, Manipulation, Manipulation techniques, Persuasion*

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## **CASE STUDY METHOD AND ITS USEFULNESS IN BRANDING ACTIVITIES - RESULTS OF RESEARCH**

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### **ABSTRACT**

*The aim of this article is to describe the case study method, its specificity, advantages, disadvantages, and possibilities of its application in branding activities of marketers as well as other interested parties. Starting from the essence of case study as a method of scientific research, the following subjects are discussed in the article: methodology of conducting the case study, areas of application, and usefulness in activities for the brand, as well as in teaching the effective brand building. Theoretical considerations have been supplemented by research results and selected examples of application of the discussed method.*

*The methodology of research carried out included: literature studies, meta-analysis of available information resources, and own qualitative research using a case study method. In the article the recommendations have been formulated for theoreticians and practitioners interested in methodological usefulness of a case study method in branding activities.*

**Keywords:** *case study method, procedure of case study application, case study in brand building, branding, recommendations for marketers*

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## **BUSINESS PROCESS MATURITY MODELS RESEARCH – A SYSTEMATIC LITERATURE REVIEW**

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### **ABSTRACT**

*Business Process Maturity can be defined as the „degree of explicit definition, management, measurement, control and effectiveness” of organisational processes (Humphrey, 1987, p. 1-13) or their ability to systematically provide better business results (McCormack, Johnson, 2001, p. 12). The practical implementation of the above concept is reflected through Business Process Maturity Models (BPMMs). They have been designed in order to enable companies to shift their business process management from „as-is” state, where process are undefined and underperforming to a desired „to-be” state, in which processes are being continuously improved. The available literature proofs that many review papers on BPMMs, in particular those issued before 2010 lacks an extensive set of systematic literature review or analysis criteria. For example, the authors didn't pay attention whether the analysed models focused on a single process, a*



*specific group of processes or all organisational processes. Often, there was also no distinction between organisational and process maturity, which appeared in the analysed models as separate concepts, or different types of maturity (e.g. process, project, supply chain, etc.). Some systematic attempts for analysing BPMMs were undertaken by e.g. A. Van Looy (2010, p. 687-697), M. Rosemann and J. vom Brocke (2010, pp 105-122), as well as M. Röglinger, J. Pöppelbuß and J. Becker (2012, p. 328-346), however still significant limitation of these research can be enumerated. As a result of the identified research gap, this papers aims at performing a systematic literature review based on transparent and sound criteria. The paper is divided into three main parts. The first part (introduction) focuses on presenting briefly the „state-of-the-art” regarding the Business Process Maturity Models research. The second part provides insights into the methodology of performing the systematic literature review. Finally, the last part of the paper discusses the results of the performed study and resulting conclusions.*

**Keywords:** *Business Process Maturity, Business Process Maturity Model, Research, Systematic literature review*

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## **THE ANALYSIS OF THE CHOSEN METHODS OF THE EVALUATION OF START-UPS ON THE SPECIFIC CASE**

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### **ABSTRACT**

*There are long hours of the sophisticated development and improvement, knowledge, abilities, skills and commitment of founders hidden behind the innovative and perspective product or service of start-ups. We can state, in the context of ecosystem of start-ups that they originate in the environments that create for them the most convenient conditions in the form of various factors and specialized subjects. According to the last statistics there are approximately 645 start-ups in the Slovak Republic. The company Eset is certainly historically the most successful and most famous start-up, as well as the portal Pelican Travel, the road navigation Sygic, Sli.do, Staffino and others. Every start-up has to pass the particular steps of its development in its dynamic growth. The part of financing is the essential part thanks to which it is able to keep its characteristic dynamic growth and assessing. In this paper we have pointed at the particular possibilities of gaining the necessary capital and its connection to the particular phases of the lifetime of start-ups. The aim of this paper is to point at the possibilities, as well as drawbacks of the particular methods of evaluation on the basis of the analysis of the chosen methods of financing the specific start-up. By means of the methods of analysis, comparison, modelling and synthesis, there are results of analysis of the financial side of start-ups interpreted in this*

*paper as well as the application of the knowledge gained on the example of the specific start-up. From the reasons of the protection of data, the particular subject is not named and there was used the coefficient not stated that keeps the development trend. The particular process of evaluation of company is bound to the period at the end of 2016 and the beginning of 2017.*

**Keywords:** *enterprise, valuation, social field, development, growth*

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## **THE ECONOMIC IMPACT ON DEVELOPMENT OF DEMOCRATIC PARTICIPATION IN VISEGRÁD GROUP COUNTRIES**

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### **ABSTRACT**

*The article contains considerations on the economic impact on development of the level of democratic political participation. Described research concerns the situation in the Visegrád Group, in particular, the correlation between the level and dynamics of economic development and democratic participation, appearing in voter turnout. The Visegrád Group (Poland, the Czech Republic, Slovakia, Hungary) presents the fastest developing part of the European Union. Since joining the EU in 2002, they have gradually reduced the economic gap between them and the Western Europe. The countries of the Central Europe received relatively balanced settlement and industry structure from the period of the Soviet domination. Not until the political changes in the 90s and the subsequent period of economic growth the tendencies to polarize the socio-economic development have intensified in them. The paper analyses the dynamics of economic development in selected regions of the countries (NUTS-2) and its*

*correlation with the level of electoral participation of the population from 2002 to 2018. The main hypothesis of the article is that there is a clear correlation between the economic growth of regions and electoral participation of their inhabitants. Further differentiation of the level of affluence between regions may lead to the stratification of civic democratic engagement. The significance of the problem stems from the fact that the low citizen involvement in the political life of the country, which manifests itself in, among other things, the low level of electoral participation, usually results in dangerous radicalization of social moods and favors populist political parties.*

**Keywords:** *electoral participation, democracy, regional development, Visegrád Group*

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## **PERIPHERAL ANTECEDENTS OF THE PROSUMER CULTURE AS A SOURCE OF INSPIRATION FOR HUMANISTIC MANAGEMENT**

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### **ABSTRACT**

*The article is a discussion of the possibility of using the nineteenth-century idea of city-gardens (Ebenezer Howard) and its peripheral realizations as a cognitive contribution to*

*humanistic management. Humanistic management - a relatively new trend in organizational studies was initiated, among others by Polish-British scholar Monika Kostera, at the beginning of this century. This trend postulates the use, both in theory and practice of management, of the paradigm of the humanities, including historical ones. It also advocates reaching for local organizing traditions. According to this approach, this text presents the possibilities of using organizational history to enrich contemporary management thinking based on good practices from the past. The authors of the text formulate the thesis that the idea of city-gardens, and especially the management practices resulting from it, were the antecedents of the prosumer movement ideology of our time. The article justifies this thesis by critically analyzing the implementation of the idea of city-gardens on examples from the areas of Warsaw and the surrounding area from the first half of the twentieth century. It shows the specificity of urban investments using the idea of Ebenezer Howard, implemented in peripheral areas in relation to the center of globalization. An example of such areas in this article are central Poland. This approach shows the possibilities of developing prosumer culture also based on local traditions. According to the authors, a reminder of good practices related to the implementation of the idea of city-gardens may be an "intellectual bridge" between humanistic management and the prosumer movement today.*

**Keywords:** *city-gardens, humanistic management, organizational history, prosumer culture*

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## **ANALYSIS OF THE VALUATION ACTIVITY ON VEGETABLES AND FRUITS CHAINS FOR THEIR IMPROVEMENT**

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### **ABSTRACT**

*The cultivation of vegetables and fruit trees was the main activity of the Romanian farms, a country badly affected both by the process of nationalization / collectivization during the communist period and by the defective retrocession of the post-communist period. But since 2007, investments in agriculture, including those in the fruit and vegetables sector, have played an essential role, both by setting up new agricultural holdings and by upgrading the existing ones. During the programming period 2007-2013 and 2014-2020, farmers could access measures that can be plunged into the fruit and vegetable sector. Starting from the main advantages of the fruit and vegetables sector, such as the large assortment of fruit and vegetable species and varieties, the large number of farms, the pedo-climatic conditions favorable to the cultivation of a significant number of varieties, the growing of the areas cultivated with vegetables in protected areas Modernization of the processing units, improving the fruit and vegetable harvesting activity play a particularly important role in the revitalization of this sector. The market for vegetables and fruits is influenced by a number of factors such as: the demand and supply atomicity, product homogeneity, the seasonality of vegetable and fruit products, the high degree of perishability, the demand for vegetables and fruits has a continuous character, the production of vegetables and fruits has different destinations. Modern analysis of the global value chain focuses on actors' relationships as a way to reduce uncertainty, improve access to key resources and increase chain efficiency.*

*For the proper functioning of the vegetable and fruit chain, the producer groups and producer organizations are extremely important.*

**Keywords:** *chain, fruits, improvement, vegetables*

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## **THE ROLE OF ICT IN THE ZADAR CITY MUSEUMS AS A CHALLENGE FOR CULTURAL TOURISM**

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### **ABSTRACT**

*ICTs have changed the way people communicate today, especially in tourism. Furthermore, as ICT development enters into all segments of tourism, it also needs to be implemented in the practice of cultural tourism. Cultural tourism is currently in the process of systematization of information, communication and multimedia to become part of a competitive tourist offer in Croatia. Museum visitors as well as other tourists are on online vacation, and this mode becomes a common way of visiting*

*museums and other cultural institutions. By implementing ICT, museums in the city of Zadar will be more efficient in attracting the attention of the audience looking for its offer. This paper shows the importance of using ICT in museums as cultural institutions. The aim of the paper is to determine what type of ICT service is used by museums in the city of Zadar.*

**Keywords:** *cultural tourism, ICT, museums, the city of Zadar*

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## **THE IMPORTANCE OF QUALITY ASSESSMENT CRITERIA OF BANKING APPLICATION IN POLAND**

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### **ABSTRACT**

*The main objective of this article is to analyse the findings of a research on the quality of mobile banking applications offered by commercial banks in Poland. The study concerned the importance of the evaluation criteria adopted in the studies into the quality of mobile applications for individual users. The findings discussed in the article focus on mobile banking applications offered by banks in Poland which are available for mobile devices. The structure of the article consists of presenting the general assumptions of the study, describing the methodology and the research sample, analysing the obtained findings as well as relevant discussions and interpretations. The paper is of a quantitative nature and has been conducted on a selected sample*



*of respondents using banking services and products. The presented study and its analysis will empirically verify how individual clients assess the quality of banking applications and which criteria of this evaluation are most important to them. Concludes, the distribution of the relevance of the criteria as qualitative attributes points to the elements which designers need to focus on when designing a banking application. The key aspects include the necessity to maintain high quality of the application in terms of security, user-friendliness, i.e. the clarity and comprehensibility of the texts and a greater focus on navigating the application. The features included in the last criterion are related to the speed and ease of finding the information in the application. From the point of view of the users, these aspects are more important than the functionalities which are available in the application. Thus, taking all the above into consideration, it is important to note that focusing on improving the visual aspects and elements of the menu alone will have little impact on the perception of the overall quality of the mobile banking application.*

**Keywords:** *importance of quality criteria, mobile banking services and products, mobile banking websites quality, website quality assessment*

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## **THE SUSTAINABILITY ASSESSMENT – THE CASE OF A RUSSIAN PETROCHEMICAL COMPANY**

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### **ABSTRACT**

*The concept of sustainable development is a relatively new management paradigm, especially for Russian companies. Implementation of this concept brings sustainable development principles - including economic, ecological, social, and institutional dimensions - in business strategy that leads to long-term sustainability and the ability to cope with complexity. Despite the spread of the sustainable development concept over the last two decades, some challenges still remain - including how to measure sustainability; the applicability of sustainability indicators; the application of sustainable development principles in management processes and their adaptation to the needs of the company. Our study is focused on the sustainability assessment of a Russian petrochemical company located in the Omsk region of Russia. The research questions are as follows:*

- *What indicators allow one to assess comprehensively the sustainability of the organization?*
- *How to reach a balance between the economic, ecological, social, and institutional principles of sustainable development?*
- *What factors lead to the successful implementation of the sustainable development principles in the business strategy and management processes of an organization?*

*To conduct our study we used a method of an in-depth face-to-face interview with a company top-manager. Our data-frame includes a case in the petrochemical sector of the economy.*

**Keywords:** *Green Project Management, Sustainability Assessment, Sustainable Development Principles, Sustainable Development*

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**SOFT LAW ACTS AND THE PRINCIPLE OF  
LEGAL CERTAINTY ON THE EXAMPLE OF  
THE ACTIVITIES OF THE POLISH FINANCIAL  
SUPERVISION AUTHORITY AND THE  
PRESIDENT OF THE OFFICE OF  
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**ABSTRACT**

*One of the forms of regulating the telecommunications market by the President the Office of Electronic Communications (the President of UKE) is issuing soft law acts, referred to as a announcements or position. These documents present the official position of UKE on regulatory issues. Sometimes they are also incorporated into the decision of this body, but in themselves they are not binding, so, in principle, cannot be appealed against neither in the administrative nor in the civil procedure. It arouses controversy among entrepreneurs who appeal against the provisions of these acts, using the procedure of appeal against*

*the decision of the President of UKE, what is manifested by the cassation complaints that have been recently examined by the Polish Supreme Court. In this context arises a question, whether the possibility of appealing only against the decision of the President of UKE with the ever-increasing use of soft law acts by this body, provides the entrepreneur with a sufficient level of protection of their rights, in the context of the principle of legal certainty? A similar situation takes place in the activities of financial supervision institutions, especially Polish Financial Supervision Authority (KNF). It should be stated that the supervisory actions constitute very strong interference in the nature and in the system of capital companies, as in fact they are quasi provisions of the law and not instruments of the soft law. As a consequence of such supervisory actions the norms of the civil law are adjusted and corrected. The key instrument of influencing third parties are the indications and recommendations used by the financial supervision institutions. Those recommendations are addressed to the supervised entities, but many of them refer to the rights and obligations of other entities (by regulating, i.a. the process of establishing and paying the compensation for damages by insurers or the principles of remunerating employees). A question to be answered in article, whether the regulations discussed here do not build an alternative legal system?*

**Keywords:** *intervention in the market, Polish Financial Supervision Authority, President of the Office of Electronic Communications, principle of legal certainty, soft law*

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## **QUALITY MANAGEMENT TOOLS USED IN THE FUNCTION FAILURE DESIGN METHOD**

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### **ABSTRACT**

*Today's market requires from products to be competitive not only with price but quality most of all. Therefore, process of quality improvement never ends and have to be carried out in a systematic and consistent way with the use of available quality management tools. These tools allows to identify potential defects of product and to indicates preventing actions aimed at defects elimination or minimization risk linked with defects or failures. One of such tools is function-failure-design-method (FFDM) which may be used at the stage of preparing and conducting analyzes of potential failures using selected quality management tools.*

**Keywords:** *FFDM method, Quality management tools*

## **REDEFINING THE ROLE OF THE CONSUMER IN THE PROCESS OF CREATING MARKETING INNOVATIONS**

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### **ABSTRACT**

*The research objective of this study is to diagnose the importance of knowledge acquired from buyers in creating market innovations by enterprises representing the FMCG sector. For the purposes of the implementation of the research objective, made a review of national and foreign literature and also applied thought mapping. Cognitive methods were supported by our own research. This study aims to diagnose the importance of knowledge gained from buyers in the process of creating market innovations by enterprises from the FMCG sector. Representatives of management staff of companies operating in Poland's FMCG sector were invited to participate in a study carried out in the period from January 2016 to February 2017. The selection of the sample was deliberate. Altogether 165 observations were taken into account. In view of the above considerations, the implications of this study indicate a fairly strong dependence among the number of knowledge sources used and between the level of their exploitation and the implementation of the marketing innovation objectives.*

**Keywords:** *Marketing innovations, innovation, FMCG sector*

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## DESIGN OF RESILIENT SUPPLY CHAINS

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### **ABSTRACT**

*Globalization increases an access to knowledge and resources. Companies seeking new solutions for their products identify the need for cooperation with suppliers of components and technologies from different parts of the world. This determines configuring international supply chains that are particularly vulnerable to the business uncertainty and environmental turbulence. The main aim of the paper is to evaluate the role of purchasing decisions in New Product Development (NPD) processes and Supplier Involvement for configuring resilient processes and the structure of a supply chain. The study is based on two methods. First, there was a systematic literature review on papers covering SCRES (supply chain resilience) to obtain the key SCRES attributes. In the second stage of the research, a case study of NPD in the cosmetics' packaging supply chain is presented. This concerns the cooperation between the company providing packaging solutions, its first-tier suppliers and the main customer (which is a manufacturer of cosmetics products). Further, the purchasing decisions and SI practice were linked with identified SCRES elements, which are: flexibility (the most common attribute), redundancy, transparency and visibility, agility, collaboration and information sharing. The importance and possibility of taking into account resilience as early as during the design of the supply chain of a new product was confirmed. However, its role can be affected by the type of demand, production environment, product variety as well as the production volume. Therefore, it is recommended that both the supply chains of different products as well as various sized companies are investigated in any further, quantitative research. This paper is an output of the science project „Flexibility in relationships with suppliers in terms of supplier-purchaser models of cooperation on product development in the B2B*

*market", no. 2016/21/B/HS4/00665, financed by the National Science Centre (NCN) in Poland.*

**Keywords:** *Supplier Involvement, NPD, purchasing, resilience, SCRES*

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## **REVITALIZATION OF DEGRADED PORT AREAS AS A CHANCE FOR LOCAL DEVELOPMENT ON THE EXAMPLE OF KOŁOBRZEG MUNICIPALITY**

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### **ABSTRACT**

*Revitalization is a complex process involving many interconnected activities aimed at moving a degraded area out of a state of crisis. The success of a revitalization program depends on the correct selection of tools and methods designed to solve the problems of the local community. Concentration of crisis phenomena and the developmental potential of the port in Kołobrzeg were the reasons behind the decision to prepare a plan of revitalization of the port premises. The purpose of the article is to indicate a model of economic activity which would increase the impact of the port on the local economy. The authors of the article put forward a hypothesis that the current way of operating the business prevented the full use of the port's development potential. Both primary and secondary sources of information*



*were used in the article. To this end, the literature on the subject and numerous publications and scientific studies were reviewed. Research was conducted in the form of in-depth interviews with selected representatives of the Kołobrzeg municipality and the seaport. The article proposes basing local development on the polarization-diffusion model and creating a tourism cluster. Using different concepts of local development results from the presence of endogenous resources. In the case of transshipment operations, the port's economic base includes peripheral areas incapable of self-development. Therefore, the most essential element of the polarization-diffusion model is a key enterprise which creates a network of mutual connections with local business operators. In the conceptual framework of a tourism cluster, endogenous resources of the city of Kołobrzeg are more important. The implementation of the revitalization program will require an intervention of public authorities in the direction of improving the investment climate and mobilizing the endogenous resources.*

**Keywords:** *managing local development, revitalization, seaports*

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## WHAT DO WOMEN EXPECT FROM BUS COMPANIES?

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*Women constitute a significant market segment for enterprises. The increase in the number of workingwomen and their incomes necessitate the development of strategies for women in service enterprises manner. Bus transportation is widely preferred due to its features such as comfort, inexpensiveness, frequency of trips, more number of alternatives and speed. This study aims to determine whether bus trip service quality expectancies and preferences differ for women and to specify important service quality variables for women. The Bus Company that women prefer most is also determined in the study. Using SPSS 17 packaged software, descriptive statistics are utilized and chi-square tests are performed in order to determine whether bus company service quality expectancies and perceptions differ in the women market. Furthermore, VIKOR method, which is one of the multi criteria decision-making methods, is employed to determine the bus enterprise preference of women market.*

*Fuzzy VIKOR method, using triangular fuzzy numbers to denote indefinite computational quantity, relies on aggregated fuzzy metrics that denotes distance of an alternative to the best solution. As a result of the study, the most important service quality variables for the women market are identified and proposals are developed for the bus enterprises in this manner.*

**Keywords:** *fuzzy VIKOR, multi criteria decision making, bus, women market*

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## **PERCEIVED RISKS AND ONLINE CONSUMER BUYING BEHAVIOR**

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### **ABSTRACT**

*The development of e-commerce has increased the popularity of online shopping worldwide. In Turkey, it was reported that online shopping market size was 42,2 billion Turkish Liras in 2017. Consumers' perceived risks of online shopping is a popular research topic as it directly influences users' attitude towards online purchasing, and their attitude will have significant impact to the online purchasing behavior. The conceptualization of consumers' perceived risk regarding online shopping behavior provides empirical evidence in the study of consumer online behavior. Four types of risks – security, financial, psychological and time/ convenience risks – were examined in terms of their effect on consumers' online buying behavior. Face-to-face surveys were employed, and a total of 356 Turkish online shoppers participated in this study. Sample respondents were selected with judgment sampling method. The findings indicated that security risk, financial, social and time risks are hazardous and negatively affect the attitude of online shoppers.*

*Convenience risk was found to have positive effect on consumers' attitude, denoting that online buyers of this site trusted the online seller and they encountered less troublesome with the site. It also implies that consumers did not really concern on non-convenience aspect of online shopping, such as handling of returned products and examine the quality of products featured in the online seller website. The online buyers' attitude was significantly and positively affects their online purchasing behaviour. The findings provide useful model for measuring and managing consumers' perceived risk in internet-based transaction to increase their involvement in online shopping and to reduce their cognitive dissonance in the e-commerce setting.*

**Keywords:** *Buying behavior, Percieved risks, E-commerce, Online shopping, Turkey*

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## **CHANGE AREAS IN BIG INDUSTRIAL COMPANIES AND THEIR EVALUATION**

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### **ABSTRACT**

*Enterprises undergo continuous changes. In this respect turbulent environment and the need to adjust to such conditions play a decisive role. Often changes are triggered by internal factors. The purpose of changes is to obtain better results on a competitive market and increase operational effectiveness in the areas the change concerns. Irrespective of the main area it affects, each change sparks off internal relations. Consequently it impacts on interrelations among various areas and thus complicates the evaluation of the change management course and effectiveness. Difficulties are also observable in the selection and*

*application of measures that are used to evaluate change management, thus change effectiveness is often evaluated intuitively. The aim of this paper is to identify main change areas in big enterprises and evaluate their effectiveness. In management practice managers in detail define change areas, while the evaluation of the progress and efficiency level of change management is relatively high. Conclusions drawn in this paper are based on the analysis of results of the research conducted in 2017 on a representative sample of 37 big industrial enterprises. In addition, in-depth interviews were conducted with company CEOs from eight of these enterprises.*

**Keywords:** *CEO, change areas, change effectiveness, evaluation management*

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## **CHANGES IN THE USE OF WEBSITES IN E-COMMERCE IN 2017 -2018**

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### **ABSTRACT**

*The main objective of this article is to identify changes with regard to factors which have a positive and negative influence on the possibilities of the use of e-commerce in Poland in 2017-2018. The findings contained in the study were based on the surveys conducted with the application of the CAWI method on a sample of individual, active Internet users. The structure of the work includes a presentation of the problem against the background of relevant literature output, methodological assumptions of the*

*study, its findings, their interpretation and conclusions. The authors' contribution consists in the identification of factors affecting electronic business in recent years, specification and analysis of the changes, comparative analysis of the results of the study as well as the presentation of specific recommendations for web designers.*

**Keywords:** *determinants of the use of e-commerce, dynamics of e-commerce changes electronic commerce, mobile commerce, online shops*



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