



**Varazdin Development and Entrepreneurship Agency**  
in cooperation with  
**Odessa State Academy of Civil Engineering and Architecture**  
**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**

32nd International Scientific Conference on Economic and Social Development

Editors:

**Anatolij V. Kovrov, Oleg A. Popov, Anita Ceh Casni**

### **Book of Abstracts**

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Odessa, 21-22 June 2018

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# **PARTICIPATORY BUDGETING AS A FORM OF COMMUNITY INVOLVEMENT IN THE TERRITORIAL GOVERNMENT BODIES MANAGEMENT**

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## **ABSTRACT**

*One of the assumptions of the democratic system of governing is the citizens' active participation in the management process. The citizens' participation is of a key significance to the effective management of the territorial government units. It builds up the sense of local community and co-responsibility for the decisions taken. The aim of the public participation is both the creation of an efficient system needed for the citizens' needs meeting and obtaining the citizens' acceptance of the actions by the authorities as well as the citizens' trust in the efficiency of the authority's activity. Such activities trigger the citizens' identification with the specific community and have them more likely to engage in its vital issues. The aim of this paper is to present the tools of social participation in the modern and integrated management of the units of territorial government; one particular instrument, i.e. the social (participatory) budget. This paper presents among others the idea of participatory budgeting and the phases of its creating. It also includes the comparison of data concerning participatory budgeting in selected cities/states. The author's intention is to contribute to the discussion on the citizens' participation and to start the study of its forms, such as the participatory budgeting. The method of documentary research has been applied, including the respective literature analysis as well as comparative analysis and observation.*

**Keywords:** *citizens, management, participation, participatory budgeting, territorial government*

## QUALITY DIMENSION IN THE CONTEXT OF CONSUMERS

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### **ABSTRACT**

*Quality is a significant parameter for goods and services. Quality is hard to explain, yet people do recognize it and are ready to pay more for better quality services and products. Everybody understands the term “quality” in some other manner. Traditionally, quality means an intangible concept of beauty and excellence. D. Garvin’s quality characteristics (dimensions) for goods and services provide useful arsenal of tools to be used by the author in the present research. D. Garvin’s quality characteristics for goods include performance, features, reliability, conformance, durability, serviceability, aesthetics and perceived quality. Quality characteristics of services, in their turn, include tangibles, service reliability, responsiveness, assurance, empathy, availability, professionalism, timeliness, completeness and pleasantness. The research will show what kind of quality characteristics produce an impact to the choice of services/ goods made by Latvian consumers. The aim of this paper is to examine a perceptions the dimensions of quality and customers perceptions of quality in the products and services what they purchase in order to provide a framework for a better understanding of the various dimensions of product and service quality and their impact on consumer perceptions. The methods applied in research are referential analysis of literature and survey of inhabitants (questionnaire). The tasks of the research: to provide explication of quality characteristics, to carry out a questionnaire of the inhabitants of Latvia aimed to find out, what quality dimensions determine the consumers’ perception of quality, to come to conclusions on how quality is perceived.*

**Keywords:** consumers, quality, goods, services

## **METHODS OF CONSTRUCTION DURATION ESTIMATION**

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### **ABSTRACT**

*This publication is devoted to topical issues of estimating the construction duration in time management in construction. The aim of the study is to analyze normative methods of estimating the construction duration, used at design and construction executive documentation developing. This aim is very important in terms of project management for selecting the most optimal methods of estimating the construction projects duration. Based on DSTU B A.3.1-22, SNiP 1.04.03-85 and DSTU B A.3.1-5, several principal methods of duration estimating were analyzed. Also, an assessment of the available methodologies accuracy and consistency was made. The study shows, that the techniques proposed in the normative literature have a number of significant drawbacks for their application in time management. The method of construction time estimating by averaged indicators, which used in Draft design, Feasibility Study, does not take into account a number of significant features of construction projects and performing organizations. Nevertheless, this technique can be used for a duration analysis in the initial stages of the project and business planning. The method of determining the construction duration, which based on the calendar plan, requires methodological refinement to the implementation of the "triple constraint" principle of project management. This principle allows to select the most optimal time, cost and work content and ensure the required quality of the project result with minimal resources outcomes. The obtained research results can be used by project managers when selecting methods for time management of investment and construction projects at various stages of project planning. The further research is possible to provide in the development of a method for estimating*

*construction terms based both on the normative documents requirements and on modern project management methodology.*

**Keywords:** *evaluation of construction duration, management of projects in construction, project time management*

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## **DETERMINANTS AND METHODS OF IMPLEMENTING LOCAL GOVERNMENT TASKS**

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### **ABSTRACT**

*Local economic development is a special category of development because it is treated as the basis for desired changes in all aspects of the life of the local community. Local governments stimulate such an economic development through the implementation of local government tasks. The research problem examined in this study is focused on the implementation of local government tasks in the context of local development. The objective of this paper is to answer the following question: What instruments coordinating the local development policy imply the implementation of local government tasks? The core research thesis states that selection of instruments for the implementation of local government tasks is determined by a variety of factors occurring at the level of an entity. Such exploration methods and techniques as: desk research, critical analysis of national and foreign literature on the subject, and expert method were used in the course of the research.*

**Keywords:** *local development, local government, local government tasks*

# **MBTI MODEL APPLICATION FOR THE ACMEOLOGICAL-INVARIANT ORGANIZATION MANAGEMENT AS AN INSTRUMENT FOR “BREAK-THROUGH” INNOVATIONS IMPLEMENTATION**

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## **ABSTRACT**

*The most urgent development strategy for Ukrainian economy lies in the “break-through” concept. This concept is based on a steep increase of innovation activities with the goal to get to the next efficiency level. The key to success of this model is an optimal use of highly qualified workforce, technology innovations, efficient infrastructure and integration into a global market system. The goal of this research is to develop a method of MBTI model implementation to create an optimal structure of an acmeological-invariant Organization management as an instrument of “break-through innovations” incorporation. A complex system of a project group creation is represented in the research. Its goal is to initiate and successfully realize “break-through innovations”, based on the example of JSC “Pharmaceutical company Darnitsa”. A described system is based on the realization of a 4-phase algorithm.*

*The goal of acmeological-invariant Organization management structure development is to obtain such an organization structure, where an interaction between its separate elements will lead to a new level of an overall organization development. An economic-mathematical evaluation was conducted in order to identify project group members interaction efficiency (according to their new project roles). The purpose of this evaluation is an empirical relationship validation between new structure components relevance. As a next step, a clusterization of possible staffing combination variants of the project group was carried out, it was based on the results of the evaluation of interaction level between project group members according to their functional responsibilities. The choice of the most optimal organization structure was done with the help of ANOVA toolkit. A conducted research proves that the application of MBTI model is a logical continuation of the process called to amplify and deepen non-standard solutions to successfully initiate and realize “breakthrough innovations”. A creation of a principally new optimized organization structure is a key to success in a progressive development path, where balanced staffing serves as one of its invariants.*

**Keywords:** *MBTI model, acmeological-invariant control, invariant, breakthrough innovations, functional-structural approach*

\*\*\*\*\*

## **FAILING TO RING UP SALES: TAX EVASION BY A CASH-INTENSIVE BUSINESS**

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### **ABSTRACT**

*A cash-intensive business (CIB) is a firm that receives a large portion, if not all, of its receipts in cash, usually in return for a large volume of small-value sale transactions. Tax regulations in most countries require CIBs to keep full records of cash receipts for an accurate determination of sales and income tax liabilities. However, because cash transactions are anonymous, leaving no trail to connect the purchaser to the seller, a CIB may have a strong incentive to evade part of its due taxes by failing to record each and every sale. To cope with this illegal practice, recording sales on a certified cash register, which is an observable act performed at the time of receiving a cash payment, is often made mandatory. A common strategy used in enforcing this regulation is to conduct a trial purchase by a tax inspector, disguised as a customer, to verify that the CIB rings up the sale on the cash register. If it fails to do so, the tax inspector is likely to disqualify the cash register as a reliable source for determining tax liability, assessing the CIB's actual volume of sales using some approximation method. The present paper models the CIB's joint evasion-employment decision, focusing on the main questions addressed in the literature on the tax-evading firm: does the firm's decision to evade taxes affect its employment decision, and if so, in what way, and how would an increase in the profit tax rate affect the firm's optimal evasion and employment levels. This is done under the alternative assumptions that if suspecting that sales have gone unregistered, the tax inspector will use either an exogenous proxy (e.g., the average volume of sales in the industry) or an observed endogenous one (e.g., water and electricity bills) to assess the CIB's actual volume of sales.*

**Keywords:** *Cash Register, Cash-Intensive Business, Hard-To-Tax, Presumptive Taxation, Tax Evasion*

## **SUSTAINABLE DEVELOPMENT OF MUNICIPALITIES AND SMART CITIES CONCEPT IN THE CZECH REPUBLIC**

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### **ABSTRACT**

*Rising urbanization is a challenge for sustainable urban development. The UN predicts 70% of urban population by 2050, 80% of global emissions, 75% of energy consumption. Sustainable development can not be achieved without significant change in the way we build and manage our urban areas. Against the background of economic and technological changes caused by the globalization and the integration process, cities in Europe face the challenge of combining competitiveness and sustainable urban development simultaneously. Very evidently, this challenge is likely to have an impact on issues of urban quality droughts and housing, economy, culture, social and environmental conditions. This paper focuces on smart cities concept in the Czech Republic, the transformation, examples and possibilites of economic support.*

**Keywords:** *Human Capital, Local Agenda 21, Smart Cities, Sustainable Development*

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## **FORMATION OF THE INVESTMENT POTENTIAL OF THE CONSTRUCTION SECTOR (ON THE EXAMPLE OF UKRAINE)**

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### **ABSTRACT**

*The purpose of the article is to develop a methodology for determining the need for the amount of investment resources needed to build the investment potential (IP) of the construction sector in the example of Ukraine. The research methodology is economic and mathematical modeling. The results of the research: to build a model for analysis of the investment potential of the construction sector (IPCS) at the first stage, a selection of formalized factors was made, which were significant from the point of view of its growth, while modeling the IP as the initial characteristic of the model considered the growth rate of capital investments. In the second stage, the three-factor Cobb-Douglas production function was selected for the IPCS study; in the third stage, the necessary statistical information is collected; at the fourth stage - calculations were made, including: a functional dependence was constructed, allowing to analyze the effect of changing the value of one of the selected factors on the resulting factor. Conclusions: the conducted studies showed that market participants, investors can use the proposed methodology to determine the factors that influence the improvement of IPCS, the degree of their influence, the determination of the values necessary to achieve a given level of investment potential.*

*In addition, the results obtained in this study can be used to further justify the priority areas of the state investment policy in the construction sector and to find effective tools for its implementation.*

**Keywords:** *investment potential, construction sector, three-factor production function, method of determining the need*

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## **DEVELOPMENT OF BUSINESS EDUCATION IN UKRAINE**

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### **ABSTRACT**

*Business education is the kind of occupational education of high demand. Business education is a relatively new phenomenon in the Ukrainian market of educational services. The constant increase in the need to update knowledge and the increase in requirements for its quality under the conditions of globalization of the educational space require a corresponding offer in the market. The growth of competition in the context of increasing the influence of global factors of the international environment requires to utilize the efficient methods of attracting and retaining customers in most world markets as well as in the markets of Ukraine. Business education is one of the most dynamic sectors of the educational field. The processes of providing services in the business education market require the study and development of certain criteria and standards. The failure of higher educational institutions to solve the development problems of enterprises in the conditions of hyperinflation created the necessity of mastering new market knowledge and skills in the shortest possible time.*

*The experience of economically developed countries also points to the fact that education in entrepreneurship and management is one of the most important factors to successfully complete the transition period to the market economy. However, the foreign experience requires adaptation and rethinking in order to apply the integration of Ukrainian education into the world educational space. During the last decade, Ukrainian business education has demonstrated the activity, dynamism and abilities associated with the assimilation of foreign experience. The significant advantage was the absence of negative attitudes toward any managerial schools of science in particular. In a good sense, such whateverism made it possible to accumulate the educational experience of managers in both American and European business schools. Both occupational education as a whole and business education as an integral part of it are undoubtedly the most important factors of economic growth and socio-economic development at the present stage of the transition to an innovative type of economy. The term "business education" is traditionally understood as supplementary education programs, the top of which are MBA programs. The classical understanding of MBA (Master of Business Administration) is post-graduate specialized occupational training of managers of the highest qualification in the field of business. The urgent character of business education in the national practice is countered by the almost completely irregular way of providing this extremely important type of modern education. The point at issue is that at both the state and private levels, business education should become increasingly more international in its nature.*

**Keywords:** *business schools, economic education, management education, models of business education, postgraduate education*

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# **APPLICATION OF METHODS OF CATASTROPHE THEORY IN THE TECHNOLOGY OF CONSTRUCTION COMPOSITE MATERIALS**

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## **ABSTRACT**

*It is known that construction composite materials (mortars and concretes based on mineral or organic cements, slips for making ceramics, coating compositions and many other such dispersions) may be approached as self-organizing systems, the evolution of which in time and space is accompanied by apparition of dissipative structures. Since most above-named systems are characterised by stick-slip phenomena conditioned by interruption of continuity in developing processes of various types, it is proposed to enrich the synergetic approach to studying structure formation particularities with methods of catastrophe theory, which is studying sudden qualitative system reformations resulting from smooth change of external conditions or internal properties. For a number of years, the author, under scientific guidance and with consultations of the chief of Laboratory of High Concentration Disperse Systems of the Institute of Physical Chemistry and Electrochemistry of the Russian Science Academy, member of the Russian Academy of Natural Sciences, Doctor of Chemistry N.B. Uriev, have been conducting research with aim of determining the consistent pattern of formation, stability and decomposition of structured disperse systems in heterogeneous chemical technological processes of making construction materials with predetermined structure and predictable performance indicators while reducing resource consumption for their production. Research program includes solution of tasks connected to description and analysis of such phenomena when increasing the intensity of technological treatment leads to*

*qualitatively new system behaviour. Methodological base of research is the analysis of processes of disperse systems structure formation in dynamical and static conditions from the point of view of synergetics and catastrophe theory. Understanding the nature of dispersions abnormal rheological behaviour uncovers the possibility of implementation of optimal dynamic condition of the system and corresponding level of isotropic decomposition of the structure, which is the necessary condition for obtaining materials with requested properties. Therefore, the matter of informational interpretation of non-trivial viscosimetric data has practical importance for solving many material science tasks. Use of new ideas for disperse systems evolution under conditions of different technological operations let us raise physics-chemical processes modeling to the new level to create modern compositions.*

**Keywords:** *Catastrophe Theory, Structure Formation, Systems.*

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## **WRITTEN COMMUNICATION OF A LARGE ORGANIZATION WITH INSTITUTIONAL CUSTOMERS**

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*Efficient written communication, in accordance to the highest standards in this area, is a very important element of building relations of a large organization with clients. It refers particularly to the mail merge communication. In this context large companies identify the need of a deeper analysis of purchasing behavior of consumers, their preferences and ways of perceiving and understanding written letters. Institutional customers have different expectations, less time, other habits than individual customers. The objective of the paper is to identify and adapt key elements of written communication of a large company with institutional clients to their preferences. The paper reviews the available literature about B2B communication and contains*

*the results of a qualitative research conducted by the authors in a cooperation with a large energy company in Poland. As the result, the paper indicates the universal principles of constructing written communications for institutional consumers.*

**Keywords:** *Qualitative research, Institutional consumers, Written communication*

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## **IMPACT OF IMPLEMENTED CLOUD TECHNOLOGY ON THE STRUCTURE CENTRALIZATION AND FORMALIZATION IN MANUFACTURING COMPANIES – RESEARCH RESULTS**

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### **ABSTRACT**

*Implementing cloud solutions – as a method to upgrade the adjustment of the company to the widely understood stakeholders' and environment needs – to the company's every-day work probably affects the centralization and formalization of IT department, but the question arises if it affects also the whole company structure – especially its centralization and formalization. The purpose of this study is to verify whether the introduction of the cloud technology solutions to the manufacturing companies affects the centralization and formalization of the organizational structure of the companies. The research method used was the survey (CATI). The study was conducted on a sample of 400 Polish production companies. The targeted choice sample consisted of the micro, small, medium and large firms that use cloud technology either for communication or for core processes.*

*Implementation of the clouds into production companies did not affect the centralization of 79.5% of researched companies, the centralization increased in 10.5% of companies and decreased in 10% of them. Moreover, implementation of the cloud into production companies did not affect the formalization of 69.5% of researched companies, formalization increased in 20.5% of companies and decreased in 10% of them. Exact data have been included in the study.*

**Keywords:** *centralization, clouds, formalization, organization structure*

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## **CAPITALIZATION RATE FOR LANDS IN LARGE CITIES OF UKRAINE: APPROACHES TO THE DEFINITION OF SPATIAL HETEROGENEITY**

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### **ABSTRACT**

*The article deals with the concept of "capitalization rate" as a key parameter in assessing the value of urban land. A comparative analysis of definitions and methodological approaches to determining the rate of capitalization of rental income for urban land in accordance with International standards of valuation and national legislation of Ukraine is given. It is shown that the capitalization rate is a key indicator in modeling the estimated*



*value of land, as the results of the assessment tend to show high sensitivity to it. It is proved that the rate of capitalization of rental income for land plots can vary not only in regard to the financial market conditions and the risks of economic activity that are relevant for region or country, but also even within a city territory, reflecting the spatial heterogeneity of the local risks of real estate investments, as well as natural and technogenic risks.*

**Keywords:** *capitalization rate, land valuation, rental income, spatial heterogeneity, urban land value*

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## **A REVIEW OF MANAGEMENT OF INFRASTRUCTURE ROAD ASSETS**

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### **ABSTRACT**

*Purpose and research question - The destruction of infrastructure assets, including existing of the road systems, is increasing. In the process of exploitation of road assets, the excessive impact of transport vibrations, water-heat and low-temperature loads, soil washing leads to a significant reduction in the regulatory criteria for their safety, premature technical wear of surface plates,*

*cracks, unevenness, lowering. Increasing the number of seismic fluctuations and floods violates the integrity and stability of road systems. Inadequate and untimely financing leads to increased costs for the prevention and rehabilitation of road systems. The purpose of the survey is to analyze problems and trends in the management of infrastructure road assets; correcting the content of educational programs in a new global context and principles of sustainable development.*

*Methods of research - Review of scientific and applied information in the public domain about the organizational mechanism of infrastructure assets management in the context of global tasks and problems. The subject of the study is knowledge management in the field of infrastructure of the road assets.*

*Results - This study does not have a specific grant from any funding agency in the public, commercial or non-profit sectors. It is expected that the transitional results of interdisciplinary research will contribute to the implementation of global programs aimed at improving knowledge management in the field of infrastructure asset management, including the road system.*

*Conclusions - In general, the trends in the implementation of the principles of global programs for transforming the economy based on digital technologies show a positive trend. For example, innovative proposals by scientists and business practitioners have helped to reduce the infrastructure gap of assets in many countries. However, factors of negative impact, including natural disasters, economic instability, slow processes of transformation of human capital and organizational culture have been revealed.*  
**Keywords:** *global challenges, knowledge management, recycling, sustainable development goals (SDGs); transdisciplinary research*

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## **MANAGEMENT OF ECONOMIC PROCESSES OF CITY SPACE SYSTEMS**

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### **ABSTRACT**

*The modern city is the focus and the result of the urbanizational process, which leaves the mark on the development of an existing social model. If one explores the city as an element of a society, then it appears as a socio-spatial form of its existence. A high level of the centralization and a strong powerful vertical with weak horizontal links, including between regions and cities, leads to a distorted vision of the position of one or another region or a big city in the economy of the state, in the social, cultural sphere and in the politics. Large cities with large areas and number of population at a certain stage of their development face the invocation of spatial problems caused by various objective factors and conditions that are inherent in one or another territory. The bigger the area of the city, the more irregularly the potential of the population, of material and cultural resources is located on its territory, the more acute the problems of spatial disproportions are, which may under certain conditions pose a threat to the further development and the prosperity. Taking into account a many-year disregard of the importance of the state regional policy concerning the development of large cities, a reduction of its size, a suspension of the construction in it, a crisis in management, an ignoring of the effect and consequences caused by various instruments and measures of sectoral policies on the city's space, an accessibility of its territories, a building activity, an attractiveness for life and running business, their competitiveness and investment attractiveness, their stability and security, their tourism potential and social prosperity, it is proposed to study the development of space, the efficiency of its use and the degree of importance of increasing the prosperity of*

*large cities as the commanders of states of our country. Afterwards, today, in the context of growing the global civilizational inquiries, the changes in the role and the position of individual cities in a world system of economic and political coordinate systems, the question of production a new effective state regional policy, especially the regulation of the development of large cities and the effective use of their spatial potentials in Ukraine, is becoming extremely relevant.*

**Keywords:** *city, space systems, state regional policy, territory*

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## **FACTORS AFFECTING THE DEVELOPMENT OF TOURISM INDUSTRY**

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*Tourism has a tremendous impact on key sectors of the economy: transportation, communications, construction, agriculture, production of consumer goods and other. The development of the tourism industry is an important component of the economic growth of any country. The article poses the following tasks: to*

*reveal the importance of tourism for the economies of the countries of the European Union and Ukraine; to determine the main factors of influence on the development of tourism business; data collection and calculation of cluster and factor analysis of the EU and Ukraine to determine the relationships. The dynamics of the share of tourism in the GDP of the countries of the European Union and Ukraine is given. The factors that have the greatest impact on the development of the tourism industry of the countries are revealed. The analysis of dynamics of indicators of functioning of tourist branch on the basis of statistics of the European Union is carried out. The tendencies of development of tourism in the EU countries and Ukraine are considered. The main factors for clustering and factor analysis have been selected. A cluster analysis has been carried out that has made it possible to combine countries into groups according to similar characteristics. With the help of factor analysis, the main directions for the further development of the tourism industry have been identified. Leaders in tourism among the countries of the European Union are defined. Recommendations are given for countries in which the tourism services industry has not fully disclosed its potential.*

**Keywords:** *cluster analysis, economic growth, factor analysis, indicators of the development of the tourism industry, state income tourism industry*

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## **THEORETICAL FOUNDATIONS OF SUBURBAN ZONE BOUNDARIES DEFINITION**

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### **ABSTRACT**

*The article examines the issue of determining the boundaries of the suburban zone, especially the suburban agriculture. Scientists and specialists, economists, geographers, demographers, town planners engaged in the theory and practice of forming suburban area, determining their boundaries, proposed different approaches, and therefore there is no generally recognized unified methodology and methods. In the article the approaches of scientists concerning the definition of the suburban area boundaries are analyzed: the radius of production and transportation of agricultural products, pendulum migrations, functional connections, the city as a center of gravity, the application of normative indicators, the location of suburban buildings and places for mass recreation of the population. Nowadays the issue remains relevant and open. To solve it, one should pay attention to the effectiveness of the ties between the city and the adjacent territory. The suburban area is formed under the influence of the city, its territory can be determined only on the basis of integrated accounting of functional ties with the city, the tightness and stability of these links, and the appointment of suburban space to meet the needs of the city. The main goal when allocating the border of the suburban area should be to consider it as a territory in the suburban space, which functions with the city as a whole. For this, it is necessary: to conduct a general analysis of the development of the territories surrounding the city, including the study of demography, economics, production, land use, ecology on the basis of statistical information; substantiation of factors and indicators affecting the emergence of ties between the city and the suburbs; the*

*establishment of functions; the allocation of territories located in the zone of influence of the city; the definition of the border of the suburban area on the basis of complex zoning, which reflects the main functional connections.*

**Keywords:** *border, suburban zone, connection, functions*

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## **KALININGRAD REGION AS A TOURIST GENERATING AREA FOR THE BALTIC SEA REGION**

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### **ABSTRACT**

*Tourism is an important element and factor for macroregional integration in the Baltic Sea Region. On the initiative of the European Union, the EU Strategy for the Baltic Sea Region has been prepared and implemented. The Strategy recognises tourism as one of the priorities of development. Taking into account the fact that the Russian Federation is the only non-EU country located at the Baltic Sea, this country needs to be engaged in cooperation and macroregional exchange. Such cooperation is particularly important for the Russian Federation's oblasts situated at the Baltic Sea. It is reflected in the strategy documents of regional authorities.*

*The stimulation of tourism exchange in the BSR is determined by a range of factors, among them a special role is played by the demand factor. The aim of this paper was to analyse Kaliningrad Oblast as a tourist-generating area for the Baltic Sea Region. For this purpose, relevant literature research and a critical analysis of legal documents have been conducted. Furthermore, a survey has been carried out among 110 randomly selected students of the Kant University in Kaliningrad. The survey enabled to identify tourist preferences among respondents, including the rank of BSR countries among the visited countries. The attractiveness of the countries in the Region has been analysed. Respondents indicated the strengths and weaknesses of Baltic destinations. This enabled to identify barriers and suggest ways to reduce them. A barrier to the development of outbound tourism is, first of all, visa problems and further financial problems. There is a need for improved transport accessibility, lower prices of transport services and more intensified marketing activities in the Russian Federation's market.*

**Keywords:** *Baltic, destination, Kaliningrad, region, tourism*

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## **SYNTHESIS OF PEDAGOGICAL AND TECHNICAL EDUCATION: VECTORS OF DEVELOPMENT LEAN-EDUCATION**

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### **ABSTRACT**

*Management of educational innovation in the process of creating the result of training of future professionals is a kind of paradoxical process. On the one hand, a modern higher education institution should be stable in its individuality and*



*educational strategies, and on the other hand, open to constant changes. The mentioned format of educational issues is especially relevant for Ukraine too, in particular, in the context of synthesis of pedagogical and technical education. In the paradigm of solving this problem, the idea of managing education and knowledge becomes actual, namely, the idea of prudence and providence concerning the use of educational process opportunities of a higher technical educational institution on the basis of lean-education. Innovativeness as the dominant principle of the pedagogical system of a higher technical educational institution reflects the results of applying the best world achievements. The pre-condition for productivity of its implementation in current complex socio-economic conditions is the correspondence of the personal and professional level of modern teachers at higher educational institutions to the requirements of time. The use of lean-thinking using the means of a higher educational institution actualizes the educational resources of a technical higher educational institution in general and its teachers in particular, promotes the transformation of knowledge and actions into result, gradually reduces losses at all stages of creating educational values, and, as a result, raises its competitiveness. The integration of lean-thinking in Ukrainian higher technical education will help to determine the ways of forming social vectors for the synthesis of pedagogical and technical education. Thus, there is a need to rethink the goals and essence of the activities of modern teachers of higher technical educational institutions and their monitoring as a content core of activities on the basis of prudence and providence as to the use of possibilities of educational process of a higher technical educational institution. That is why the lean use of resources of a higher technical educational institution in implementation of the experimental lean-technology of occupational training of future specialists is specified and the pedagogical practicability of the advanced training of future specialists is proved in the research. Therefore, lean-education today is a new educational reality which determines the absolutely innovative structure of the latest educational products and educational services, and their high*

*competitiveness. Formation of lean-culture is the necessary component for the training of the new formation specialists who are competitive to the challenges of the modern world.*

**Keywords:** *didactic integration, higher education institution, individual educational route, kaizen direction, lean-education, lean-production of knowledge, lean-technology, lean-thinking, occupational training, teacher of higher technical educational institution*

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## **ENTREPRENURIAL BEHAVIOR CHANGING INFLUENCED BY MIGRATION PROCESSES**

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### **ABSTRACT**

*Development of an entrepreneurship in modern conditions is being influenced by set of factors, and one of them is migration processes. They can become an incentive for creation and development of the own business, to be a motivation of entrepreneurial behavior changing. The people forced to replace the habitation appear in the conditions promoting decision making for benefit of an entrepreneurship. It in turn is positively influencing the conditions of national economy even if migration processes are caused by negative tendencies.*

*This article considers how forced migration stimulates an entrepreneurship and affects an entrepreneurial behavior in aspect of the international experience and realities of the Ukrainian economy. The increase in entrepreneurial activity caused by migration processes is researched, the level of their importance in case of decision making to begin own business in comparison with seven main motives of business activity is analysed. The main spheres of business which migrants are inclined to choose and degree of their economic success are determined. The received results have both the theoretical and practical value as allowed to formulate a tendency of influence of migration on business activity strengthening and to prove change of entrepreneurial behavior. It is revealed that the main motives stimulating an entrepreneurship in the conditions of migration are, first of all, desire to provide itself and the family with stable income, implementation of own business idea, lifework, aspiration to financial independence. At the same time, entrepreneurs are more inclined to show ethical qualities in business (socially responsible business, high-quality and ecologically safe product, customer relations) and are less inclined to the termination of business activity in the conditions of crisis.*

**Keywords:** *Enterprenuership, Enterprenerial motivation, Migration processes*

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## **CRISIS MANAGEMENT AND HOW TO EMPOWER IT WITH CROWDSOURCING**

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### **ABSTRACT**

*The paper presents the topic which has been treated by many researchers and which speaks in favour of finding technological solutions for the processing and verification of the relevance of the abundant data set. The goal is to obtain relevant information which can be used not only for inputs to agencies in charge of resolving the crisis but also for the creation of “collective intelligence” which can enable, faster than any media used by crisis management, the affected to get the key and verified information and help them in making right decisions. Some of the platforms which are being developed for this purpose are explained in this paper. Also, the paper assesses their usefulness and mentions other positive examples of the social media use by government institutions, a local government and world public services.*

**Keywords:** *crisis management, crowdsourcing, government, information processing, public*

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## **REVITALIZATION OF INDUSTRIAL ZONES OF THE BIG CITY (EVIDENCE FROM THE CITY ODESSA)**

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### **ABSTRACT**

*The vector of sustainable development of modern urban space is the creation of a system of private-public partnership (power, business, population), which allows linking processes of spatial development of the city with the interests of development of local territorial communities. The contradiction between the existing urban environment and the new needs of society can only be solved by qualitative transformation of existing dysfunctional urban spaces, namely, industrial zones, their revitalization. The transformation and development of degrading industrial territories is one of the most urgent tasks in the sphere of spatial development for each city. However, this issue should be solved systematically by developing a comprehensive policy for the development of depressed areas of the city. The comprehensive plan should determine the ratio of zones of different purposes in the central part of the city, the development of transport and communal infrastructure in the urban agglomeration. This process allows you to control effectively the development of a spatial environment that will stop the accumulation and growth of irreversible chaotic processes within the city system, will help create new areas of gravity and give impetus to the development of entire areas.*

**Keywords:** *city, spatial development, reconstruction, modernization, revitalization, functional zones*

## **SELECTING AN OPTIMAL STRUCTURE OF CO-BRANDING ALLIANCE FOR AN INTEGRATED BUSINESS STRUCTURE**

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*Co-branding is an actual trend in the development of integration processes in business, since it reveals a specific form of relationship between internal and external environment in building competitive advantages in the context of integrated business structures evolution and growth. The aim of the study is the selection of an optimal structure of co-branding alliance for an integrated business structure based on the assessment of economic effects from co-branding and evaluation of the brand congruence level. The study presents a comprehensive system of synergistic co-branding strategy development built upon the implementation of a three-stage algorithm. The goal of synergistic co-branding strategy development is attaining such a branding alliance out of all possible alternatives where the economic benefits from a particular brand of integrated business structure will transform into synergistic interaction effects within the co-branding alliance. With the aim of empirical testing the relevance relationships and components of consumer attitudes to co-branding an expert evaluation of potential co-branding*

*alliances for the Fozzy Group integrated business structure has been carried out. Given the brand congruence assessment results in terms of brand relevance and customer expectations indicators, clustering of possible co-branding alliances by the specified criteria has been performed. The evaluation of economic effects from co-branding was carried out among those co-branding alliances which demonstrated the highest level of congruence. To determine the optimal variants for co-branding alliances within Fozzy Group an ABC-analysis has been used. This study provides the rationality that co-branding is a logical follow-up of the innovation process expansion and enhancement of integrated marketing of IBS activities. The emergence of a joint product resulting from such strategic partnership between business units becomes a determining factor in the co-branding strategy and in the context of integrated structures fosters full integration of their marketing mix. From this perspective, building a co-brand seems to be a logical approach and optimal solution for further joint activities of integrated business units.*

**Keywords:** *alliances, brand relevance, co-branding, co-branding customer expectations, congruence, economic effect*

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## **FACTORS OF THE COUNTRY'S ENERGY SECURITY**

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### **ABSTRACT**

*The development of the world economy depends on the level of provision of energy resources. Prospects for the growth of the country's economy are due to the success of solving energy conservation problems. The priority of such policy in Ukraine is caused by the shortage of own fuel and energy resources, dependence on the countries-exporters of gas and oil, and also the global environmental situation. It is necessary to activate internal opportunities of energy conversation. Low energy efficiency was a characteristic feature of the economy of the USSR, and from the moment of independence of Ukraine became the cause of the crisis. The technologically obsolete structure of the national economy and the high energy intensity of products limit its competitiveness in foreign and domestic markets. The crisis in the energy sector led to an increase in energy tariffs, social tensions in society increased. Now the population and all spheres of business depend on the state policy. Ukraine can activate the energy conversation potential and will become an attractive sales market of innovative energy-saving technologies and equipment.*



*There are a number of factors that affect the development of energy efficiency: market, investment, information, technical and institutional. Each of them may have a positive or negative impact on the overall situation. Therefore, the priority of the energy conversation strategy in Ukraine should be reinforced by effective interaction of government, business, population and scientific organizations. An important condition for the development of these relations is the observance of the interests of all participants.*

**Keywords:** *energy conversation, fuel and energy resources, innovative energy-saving technologies*

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## **DEVELOPMENT OF TRADE RELATIONS BETWEEN CENTRAL EUROPE AND SCANDINAVIA AS A DETERMINANT CREATING POLISH FERRY SHIPPING MARKET**

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### **ABSTRACT**

*Ferry shipping is well developed in the Baltic Sea Region. Polish ferry market is a prime segment of ferry industry in South Baltic. Services from Polish ports to Sweden determine the carriage of units and wheeled cargo as well as transport of passengers between Continent and Scandinavia. Since Poland and other states have acceded to the European Union, growing foreign*

*exchange between Continental and Scandinavian countries is visible and Polish ferry market has been affected by increasing demand for transport. These services as the only ones in the Baltic Sea have not recorded decline in turnover since 2008. Polish ferry terminals located in Swinoujscie, Gdynia and Gdansk are pointed as transport nodes in Baltic – Adriatic Corridor. Ferry routes from mentioned ports constitute the shortest connections for cargo transported from Central European countries to Scandinavia. These two factors determine the add value and competitiveness of Polish ferry market. The aim of the article is to analyse the trend in foreign trade among the above countries, the market development as well as study the interrelationship between the trade volumes and ferry turnover. The research hypothesis is: the increase in trade between Central Europe and Scandinavia is the prime factor developing the demand for ferry services in Polish shipping market. Detailed research hypothesis is that: the group of factors affecting Polish ferry market are both opportunities and threats for development of ferry traffic. In order to verify the hypothesis, the article is focusing on following aspects: international trade volumes and trends between Scandinavia and Central Europe, potential of Polish ferry market in context of market requirements.*

**Keywords:** *Baltic Sea Region, cargo volumes, Central Europe, ferry shipping, , international trade, Polish ferry market*

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## **CAN BITCOIN BE THE FUTURE OF DIGITAL PAYMENTS?**

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### **ABSTRACT**

*This study aimed to investigate the conditions in which Bitcoin has developed as a leading cryptocurrency and, according to Nakamoto (2008), could become an instrument for everyday payments around the world. In comparison to other digital payment solutions, Bitcoin is based on a peer-to-peer electronic cash system using 'the blockchain'. This innovative technology allows for decentralised storage and movement of currency in a fully anonymous way, introducing advantageous methods for encrypted security and faster transactions (Hagiu and Beach, 2014). Scepticism regards Bitcoin's foundation, energy consumption and price volatility, however, did not take long to arise (Holthaus, 2017). Ten years from its white paper release, Bitcoin is further supported by the same drivers which could sustain its growth as the future of digital payments (Russo, 2018). In order to investigate the key drivers and feasibility of acceptance, a London based survey was used to understand the desirability of Bitcoin as a day-to-day tool for digital payments. Additionally, this research analysed Bitcoin's stakeholders and*

*forecast drivers of sustainability for its application to become the future of the payment industry. A space which relies on policies that involve multiple layers of society, governments, regulators and tech-firms, all on a global scale. The findings confirmed how the increasing lack of trust of political and financial institutions, coupled with the increasing cases of data-breaches by tech-firms, encouraged over 70% of respondents to consider more decentralised and anonymous methods for their day-to-day actions; like payments. Policy makers need to cope with societies increasingly separating politically but gathering together digitally (LBS, 2017). For Bitcoin to truly establish itself as a global digital payment solution, key stakeholder acceptance must converge alongside the introduction of more robust regulation.*  
**Keywords:** Bitcoin, Digital Payments

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## **MATERIALITY IN ACCOUNTING AND AUDITING**

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### **ABSTRACT**

*The principles of accounting, also referred to as concepts or assumptions, constitute the rules for keeping accounting books and preparing financial statements in order to ensure the reliability and usefulness of information provided by accounting. Materiality as one of these principles contributes towards this goal. Accounting as an information system is founded on these principles, conventions and practices, which originate in the*

*attempts to satisfy the information needs of users of financial statements in terms of the actual financial and economic situation of an economic entity (Kumor, 2014, p.410). The article discusses the principle of materiality, its nature and importance in accounting and auditing. It aims to present the importance of the principle of materiality in accounting and auditing. Based on the analysis of literature and legal acts, the article argues that the application of the principle of materiality in accounting allows for simplifications while maintaining a true and fair picture under the accepted accounting principles (policy) without detriment to the usefulness of information presented in the financial statements. Materiality in financial audit determines financial and non-financial misstatements. The level of materiality, in turn, enables the auditor to define the scope of financial audit procedures and constitutes an important reference for the assessment of the effect of the misstatements in the financial statements revealed by the auditor and their impact on the reliability of financial statements. The verification of these hypothesis was conducted with the use of such research tools as the analysis of literature and legal acts.*

**Keywords:** *accounting principles, materiality, financial statement, accounting, auditing*

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# **THE INFLUENCE OF PRODUCTION SUBCONTRACTING FORMS ON THE DEVELOPMENT OF SMALL BUSINESS FIRMS IN NIGERIA**

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## **ABSTRACT**

*Given the numerous challenges hampering the growth and development of small business firms (SBFs) in Nigeria, this paper examines the various ways through which production subcontracting have influenced the development of SBFs in Nigeria. While the paper adopted a number of methods comprising of field observations, reference to relevant literature, and questionnaire survey of 96 SBFs, a regression analysis was used to ascertain the relationship between production subcontracting forms and SBFs development. In line with the literature, this study identified three production subcontracting forms- specialised subcontracting, supplier subcontracting and capacity subcontracting. The study evaluated the relationship between production subcontracting forms and SBFs development- cost reduction, risk reduction, access to resources and knowledge. The paper found that two production subcontracting forms-capacity subcontracting and specialised subcontracting have positive relationship with cost reduction and risk reduction while there was no relationship between these production subcontracting types and resource accessibility as well as knowledge accessibility. This paper concludes by suggesting that constraints to SBFs development in Nigeria can be improved upon by constant de-centralization of production activities by SBFs through the various productions production subcontracting forms analysed in this paper.*

**Keywords:** *Development, Nigeria, Small and Medium Enterprises, Subcontracting*

## **GLOBALIZATION PROCESSES AND TRANSNATIONALIZATION OF THE ECONOMY**

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### **ABSTRACT**

*Globalization prompted the emergence of global business, which is mainly associated with the process of transnationalization, which requires appropriate adaptation of the global economy. In the context of the relevance of the issue of globalization influence, the authors' research methodology consists in identifying the prerequisites and substantiation of possible approaches to the adaptation of individual states and regions of the world to the intensification of globalization influence, its manifestations, the determination of priorities of state policy in the context of the transnationalization of the world economy, taking into account the protection of national interests, the interests of all participants of the global market. The purpose of the authors' study is to form the authors' position on the essence of globalization processes, their manifestations, their impact on the development of individual countries and regions of the world, the justification of approaches to adaptation to the process of transnationalization of the world economy with the aim of preventing negative trends,*

*leveling risks, ensuring national security of individual states, political, socio-economic, cultural, mental and environmental factors, prioritizing rovedenii long-term state policy based on national interests and the protection of the global market. The consequences of globalization processes, the influence of economies of states and regions of the world, changes in the mentality of the population are determined. The essence of the process of transnationalization, strengthening the influence of international monopolies and the peculiarities of the activities of transnational associations are determined. The influence of the process of transnationalization on the development of the world economy is generalized, advantages and disadvantages in the development of the world economy under the influence of globalization tendencies are determined. The main directions of activity of transnational business are formed, taking into account the interests of participants. The priority of investment opportunities of global business is determined. The main tendencies in dissemination of the influence of the process of transnationalization of the world economy and the consequences in guaranteeing the national security of the countries of the world, individual regions of the world are investigated. It is proved that the policy of the world's states in a globalized environment should have a long-term character and provide the implementation of a set of measures to protect the interests of the national economy, including the increasing influence of the process of transnationalization, the formation of a single global market, which provides appropriate adaptation to change.*

**Keywords:** *globalization, transnationalization, transnational companies, global global processes, global corporations, competitive advantages, investment opportunities*

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## **FEATURES OF PLANNING IT - PROJECT OF MODERNIZATION ACCESS SYSTEM OF SEA PORT**

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### **ABSTRACT**

*In article deals with the functioning of the commercial sea port, as one of the important parts of the transport system of Ukraine, which contributes to its hi-grade economic development. As subjects of international relations, sea trade ports occupy a leading place in ensuring the safety of navigation in the territorial sea and inland waters of Ukraine. To meet the current market conditions for the functioning of the transport system, ports need to constantly develop and improve their activities, reducing the cost of work, which is impossible without the implementation and modernization of information systems. For a complete understanding of the processes taking place in the port, it should be considered as a set of production nodes and software complexes that allow automating the work of operators. The detailed analysis of the access system as one of the most important components of the transport infrastructure of the port was carried out in the work. As a model for automation of the access system was chosen a single-channel queuing system. There are calculated the time limits, which the operator can spend on*

*the issuance of one pass. This calculation was based on data of loading of the port's checkpoints for 2016-2017y and the planned growth of the traffic flow. Was estimated the time necessary for each operation to maintain a single vehicle. In article were studied the features of the construction of a data exchange model between different ISs, ensuring stable operation of the port. Substantiated the necessity of modernization of the existing hardware and software for implementing the port development plans adopted for 2018-2022.*

**Keywords:** *access system, data exchange, mass queuing system, sea port*

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## **MARKETING ASPECTS OF URBAN PLANNING AND AGGLOMERATION DEVELOPMENT**

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*This article highlights the relevancy of scientific applied processing of marketing aspects of urban planning and agglomerations development. Analysis of researches and publications containing solution of this problem is carried out*

*and generalization of presence of proper theoretical, methodological and methodical basis for application of marketing principles to urban planning and agglomerations development is performed. Part of the researched problem being out of focus of scientists and being unsolved is made more specific. Purpose of the research of marketing aspects of urban planning and agglomeration development is defined. Logics and consequence of conducting scientific applied support of urban planning and agglomerations development on marketing principles is grounded. Odessa agglomeration (Odessa City with its districts and suburbs) is defined as a subject to deeper research. The provisions of Odessa City Development General Plan are estimated for compliance with the basis marketing principles. Compliance of the strategy of social and economic development of Odessa City with general national interests and regional and city specific features is analyzed. Scientific provisions are grounded and practical recommendations concerning implementation of the Odessa City General Development Plan on the materials of Odessa agglomeration. Main priorities of city development on the marketing principles are marked out to solve institutional, social and economic problems of the population, save historical legacy, create natural environment healthy for people, ensure ecological safety of the territory, development of science, education, servicing, recreation and tourism in the city. Importance of scientific consideration of the problem of marketing support of city dwelling construction development is established. Various consumer segments of city dwellers from the point of view of their requirements to quantitative, qualitative, assortment and price properties of dwelling and dwelling-utility services are marked out. Attention is paid to the necessity of satisfaction of the need in dwelling of socially vulnerable groups of population. Marketing commodity policy possible development prospects within the scope of social, economy-class, business-class and elite-class dwelling construction are specified. The importance of keeping balanced commodity, price, distribution and communication*

*policy by developers for effective marketing support of city dwelling construction development is grounded.*

**Keywords:** *Agglomerations development, Marketing aspect, Urban planning*

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## **THE DEVELOPMENT OF THE TOURIST PRODUCT OF THE CITY AND THE INFORMATION NEEDS OF TOURISM ENTITIES**

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### **ABSTRACT**

*The possibilities of information transfer, and in particular the dissemination of the Internet and the recognition of information as valuable and important development factor, have led to the increase of the importance of monitoring in recent years. A specific problem is not only the access to information, but verification of the information. The development of regional tourism products requires a special interdisciplinary approach in the field of development policy, its programming and planning, taking into account economic, spatial and administrative aspects. The aim of this study is to show the importance of access and verification of information in the development of regional products in tourism. An important aspect is to present the problem based on the opinion of entities that shape such products related to the development of tourism. Therefore, this study presents the results of a survey carried out among the creators of*

*the tourist offer on the example of the city of Gdynia. The main objective of the study was an attempt of the respondents to assess access to information, information and the willingness to have market information at particular stages of the tourist product development of the area. It was assumed that the information chaos and the lack of a monitoring system and data presentation shows significant weaknesses in the harmonious development of the tourist function of the city. The results of the study clearly indicate the need to intensify activities for the acquisition and processing data that broadens knowledge about the market. This will significantly increase the quality of tourist products in Gdynia and increase the tourists' satisfaction.*

**Keywords:** *city development, market information, tourism product*

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## **INTEGRATED EDUCATIONAL BRANDING AS SOURCE OF MARKETING COMMUNICATIONS OF HIGHER EDUCATIONAL INSTITUTION**

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### **ABSTRACT**

*The integration of Ukraine into the international economic environment meets the general principles of civilization that dominate at the present stage of the world economy. Globalization as a systemic geoeconomic and geopolitical phenomenon leads to increased risks for Ukraine considering its inadequate competitiveness, and therefore the search of a vector for own path of development, an effective management format for the domestic economy is the guarantee for successful integration*

*into the global economy. Education, considered as an element of the innovation economy, plays a fundamental role in preparing the intellectual resources of the country not only for producers, but also for the social sphere, that is the role of education extends beyond the triad: education, science and production. The economic success of development of a higher educational institution depends directly on its competitiveness in the education market, on the chosen development strategy, the diversification of commercial efforts – all areas of activities specific to the brand of a higher educational institution. Brand in the field of education is the guarantee of quality of an educational service or a scientific product obtained, its reputation, image, associations that arise in the minds of people when they see the attributes of an educational institution. The brand in current environment is also a part of all the processes in activities of the higher educational institution, and such marketing communication tools as advertising, public relations, introduction of educational start-ups, educational fairs or conferences, training seminars, trainings, coaching intensities, direct mailing, supporting materials, etc. play an important role in the educational and informational brand of a higher educational institution. Considering these tools as brand translators is a good way to understand their role. They allow to transfer the educational drivers of a higher educational institution. The process of creation and promotion of brands of higher educational institutions corresponds to the modern market conditions of development of society, which have inherent characteristics such as globalization and chaotic nature. In such conditions, the brand has certain advantages which enable it to remain competitive and to achieve commercial success. However, modern educational modernizations do not always contribute to the rapid response of higher educational institutions to numerous changes. From an organizational point of view, branding is a set of consistent measures aimed at creating a holistic and consumer-friendly image of a higher educational institution, whose algorithmization allows to visualize this process and to simplify the construction of the brand as much as possible.*

*Consequently, all integration processes of higher education are aimed at getting out of a tight framework taken as a "start". Nowadays the integrated educational branding is offered as an ideological adjustment for educational marketing.*

**Keywords:** *brand, branding, brand translators, higher education, integrated educational branding*

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## **MONITORING OF ARCHITECTURAL MONUMENT CONTINUES**

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### **ABSTRACT**

*In the center of the city Odessa at the intersection of Deribasovskaya and Preobrazhenskaya streets there is an architectural monument of the XIX century - "Passage". Due to*

*changing technogenic and natural factors, the "Passage" building was constantly undergoing minor deformations. However, since 2009 the intensity of deformation of the building has increased. To study deformation processes, geodesic monitoring was organized to study the draft of the building. To quantify the sediment of the Passage building, a method of high-precision geometric leveling with the beams of the second class program with a precision electronic level Dini 12 and a bar-code strip was used. Analysis of the results of observations served as the basis for an objective identification of the alleged causes of sediment. The main cause of the deformations was the local soaking of the soil of the base of the building as a result of water leakage from the damaged (spoiled) water-bearing communications that pass from Deribasovskaya street through the entrance to the "Passage". After the reconstruction of water-bearing communications, deformation processes ceased. This made it possible to give recommendations on eliminating these causes and ensuring the normal operation of the building in the future. During the reconstruction of the street Preobrazhenskaya in 2017, the road surface was lifted to a depth of 1-1.5 meter, and the work was carried out by heavy road machinery and jackhammers. At the same time, reinforced concrete was started to reinforce the foundations of the "Passage" interior, also with the use of jackhammers in conjunction with existing foundations. The appearance of new cracks is presumably a consequence of these vibrational processes. Recent observations of the sediments of the building, carried out in March 2018, found discrete subsidence of up to 12-30 mm for almost half a year. Simultaneously, the electronic total station Nivo measured the roll of the outer walls of the main facades of the building. Calculation of the rolls was carried out by the method of coordinates. Roll in the direction of Preobrazhenskaya street reaches 311 mm.*

**Keywords:** *water-bearing communications, geodetic monitoring, geometric leveling, deformation processes, roll, building sludge*

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# **DEVELOPMENT OF DEVICE TECHNOLOGY ANTI-FILTRATION SCREEN WITH USE SCREW EQUIPMENT**

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## **ABSTRACT**

*The problem of protecting territories from flooding is relevant for many decades. An effective way to protect buildings and structures from groundwater is to install vertical anti-filtration screens. But not always waterproof is at the reach of depth, and the construction of a horizontal screen will create additional difficulties. The arrangement of a horizontal screen under an existing building will require a large area of production, the implementation of labor-intensive soil development or the use of expensive horizontal directional drilling. It will also require the interface of the horizontal and vertical parts of the anti-filtration shield to provide protection from groundwater. The technology of the device of the conjugate anti-filtration screen under existing buildings and structures, which are located in areas subject to flooding, has been developed. In the article, the use of well boring under the slope and the device of conjugate anti-filtration screens using the developed screw equipment are considered. Drilling of inclined guide holes is carried out under the existing building at an angle, which ensures further coupling of the anti-filtration elements of the screen. Screw equipment is usually used for the*

*arrangement of vertical wells and the auger is directed along the well being developed. In the developed technology the auger is located perpendicular to the guiding wells and is used for the development, transportation and mixing of soil with solutions. Anti-filtration screens, made with auger equipment, are formed due to intersecting elements, in the form of panels, which are formed by mixing the soil with cement mortar. A technological plan for the production of works to protect against flooding of existing buildings according to the developed technology is developed. The main technological processes, materials and equipment for the production of works are presented.*

**Keywords:** *anti-filtration screen, auger equipment, flooding of territories, drilling of wells*

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## **ENERGY-SAVING AS A NECESSARY FACTOR OF THE MODERN DEVELOPMENT ON THE EXAMPLE UKRAINE**

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### **ABSTRACT**

*The degree of socio-economic development of any country and the living standard of its population are directly related to the amount of energy consumed. The task of the state economic policy is to form an effective energy saving strategy and to intensify the processes of updating the fixed assets with high-tech energy-saving equipment and technologies. Currently, the ecological situation in Ukraine is difficult. Excessive anthropogenic impact and a high level of technogenic load on its territory testify to this. The situation regarding energy efficiency in the housing and communal services complex remains the most complicated. The*

*energy intensity of GDP in Ukraine is higher than in European countries. The conditions of the EU-Ukraine Association Agreement provide for the introduction of sustainable economic development and the mechanisms of "green" economy. The article presents different approaches to the definition "ecologization of the economy", the essence of energy saving and directions of energy-saving technologies. The study considers the assessment of Ukraine's environmental sustainability through various indicators (Environmental Performance Index, Energy Architecture Performance Index) and its comparison with other countries. The legislative framework and existing state programs on energy saving in Ukraine are considered. In conclusion, on the basis the energy saving potential and of foreign experience in the implementation of energy-saving measures, the main directions of implementation of energy efficiency in Ukraine were identified.*

**Keywords:** *ecologization, energy intensity, energy-saving, environmental sustainability*

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## **GROSS AND NET ASSETS IN THE EUROPEAN UNION COMMUNITY IN 2006 - 2016 (CASE STUDIES)**

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### **ABSTRACT**

*In economic theory, a household is one of the basic business entities next to the enterprise and the state. Gross (non-financial and financial) assets as well as net assets (gross assets reduced by the size of debt) collected by the household have been studied by economists in terms of their impact on the growth of the society's wealth and economic development. The presented*

*article includes the study of the countries belonging to the so-called “old” and “new” (ten countries that joined the EU after 2004) European Union, taking into account such values as: gross wealth, indebtedness and net assets per capita (per adult) as well as the dispersion of these values. The main source of output data was the Global Wealth Databook report prepared by the Credit Suisse Bank A.G. The gross per-capita assets in the audited period (2006-2016) increased in all EU countries by 108.9%, debt by 12.50%, and net assets 8.72%. Analysing the group of “new” EU countries that we were interested in, they recorded an increase in gross assets by 23.60%, debt by 38.00%, and net assets by 7.00%; and in the case of other EU countries adequately (gross assets – 7,60%, debt by 10.00%, net assets by 7.00%). Although the countries that joined the EU after 2004 recorded a higher increase in gross and net assets per adult in relation to other countries, their position did not improve and they remained in the least prosperous zone during the entire period considered. In the analysed period, in the examined group of 27 countries, the discussed per capita figures of countries from the first quartile (only the countries from the “new” EU) exceeded the median by 10-15%, while the third quartile countries (only the “old” EU countries) exceeded the median by several times. This indicates huge disproportions in the wealth of citizens of the “old” and “new” EU countries.*

**Keywords:** gross asset, GDP, household, net assets, UE

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## **SOURCES OF ECONOMIC GROWTH IN THE AFRICAN, CARIBBEAN AND PACIFIC COUNTRIES**

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### **ABSTRACT**

*The paper presents the scale of and trends in economic growth in the African, Caribbean, and Pacific (ACP) countries in the years 2002-2016. The study covers 48 African, 16 Caribbean and 15 Pacific countries and is based on the data retrieved from the World Bank Database. During the analysed 15 years, five African countries and Cuba had average annual GDP per capita growth rates higher than 4.0%. On the other hand, more than twenty ACP countries recorded negative or very low average annual GDP per capita growth rates. GDP in the fastest growing ACP countries has been primarily generated through services and industry sectors. Services and agriculture sectors have contributed the most to GDP in the slowest growing ones. The poorest countries were highly dependent on agriculture which provided a living for the vast majority of their population. On the demand side, domestic private consumption was the main source of growth in the analysed countries. Many countries experienced a decline in the share of exports of goods and services in GDP. Several ACP countries sustained growth mainly because of foreign aid. Resource rich countries managed to attract foreign direct investment. In some fast growing ACP countries, economic growth resulted from the implementation of market-based economic policies and improvement of investment framework and in other countries, government's interventionist policies enhanced it. The slowest growing ACP countries have been affected by conflicts, internal political turmoil and suffered from climate-related shocks. The vast majority of the analysed countries have to improve the business climate, governance, and control of corruption to maintain or accelerate economic growth.*

**Keywords:** *ACP countries, economic development, economic growth, growth policy*

## **MODERN GOING FOR CORPORATE MANAGEMENT AND ITS FEATURE ENTERPRISES IN UKRAINE**

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### **ABSTRACT**

*In the article is a research modern approach in relation to determination of conception of corporate management enterprises in Ukraine. It is set on the basis of their generalization, that a corporate management is the difficult phenomenon, which it is expedient to examine both in wide and in a narrow value; from point of partial, normative, economic financial, administrative-organizational, legal, public and socio-economic approaches. Principles of corporate management in Ukraine are based on the basis of general, and also the specific which take and include into account the national features of corporate sphere of management. Last approval by the State commission on securities and share market of Ukraine, and presented in such blocks, as: purpose of society; rights for shareholders; observant advice and executive branch; opening of information and transparency; control for financially and economic by activity of society and the interested persons. Also in the article there are certain descriptions of corporate form of business, to which is taken: independence of enterprise as a legal*

*entity; limited liability of individual investors; possibility of transmission for other persons the actions which belong to the individual investors; centralized management. The introduce decryption of basic units of corporate management in Ukraine. There are allocations an object and a subject, and also basic subjects of corporate management. It is taken to the last: issuers, investors or shareholders, management and workers of enterprise, state in the person of public and organs of local self-government, creditors, other interested persons authorities, what enterprises of corporate type involved in the process of functioning. Taking into account traffic of corporate rights regulation such entities of corporate management as: citizens-proprietors of corporate rights; proprietors and management of enterprise - issuer of corporate rights, or their proprietor; public and non-state organs and others like that. There are determined basic functions of corporate management – planning, organization, coordination, control, and motivations which are considered from point of corporate management rights and also from point of management of corporation. Spared attention the question of becoming and development of the Ukrainian model of corporate management, in which takes place are combination of elements of insider and outsider models.*

**Keywords:** *corporate management, corporate case frame, approaches, principles and functions, component elements*

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## **RESEARCHING THE VIEWS OF STUDENTS AT THE UNIVERSITY NORTH**

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### **ABSTRACT**

*University North is a public institution that conducts activities of higher education, organising and conducting professional studies in university undergraduate, graduate and post-graduate studies and it also conducts scientific and development research. By studying students' opinions it wishes to improve the market recognition of the University, thus increasing the number of students that study at the „North“. Successful communication via social media today is almost no longer a question of choice, but has become one of the most important tools of modern business. Precisely because social networks are dynamic and available almost to anyone, they are an excellent example channel of everyday communication with the multitude of their users.*

*In this paper a preliminary research of the opinions of the students at University North will be carried out. The data gathered in this research (survey questionnaire) will be processed by the method of descriptive and inferential statistics. For the purpose of testing the assumed hypotheses a one-way t test will be used.*

**Keywords:** *Higher education, Reserching, University North, Views of students*



## **FACEBOOK AS A PLATFORM IN PROMOTING CONTINENTAL TOURISM**

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### **ABSTRACT**

*The aim of this paper is to investigate whether the subjects of continental tourism in the Republic of Croatia use the advantages of planning advertising and promotion through social networks, with special emphasis on Facebook as the most prominent social network in Croatia. For the purpose of research, a questionnaire has been created that contains questions about exploiting the potential of promotion and advertising offered by social networks, as well as the share of such advertising in relation to other promotional methods. The survey was conducted on a sample of 87 business entities that are classified as subjects of continental tourism and present the market situation in the Republic of Croatia at the end of 2017. The purpose of this research was to cover insufficiently researched area of advertising of continental tourism entities through social networks, as a modern communication channel, with an emphasis on Facebook. The expected scientific contribution is in the exact determination of the existing situation, and the reference to the advantages of this kind of advertising and promotion. The results of the research showed that the subjects of continental tourism have not yet fully understood the importance as well as the advantages offered by social networks.*

*In a satisfactory percentage, they have started to engage in social networks, but there is still a lack of round activity and understanding of all possibilities of this kind of promotion. The data obtained can be used for the purpose of providing better marketing positioning of subjects in continental tourism of the Republic of Croatia.*

**Keywords:** *continental tourism, Facebook, promotion, social networks*

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## **COST MANAGEMENT IN AIR TRANSPORT COMPANIES**

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### **ABSTRACT**

*Cost management is one of the most important processes in a company. Company managers try to adopt such a strategy that will lead to an optimization of the level of costs. This is a difficult task as in many cases the costs that theoretically could be avoided are the result of a conservative liquidity management policy. And this policy is to guarantee the financial security of an individual, which is the basis for effective management. Customer lending is also a cost that could be theoretically avoided but an aggressive policy in this area could have a negative impact on the sales volume. The business environment is also influenced by the company's cost management policy. These are various types of external phenomena that managers do not have influence on, for example, changes in raw material prices, state policy, and various types of conflicts. Therefore, managers need to focus their activities on their own cost management policy. In general, the basic and the simplest solution in the field of cost management is the reduction of wages.*

*In many companies, in the short term it is effective, but there are industries such as air transport where cost reduction and seeking savings in this area is unacceptable. The aim of the article is to analyze cost management in an air transport company and present solutions that can lead to an optimization of non-cost expenditure in such units.*

**Keywords:** *cost, management, air transport*

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## **COMPARATIVE ANALYSIS OF SELECTED AREAS OF MARITIME ECONOMY OF THE BALTIC SEA REGION COUNTRIES**

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### **ABSTRACT**

*The degree of differentiation of the BSR countries is enormous when it comes to the degree of development of the national economy. This is due to the fact that after the Second World War the Baltic States as dependent on the Soviet Union and Poland under the influence of the Soviet Union were countries with irrational and ineffective socialist economy. At the end of the 1990s, the process of systemic transformation began in these countries, which although completed did not compensate for differences in the level of economic development of the countries of the Baltic Sea basin. With regard to a part of the national economy - the maritime economy, the issues of differences and delays are not so visible due to the nature of this sector. The maritime economy as the most globalized economic activity, even in socialist countries, was to a certain extent based on market principles. The European Commission, striving to achieve equal living standards in Europe, created development strategies on various levels (regional – the European Union Strategy for the*

*Baltic Sea Region, EU - Europe 2020, sectoral – the Integrated EU Maritime Policy), whose task is to achieve continuous and sustainable development, inter alia, in sectors of the economy based on sea resources (maritime economy) of the European Union, including the Baltic Sea Basin region. The aim of the research was to compare and determine the level of development of selected types of maritime economic activity in the Baltic Sea Region countries in the period from the publication of the Integrated Maritime Policy (IMP) for the EU (i.e. from 2007) to 2016. In the paper the method of analysis and logical construction was used. An analysis of selected aspects of economic activity within the maritime economy was performed and then a synthesis was carried out. The relationships detected in this process were examined with the use of selected statistical measures.*

**Keywords:** *Baltic Sea Region, Integrated Maritime Policy for the EU, maritime economy, maritime transport*

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## **A SMART CITY ASSESSMENT FRAMEWORK: THE CASE OF ISTANBUL'S SMART CITY PROJECT**

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### **ABSTRACT**

*Smart city concept has gained importance in urban development literature and there have been many initiatives and projects*

*around the world implementing the smart city concepts. There is a need for an assessment framework, customized for the local context. This study aims to offer a holistic assessment framework for smart city projects, which include smart city dimensions and application areas. The framework is then used for Istanbul's recent smart city project. The improvement areas are specified, and recommendations are made to increase the effectiveness of Istanbul's project by using this framework. The results show that technology as a dimension and smart mobility as an application area have the highest scores. Governance and institutional context dimensions as well as smart building and energy areas are recommended to be addressed more in the project. The framework can be used for other smart city projects around the world as well.*

**Keywords:** *Smart city, Assessment framework, Application areas, Dimensions, Istanbul*

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## **PROSTITUTION IN THE REPUBLIC OF CROATIA**

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### **ABSTRACT**

*Trafficking in human beings is one of the biggest problems of today, and it is noted that it is the third in the ranking of global problems, immediately after the trade of illegal drugs and arms trade. Trafficking in human beings is the criminal activity most commonly manifested through the sexual exploitation of younger women. Victims of prostitution and other forms of trafficking in human beings have often been brought into the world by various*

*deceptions through promises of better life, great work and earnings. Victims agree to something that is in a state of bad material existence that makes them great and they are not even aware of what is waiting for them. They are constantly subjected to violence, intimidation, depriving them of all documents, limiting their freedom of movement, and becoming slave slaves, or the whole system of crime.*

**Keywords:** *human trafficking, prostitution*

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# **EXTENDING THE ROLE OF SERVQUAL MODEL IN ISLAMIC BANKS WITH SUBJECTIVE NORMS, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY**

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## **ABSTRACT**

*In last few decades, service quality has received a great attention from both academic and practitioners. Despite the existing literature on service quality, fewer studies have been conducted on service quality that examine the customer satisfaction and customer loyalty in Palestinian banking sector. This study*

*extended the SERVQUAL model with subjective norms to investigate the customer satisfaction and customer loyalty in Islamic Banks. Structural equation model (SEM) is applied to check the hypotheses relationship between proposed constructs. Finding revealed that the extended model has significant impact on customer satisfaction and customer loyalty in Islamic banks of Palestine. The findings of this study will be helpful for policy makers to improve the service quality in Islamic Banks of Palestine. Furthermore, this study unearths certain areas that were not previously discussed in Arab cultural context such as studying subjective norms.*

**Keywords:** *SERVQUAL, Subjective Norms, Customer Satisfaction, Customer Loyalty, Cultural Context, Structural Equation Modeling (SEM)*

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