

**Varazdin Development and Entrepreneurship Agency**

in cooperation with:

**University North**

**Faculty of Management University of Warsaw**

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



## **Economic and Social Development**

38th International Scientific Conference on Economic and Social Development

### **Book of Abstracts**

Editors:

**Khalid Hammes, Mustapha Machrafi, Ante Samodol**



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# CONFLICT, GROWTH AND HUMAN DEVELOPMENT - AN EMPIRICAL ANALYSIS OF PAKISTAN

**Syed Muhammad All-e-Raza Rizvi**

*Université Clermont Auvergne (UCA), Ecole d'Economie  
Clermont-Ferrand, France  
allerazarizvi@gmail.com*

**Marie-Ange Veganzones-Varoudakis**

*Université Clermont Auvergne (UCA), CNRS, IRD, CERDI  
Clermont-Ferrand, France  
veganzones@aol.com*

## **ABSTRACT**

*In this paper, we use the Autoregressive Distributed Lag (ARDL) Bound Testing cointegration approach to study the long-term relationship between internal conflict, economic growth, and human development in Pakistan. We show that, by offering better opportunities and reducing radicalization, education could help reduce conflict in Pakistan. The government's spending on its defense budget, however, is high, and results in low social spending. We also show a positive contribution to conflict reduction by public order which justifies the government's anti-terrorist policy. It also appears that economic reforms and wealth do not help to reduce internal conflicts in Pakistan. This result is an illustration of a situation in which globalization is perceived as a threat, and economic growth fuels political and social unrest. Political rights and civil liberties do not seem to reduce conflict either, because periods of democracy have experienced a resurgence of violence. This finding suggests that, in a fragile country like Pakistan, respect for public order is a priority before restoring democracy. Pakistan seems to be caught in a low development trap in which conflict is the main variable to consider before seeing the benefits of reforming the economy.*

**Keywords:** *Conflict, Economic Growth, Human Development, Pakistan*

## **A EUROPEAN PERSPECTIVE OF THE WESTERN BALKANS: DRAWING ON THE EXPERIENCE OF BULGARIA, CROATIA, AND ROMANIA**

**Petar Kurecic**

*University North, Koprivnica, Trg Žarka Dolinara 1, Croatia  
petar.kurecic@unin.hr*

**Marin Milkovic**

*University North, Koprivnica, Trg Žarka Dolinara 1, Croatia  
marin.milkovic@unin.hr*

**Igor Klopotan**

*University North, Koprivnica, Trg Žarka Dolinara 1, Croatia  
igor.klopotan@unin.hr*

### **ABSTRACT**

*The former communist countries of Central and South-Eastern Europe are now mostly NATO and EU members. The exceptions are the countries of the Western Balkans, which, at least declaratively, have a European perspective, with NATO as the probable entry check point (except for Serbia). The economic situation in the region is however less optimistic. The GDP per capita of the “most developed” Western Balkans state is still lower than the GDP of Bulgaria. Demographic challenges in some of the Western Balkans states are staggering (as well as in the Baltic States, Romania, Bulgaria, Hungary, and Croatia), with Albania, Bosnia-Herzegovina, Kosovo, and Serbia losing 12.4, 22.2, 13.0, and 9.1 percent of their population from the peak population year until the year 2018, respectively. With the possible accession to the EU, the emigration from all Western Balkans states would most likely increase; hence gradual or instant opening of the EU labour market has been the most significant factor influencing the demographic characteristics of post-communist EU members. The EU Strategy for the Western Balkans was revealed in February 2018.*

*The Bulgarian presidency of the EU (the first half of 2018) has put the Western Balkans high on the priority list, and so has the Austrian presidency (the second half of 2018). How will the forthcoming enlargement envisioned by the European Commission improve regional development? How realistic is that the Western Balkans will be integrated into the EU by 2025 and what could be the major implications for these states? By studying statistical data and social processes, we compare the results of the EU membership for Croatia, Romania, and Bulgaria, the three most recent EU member states, and try to predict the most important developments in the Western Balkans states, that would likely occur after the accession to the EU.*

**Keywords:** *The Western Balkans, the European Union (the EU), enlargement, outmigration, foreign direct investment (FDI)*

\*\*\*\*\*

## **THE GROWTH OF THE AFRICAN MIDDLE CLASS AS A DETERMINING FACTOR IN ATTRACTING FOREIGN DIRECT INVESTMENTS**

**Ahmed Iraqi**

*Faculty of juridical, economic and social sciences of Tangier,  
Morocco  
a.iraqi@uae.ac.ma*

### **ABSTRACT**

*Given the fierce competition and saturation experienced by the consumer markets of developed countries, Africa has become the main source of growth and prosperity for foreign investors, this is generally explained by factors that can be compressed in improving the business climate that positions the continent on the path to prosperity, such as the financial stability of countries, infrastructure development, technological catch-up and public policies of restructuring initiated by international institutions.*

*Nevertheless, the keystone that deeply explains the attractiveness of the continent is imbued with population growth and especially with the development of the middle classes above all else. Today, the development opportunities of the consumer market in Africa are so important that almost all studies focusing on Africa's development are devoting a significant part of their content. In parallel with the profound economic transformation of the African market, the trend of growth has been concomitantly observed in relation to new African consumption and savings habits, as well as to the perception of Africa by multinational firms. The latter have understood that African consumers, and especially those from the middle class, imitate the habits of Western consumers. Factual finding, the adaptation of Western products and services to the African context will be a more or less easy task and will just have to adopt settings linked to pricing strategies adapted to African purchasing power. Thus, this article aims to look carefully at the distribution and composition of the African middle class in light of the potential it offers to foreign investors.*

**Keywords:** *Africa, Demography, Foreign direct investments, Market, Middle class*

\*\*\*\*\*

## **ATTITUDES OF FARMERS ON KEY INFORMATION IN THE BUSINESS DECISION- MAKING PROCESSES OF AGRICULTURAL ENTITIES IN THE REPUBLIC OF CROATIA**

**Branka Stipanovic**

*Veleučilište "Marko Marulić" u Kninu*

*brankastipanovic@gmail.com*

### **ABSTRACT**

*The development of information and communication technology brings significant opportunities for improvement of gathering and*

*processing information and transforming information into the knowledge necessary in the decision-making process of managing the agricultural enterprises. Agricultural activity requires the collection of various types of information from which knowledge is generated, especially administrative, agro-technical, economic and climatic information. The aim of the paper is to investigate what information farmers in the Republic of Croatia consider as necessary elements of agricultural public institutions information systems, which enable fact-based decision making in agricultural business.*

**Keywords:** *agriculture, farmers' attitudes, fact-based decision-making, information systems*

\*\*\*\*\*

## **THE IMPORTANCE OF INFORMAL KNOWLEDGE SHARING (WORKPLACE GOSSIP) IN ORGANIZATIONS**

**Andrea Bencsik**

*J. Selye University, Slovakia  
bencsika@ujss.sk*

**Timea Juhasz**

*Freelancer, Hungary  
juhasz.timi@hotmail.com*

**Zoltan Seben**

*J. Selye University, Slovakia  
sebenz@ujss.sk*

### **ABSTRACT**

*One of the most frequently mentioned topic that comes up in some kind of connection in the majority of publications is the significance, exploitation and management of knowledge. The most critical phase in the operation of corporate knowledge*

*management systems is knowledge sharing and gathering new knowledge. The exploitation possibilities may be grouped in two broad categories such as formal and informal solutions. This paper is endeavoured to discuss a rarely appreciated form within the informal group, namely, company gossip. Even though the recent years show significant growth in the number of research and publications concerning the importance of gossip, its positive and/or negative economic consequences valuable to corporate operation have seldom been researched. The quantitative research and its results below intend to make up for the occurring gap. It was the aim of the research to survey whether organizations deal with the consequences of gossip at work, and, if so, to what extent. The survey compares properties of two neighbouring countries (Hungary and Slovakia), and this paper presents the results of the Hungarian sample. Results show that workplace gossip is significant and it has impact upon everyday work, yet the effects of its consequences are not dealt with either in theory or in daily practice.*

**Keywords:** *Consequences of gossip at workplaces, Gossip, Informal knowledge, Knowledge management, Knowledge sharing*

\*\*\*\*\*

## **STRESS IN LOGISTICS AND SUPPLY CHAIN MANAGEMENT**

**Elmountasser Meriem**

*Laboratoire de recherche: Modélisation appliquée à l'économie  
et la gestion (MAEGE)*

*Université Hassan II, FSJES-AIN SEBAA, Casablanca,  
Morocco*

*elmountassermeriem@gmail.com*

### **ABSTRACT**

*BSCM is an emerging research branch in the field of logistics and supply chain management. We approve the position of behavioural research and demonstrate that the psycho-social and cognitive dimensions must be explicitly a central theme of any SCM research. Here, a special attention is conferred to psychosocial risks, particularly stress at work, as a psychological limitation at workplace.*

**Keywords:** *Behavioural Supply chain management, Logistics, Stress an work, Supply chain management*

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## **THE IMPACT OF BEHAVIORS AND SKILLS OF THE TOUR GUIDE IN GUIDING THE TOURIST GROUPS**

**Hakam Salem Shatnawi**

*Yarmouk University*

*Jordan, Irbid*

*hakamss@yu.edu.jo*

### **ABSTRACT**

*The aim of this study was to reveal the impact of the tour guide's behaviors and skills in guiding tourists groups, to achieve the aim of the study, a random sample of (117) tour guides was selected*



*and the descriptive approach was applied for the purposes of this study, where the researcher prepared a questionnaire consisting of (25) paragraph divided into two fields: (the behaviors and the skills of the tour guide). And after confirming the reliability and stability of the tool it was applied to the sample where the results showed that the behaviors of the tour guide have an impact on guiding tourist groups, as that the skills of the guide also have an impact on guiding tourist groups. The results indicated that there were statistically significant differences due to the impact of experience and training in the behaviors of the tour guide, while no statistically significant differences were found due to experience and training in the skills of the tour guide in guiding tourist groups. In light of these results, the researcher recommended the necessity to prepare evidences which improve/enhance the skills of tour guides and to hold training courses to increase the efficiencies of tour guide's knowledge and skills.*

**Keywords:** *Jordan, Tour Guide, Tourism, Tourist groups*

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## **EDUCATION SERVICE QUALITY – PRIVATE VS. PUBLIC BUSINESS EDUCATION IN CROATIA**

**Mirna Leko Simic**

*Faculty of Economics Osijek, Croatia  
lekom@efos.hr*

**Helena Stimac**

*Faculty of Economics Osijek, Croatia  
helena.stimac@efos.hr*

**Zlatko Barilovic**

*University of Applied Sciences Baltazar Zaprëšić, Croatia  
zlatko.barilovic@bak.hr*

### **ABSTRACT**

*The aim of this paper is gain more insights into dimensions used by business students' evaluation of education service quality in public and private higher education institutions and compare different education service quality components perceived by students as the major stakeholders of higher education. The research was conducted at two higher education institutions: Faculty of Economics in Osijek (EFOS) (public institution) and University of Applied Sciences Baltazar Zaprëšić (BAK) (private institution). The sample included graduate students: 164 students at EFOS and 202 students at BAK. Adapted SERVQUAL model was used for evaluation of service quality. A data were analyzed using descriptive statistic and IP analysis. Research has shown that public higher education institutions in Croatia are still not much market – oriented in terms of education service quality improvement. Public higher education institutions status in Croatia is still not challenged by the emergence of private sector and market competition. Research gives an analysis of recent trend of privatization of higher education in Croatia from educational service quality perspective and provides a framework and an instrument that can be used to compare private and public*

*higher education institutions. This research is based on only two institutions: one in public and one in private sector of higher education, which is research limitation. Therefore, the results can hardly be generalized to the whole higher education market. Further, education service quality was evaluated only from students' perspective, while there are other stakeholders who significantly contribute to education service quality. Therefore, the future research could include various other stakeholders as well as more institutions.*

**Keywords:** *public and private higher education, education service quality, Croatia, higher education, marketing*

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## **CONTINGENCIES, PERFORMANCE MEASURE DIVERSITY AND FIRM PERFORMANCE**

**Milos Milosavljevic**

*University of Belgrade, Serbia*

**Nemanja Milanovic**

*University of Belgrade, Serbia  
nemanja.milanovic@fon.bg.ac.rs*

**Nevenka Zarkic Joksimovic**

*University of Belgrade, Serbia*

### **ABSTRACT**

*Balanced and comprehensive approaches for measuring business performance have been attracting scholarly and practitioners' attention for more than three decades. Scholars almost equivocally advocate that performance measurement system should be designed to capture internal and external context of the organization. Using a contingency-based approach, we explored the relation between the internal and external contingency variables, performance measurement and business performance*

*of manufacturing companies in Serbia. The results indicate that size and technology are paramount determinants of the performance measurement diversity.*

**Keywords:** *performance measurement, performance measure diversity, contingency approach, empirical study*

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## **WOMEN'S CHALLENGES IN MANAGERIAL POSITIONS: COMPARISON OF CROATIA AND USA**

**Sara Susak**

*ss.susak@gmail.com*

**Davor Filipovic**

*Faculty of Economics and Business Zagreb, University of Zagreb*

*J.F. Kennedy 6, 10000 Zagreb, Croatia  
dfilipovic@efzg.hr*

**Najla Podrug**

*Faculty of Economics and Business Zagreb, University of Zagreb*

*J.F. Kennedy 6, 10000 Zagreb, Croatia  
npodrug@efzg.hr*

### **ABSTRACT**

*The purpose of this paper is to point out challenges of women in managerial positions, and to seek further research on inequalities in the business world. Theoretical part of the paper focuses on the women's motivation for pursuing a managerial career as well as challenges and barriers for women in managerial positions. The purpose of empirical research was to show the association between the national culture and business environment with the motivation to pursue a managerial position and the barriers*

*women experience in the career development. The comparison is done among women in Croatia and USA with the intent to better understand the position of women in management and in order to improve the existing situation.*

**Keywords:** *barriers, managerial career, motivation, national culture, women*

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## **LIVING CONDITIONS OF THE RURAL HOUSEHOLDS IN POLAND (ECONOMIC ASPECTS)**

**Urszula Grzega**

*University of Economics in Katowice, Faculty of Management,  
Poland*

*ugrzega@ue.katowice.pl*

### **ABSTRACT**

*The current situation of the living conditions of rural households in Poland has been affected by a number of factors and conditions. Among them, those particularly important were the transformation and integration processes, and the global economic crisis in Europe and Poland. Different factors affected the situation in the Polish countryside in different directions and with different intensity. A rural household, like any other household, operates in terms of its purchasing power resulting from the income situation that determines the upper and lower limits of consumer expenditures. The aim of the study is to know and assess the income situation and consumer expenditures of rural households in Poland. The spatial scope of the research covers the area of Poland. The time scope covers the years 2005-2015. The study used secondary data obtained from the Central Statistical Office. The applied research method can be described as a descriptive analysis with elements of a quantitative analysis. Based on the analysis, it can be concluded that in the years 2005-*

*2015 the differences between the living conditions of urban and rural households, measured by their income situation and consumer expenditures, decreased. Still, rural households have less, in relation to urban households, available income per capita. They also spend less on consumer purposes. The differences also relate to the structure of consumer expenditures. Rural households spend relatively more on goods and services that meet their basic needs, and less on those that meet the secondary needs.*

**Keywords:** *living conditions, available income, consumer expenditures, rural households*

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## **SERVICES OF GENERAL ECONOMIC INTEREST AND FOREIGN INVESTMENT: RISKS, OPPORTUNITIES AND PROTECTION OF HUMAN RIGHTS**

**Maria do Rosario Anjos**

*University Institute of Maia, ULP – Faculty of Law,  
Portugalense Institute for Legal Research, Portugal  
rosario.anjos@socadvog.com*

**Maria Joao Mimoso**

*Portugalense University,  
Portugalense Institute for Legal Research, Portugal  
mjmarbitragem@gmail.com*

### **ABSTRACT**

*The concept of services of general economic interest (SGEI) was enshrined in the Treaty of Rome in Article 90 (2) of its original version. It remained unchanged until the current version introduced by the Treaty of Lisbon. The services that public authorities of the EU member countries classify as being of general interest are, therefore, subject to specific public service*

*obligations. They can be provided either by the state or by the private sector. The article 106 (2) TUE shows the importance of SGEI's by preserving the possibility of subtracting them from the principle of free competition which underlies the entire economic law of the EU. These are very profitable, monopolistic or oligopolistic economic activities, with all the resulting risks. We are talking about electricity, gas, water, telecommunications, transport, postal services, among others. Their importance led to the concept of universal service, it means that the goods and services they produce are essential to citizens life and social welfare (general interest), and, therefore, they are very important to the accomplishment of human rights and safeguard the dignified survival of citizens. These are activities that attract a great deal of interest from foreign investors, both in the EU economies and outside the EU. This study intends to reflect on the comparative principles in the analysis of the best model of market organization in the perspective of better serving the general interest of citizens and companies that operate in these markets. The research question, in summary, is: What are the risks of the global liberalization of the markets that supply goods and services of general interest?*

**Keywords:** *SGEI, universal service, competition, foreign investment, human rights*

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## **Z GENERATION IN THE INTERNATIONAL TOURISM MARKET**

**Agata Niemczyk**

*Cracow University of Economics,  
Faculty of Management, Poland  
Researcher ID: C-8756-2019  
agata.niemczyk@uek.krakow.pl*

**Renata Seweryn**

*Cracow University of Economics,  
Faculty of Management, Poland  
Researcher ID: W-8204-2018  
renata.seweryn@uek.krakow.pl*

**Agnieszka Smalec**

*University of Szczecin,  
Faculty of Management and Economics of Services, Poland  
Researcher ID: L-3863-2018  
agnieszka.smalec@wzieu.pl*

### **ABSTRACT**

*In the last decades, different generations of people have developed. Currently, the youngest of them is the Z generation. This is a community permanently connected to the Internet, functioning more often in the virtual world than in the real world. World online is a space where young people are looking for solutions to their problems, including the area of satisfying tourist needs. The aim of the paper was to identify selected patterns of tourist behavior of the Z generation members. The theoretical part was a query of the literature on the specificity of the Z generation. The empirical database was based on direct research conducted in 2018 among e-generation representatives from Poland and other countries. Using nonparametric tests, similarities and differences were identified between the two Z groups in selected areas of conduct in the field of satisfying tourist needs.*



*Obtained results allowed proving that in the majority of areas of tourist behaviour, generation Z members from Poland are not different from generation Z members from other countries.*

**Keywords:** *consumer behaviour, generations, other countries, Poland, survey, Z generation*

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## **ARTIFICIAL INTELLIGENCE IN MANAGEMENT: CHALLENGES AND OPPORTUNITIES**

**Alexey Chernov**

*RUDN University, Russia  
chernov-av@rudn.ru*

**Victoria Chernova**

*RUDN University, Russia  
chernova-va@rudn.ru*

### **ABSTRACT**

*Technological development of society, and in particular the universal digitization of the economy, will have a significant impact on the labor market and on the managers job functions. The use of Artificial Intelligence systems and robotics carries with it both tremendous opportunities and threats of changes and even disappearance of certain professions. The ability to re-design the management system in accordance with new opportunities and challenges will be a key factor in adapting organizations to the new conditions in the interests of workers, employers and society. This study includes the analysis of the Artificial Intelligence usage trends and its influence on the labor market and manager's job roles. It also highlights the opportunities which AI provides to business and employees and main challenges of its implementation in the organization's management system.*

**Keywords:** *Artificial Intelligence, AI, digital economy, digital management, smart decisions*

## THE IMPACT OF EXCHANGE RATE FLEXIBILITY IN MOROCCO: AN INPUT OUTPUT ANALYSIS

**Anas Mossadak**

*Mohammed V University, Faculty of law economics and social  
sciences, Salé  
anas.mossadak@gmail.com*

### **ABSTRACT**

*The exchange regime plays an important role in the orientations of the choice of economic policies. In 2018, Morocco started a reform aiming to move gradually from the current fixed exchange regime to a more flexible regime to increase the competitiveness of the economy and its resilience to the external shocks. This paper investigates the potential impact of such a reform by using the input output model to estimate the imported content of final demand and simulating the impact of exchange variations on the prices of these components i.e. final consumption, investment and export. The main finding is that a 10% depreciation will increase significantly the prices of the final demand component. Thus, a depreciation of the Moroccan dirham will have a harmful effect on the economy by increasing it, causing a decrease in the competitiveness in the international market of Moroccan products and generating inflationary pressure in the local economy.*

**Keywords:** *Exchange rate, Flexibility, Input output analysis, Morocco*

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## FORECAST OF GREENHOUSE GAS EMISSIONS VS. EU ENERGY AND CLIMATE POLICY ASSUMPTIONS FOR 2030

**Andrzej Wojcik**

*University of Economics in Katowice, Poland  
andrzej.wojcik@ue.katowice.pl*

### **ABSTRACT**

*The paper studies the assumptions of the European Commission in the sphere of greenhouse gas emissions under the energy and climate policy for 2020 and 2030. The European Commission assumes that by 2020 greenhouse gas emission will have decreased by 20% compared to 1990, and by 2030 it will have been reduced by 40%. This objective is to be achieved by reducing the energy intensity of EU economies and by increasing the share of energy from renewable sources in the total gross energy consumption. The research covered both the emission of greenhouse gas in the entire EU as well as in individual EU countries. The assumption of the European Commission was analysed through the estimated econometric models. The least squares method and the ridge regression method were used to estimate the model parameters in the case of collinearity of the explanatory variables. Thanks to the estimated models, the forecasts of greenhouse gas emissions for 2020 and 2030 were calculated, and then they were confronted with the target assumed by the European Commission, as well as the objectives set out in the paper. The forecasts of greenhouse gas emission were calculated in optimistic and pessimistic variant. The optimistic variant predicted the values of explanatory variables in 2020 and 2030, determined according to the linear trend, and the pessimistic variant according to the logarithmic trend.*

**Keywords:** *econometric model, greenhouse gas emissions, ridge regression method*

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## IS WORK LIFE BALANCE IMPORTANT FOR GENERATION Y?

**Anna Skorska**

*University of Economics in Katowice, Poland  
anna.skorska@ue.katowice.pl*

### **ABSTRACT**

*Changes occurring in the contemporary economies and societies show that the balance between professional carrier and personal life becomes one of the most important and appreciated values. Entry of the generation Y into the labour market resulted in changes in the approach to seeking the optimal ratio between time spent at work and time spent away from work. Generation Y (people born between the 1980's and the year 2000), also known as Millennials is independent, confident, and goal-oriented. They believe in living a well-balanced life in which it is possible to fulfil both personal and professional responsibilities. This generation expects work to be fun and flexible, with special focus on flexible working time. They do not want to work long hours at the expense of their families or friends. Therefore they are more interested in balancing their jobs and personal lives than the previous generations. In the light of the above considerations, the goal of the paper is to present the essence of the conflict between work and personal life, with special focus on changes in employment patterns of the generation Y depending on gender and the number of children. The research questions include:*

- *How is the employment rate of adults changing depending on the number of children?*
- *What percentage of parents work at home while reconciling professional and non-professional responsibilities?*
- *Are there different patterns depending on gender?*

*The research period covers the years 2008-2017 and the conducted analyses are mainly based on statistical data obtained from Eurostat. The considerations in the article are conducted in the following areas: 1) the characteristic of the generation Y, 2)*

*conflict between work and personal life, 3) the analysis of the employment rates of the adults in the EU member states, depending on the number of children 4) changes of the employment patterns depending on gender.*

**Keywords:** *employment, gender, generation Y, work-life balance, WLB*

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## **THE ROLE OF MARKET KNOWLEDGE IN DETERMINING MARKETING STRATEGIES: A CASE STUDY**

**Benali Amina**

*University of Bechar, Algeria  
Amina22benaliste@yahoo.fr*

### **ABSTRACT**

*Today's business environment characterizes by many changes, so economic institutions must adopt market knowledge to reinforce the strategic choice. This is what this study attempts to confirm with a questionnaire addressed to 30 workers at the Condor enterprise in Algeria. The study used a five-dimensional Likert scale. Some statistical methods using to analyze the data: arithmetic mean, sample standard deviation, correlation coefficient, simple regression. The study concluded that market knowledge is imperative to support marketing strategies (cost strategy, differentiation strategy and focus strategy) in the Algeria's home appliance market. The paper gives a lot of direction on the efficiency of market knowledge. In the first place, our results prove that market knowledge comprises of a several measurements, each measurement having its very own effect on marketing strategies. This stresses the need for a full scope of measurements in the marketing strategies advancement. Albeit numerous organizations perceive the importance creating market information, there is a propensity among supervisors to*

*overemphasize one measurement while disregarding others. The condor institution has to realize the customer more contrasted with in the wake of knowing the contenders. This may make a divided market and debilitate the efficiency of the learning age framework. Because the customer and the competitor are separate objects of perception, firms must use different sets of cognitive dimensions to learn about and understand them. This is the same result as Li and Calaantone in 1998. At the same time, this study focuses on developing knowledge for emerging institutions in Algeria and provides some useful sources for future research.*

**Keywords:** *Cost strategy, Differentiation strategy, Focus strategy, Market knowledge, Marketing strategies*

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## **UNIVERSITY-BUSINESS COOPERATION FOR DEVELOPEMENT: A SYSTEMATIC REVIEW**

**Boukhari Nada**

*Ph.D candidate,*

*Faculty of Economic and Social Juridical Sciences, Casablanca  
AinSebaa, Hassan II University in Casablanca, Morocco  
nadaboukhari1992@gmail.com*

**Lamari Siham**

*Faculty of Economic and Social Juridical Sciences, Casablanca  
AinSebaa, Hassan II University in Casablanca, Morocco  
siham.lamari@gmail.com*

### **ABSTRACT**

*Improving and strengthening university research capacity have the inherent potential to generate a sustainable economic and social development. This means that the university needs to be engaged in innovation, especially when it comes to manage the impact of academic research on its ecosystem. So ideally, the*

*transfer of ideas and data must be fluent and continuous between the academic sphere and the industrial, technological, social or economic spheres. This made the role and connections of the university an extensively studied topic over the last decade, giving rise to the triple helix economic model. This model advocates a new dimension of university-business-government relations. Because we can no longer tolerate an ambiguous relationship between institutions and functions, as it is necessary to assess how, up to when and to what extent the institutional arrangements encourage synergies between the different actors of development, in this case; "knowledge producers (universities)" and "capital producers (companies)". In this paper, we present a systematic review of the triple helix model for development with a focus on university-industry collaboration. The literature data is synthesized to show the strength factors and the barriers that the government faces to implement and catalyze synergies between these actors. The selection of articles dealing with this axis was based on their indexation and citation rate. This survey highlights how the literature defined the university-business partnership for development, what are the obstacles and success factors, and what are its social and economic benefits, according to published articles. We will also identify where knowledge gaps lie, mainly when it comes to underdeveloped countries, with recommendations for future research.*

**Keywords:** *Economic development, innovation factors, transfer of knowledge, triple helix model university-business partnership*

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# ALIGNMENT OF LOCAL ENTREPRENEURSHIP INCENTIVE PROGRAMS WITH NATIONAL AND EU GUIDELINES

**Ljerka Cerovic**

*Faculty of Economics and Business,  
University of Rijeka, Croatia  
ljerka.cerovic@efri.hr*

## **ABSTRACT**

*The paper reveals the importance of converging local self-government unit (LSGUs) – based entrepreneurship incentive programs to a higher-level strategy, or more precisely to the national and European entrepreneurship development strategic frameworks, primarily the Entrepreneurship Development Strategy of the Republic of Croatia 2013 - 2020, and the Europe 2020 Strategy. In this regard, the inclusion of these strategic guidelines and its elements in the criteria framework for defining LSGU policies aimed at promoting entrepreneurship at the local level can be proposed. There is no doubt that a complete framework for promoting entrepreneurship at LSGUs level should be based on a wide range of criteria, from mandatory to specific, to comply with the formal frameworks for promoting entrepreneurship as a local government strategy, to the substantial criteria such as the impact of small and medium-sized enterprises on economic growth of a local community, or the criteria regarding the contribution to the wider community, and some others as well. Among many criteria for promoting entrepreneurship at LSGUs level, the focus of this paper is set on the convergence criteria that ensure the adoption of the national and EU strategic guidelines. Convergence criteria impose as a natural and necessary strategic direction for development of LSGU entrepreneurship strategies.*

**Keywords:** *Promotion of Entrepreneurship, Local Self-Government Units, Europe 2020 Strategy, Entrepreneurship Development Strategy of the Republic of Croatia 2013 – 2020*



## **THE ROLE OF VISUAL IDENTITY GUIDES AND BRAND BOOKS IN COUNTRY BRANDING – HOW TO GET INSPIRATION FROM FINLAND AND ESTONIA**

**Arpad Ferenc Papp-Vary**

*Budapest Metropolitan University, Hungary*

*apappvary@metropolitan.hu*

### **ABSTRACT**

*Country branding (also known as nation branding) is actually nothing else than the technical application of branding for countries in order to improve the reputation of the country, thus attracting more tourists and investors, improving export, etc. – in other words, resulting in greater competitiveness and more money. In the past two decades, country branding has become a hot topic: country image centres and country brand councils have been created throughout Europe and the world. Their task is the same everywhere: to position the country, distinguish it from "competitors", create a uniform brand strategy, and coordinate the various messages about the country in a certain sense. One of the important elements of this branding activity is the visual identity guide defining the logo and colours used by the country and the basic visual implementations used in most frequently used offline and online communication tools. Although visual identity guides are extremely useful, we have to admit that they mostly serve as an aid for advertising agencies designated to country branding, helping them to create country advertisements that are as consistent visually as possible. However, if we want to achieve a greater impact involving the citizens in the promotion of their country, we need more: a so-called brand book. This tool also provides guidance verbally: it tells the "story" of the country – what are its typical attributes, why is it special, what is its character, what values does it represent, what messages does it communicate, and how – more precisely, how it should communicate in order to have maximum impact. Therefore, such a publicly available brand book may also be considered a*

*knowledge centre or a knowledge management tool. The present article provides countries with advice on this topic through an analysis of the brand books of Estonia and Finland. The two countries were selected for several reasons. First, both countries created a well-devised and complex system that is easy to use. Second, their brand building is characterized by a lot of creativity from word games to emojis. Third, their identity building has a digital focus, providing state-of-the-art solutions. Fourth, they particularly encourage citizens to “engage” in the building of the country brand.*

**Keywords:** *brand book, brand identity, country branding, nation branding*

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## **IMPLEMENTATION AND EFFECTS OF THE POST-CRISIS BANKING REGULATIONS IN EUROPEAN UNION**

**Ivanna Chaikovska**

*Jagiellonian University in Krakow, Poland*

*ivanna.chaikovska@doctoral.uj.edu.pl;*

*chaikovska.ivanna.pl@gmail.com*

### **ABSTRACT**

*The recent financial crisis has exposed to weaknesses the area of banking regulation and supervision, and has also showed the need for their amendment at the supranational level well as at the national level. Cooperation in the development of new regulatory principles and coordination of supervisory at the international level is an important task to achieve. Paper takes the issue of post-crisis regulation of the banking sector, their theoretical bases and practical expressions. In particular, it focuses on the regulatory reaction of the European Union after the crisis from 2008 to 2014. Was revealed the process of implementation of the The Basel Accords in european law, and then to the countries laws.*

*The model of a new architecture of banking supervision in the European Union was also presented. The main part of this paper is dedicated to the project of the Union banking, by creating a framework to deepen Economic and Monetary Union in the EU. It was presented the structure, objectives and competences of Union banking, as well as the controversy around its implementation. The aim of the research paper is to analyze the process of implementation of the post-crisis banking regulations in European Union. As well as define the effects of introducing the post-crisis banking regulations for european banks.*

**Keywords:** bank, bank supervision, compliance, enforcement actions, European Union, post-crisis regulations

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## **SIGNIFICANCE OF MONTE CARLO SIMULATION IN PREDICTION OF ECONOMIC PROJECTIONS: A CRITICAL REVIEW**

**Ivana Bestvina Bukvic**

*Josip Juraj Strossmayer University of Osijek,  
Academy of Arts and Culture in Osijek  
ibbukvic@unios.hr*

### **ABSTRACT**

*In the evaluation of capital investments, the Monte Carlo stochastic method enables combining the potential values of numerous key factors which could be in the complex and interconnected relation and therefore give the insight of possible future investment project outcomes. By the earlier studies, it was found that despite its usefulness it is still not widely used in practice, especially in evaluating possible outcomes of economic forecasts. This is a surprising fact, considering the effects of the recent economic crisis, among other, on the results of implemented investment projects, business performance, industrial sectors and overall economy.*

*The objective of this paper is to analyze whether there is a significant number of examples and research of its application in the evaluation of projections of individual industry sectors future development with an emphasis on the IT sector. The author conducted an analysis of available literature and surveys on this topic. The work is structured from two separate parts – first analysis of literature working on definition and correlation of risk, uncertainty and the Monte Carlo simulation in business decision-making and the second the analysis of literature dealing with its applicability in practice. It was found that the Monte Carlo method is considered as a method that provides specific and relevant information in the process of decision-making regarding the project implementation, but considering its specificity and in combination with other methods of assessing project investment. At the other hand, it is rarely used in the analysis of the economic forecast of specific industrial sectors.*

**Keywords:** *capital budgeting, Monte Carlo method, stochastic risk analysis, industry sectors forecast, IT sector development projections*

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## **IMPLEMENTATION OF HEADLINE TARGETS OF EUROPE 2020 STRATEGY – POLAND COMPARED TO EU COUNTRIES**

**Katarzyna Warzecha**

*University of Economics in Katowice, Poland*

*warzecha@ue.katowice.pl*

### **ABSTRACT**

*Europe 2020 Strategy is a long-term program of the socio-economic development policy of the European Union and its member states. Its main target is building economy based on knowledge and innovations; efficient use of resources and environment protection through supporting low-carbon*

*economy; increase of employment and growth of socio-economic cohesion. The strategy specifically emphasises the need of joint actions of the member states and implementation of reforms that should enable facing the challenges associated with globalisation, population ageing and growing need of rational use of resources. The paper aims to analyse how implementation of the headline union (reference) goals as determined by Europe 2020 Strategy is proceeding in Poland and other European Union member states. It also aims at forecasting whether it is possible to achieve the goals determined for individual European Union states by 2020. The research shows that the level of achievement of individual targets determined in Europe 2020 Strategy by the European Union member states is characterised by high diversity, which can delay timely implementation of the Strategy objectives. To assess the chances of implementation of the targets of Europe 2020 Strategy by the union states, the mean pace of changes was calculated as a geometrical mean of annual indicators from the years 2004-2016. On this basis, it was verified whether a given country is likely to achieve its goals in 2020, provided that the dynamics of the studied phenomena does not change. The research period covers the years 2004-2016, and the reference target values are determined for 2020.*

**Keywords:** *EU countries, Europe 2020 strategy, forecasts, strategy reference goal*

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## **EUROPEAN REGULATION OF INTERNATIONAL PRIVATE RELATIONS: THE EMERGENCE OF A EUROPEAN PRIVATE INTERNATIONAL LAW**

**Maria Joao Mimoso**

*Portucalense University,  
Portucalense Institute for Legal Research, Portugal  
mjmarbitragem@gmail.com*

**Maria do Rosario Anjos**

*IPMAIA - Polytechnique Institute of Maia,  
IJP - Portucalense Institute for Legal Research, Portugal  
rosario.anjos@socadvog.com*

### **ABSTRACT**

*There is no doubt that we are experiencing increasing integration on the part of the European Union, which has triggered a growing substitution of Member States' legislation. Of all the sectors of law, private international law (PIL) is the one where the most influence of the EU is felt. Thus, our aim is to address a specific issue: the implications of the Amsterdam and Lisbon Treaties on private international law from the internal source. The communitarisation process increased sharply from these two milestones, as we shall see, have announced the death of the classic PIL. We will discuss the implications of the new powers of the European Union bodies in the PIL and the contribution of the Court of Justice of the European Union on the relevance of Community freedoms under the PIL. Therefore, a review of the literature and an analysis of some of the legal texts that matter to the PIL will be carried out. We want to highlight the changes that have taken place not only in terms of the competence of the European institutions in PIL but also in the strengthening of community freedoms. The deductive method will be used in the process of analyzing the transformations that have taken place in the field of PIL in order to conclude the true Europeanization of the PIL.*

**Keywords:** *communitarization, competences, European Union, institutions, private international law*

## **MEMORIAL TOURISM AS A PART OF TOURIST OFFER IN WAR AFFECTED COUNTRIES**

**Marina Gregoric**

*Senior Lecturer at Polytechnic of Međimurje in Čakovec  
marina.gregoric@mev.hr*

**Daniela Gracan**

*Full Professor at  
Faculty of Tourism and Hospitality Management,  
University of Rijeka, Croatia  
danielag@fthm.hr*

**Marina Barkidija Sotosek**

*Faculty of Tourism and Hospitality Management,  
University of Rijeka, Croatia  
marinab@fthm.hr*

**Vedrana Blazuc**

*Polytechnic of Međimurje in Čakovec  
blazucvedrana@gmail.com*

### **ABSTRACT**

*Memorial tourism is a part of dark tourism and includes visits to sites marked by human suffering and widespread tragedy such as concentration camps, battlefields, places of great historical battles and places of natural disasters with a large number of victims. The main motivation in memorable tourism is education and empathy towards the victims. The development of memorial tourism is based on the very historical facts and the better interpretation of the same. Due to the social sensibility of resources on which tourism is based, the question arises: Can places of persecution become places for tourist visits, and thus generate profits? For the purpose of finding out a response to the question asked, research in the Republic of Croatia has been conducted, which in the past was exposed to major scale war*

*conflicts. During the Homeland War, the eastern part of the Republic of Croatia was significantly more affected than the other parts of the country, so memorial tourism is the most represented in Eastern Croatia. One of the most important destinations of memorial tourism is Vukovar, whose tourist offer is mostly based on memorial tourism and achieves remarkable success. The memorial sites in Vukovar make up a whole - Vukovar's nocturnal. Good geographic position and the location of the city on important traffic directions create good prerequisites for further development of memorial tourism.*

**Keywords:** *dark tourism, memorial tourism, tourist resources, motivation in memorial tourism, Vukovar*

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## **HATE SPEECH ON SOCIAL MEDIA - CROATIAN EXPERIENCE**

**Mario Tomisa**

*University North, Croatia  
mario.tomisa@unin.hr*

**Marin Milkovic**

*University North, Croatia  
marin.milkovic@unin.hr*

**Damir Vusic**

*University North, Croatia  
damir.vusic@unin.hr*

**Ivona Pavicic**

*University North, Croatia  
ivpavicic@unin.hr*

### **ABSTRACT**

*Freedom of speech is the fundamental right of every man. This right implies seeking, receiving and disseminating information and ideas of every kind. But what if someone decides to abuse his*



*or her rights and cross the border of freedom of expression? The result is hate speech that transcends any boundary of freedom of expression. A speech for which there is no consistent definition. A hate speech often condemns racial, religious, national, gender, ethnic and any other diversity. Hate speech is most widespread on social networks, which constitute the foundations of modern communication. Social networks such as Facebook, Twitter, and YouTube have become a landfill site of hate speech. These may be accessed in a simple and fast way and besides offering a platform for communication, they can be used for downloading and sharing content and information of all types. Moreover, in a matter of few minutes, we can become almost anyone on social networks, or no one under the mask of anonymity. This encourages individuals to write things they would otherwise never dare to speak out loud in real circumstances or in front of real people. The media, although suppressing hatred more and more in the contents that they publish, still do not contribute sufficiently to the suppression of hatred of their users on social networks. The aim of this paper is to examine the hate speech regulation in Croatia.*

**Keywords:** *freedom of speech, hate speech, mass communication, mass media, social networks*

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## **COORDINATION IN THE AGE OF INDUSTRY 4.0**

**Leslaw Pietrewicz**

*Institute of Economics, Polish Academy of Sciences, Poland  
pietrewi@inepan.waw.pl*

### **ABSTRACT**

*Coordination, competition and cooperation are the three main types of strategic interactions. Coordination, despite its importance in structuring business interactions and its impact on*

*firm performance, remains an understudied phenomenon, with the bulk of the research on business interactions focusing on competition and cooperation, and, more recently, on their simultaneous use in cooperation. However, growing complexity and specialization of enterprises increase coordination needs and call for renewed academic interest in the topic. Advances in digitalization and the rise of Industry 4.0, predicated on the growing interconnectedness and interdependence of technologies and business organizations, make the topic of coordination more relevant than ever before. The aim of this paper is to present a simplified model of coordination reflecting both the demands of Industry 4.0, and the possibilities it creates. Following the established conceptualizations of coordination, the model has two main components – interdependencies and coordination mechanisms. However, the conventional models presented the relationship as direct and unidirectional, with interdependencies viewed as given and the mechanisms of coordination as organizational responses aimed at achieving coordination. In contrast to the traditional approach, we allow for two-way causality between interdependencies and coordination mechanisms, as the latter not only are set to manage existing interdependencies, but also can elicit specific interdependencies, particularly those connectivity- and communication-related, as these are needed to induce all parties to follow the overall or common goal. ICT plays a central role in the model as mediating in managing interdependencies. Finally, the context of Industry 4.0-related public policy is recognized in the model as capable of affecting business organizations' ability to effectively manage interdependencies.*

**Keywords:** *coordination, fourth industrial revolution, Industry 4.0, interdependency*

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## **SUSTAINABLE DEVELOPMENT AND ACTIVE AGEING IN EU COUNTRIES – BRIDGES AND GAPS**

**Robertina Zdjelar**

*PhD Student of Faculty of organization and Informatics,  
Varaždin, Croatia*

*Assembly of Koprivnica-Krizevci County  
robertina.zdjelar@kc.t-com.hr*

**Nikolina Zajdela Hrustek**

*Faculty of Organization and Informatics, Varaždin, Croatia  
nikolina.zajdela@foi.hr*

**Marijana Sumpor**

*City Assembly Member of City of Zagreb  
msumpor@gmail.com*

### **ABSTRACT**

*The issue of aging nations is a key concern for overall development and is addressed by many international organizations, such as the United Nations or the European Commission and similar organizations. The research question addressed by the authors in this paper is to what degree can digital literate 54+ people in European Union (EU) member countries influence sustainable development and vice versa? Active aging is a concept that contributes to achieving one of the sustainable development goals (SDGs). Through its research on Digital economy and society, EUROSTAT made available data on the degree of digital literacy of persons over the age of 54+. In order to achieve the SDGs, as well as the goals of the Digital Agenda EU, the demographically old EU member countries need to find ways to raise the rate of digital literacy 54+ in order to contribute to achieving the SDGs. In this paper, the authors present a review of the mentioned theoretical concepts, policies and the practical contributions of active ageing projects and the continual as well as systematic approach to solving identified*

*problems of the digital divide of 54+ citizens are the bridges for solving gaps in the EU.*

**Keywords:** *active ageing, digital literacy, e-inclusion, sustainable development*

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## **SUSTAINABLE DEVELOPMENT IN MOROCCO: THE GREEN FUTURE**

**Belyazid Rihab**

*National School of Commerce and Management Tangier,  
Abdelmalek Essaadi University  
belyazidrihab@gmail.com*

### **ABSTRACT**

*Over the last twenty years, Morocco has embarked on the path of sustainable development in all its strategic sectors by preparing and adopting sectoral plans planned over several years and stages following specific objectives and monitoring indicators. Despite the efforts made and the resources available to Morocco to embark on a successful experience of sustainable development, the results achieved still face difficulties that do not allow them to be at the desired height. For this reason, Morocco and according to the high directives of his majesty King Mohammed 6 has adopted a new strategy of sustainable development favoring the balance between the environmental, economic and social dimensions. The main goal of this strategy is to achieve a vision of a green economy in Morocco by 2030. The kingdom is currently facing significant and complex environmental, social and economic challenges that must be considered exclusively in this new vision. to ensure that it is more inclusive. At present all neighboring African countries and many other developing countries attests to a favorable overall level of development in Morocco in several areas thanks to the wise and solid royal vision.*

*But its limits born in reality have required its redesign, the green key that the old model to miss in its lines is exactly what Morocco today requires. While many countries are depleting their natural resources, Morocco has put them at the heart of its new strategy. This voluntary commitment has resulted in a circuit of reforms, policies and plans that support its path towards greener sustainable development. In this article, we aim to present in a first shot an inventory of the model of sustainable development of Morocco to know the progress of its plans flourish in their entirety. At this stage, several limits have emerged especially after the completion of several sectoral plans already in place. The major anomaly common to a large number of sectors is the neglect of the environmental component, which is perceived today as a need for the effectiveness of countries' sustainable development models. To think of greening it is a revolution for Morocco capable of allowing it to achieve important plowing in the coming decades. This article will answer the following questions:*

- *What is the state of play of the sustainable development model in Morocco?*
- *Is the adopted model in crisis?*
- *What approach to green sustainable development in Morocco?*

***Keywords:*** *environment, green economy, sectoral plans, and sustainable development*

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## **ECONOMIC MIND OF THE YOUTH IN A POLY CULTURAL SOCIETY**

**Ekaterina Zabelina**

*Chelyabinsk State University, Russia  
katya\_k@mail.ru*

**Irina Trushina**

*Chelyabinsk State University, Russia  
trushina\_ia@mail.ru*

**Svetlana Kurnosova**

*Chelyabinsk State University, Russia  
ksa0308@mail.ru*

**Yulia Chestyunina**

*Chelyabinsk State University, Russia  
chestyunina@list.ru*

### **ABSTRACT**

*Polyculturalism is a belief system focusing on historical and current interactions, influences, and connections among different ethnic groups. Russian society is historically polycultural as it unites dozens of various peoples. Representatives of different cultures also interact with each other in everyday economic life. However, the question how cultural patterns influence economic mind people in the Russian polycultural society has not been studied enough. The purposes of this research are as followed: (i) explore differences in the life values held by different peoples in a polycultural society; (ii) study the similarities and differences in economic attitudes as the building blocks of ethnos-specific economic mind; (iii) identify how values affect ethnos-specific economic attitudes; (iv) identify how economic attitudes as a part of economic mind are formed in a polycultural society. The results of the comparative analysis (N = 374) demonstrate the differences in the ethnos-specific economic attitudes, with the motivational and value aspects of personality accounting for the*

*bulk of difference. Different life values can produce similar economic attitude in different peoples. Such values as power, benevolence, hedonism, and security show that life values can mediate the shaping of economic attitude in a polycultural society. Recommendations on the obtained results application in the practice of economic and social programs have been formulated.*

**Keywords:** *Economic mind, Polycultural society, Polyculturalism, Youth, Economic attitudes, Life values*

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## **ATTITUDES OF MANAGMENT STAFF IN REGARD TO MANAGING GENERATIONAL DIVERSITY – EXPERIENCES OF POLISH MANAGERS**

**Joanna M. Moczydlowska**

*Bialystok University of Technology, Poland  
joanna@moczydlowska.pl*

**Marek Adamski**

*PMCONSULTING Sp. z o.o., Poland  
adamski@pmconsulting.com.pl*

### **ABSTRACT**

*The management of generational differences is aimed at achieving success thanks to synergy stemming from effective cooperation of workers of different age groups. The article implies that applying this concept requires positive attitude of the managerial staff based on knowledge and positive emotions realised through certain behavioural tendencies. In order to diagnose attitudes of Polish managers towards the management of generational differences, 62 narrative interviews with senior staff representatives of business sector were conducted.*

*The received statements were categorized and evaluated in terms of content. The results of the study allowed to formulate a conclusion that Polish managers possess average knowledge of the concept of the management of generational differences. On a declarative level they demonstrate moderately positive attitudes towards the management of generational differences, however on a factual level, they apply them rarely and in a coincidental and intuitive way.*

**Keywords:** *attitudes of managers, management of generational differences*

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## **PUBLIC RELATIONS AS A TOOL FOR DEVELOPING MEDICAL TOURISM USING THE ISTRA HOTEL IN VARAŽDIN AS AN EXAMPLE**

**Anica Hunjet**

*University North, Varaždin  
anica.hunjet@unin.hr*

**Dorotea Zerjavic**

*dorotea.zerjavic@gmail.com*

**Goran Kozina**

*University North, Varaždin  
goran.kozina@unin.hr*

### **ABSTRACT**

*Over the last decade, medical tourism has proved itself as a powerful driver of tourism traffic, attracting tourists who consider both quality and value when making a purchase decision. Due to its highly favourable geographical location and good transport connections with other parts of the country (and the world), Northwest Croatia is gradually becoming the hotspot*



*for medical tourism in Southeast Europe. The paper explores medical tourism in order to establish how the globalization and the 21st century technological advances have facilitated the development of public relations, thereby enhancing community cohesion, information exchange, communication, and connectivity. In today's environment, public relations have become highly important for further development of medical tourism. The paper focuses on medical tourism and the Istra Hotel. It defines the concept of public relations in practice; investigates the process and activities involved in public relations and marketing; describes the main features and characteristics of medical tourism; analyzes the strategic plan for the development of medical tourism using the Istra Hotel as an example; describes the state of medical tourism in Croatia and looks at the competition; examines the marketing environment; proposes the strategy and manner in which public relations should function; explores consumer behaviour; and identifies target consumer groups. A survey of consumer opinions and attitudes towards hotels and medical tourism has been conducted.*

**Keywords:** *globalization, public relations, medical tourism, Northwest Croatia*

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## **SPECIAL ECONOMIC ZONES IN CONTEXT OF FOREIGN INVESTMENT IN POLAND**

**Monika Kapler**

*Częstochowa University of Technology, Poland  
monika.kapler@wz.pcz.pl*

**Luiza Piersiala**

*Częstochowa University of Technology, Poland  
luiza.piersiala@wz.pcz.pl*

### **ABSTRACT**

*The aim of this article is to show the influence of special economic zones on conducting business activities in their area. The performed research has confirmed, that conducting business in these zones is strictly linked with areas that are the most attractive for investors in Poland. In the future, well-educated and qualified employees will be crucial to the attractiveness of the Polish economy, skillfully adapting to changes and the application of new technological solutions in practice.*

**Keywords:** *investment attractiveness, foreign direct investment, special economic zones*

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# **CAPTURE OF FEAR IN THE MOROCCAN FINANCIAL MARKET APPLICATION OF NON- STATIONARY PANEL QUANTILE REGRESSION**

**Outmane Soussi Noufail**

*Laboratory Finance, Entrepreneurship and Development,  
Mohammed V-Rabat University,  
Faculty of Economic and Social Sciences-Salé, Morocco  
outmane.soussi-noufail@um5.ac.ma*

**Hicham Baddi**

*Laboratory Finance, Entrepreneurship and Development,  
Mohammed V-Rabat University,  
Faculty of Economic and Social Sciences-Salé, Morocco  
prhicham@gmail.com*

## **ABSTRACT**

*This paper aims to explain empirically from several linear quantile regressions the impact of returns on the index of the sentiment of investors operating in the Moroccan financial market. Indeed, this methodology allows to give a more detailed description of the relationship sought. Nevertheless, the classical linear regressions which estimate the average of the dependent variable, do not concern itself with the whole of the conditional distribution of this one. This work covers the period from 2011 to 2017, the data used is a panel of 6 actions relating to the banking sector, they are observed during the period of the study, and having a quarterly frequency. The results show that investor sentiment has a negative and significant impact on the yield of the bank shares. The impact is slightly accentuated for the third quantile that measures fear.*

**Keywords:** *Investor Sentiment, Quantile Regression, Non-Stationary Panel, Stock returns*

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## **BOKO HARAM INSURGENCY AND EDUCATIONAL DEVELOPMENT IN NORTHEAST NIGERIA**

**Bulama Kagu**

*University of Maiduguri, Department of Education*

**Ayuba A. Aminu**

*University of Maiduguri, Department of Business Administration*

**Yahaya Yunusa Malgwi**

*University of Maiduguri, Bursary Department*

**Ibrahim Abubakar Njodi**

*University of Maiduguri, Department of Health Education*

### **ABSTRACT**

*The paper examined Boko Haram insurgency and educational development in Northeast Nigeria. Consequently, the paper traced the genesis of the dreaded organization from inception to date was discussed. With the philosophy that seeks to translate strict fundamentalist interpretation of the Quran and vehement opposition to western form of education and democracy, Boko Haram since the year 2008 plunged the entire region into catastrophic conditions. A condition that led to the lost of so many lives and properties, schools and other public buildings including churches and mosques were destroyed, school children were abducted and thousands of people are being displaced. The paper also presented specifically how the activities of Boko Haram insurgency affected school enrolment and attendance, education infrastructure (classrooms, water, sanitation and hygiene, and furniture), teaching and learning materials and teaching and non teaching staff in the Northeast region of Nigeria. Based on the existing findings, some recommendations are suggested.*

**Keywords:** *Boko Haram, Educational development, Northeast Nigeria*

## EXCHANGE RATE REGIMES AND FISCAL PROCYCLICALITY

**Hicham Baddi**

*Research Professor,*

*Laboratory Finance, Entrepreneurship and Development,*

*Mohammed V-Rabat University,*

*Faculty of Economic and Social Legal Sciences – Salé, Morocco*

*prhicham@gmail.com*

**Outmane Soussi Noufail**

*Research Professor,*

*Laboratory Finance, Entrepreneurship and Development,*

*Mohammed V-Rabat University,*

*Faculty of Economic and Social Legal Sciences – Salé, Morocco*

*outmane.soussi-noufail@um5.ac.ma*

### ABSTRACT

*While many empirical studies have focused in recent years on the impact of financial constraints, politico-economy factors, and income inequality on the cyclicity of fiscal policy in both developed and developing countries, few are researchers examined the relationship between exchange rate regimes and fiscal procyclicality. This paper investigates the impact of exchange rate regime on the cyclicity of fiscal policy. More specifically, the objective is to investigate the type of exchange rate regime that could amplify or reduce the degree of procyclicality. Based on an empirical study of a sample of 110 developed and developing countries over the period from 1980 to 2015 and using the dynamic generalized moments method (GMM), it appears that flexible exchange rate allows developed and developing countries to conduct a less fiscally procyclicality. The fixed and intermediate exchange rate regimes have, nevertheless, no effect on the cyclical behavior of their fiscal policies.*

**Keywords:** *Fiscal Policy, Economic Cycle, Quality of institutions, Internal and external funding constraints, exchange rate regimes, GMM*

## **ECONOMIC AND MONETARY INTEGRATION: A DYNAMIC STUDY OF THE TWO FRANC ZONES**

**Dembele Boua Siriki**

*Faculty of Law, Economics and Social Sciences Sale,  
Laboratory of applied economies,  
Mohammed V University in Rabat, Morocco  
demben1960@yahoo.fr*

**Mustapha Machrafi**

*Professor at Faculty of Law, Economics and Social Sciences  
Sale,  
Mohammed V University in Rabat, Morocco  
machrafiea@yahoo.fr*

**Hissein Brahim Tidei**

*Faculty of Law, Economics and Social Sciences Agdal,  
Laboratory of applied economies,  
Mohammed V University in Rabat, Morocco  
hisseintidei@gmail.com*

**Adil El-Marhoum**

*Professor at Faculty of Law, Economics and Social Sciences  
Agdal,  
Mohammed V University in Rabat, Morocco  
adil.elmerhoum@gmail.com*

### **ABSTRACT**

*Since the late seventies (70) Economic and regional integration (IER) between the states of the same geographical area has grown considerably in an increasingly globalized world. For some authors (Mathilde and al.2007) between 1970 and 2000, thanks to globalization and economic liberalization, 10 and 20 respectively multiplied the values of GDP and world trade. Based on this observation, the constitution of the IERs is becoming a key strategy for all states in addressing the challenges of the global,*

*both for the least developed countries (LDCs) and for developed countries. In Africa, this desire for economic integration between the states of the continent was born in June 1990 by the Abuja Treaty, which provided for the creation of a continent-wide African economic community by 2027. This treaty notably promotes the creation of several regional economic communities, which will have to lay the necessary foundations for the eventual realization of the Economic and Monetary Union of Africa. Since its signing, Africa has no less than seven Economic and Regional Integration Zones (IER), which are UMA, COMESA, EAC, CEEAC, CEDEAO, SACU and SADC, and including two economic and monetary zones, which are CEMAC and UEMOA. This paper will attempt to assess the state of economic and monetary integration of the franc zone, namely CEMAC and UEMOA. Therefore, it is a question of analyzing initially the rate of opening of the two zones. Moreover, in a second time, the degree of intensity of intra-zone trade. This in a comparison objective of two areas on the basis of their degrees of economic and commercial integration.*

**Keywords:** *CEMAC, Franc zone, Trade exchange, Regional intégrations, Trade exchange, UEMOA*

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## **HRM PRACTICES AND CORPORATE STRATEGY: THE IMPACT ON ORGANIZATIONAL PERFORMANCE OF THE SMES**

**Meryem Harmaz**

*Research laboratory on enterprise and local development,  
Faculty of economic and social legal sciences, FES  
Professor at the Higher Institute of Engineering and Business,  
FES, Morocco  
meryem.harmaz@isga.ma; meryemrh85@gmail.com*

### **ABSTRACT**

*This study is part of the theme of management challenges related to Human Resources Management in small and medium enterprises, also aims to better understand the contribution and influence on organizational performance of SMEs in Morocco. Our project is structured around three main objectives. The first aims to contribute from a theoretical point of view to the advancement of knowledge in the context of human resources management. As for the second objective, it consists of verifying the strategic influence of human resources management practices on performance. Otherwise, we implicitly postulate that the strategy as an organizational contingency factor makes it possible to increase this performance in coherence with the HRM system. For the third, it aims to contribute empirically to testing the contribution and the link between human resource management and organizational performance. On a theoretical level and as part of a contingency approach, we will base our thinking on theoretical models of reference, with the aim to understand the different dimensions of the subject by placing it in the Moroccan context. As for the empirical plan, the present study was carried out on a sample of 117 SMEs, attempts to validate the influence of HRM practices on organizational performance, as well as the mediating effect of the strategy pursued by the company on this relationship of influence in the context of SMEs.*

**Keywords:** *Corporate strategy, Human Resource Management, HRM practices, Organizational Performance, Small and medium enterprise*



# **AUTOMOBILE INSURANCE: ANALYSIS OF THE IMPACT OF A RATE CHANGE ON THE BEHAVIOR OF INSURED AT THE TIME OF SUBSCRIPTION AND TERMINATION**

**Zakaria Rouaine**

*Faculty of Economic and Social Sciences  
Ibn Tofail University, Kenitra, Morocco  
rouainezakaria@gmail.com*

**Mounir Jerry**

*Faculty of Economic and Social Sciences  
Ibn Tofail University, Kenitra, Morocco*

**Ahlam Qafas**

*Faculty of Economic and Social Sciences  
Ibn Tofail University, Kenitra, Morocco*

## **ABSTRACT**

*The act of subscribing to an insurance contract allows an individual to take precautions against the repercussions of hazards and fortuitous events affecting their person or property. In return for this insurance policy, the insured pays a contribution at the beginning of the coverage period, while the insurer may have to provide a service if a certain type of damage occurs during the period in question. Therefore, the insurance contract is an agreement in which a part guarantees a risk in exchange for the payment of a premium. Besides these two elements of the insurance contract, there is a third impersonal component, which is the market. The market acts both on the insured by being able to induce him to terminate his insurance contract, in the case of excessive prices to those of other insurers, and on the insurer by forcing him to a certain extent to make his insurance premiums tolerable. It therefore appears that the insurance premium risk threatens the competitiveness of insurers on the insurance market and the termination of policyholders at the end of the contract term.*

*By choosing to work on automobile insurance market, which is becoming increasingly competitive, as precise premium pricing is a major challenge for each insurer. In this economic context, the price sensitivity of policyholders seems to be decisive information for an insurance company in order to adjust its rates as effectively as possible. Price sensitivity, which varies greatly from one policyholder to another, has an impact on the subscription and termination rates of a contract as on the profitability of the insurance portfolio. The objective of this work is to study the sensitivity of insured persons to changes in automobile insurance premiums. The aim is to model the impact of rate.*

**Keywords:** *Automobile insurance, Customer behavior, Generalized linear model, Logistic regression probability of termination, Sensitivity to insurance premium variations*

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## **IS CIRCULAR ECONOMY GOING TO REDUCE WASTE AND CREATE JOBS IN THE EUROPEAN UNION?**

**Maria-Floriana Popescu**

*The Bucharest University of Economic Studies, Romania  
maria.popescu@rei.ase.ro*

### **ABSTRACT**

*The circular economy encourages the transformation of a consumption-based economy into a sustainable one, aiming to diminish the greenhouse gas effects and to preserve world's resources, while creating new jobs (especially local and regional ones) and generating competitive advantages throughout the European Union. From a circular economy perspective, countries from EU (and not only) should endeavour to reduce the amount of resources they need and use, followed by their reuse and recycle. There are several factors that have to be taken into*

*account when calculating the progress towards achieving a circular economy in Member States, such as how much garbage and food waste is produced, how much of the waste is recycled, and furthermore how much of that recycled material is actually reused. In this article, the EU countries will be ranked taking into account several key metrics proposed by the European Commission to monitor progress on its goal to reduce waste, boost recycling and encourage reuse. The findings indicate that there are differences among countries and there is need for collaboration between Member States in order for the goals to be achieved. Moreover, a special attention will be given to analysing the impact the circular economy had until now on the creation of jobs and which are the goals set to be fulfilled until 2030 by the European Union in this field. The findings show that the circular economy jobs that are being created are largely low-paid and low-skilled ones, and include over half a million people working in waste collection, rather than qualified workforce with specific and even new skills required.*

**Keywords:** *circular economy, recycle, reuse, waste*

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## **CRITICAL ANALYSIS OF THE MEASUREMENT OF POVERTY: THE CASE OF EMERGING COUNTRIES**

**Abdelhamid Nechad**  
*ESCA School of management*

**Tarik Kasbaoui**  
*ENCG of Casablanca*

### **ABSTRACT**

*Inventors of quantitative estimation of national income, which received much attention, attempted to explain that their ultimate and main interest was the wealth of human existence, although*

*what impressed were their indices, rather than their motivations. Yet, such deep and underlying motivation has often been ignored in economic analysis where means of existence are the centre and fruit of research. It is, however, important not to confuse the means and ends. Therefore, one should not focus on the intrinsic importance of income, but rather assess it depending on what it builds, particularly lives that are worthy of living. Having a decent income helps to avoid early death. Such an enterprise depends also on other characteristics, namely the organization of society, including public health, medical care, the nature of education and educational system, the scope of social cohesion and harmony, etc. Considering only means of existence or directly observing the type of life people lead constitutes a real difference. These observations and findings reveal a contrast between the approaches based on utility and resources and the approach based on capabilities, of which the initiator is Amartya Sen (Nobel Prize of economics in 1998). The capabilities approach, therefore, attempts to put things right by focusing on the possibility of effective ends concrete freedom of attaining reasoned ends, rather than focusing on means. The present paper falls into two parts. The first part will try to highlight the imperfection of traditional monetary indicators as well as the difficulties to measure the different dimensions of poverty, particularly in emerging countries, such as Morocco. We argue that poverty is not merely an idea of inadequacy of economic means of an individual, but rather a fundamental shortage that deprivation entails\_ minimum adequate capability. The second part deals with a reorientation towards capabilities in order to explain the extent to which the latter (the capabilities approach) could serve as a basis for the assessment of the level of deprivation and not that of resources, which focuses on income and wealth.*

**Keywords:** *Critical analysis, Emerging countries, Poverty*

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## **HUNGARY OR MAGYARORSZÁG: WHICH 'BRAND NAME' IS BETTER FOR COUNTRY BRANDING?**

**Arpad Ferenc Papp-Vary**

*Budapest Metropolitan University, Hungary*  
*apappvary@metropolitan.hu*

### **ABSTRACT**

*“What's in a name? That which we call a rose by any other word would smell as sweet,” writes Shakespeare. But he is wrong: a rose by any other name would not be as fragrant. Moreover, blind tests (where people do not know what they smell) have proved that some flowers are much more fragrant than roses. Marketers (and, in many cases, consumers) are well aware of this from the world of branded products: a cleverly chosen brand name can significantly increase the value of a lesser quality product, while a poor brand name may hinder the sales of a quality product. It might be strange, but this analogy is also valid for countries. In many cases, we judge a country or nation by its name if we do not know anything about it. Therefore it is quite a dilemma to decide which name Hungary shall use in each country as far as it is possible to choose any of them, because the adjective “hun” of the country name “Hungary” refers to Huns and their ruler, Attila. Huns were considered barbarians who ravaged Europe, and therefore their successors may be seen in the same light. The other, perhaps less known and popular opinion is that “Huns” were not only vandals but a strong nation – the same that Hungary wants to be seen now, although in a more modern sense. Therefore it is possible that in certain cases the country should use the name Magyarország, or they should use it in combination with Hungary. The study attempts to resolve this dilemma and makes suggestions, while other countries (and their names) are also discussed. Of course this is all just some play with names in many respects, and the primary reason for including many examples with brand names and country names is to provide a practical background.*

*Therefore the study is written in the style of edutainment to draw attention to an exciting issue discussed by few, with the hope that this will possibly induce empirical research in the future.*

**Keywords:** *brand name, country branding, nation branding, Hungary, Magyarország*

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## **GENDER AS A DETERMINANT OF TOURISM ACTIVITY OF THE INHABITANTS OF EUROPEAN COUNTRIES**

**Renata Seweryn**

*Cracow University of Economics,  
Faculty of Management, Poland  
Researcher ID: W-8204-2018  
renata.seweryn@uek.krakow.pl*

**Agata Niemczyk**

*Cracow University of Economics,  
Faculty of Management, Poland  
Researcher ID: C-8756-2019  
agata.niemczyk@uek.krakow.pl*

**Agnieszka Smalec**

*University of Szczecin,  
Faculty of Management and Economics of Services, Poland  
Researcher ID: L-3863-2018  
agnieszka.smalec@wzieu.pl*

### **ABSTRACT**

*The article is an attempt at answering a question if gender differentiates tourism activity. On the basis of subject literature the term 'tourism activity' was clarified, factors determining this activity were indicated and selected results of research into the role of gender on tourism market conducted in different countries*

were presented. The following measures were used in the empirical part: (1) the number of inhabitants of individual countries pursuing at least one tourist trip during a year with a minimum of one overnight stay; (2) net tourism activity index measured as a percentage of the population of individual countries participating in tourism in a given year; (3) total number of trips with a minimum of one overnight stay pursued by the inhabitants of individual countries in a given year; (4) gross tourism activity index measured as the total number of trips pursued by the inhabitants of individual countries in a given year with respect to the populations of these countries; (5) the percentage of the inhabitants of individual countries not pursuing tourism activity for particular reasons. Using the information from Eurostat two research hypotheses were verified:

- *H1A: Women travel for tourism more often than men.*
- *H1B: The main barrier to men's tourism activity is the lack of free time due to work.*

*The analysis covered 26 European countries in 2017 and 28 in 2016. The obtained results show that only in seven out of 26 studied countries (France, Ireland, Poland, Slovenia, Estonia, Greece and Cyprus) women are more active in tourism than men. If they do not travel, it is not because they have no time due to family commitments, but due to financial (analogically to men) or health reasons and limited mobility (unlike men, who are simply not interested in pursuing tourism).*

**Keywords:** *European Union, gender, gross tourism activity, net tourism activity*

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## THE IMPACT OF DIGITAL INNOVATION ON NATIONAL COMPETITIVENESS

**Rozana Veselica**

*Business School PAR, Croatia  
rozana.veselica@gmail.com*

### **ABSTRACT**

*Today, innovation and digital innovation becomes more important than ever, especially when it is analysed thorough national economies and competitiveness report's. Innovation is one of the crucial factors into achieving a sustainable competitive advantage. Competitiveness in on the other hand, the ultimate goal of each national economy, company or enterprise. In this paper innovation will be defined in terms of innovation in general, as stated from the most recent Oslo manual for innovation 2018, published by the OECD. The document contains measures of scientific and technological activities, proposed guidelines for collecting and interpreting technological innovation data often referred as Oslo guideline for collecting and using innovation data. Digital innovation will be defined from the relevant literature but as well from the World Digital Competitiveness (WDCR) report, published by the IMD. As stated on IMD official website "the objective of the digital competitiveness ranking is to assess the extent to which a country adopts and explores digital technologies leading to transformation in government practices, business models and society in general". Competitiveness will be defined and analysed from the WDCR, but as well from the relevant literature about competitiveness in general. Competitiveness will also be analysed in terms of national economies Global Competitiveness Report - ranking. The author will collect, analyse, compare, deduct and investigate the connection between innovation, digital innovation and global competitiveness - explained on national economy competitiveness ranking's for the case of Croatia. In order to explain more further the impact of digital innovation on national economies, a PESTL analysis of The Republic Of Croatia will be*



*presented and analysed. The paper will found a strong connection between innovation, digital innovation and national economy's competitiveness ranking as well as their positive influence on each other. A strong connection between innovation, digital innovation and competitiveness, will be analysed and further explained.*

**Keywords:** *competitiveness, digital innovation, innovation, PESTL analysis, sustainable competitive advantage*

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## **MAIN DIRECTIONS OF DEVELOPMENT OF RESEARCH ON MANAGEMENT ACCOUNTING (THEORETICAL REVIEW OF ENGLISH-LANGUAGE LITERATURE)**

**Abbasova Sevinj**

*Associate Professor, Head of the Economics Department  
Azerbaijan State Economic University  
sevinj.abbasova@yandex.ru*

### **ABSTRACT**

*Management accounting research papers published in the post-Soviet countries are usually characterized by solving applied problems, in particular: research on the content, purpose, objects, functions, management accounting methods, its place in the management system, as well as organization and methodology. Only a small part of the work reflects the results of interesting studies of western authors on the theory of management accounting. Therefore, the aim of the study is to systematize the modern studies of foreign authors on the formation and development of management accounting theories in the international accounting space. The purpose of this article is to examine the various scientific findings currently available in the field of accounting theory and methodology, to show the essence of regulatory and positive accounting theories, their*

*influence on the development of management accounting theories and identification of differences between theories and concepts of management accounting; between empirical and constructive approaches to their formation. The modern theories of management accounting developed by western scientists (theories of situational differences, agency theories, sociological and psychological theories) in the context of the general discourse of socio-economic sciences are systematized here. It has been shown that the constructivist theories, interdisciplinary approaches, and critical studies have become popular in the study of accounting. In conducting this study, methods of analysis, synthesis, comparison, groupings, and a systematic approach were used. It is concluded that modern management accounting theories, developed in the direction of the regulatory accounting theory, should be considered as a logically justified stage of its change and formation as a socio-economic fact. These theories are aimed at the formation of fundamental principles and methods of management accounting for finding practical solutions. The theoretical and practical significance of the article is that the conclusions and proposals are aimed at positioning the role of management accounting not only as a method, position, strategy and tactic, but, to a greater extent, as an approach to organizing an enterprise information system that meets the requirements of a modern user and required for the preparation of integrated reporting.*

**Keywords:** *management accounting theories, regulatory and positive accounting theories constructivist theories, interdisciplinary approaches*

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## **PROMOTION OF ENO-GASTROTURISM ON THE WEBSITES OF CROATIA**

**Djani Bunja**

*Assistant Professor at the  
Department of Tourism and Communication Studies  
University of Zadar, Croatia  
gianni@unizd.hr*

**Sime Vucetic**

*Ph.D. student at Faculty of Economics  
University of Rijeka, Croatia  
sime.vucetic4@gmail.com*

**Domagoj Cingula**

*Ph.D. student at Faculty of Organization and Informatics  
University of Zagreb, Croatia  
dcingula@esd-conference.com*

### **ABSTRACT**

*Given that tourism in Croatia is one of the main generators of the economy, in this paper a special emphasis has been placed on enotourism and gastrotourism as special forms of tourism in general. Food and drink as the most important component of gastronomy play an important role when tourists arrive at a particular destination not only in rural but increasingly in urban areas. It is important to note that tourists above all place the highest emphasis on the quality and authenticity of the food and drinks they plan to consume and have also had no occasion to taste them anywhere else. The main objective of this paper is to analyze the promotion of local eno-gastronomic products on the official web pages of the Croatian county tourist boards. The purpose of this paper is to analyze the extent and the criteria under which the eno-gastronomy is presented on the official websites of the county tourist boards in the Republic of Croatia.*

**Keywords:** *Eno-gastrotourism, promotion, website, county tourist boards*

## **IMPLEMENTATION OF THE ATTRIBUTES OF EXPONENTIAL ORGANIZATION BY JORDANIAN SERVICES COMPANIES**

**Refat Alfaouri**

*Yarmouk University, Jordan  
refatalfaouri@yahoo.com*

**Hamza Tubaishat**

*Yarmouk University, Jordan  
hamzeh2011.tubishat93@gmail.com*

### **ABSTRACT**

*This research is examining the degree of implementation of the attributes of exponential organization by Jordanian services companies listed on Amman Stock Exchange (ASE) around (68) company will be examined, through their annual changes of their increase on their budget over the last 11 years. The change and increase of their annual budgets or the total value of these companies will be a great indicator for exponential trend and behaviour of these companies. The study is an attempt to examine the degree that companies listed in (ASE) follow internal characteristics of EXOs develops by Ismail Salim, and does the capital structure of EXOs differs from the capital structure listed in (ASE).*

**Keywords:** *EXOs, Exponential Organization, Ismail Salim, Exponential Growth, Jordanian Services companies, New Business model, Growth, Organizational Performance*

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## **MANAGING REGIONAL DEMOGRAPHIC POLARISATION IN CROATIA - THE ROLE OF COHESION POLICY**

**Lela Tijanic**

*Juraj Dobrila University of Pula,  
Faculty of Economics and Tourism “Dr. Mijo Mirković”,  
Croatia  
letijan@unipu.hr*

**Darja Gombar**

*Student at the Juraj Dobrila University of Pula,  
Faculty of Economics and Tourism “Dr. Mijo Mirković”,  
Croatia  
dgombar@unipu.hr*

### **ABSTRACT**

*Croatian regions are faced with different types of development issues, where demographic risks, including regional migrations, present important obstacles in attempts to achieve regional convergence and further economic development. In parallel with this, polarisation tendencies exist which can have multiplicative, multi-level and long-term unfavourable effects. The studies have confirmed that it is urgent to manage determined demographic polarisation, before it causes higher development disparities. The aim of this paper is to present chosen demographic characteristics of the Croatian regions which should be included in managing demographic polarisation and to give an overview of the possibilities seen through European Union cohesion policy (its framework, funds and innovative delivery tools) that can be used to prevent the causes and consequences of this polarisation. The results determine regional demographic polarisation interconnected with economic disparities in Croatia. Textual analysis in the paper confirms regional demographic issues are internalised in different strategic and regional policy planning documents, while discussion gives recommendations about implementation potential regarding also new approaches in*

*cohesion policy. Utilisation of specific regional endogenous resources is important in managing polarisations which implies that it is necessary to deal with different cohesion policy instruments directed towards the various regional socioeconomic problems in order to address demographic risk. Besides European Structural and Investment Funds here can be applied tools concerning urban development that are also elaborated in the paper. Conclusions can be observed in deciding on future population and regional policy actions as well as in studies which deal with the cumulative effects of regional polarisation.*

**Keywords:** *cohesion policy, polarisation, regional migration*

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## **THE EFFECT OF LEADERSHIP ON TURNAROUND AND PERFORMANCE IMPROVEMENT: A COMPARATIVE ANALYSIS**

**Fahd Slamti**

*Teacher Researcher at Faculté des Sciences Juridiques,  
Economiques et Sociales de Salé,  
Université Mohammed V, Morocco  
fahd.slamti@gmail.com*

### **ABSTRACT**

*The contribution of leadership in management has always attracted the interest of researchers and practitioners. From Curt Coffman and Peter Drucker to Bruce Avolio and Cécile Dejoux, work related to this theme has contributed significantly to the emergence of the phenomenon. Far from the research that focused on commandments of leadership, James Burns was the first to explain the performance of transformational leadership by observing the political career of many American leaders. His work was completed by Bernard Bass, to whom we owe the introduction of this theme in industrial psychology.*

*Considered the founding father of transformational leadership, he has inspired a new generation of researchers and practitioners. This work is among the ongoing research on leadership approaches. The objective is to assess the effect of the leadership style on the ability of companies to recover from the difficulties generated by a loss of competitiveness. Based on the model of Full Range Leadership developed by Bass, we conducted a comparison of two leadership styles: that practiced by Carlos Ghosn, Chairman and CEO of Renault-Nissan, and that advocated by Carlos Tavares, Chairman and CEO of PSA Peugeot-Citroën. The comparison allowed us to distinguish between two rather different approaches to leadership, which allowed the two car manufacturers to overcome their economic problems and regain competitiveness at the international level.*

**Keywords:** *Performance, Transactional leadership, Transformational leadership, Turnaround*

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## **BANKRUPTCY PREDICTION USING DEEP LEARNING MODEL**

**Shekar Shetty**

*Department of Economics and Finance, College of Business  
Gulf University for Science & Technology  
Kuwait  
shetty.s@gust.edu.kw*

**Mohamed Musa**

*Department of Mathematics & Natural Science, College of Arts  
& Sciences  
Gulf University for Science & Technology  
Kuwait  
musa.m@gust.edu.kw*

### **ABSTRACT**

*In this study, we use Deep Learning methodology to predict bankruptcy among Belgian Small and Medium Enterprises (SMEs) during the period from 2002 to 2012. Xavier Bredart's (2014) neural networks model predicted bankruptcy of Belgian SMEs with about 80% accuracy. Using a more sophisticated deep learning model, we replicate Bredart's work and hope to predict bankruptcy much higher than that predicted by Bredart. Deep learning networks looks at large quantities of items in order to be trained. This study uses the same financial ratios that were used in Bredart's paper. The findings of this study can be used by financial institutions and other creditors as this model hopes to predict bankruptcies more accurately.*

**Keywords:** *bankruptcy, deep learning, Belgian SMEs*

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## **SOCIAL RESPONSIBILITY IS AN ETHICAL NECESSITY FOR BUSINESS ORGANIZATIONS**

**Merniz Fatima**

*Institute of Legal And Administrative Sciences  
Ahmed Zabaneh relizane Algeria  
mernizfatima@yahoo.com*

### **ABSTRACT**

*The overall social responsibility and ethical conduct of business organizations can be sought and considered through the mechanisms of the departments and decisions they make, and the positive interaction of the various activities and functions of the organization so that those decisions taken by the organization have positive behavioral dimensions, as well as not adversely affect the interests of any Of the categories that deal with them. With the consolidation and spread of the concept of social responsibility, it became difficult for large companies to overlook the role of development and sense of social responsibility within the community. the importance of this social participation lies not only in the sense of responsibility, but also in order to win the sympathy and respect of society, and thus to ensure the success and popularity of the masses. This paper highlights the following problem: On what basis is social responsibility as a moral imperative for business organizations?*

**Keywords:** *business organizations, community, ethics, participation, responsibility*

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## LOCAL GOVERNANCE AS A TOOL FOR CITY COUNCIL IN TURKEY

**Elif Karakurt Tosun**  
*Bursa Uludag University*  
*Bursa, Turkey*  
*ekarakurt@uludag.edu.tr*

### **ABSTRACT**

*The city councils that entered the Turkish Local Governments Act with the Municipal Law Number 5393 dated 2005 is defined as the "partnership model" that carries the cities to the sustainable future in the integrity of the principles of "claiming ownership of the city", "active participation", and partnership in the solution". It provides the generalization of the democratic participation at the local level, the development of citizenship consciousness, the adoption of multi-actor and multi-partner management style. The general function of the city councils of structures and the working methods differ from one city to another is enabling a common mind embracing the entire city by bringing together the "all sharers" in the city. The Municipal Law Number 5393 dated 2005 has brought the "city councils" application with the Article 76 in order to enable the non-governmental organizations, the professional associations and other in the decisions and implementations in accordance with the governance approach. In accordance with this law The City Councils Regulation has entered in to force which was published in 2006 and amended in 2009. Thus, the city councils model became an obligation for the municipalities in Turkey. But today, in many of the cities either the city councils have not been established or have been unable to effectively fulfill the tasks specified in the Article 76 of the Municipal Law and City Council Regulation. In the Article 4 of the City Councils Regulation the city council is defined as: governance mechanisms with democratic structures where the central government, the local government, professional organizations in the nature of public institutions, and the civil society meet with the understanding of partnership, within the*

*framework of citizenship law; where development priorities, problems visions of the city are determined, discussed, solutions developed on the basis of sustainable development principles, and where common mind and compromise is essential.*

**Keywords:** *City Council, Local Governance, Regulation, Turkey*

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## **THE ROLE OF THE AMIS INFORMATION SYSTEM IN GLOBAL MONITORING OF PRICES VOLATILITY OF AGRICULTURAL PRODUCTS: EXAMPLE OF INFLUENCE OF CRUDE OIL PRICE ON GLOBAL WHEAT PRICES**

**Branka Stipanovic**

*Veleučilište "Marko Marulić" in Knin*

*brankastipanovic@gmail.com*

### **ABSTRACT**

*Prices of agricultural products on the global level are becoming increasingly vulnerable to oscillations. Prices volatility is reflecting numerous factors in the agricultural market, among other things the price of crude oil as basic energetic source in the process of production and distribution of agricultural products to end users. The objectives of the research are to determine the role of the AMIS information system in global price volatility monitoring on agricultural product markets and to determine whether oil prices have a statistically significant impact on the prices of crops, specifically wheat. Knowledge of the causes of volatility of agricultural product prices is a key step in ensuring the availability of agricultural products to end users globally, which is the reason for selecting his research subject.*

**Keywords:** *information systems in agriculture, AMIS, volatility of agricultural product prices, oil prices and agriculture*



كلية العلوم القانونية والاقتصادية والاجتماعية - سلا  
FACULTÉ DE DROIT ÉCONOMIQUE ET SOCIAL - SALÉ  
**Faculté des sciences juridiques  
économiques et sociales-salé**