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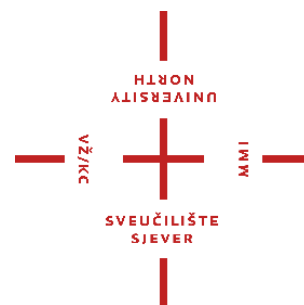
Economic and Social Development

90th International Scientific Conference on Economic and Social Development –
"Building Resilient Society: National and Corporate Security"

Book of Abstracts

Editors:

Robert Kopal, Ante Samodol, Domenico Buccella



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Zagreb, 16-17 December, 2022

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NUCLEAR TERRORISM AS A THREAT TO GLOBAL SECURITY

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ABSTRACT

Terrorism is a contemporary scourge with deep roots that never ceases to disturb and occupy the scientific and professional public with its ubiquitous unpredictability. The feeling of the potential threat of terrorism causes apprehension and arouses distrust in the ability of states to protect their citizens. A turning point in understanding and a step forward in harmonizing the fight against this phenomenon represents 9/11 as a revolutionary event regarding the scale of terrorist attacks. The period followed was marked by the expansion of legal norms aimed at suppressing terrorist activities. Although there is no unified internationally accepted definition of terrorism, certain elements immanent to terrorism crystallized and were projected into the definitions of the national legislation of individual countries. Nevertheless, despite the fact that the concept of terrorism occupies the scientific and professional public to a considerable extent, the phenomenon of state terrorism remains poorly understood, theoretically insufficiently developed, and on the margins of scholarly interest. Also, contemporary forms of terrorism, especially the threat of nuclear terrorism, evoke consternation in the atmosphere of war turmoil in Eastern Europe and raise the paradox that due to the catastrophic anatomy of the scale of a nuclear war, its use is almost unthinkable. But is it? This paper gives an insight into the fundamental determinants of state and nuclear terrorism as a means of pressure in achieving military-political goals, as well as an assessment of the security situation in Europe in the context of recent research. Considering the different approaches to the fight against terrorism, which on the one hand is based on prevention (EU) and repression (USA), on the other hand, although extensive cooperation in the fight against terrorism, the USA and Europe do not agree on the essential nature of the terrorist threat as nor the best methods of its suppression.

Keywords: national security, terrorism, interstate terrorism, nuclear terrorism

INFLATION DETERMINANTS IN THE EA-11: LESSONS FOR BULGARIA

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ABSTRACT

The objective of this paper is to identify the determinants of inflation in the eleven founding countries of the Euro area (the EA-11) and draw lessons for Bulgaria, which wants to join the Economic and Monetary Union (EMU). An autoregression with distributed lag (ARDL) and annual Eurostat data for the period 1999-2021 are employed to identify the determinants of inflation in the eleven founding members of the Economic and Monetary Union (EMU). The results from the empirical analysis indicate the existence of a long-run equilibrium connection between the dependent variable (Harmonized Index of Consumer Prices (HIPC) inflation) and

the independent variables (fiscal balance, output gap, government debt, interest rate on the ten-year government bonds, base interest rate of the European Central Bank (ECB), growth rate of the monetary aggregate M3, Producer Price Index (PPI) inflation and price level) in the ARDL. In the short term, the HIPC inflation in the EA-11 is negatively affected by the fiscal balance and the base interest rate of the ECB and positively influenced by the interest rate on the ten-year government bonds and growth rate of the monetary aggregate M3, while the impact of the price level and PPI inflation is insignificant. In the long run, the price level and government debt have a negative effect on the HIPC inflation in the EA-11, whereas the influence of the other independent variables is insignificant.

Keywords: Bulgaria, Euro area, fiscal policy, inflation, monetary policy

HUMAN RESOURCE MANAGEMENT AND MOTIVATION IN NON-PROFIT ORGANIZATIONS (NPO): EVIDENCE FROM CROATIA

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ABSTRACT

Non-profit organizations (NPO) play an important role in society because their activities increase the community's well-being. Although the primary goals of NPO are significantly different from those of for-profit organizations, the business practices and models of these types of organizations should be similar, especially in managing and motivating people. The success of a NPO depends primarily on its employees, associates, and volunteers because people are a crucial element of any organization. The topic of this paper is the specifics and challenges of human resource management (HRM) and motivation in NPO. NPO face problems such as recruitment, lack of financial resources, and loss of motivation among employees, affecting their HRM and motivational strategies. Two NPO from Croatia were analysed to determine the implementation of HRM and motivation practices in NPO. Structured interviews with responsible persons were conducted to provide insight into the business of the analysed NPO. The analysis showed that the observed non-profits apply good HRM practices (they carry out detailed job analysis, apply a complex testing procedure during the selection process, train employees and volunteers) and use various motivation strategies (bonuses, participatory management, flexible working hour and feedback). Moreover, some good business practices applied by non-profits do not appear in for-profit organizations either. However, there is still a challenging problem with motivating employees and volunteers in NPO, mainly because they often cannot motivate people with material compensation. Therefore, people who work in NPO usually have a strong internal motivation, but it can quickly disappear if the organization does not seek to increase it. It is crucial that the NPO successfully applies HRM practices and employee motivation – in that case, there will be no problem finding and retaining quality employees.

Keywords: human resources, human resources management, motivation, non-profit organizations (NPO)

RISK ANALYSIS OF THE WORKFLOW COST IN THE MANUFACTURING INDUSTRY

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ABSTRACT

This article will show the risk evaluation and analysis in a planned workflow costs. In the presented model, a statistical quantitative method is used, which reflects the possible changes in selected stochastic factors and sets the probability of the future cost of the work flow. The model is valuable for the manufacturing industry where the product cost calculations and client offering take place in the beginning of a longer time frame and they rely on a projected future production expenses. This will help the management to take decisions reducing the risk exposure. The model could be easily adjusted among different manufacturers or departments within one company with the easy selection change of the important for the different organizations stochastic factors.

Keywords: *Monte Carlo simulation, risk, risk calculation, workflow, simulation implementation, planned total cost*

CRISIS COMMUNICATION THROUGH SOCIAL NETWORKS

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ABSTRACT

A crisis is a disorder in the functioning of something that is normal in both, the private and business world, with bad or less bad consequences. There are different causes that can lead an organization to crisis and most often they are divided into external and internal causes of the crisis. Internal causes are created within the organization itself, which can be due to poor work, disruptions to interpersonal relationships, corruption, poor working conditions, unrealistic goals, lack of communication within the organization, while external causes arise outside the organization such as natural disaster, political and social change, economic crisis, recession, market change. When meeting the crisis situation, management must take it seriously. Crisis communication is an interactive process and can be defined as the exchange of information and

opinions before, during, and after a crisis outbreak. Today, social networks play a key role in crisis communication due to saving time and resources. The aims of this paper are to: describe social networks and new communication habits, to define crisis determinants and to explain crisis communication through using social networks. This paper also presents results of empirical research that is conducted in 3 oil companies in Croatia regarding crisis communication. The research has shown that internal communication within these oil companies is deprived, and that employees are not aware of what crisis communication in their companies represents for them.

Keywords: *crisis communication, Croatia, oil companies, social networks*

DETERMINING THE VALUE NON-PRIVATISED LAND – THE CASE OF CAMPS ON THE CROATIAN COAST

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ABSTRACT

This paper aims to investigate the appropriateness of land valuation methods in the special case of the 'State-owned tourism plot' (hereinafter SOTP) on the Croatian coast. SOTPs were once a part of tourism real estate owned by companies that had neither been evaluated or privatised during the process of transition and privatisation in the 1990s. Since subject companies have successfully been privatised, they consequently operate various tourism related real estate that is situated in tourism zones that are not fully in their ownership (meaning that these zones include SOTPs), although both land and facilities constitute wholesome functional and technological units necessary for the operations of these properties. Valuation of SOTPs is further complicated by a number of factors, most notably the continuous commercial operations on these plots for over 60 years, investments in the plots undertaken by the operating companies since privatisation whose economic evaluation is the issue in its own right, and the fact that these plots are mixed with privately owned property on micro locations and generally don't constitute meaningful development zones that could commercially be traded on the market. Research shows that these factors make most of the common land valuation methods inappropriate, with the exception of investment/income methods. Evaluation of business generated on these plots makes the most logical basis for evaluation, where the estimation of the share of land value in total business is the critical issue. Research contributes to the possible economic evaluation methods and procedures for land plots in conditions when the market value concept isn't appropriate.

Keywords: *valuation methods, non-privatized land, State owned tourism plots (SOTP), non-privatised land*

QUALITY DIFFERENTIATION AND BARGAINING AGENDA

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ABSTRACT

In a vertically differentiated unionised Cournot duopoly, this paper compares the equilibrium characteristics of the two main union-firm negotiation agendas, i.e., right-to-manage vs efficient bargaining. It is shown that vertical product differentiation leads to a partial solution of the conflict of interest regarding the bargaining agenda, leading to a common interest among the parties toward the right-to-manage in the absolute disadvantaged firm.

Keywords: *Efficient bargaining, Firm-union bargaining agenda, Quality differentiation, Right-to-manage*

PERCEPTION OF THE SELF-SERVICE QUALITY IN THE AIRLINE INDUSTRY – A LITERATURE REVIEW

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ABSTRACT

The industry has faced a dramatic growth of technology-based service delivery solutions over the past ten years. Transactions aided by technology are increasingly defining the fast-paced world of today. Hence, global airports seek to provide smarter and innovative solutions that enhance customer satisfaction. Over time, many theories have progressed in the definition of quality and development of quality management (Martin, et. al., 2020). Since the early 1980s, studies on service quality positioned service-oriented dimensions of quality (Parasuraman, et al., 1985). Currently, the most accepted and agreed theory of quality is that which gives attention to customers defining quality and that service which not only meets but exceeds customer's needs and expectations (Martin, 2020). This research aims to review the existing research literature and synthesize the main approaches and findings related to the demographic, situational, and quality service dimensions influencing consumers' perceived service quality in using self-service technology.

Keywords: *Aviation, self-service technology, SERVQUAL mode, service quality*

REGIONAL CHALLENGES IN SOCIAL WELFARE OF FAMILIES WITH CHILDREN IN FINLAND: STATISTICAL ANALYSIS OF REGIONAL BACKGROUND FACTORS IN THE DEMAND FOR CHILD PROTECTION

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ABSTRACT

This study focuses on the social welfare and social security of families with children and related risk factors at the regional level in Finland. According to previous research, material deprivation is a key factor, which is associated with social problems of families and the need for child protection. In addition, economic insecurity of families, various social risk factors, and morbidity are closely linked. The present study analyses the factors that are related to the demand for child protection at the municipal level. The research is based on Finnish municipality-specific statistical data, and the analysis was performed using linear regression analysis. According to the results, the demand for child protection is affected by the proportion of poverty, morbidity, and single-parent families at the municipal level. In addition, the analysis reveals the interaction effect of family structure and morbidity on child welfare notifications. Based on the study, some conclusions regarding welfare politics can be drawn. From the perspective of the demand for child protection, one key challenge is regional social deprivation. In turn, the dependence between poverty and the need for child protection seems complicated, which means that the problems of the social welfare of families with children cannot be solved with the help of financial support alone; hence, versatile social support for families and communities is needed. Furthermore, the study emphasises the perspective of public health in the prevention of social problems in families with children.

Keywords: *child protection, poverty, social welfare, regional development, welfare politics, Finland*

IMPACT OF THE CHANGED CIRCUMSTANCES (COVID-19 PANDEMIC) ON THE POSITION OF CONSUMERS IN PACKAGE TRAVEL CONTRACTS

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ABSTRACT

It is a well-known fact that tourism as an industry makes an extremely large contribution to the Croatian economy. In tourist traffic, the most frequent type of travel, travel is organized under holidays package travel contracts. One of the issues that have become extremely topical in the last few years, due to the situation of the Covid-19 outbreak, is the question of the impact of the changed circumstances on the possibility and conditions of termination of package travel contracts and the rights and obligations arising from such method of termination of the contract for the contracting parties. Due to the importance of this issue, the legal provisions of the Law on the Provision of Services in Tourism have also been amended, which stipulates special conditions related to the termination of the contract and the issuance of vouchers under the conditions of the specific circumstances caused by the COVID-19 outbreak, relating to outstanding package travel contracts, which were to be implemented after 1st of March 2020. The legal framework of the provision of package services, impact of the changed circumstances on the possibility and conditions of termination of package travel contracts as well as the legal consequences of the termination of the contract, as the topics of this paper, are all of great importance both for the providers of these services, namely travel agents, as well as users of these services – passengers (consumers).

Keywords: *Act on the providing of Services in Tourism, consumer, termination of the contract, causula rebus sic stantibus*

INFLUENCE OF TWO-STEP FLOW THEORY SUPPORTED BY NEUROMARKETING METHODS ON CONSUMERS PERCEPTION – THE THEORETICAL OVERVIEW

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ABSTRACT

The purpose of this research is to analyze the influence on consumer perception through neuromarketing methods as well as to analyze the influence of two-step flow theory supported by neuromarketing methods. The choice of different forms of neuromarketing, the popularity of influencers and their opinion leadership has resulted in the convergence of the promotion of products and brands. By considering neuromarketing methods and techniques, the research objective is to determine the cognitive perception that customers have of the stimuli transmitted by influencers. The two-step theory proposes that influencers as opinion leaders have a stronger effect on the public than the media to a sense of trust and the virtual relationship people have with them. To fulfil the research objective set, the authors used description, analysis, synthesis, and inductive and deductive research methods as the research technique. to measure the cognitive processing of stimuli published by social media influencers.

Keywords: *Influencers, Marketing, Social Media, Communication, Two-Step Flow Theory, Neuromarketing*

EXPLORING THE CUSTOMER SATISFACTION OF END USERS OF BANKING SERVICES IN MONTENEGRO, FOCUSING ON USERS OF ONLINE BANKING SERVICES

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ABSTRACT

The tendency to achieve the highest attainable levels of customer satisfaction is simultaneously the starting point and the goal of both marketing as a concept and the overall business and marketing activities of enterprises. This approach is confirmed by numerous studies, which showed that customer satisfaction leads to customer loyalty, which has a positive impact on the success of a business. Exceptional customer satisfaction, especially emotional satisfaction is reflected both in repeated purchases and positive word of mouth, which also significantly contributes to the success of the product or service. Because of this, marketing and management theory and practice dedicate particular attention to the concepts of customer satisfaction, and especially to its continued measurement and analysis. This paper aims to empirically determine the level of overall satisfaction of end users of banking services in Montenegro and test whether final consumers of online banking services achieve higher levels of satisfaction compared to those clients who use banking services solely in the 'traditional' way, i.e. through direct contact with bank tellers and employees. An online survey was conducted on a sample of 533 users. The level of satisfaction was measured through an individual assessment of satisfaction with the banking service. The results show that in Montenegro, there are slight differences in customer satisfaction identified as a somewhat higher degree of satisfaction found among users of online banking services, while the degree and direction of influence differ between individual banks. Statistical testing was conducted to assess the mentioned differences. This paper highlights the importance of properly understanding and managing customer satisfaction. Obtained results have significant implications, especially for the management of individual banks, and at the same time open up space for a deeper analysis of this issue.

Keywords: *Customer satisfaction, Online banking services, Bank marketing perspective*

TRENDS IN BUSINESS FRAUDS: CASE OF CROATIA

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ABSTRACT

Business frauds and losses caused by fraud led to corporate scandals and the collapse of some of the world's largest corporations such as Enron and Satyam, and focused public attention on the problem of frauds and fraudulent financial reporting. The Association of Certified Fraud Examiners has been conducting global fraud research for years in order to familiarize the public with the main characteristics of business frauds and raise the level of fraud awareness. A comprehensive survey on fraud in the Republic of Croatia was conducted for the first time in 2021, and included 124 respondents from 16 different industrial sectors. The research related to frauds that occurred during 2021 and 2020, i.e. it covered the two years affected by the COVID-19 crisis. The research was conducted by the Association of Certified Fraud Examiners Croatia. This paper presents some of the main results of the research and provides a comparative presentation and analysis of trends in the Republic of Croatia with global trends in business frauds. According to the results presented by ACFE Croatia, total financial losses caused by business frauds amount to about HRK 165 million. Furthermore, according to estimates, about 13% of total annual income was lost due to fraud. The characteristics of frauds in the Republic of Croatia do not differ significantly from frauds on the global level, but certain specificities have been observed. The aim of this paper is to point out the basic characteristics and determinants of business frauds in the Republic of Croatia, to compare trends in the Republic of Croatia with the results of research at the global level, and to highlight the importance of anti-fraud controls and raising awareness about fraud at all levels of society.

Keywords: *business frauds, fraud detection, fraud prevention, anti-fraud controls*

STUDY OF THE FUTURE ECONOMISTS' SKILLS FOR REALIZATION IN THE MODERN LABOUR MARKET

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ABSTRACT

Information and communication technologies, and digital technologies in particular, are an integral element of the digital economy. Digitalisation, in turn, is changing traditional practices and patterns of activity in all spheres of public life. In this context, digital literacy is becoming an absolute necessity for full participation in the modern economy and society. The aim of the present study is to collect information about the digital skills of students graduating in Economics. The self-assessment of their ability to work under conditions of digital transformation can serve to form guidelines for improving their digital literacy. This is of utmost importance given that digital skills are becoming increasingly necessary and in demand in a growing number of professions. This makes digital skills and competences a key factor for students' professional realization in the labour market. Related to this is the development of soft skills, which are becoming increasingly valuable in the context of process automation and the use of artificial intelligence. Given this, competition in the labour market will increasingly be based on soft skills. Identifying existing skills and matching them to changing labour market conditions is a starting point in shaping the right set of skills in demand in the digital economy. Possession of labour market relevant skills creates competitiveness in the employment search process. However, due to the rapid pace of development of new technologies, skills and competences need to be updated periodically. This puts forward the principle of lifelong learning, which includes qualification and retraining not only in educational institutions but also in the workplace.

Keywords: *digital literacy, digital skills, soft skills, economics education*

GENDRE-ORIENTED PACKAGE DESIGN: THE NEED OR A (MARKETING) TREND?

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ABSTRACT

Every design project starts with the analysis of user needs and preferences. The same goes for marketing. But do we care about the needs of our clients or do we impose trends through marketing tools in order to achieve the best possible sales results for our brands? Packaging design is an important factor in attracting customers, informing them about the product's properties and use, as well as highlighting the brand through a recognizable visual identity. Design trends and standards are changing rapidly. There is an increase in the number of consumers who do not fit into traditional segmentation groups and who require a completely different approach to packaging design. Discussions about gender are more relevant than ever, so in this light it is interesting to explore the need for gender-oriented or gender-neutral design from the perspective of customers. For the purpose of research on user preferences, an online survey method was applied. Respondents chose between four images for the same type of product, two examples of which were products with gender-oriented packaging design and two examples of gender-neutral design. The images were selected according to certain criteria from the relevant literature. The obtained results show that packaging design should adapt to the times and adequately represent the demographic segment for which it is intended. This means that a brand can have both gender-oriented and gender-neutral packaging, as long as the design is good, avoids stereotypes and does not offend anyone.

Keywords: *Consumer perception, Gender-neutral design, Gender-oriented design, Marketing, Packaging*

PREVENTION OF ACCIDENTS ON SHIPS IN CASE OF PIRATE ATTACKS

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ABSTRACT

Piracy activities, if they haven't already, should receive more attention from the research and academic community as well as from all international security agencies. Piracy activities in the 21st century are far from random attacks by pirate groups, but rather well-organized criminal activities that represent a constant influx of thousands of vessels every year. Piracy activities disrupt trade, raise the cost of transportation and cargo insurance, and affect the increased

cost of goods and services. A special problem of pirate activities is also hidden in the fear and psychological consequences caused by the crew. Under the conditions, the best solution for protecting ships from pirate attacks is the engagement of naval forces, but considering the huge costs of implementing this type of protection, it is not economically justified or sustainable. Therefore, optimal protection on ships implies a trained and prepared ship's crew, i.e. keeping watch and an enhanced future with the use of passive protection, which includes software and hardware solutions on board with the aim of early detection of dangers. The aim of this paper was to present the appropriate protection systems on board against possible pirate attacks and to determine the optimal defense strategy.

Keywords: *sea pirates, pirate attacks, prevention of pirate attacks, ship and crew safety*

ANALYSIS OF THE APPLICATION OF PERSONALIZED NEWS IN LEADING E-NEWS PUBLISHERS

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ABSTRACT

The application of artificial intelligence in digital media networks has enabled a fast and efficient tailoring of news to individual customers based on the collected personal data. The primary objective of this paper is to determine the level of application of different forms of personalized news appearing in the leading digital newspapers and magazines in the Republic of Croatia, as well as to combat the potential lack of transparency during the process of customization. The survey was conducted in two parts on a sample of 20 leading electronic news publishers. The first part of the survey focused on identifying the visible forms of personalized news appearing in the leading digital newspapers and magazines, while the second part focused on the analysis of the documents concerning the privacy policy of the digital publishing companies participating in the survey which are accessible to the public, for the purpose of establishing the level of transparency of the top e-news providers in informing their users about the potential use of Algorithmic News Recommender systems (ANRs) and news customization based on the collected personal data. The results of the survey on the visibility of personalized news published in the leading electronic media confirmed their expected broad application. However, unlike the world's mainstream media which uses the sophisticated forms of automated implicit-feedback personalized recommendation systems, the majority of the leading e-news in Croatia have restricted their offer to explicit-feedback personalized content and the most basic forms of the second-generation personalized news. The results of the analysis of privacy policy conducted among the leading e-news publishers have confirmed the lack of transparency of specific e-news publishers to a certain extent in terms of informing their users on the use of the Algorithmic News Recommender systems (ANRs) and news customization based on the collected personal data, further fueling concerns over the complete or partial unavailability of documentation on privacy policies of the specific e-news publishers

who are required to inform their users of the right to their personal data protection, as well as their rights relating to the protection of privacy in the electronic communications sector.

Keywords: personalized news, leading e-news publishers, algorithmic news recommender (ANR), privacy policy, algorithmic transparency and accountability

E-LEARNING DURING THE COVID-19 PANDEMIC

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ABSTRACT

Education responses to the ongoing COVID-19 pandemic have involved various distance learning solutions and adaptations. This paper builds on existing research into education and online learning during the COVID-19 pandemic by examining the current challenges and opportunities for digitalisation of the teaching process worldwide. It provides an overview of existing digital solutions for distance learning, describes how they have been implemented and how they have affected access to education. Drawing on data from scientific and professional literature, the author conducts an in-depth analysis to identify the most common e-learning strategies deployed during the COVID-19 pandemic. Conclusions are drawn on the advantages and limitations of e-learning, in terms of its effectiveness, and its role in enhancing education in the future.

Keywords: COVID-19, digitalisation, e-learning, education

HOW NEW OFFERINGS IN ONLINE EDUCATION AFFECT THE BUSINESS MODELS OF HIGHER EDUCATION INSTITUTIONS

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ABSTRACT

Over the last decade, distance education offerings such as “MOOCs” (Massive open online courses) have evolved from a niche market to the mainstream. This development is not only affecting students’ everyday life’s but is also increasingly affecting the providers of higher education. An increasing number of institutions are developing and/or including online courses into their curricula. This ongoing development leads to big changes in the strategy of

traditional brick and mortar higher education providers and raises the question what this means for their business model? The article presents the results of an extensive review of the literature on distant learning offerings and shows how they are affecting the future business models of universities and other higher education providers. To archive this, we have searched the research database Scopus with a set of different keyword combinations and analysed all papers that were relevant to our research question. Our results show that the supply of online based higher education courses has continuously increased. The spectrum reaches from simple streaming of lectures to the establishment of whole master's degree online programs. Most importantly, we observed that in recent years top-ranked universities were able to increasingly make use of their reputation and take over a considerable market share. Interestingly, more and more universities are including MOOCs from those providers into their standard curricula, unknowingly changing their role from creators to "retailers."

Keywords: *business model, digital transformation, higher education, MOOCs, online education*

ECONOMIC ANALYSIS OF LABOR MARKET DISCRIMINATION: HOW DISCRIMINATION AFFECTS THE MARKET AND HOW TO RESPOND TO IT?

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ABSTRACT

After the World War Two, a concern regarding negative discrimination was raised. In the previous period, racial discrimination was widespread all over the world, especially on the European Continent that faced a huge wave of antisemitism, which raised awareness on the fact that people need to be legally protected against it. The first source of anti-discrimination law was the article 1, paragraph 3 of the United Nations Charter. The first target was to achieve equality between people in every field. However, another issue was highlighted after that, i.e. how to achieve equality on the labor market. On the European level the concern was directed towards gender equality and from 1957 and the Treaty of Rome equal pay between men and women was already required. Nowadays, the EU framework is mainly based on article 19 TFEU, directives and the EU Charter of Fundamental Rights. This paper deals with the theories of the discrimination on the labor market, namely how labor market discrimination is influencing the economy and individuals, together with the reasons why policies should be taken to eradicate discrimination within this market. After that, we will focus on different empirical studies namely how economy is influencing the two most important type of

discrimination on the labor market i.e. discrimination based on gender and based on the ethnicity, race and color. In the last part, a special focus will be made on policies towards immigrants integration on the labor market.

Keywords: *Anti-discrimination laws, Discrimination, Equality, Labour market*

THE DIVIDEND POLICY IN THE REPUBLIC OF NORTH MACEDONIA FROM LEGAL, COMPANY'S AND INVESTOR'S PERSPECTIVE

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ABSTRACT

This paper deals with the dividend policy in the Republic of North Macedonia. After short presentation of the relevant dividend theories, it continues with the perception and the importance of the dividend policy to the investment public, based on a questionnaire answered by random sample of respondents. Next, it elaborates the current legal framework regarding the dividend policy and the gap between the legal framework and its implementation by the companies. The main findings and recommendations stemming from the analysis are the following: 1. the dividend policy plays an important role in the investor's decisions for selecting the individual shares in their portfolio. 2. The legal framework for the dividend policy is not as elaborated as it could and should be. 3. Most of the companies do not have officially adopted and publicly announced dividend policy. 4. There is room for improving both the legal framework regarding the dividend policy and enhancing the enforcement powers of the Securities and Exchange Commission (SEC) in this domain.

Keywords: *Dividends, Dividend policy, Payout ratio, Stocks, MBI10 stock index*

CREATIVE THINKING TECHNIQUES IN SECURITY OPERATION CENTERS

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ABSTRACT

This paper examines the implementation of creative thinking techniques in security operation centers (SOC) aimed at increasing effectiveness of an organization's defense. It is a well-known fact that some of the most destructive cyberattacks are carried out very carefully, with a large amount of time and knowledge spent on preparation. In such cases, the impact on organizations is catastrophic. If on the other side of defense, we have state-sponsored attackers, with a constant source of funding helping to increase their capabilities, it is only a matter of time when they will find an appropriate way to achieve their vicious goals. Therefore, it is utterly important to remain aware that attackers are highly innovative in carrying out their intentions and this is their main advantage. Creative thinking techniques that we explore in this paper utilize the expertise of various individuals in a security operations center in a structured and directed manner. It is important that experts whose task is to monitor and defend the system conduct exercises together, each giving their individual contribution. This approach allows for a free exchange of ideas, experience, and knowledge. Thus, the effectiveness of the defense system is not limited only to the knowledge and "gut feeling" of the individual who observes the monitoring tools at a certain point in time, but it relies on shared experience of all members of the team. Through team-work and collective wisdom it is possible to devise different breach scenarios in the organization, and even those "we-haven't-thought-of-that" moments. Such scenarios often go unnoticed and neglected in the integration of an organization's monitoring and defense solutions. Attackers are aware of that, think exactly like that and can resort to "abstract" but highly effective attacking techniques. And they truly are creative, numerous cyber investigations prove this. Therefore, defense must be even more creative to be one step ahead of the attackers and to effectively carry out Threat Hunting and other SOC operations.

Keywords: *Adversary Emulation, Creative Thinking Techniques, Cyber Threat Hunting, Morphological Analysis*

THE MINIMUM WAGE IN THE EUROPEAN UNION IN THE CONTEXT OF THE NEW EUROPEAN DIRECTIVE

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ABSTRACT

The purpose of this paper is to deepen the research of the minimum wage in the EU over the last decade (2012 – 2022), analyzing the differences between the member states (in terms of nominal minimum wage and minimum wage in purchasing power standard), as well as to look at that problem through the perspective of the adopted in 2022 Directive on adequate minimum wages in the European Union. The analysis is in the context of the expected changes, imposed by this directive, that recommend that the member states adapt the minimum wage to at least 50% of the average and 60 % of the medium wage in their country. Conclusions are made concerning the minimum wage situation in the EU and its relation to the income and social cohesion in the Union. Particular focus is put on the minimum wage's setting and development in Bulgaria in the same period.

Keywords: *minimum wage, purchasing power, European Union*

DIVERSIFYING INCOME OF THE UBER PLATFORM AS AN INTRODUCTION TO THE MATURE PHASE OF BUSINESS

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The aim - of the paper is to analyse the diversification of the revenue of the Uber platform and the change of business policies according to the revenue structure and in different geographical segments. Methodology/Design – the research is structured according to the official reports of the corporation and specifically investigates the change of business paradigm aimed at revenue growth in the Eats and Freight categories. In addition, the revenue trend by geographic segments is also analysed. In the financial analysis, the financial parameters that indicate the change in income and profit of the corporation were selected. The analysis of changes in the

structure of income according to categories and geographical segments includes models of quantitative and qualitative analysis. Results - the research proved significant changes in the corporation's income structure and indicated the basic income trends according to geographical areas. Conclusion - the corporation's income structure is significantly changing, which indicates, on the one hand, a change in the business paradigm, and on the other hand, diversification is a transition to a mature phase of the corporation's operations.

Keywords: Covid 19, disruption, platform economy, Uber

THE EFFECT OF STATE INTERVENTIONS ON THE TOURISM SECTOR OF THE REPUBLIC OF CROATIA

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ABSTRACT

As part of the tertiary sector, the tourism market represents a constantly growing global industry. Revenues from tourism represent a substantial tax inflow for the Republic of Croatia, considering that the share of the entire country's GDP generated from tourism activities ranges between 17 and 20% annually. The new pandemic caused by the coronavirus represents the biggest contemporary shock for world economies and economic trends. The tourism sector is the most affected by this pandemic because it is based on the movement of people, consumers' sentiments and the need for security and human contact in most activities. Compared with previous (either financial or public health) crises, the pandemic-caused crisis had the most significant impact on the economy due to globalisation and the openness of the global economy. Business entities that are part of the tertiary sector, especially those within the tourism industry, experienced a sudden drop in business volume due to the global pandemic caused by the spread of the coronavirus. The decline in business activities leads to a decrease in income and, thus, to lower state yields, which causes state intervention and borrowing. The paper analyses and compares the Croatian tourism sector with the competing Mediterranean countries of the EU and shows the influence of state interventions on tourism activities, which conditions state intervention and borrowing. The paper analyses and compares the Croatian tourism sector with the competing Mediterranean countries of the EU and shows the influence of state interventions on tourism activities.

Keywords: EU, state interventions, Republic of Croatia, tourism sector

THE INFLUENCE OF INTERNATIONALIZATION AND PROJECTS BASED ON THE TRIPLE HELIX CONCEPT ON THE DEVELOPMENT OF THE COMPETITIVENESS OF HIGHER EDUCATION INSTITUTIONS

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ABSTRACT

In accordance with current global trends, project internationalization and integration of higher education institutions, with the aim of generating common ideas based on synergy and commercialization of the same, represent one of the key elements for achieving competitive advantage. With internationalization, a higher education institution develops a specific direction in development quality policy, which is then implemented in various policy arenas. Higher education institutions are facing increasing challenges to meet the needs of users of their services. The current position and role of higher education institutions, as well as the modalities of their activities, are gradually changing. New solutions are being sought, more focused on the entrepreneurial component as a key factor in the sustainable development of higher education institutions. Also, the competitiveness of higher education institutions increasingly depends on their cooperation with the economy and the public sector, with projects that represent strong interaction of three key stakeholders (higher education institutions, business and public sector), in order to maximize synergy based on triple helix concept. Following the global trends, the Faculty of Medicine of the University of Osijek (MEFOS) has recognized these paradigm changes in higher education, and by finding strategic partners is launching an increasing number of projects to generate new ideas and develop commercial activities to increase its competitiveness. This paper presents cases of many years of development of such projects and methodologically describes the concept of their development in recent years. The results indicate a significant increase of project activities in the past period, resulting primarily from internationalization and integration projects and connecting faculties with the economy and the public sector, with the aim of raising growth and development of the region in which it operates. The results presented in this paper can serve as an example of good practice for the development of other higher education institutions in the Republic of Croatia and beyond.

Keywords: *competitiveness, higher education, internationalization, project management, strategic development, triple helix*

EUROPEAN SECURITY ARCHITECTURE IN THE CONTEXT OF THE US NATIONAL STRATEGY (2022)

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ABSTRACT

US National Security Strategy adopted in October 2022. highlights the complex security challenges in Eurasia that pose a threat to US global dominance. What does the new US national security strategy mean for the EU? Namely, until recently the concept of European strategic autonomy, which affirmed not only the military, but also the specific economic interests of the EU, was marginalized by the Ukrainian crisis. Thus, in the context of the comprehensive destabilization of Europe, the security architecture of the continent is shaped by the instruments of the American security strategy, which is not always compatible with the interests of the EU. Namely, the US National Security Strategy significantly determine the geopolitical possibilities of the European Union, which is facing the deepest crisis since the Second World War.

Keywords: *U.S. National Security Strategy, Europe strategic autonomy, The New German Question security challenges, geopolitics*

DIGITALIZATION PROCESS IN BUSINESSES: THROUGH EFFICIENCY TOWARDS PERFORMANCE

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ABSTRACT

The 21st century, the digital era, has brought new technologies, innovations and trends. Despite all the hardships it entailed, Covid-19 pandemic paved the way to digitalization and increased use of digital tools in all areas of life, in particular personal life, public life, as well as business life. The process of digitalization in Slovakia is substantial, too. The aim of Slovakia's digitalization strategy is to get Slovakia on the single digital market map and at the same time prepare the country for a full-scale digital transformation of the economy and society. With regard to the above, the aim of the paper is to evaluate and compare the efficiency of businesses` digitalization process across EU countries. The Malmquist index based on the principles of the DEA method was chosen for the efficiency analysis. The analysis made use of the digitalization process data for the years 2019-2021. The paper expands knowledge of the efficiency of the digitalization process of enterprises doing a business in EU countries. The attention should be paid to attracting foreign talents, the introduction of artificial intelligence (AI) and blockchain. With regard to AI, countries need business entities that can provide

sophisticated and competitive solutions. Slovak business entities must learn to use these solutions to reduce their costs and increase performance. These results serve as a benchmarking tool to learn from more advanced countries in the given process. Implementation of elements of digitalization process is necessary for ensuring the economic growth of businesses not only in times of crises, but also in terms of performance.

Keywords: *business, digitalization process, efficiency, Malmquist index, performance*

CREDIT RATING PREDICTION USING MACHINE LEARNING TECHNIQUES: A BIBLIOMETRIC ANALYSIS

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ABSTRACT

Credit rating is the assessment of the financial situation of a state, a company or an individual, i.e. it is a criterion for granting credit. Advanced prediction methods, such as machine learning methods, are increasingly used to predict credit ratings due to their high accuracy. In this paper, a bibliometric analysis of papers dealing with machine learning methods for credit rating prediction is performed. The data used for the analysis is retrieved from the two most relevant scientific databases, Web of Science Core Collection (WoSCC) and Scopus. As part of the bibliometric analysis, the authors used several analysis techniques: citation analysis, co-citation analysis, co-authorship analysis and keywords analysis. Keyword analysis shows that all articles mainly deal with 3 machine learning techniques - support vector machines, neural networks and decision trees. The main conclusion is that the research area of machine learning for credit rating prediction is still under-researched, as there is a relatively small number of articles dealing with this topic. Moreover, the observed papers are not so frequently cited and have a low number of mutual links, which shows that their importance is not so high.

Keywords: *Bibliometric analysis, Credit rating, Machine learning, Forecast, Prediction*

THE YOUTH (UN)EMPLOYMENT IN THE ERA OF GREEN ECONOMY – SOME ASPECTS OF THE PROBLEM

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ABSTRACT

In the context of contemporary discussions about the post-industrial, post-fordist, risk and networked societies of advanced capitalism, special attention is directed towards analyzing the issue of transformation of work. Young people are especially exposed to work transformations,

various insecurities and uncertainties on the labor market, an increase in non-standard forms of work and precarious employment, and an increase in unemployment. This has long-term negative effects on economic growth, and in the countries of the EU numerous financial programs try to find solutions for the quick and active inclusion of young people in the labour market. Therefore, special attention is directed towards the green economy, which is expected to solve or reduce the problem of youth unemployment. In those discussions about the effects of the green economy, proponents, skeptics and transformationalist can be distinguished: the first one, the solution to the problem of youth unemployment consider in the context of the development and opening of green jobs; the second one, warn that the problems will remain unsolved as a result of capitalist conditions of production that do not comply with the conditions and principles of sustainability; the third one, indicate the necessary prerequisites such as the development of new knowledge and skills in the field of ecological literacy that need to be fulfilled in order to transform the world of labor in the direction of a green economy. Nevertheless, for numerous educational institutions and social actors in the EU, including the Republic of Croatia, these topics are still theoretically and empirically insufficiently represented.

Keywords: *ecological literacy, green economy, labor market, transformation of work, youth (un)employment*

INFLUENCER MARKETING IN TOURISM: AN OVERVIEW AND RESEARCH AGENDA

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ABSTRACT

Development of information technology which has taken place during past 30 years has brought unprecedented changes to human communication and interaction. There is hardly an area of human activity which has been left unaffected, and some of the most profound changes have happened in consumer markets, both in terms of conducting business and in terms of individual social interactions. Individuals gained the ability to communicate with a wider reach than ever before. Information has become easily and instantaneously available thus increasing both the transparency of markets and the negotiating power of individual consumers. Development of the web technologies, and Web 2.0 in particular, was followed by the rise of various services which were initially based on the web. Among these services, social media were perhaps one of the most impactful ones in terms of market relations between consumers and companies. The rise of an independent individual as a content creator with high potential to influence other individuals brought about the concept of social media influencer. These changes have introduced significant challenges for businesses due to the loss of control of narrative about products services and organization in general. Tourism was not left aside from these changes and challenges. This paper provides an overview of recent research related to the role of influencer marketing in tourism with a focus on most significant determinants of influencer marketing effectiveness. Furthermore, potentially fruitful avenues of scientific inquiry have been identified and elaborated.

Keywords: *Influencer marketing, Tourism, Digital marketing*

THE ROLE OF WOMEN AS PURCHASE DECISION MAKERS IN THE FAMILY

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ABSTRACT

The family as a social unit significantly influences the behaviour of all individuals within it, as well as the behaviour of individuals as consumers. When observing consumer behaviour, the influence of family is viewed through two aspects: its influence on the personal characteristics, attitudes, values, and other characteristics of an individual, and its influence on the consumer purchasing process. Households can influence consumers either directly or indirectly. They could be intermediaries between larger social systems and indirectly influence the formation of thought processes, consumer desires, attitudes, and motivations. The family directly influences certain stages of the purchasing process, as well as on purchase of the product itself. The most important role of family is raising children. As mediators in the transferring of social value, families have an important societal position. The most significant changes that have happened within families are the changing traditional roles of women in families and households. The role of women in contemporary times has become increasingly important when compared to the past. »Modern women« build their own careers, but they also want their opinions and decisions to be respected, and they are also active decision-makers in their family circle. Therefore, the goal of this study to determine the role of women as decision-makers in the family, with an emphasis on the purchase decisions.

Keywords: *consumer behaviour, purchase decision-making, family, the role of women*

THE IMPACT OF MOBILE MARKETING ON CRM

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ABSTRACT

There has been a significant shift in consumer behavior in the current digital environment. Becoming aware of this, companies are introducing changes aimed at building consumer relationships and strengthening digital marketing. Businesses strive to win over potential and retain existing customers resulting in the emergence of a concept based on customer relationship management (CRM). In order to strengthen relations with consumers, technology has had a great influence and has enabled communication with consumers and the development of long-term relationships and constant monitoring of their needs. Information technology is important because it allows consumers to save money, time, physical effort, and thus increase the comfort of their use. Social networks and communication among consumers in this environment is gaining increasing importance. The prevalence of sophisticated technology has significantly influenced the importance of e-marketing. Since consumers have their mobile devices with them at all times and in any place, mobile marketing has begun to play an increasing role. The mobility of modern society has influenced the evaluation of consumer relations management and the development of marketing communication via mobile devices, i.e., an ever increasing importance has been given to marketing in CRM via mobile devices (mCRM). The aim of this paper is to show the importance of mobile marketing for business and economic entities in managing consumer relations. In order to prove the former, a sample survey was conducted (N = 122) to determine the impact of mobile marketing on consumer behavior and building relationships with a company.

Keywords: *marketing, mobile marketing, customer relationship management (CRM)*

INFORMATION AND DISINFORMATION: IMPACT ON NATIONAL SECURITY IN THE DIGITAL AGE

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ABSTRACT

The objective of this paper is to provide a view on the problem of the importance and role of strategic global policies and investments in the protection and resiliency of critical infrastructure, national and international, in the context of modern hybrid threats. Disinformation, broadly defined as false information intended to mislead, emanates from both states and non-state actors, and affects communities across the globe. Fake news and deception

are ages-old phenomena, but the digital age has facilitated the amplification and manipulation of false information to an unprecedented extent through internet and new media. Acknowledging the importance of disinformation and its consequences and considering the fact that in future wars the primary target of the attack is going to be critical infrastructure (one or more) the cyberspace will be a tool for conducting attack(s) through hybrid threats. Potential solution to the problem of insufficient state protection of critical infrastructure should be observed through the prism of building investment policies in broader national strategies for protecting critical infrastructure as well as national security budget defence expenditures/allocations leading to higher level of protection and resiliency of critical infrastructure.

Keywords: *critical infrastructure, internet, disinformation, hybrid threats, information, digital age, national security*

CRISIS MANAGEMENT IN THE COVID-19 PANDEMIC

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ABSTRACT

This paper analyzes what the tasks of crisis management are, how it is implemented, how much trust the nation or the organization's employees have in it, and how the crisis managements of the Republic of Croatia and Europe reacted to this unprecedented crisis. Crisis management has a clear goal, which is to protect human capital, protect the organization's stakeholders and ensure key business processes in the short and long term. Although crisis management in Croatia responded well to the health threat of the pandemic in the first months of the pandemic, financial, economic and tourism management did not adequately respond to all challenges, nor did they have concrete plans or knowledge on how to "get the business back on its feet" after such an unexpected disruption. It is believed that, in addition to the crisis management that dealt with the health aspect of the pandemic, one should have been established for the previously mentioned issues, however this remained only an idea. EU did not cope well in the first weeks of the pandemic and its response to the pandemic, should not serve as an example to other countries of the world (Janse, Tsanova, 2020).

Keywords: *Crisis management, COVID-19 pandemic, Croatia, EU*

BALANCED SCORECARD - APPLICATION OF THE CONTROLLING TOOL IN A NON-PROFIT SPORTS ORGANIZATION

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ABSTRACT

Nowadays, non-profit organizations focus is focusing on the importance of active and quality management in order to gain sustainability in their primary task such as achieving social good and benefits in public life. Controlling, as one of the functions of management, dominantly imposes itself by following management subtly, logically connecting all processes from planning, through strategy to goal. Controlling means teamwork, coordination of all functions interconnected and interdependent, knowledge of the processes that will be arranged opening the way to the requirements of the market and client, taking a step forward and gaining a competitive advantage. The Balanced Scorecard is a harmonious and objective controlling tool that guides modern management towards goal and success. It puts the output in relation to all activities undertaken within the most important aspects of business and operations. Balanced scorecard balances and measures goals through four aspects: financial, user aspect, process and learning and development shows and opens the way to non-profit management to long-term, financial stability, strategic achievement and more realistic goal achievement. Being non-profit, acting and doing business for the common good does not diminish the need to measure performance through balance to strategic effects.

Keywords: *balanced scorecard, controlling, management, non-profit organizations, strategy*

ORGANIZATIONAL RESILIENCE ASSESSMENT MODEL IN THE PUBLIC SECTOR

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ABSTRACT

In recent years, public and private organizations have faced volatility, uncertainty, lack of stability, pandemic challenges, geopolitical disruptions, and energy crises. In turbulent conditions, public organizations have to deal with and manage multiple challenges, such as securing public health, maintaining economic vitality, steering uncertainty and instability in

society, ensuring national security defense, and securing efficient navigation of the disruption. Nevertheless, the public sector has been criticized for its incapability to act in an environment of uncertainty since most of the usual practices, norms, and knowledge have become obsolete in dealing with crises. However, it is noted that some public sector organizations are proactive and able to prepare and adapt adequately to the rapidly changing environment. In contrast, others struggle, which unequivocally affects the strategic directions, budget allocations, and, most importantly, the quality of public services. In a disturbed environment, resilience has become essential in understanding the drivers that positively influence the adaptive response in setback conditions. Thus, it is important to note that an organization cannot become resilient when a crisis occurs; it must be prepared for crises, and resilience must be developed in advance. Therefore, to find out why some organizations can respond more appropriately to unusual situations and gain a unique competitive advantage by expanding their cognitive boundaries, we aim to explore the traits, that contribute to organizational resilience assessment and support it empirically. Systematic literature review (SLR), descriptive statistics, confirmatory factor analysis (CFA), and structural equation modeling (SEM). As a result of a qualitative systematic literature review, we suggest a theoretical framework for the resilience assessment of public sector organizations, which is based on three stages, i.e., Planning, Adaptation, and Enhanced Learning. To provide empirical evidence to support the theoretical framework we collected data by surveying 401 organizations in the public sector. CFA confirmed endogenous positive interrelations amongst all three stages. However, our results showed that the underlying structure of organizational resilience might be more complex. The application of SEM revealed the result of four models. However, after careful limitation of the least significant observed variables, we introduce the public sector's organizational resilience model, which complies with the goodness of fit statistics. The model indicated no direct effect of Planning on Enhanced Learning; however, the Adaptation stage indicated a significantly positive direct link to the Enhanced Learning stage. The research has an ambitious goal that has so far been little researched. Firstly, we propose an original theoretical framework of the resilience phenomena in the public sector. Secondly, as a result of a systematic literature review, a limited number of scientific studies have been retrieved that contained empirical evidence. Thus, our findings contribute to this gap by providing empirical evidence of organizational resilience assessment patterns in the public sector.

Keywords: *organizational resilience, public sector resilience, organizational resilience model*

THE IMPORTANCE OF THE CHARITIES IN THE SCOPE OF THE SOCIAL ECONOMY IN PORTUGAL

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ABSTRACT

The Social Economy keeps growing in importance in Europe, filling functions and segments of society that the private sector (which maximizes profit and return on invested capital) and the public sector (which responds to society's problems) cannot satisfy (Chaves & Monzón, 2001). Furthermore, in Portugal, this social dimension has been increasing in importance due to its impact on civil society, which faces many social issues. The State emphasizes the importance of the services provided by charities, given their proximity to the citizen, the efficiency in the distribution of resources, the innovation, dedication and effectiveness demonstrated (Liou, 2001). The importance of charities, in responding to the increasing inability of the State to solve many of the social problems that affect contemporary society, awakens interest in the study and adoption of governance principles and practices, as a way of optimizing their performance, protecting the interests of stakeholders and contribution to the perpetuity of institutions. Given its public character and the scarcity of resources which within charities operate, the issue of trust is very important, given that donors and the State want to ensure that the resources invested have been and are being used appropriately, in an honest and efficient way. It is often argued that the success of the charity sector depends not only on its economic and social activities, but also on its ability to demonstrate transparency and accountability, which in turn contributes to improving trust (Connolly & Hyndman, 2013; Cordery & Morgan, 2013). For Farwell, Shier and Handy (2018), in charities there is a strong relationship between accountability, transparency and trust. Governance plays a key role in charities by making their donors willing to donate more funds to the mission they want to serve, while having the State subsidizing their activities. Charities should be regarded as an example in terms of good governance practices, as they are not self-sufficient, being their survival depending on raising donations and other resources, which are very much desirable that they may have the ability to develop and achieve (Vinten, 1997). The adoption of governance principles and practices and the implementation of governance mechanisms are of great importance in a more professional and transparent management, allowing the monitoring of the good use of available resources and a better understanding of the way in which charities are being managed, mitigating information asymmetries and seeking the convergence of the the interests of all related parties, therefore maximizing value creation. The adoption of good governance practices aims to increase the value of charities, facilitating access to resources and contributing to their perpetuity. Good governance practices are seen as a way of improving management. It is necessary to refocus its governance from an amateur condition to a professional one (Craft and Benson, 2006). The importance of good governance has been recognized as the foundation for sustaining effective and efficient performance and for ensuring that charities meet the legitimate aspirations of key stakeholders (Connolly, Hyndman & McConville, 2013). Concerning the literature review within this topic, important research gaps are notorious, a condition which offers opportunities to reflect on some of the main changes that are occurring, particularly within governance among charities.

The contributions not only provide evidence to assess and guide the introduction of new practices and processes within the non-profit sector, but also seek to inform policymaking, not just at the State level. This type of work supports decision-makers' decisions and policies, while strengthening these institutions, so they can be legitimized within the public interest scope, becoming therefore more trustworthy and accountable (Hyndman & McKillop, 2018). This topic becomes even more important when considering the Third Sector as a segment that has been growing and becoming more diversified. This matter links to the research question on the use of good and proper governance practices and principles that aim to increase the value of society, as well as the vision on long-term activities with social dimensions, which may allow to improve performance, while enhancing an improved access to donations and contributions. The examination based on the existing literature review, allowed to conclude that the research analysing the practices and principles of governance used by the Misericórdias, which is a very specific type of Charity, are barely non-existent in Portugal. Therefore, developing novel studies on their use in non-profit institutions is highly recommended, given their importance in the search for better conditions that optimize performance, while defending the interests of its stakeholders. Accordingly, an empirical investigation has being developed focusing on the current governance conditions of Misericórdias, seeking to assess their degree of adherence to proper governance practices and principles.

Keywords: *Social Economy, Governance, Transparency, Charities, Misericórdias*

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TERRORISM AS A PRETEXT FOR WAR? CASE STUDIES OF UKRAINE, PALESTINE, CHECHNYA AND NORTHERN IRELAND

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ABSTRACT

With almost 400 circulating definitions, terrorism remains to be a rather ambiguous and undefined term. Nevertheless, in a narrow sense terrorism can be considered as an attempt to obtain political goals by using fear and violence. The aim of terrorism is to generate a state of fear which would indirectly force the government or other subject to a political concession. War in its simplest form is a state of armed conflict between countries or different groups. Terrorism as a self-sufficient strategy and as a form of political violence is practised at internal and international political levels both in times of peace and war. In wartime circumstances, terrorism and war can occur as parallel phenomena, but the acts of terrorism can also be used as a part of wider military strategies. The definitional and practical differences are all more blurred because the matter of differentiation is also a subject of social construction, namely framing and counter-framing efforts of the opposing sides. Perpetrators of terrorist attacks often invest a substantive amount of effort to portray the struggle as war, while the opposing state counter-frames the opponent and its activities as terrorist and criminal. A number of groups that have been framed as terrorists by states have transitioned from the initial relatively low-level terrorist and guerilla activities to the state of full-scale war as well-equipped and organized armies, capable of conducting classical positional warfare against the armed forces and security services. Albeit unevenly, the transition of a state of conflict, image and the capabilities of adversaries are undoubtedly facilitated by discursive politics, structural constraints and availability of resources at local, national and international levels and as such require synoptic analyses. Even during peacetime conditions, the number of victims and extent of violence can create a "state of war", however, the aim of the study is to explore which processes and situational conditions lead from terrorism to classic conventional international or civil war. In the first part of the analysis, the authors shall compare definitions of the two concepts and determine the theoretical differences. In the second part of the paper, the authors shall analyse four case studies of terrorism which have emphasized ethno nationalist characteristics, namely the cases of terrorism in Northern Ireland, Ukraine, Chechnya and Palestine. Besides the ethno-nationalist component, to a greater or lesser extent, the aforementioned cases bear a religious component as well. By conducting a comparative analysis of the case studies, the authors shall assess which determinant factors have allowed for the transformation of conflict from a state of terrorism to a state of war, respectively, when is terrorism a pretext for war.

Keywords: *Chechnya, Northern Ireland, Palestine, terrorism, war, Ukraine*

CONTROL PLANNING IN CONDITIONS OF MACROSYSTEM STABILITY, CASE STUDY CROATIA

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ABSTRACT

Planning and controlling are two key management functions. However, planning is not only a function of management but also a macroeconomic necessity, since it was developed in contract economics where there was no management. What the differences are and how planning is done, depending on the macro system, is the subject of this research. In line with the important differences in planning methodology in relation to the macro system, the study employs numerous research methods, of which the comparative method and the case study methodology stand out. The research results show that apart from important differences in planning methodology in relation to contract economics and market economy, the degree of formation and efficiency of the macro system is a fundamental factor for realistic planning. On the contrary, in the macro system of a lower degree of organization and structuring, control planning does not show the expected result. In conclusion, control planning is a powerful management tool and a guarantor of development, provided that the national macro system is developed and stable.

Keywords: *control planning, national macro system, contract economics, market economy, efficiency of entrepreneurship and economy.*

THE ROLE OF LEADERSHIP IN THE COVID-19 PANDEMIC CRISIS

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ABSTRACT

The concept of leadership has been evolving for ages. Today, leadership focuses on behaviour of leaders during organisational change and processes related to creating a vision for the future as well as involving employees in undergoing transformations. Thus, a leadership development is a key factor in the success of modern businesses. The 21st century leader must analyse a rapidly changing reality, respond to unexpected events and recognise the benefits they generate. He or she should be characterised not only by flexibility but also by empathy towards his or her employees, provide safe working conditions and build solidarity within a team. The article presents the concept and the definition of leadership which is evolving when an organisation's environment changes. The crisis caused by the Covid-19 pandemic has shown that the role of a strong leader has become more important. The pandemic has become a test for leaders around the world. The aim of the discussion is to answer the question about leadership competencies during and after the crisis and explains how organisations should support the leaders of today's organisations to ensure their market success in the event of future crises. The paper examines the role of leadership in business management, taking into account the challenges and problems caused by Covid-19. The study aims to answer the questions about similarities and differences in work organization during the pandemic, to diagnose problems in managing a company in a situation of security threat to employees and an organization, and to compare the behaviour of leaders in managing teams of employees. It concludes by proposing solutions for leaders in the event of future crises.

Keywords: crisis, leader competences, leadership.



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