

3rd IRI Economics Conference

PROGRAM
ABSTRACTS

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3rd IRI Economics Conference

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3rd IRI Economics Conference

Budapest, Hungary, 25-27 January, 2016

25 January 2015

8.15-9.00 Registration

Session No. 1. 9.00-10.20 Management

Alexander SICHINAVA, Dali SEKHNIASHVILI, Medea CHIKAVA, Nazi CHIKAIDZE: The role of women's entrepreneurship in the modernization of the economy and improving the investment climate in Georgia
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Irena DUDZIK-LEWICKA, Aneta MADYDA: A contemporary manager's working time management – selected aspects

Irena DUDZIK-LEWICKA: The role of ethics in the process of strategy making in an enterprise

Peter JUHASZ: Management in twilight – Off-balance sheet assets of Hungarian firms
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Session No. 2. 10.30-12.30 Risks

Tamás KOZÁK: Risk Response Planning in the Organisational Development

Leonid NAKOV, Igor IVANOVSKI: The intermediaries as a business engine of the insurance industry - the transformative influence of the change management?
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Sven HANSEN: "Basel IV" – turning our backs on a risk-weighted paradigm

József TÓTH: Vulnerability of Deposit Insurance Schemes

Sven HANSEN: The financial sector in a state of flux – Changes to the business model of European banks as a major focus for European supervisory authorities
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Katarzyna MARUSZEWSKA: Inflows of Asylum Seekers and Migration Trends in European Countries

Session No. 3. 13.30-15.10 Social Aspects

Justyna WANDASIEWICZ: Psychosocial working conditions vs. self-efficacy and job satisfaction in the teaching profession

Cătălin Ionuț SILVESTRU, Marian Ernuț LUPESCU: Using social media in lifelong learning
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Agnieszka KOZERA: Taxonomic analysis of the phenomenon of housing poverty in European Union countries

Anita MAČEK: Globally competitive cities
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Ardita BORICI, Arjola DERGJINI, Albana BORICI BEGANI: Microfinance, Social and Financial Performance – Case of Albania
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26 January 2015

Session No. 4. 10.00-12.00 Sustainability

Tanja TEKIĆ: Development and effects of multichannel retailing on a global level
Malgorzata DOBROWOLSKA: Problems of professional life of staff employed under flexible forms of employment. A Psychological Perspective
Aleksandra ŁUCZAK: Application of soft classification to identify rural areas functions
Ildikó LAKI: Healthy towns – healthy residents
Patrícia NÉMETH: Corporate Social Responsibility in Hungary
Miklos KOZMA, Annamaria KAZAI ONODI: Strategic priorities in professional football and handball in Hungary – two case studies, using the Balance ScoreCard framework

27 January 2015

Session No. 5. 10.00-12.00 Case Studies

Jonida BALLIU: Measuring Central Bank Independence: Albanian Case
Teki SHALA: Increasing the efficiency of revenue collection in the budget of the Republic of Kosovo
Gentiana SHARKU: How attractive have been Albanian financial institutions to foreign capital?
Aurora KINKA, Blerta DRAGUSHA: Aspects of fiscal decentralization and financial performance of local units in Shkodra Region
Sylë KOLICA: Phenomenal and problems observed in the management of the value chain in agribusiness enterprises in Peja
Fatos UKAJ: Direct marketing and public relations as a factor of success in the enterprise market growth

12.00: Closing of the Conference

Abstracts

Measuring Central Bank Independence: Albanian Case

Jonida BALLIU

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The aim of this paper is to define independence of central banks and to examine its relation to other macroeconomic variables and measurements that are used in that process.

Central bank independence (CBI) refers to the freedom of monetary policymakers from government influence in the conduct of policy. In order to accomplish the main goal that is price stability, it is crucial for a central bank to be connected to government as little as possible. Many countries have implemented reforms considered to grant their monetary authorities greater independence from direct political influence. In the most of modern economies is seen a trend of increasing role of central bank's independence. It is argued that an independent central bank brings economy to a higher level, is more credible, and the higher degree of the independence facilitates central bank to identify signal of financial problems and aware financial markets.

Microfinance, Social and Financial Performance – Case of Albania

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Microfinance has proved to play an important role in alleviation of poverty. Defined as the provision of financial services to low-income people, the main objective of microfinance institutions is to become an efficient financial institution that offers a broad range of adequate products and services to a large numbers of households and small/medium enterprises at affordable costs.

Microfinance is confronted with a debate, in the center of which are two requirements: targeting the poorest among the poor (social performance) and enhancing the profitability of the institutions (financial performance). Most microfinance institutions (MFIs) have proved that their growth is thanks to both the performance in positively affecting people's live (social performance) and financial performance.

The aim of this study is to examine the determinants of social and financial performance of MFIs in Albania. Based on the MIXMARKET data and the annual reports of six MFIs in Albania over a ten-year period, this study uses a multiple regression model to relate financial and operational self-sufficiency to various explanatory variables. There is evidence that administrative expenses ratio, real portfolio yield, productivity, number of borrowers and average loan size are major determinants of performance for microfinance institutions that operate in Albania.

Problems of professional life of staff employed under flexible forms of employment. A Psychological Perspective

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The article is an empirical one devoted to the professional problems of persons employed under flexible forms of employment: a) the health and safety culture at work in organisations using flexible HR solutions, b) the phenomenon of mobbing and other non-ethical behaviour, c) the problem of attribution of organisational membership, d) work involvement, e) commitment to the organisation of employees hired in alternative forms of employment, f) job satisfaction, g) work efficiency, h) the workaholic tendencies, i) professional burnout, j) the autonomy of choice, k) personal flexibility, l) hope for success as a positive motivation, m) ways to cope with stress.

The article presents results of the author's research and includes descriptive statistics of the analysed parameters, statistical verification of research hypotheses, an analysis of the dependency of the analysed organisational variables, organisational-and-personal and personal variables, an analysis of the dependency of the analysed variables on the forms of employment as well as an interpretation of the research results. Also, practical implications resulting from the carried out analyses and quantitative research have been described.

The research covered 2,118 respondents, persons employed under nine different forms of employment: substitute work, temporary work, the self-employed, private entrepreneurs, tele-workers, persons employed for a specified period of time and employed under part-time working contract, working under civil law agreements, as well as those employed in the social economy. The appendix includes the research tools applied in the analysis process.

A contemporary manager's working time management – selected aspects

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In a contemporary business world every reputable manager has to learn diversified ways of managing tasks related to customers, changes or projects. Still, a growing number of managers are faced with charges that they pay too little attention to fundamental matters while concentrating on solving urgent daily problems. What can be done under such circumstances? The answer is to learn the techniques of effective working time management. Is it at all possible? At this point some people might ask how we can control something that is outside the scope of our influence. Indeed, time is an asset which cannot be stopped or delayed. Nevertheless, what we can do is to make a more effective use of the time we have at our disposal. Effective time management is a key element of the realization of not only daily tasks but, above all, those related to our job. Although we are incapable of changing the course of time, we can enhance our own effectiveness by means of adequate time management.

The knowledge managers possess about the management of their working time can significantly facilitate their self-development. Adequate organization of one's working time is a key factor of success in both private and professional life: it constitutes a means that gradually empowers us to control the future since future itself becomes more predictable. What is more, it acts to managers' benefit being a fundamental source of creating a professional image as perceived by business partners and work mates. Finally, it might be a triggering factor of superiors' appreciation. Therefore, the question is: Do Polish managers manage their working time effectively? What knowledge do they possess in this aspect? Is time management one of their most crucial skills that allows them to keep balance between their private and professional life while maintaining high effectiveness?

The intriguing nature of the issue has encouraged us to perform a study whose results are provided in the following sections of the present article. The selected group of respondents embraces various managers working for small, medium and big companies in the area of Bielsko-Biala. As aptly pointed out by the Institute for the Study of Market Economy in Poland (IBnGR), this region stands out on a national scale when it comes to the possibility of an equal and simultaneous development of industry and tourism. Multiple studies have provided knowledge and practical hints for a manager's effective time management and work organization. Moreover, they have made it possible to identify rudimentary obstacles on the way to make optimal use of working time. The initial part of this article is devoted to the presentation of basic theoretical premises. The following sections describe the research itself as well as present its results and our final conclusions.

The role of ethics in the process of strategy making in an enterprise

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Nowadays it is a widely acknowledged fact that a business strategy forms a fundamental element of effective business activity. This statement is supported by the experience of developed countries, where a company's success goes hand in hand with its adapted strategies. In order to act under current circumstances full of uncertainty and risk, managers must show strategic skills that enable them to optimally solve functional problems of their companies and create their own concepts of action, taking into account all current and anticipated environmental factors.

A well-thought-out strategy is a foundation of business success. When built on the basis of ethical principles, it can bring much more benefit to an enterprise. According to many people, ethics should take part in business, but nevertheless companies reluctantly build their strategies on such premises since they focus on gaining financial benefit at all means. Such an attitude is caused by the fact that enterprises do not see benefits brought by ethical actions. On the other hand, ultimately we have observed some changes and new trends on the market, which force managers to comply with the rules of ethics. New opportunities and attitudes of customers should motivate upper managements to introduce ethical principles to their policies. The question is whether there is a place for ethics in contemporary business world, if companies are willing to build their strategies on ethical foundations, and finally, if a strategy led by ethics is at all profitable? In order to find an answer to these queries, a decision was made to perform an empirical study. A survey has been distributed among selected Polish companies. The initial part of the paper describes basic methodological premises of the research, together with a set of characteristics of the respondents subjected to analysis. The next section presents results of the study which provide an answer to the questions raised. The closing chapter offers final observations and conclusions.

“Basel IV” – turning our backs on a risk-weighted paradigm

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In the literature and the pan-European discussion within the banking industry, “Basel IV” is understood as a body of European guidelines on banking regulations expected to come into force from 2017 onwards. The term covers both resolutions by the EU Parliament and also interpretations by the ECB and the EBA (European Banking Authority) on regulating banking activities.

While the financial industry had believed that the risk-oriented “Basel II” regulations issued in the mid-2000 provided a sufficient basis protecting it upsets, the financial crisis – that we have not yet seen the end of (e.g., in Greece) – prompted a rethink among bank authorities and a turn away from the prior focus merely on risk.

The European bank supervisory authority regulations referred to in the literature as “Basel III” represent the beginning of this process or reorientation. While under “Basel II” the objective was “the better the risk of the respective banks can be rated in quantitative terms, the safer their foundations,” in the wake of the financial crisis debates have centred on what non-risk-weighted variables should be included in banking regulations. These discussions attached ever less importance to different value-at-risk approaches to quantify a bank’s risks when identifying the mandatory capital reserves.

Key variables that are considered pure or un-falsifiable variables a recurrently taking the limelight and are supposed to help us protect ourselves against further financial crises. These key variables are meant to be free of any individual assessment on the part of the banks and to focus exclusively on balance-sheet ratios that are published in the respective bank’s balance sheet after the annual outside audit.

These net and volume figures contrast, however, with the previous risk-weighted approach taken by the Basel committee. Yet as the prime supervisory body for banks in Europe, the ECB focuses on them. This makes it harder and in some cases impossible for the individual banks to influence measurement of their own risk by exploiting valuation options. The goal here: to ensure greater transparency and above all comparability at the European level.

Since corporate and bank management always centre on the asset most scarce at the time, when assessing capital adequacy the leverage ratio poses the greatest obstacle to European banks at present. However, since the framework conditions for implementing the leverage ratio are not defined with any precision in the current supervisory regime, the banking sector moves in uncertain territory.

The following discussion will hinge on just how the leverage ratio and other net variables are entering the financial market regulatory regime, although they contradict other current regulations, could help the transition to “Basel IV” and a homogeneous European banking sector. Furthermore, suggestions will be examined on how the above-mentioned contradictions can be overcome.

The financial sector in a state of flux – Changes to the business model of European banks as a major focus for European supervisory authorities

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The currently enduring phase of low interest rates in Europe and ever more detailed demands by the European supervisory authorities (e.g. ECB) are forcing credit institutes to rethink their business models time and again. Here the focus is on ensuring the future profitability of the individual credit institutes – something that has a direct influence on the targeted business model, which is also being continually reviewed by the supervisory authorities (SREP).

In the quest for stability in the European financial system, there have been several attempts on the part of various institutions to regulate the business models of the relevant banks. The first attempt with a concept that could be taken seriously was the so-called LIIKANEN Report. This was a proposal by the Governor of the Bank of Finland to divide the European financial sector into investment banks and debt banks. This proposal still serves as the basis for the current discussion at the European level aimed at breaking up the widespread universal banking system.

This macroeconomic approach sought to generate a crisis-proof business model for financial institutions and nevertheless secure the credit approvals for the investments necessary to shore up the economy. It is accompanied on the part of the supervisory authorities (ECB, EBA, etc.), by numerous more microeconomic approaches to monitoring the behaviour of banks.

Hence numerous detailed regulations at the European level ensure that banks' own business models are and must be carefully considered. The purpose of these regulations is to make certain the institutions' commercial capacity to survive rests on a future-proof strategy that is viable in the long term, and to identify possible weaknesses in the business model. The objective is to thus avoid financial crises and bankruptcies among banks in future.

It is not the aforementioned macroeconomic approach of separating banking functions that is to be the main focus of the subsequent discussion, but rather the influence of individual, detailed regulations by European supervisory authorities on the business model of a credit institute. There will be a particular focus here on supervisory guidelines in the liquidity regulations and capital adequacy requirements (CRR / CRD IV) set out in "Basel III" and their impact on the various shapes bank business models take, including from the perspective of the credit institute itself. These regulations have a direct influence on the business activities and the operational structure of a bank and determine its income structure and size.

Just how banks should now redefine their role as financial intermediaries given the tension created by European supervisory authorities will be examined subsequently, with possible solutions offered for the formation of a sustainable business model under given regulations, one that protects both credit provision for the economy and the investors at the same time.

Management in twilight – Off-balance sheet assets of Hungarian firms

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Based on three samples from 2004, 2009 and 2013 covering 300 top financial managers of Hungarian firms each I investigate the role and place of off-balance sheet assets in Hungarian non-financial service firms. During this period assets like business connections, brands, human resource, research and development or knowledge capital gave a slightly increasing 48-51 per cent of the total value of the company after the estimation of the top financial decision makers.

Still most of the firms give little attention to measuring the value of these items correctly. Recent development shows that the use of measurement results is getting less and less frequent while importance of these assets has grown. After the numbers nearly half of the firms interviewed had no measured information about the value of the off-balance sheet items while they believed those would give half of their business value.

As for techniques to estimate invested capital book value has lost its importance while market value based estimates have gained popularity. At the same time more and more tend to use nowadays qualitative measures instead of numeric approaches if measuring.

Today less than 58 percent of the managers believe accounting provides realistic picture about their firm, down from nearly 70 percent in 2004. In case of intangible assets that ratio has fallen from 43 to 38 per cent.

Only 33 per cent of the managers believe intangible assets are more important today than 10 years ago, and only four in ten CFO believe the value of these assets should be derived from their effect on future operation.

Aspects of fiscal decentralization and financial performance of local units in Shkodra Region

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According to Decentralization Secretariat (1994), Decentralization is a democratic reform which seeks to transfer political authority, administrative, financial and planning from central to local government. It seeks to develop civic participation, empowerment of local people in decision-making and to promote accountability and credibility, to achieve efficiency and effectiveness in the collection and resource management and service delivery.

During the last two decades, many developed and developing countries have undertaken several reforms in their fiscal systems.

In Albania the decentralization reform has progressed steadily during 1999 and 2000, according to the Constitution (1998), the European Charter for Local Self-Government (ratified in November 1999) and the National Decentralization Strategy, adopted in January 2000.

Before the enactment of the Law on “the new administrative-territorial”, Albania was divided into 308 municipalities and 65 communes at the first level and 12 districts in the second level. On 31 July 2014 the Albanian Parliament approved the Law on “administrative-territorial division”. Albania has a new territorial map, reducing 6 times the number of local units at the first level of government, from 373 local units in only 61 municipalities. Just like any other local government unit in Albania, the Municipality of Shkodra after 2000 took the responsibility of new powers in terms of income source and manner of their expenditure.

The paper is going to focus mainly in the fiscal and financial performance of LGUs (local government units) in Shkodra Region, highlighting inequalities and differences between local units, their financial performance and fiscal possibilities and impossibilities in economic development.

Phenomenal and problems observed in the management of the value chain in agribusiness enterprises in Peja

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Agribusiness enterprises in the municipality of Peja nowadays qualified as a period of liberalization are the first steps to understanding that their economy has aimed its place in the service of people.

The geographical configuration and natural resources are the best indicator that these enterprises be successful in a competitive market agribusiness industries in the region.

The goal of these companies is that through good management of the value chain to decrease uncertainty, transaction reduce costs, the possibility of additional benefits The relationship with members of the chain.

The nature of phenomena and problems observed in agribusiness enterprises in Peja to four industries differ on specifics that. Phenomena and problems observed in these industries and which should be eliminated in the links of the value chain are market and competition that the four industries are enormous.

The absence of contracts with farmers is a phenomenon present somewhere more and somewhere less. This phenomenon is present in the amount of meat industry. The main motivation for farmers is the price, so the four of agribusiness industries price represents the basic motivation for suppliers to these industries.

Market liberalization and create problematic phenomenon for these industries as a threat from new entrants into the market.

Occurrence and other problems in these industries represents additional costs facing the industry of flour and beer this challenge is high and the milk and meat is moderate.

The necessity of advancing in the organization system for these industries Kloster would reduce additional costs and create new levels of competition and that will create value for customers.

To select and implement a sustainability strategy of this industry in Peja expected by their managers to analyze in detail the problems that appear in the value chain links.

Industry agribusiness passing at the time described as "period of liberalization" and the philosophy of state "Laissez-faire" which means that the economy there should be no other purpose except profit and social development (JM Keynes), Laissez - faire It works in these industries on the basis of the law of supply and demand, which regulates the economic life of the citizens of Peja.

Risk Response Planning in the Organisational Development

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Risk Response Planning is a process that lists down various approaches for the Remedial Actions in the Organisational Development. The general approach of the management is to reduce the impact of the negative risks of the strategic implementation. The process of developing various options, strategies and actions reduce or eliminate threats to project objectives can be grouped for different strategic actions.

In the paper such a risk assessment method is presented, which includes those threat categories, which are identified based on SWOT analysis. The results of risk assessment are included in the Organisational Development Matrix which are classified the in the Risk Response Categories. The main types of risk response actions:

- (i) Avoidance: In these responses either the risk eliminated by different means or by changing the Organisational Development project plan.
- (ii) Transference: These types of Organisational risks are not eliminated but the risk impact can be transferred to another one with extra project budget cost.
- (iii) Mitigation: “Reduce the probability and impact of risk to accepted level” by strong risk management is a suggested manner to mitigate the negative effects.
- (iv) Acceptance: This is the “in case of risk occurrence, nothing to do” strategy.

An internal organisational audit ensures avoidance additional risks as defined in a SWOT analysis, so an Organisational Development projects will be delivered to quality, cost, and in estimated completion time. In the paper such a methodology is worked out and presented, which provides a quantifiable assessment results to the response strategies in order to improve the effectiveness of an Organisational Development.

Taxonomic analysis of the phenomenon of housing poverty in European Union countries

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Differentiation in socio-economic development of countries and regions is still one of the basic problems in contemporary European economy. Eliminating the existing differences in the level of development and the standard of living of the population is the main objective of cohesion policy of the European Union. An important role in the life of every individual and family play the housing conditions and therefore they are an important determinant of the standard of living of the population.

Despite many efforts to reduce the economic poverty, it is still at a relatively high level in many European Union countries, including Poland. In a research on the implementation of cohesion policy objectives should be more attention paid not only on the income poverty, but also on the sphere of housing poverty and housing exclusion phenomenon. Often the problems of poverty housing are marginalized, associated only with the phenomenon of homelessness. Housing exclusion, in other words, housing deprivation or poverty housing includes a wide variety of social groups, for example including households living in overcrowded dwellings, dwellings without toilets, with a leaking roof or damp. The significance of this problem is the fact that housing problems are seen by Poles as the third-importance, after unemployment and addiction, social problems.

The aim of the article was to identify the diversity of housing poverty of the population in the European Union countries in the years 2005 and 2014. The differentiation was presented on the basis of the type of European Union countries with different level of housing poverty of the population. The types were extracted, using a synthetic measure. The synthetic measure was constructed by the positional TOPSIS method (*Technique for Order Preference by Similarity to an Ideal Solution*). The data used in the article come from the Eurostat database (*The EU-Statistic on Income and Living Conditions – SILC*). The article has a research character.

Strategic priorities in professional football and handball in Hungary – two case studies, using the Balance ScoreCard framework

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The question of conflicting priorities between sports and economic objectives is well known in professional sports. However, our recent studies have uncovered additional aspects of club management in the Hungarian societal-economic context. This article compares and contrasts the strategic approaches of two top-tier clubs: a women handball club and a men football club, both in major cities in the country-side of Hungary. Our findings highlight that there are but emerging signs of business thinking in how the clubs are managed, with their priorities being the achievement of sports results in an effort to attract stakeholders' attention. Economic sustainability is less of an aim, rather a tool to achieve those goals. Learning international management know-how seems to be a critical success factor, while there is a varying degree of consciousness about the importance of socially embedded operations in the local communities. Our results call for additional empirical investigations to further strengthen the analytical power of our generalisations.

Healthy towns – healthy residents

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In my presentation I intend to provide a survey of the topic of healthy towns with healthy residents. The term healthy town already appeared in the 1930s, naturally with different content and values in comparison to today's notions. The transformation of settlements, their becoming interactive spaces, necessarily triggered socio-spatial processes resulting in healthier urban environments, rejuvenated both spatially and as communities.

„The WHO European Healthy Cities Network consists of cities around the WHO European Region that are committed to health and sustainable development: nearly 100 cities and towns from 30 countries. They are also linked through national, regional, metropolitan and thematic Healthy Cities networks. A city joins the WHO European Healthy Cities Network based on criteria that are renewed every five years.”
(<http://www.euro.who.int/en/health-topics/environment-and-health/urban-health/activities/healthy-cities/who-european-healthy-cities-network>)

In the first part of the presentation those international models (WHO) are elaborated on which serve as the basis of healthy towns, focusing on goals and means. In the second part the examples of Hungarian healthy towns, the concepts and projects of retirement and liveable communities are listed. The current Hungarian initiatives in this area are rather modest; nevertheless, the already realized projects may generate further ones in the future.

Application of soft classification to identify rural areas functions

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Rural areas may be characterised according to different criteria. One of the most important – especially in the aspect of identification of possibilities for their further development – is the one related to their present functions. Generally the basic functions are connected with agriculture, forestry and fishery. Besides them there are also additional functions related to: housing, migration, industry, services, recreation, ecology, etc. Identification of functional types of rural areas is a necessary component in planning development of larger territorial units (e.g. voivodship) which are characterized by considerable spatial diversity. For this purpose different methods of typological classification are used. The most common are disjoint methods where each of the unit in a class has features of only one type. The results are always not realistic enough because practically each local administrative unit (LAU) may have characteristics of many types. This problem is possible to solve using soft classification methods, especially thanks to the methods based on fuzzy and rough sets. The fuzzy set theory is an extension of the classic set theory. According to fuzzy sets theory each unit may belong to each of the identified class with a certain degree of membership. Rough sets are also an extension of the classic set theory. Rough classification is a pair of the upper and lower approximation classification, both in the classic sense. It is necessary to add that the lower approximation classifies the units whose membership in the classification is certain, whereas the upper approximation is a classification of units which may but do not have to belong to these classes.

The aim of the study is to present the possibility of applying fuzzy classification method based on Dunn-Bezdek algorithm and rough classification method to identify rural areas functions. In order to achieve the assumed goal we have used the package 'fclust'. These package enables us to perform fuzzy classifications. The research based on rough sets will use ROSE2 program. The proposed methods have been used to identify rural areas functions in Wielkopolska in 2014.

Globally competitive cities

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Foreign direct investments are important factor for economic growth of cities. Within positive effects of international capital flows know-how transfer, direct and indirect employment, technology transfer and increased productivity are the most frequent positive effects. However, foreign direct investments present also some threats for cities. Open cities often have to overcome the fear of being unsuccessful by attracting foreign direct investments, they have problems by changing policies to suit foreigners, very frequent threat from international capital flows is crowding out local entrepreneurs and businesses etc. For maximizing the benefits and minimizing threats of foreign direct investments a lot of globally competitive cities developed and implemented their own strategy. In the article author presents best practice strategies for attracting FDI in cities.

Inflows of Asylum Seekers and Migration Trends in European Countries

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The number of asylum seekers in European countries has remarkably increased during the past years. So called 'Refugee crises' in Europe is due to the rising number of refugees and migrants coming to the European Union, across the Mediterranean Sea or through Southeast Europe, and applying for asylum. Citizens of a 141 countries sought asylum for the first time in the European countries in the half of 2015 – mainly from Syria, Eritrea, Afghanistan, Serbia, and Iraq. The highest number of asylum applicants in the second quarter of 2015 was registered in Germany, Hungary, Austria, Italy, France and Sweden. It is expected that the migrant inflow to the EU will be continually reinforcing.

The main purpose of this article is to analyze recent development in European migration movements. In particular, to compare recent trends in refugee movements and migration inflows into European countries. The first part describes immigrant inflows and stock of foreign-born population in European countries. The following part presents comparison of growing numbers of asylum seekers and refugees in European Union (UE-28) countries. The research based on collected data takes into consideration changing trends and presents top nationalities of Mediterranean Sea arrivals (mainly to Greece and Italy), focused on the largest registered refugee group in 2014 – Syrian refugees and their demographic characteristic and regional breakdown.

The statistics on international migration, refugees and asylum seekers presented in the article are based on data provided by Eurostat, United Nations High Commission for Refugees (UNHCR) and Organisation for Economic Co-operation and Development (OECD). The data cover the 2008-2015 period in the mainstream.

The intermediaries as a business engine of the insurance industry - the transformative influence of the change management?

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There isn't dilemma with regards to macroeconomic influence of the insurance industry to the financial system development and stability, as well as the economy growth in whole. The insurance industry has "survived" the financial crisis and after a period of recovery, started to strengthen and positive trends reappear. Besides the originery functions of the insurance, primarily decreasing the total risk in the economy, its' contribution to reallocation of resources, investments and solutions to demographic issues and risks, the insurance industry functioning is in the focus again as one of the needed answers for the growth models in the economies. In that context, the insurance industry is struggling to produce higher capitals' rate of returns and to redistribute the vast funds in the productive areas and other industries of the economy. The specific strategy for "zero interest rates" requires innovative approaches for higher profitability related also to higher prudent regulations criteria. Therefore, the issue of intermediaries in the insurance industry, as a proven business engine, exists with reference to their size, functions and portion of insurance companies' profitability and management models. Precisely, the developmental tendency of the insurance industry is highly connected and inter-dependent to the potential for a continuous and profound transformation of the nature of intermediaries inclusion, by introducing planned and persistent changes of the modalities, character and scope of the insurance services. In this process, the holistic integration of the changes in the processes and behavior, while managing the changed intermediaries is of an utmost importance for the overall transformation of the insurance industry.

In our multidisciplinary approach, we analyze the particular role of the intermediaries in the insurance industry, that become more than a distribution channel and offering a possible solutions from the change management stand point, for the future trends in the industry, in particular its' growth, profitability and assets value. We use the empirical evidence from the developed and developing markets as an evidence to question the role of the intermediaries, submitting the alternative models for the insurance companies, focusing to the possible decrease of the intermediaries' influence Vis a Vis the authentic insurance companies' model for growth.

Corporate Social Responsibility in Hungary

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Nowadays Environmental protection must be a key issue in the Economical system, for all the countries all over the on the Earth, and also very important to survive. The relationship among the economy, society and the environment, as well as the interactions among them is highly complex. Sustainable Development must be integrated into all corporate strategies for a longer period, even they are led by profit maximization and market competition.

I will define the Corporate Social Responsibility CSR, compare the old and new approach of CSR, I collect the motivation factors – what should drive the companies to take CSR actions. How major a role should environmental protection and social responsibility play in the corporate strategy?

In my research I try to get an overall picture about CSR and corporate activity in Hungary. I evaluate the CSR reports of the companies, their real social activities, the environmental data, and how do these factors help their competitive advantage. I analyse several companies and retail chains whether they could accommodate their profit orientation with their social responsibility. I point out that according to the leader managers of several companies it is possible to make the harmony between the environmental conscious activity and the cost-effective management.

The positive correlation between the companies' social responsibility and their competitiveness is unquestionable, it is an indisputable win-win situation. The social and environmental factors play a determining role in the market competition among the companies, just if the environmental interests affect the decisions of the customers.

The role of women's entrepreneurship in the modernization of the economy and improving the investment climate in Georgia

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In this topic we have assessed the importance of women's entrepreneurship in the modernization of the economy and improving the investment climate in Georgia and based on the major findings in this study we develop a limited number of policy recommendations.

A woman in Georgia, as an economically active labor force, must play an important role in the development of the country. However, as the national culture and traditional approaches suggest, a woman has different functions in her family and entrepreneurship activity in particular. The traditional view of the gender roles is well-rooted in Georgia. Changing people's mentality and giving up such approaches is the most intricate challenge.

We study the existing economic and social state in Georgia to identify the prospects to amplify and strengthen women's role in the study. We have identified three main problems: poverty, education and financial availability.

First, we identified that severe poverty in the country is still a major social challenge. Poverty hampers the women's activity in public field and does not allow the women thinking about or accomplishing any kind of entrepreneurial initiative. Poverty is one of the major barriers on the woman's way to foster her, as an entrepreneur's opportunities.

Second, education and access to it is one of the most important factors seen in the identification and realization of the economic opportunities. In this direction, there is no major gender discredit seen in Georgia. The key to the development and diversification of the women's employment and entrepreneurial activities is mostly vocational training rather than higher education.

Third, we studied one of the most important factors of making the women's entrepreneurial activity more active. That is financial availability, as this component is an important precondition to start and develop entrepreneurial activity. In Georgia, like in any other country, women are mostly employed in micro or small business and often face financial problems.

The article includes conclusions and recommendations to create the supporting business environment for female entrepreneurs, develop the programs adapted to the country specifics and social-economic needs and initiatives in the field of gender equality.

Increasing the efficiency of revenue collection in the budget of the Republic of Kosovo

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In recent years the global economy has experienced one of the deepest financial crises, so that in many countries the economic recession has been high. As a result of this crisis many countries have been faced with filling the ark of the state, where the level of public debt has reached a critical level.

The issue of public revenues is very important in filling the state exchequer; therefore nowadays this macroeconomics variable is the main objective of all modern governments. Public revenues also affect the individual and the government of the country as well as the growth of healthy macroeconomic performance, accelerating sustainable economic growth.

The fiscal system in Kosovo originates immediately after the war of 1999, and consequently are applied fiscal policy instruments that create public revenues, respectively budgetary means. Since that time the public revenues have had a positive growth trend, but without any significant impact on economic growth. For this reason, this research has practical importance in formulating effective policies in Kosovo, which will affect the increase of efficiency in the collection of revenues and achieving fiscal and budgetary sustainability of the country.

Moreover, this research provides an analysis of collection of public revenues from the country's leading institutions, from Tax Administration of Kosovo and Customs. This analysis also provides opinions for the policies used so far and the way they should be used by these institutions. Considering the arguments rose in this research, it offers a good opportunity for the government of the country to take concrete steps towards the construction of new fiscal policies and thereby achieve a better performance in filling the Exchequer to cover public expenses.

How attractive have been Albanian financial institutions to foreign capital?

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Albanian financial system has been fully transformed during the last twenty five years. It has been not only due to the radical changes that involved all Albanian economy during to the transition period from the centralized economy to the market economy (in the early of '90), but also the market requirement for further development and consolidation has been a driven force toward further changes. Because of its high potential for growth and profits, financial system in Albania has got the attention of foreign capital. Albanian financial system is a bank based system, as in the other countries of the region. The assets of the bank sector account about 93 percent of the financial system assets. The second most developed financial institutions in Albania are the insurance companies. But there is a large distinction between them. The assets of insurance companies account about 1.8 percent of the financial system assets. The first foreign capital inflow in Albania in banking system, has been recorded in 1993, by the establishment of BIA (Banca Italo Albanese), as a joint venture bank between National Commercial Bank of Albania and Italian Banca di Roma.. Actually 14 from 16 commercial banks in Albania are private banks with foreign capital. While the first capital inflow in insurance market has been recorded too late, in 2003, by participation of American Fund in the first private insurance company. The aim of this paper is to study the profile of foreign capital in two most developed financial institutions in Albania, commercial banks and insurance companies, and the specific features in both institutions. The analysis will be carried on through the studding of the data published by official sources. The paper will conclude with some conclusions about the factors that have affected the foreign capital inflow in financial system in Albania and some recommendations for Albanian government and financial institutions, in order to improve the business environment in order to attract more foreign investors in financial system.

Using social media in lifelong learning

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Advances in IT&C technology in the last decade have proven that in the present and also in the future people will rely more and more on technology for everyday life, from shopping to entertainment. IT&C technology has been used in education, in lifelong learning as well, through the use of eLearning and, after the appearance of Web 2.0, through the use of e-learning platforms, online training courses, video tutorials, and other IT&C related media. The use of social networks, or the use of social media in general has an increasing impact on education through the tools available in a technology-driven and knowledge-based society, although the competences and skill that users acquire are those of non-formal education. Social media tools are being used more and more in collaboration with classical teaching methods, also known as the blended learning, in order to provide recognition of skills and competences acquired through the use of these tools. Taking into account Europe 2020 strategy on lifelong learning we consider that an analysis of possible means of improving lifelong learning through the use of non-formal and informal methods is required. Thus this paper aims to analyse the potential impact that social media in general can have on education, on lifelong learning, and how social media can further be involved in education, in lifelong learning in the future. As result of the analysis, we shall present various approaches identified in education, including our own approach, in lifelong learning with use of social media and what improvements can be made to these approaches.

Development and effects of multichannel retailing on a global level

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The Information revolution in the last decades has led to extensive and rapid development of technology and changes on the global market. Consumers have all the necessary information; using the Internet and modern devices they can easily find all data, prices, specifications and other information about products. Nowadays modern retailers who operate globally have one main goal constant development and internationalization, but they have to listen to their customers carefully and based on their opinion create the offer. The retailer as the leader of the marketing channel has to communicate with the consumers and get information from them. Intensive competition and concentration on the global retailing market are caused by the power and capital of big retailers in the world.

Because of the importance and position of retailing, investments and development are crucial for retention of consumers and market position. That way there is not only one channel (retail store) and every bigger retailing chain has a number of channels which create multichannel retailing. The global e-market is always available from any location on the planet, at any time and these are the benefits and the reasons modern retailers are investing in this field of business. Another point is that they want to foster and keep up relationships with consumers. Multichannel retailing has developed in a very short period of time and the changes in the habits and behaviour of consumers, trends and the results of retailers (the number of users and customers are constantly growing, sales, profit, shares in total sale etc.) reached in the past few years are a confirmation of this.

The major technological changes in this field are projected, but no one can say for sure what will happen next. Multichannel retailing and internationalization are going to be the main strategies of retailers. The future development of technology, customer behaviour and distribution will define new ways of retailing. A lot of new marketing channels are going to be invented, but only the best will be accepted from the consumers. One thing is sure, the development of new marketing channels will additionally connect consumers and retailers and their relationship will be based on total trust and will create friendly, long-term relations between these two.

Vulnerability of Deposit Insurance Schemes

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Formation of deposit insurance systems is direct consequence of banking risk takings. Depositors give their money to a bank if they suppose the fund and the connected interest will be paid back by the bank. If the depositors' confidence brakes down, they will transfer their saves to another bank, they invest it in other form, they convert it or they simply keep it in cash. The confidence of the depositors is vital for the whole financial system of a sovereign. By fulfilling their base activity, banks provide loan which is financed from the clients' deposit. However, loan is repaid in different due time. Consequently, it is normal that the banks are not able to pay back all of the deposits at a given moment. In order to mitigate this tension, deposit insurance schemes warrant certain amount of deposits. The level of guarantee in the European Union is at least 100000 euro. The main question is how available sources of a deposit insurance institution can mitigate the adverse effect of bankruptcy of a large credit institution. Since the concentration of the banking assets is strong within the European Union, this bankruptcy might have indirect effect on financial system of other sovereign. Therefore, it is a common interest within the European Union that deposit insurance institutions are to be able to compensate depositors. This article analyses such situation, where liquid assets of a large bank being trouble sold and the cash inflow aimed to pay out the depositors. Furthermore, it is also supposed in the calculation that deposit insurance institution is required to compensate the remaining part of the clients' claims. The result of the calculation shows there is no enough assets available for deposit insurance institutions to compensate all of the depositors' claims in predefined guaranteed amount.

Direct marketing and public relations as a factor of success in the enterprise market growth

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Customer relationship management has become the norm for enterprises oriented towards the concept of marketing. Direct marketing and public relations are forms of marketing with the widest application in the last period, in businesses both nationally as well as internationally. Besides the classical forms, direct marketing has been developed and expanded in application due to the usage Internet, where internet marketing has had a great increased while becoming an important factor in the ability of business to compete successfully in the market. The purpose of this paper is to reflect the effects of management of direct marketing and public relations as well as provide knowledge for opportunities that businesses in Kosovo have. The opportunities to use direct marketing as a means of their marketing MIX, and how to build a relationship with the public in order to raise awareness, credibility and their competitiveness in the market where they operate. The objective is bringing up the need for balancing the marketing tools used in an optimal way towards the enterprise resources in order to increase the image of the enterprise. Our research is based on the study of marketing management for the benefit of increased sales and participation in the market, while satisfying customers with innovative and efficient forms in the context of the use of forms such as direct marketing and public relations. Specifically, this research will provide data on what is the role and how direct marketing is used by Kosovo businesses, and the public relations impact on the expansion and growth of their market. For purposes of this survey, structured questionnaire are used. This is the reason to assure that every interview has the same questions and listed in the same way. The research has been conducted with business managers. The results show that the improvement of the position of the enterprise in the mind of customers and sales growth is affected by the use of direct marketing and public relations. It then reflects showing the ability of businesses to use the internet as a means for adapting forms of direct marketing with a positive impact on the business benefits in the long run from these activities. However the results show that the majority of businesses in the short term have no return on investment (ROI) towards the cost of investment in this form of communication with the consumer, market respectively. This affects and reflects their willingness to add activity in these forms of marketing, and this adversely affects their performance and profitability. The research identified that the management practices of marketing to businesses involved in this study have had a role and have contributed significantly to increasing the performance and the presence of these companies in the market and their segments targeted where they operate, improving their image to their customers.

Psychosocial working conditions vs. self-efficacy and job satisfaction in the teaching profession

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Teaching is one of the most challenging, yet valuable types of profession. Teachers are responsible for training and educating the next generations. Their authority is increasingly being undermined, and research on this professional group focuses mainly on the phenomenon of occupational burnout, highlighting an excess of duties and functioning in a highly stress-inducing environment.

The present dissertation deals with the problem of psychosocial working conditions and a sense of efficacy and professional satisfaction of teachers in the changing market realities. The theoretical part concerns selected aspects of the professional career of teachers, presenting its determinants, specificity and difficulties experienced by this group. The author's own research is devoted to defining the relationship between selected elements of the working environment of teachers (organizational climate of schools and support from superiors and co-workers) and their sense of self-efficacy and job satisfaction.

The research group included 100 teachers working in three types of schools, i.e. primary schools, a lower secondary school and a general secondary school. In order to verify the hypotheses, the following research methods were used: *Psychosocial Working Conditions: Support Scale* by Widerszal-Bazyl and Cieślak; Kolba's *Organizational Climate Questionnaire*, translated by Kożusznik and Jezierski; *General Self-Efficacy Scale* by Schwarzer, Jerusalem and Juczyński; and *Job Description Questionnaire* by Neuberger and Allerbeck, adapted by Zalewska.

The analysis of empirical material shows that there is a statistically significant correlation between psychosocial working conditions (i.e. support and organizational climate of schools) and job satisfaction of teachers. Moreover, support from superiors and co-workers positively correlated with teachers' sense of self-efficacy. Only a type of school constitutes an important factor in relation to the analyzed data and affects the perceived level of job satisfaction. On the basis of the results obtained, it can be concluded that it is mainly subjective assessment of the support received and positive attitude to the atmosphere at school that correlate positively with both the perceived professional efficacy and job satisfaction. Additional analyzes show that the higher the number and frequency of rewards and the less work experience and responsibility, the greater the satisfaction of teachers.