

# **IRI Economics Conference**

20-22 JAN 2014, KOMÁRNO  
SLOVAKIA

PROGRAM  
ABSTRACTS

International Research Institute s.r.o.  
Komárno, Slovakia

2014

Conference organized by

**International Research Institute s.r.o.**

*Edited by:*

János Tibor KARLOVITZ

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# **IRI Economics Conference**

Place:

Konferenčné centrum UJS – Selye János University,  
Hradná 2, Komárno  
Slovakia

## **Conference Program 20 January 2014**

9.00 – 10.00: Registration  
10.00: Opening the Conference  
10.15 – 12.00: Presentations in Session  
13.00 – 15.00 Presentations in Sessions  
15.15 – 17.00 Presentations in Sessions

## **21 January 2014**

10.00 – 12.00: Presentations in Sessions  
13.00 – 15.00 Presentations in Sessions

## **22 January 2014**

10.00 – 12.00: Presentations in Sessions

## **Scientific Committee:**

BLÂNDUL, Valentin Cosmin, Ph.D., University of Oradea, Oradea, Romania  
FÜLÖP Gyula, Prof., Cs.C., University of Miskolc, Miskolc, Hungary  
JÁRMAI Erzsébet Mária, Ph.D., Budapest Business School, Zalaegerszeg, Hungary  
KARLOVITZ János Tibor, Ph.D., International Research Institute sro, Komárno, Slovakia  
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NÁDASDI Ferenc, Prof., Cs.C., College of Dunaújváros, Dunaújváros, Hungary  
REHO, Anna, Ph.D., Eastern European Slavic University, Uzhhorod, Ukraine  
SZILÁGYI Roland, Ph.D., University of Miskolc, Miskolc, Hungary  
TWEREFU, Daniel Kwabena, Ph.D., University of Accra, Accra, Ghana

## 20 January 2014

10.15 – 12.00: Presentations in Session

Session No. 1. Room No. I.  <i>Current Issues</i>	<i>Chair:</i>	Elżbieta MAĆZYŃSKA: Poland: The Main Determinants of Socio-Economic Development
	<i>Ferenc NÁDASDI</i>	Ferenc RUFF: Clustering methods for ordinal variables
		Umut KUZUBAS, Burak SALTOGLU, Can SEVER: Network Models, Systemic Risk and Leverage
		Robert MARCINIÁK: Vision about Hungarian Sourcing Market

12.00 – 13.00: Lunch Break

13.00 – 15.00: Presentations in Sessions

Session No. 2. Room No. I.  <i>Measurement</i>	<i>Chair:</i>	Szeverin Kristóf ÉKES: Application of quantitative methods for the classification of countries – or CPHP model
	<i>Miklós KOZMA</i>	Miklós KOZMA, Annamária KAZAINÉ ÓNODI: Measuring business performance in sports - how revenues and cost calculations can help sports organisations in making good business management decisions
		Krisztián KERTÉSZ: Measurement of the national and regional convergence in the EU
		Zsolt HAVRAN: Transfers and prices: factors of evaluation of professional football players (examination of transfers and value-changing of football players after UEFA European Football Championship 2012)
		Ferenc NÁDASDI, Andrea KESZI-SZEREMLEI: A simultaneous value analysis of the product and the technology
		Yelena SMIRNOVA: Motives for Mergers and Acquisitions in the Banking Sector of Kazakhstan
Session No. 3. Room No. II.  <i>Bank, Finance</i>	<i>Robert MARCINIÁK</i>	Eriona VADINAJ: E-Banking – The main perspective in developing the financial system in Albania
		Sven HANSEN: “Reforming the structure of the EU banking sector” – Assessment of the consultation paper published by the European Commission title of abstract
		Iwona ORSA-CHOMIAK, Piotr STASZKIEWICZ: Efficiency of the standards method for operational risk at broker dealer market
		Vitomir STARCEVIC, Slobodan SUBOTIC: Investment Funds in the Development of the Capital Market Republic of Srpska
		Nevila KIRI, Pranvera DIBRA: Internal Audit as a Preventive Tool Against Corruption in Public Institutions. Albanian Case

15.00 – 15.15  
Coffee Break

15.15 – 17.00  
Presentations in Sessions

Session No. 4. Room No. I.  <i>Cross-Border Connections</i>	<i>Chair:</i>  <i>Krisztián KERTÉSZ</i>	Bartosz BARTNICZAK: Objective and subjective quality of life in the German-Polish border
		Michał PTAK: The analysis of cross-border flows in the German-Polish border region
		László Zoltán KUCSÉBER: The Cross-border Mergers and Acquisitions in Hungary in the View of Foreign Direct Investments
		Anita MAČEK: Benefits and Threats of Cross-Border Mergers and Acquisitions for European Transition Countries
Session No. 5. Room No. II.  <i>Management</i>	<i>Chair:</i>  <i>Zsolt Tibor KOSZTYÁN</i>	Zsolt Tibor KOSZTYÁN: Matrix-based Project Risk Management
		Katalin PÁDÁR, Béla PATAKI: What lies behind the concept of organizational resilience and related concepts? An analytical literature review
		Rashidah ABDUL RAHMAN, Ahnaf ALSMADY, Zuraeda IBRAHIM, Aliyu DAHIRU MUHAMMAD: Assessing the Risk Management Practices of Islamic Banks in Malaysia And Jordan
		Hrvoje PERČEVIĆ, Mirjana HLADIKA: Movement from traditional to modern cost accounting methods in manufacturing companies

## 21 January 2014

10.00 – 12.00

### Presentations in Sessions

Session No. 6. Room No. I.  <i>Marketing &amp; Distribution</i>	<i>Chair:</i>  <i>István Kovács</i>	István KOVÁCS: Examining the Liaison between Marketing Communication and Open Innovation, in the Scope of the Hungarian Innovation Clusters
		Rita GULYÁS-NÉ KERÉKES: B2B communication via Word Wide Web
		Marta ZIENIEWICZ: The distribution channels of insurance products in Poland and in selected European countries
		Noémi HAJDÚ: Theoretical background of marketingaudit
		Rita BARANYI PÉTERNÉ, Piroška HARAZIN: Measurement framework of economic, ecological and social benefits of eco-labelling according to the „3-win” model of eco-labelling
Session No. 7. Room No. I. <i>German Session</i>	<i>Chair:</i>  <i>Előd Kovács</i>	Sven HANSEN: Die Genossenschaftsbank als Geschäftsmodell in der Finanzkrise
		Előd KOVÁCS: Ungarns Wettbewerbsfähigkeit unter der Lupe
Session No. 8. Room No. II.  <i>Crisis</i>	<i>Chair:</i>  <i>Marcell Zoltán VÉGH</i>	Marcell Zoltán VÉGH: Comparison of European and US macro-level crisis management
		Adriana GÎRNEAȚĂ: Adaptability – A Strategic Capability During Crisis
		Miladin JOVIČIĆ, Zupur OGNJEN: Impact of Introducing Innovations and Changes on Employees in Enterprises of Bosnia and Herzegovina
		Denada HAFIZI, Irjan BUSHI: Global Crisis Impact in Banking System for Western Balkan Countries

12.00 – 13.00

Lunch Break

13.00 – 15.00  
 Presentations in Sessions

Session No. 9. Room No. I.  <i>Cultural Differences</i>	<i>Chair:</i>  <i>Judit POÓR</i>	Judit POÓR, Helga FEHÉR: Changing Chinese foreign trade competitiveness
		István JUHÁSZ: The Workforce in Indian Organizations – an analysis based upon the dimensions of Hofstede’s model
		Emese POZDENA: Cultural differences manifested in business presentations
		Anna BECMER: Differences in the values of life tables are created for both sexes combined and separately
		Eszter DARUKA, Irén GYÖKÉR: Talent – A comparative study
Session No. 10. Room No. II.  <i>NGOs</i>	<i>Chair:</i>  <i>Georgina GÖRÖG</i>	Georgina GÖRÖG, Noémi CSIGÉNÉ NAGYPÁL: The forms and lessons of business-NGO cooperation to improve corporate social responsibility
		Mária MAGYAR; István KOVÁCS: The Role of Nonprofit Sector in Hungarian Innovation Clusters
		Ahmet ALTINOK, Murat YILMAZ: Voluntary Contribution under Time-Inconsistency
		Taner OKAN, İsmail ŞAFAK, Erdem HIZAL: Socio-Economic Research on Hunting and Wildlife Management: The Turkish Case

## 22 January 2014

10.00 – 12.00

### Presentations in Sessions

Session No. 11. Room No. I.  <i>Tourism</i>	<i>Chair:</i>  <i>András BOZÓTI</i>	Hatice GÜNDÜZ, Volkan ALTINTAŞ: The Evaluation of Potential of Health Tourism in Turkey
		Ayhan GÖKDENİZ, Barış ERDEM, Hüseyin ÇEKEN: A New Concept in Tourism Industry: Eco Hotels and Ayvalik Cunda Ortunç Hotel as Sample
		Mohammad TALEGHANI: The Role of Innovation in the Relationship between Knowledge Management and Competitive Advantage
		András BOZÓTI, Márta BAKUCZ: Medicinal and thermal baths: lost investments or key to the future? A regional comparison of settlements with or without baths
Session No. 12. Room No. II.  <i>Society and Economy</i>	<i>Chair:</i>  <i>Máté VONA</i>	Eszter SIPOSNE NANDORI: Determinants of poverty in the Northern Hungarian region
		Blerta DRAGUSHA, Griselda MIRUKU: Poverty dimensions in Albania
		Máté VONA: Risks of students loan systems
		Szilvia ZÁVE CZ: Analysis of the Hungarian family support system in perspective of the current demographic trends
		Mary Oluwatoyin AGBOOLA: Impact of Food Security On Economic Growth in Africa: A Dynamic Panel Data Analysis
		Wioletta NOWAK: The Macroeconomic Impact of Foreign Assistance
		Emir I. HAJDINI: Employment and Foreign Direct Investment

12.00: Closing of the Conference



## Abstracts



## **Assessing the Risk Management Practices of Islamic Banks in Malaysia And Jordan**

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Questionnaires were distributed to each of 17 Islamic banks (IBs) in Malaysia and 4 Islamic banks in Jordan. The usable data for Malaysia comprises 136 questionnaires and for Jordan 70, which gives a total sample of 206. The results of the analysis revealed that factors, such as the level of understanding risk management, risk assessment and analysis, risk control, and monitoring, feature more prominently in Malaysian Islamic Banks than in their Jordanian counterparts. However, Jordan's IBs are ahead in terms of the level of risk management practices. Both countries are similar in their risk identification. It is also found that Islamic Banks in Malaysia and Jordan are somewhat reasonably efficient in managing risk where risk assessment and analysis (RAA), and risk control and monitoring (RCM) are the most influencing variables in RMPs in Malaysia; whilst understanding risk management (URM) and risk control and monitoring (RCM) are good predictors of RMPs in Jordan.

## **Impact of Food Security on Economic Growth in Africa: A Dynamic Panel Data Analysis**

**Mary Oluwatoyin AGBOOLA**  
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Achieving a sustainable economic growth in Sub-Saharan Africa is said to be the most crucial obstacle to global economic development, it is therefore imperative to fully understand the influencing parameters responsible for economic growth within African countries. Food security, important for both physical and mental wellbeing of any society, has been a major hurdle for most governments within the African continent. Therefore, this study analyzed the long run impact of food security using food availability as a proxy on economic growth within 124 countries with a five year average panel data to investigate the impact of food availability on economic growth between food secured countries and food insecure African countries. In addition, using dynamic growth model the panel data were examined for important determinants of economic growth and whether the impact of these determinants differs between food secured countries and food insecure African countries.

The findings from this study posit that food security, school enrolments, life expectancy, and initial investment rate, all have a positive significant impact on economic growth for all countries in the study. On the other hand initial output, inflation rate, and population growth rate all have a negative impact on economic growth rate. A 1% increase in food availability, life expectancy, and initial investment increases economic growth by 0.008%, 0.22%, and 0.04% respectively while inflation and initial output decreases economic growth by 0.019% and 0.032% resultantly. When the countries were classified into food insecure African countries and the rest of the world countries, the impact of food availability on economic growth is negative in the long run for food insecure African countries and still positive for the rest of the world countries. The result suggests that for food insecure African countries increasing food availability in the long run is detrimental to growth by 0.02% while for the rest of the world countries it spurs long run economic growth by 0.008%. One possibility for this outcome is that the source of food for food insecure African countries has been identified as donation from developed countries; these food donations lead to disruption of food market supply and demand chain, discouraging farmers and further widening food insecurity.

## **Voluntary Contribution under Time-Inconsistency**

**Ahmet ALTINOK, Murat YILMAZ**  
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In this paper, we carried on the voluntary public good provision framework proposed in Marx and Matthews (1999) by assuming the agents being time-inconsistent. The model is based on the time inconsistent agents with linear discontinuous preferences and perfect information about the environment while imperfect information about individual actions: each period only the aggregate contribution is observed by the agents. Each player is allowed to contribute any amount in any period before the contributing horizon is reached. In this paper the dynamic version of the game is investigated and the public good provides benefit in the intermediate periods as well. We have characterized the set of Nash Equilibria by assuming the agents being sophisticated time-inconsistent. The relations of the set of efficient equilibria between the time-consistent set up and sophisticated time-inconsistent set up is identified. After all, the contributing horizon of a public project in which there is an immediate cost of own contribution and partial immediate benefit of total contribution for a sophisticated agent framework is characterized which in turn provides a comparison of patience when the agents are to be time inconsistent. In contrast to the belief of time inconsistent agents being more patient when there is an immediate cost but delayed reward, there are projects with some restrictions on some parameters those are finished by the sophisticated time-inconsistent agents no later than the corresponding average time consistent agents.

## **Measurement framework of economic, ecological and social benefits of eco-labelling according to the „3-win” model of eco-labelling**

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Eco-labels and eco-labelling (ISO Type I Labels), as one of the important tools of the field of environmental economics and environmental management, are in the centre of our research, our paper. Based on literature review, we introduce the „3-win” model which was improved by one of the authors. The model, in a same time, presents the ecological, economic and social advantages of eco-labelling and introduces the interactions between each field. The model presents that eco-labelling such a tool of environmental management and eco-marketing, which allows reaching the “win-win-win” situation in environmental, social and economic dimensions.

Connecting to the model and by the help of environmental performance evaluation, our aim is presenting a framework, which offer relevant indicator categories for the measurement of ecological, economic and social benefits of eco-labelling. The research based on international and national literature review and focuses on the three pillars of sustainability, namely integrates the economic, ecological and social point of views.

The developed framework (indicator categories) offers a comprehensive picture about the direct and indirect effects of eco-labelling. These effects are influenced by different factors (for example the nature of products, stringency of the criteria system, firm’s specific items etc.), which factors are also explored and introduced in the work. Relative impact of these influencing factors is measured and the result helps us defining the relevant ones.

Results are verified with a help of practice (and a flow chart approach) and an exact example presents the operation of the “3-win” model and also the relevance of the developed framework, which offer relevant indicator categories for the measurement of ecological, economic and social benefits of eco-labelling.

## **Objective and subjective quality of life in the German-Polish border**

**Bartosz BARTNICZAK**

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Category of quality of life in recent years is a growing interest not only representatives of many fields of science, but also to policy makers and the wider public. Quality of life should be the overarching objective of sustainable development. Quality of life as a category of complex, multi-faceted subject of research of many scientific disciplines. The very concept of quality of life and attempts of their quantify are different depending on the research methods and measurement tools relevant to the discipline.

Quality of life as a primary objective of the concept of sustainable development and is understood as a balanced appreciation and perception of the wealth of the global quality of life and existence in human well-being (quality characteristics of "have") and welfare (quality characteristics of "to be")

The paper presents the results of a study on objective and subjective quality of life conducted in years 2012 and 2013 in the district Goerlitz and Zgorzelec. The study was covered by a representative group of residents of these counties. The research was carried out within the project „Quality of life in the border area - the strengthening of cross-border flows for the common sustainable development and regional planning” financed by the European Union under the OP Poland - Saxony 2007-2013.

The study included seven areas that affect quality of life: health, education, safety, culture and recreation, financial situation and professional, residence, participation and social relations. In each of the areas asked detailed questions about the assessment of both the validity and state. Such a formulation of the questions allowed for a comparison of the responses received from the point of view of what is important to the citizen and how they evaluates its implementation.

This paper will present the detailed results broken down into Polish and German parts. It will show the answers to detailed questions about various aspects of quality of life.

## **Differences in the values of life tables are created for both sexes combined and separately**

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The subject of life insurance is life or life and health of the insured person. Insurance companies collect contribution, so-called gross premium, which is the calculation of net premium, taking into account the extra costs. In the traditional forms of insurance premium is fixed and paid by the duration of the contract. In life insurance the single net premium, also called actuarial value, is defined as the expected discounted value of the future benefits of insurance. In traditional life insurance the value of benefit is determined at the time of purchasing insurance contract as a constant value. Calculation of a single net premium in life insurance is based on the life table and the technical interest rate. The article analyzes the differences in life tables are created for both sexes and for each sex separately. Every year are published life tables by the Central Statistical Office in Poland. The analyzed polish life tables come from the period of the 90's to the current year. The result of the analysis is the impact of these life tables on the amount of single net premium in life insurance and a discussion of the differences in the values of life tables for each sex and for both sexes combined. The aim of this article is to draw attention to that situation, whether created life tables for both sexes combined or separately to calculate a single net premium in life insurance, it is better for men, and which is for women. Thus, the statement whether insurance companies in the calculation single net premium in the analyzed insurance should benefit from life tables are created for each sex separately.

## **Directions of Resource Reallocation in Hungarian Manufacturing**

**Adam BERCZK**

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Enhancing the overall value of capital or raising the number of people employed in a given economy cannot guarantee competitiveness and growth in the long run. Allocation of scarce resources is always in the background when it comes to economic activities. From corporate view, resources can be categorized as human resources, tangible and intangible assets. The reallocation of intangible assets is widely regarded as a complex problem (predominantly due to their specific attributions). There is scientific evidence proving that industries with high value of intangible assets generate more added values and are more productive. According to this, proper reallocation related to human resources and tangible assets occurs when industries possessing high value of intangible assets gain these resources and industries with low intangible assets lose them (or gain less). According to the above, the study is aimed at examining two main questions in the case of Hungarian manufacturing: 1, Are there any sectors that have higher amount of intangible assets resulting in being more productive and whether they generate more added value? 2, Is there any significant resource reallocation for the benefit of industries with high value of intangible assets in the Hungarian manufacturing industry? Productivity is measured by output/capital and output/stuff employed ratios in a particular industry. Resource reallocation is measured with the change in tangible assets and stuff number. I gained the data on industries and manufacturing (overall) from the reports of the National Tax and Customs Administration of Hungary (NTCA). These reports are based on database resulting from company tax returns. The examined period includes the years from 2001 to 2011. The NTCA collects and gains data concerning all companies keeping double entry. This way, this information is suitable to authentically describe the field that is concerned. Data from national accounts are also used in some cases. The study also presents a favoured framework of categorization of intangible assets worked out by the OECD, and a short theoretical background of resource reallocation among industries.

**Medicinal and thermal baths:  
lost investments or key to the future?  
A regional comparison of settlements with or without baths**

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Our research examines the competitiveness of settlements with medicinal and/or thermal baths, focusing on regional differences and is being carried out within the framework of OTKA project No.106283. The ultimate aim is job creation. We analyse two settlement groups and the expected result is that we hope to be able to show that settlements with similar characteristic features and which operate medicinal and/or thermal baths, perform better economically than those without such baths.

Our paper contains analyses of settlements selected on the basis of specific factors in two Hungarian regions, West and South Transdanubia. We aim to measure the potential effect of health tourism on the development level of any settlement with the help of econometric methods using statistical data. We attempt to determine whether the existence of medicinal and thermal baths can create any measure of economic or touristic difference regarding that particular settlement. Eight settlements with baths in West- and South Transdanubia were selected from the database assembled to date during our research together with eight settlements without baths on the basis of location, settlement size, number of inhabitants.

Our primary empirical aim is to prove the hypothetical connection, according to which an operating medicinal and thermal bath strongly contributes to the development of the settlement concerned. Our further aim is to discover whether the regional location is a decisive factor in terms of utilising the positive effects rooted in operating a bath - in other words, whether the extra potential arising from operating a bath shows any form of regional difference. Our further aim is to define those factors and indicators in which significant differences can be seen - apart from the obvious touristic indicators - and in which settlement pairs these differences are significant. In terms of methodological tools we use descriptive and discriminant analysis.

## **Talent – A comparative study**

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All over the world a special attention is given to talents, as unique resource. Human resources practitioners treat talented employees peculiarly because of their scarcity at the labour market and high value potential. On the one hand the scarcity is based on the structural changes in the employment. In Europe the population is aging, the size of younger generations' is decreasing. On the other hand, in the midst of current economic conditions the key employees play huge role in organizational success by the greatest potential for value creation and for competitiveness.

The importance of talented employees and talent management become more and more recognized, so the amount of time and efforts invested into managing talents is continuously increasing. Although the progressive development of this HRM activity, there are a lot of uncertainties. There is a lack of clarity regarding the components and features of talent; as well as the scope of talent management. The aim of this paper is to analyse the approaches and definitions of talent and talent management; and to compare these academic definitions and the practical interpretations. In this article we expose some results of an online primary research conducted in 2012. The major finding of this research has been that the most important features of talents are strong inner drive, intense creativity, remarkable self-determination, strong persistence, and outstanding interest (potential) in professional development and/or career advancement, followed by above average individual performance according to the responses.

In terms of employment, the different definitions and interpretations of talent imply that the focus of talent management can be distinct: identification, selection and retention or training & development.

## Poverty dimensions in Albania

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*“A human state characterised by the continuous or chronic deprivation toward resources, opportunities, choices, safety, the necessary power to enjoy a living adequate standard and from the fundamental civil, cultural, economic, political and social rights”.*

Poverty is hunger. Being poor means have no shelter, being ill and having no possibility to take medical cure; it means being unemployed and have no safe future; Poverty means being illiterate, having no possibility to attend school or to abandon it; poverty means lacking many services and devices for the daily living. It is hard to give a final definition for poverty because it changes from a period to another and from a country to another. Besides this, poverty may be measured and evaluated in various manners.

This paper has set up two hypothesis:

Firstly: The level of poverty in Albania has been reduced during the last years.

Secondly: Measuring the levels of poverty in Albania is strongly related with some basic demographic , educational, geographical characteristics as well as with the employment factor.

To realise this paper we have used survey data from INSTAT (Albanian Institute of Statistics). An important aspect of the primary data used is the interview that we have realised with the director of the Social Statistics in Albania.

The paper is going to focus mainly in the relationship between poverty reduction and increased level of employment in Albania.

## **Application of quantitative methods for the classification of countries – or CPHP model**

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The primary goal of this research is to examine the basis of macroeconomic indicators in order to classify each country in center, peripheral or semi-peripheral category by using discriminant analysis, binary logistic regression analysis and microsimulation modeling. The design of the research are the member countries of the European Union. The first phase of the research were grouped the countries by the peripheral index, it was the proper basis for the applicaton of complex statistical methods. Against this background, the hypotheses are the following:

(H1) In my view it can be created a model by complex statistical methods (CPHP=Centrum, Peripheral, and Half-Peripheral Model) which are grouped the countries of European Union in central, peripheral, semi-peripheral category by using international and regional characteristics.

(H2) In my opinion, a micro-simulation modeling help to distoring the distint effects of Hungary by interpreting hard and soft elements.

(H3) It is supposed that the constructed (CPHP=Centrum, Peripheral, and Half-Peripheral Model) model is able to grouped other countries of continents and the focus points of development, growth and competitiveness by using macroeconomic datas.

If the hypotesis is confirmed, the method will be able to classify the other countries into categories. The NUTS-2 level is able to demonstrate that the categorization beyond national borders into regional context also demontrate centre, periphery and semi periphery categories. In my view the proper use of the methodology may shed light on development opportunities between either countries, nor regions.

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## **Adaptability – A Strategic Capability During Crisis**

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In the last several years, the economic crisis has determined significant changes in the conditions organizations have to operate. The organizations that seek performance must learn how they can increase their abilities at managing the new, volatile risks that they face and how can they transform the adaptability into a strategic capability.

This paper offers an insight on the characteristics of organizations that can improve their chances of responding successfully to rapid change. In addition, there were proposed a series of strategic management instruments that assist the development of an adaptive enterprise. In times of crisis that affects the global economy, organizations operating in competitive markets cannot take an approach based only on plans, due to the fact that these cannot anticipate an unpredictable future considering the turbulences of the environment. Adaptability resides in a competitive advantage for small, medium-sized and large organizations alike, because, as identified in the paper, adaptability is not necessarily a function of size. Even though an enterprise has identified its capabilities, analyzed the opportunities, and found strategies to maximize its future success, it is required that the managers cope with unexpected events that might occur in turbulent times. In order for the organization to be adaptable, the managers must be prepared to develop the company's ability to exploit new opportunities and threats.

The proposed theory does not eliminate the necessity of planned events or a well established strategy, but it highlights the need for an additional ability of the organization to adapt to the unforeseen and be capable of learning. Planned change alone is inadequate as a mechanism for managing the future. Instead, managers must find ways of dealing with the changeable future and very risky conditions under which businesses have to operate. Furthermore, they must take into consideration the means by which the organization can develop the capability of adaptive learning in order to identify dissonant elements that can be adapted and subsequently these adaptive skills can be incorporated into planned learning.

## **The forms and lessons of business-NGO cooperation to improve corporate social responsibility**

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Nowadays corporate social responsibility (CSR) is a considerably popular topic and it is becoming a well-known business conception. One of the most popular current “CSR trends” is the cooperation of non-profit and for-profit organisations: several companies establish special foundations to support some social goals or they sign up with NGOs to solve some social or environmental problems together. In our article we write about the various approaches of CSR and map the various forms of NGO-business common efforts, investigate their advantages and drawbacks.

Today we know that a company has several stakeholders, who can influence its operation. The term “stakeholder” was first used in the field of corporate management in 1963, meaning “those groups without whose support the organization would cease to exist” (Freeman, 1983). CSR (corporate social responsibility) involves several issues related to internal and external stakeholders, e.g. employees, the local communities, non-profit organizations (NGO) or the natural environment. The World Business Council for Sustainable Development defines CSR as “business’ commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life”. This definition also stresses the importance of stakeholder management.

In the second part of our article we focus on a special aspect of CSR, namely cooperation between non-profit organisations (NGOs) and for-profit, business organisations. These efforts primarily focus on external CSR issues. Non-profit organisations are similar to for-profit companies in many ways, because they have incomes and operational costs, too. The main difference between the two organisational forms is that NGOs are not allowed to distribute their increments – among owners – but have to plough it back in their own operation. Several CSR measures - standards, company codes - have been developed for the management of internal company issues, while in case of cooperation with the non-profit sector, best practices and methods are less developed and well-known, therefore it is instructive to map and analyse the various forms of interoperability. We primarily focus on Hungarian NGOs and best practices, while there are some country-specific characteristics, some general conclusions can also be drawn.

## **A New Concept in Tourism Industry: Eco Hotels and Ayvalık Cunda Ortunç Hotel as Sample**

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In today's world, problems relating environment are increasing day by day and establishments are more commonly seeking to find solutions for those problems. Besides that, it is more remarkable that environmental sensitive consumers are ever increasing today. The said developments also closely effect tourism and cause new concepts to appear in tourism industry. In this context, one of the most recent common concepts in tourism industry is the "eco hotels". The eco-hotels, which are gradually being more popularized around the world, are managed by a sense of establishment which embraces a sustainable life philosophy, cares recycling, do not destroy nature, keeps the ecological balance and uses natural and organic products.

Eco hotels reveal their such unique styles by generally using organic products in every detail, ranging from biodegradable cleaning materials to their treatment systems. Such hotels also contribute to keep natural environment cleaner by being planned according to ecological architecture and in concordance with the traditional settlement texture of their surroundings, and thus minimizing carbon release. Sustainable hotels, which are operated under sustainable tourism, use as much as renewable energy resources such as sun and wind, and thus rapidly become more popular in different parts of the world and get seriously demanded.

In this descriptive study, the importance of eco hotels are discussed. And as a sample, Ortunç Hotel which is established and run in Cunda Island of Ayvalık/Balıkesir was selected. In Ortunç Hotel - an eco hotel -, the current practises were deeply reviewed.

## **B2B communication via Word Wide Web**

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This study tries to find the connections between business to business markets and online marketing. The application of the Internet has caused more and more changes in the marketing and it has become evident that we are facing not only one technical novelty. According to the empirical researches, the Hungarian decision-makers are more and more open-minded toward the topic, recognise and use even more application areas. The theory looks for the possibilities of integration and interprets the effects via effect-models and interactive models. Online marketing is, of course, only one part of the marketing, and as such, it is obliged to support the whole marketing program.

It has been a widespread view for a long time that communication becomes important rather in consumer marketing and besides personal communication it does not have any role in the relations between corporations. During the past years the marketing experts working on the corporate markets had to realize that communication does have a role in their profession as well, and this role is not just ordinary at all. However, this role is differentiated and thus special as well, since the long-term, image-changing communication becomes at least as relevant as the short-term, sales-inducing communication.

If we add other peculiarities of the corporate market - such as the relevance of personal relationships or the influence of the international markets and that of the owners – to this, the picture gets even more subtle and there is even less space for any ad hoc decisions or decisions made without any consideration. A well-supported communication is needed, which organically fits into the process of strategy making. The goal is to create a synergy of carefully selected tools.

The scene in Hungary shows a fairly interesting picture: some companies – and mainly the large ones – has already begun implementing the integration of online tools, while other ones question even the righteousness of communication costs. The levels of applying integrations vary as well but its righteousness can be confirmed by all means.

## Employment and Foreign Direct Investment

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Foreign Direct Investment is an integral part of an open economical system and a major katalisator of economic development. However, the benefits of FDI do not happen automatically and not disperse evenly among communities. National politics and the international structure of investment do matter for the attraction of FDI's into an ever growing number of developing countries and for a better absorption of the positive potential of those investments into sustainable growth. Challenges mainly are on the side of host countries, which have to create an open, transparent environment, that is clear and effective politics for the attraction of such investments and to build human and instructional infrastructure for the proper implementation of such politics. The role FDI's plays for guiding economic development and economic growth has ever been a contested one. Since the beginning there have been viewpoints in favor and against FDI. Some authors, argues that FDI led to economic growth and increase of productivity and hence to economic development, but others note the risk of FDI in destroying local capacities or over- exploiting the natural resources. There has been an increase of FDI into developing countries noted recently, although concentrated in certain countries, reflecting economic wealth and barriers to trade.

However, the decision making factors of FDI and as a consequence also the perspective of development dictated by FDI have changed over the time. As the barriers to trade and investment do have an impact to attracting FDIs, the later are in the search for countries in the web of global production processes, hence in need for countries with good economic foundations such as: size of the market, adequate human resources, decent infrastructure and good technological local capacities.

Nonetheless, as countries have begun to understand the positive effect of FDI's, a diverse perception about the role of FDI on sustainable development has risen among the academic community, perceiving the impact of FDI not only positive or negative, but the effect varies on typology of FDI's, firm characteristics, economic conditions and host countries politics.

The type and sequence of *general and specific policies* in areas that covers investment, trade, innovation and human resources are considered as crucial within the link FDI and development. As FDI are superior in terms of capital and technology, the spillover effect into the development does not happen automatically. The suitable politics for attracting FDI's include: a) building human resources, b) building infrastructure and technological capacities, c) increase the absorption capacities to catch the spillover effect created by the productivity potential of FDI's. Countries have always used general and specific policies to reach the point where FDI's work for development.

As a conclusion, one can note that a major change has happened in FDI's liberalization and nowadays FDI's are considered as more positive than a couple decades ago, while governments steadily perceives that their politics can influence the FDI's effects on economic development.

Precisely that will be the aim of this paper that will be delivered at OECD/IC conference in Tirana.

## **The Evaluation of Potential of Health Tourism in Turkey**

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In today's living conditions, individuals are more careful about the health issues. There are many thermal springses that are good for different illnesses. Thermal water is natural resource which is used for ages by people to conserve their health and to be treated. Also, the situation is same in this age. This treatment is supported by medical science and growing all over the world. Within this situation thermal tourism becomes a priority issue for tourism supply. Thermal tourism is a significant tourism type, which helps to improve people's health condition by providing a complementary therapy and also allows many recreational activities for the visitors. Significant investments are made in many countries for thermal tourism with an expectation of efficiency in a very short time.

Turkey has a preferred position in tourism with its natural resources and historical inheritance. Especially in terms of natural resources, Turkey is among the first seven countries. Thermal water in Turkey, has much better properties than other European countries with its flow rate, heat, and chemical content.

In this study, the main interest of health tourism in Turkey and developments will be discussed.

## Global Crisis Impact in Banking System for Western Balkan Countries

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The current global economic crisis has affected in banking system for Western Balkan countries. This concern is expressed with the contraction of lending, fallen of the volume of remittances, fallen of international trade, and fallen of foreign direct investments.

The aim of this paper is to present an overview of the credit risk that the banking system function for Western Balkan Countries faces. For all these countries will be presented the trend of non performing loans for all these countries for a time series of 2008-2012. After, from data taken from international monetary fund we will give some conclusions for the main problems that increased credit risk.

According to International Monetary Fund reports (2012) for the Western Balkan countries, the actual banking system is as below:

*Albania:* Albania did not experience a big bombast credit cycle, in large part because of prudent limits on external borrowing prior to the crisis.

*Bosnia and Herzegovina:* The banking system is relatively stable, but lending remains muted and non performing loans are creeping up.

*Bulgaria:* The banking system wide capital adequacy ratio is high with all banks meeting the 12 % regulatory minimum.

*Croatia:* The banking system proved highly resilient throughout both the United States subprime crisis and the euro area crisis, mainly thanks to sound fundamentals and macro prudential measures implemented in the pre crisis period. The banking system remains highly liquid, despite increasing provisioning needs against the growth of non performing loans.

*Macedonia:* The banking system in remains stable, liquid, and well-capitalized.

*Montenegro:* Important progress was made in stabilizing the banking system but continued progress in financial regulation and supervision is required. Policy actions should focus on liquidity and raising capital buffers of banks.

*Republic of Kosovo:* The banking system is generally resilient to a wide range of shocks including a possible further deterioration in the euro area.

*Romania:* The banking system has a history of structural excess liquidity and deviations of money market rates from policy rates prompting some observers to question, the effectiveness of monetary policy.

*Slovenia:* The banking system has been significantly affected by global crisis. Most banks in the system were affected adversely by the economic downturn. The performance of banks deteriorated markedly as a result of higher levels of non performing loans in the corporate and real estate sector, particularly construction industry.

*Serbia:* Serbia's banking sector, has not been as impacted by deleveraging pressures as other European peers.

## **Theoretical background of marketingaudit**

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Due to the continuous increase in the complexity of market environment corporates' processes seem to be less predictable. Similar to other company fields there is an increased demand of evaluating marketing activities. There is a new corporate trend for greater accountability of value-added. In time of crisis induced period of restrictions it is necessary that all functional activities, including marketing being financially accountable. At the same time there is discontent with traditional metrics (accounting tools, e.g. balance-sheet, income statements). Financial-accounting device refers to the past and does not contain information that affects long-term future results (Seggie et al. 2007). Marketing Science Institute defined marketing metrics and ROI as top research priority in 2002, 2004 and 2006.

In case of marketing performance evaluation the most common mentioned methods are marketing metrics and marketingcontrolling. Beside these marketingaudit is also relevant and belongs to the topic. Marketingaudit is an important component of strategic marketingplanning that examines the operational process of marketing. In case of each marketingcontrolling subsystem the plan and the actual data can be realised, which provides an immediate opportunity to respond. Therefore, it is worth applying marketingcontrolling and marketingaudit system in an integrated way. In the literature there are a great number of marketingaudit concepts. I wish to present the difference between these concepts in this article.

## **Die Genossenschaftsbank als Geschäftsmodell in der Finanzkrise**

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Im Zuge der Finanzkrise kamen immer neue Diskussionen darüber auf, wie zukünftig solche Krisen vermieden werden können. Dies geschieht insbesondere vor dem Hintergrund zukünftig auch Staatshaushalte und somit den Steuerzahler zu entlasten, die bisher einem maroden Finanzsystem unterstützend zur Seite standen, um auf der anderen Seite die Privatanleger und aber auch das ganze Finanzsystem zu retten. Während auf Ebene des Gesetzgebers versucht wurde und noch wird, immer strenge regulatorische Normen zu implementieren, stellt sich in der Diskussion zu selten die Frage, ob es auch andere systemische Möglichkeiten gibt, ohne immer strenger werdende Vorschriften, zukünftig solchen Krisen entgegenzustehen. Eine Möglichkeit, wäre die, die in der Vergangenheit gemachten Erfahrungen heranzuziehen und zu diskutieren, welche Art, Aufbau und Gesellschaftsform von Kreditinstituten sich als besonders stabil gezeigt haben.

So können beispielsweise einige Sparkassen des öffentlich rechtlichen Sektors oder aber auch Institute eines genossenschaftlichen Finanzverbundes auf eine stabile Situation während der Finanzkrise zurückblicken.

Im folgenden paper wird am Beispiel von Kreditgenossenschaften, eingebettet in einen genossenschaftlichen Finanzverbundes, ein Geschäftsmodell diskutiert, welches sich nicht nur in der Finanzkrise als stabil erwiesen hat, sondern welches auch auf Grund seiner Ausrichtung sich von einem kapitalmarktorientierten Privatbankensystem unterscheidet. So werden einleitend erst die Grundzüge einer Genossenschaft und die Spezifika einer Genossenschaftsbank dargelegt. Im Anschluss werden dann die Genossenschaftsbanken von anderen Bankensystemen - welche durchaus parallel existieren können und sogar in einem freien Wettbewerb sollten - abgegrenzt. So hat die Vergangenheit gezeigt, dass je diversifizierter ein Bankensystem ist, desto stabiler zeigt es sich gegen exogene Schocks. Auch wird an dieser Stelle am Beispiel Deutschland gezeigt, dass Genossenschaftsbanken nicht im Widerspruch zu einer freien Marktwirtschaft stehen. Es werden exemplarisch einige Besonderheiten des Genossenschaftswesens in Deutschland diskutiert. So gewährleistet die dem genossenschaftlichen Gedanken angelehnte, Sicherheitseinrichtung im Genossenschaftlichen Finanzverbund dem Anleger eine maximale Sicherung seiner Einlagen, indem alle Genossenschaftsbanken über diesem Fonds für einander eintreten. Abschließend wird aber auch die kritische Frage gestellt, in wie weit Kreditinstitute überhaupt noch genossenschaftlich agieren können und ob die genossenschaftliche Idee, welche eher aus einem landwirtschaftlichen oder handwerklichen Umfeld entstanden ist, sich überhaupt auf Kreditinstitute anwenden lässt.

## **“Reforming the structure of the EU banking sector” - Assessment of the consultation paper published by the European Commission title of abstract**

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After a lengthy discussion on a crisis-proof banking system that is able from the macroeconomic viewpoint as well to secure the provision of credit, in the form of the LIIKANEN report of 2012 the Finnish central bank president made the first attempt to outline the path to a crisis-proof banking system in Europe. It is an undertaking that can almost be practically implemented and has strong theoretical foundations. The main idea is that by separating investment from loans banks in future a banking world will arise that is relatively impervious to crises, would survive a financial shock such as that of 2008, and at the same time prevent the subsequent governmental crisis. While in Germany, for example, government has enacted a bill calling for a separation of banking types not dissimilar to the LIIKANEN Report and with similar goals, and other EU member states are working on similar individual solutions, the debate on the topic continues at the EU level.

The European push to regulate the banking world in Europe is strongly shaped by many individual interests and a protracted consultation process that on the one hand considers the shortcomings of the original LIIKANEN Report and, on the other, puts the finger on further, important issues.

This paper focuses on the current debate at the EU level and distinguishes between the present European status on certain key points and the original ideas of the LIIKANEN Report. At the same time, it cross-references the German Act on Separating Bank Functions as has become law precisely as regards these points. In this way, major differences in the various attempts to create a safe banking system that does justice to the respective economy become apparent. Likewise, against the backdrop of extant but different banking systems in the individual EU member states, a discussion is offered of a differentiated definition of the objectives of the above-mentioned attempts to create a crisis-proof banking system. Using the German three-tier banking system as an example, we show that the desired European harmonization by the EU does not cover all the existing aspects of a banking system and cannot necessarily do justice to the crisis-proof structures already in place. In conclusion, a short outlook is given of the further course of the resolution process at the EU level and the practical problems of implementation of the proposals that have evolved in the consultation process outlined.

# **Transfers and prices: factors of evaluation of professional football players**

## **(Examination of transfers and value-changing of football players after UEFA European Football Championship 2012)**

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The study investigates how a large international tournament (as a global sporting event) affects the value and transfer fee of football players. I show empirical evidences based on the 2012 UEFA European Football Championship. I focus on participants of the tournament from the professional football clubs' point of view.

The potential injuries and insurance fees of professional football players participating in an international event are always sensitive issues between the clubs and football federations in concern. Football players are their clubs' assets, limited resources of sport companies. I describe the literature of human resources management in sport and operations of football players' transfers. The paper summarizes the specialties of football players' market. My aim is to present all factors which influence the (realized and not realized) value of football players in sport business.

The research examines the transfers and the changes of values of all football players who participate in the 2012 UEFA European Football Championship in Ukraine and Poland. My hypothesis was the following: on one hand professional football clubs suffer losses because of injured players, but on the other hand they also gain some profit as the value of their successful football players increases. The research analysed the realized transfers on the market of players with compare the value of football players before and after the tournament. The research used datas of the reliable statistical transfermarkt.de and I followed realized transfers on uefa.com. I used SPSS for analysing the data.

The research reveals the positive effect of big tournaments for football players' value which means an added value for professional sport clubs. I show these changes of value from the perspective of football teams and the UEFA.

## **Impact of Introducing Innovations and Changes on Employees in Enterprises of Bosnia and Herzegovina**

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In order for an enterprise to survive in the modern business conditions, it has to be innovative and to implement change management to its structure. Innovations and changes are obligatory for the company to be repositioned, reorganized and focused on the business development, and consequently to be competitive in the market. To be competitive, enterprises have to implement adequate innovations, and the company's success will depend on the employees' adaptability to accept changes caused by those innovations. One of the most important things is that all employees in the company should understand the changes caused by innovations, and that these changes are demonstrated in the way that shows how they are related to the employees' interests and the interests of the company. Implementation of innovations in the enterprise often entails the resistance of the employees to changes because of the following reasons: uncertainty, changing existing habits, concern for personal loss, as well as the belief that changes are not in accordance with the objectives and interests of the enterprise. In this regard, in small, medium-sized and large enterprises in Bosnia and Herzegovina an online survey has been conducted on the topic of introducing innovations and employees' responses to the changes caused by them. The hypothesis of this paper is that the employees in the innovative active and innovative inactive enterprises in Bosnia and Herzegovina react differently to innovations and the consequent changes. The data are analyzed using Chi-square test and on the basis of the obtained results we offer suggestions on how employees should be prepared and trained to accept changes caused by the introduction of innovations in the enterprises of Bosnia and Herzegovina.

## **The Workforce in Indian Organizations – an analysis based upon the dimensions of Hofstede’s model**

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The significance of India’s role in the global economy is on the increase. The present essay aims to explore the cultural particulars of human resources determining that country’s economy. The author also aims to investigate options for motivating India’s huge labour force. Said research goals will be obtained by the help of the ideas of the Dutch social scientist, Geert Hofstede, a noted scholar of intercultural matters.

The article is analyzing the economy of India and justifies the actuality of the topic choice in addition to providing an introduction to the dimensions of this model.

Hofstede analyzed a large data base of employee value scores collected by IBM between 1967 and 1973 covering more than 70 countries, from which he first used the 40 largest only and afterwards extended the analysis to 50 countries and 3 regions. In the editions of Hofstede’s work since 2001, scores are listed for 74 countries and regions, partly based on replications and extensions of the IBM study on different international populations.

Additionally, the employees of India will be examined from all angles on the basis of Hofstede’s dimensions. The respective categories including Power Distance, Individualism, Masculinity, Uncertainty Avoidance and Long-Term Orientation indicate how many scores the Indian employees got in single dimensions, and on the basis of these values how the cultures of the employees, their attitude towards work and their motivation can be characterized. Not only Hofstede’s, but also the results of other scientists’ are referred to in order to expound the characteristic features of this culture from a wider point of view. The essay is closed with a summary.

## **Measurement of the national and regional convergence in the EU**

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As statistical data show, the national GDP per capita has been catching up to the EU-average in every Central-Eastern-European member country for the last nearly two decades. However, meanwhile the income disparities between counties and regions within the national economy have been increasing too, as the economies of the more developed counties have been growing more rapidly than those of the less developed counties. Central-European countries' economic performance will be compared regarding both national and regional convergences to EU-average. The so called trade-off convergence theory also indicates that real convergences of national economies tend to occur together with regional divergences. The emergence of this theory will be also examined.

As the nation's economic well-being is influenced not only by the income per capita, but also by the regional dispersion of income, an adjusted GDP-indicator should be used for international comparison. The main aim of this presentation is to make a proposal on a new convergence indicator that reflects both the convergence of national GDP to the EU-average and the regional dispersion of income. By this improved convergence indicator the efficiency of economic policies can be measured and compared better. By this instrument the question can be answered whether economic policies of infrastructure development, education enhancement, technological development can speed up rather the national or the regional convergences.

## **Internal Audit as a Preventive Tool Against Corruption in Public Institutions. Albanian Case**

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Corruption is an extended phenomenon in all over the world, especially in the developing countries where the consequences of corruption are harder. The main reason of corruption occurrence is because of the lack of liability and transparency of the public sector.

The aim of this study is to show if the internal audit in the public institutions of Albania can prevent corruption.

The incentive to handle with this cause is the high level of corruption in public institutions of Albania which has caused the lack of reliability in the public institutions. Also this phenomenon brings reduction of the foreign direct investments and a reduction of economic growth in the country, deviation of public incoming from the target aims, deforms the formulation of public politics and the service supply.

Ineffective internal audit is one of the basic reasons for corruption and lack of efficiency in the public sector. The role of the internal auditor increases transparency, justice, reduces the corruption and adds value in the public procurement.

The methodology used for implementing this study is based on usage of primary sources and secondary sources. As primary sources for implementing this study, questionnaire is used and is delivered to public institutions in Albania, from which information about internal audit organizations is gathered. Secondary sources are used for theoretical treatment of corruption and internal audit in public institutions.

Generally, it is observed that exists distrust about the objectivity of the audit job, including also internal audit, practically, making internal audit's effectiveness decrease like a preventive tool against corruption. Despite all, we must accept the fact that the existence of an audit increase responsibility for job performing according the objectives and without fraud. As conclusion, we can say that corruption tends to be higher in public institution where Internal Audit is not effective.

Research limitations/implications – A limitation of our study is that the number of questionnaires is relatively low and mainly delivered in most important cities of Albania.

## **Matrix-based Project Risk Management**

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In former research works matrix-based methods were developed for supporting multilevel project-planning problems. By using the introduced method traditional agile and extreme project management approaches can also be supported. Best project scenarios can be selected by genetic algorithms, and also by exact algorithms.

However these methods are used for project planning, they can also be used for simulations, and can be applied for risk management purposes.

Score values can be attached to the tasks, dependencies and also to the subprojects. In this way score value of a project scenario and a possible project plan can be described by a function of the score values of task completion and/or subproject completions. In this model scope of the project can be characterized as mandatory and score values of compulsory task completions (see i.e. MoSCoW-analysis for IT-projects). *The goal of this research is to model the project success in case of different types of projects and project management approaches.* This paper is the first one in a series in matrix-based project risk management. The risks of two kinds of project management are compared.

## **Ungarns Wettbewerbsfähigkeit unter der Lupe**

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Die in 2008 ausgebrochene globale Weltwirtschaftskrise hat nicht nur die einzelnen Personen, Unternehmen, Gewerben, unterschiedliche Sektoren extreme und unerwartete Herausforderungen gestellt, sondern kleine und ganz große Länder ebenfalls. Sogar die USA oder die Europäische Union haben schwere Verluste erlitten müssen und sind immer noch auf der Suche nach Lösungen.

Die Wettbewerbsfähigkeit der unterschiedlichen Teilnehmer auf allen Ebenen des Gesamt-Ökonomischen Schlachtfeldes spielt eine wichtige Rolle auch dann, wenn alle Prozesse normal ablaufen, Ihre Bedeutung steigt jedoch drastisch im Falle der jetzigen Krisensituation. Laut der anerkannten Weltranglisten hat sich die Wettbewerbsfähigkeit von Ungarn in den vergangenen Jahren verschlechtert, und unser Land ist unter den am schlechtesten leistenden Ländern der EU. Obwohl die Kommunikation der ungarischen Regierung ein positives und viel versprechendes Bild über den Status und die Aussichten der wirtschaftlichen Situation darstellt, wird das in keinem der Ranglisten abgezeichnet. Ganz im Gegenteil. Es gibt überhaupt keine Gebiete wo wir die besten sind, es gibt aber einige, wo wir am schlechtesten abschneiden. Speziell zu bekämpfende Probleme gibt es auf den Gebieten der Korruption, Innovation, und allgemeine Rechtsicherheit. In meiner Arbeit analysiere ich die Leistung Ungarns auf Basis der am meisten respektierten Weltranglisten mit Fokus auf den Schwachpunkten und deren potentiellen Lösungen.

## Examining the Liaison between Marketing Communication and Open Innovation, in the Scope of the Hungarian Innovation Clusters

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In the last decade, a new phenomena has appeared in the scope of innovation, deriving from the exaggerated perception of the forming and optimizing effects of the community groups coming exist outside of the company which have an essential role to boost up its competitiveness in the future. Thus many companies have realized that sharing their innovations infers better position in the market.

It indeed contributed to the widespread of this concept. Nonetheless this phenomena – non episodically – brings additional advantages for the company, such as exploitation of the own market with enhanced research capacity or building in originally not existed ideas to the current capital (Chesbrough, 2003).

On the other hand, open innovation can be described as the flow of direct exploitation of knowledge for the sake of accelerating internal innovation along with expanding markets to its external applicability. On the market this philosophy appeared firstly with the open source software's (West and Gallagher, 2004).

In this manner, open innovation is a paradigm that assumes internal and external ideas are inseparably applied together when a company tends to develop technology, toolkit and communication. This business model is about to utilize even internally and externally created ideas to create values, simultaneously indicates internal movements to exploit a certain (created) value. As a result, open innovation brings significant advantages to the companies which become capable to obtain intellectual power from outside their boundaries (Gassmann, Enkel and Chesbrough, 2010).

In Hungary, the idea of open innovation is widely supported by the innovation clusters (currently 23 are operating in Hungary). The *target population* of my research was made up of the accredited innovation clusters. The duration of data registration took place between *July 2011* and *May 2013*, during which period a total of 21 innovation clusters earned the title accredited cluster. In my assessment I managed to contact 18 accredited innovation clusters, which is 85.71% of the entire target population (access rate).

The result and practical significance of my study is that shows that innovation clusters are relevant organisational forms during the examination of open innovation. Because from networks they secure wider platform for cooperation; help the integrity of knowledge through collective projects and create trustful atmosphere between the members using different communication technologies and practices.

## **Measuring business performance in sports - how revenues and cost calculations can help sports organisations in making good business management decisions**

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While there is growing interest in the role of sports in society, the financial sustainability of sports organisations is yet to be established. In Hungary, the government has introduced a particularly resourceful support system that transfers a proportion of corporate income tax payments to financing the investments and operations of organisations in the most popular sports of the nation. This allows sports clubs to upgrade their facilities and build up a wider youth development scheme. However, government funds may dry out in a few years, and the long term sustainability of operations require investments that add value from a business perspective. While performance measurement in the industry has a traditionally strong focus on sports results, commercial success of sports clubs needs to gain more ground. Sports results should generate market revenues, by satisfying customer needs, and allow continued investment in the further improvement of sports success (i.e. more funds for player transfers and wages). Club managers need to understand the complex relationship between on-field and off-the-field success, and identify critical success factors for achieving strategic objectives. Refined revenues and cost calculations provide a plausible framework for such analysis. Our paper explains the challenges of and opportunities in implementing more elaborate revenue and cost accounting measures in non-profit organisations, and provides insights into their application in professional sport through an in-depth case study of a top-tier handball club in Hungary. We conclude by providing a model for managing sports organisations in line with strategic objectives, based on revenue and cost calculations, balancing out stakeholder expectations for both sports results and commercial success.

## **The Cross-border Mergers and Acquisitions in Hungary in the View of Foreign Direct Investments**

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One of the way of the direct investments of foreign corporations is the Cross-Border Mergers and Acquisitions (later as CBM&A). It can be proved by figures: in the world until the mid 1990s the CBM&A counted for about 50 % of the total Foreign Direct Investments (abbrev FDI) and it reached the 100 % in 2000. (Kleinert – Klodt, 2002, 10.)

I have two goals in this study. The first is, to analyse how this phenomenon occurred in Hungary. In connection with this I would like to answer the following questions:

- What correlations can be shown between the above mentioned.
- How did the foreign portfolio investments affect the values of CBM&A.
- What part of FDI does CBM&A represent in Hungary?

I apply multivariate partial, non parametric Spearman correlation for my examinations. My other goal is to analyse the characteristics of CBM&A-s the view of international FDI. I analysed the decisions passed by Competition Authority between 1997 and 2013, in which it approved 343 CBM&A.

I examined the following features: market (target branches and type /horizontal, vertical or conglomerate/ of M&A), financial (ratio of business share and share bought) and geographical (the buyer's base country). This figure contains not only the CBM&A, but also the acquisitions carried out by the foreign affiliated company in Hungary. In the examined period altogether 821 corporations were involved either as buyers or as target companies. Finally, I compared these results with the features of FDI, which support and complement the results gained through statistical calculations.

The results are representative concerning the fusions which require approval on the basis of threshold values, and these results refer to the characteristics of CBM&A and reveal the nature of international capital flow.

## **Network Models, Systemic Risk and Leverage**

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In this paper, we extend the systemic risk and network framework proposed in Nier *et al.*(2007) by adding heterogenous leverage levels for each bank in the system. Their model is based on homogenous balance sheets of banks and a random network in which banks establish borrowing and lending links. Thus, an idiosyncratic shock wiping out some percentage of external assets of one bank can spread through these links. In this environment, giving equal bank sizes, we found that heterogenous leverage levels create distinct results in the systemic risk aspect. We also observed that the effects of connectivity of random network, composition of assets of bank, size of idiosyncratic shock and liquidity channel differ in the case of differently leveraged banks. As well as the number of default banks, at the end of the procedure, we looked at the banks which reach to a critical limits in their networths. We introduced the number of these banks as another measure of systemic risk. We claim that this measure is more accurate when compared to number of defaults. We saw that different leverage levels of banks reveal its effects more clear with this measure. Additionally, in order to make the model more realistic, we added a different version of random network with local probability measures which are functions of leverages of the banks. In this case, the results of our extension is more distinguishable. Having done simulations, we looked at a natural experiment case, default of Demirbank in Turkey. We saw that our extension works well and it is superior in explaining systemic risk in real systems.

## **Benefits and Threats of Cross-Border Mergers and Acquisitions for European Transition Countries**

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The increasing volume of international capital flows and within them cross-border mergers and acquisitions has been playing an increasingly important role in the world economy. Most countries have used foreign direct investments to import much needed technology as well as organizational and managerial skills, to upgrade productivity, to gain know-how and improved access to the world markets.

There are many researches and articles on the effects of foreign direct investments, but there are just a few studies examining the specific effects of cross-border mergers and acquisitions as an entry mode of foreign direct investments. The aim of the proposed article is to identify the benefits and threats of inward cross-border mergers and acquisitions in European transition countries. Using total analysis author joined the empirical facts about the experiences of individual European transition countries in terms of economic effects of cross-border mergers and acquisitions on the level of a group of European transition countries. With this methodological approach stylised facts about the effects of cross-border mergers and acquisitions on the host country can be shown.

The results of the empirical analysis suggest that in all European transition countries concerned inward cross-border mergers and acquisitions are treated as an important tool for economic growth and competitiveness development. On the other hand, certain threats of such processes have been pointed out, especially in the form of crowding out domestic firms, low acquisition price, anti-competitive behaviour of foreign affiliates and reduction of employment. The stronger emphasis on benefits compared to the threats shows the importance of these processes for host countries development.

## **Poland: The Main Determinants of Socio-Economic Development**

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Prospects for the further civilizational development and success of Poland have their source in the characteristics, quality, and dimensions of Poland's socio-economic potential, which still remains inadequately used. The progress made during the over twenty-year long transformation of the economic system and the implementation and strengthening of the market economy clearly shows Poland's great capacities in terms of the economy and the intellectual base. This is clearly reflected by statistics. The recent global recession, which Poland managed to avoid as the only country in the European Union, has paradoxically emphasized Poland's economic advantages. Unfortunately, this situation is often perceived as an outlier rather than a manifestation of the growing power of Poland's economy, which is evidenced by many comments on the topic published, among others by international research centres. Of late, however, more and more opinions have been appreciative of the deeper foundations of Poland's success. One example is a recent comparative study carried out by IHS Global Insight, which shows that Poland did not give in to the global recession and, being the largest country among the new EU members, represents a relatively strong economic potential. The strength of Poland's economy is not, however, popularly acknowledged, especially since the term "polnische Wirtschaft" was historically used in a pejorative sense, implying Polish mismanagement. However, this term is gradually growing obsolete for many reasons, mostly related to the characteristics, quality, and size of Poland's socio-economic potential. To date, this potential has not been properly used, which also testifies to the substantial scale of the untapped reserves.

## The Role of Nonprofit Sector in Hungarian Innovation Clusters

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Nowadays, one may say that the number of players recognising the advantages of a cluster membership among businesses as well as non-profit organisations is increasing. Therefore we can witness a process of closing up in the development of clusters, similarly to other areas.

The aim of this paper is to investigate current and potential roles played by nonprofit sector in Hungarian innovation clusters in the context of business relationships and cluster management. The paper also examines the emerging concepts of clusters and networks with a review of the literature, and an analysis of current Hungarian innovation clusters. The *target* of our research were the Hungarian Accredited Innovation clustermembers. The duration of data registration took place between *July 2012* and *May 2013*, during which period we managed to contact 40 accredited innovation clustermembers, which is 6,57% of the entire target population (access rate).

In our paper we apply the IMP network view which is based on the industrial network concept. "The industrial network is a specific structure which binds together actors, activities, and resources in a certain pattern" (Hakansson and Johanson, 1992:375). On the other hand as the correlation between networking and successful innovation came to the forefront, it also brought to life the organisational forms and cooperation structures promoting it, like clusters (Dittrich, Duysters, 2007). The term "cluster" first appeared in literature related to competitiveness within specific industry branches and regional competitiveness. The classical approaches understand a cluster as a group formed by a network of local enterprises within a certain branch of industry (Porter, 1998).

The findings of this study shows that nonprofit sector (e.g. research institutions, universities) can play a variety of different roles within business relationships and innovation clusters and that they support information flow and cooperation within the clusters.

Based on these, our study highlights the potentials for nonprofit sector to engage in clusters' activities and extend the understanding of the roles of mentioned sector within business relationships.

## **Vision about Hungarian Sourcing Market**

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This research study is about the future of Hungarian business service market, mainly in the view of shared service model. My research are is the Hungarian shared service market and the players of it. There are a lot of theories which models will be viable or not in medium or long term. I collect this theories and create my own thinking about it.

In this study I also analyze the global market tendencies and the changes in the Hungarian market to conclude what will be on this market in 5 or 10 years. How many market player will be in Hungary? Will their numbers be grown?

The methodology of this research is based on interviews. I made 14 interviews where the interviewees were market experts from different areas (consultants, researchers, executives of governmental organisations on FDI field, HR executives, managers of non-profit organizations, etc.) who has the market view to judge the market tendencies.

## **A simultaneous value analysis of the product and the technology**

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The past few years have seen an increase in the demand for sheet steel coated for purposes of environmental protection and also to protect the steel against corrosion. The reasons for this increase of demand are as follows: With the changes of the environment, there are more sources of corrosion attack, and the intensity of corrosion has also increased. Therefore, hot-dip galvanizing is used widely to protect steel products against corrosion. Galvanized steel products are used in almost every industry, but the highest quantities are used in two fields. One of them is the construction industry, where galvanized steel is used everywhere from building structures to eaves, gutters, joinings, assemblies and permanent shuttering. Formed sheet steel is used for light-steel solutions in the construction industry for the production of elements and cover. Due to its numerous advantages, it is used widely in the construction industry. Besides significant weight benefits, it is also easy to transport and assemble, and it is also characterized by a high resistance against corrosion. The other main area of the use of galvanized sheet steel is transport. Large quantities are used in modern car manufacturing globally. Railway carriages, bridges and the power line towers are also made from galvanized steel, and it is also an important material in shipbuilding and seaside constructions due to the highly corroding effect of sea climate. In order to ensure efficiency in development, our company's management found it necessary to use Value Analysis within the framework of a project. What lends special interest to the development is that after the value analysis of the product, the value analysis of the technology also became necessary. Our research has found that the ideal solution is a simultaneous value analysis of the product and the technology.

## **The Macroeconomic Impact of Foreign Assistance**

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Foreign aid flows to developing countries have grown significantly during the last decades. Assistance is mainly provided in order to generate economic growth and development in aid-receiving countries. The effect of foreign aid on recipient economies has been investigated by many economists. However, theoretical and empirical studies on the macroeconomic impact of foreign assistance are not conclusive.

The main aim of the paper is the analysis of the effect of foreign assistance on economic growth, investment, savings, consumption, poverty reduction and human development indicators in recipient countries.

The positive relationship between foreign assistance and economic growth is mainly conditional and depends on many different factors. Among them the most important are: specific conditions in recipient countries, macroeconomic policy, geographical location, levels of aid and aid modalities.

The impact of foreign assistance on economic growth may be also negative or insignificant. It happens if aid is wasted, increases public consumption, removes private savings, rises corruption and aid-dependency of recipient countries.

Foreign aid is generally allocated inefficiently with respect to poverty reduction. It also does not cause a meaningful increase in human development indicators.

## **Socio-Economic Research on Hunting and Wildlife Management: The Turkish Case**

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Regarding game and wildlife resources, Turkey has a rather significant potential in terms of both species diversity and the amount of the animals it may shelter in its habitat. However, game and wildlife in Turkey has been imperilled or it reached to the point where some species extinct due to degradation, destruction or mismanagement of primitive ecosystems and habitats. On the other hand, the increase in the economic and social well-being and the essentiality of participatory approaches to be applied in natural resource management processes have resulted in increase in the diversified demands of especially the hunters, and stakeholders and interest groups from the game and wild life sector. In this context, the participation of all stakeholders and interest groups in decision-making processes should be ensured for the development and effective management of the game and wildlife potential in Turkey. Hunters Associations and their affiliate members are the most important of the stakeholders and interest groups that have a say in the field of game and wildlife. For this reason, it is required that the hunters who have an important role in game and wildlife should be known with all their dimensions and so the decisions in the management processes should be made by taking these characteristics into consideration.

Within this scope, the aim of this study is to analyze the hunters who are one of the main actors of game and wildlife management in terms of social and economic dimensions and thus to help management processes regarding hunting activities improve effectively. For that purpose, questionnaires were conducted by talking face to face with 385 of hunters in the total of 60 Hunters Associations located in Balıkesir, Bursa and Istanbul provinces. In this study, one having questions about Hunters Associations as organizations and the other one having questions about hunters, two types of questionnaire were implemented.

Accordingly, it was seen that Hunters Associations' revenues substantially consist of dues and hunting license fees. The most important link in the relationship between the Hunters Associations and their members was identified to be the conveniences in the realization of the bureaucratic processes and the socialization of the hunters by spending their time at the Associations. The average annual income of the hunters participated in the survey is € 8,193. Excluding legal expenses, hunters spend an annual average of 864 Euros. Hunting expenditures are respectively made for transportation, hunting dogs, nutrition, shells and clothing.

## **Efficiency of the standards method for operational risk at broker dealer market**

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The paper addresses the construction of the standard approach for calculation of the operational risk. We analyzed the phenomena of the broker-dealer market in Poland usage only the simplified methods for calculation of operational risk. The main issue was whether the avoidance of application the standardized method is justified or it constitutes a pure contingency of judgment. The empirical testing was performed on the Polish broker-dealers market. We hypothesized that there was a significant difference in term of the mean and variance for Basel Committee prescribed business lines for standard approach. A sample consisted of 34 entities and represents 62% of the market in terms of number of entities. The financial statements for periods ended 2010 and 2009 were taken into consideration. The total financial statements included in the sample were 84 yearly observations. The matrix of the licensed activates was weighted with the return on equity matrix using the transposition matrix to obtain the weighted activities with return on activities matrix. The categories disclosed in the register were treated as the variables representing the broker's activities lines. The BIA application imposed inadequate requirement on the profitability from the point of view of the company majority stakeholder which was not supported with the real risk profile on the market. We concluded that implemented method is weak both in terms of coverage of the brokers-dealers activities and potential added value to the risk management processes.

## **What lies behind the concept of organizational resilience and related concepts? An analytical literature review**

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The expression 'organizational resilience' emerges more and more frequently in today's turbulent and constantly changing world. However, despite the growing number of publications that deal with resilience, it is not an easy assignment to provide a proper definition at this point of time as there is a lack of clarity in its usage: (1) different concepts (cf. nimbleness (Conner, 1998); ever-changing organization (Pieters and Young, 2000)) are being used to describe the overlapping phenomena; (2) the term is also being used to describe different concepts (cp. flexibility, adaptability, etc.). Furthermore, a "hierarchy" of these concepts is also observable: some, for instance, constitute a subset of others, just as how resilience (along with execution, alignment, renewal, and complementarity) contributes to organizational health (Smet, Loch, & Schaninger., 2007); which is important as organizational health contributes to value creation and competitive advantage (Smet et al., 2007). Among other conceptual problems, particularly the terms 'resilience' and 'flexibility' are being used interchangeably even though they should refer to different concepts and phenomena. The aim of this paper is to provide an analytical review of the literature, which helps clearing up the potential misunderstandings and the jingle-jangle fallacies, and to help researchers as well as practitioners understand the precise meaning what lies behind the concept of organizational resilience as well as some of the related concepts.

## **Movement from traditional to modern cost accounting methods in manufacturing companies**

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The basic purpose of costing systems is to determine the cost of a product or service by assigning manufacturing costs to products or services that company produces or provides. Costing system consist of different accounting methods used in order to define the cost per unit. Accounting methods used in costing system enable the evaluation of products as a result from the manufacturing process. It is important to point out that different costing systems differently affect the product evaluation. The choice of costing system was based on the type of the production process. Therefore, job order costing was used in job order production, while process costing was applied in process or mass production. Today, these two costing systems are considered as traditional costing systems which are no longer suitable to use in modern operating conditions. The focus of traditional cost accounting methods was on manufacturing cost and ways of indirect manufacturing costs allocation to products or services.

Business conditions are changing rapidly becoming more and more complex. Manufacturing processes in modern production companies are almost fully automated and computerized. The process of manufacturing automation and computerization causes significant change in manufacturing cost structure. Significant changes in business environment at the end of 20th century and the beginning of 21st century enable the development and application of modern cost accounting methods which main purpose is to give required information to management regarding the effectiveness of certain products, projects, activities, consumers, responsibility centres etc. Traditional cost accounting methods are no longer appropriate in modern business conditions, because cost accounting methods should indicate the potential areas in companies where are possible cost savings. Therefore, modern cost accounting methods are focused on cost rationalization and cost reduction, since modern manufacturing companies cannot effect on market prices but can effect on their costs. In current business conditions, modern cost accounting methods are more appropriate while they are focused on the total costs through the whole product life cycle.

The most important cost element in modern manufacturing cost structure becomes indirect manufacturing costs (manufacturing overheads). This change in manufacturing cost structure found traditional costing systems inappropriate for product evaluation. Job order costing and process costing are known as traditional costing systems. In order to avoid the inaccuracy of traditional costing systems in product evaluation, the new costing system, based on activities, has been developed. This costing system is known as Activity based costing. While the appliance of traditional costing systems depend on the type of a manufacturing process, activity based costing system can be applied regardless the type of manufacturing process. The main issue for companies is: when is convenient to use traditional costing systems and when activity based costing system should be applied? To answer on this question the operating conditions and the manufacturing cost structure should be considered.

This paper deals with the traditional and modern costing systems which are used in manufacturing companies in order to determine the cost of a particular product or to evaluate product profitability.

## **Changing Chinese foreign trade competitiveness**

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The reinforcement of China's global economic, political and geopolitical role has attracted the attention of the international community more and more distinctly to the „Asian lion” over the past decade. There exist hardly any countries that, strangely enough, are not involved (interested) in China's increasing strength in the field of working capital investments, international trade or diplomatic relations.

The most important changes contributed to dynamic increase of Chinese international trade connected with China's reform processes and its WTO-accession. We proved that these changes led to fundamental modification in the product structure of the international trade.

Nevertheless the increase of concentration shows that China found those products in which it can become specialized in this new environment and those products which are essential in production of the most important export products and their acquisitions are connected with the foreign market.

In connection with this we proved that on the one hand the general expansion of China, on the other hand the change of the Chinese specialization patterns generated increasing needs for resources which affected the foreign trade and in this way the trade specialization patterns of the Sub-Saharan African countries.

Considering the partner structure the structural change is not significant, but remission of concentration is well-marked. This points to the fact that WTO-accession makes the increase of foreign trade connection possible in relation to more and more countries. On the basis of the results of the CMS model it can be laid down as a fact that significant export increase of China owing to the increase of its market share which is ex post indicator of its revealed competitiveness in international trade.

## Cultural differences manifested in business presentations

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The study is an investigation of how cultural differences are present in business presentations, more precisely in the literature of preparation for presenting. The corpus examined has been chosen from authentic literature of giving advice on how to prepare and deliver business presentations. The target audience of the selected literature is in-service business people. The corpus is made of samples in three languages (English, German and Hungarian) for a thorough comparison of the corresponding cultures, i.e. English/USA, German and Hungarian. The research assumes that the examined native authors represent the corresponding cultural backgrounds as they are recognized business communication professionals originating from the examined cultures. A secondary desk research of the selected publications and web-sites is applied as the research method. In order to conduct a qualitative analysis a convenience sampling of the publications is used. The data is researched based on content, structure and other aspects applying Hofstede's and Trompenaars' models of cultural dimensions. The study concludes that numerous content-based features are common to the selected samples (e.g. preliminary research of the topic and the audience, presentation structure, body language, visual aids, vocal characteristics, using examples). Nevertheless, there are a significant number of distinguishing features which can be attributed to the various cultural backgrounds. The research reveals that although the corpus tends to be dominated by Anglo-Saxon cultures, there are cultural differences due to the authors' backgrounds. Moreover, the similarities and differences detected mostly correspond to Hofstede's and Trompenaars' models of cultural dimensions (e.g. *uncertainty avoidance*, *masculinity*, *achievement* etc.). Finally, the study draws the conclusion that culture does matter in the literature preparing business people for business presentations.

## **The analysis of cross-border flows in the German-Polish border region**

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The paper presents results of research conducted within the project “The quality of life in the border area – strengthening of cross-border flows for the common sustainable development and regional planning”. The purpose of the project is to assess subjective and objective life quality of residents of two border regions – Gorlitz county in Germany and Zgorzelecki county in Poland. Another goal of the research is to analyze cross-border flows between the two neighbouring regions. The project is financed through Operational Programme ‘Poland-Germany (Saxony)’ which objective is to promote the sustainable development and economic competitiveness of the Polish-German border region.

The paper focuses on cross-border flows. These flows can be defined as flows of people and goods which have the starting or destination point within the area covered by the research. Cross-border flows relate inter alia to tourism, sports, education, religion, labour market, housing, shopping, culture. These flows are caused for example by price differences on both sides of the Polish-German border. Price differences relate inter alia to necessary products such as food or to different services.

The author also analyzes institutional cross-border cooperation for example among local government units. Cooperation is undertaken in the field of environmental protection, politics, administration, public safety or preventing crises.

Research methods included desk research and telephone interviews. It should be noted that there were some problems with data collection. For example, there is no precise data about the number of customers from the neighboring country.

The article also discusses the barriers to cross-border flows. These are mainly language barriers and differences in legislation.

## Clustering methods for ordinal variables

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The first aim of this article is to present a clustering method (Latent Class Analysis), which can be used in the case of ordinal dependent variables. The importance of the topic lies in that e.g. in marketing research we often have to work with the above mentioned variables. After presenting the LCA method, it has been compared with other well-known clustering methods. The second aim is to find the best clustering method(s) among the applicable ones with the help of simulation tests.

Four clustering methods have been involved in the examinations: K-means, LCA, Hierarchical (HC), K-medians. These algorithms are well known for marketing researchers, because these are the most applied ones.

10 experiments have been performed, and in every experiment 30 databases have been prepared. Every database contains 1000 rows (observation units) and 4 columns (variables). The results of the 30 databases have been compared for the 4 methods by hypothesis tests (by comparing the means of the results of two methods).

Two different tests have been applied:

- paired samples t-test (if the conditions allow),
- paired samples Wilcoxon test (in other cases).

The databases are random samples from the 4-dimensional space. Every variable (there are 4 variables altogether) have been simulated as a realization of a binomial distribution with specified parameters. Values can be recorded by the binomial random variables are follows: 0, 1, 2, 3, 4, 5, 6. So it can be interpreted as an ordinal scale (such a scale is often used in marketing research). Every database contains two clusters, which have been configured by the parameters of the variables. During the simulations of the 10 experiments the two clusters are getting closer. In this case – as it was expected - the numbers of correct classifications reduced for each method.

Results:

1. First version of simulations: the number of elements of the two clusters is 1000 and 1000. In all position of the two clusters the classification accuracy is better in the case of K-means and LCA as in the case of HC and K-medians. Of course, the difference is higher if the clusters are getting farther apart. So the hypothesis tests have been performed in such cases: LCA vs. K-means and LCA vs. K-medians. 7 times in the case of the 10 experiments the average of the LCA is higher than the average of the K-means (at 5% significance level). The result is the same even for the LCA and K-medians.
2. Second version of simulations: the number of elements of the two clusters is 500 and 1500. 2 times in the case of the 10 experiments the average of the LCA is lower than the average of the K-means (in the other experiments the difference of means is not detectable with hypothesis testing). But 8 times the average of the LCA is higher than the average of the K-medians.

Conclusions.

The results of the most popular K-means clustering method are nearly the same as the results of the LCA method. It is interesting because the K-means uses of the Euclidian distance as a similarity measure, and the LCA was developed for ordinal variables. The other two methods are not recommended to use instead of these ones.

## **Determinants of poverty in the Northern Hungarian region**

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The paper focuses on the Northern Hungarian region, one of the poorest regions in Hungary. This region has faced severe economic and social challenges since 1990. In spite of its natural and environmental potentials, its performance has been very poor both in terms of economic and social progress. It is one of the most backward regions in Hungary (based on GDP per capita). Eurostat reports this region is among the poorest twenty regions within the European Union (based on GDP per capita PPP, it is the 259th among the 271 regions of the European Union). Currently real struggle has been fought for economic competitiveness and for a better quality of life.

The paper examines how income poverty was affected by different social and economic factors in the sub-regions of the Northern Hungarian region. The indicator of income poverty is the average per person income level. As for the social and economic determinants of income poverty, average education attainment, unemployment rate, long term unemployment rate (the rate of those who have been unemployed for more than 180 days in the working age population), average size of dwellings, the rate of the elderly (60+) population and the rate of large families (families with at least three children) are examined.

The analysis is carried out with the methods of multiple correlation and regression analysis, using the databases of the 2001 and 2011 census. The results therefore can highlight the changes in the determinants of income poverty over time, which can partly be due to the global economic crisis. The analysis is carried out for the region and for the counties (Borsod-Abauj-Zemplen, Heves and Nógrád) of the region as well to reveal the potential territorial differences if any.

## **Motives for Mergers and Acquisitions in the Banking Sector of Kazakhstan**

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This paper aims to analyze domestic and foreign M&A deals in the second tier banks of Kazakhstan over the last two decades and to examine the factors that motivate merger and acquisition activities in the banking sector. By thoroughly scrutinizing the history of 38 second tier banks operating in Kazakhstan the study evaluates their engagement in M&A deals. A resulting subsample of 14 banks ever engaged in M&D deals is further investigated by using secondary sources such as existent literature and statistical databases and by contacting representatives of the banks via e-mail and/or telephone. Empirical findings suggest that the banking sector of Kazakhstan has experienced two waves of mergers and acquisitions. The first wave in the mid of the 1990s was characterized by restructuring of the whole banking system through state reorganization programs, liquidation of weak insolvent banks and privatization of banks. The second wave took place in the late 2000s when many foreign banks attracted by the country's prosperity and stability tried to expand their operations into CIS market through Kazakhstan. To stabilize the economy after the global financial crisis, the government implemented a nationalization program by acquiring controlling stakes in insolvent banks. The results of the study support the proposed conceptualization of internal and external motives for M&A deals. Future research may concentrate on studying motives for acquisitions of foreign firms/banks by Kazakhstani banks. In addition, future research can be extended to studying similarities and differences between motives for mergers and motives for acquisitions in the banking sector as they tend to be unlike. The paper contributes to the lack of literature on mergers and acquisitions in the banking sector of Kazakhstan and provides a historical look on M&A deals. A new classification of motives (internal and external) was utilized to explore the inducements underlying M&A transactions in Kazakhstani banking sector.

## **Investment Funds in the Development of the Capital Market Republic of Srpska**

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The transition process in the Republic of Srpska as a final goal, favored the establishment of an open and competitive market economy, and the creation and development of the capital market . Well-regulated and efficient capital market is the most important for effecting the privatization process. Including the market trends in the Republic of Srpska economy has led to the development of investment funds. Mutual funds were created based on the idea that contribute to the development of corporate governance and capital markets. The idea for the realization of the preferred investment funds should the knowledge, skills, capital and motivation of the management of these funds. For these reasons, the focus of this study aims to analyze their business, from its founding to the present, in order to determine how much mutual funds actually contributed to the development of the capital market of the Republic of Srpska.

## **The Role of Innovation in the Relationship between Knowledge Management and Competitive Advantage (An Empirical Study in Tourism Industry)**

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The main purpose of this research is to analyse the role of innovation in the relationship between knowledge management and competitive advantage. In the conceptual framework of this research, at first the effect of innovation on competitive advantage has been examined and then knowledge management dimensions (Knowledge gaining, Knowledge sharing and Knowledge usage) effect on innovation has been studied.

We designed questionnaires with 30 questions about research variables. The population of the study is tourism industry experts in Guilan province. SEM (structural equation modeling) was employed to test the theoretical model.

The results showed that innovation have a significant direct effect on competitive advantage and Knowledge gaining and Knowledge usage may lead to innovation.

## **E-Banking – The main perspective in developing the financial system in Albania**

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The banking sector is and would be the most important and essential part of the entire financial system, in terms of support and contribution to economic growth. Political changes in Albania in the early 1990s made it necessary establishing the adequate reforms in the Albanian economy, which transformed the state-owned economy into a free market economy.

In this transforming process from a centralized economy to a market economy country, despite the problems such as facing and confronting with inflation and ensuring sustainable economic growth, a key point was the transformation and reform of the financial system and especially in banking sector.

An important element in the area of structural reforms for all countries that joined into a free market economy was the reform of the financial system in the banking sector. Reforms in this area took a great importance in achieving macroeconomic stabilization. The years 1991-1992 marked the establishment of the new banking system based on the organizational model of the Western countries. The legal framework in this period enabled the banking system over one-tier into two-tier banking system.

The Bank of Albania is the central bank of Albania. The economical- political and social developments since the establishment and so far, have enriched the functions carried out by the bank. At the beginnings there were three banks as two-tier banks all with state owned capital.

The Banking reform, which goal was increasing efficiency in the banking market, along with the realization, was based in restructuring and sustaining their privatization. In 2000, the situation in the banking system was considered relatively safe and healthy. In the middle of 2001, 13 banks operated in Albania where the Savings Bank was the only bank with state owned capital, while the others were with common equity and private. The presence of private foreign capital in the banking system, the improvement of financial situation, the adequate capitalization of banks, the increasing and fair competition and the prospects for sustainable economic situation had created all the necessary conditions that in 2001, banks contributed to the development of Albanian economy.

Our banking system is now already two-tier bank: the central bank, Bank of Albania, and about 17 commercial banks, which have private capital. At the beginnings most of the products offered by these banks were all part of the traditional services such as: deposits, account, transfers and credit. Today banking institutions are increasingly competing with each other in various ways, such as providing products, type products, services, etc., which bring profits or not. Investing in *e-banking* technology is an important step for the banking system.

The aim of this study is not only to manifest a potential instrument in developing a fragile banking system as it is operating in Albania, but at the same time to give concrete examples and facts how this is possible. This study is based first in evaluating the history of banking system as an important factor E-Banking development, and secondly in evaluating the banking initiatives and public behavior towards this new potential instrument. The methodology of this study is based on giving real examples of Albanian banks in how they use E-Banking as a potential instrument in their growing and competitiveness, therefore as a real perspective in whole financial system.

## **Comparison of European and US macro-level crisis management**

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The financial crisis started in 2007-2008 quickly developed into a global, structural economic crisis and brought consecutive years of recession to the economy of the USA and the EU as well. Firstly, bank bailouts needed to be realized leaving less room for stimulation and demanding more austerity measures. Rising taxes, ascending unemployment and shrinking household incomes combined led to declining consumption, which put numerous traditional industries into jeopardy.

Several financial institutions and industrial actors faced insolvency during the first years of the crisis and needed governmental help because some of them were considered 'too big to fail', others' bankruptcy would have deepened the effects of the crisis and would have caused other markets to fail. In the financial sector, interventions were mostly composed of short-term loans and interbank agreements to restore solvency however, manufacturing industries needed more structural turnaround plans and complete reorganization of resources. To save these economic actors, governments executed various interventions and bailout plans. These interventions clearly hurt the theoretical principles of the free, competitive markets but they were realized anyway because of the desperate economic climate and the society's expectation. Policy-makers had to react to multiple claims to defend jobs and to mitigate the social effects of the crisis as well.

In this study, my goal is to compare and analyze the European and the US bailout plans and strategies to identify the variations of economic thinking behind these crisis management scenarios.

## **Risks of students loan systems**

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Human capital investment is among the investments with the best returns. As the economy move towards to the idea of knowledge-based economy higher education is a crucial criterion for labour market success. The European Union in fact set out as a goal to raise the ration of the degree holders for the young generation in its Europe 2020 program. On the other hand higher education is a very expensive and long-term investment. Public financing will be less and less able to cover the related costs. For these and for incentive reasons privet financing have to be involved with growing importance. However young adults and their parents' financial endowments are diverse. Students lending is a huge market in the USA, but also in Europe it becomes more regular. There a vast literate about the various systems developed around the world for this financial problem, but the related risk on the borrowers' side is less covered. This paper contributes to the following issues: How can be risk understood related to lending to students? How can these risks vary between different types of systems? How can be default evaluated if the main lender is the state? These questions are important because human capital investments are not necessarily done for financial returns, and it makes difficult to understand risk. This paper will conclude that theoretically and practically well-developed financial risk measure can give us the answer. it will be shown how some financial measures can be understood in this type of investment environment. Proper measurement and possibilities of quantification will be laid out as further research areas.

## **Analysis of the Hungarian family support system in perspective of the current demographic trends**

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The decrease of the population and the increasing rate of child poverty pose to increasingly serious social and fiscal challenges most European countries, including Hungary. To reverse the adverse changes the family support system could be a solution, which could both increase the productivity and target several different causes of social problems such as child poverty. Hungary has a relative generous family support system. Among the Visegrad countries spends Hungary the most for family support purposes (in 2010: 2.9% of the GDP), and moves well about the average EU level, despite the results are lower than expected. Thus arises the question of the research, could the support systems really influence the negative trends, is there any significant relationship between the amounts spent on family support and the fertility? If the family supports have no effect on fertility, with what other tool could be an increase in the fertility rate archive, in order to the future financing of the welfare state. Based on the research result, I propose feasible adjustments in the family policy, which can ensure the effective implementation of the (targeted and effective) redistribution under tighter government budget.

## **The Distribution Channels of Insurance Products in Poland and in Selected European Countries**

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Every production company has to find the answer to the question: “How to sell their own products?” Should it be sold directly to the customer or with the assistance of agent? Which methods are the most appropriate for the company? The same questions should be answered by insurer. Especially, that the insurance products are immaterial, cannot be touched or seen or packed. For this reason, the insurers have to find adequate distributions channels, which can help them to achieve the highest possible revenue.

The purpose of this article is to compare the insurance distributions channels in Poland and in selected European countries and to show the differences and similarities between the countries.

This article consists of three parts. The first part of the article include information about insurance distributions channels. This part describes traditional distributions channels (like agents, independent agents, brokers) and modern channels (like the Internet, call centres, bancassurance). The second part of the article is about Poland. There is information about the most popular distributions channels and premiums from the individual delivery channels in Poland. There is information about development trends of insurance distribution. The third part of the article compares the methods of distributions in Poland with distributions channels in selected countries like: Germany, Italy, Slovakia and Denmark. There are also general information about the distributions channels in Europe.