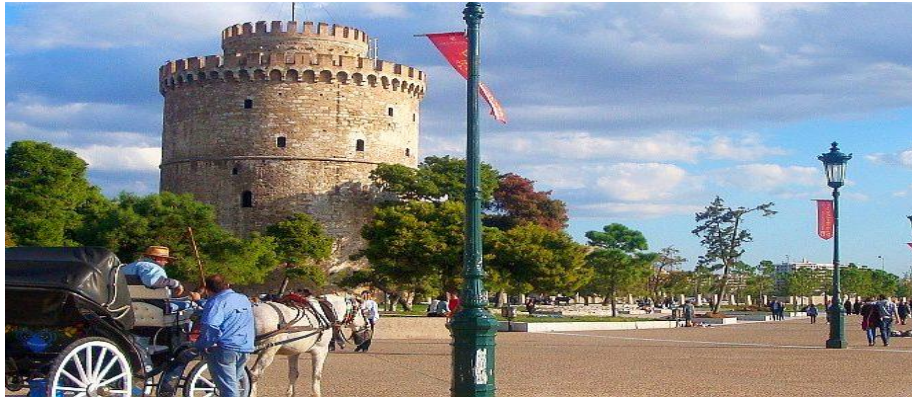


International Conference on Applied Business & Economics



PROCEEDINGS ICABE 2019
21st October – 23rd October 2019



Organized jointly by the:
Aristotle University of Thessaloniki
Macedonia University of Thessaloniki
International Hellenic University
Rostov State University of Economics
University of Malta
International Strategic Management Association



International Conference on Applied Business & Economics

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International Conference on Applied Business & Economics

PROCEEDINGS

ICABE 2019

21st October – 23nd October 2019

Thessaloniki, Greece,

Aristotle University of Thessaloniki

Main Campus, Egnatias, Thessaloniki

Organized jointly by the:

Aristotle University of Thessaloniki
Macedonia University of Thessaloniki
International Hellenic University
Rostov State University of Economics
University of Malta

International Strategic Management Association



Welcome to ICABE 2019

Professor El Thalassinos

Thessaloniki October 21st, 2019

Dear ICABE Participant,

It is my honor and great pleasure welcoming you to the International Conference on Applied Business and Economics (ICABE 2019). This year we celebrate the 15th Edition of ICABE since its first appearance as International Symposium in Economic Research in London in 1996. For one more time the Organizing and the Scientific Committees have done a marvelous job of assembling several diverse and interesting sessions as well as very interesting events.



ICABE continues to grow in stature among other conferences in world academia. We are very proud for our distinguished keynote speakers, Professor Emeritus **Ali T. AKARCA** from University of Illinois at Chicago, Research Associate at the University of Chicago, Professor **Emeritus George BITROS** from Athens University of Economics and Business, Professor **Nicholas ECONOMIDES** from New York University, Stern School of Business, Executive Director of NET Institute, Professor **Pierpaolo MARANO** from Catholic University of the Sacred Heart-Milan, Faculty of Banking, Finance and Insurance Sciences, Department of Legal Studies, Honorary Fellow at the Asian Institute of International Financial Law, Professor **Vassilis MONASTIRIOTIS** from London School of Economics, Political Economy and Director of LSEE: Research on South Eastern Economy, Professor **Ramona RUPEIKA-APOGA** from University of Latvia, Head Department of Finance, Dr **Ioannis TACHMATZIDIS** from Malama – Institute for Psychological Applications, and Professor **Panagiotis THEODOSIOU** from Cyprus University of Technology, Faculty of Management and Economics, Editor-in-Chief of Multinational Finance Journal.

ICABE is partially sponsored by the participating Universities. The Organizing and the Scientific Committees of ICABE are very thankful to all for their financial support. The fact that the conference attracted a great number of submissions from 29 countries has shown that ICABE becomes more important and influential in the academic community worldwide. We are especially happy that 96 articles of high quality have already been published in the volume of the abstract proceedings.

Papers presented in ICABE 2019 may be eligible for publication in one of the journals participating in the conference according to publishing requirements. Selected papers related to the main theme of the conference will be evaluated for the collective volume dedicated to ICABE 2019 to be published by Cambridge Publishing. It is in conference's intention most of the articles presented to be published in journals

indexed in Scopus and other well-known data bases. I strongly recommend all the participants to take the chance to have their work submitted for evaluation by the specific committees. Please do not hesitate to ask me about it.

The ICABE 2019 main theme is “*Contemporary Issues of Business-Economics and Finance in the Digital World*” aiming to address the issues that arise from the digital transformations and challenges facing global financial systems.

The conference would not be possible to take place without the great collaboration of several colleagues from the Aristotle University of Thessaloniki, Macedonia University of Thessaloniki, International Hellenic University, Rostov State University of Economics, University of Malta and the International Strategic Management Association. We are very thankful to the members of the Organizing and the Scientific Committees locally and internationally and to our assistants from Aristotle University. Special thanks to all and to every one of them.

With my great respect for all of you,

Professor El Thalassinos
Chair, ICABE 2019



The Aristotle University of Thessaloniki

Rector, Professor Nikos Papaioannou

The Aristotle University of Thessaloniki is the largest University in Greece. The main campus is located in the centre of the city of Thessaloniki and covers an area of about 33.4 hectares. It comprises 7 faculties which consist of 33 schools, 5 faculties which consist of one school each, as well as 4 independent schools.

Some educational and administrative facilities are located off campus for practical and operational reasons. A number of these facilities are located outside the city of Thessaloniki or even in other cities.

There are more than 81,500 students at the Aristotle University (about 72,140 in undergraduate programmes and about 8,360 in postgraduate programmes). There are 2,150 faculty members: 739 professors, 435 associate professors, 634 assistant professors, and 342 lecturers. There are also 11 teaching assistants, 58 research fellows, 248 members of the Special Laboratory Teaching Personnel (S.L.T.P.), 69 of whom belong to category I and 179 to category II, as well as 15 foreign language teachers and 4 foreign instructors. Faculty members are also assisted by 213 members of the Special Technical Laboratory Personnel (S.T.L.P.). The administration office consists of 400 permanent employees and 528 employees under a private law contract of indefinite duration. Moreover, 596 people employed by third parties provide services at the University.

Website: <http://www.auth.gr>



ARISTOTLE
UNIVERSITY OF
THESSALONIKI



The Aristotle University of Thessaloniki, School of Economics

Department Chair, Professor Dimitrios Kousenidis

The School of Economics, part of the Faculty of Law, Economics and Political Sciences, aims to promote research and teaching in the field of economics as well as offer high-quality education.

The programmes of the School train students in a wide variety of disciplines related to economics, providing them with the tools necessary to meet the current and future needs of modern society and economy. Courses provide students with advanced knowledge in economics and business management.

All graduates who wish to further their education abroad are accepted to reputable universities.

<http://www.econ.auth.gr/index.php?lang=en>

Co-Organizers and Sponsors of ICABE 2019

- Aristotle University of Thessaloniki, Department of Economics
- Aristotle University of Thessaloniki, Graduate MBA Program
- Aristotle University of Thessaloniki, Research Center
- Macedonia University of Thessaloniki, Graduate Program in Accounting and Auditing
- Executive MBA Program, International Hellenic University, Kavala Campus
- University of Malta, Department of Insurance
- Rostov State University of Economics
- International Strategic Management Association (ISMA)
- Pontian Spiritual Club of Kavala Prefecture



Executive MBA International Hellenic University, Kavala Campus

The main aim of the Executive MBA Program of the International University of Greece is to attract high quality candidates who wish to develop their skills as effective business executives in private and public businesses and organizations.

The Program provides full-time and part-time opportunities and is designed to support students with a variety of fields of knowledge and professional backgrounds.

The application of the theories in practice is a key factor for the Program. Real business examples and case studies are crucial to teaching and learning processes. In addition, the involvement of important and senior business executives in the Program in the form of lectures and discussions provides the appropriate background for understanding the business environment and its dynamics, as well as the transfer of knowledge that contributes to the development of strategic and operational decision-making capabilities.

Other techniques such as business games, software programs already used by the best companies and audiovisual projections also support students' familiarity with the practical application of management principles.

Website: <http://mba.teiemt.gr/>



The University of Macedonia

The University of Macedonia is located in Thessaloniki, Macedonia, Greece.

Founded as **School of Higher Industrial Studies of Thessaloniki**, it is the second largest University in the city (following the Aristotle University of Thessaloniki). It currently consists of eight departments which deal mainly with social, political and economic sciences.

The University of Macedonia is divided into four academic Schools, which are further divided into eight Departments: Department of Economics, Department of Business Administration, Department of Accounting and Finance, Department of International and European Studies, Department of Balkan Slavic and Oriental Studies, Department of Music Science and Art, Department of Educational and Social Policy, Department of Applied Informatics.

In 2016 the external evaluation committee gave University of Macedonia a Positive evaluation. An external evaluation of all academic departments in Greek Universities was conducted by the Hellenic Quality Assurance and Accreditation Agency (HQAA).

A Local Committee of AIESEC, the first one in Thessaloniki, is in operation and is active with promoting AIESEC's scopes. Also a local section of Erasmus Student Network, ESN UOM Thessaloniki (the first section in Thessaloniki) is active in promoting, developing and supporting the Erasmus community.

The University of Macedonia is currently member of the following associations/organizations: Member of European University Association (EUA), Hellenic Academic Libraries Link (HEAL-Link), EMAS - Green University, OLYMPIA - Summer seminars.

Website: <https://www.uom.gr/en>



International Hellenic University

The International Hellenic University (IHU) was established by Law No. 3391 in October 2005 and is based in Thessaloniki, Greece. The IHU is Greece's first public University where programmes are taught exclusively in English. The university is financed by the European Union and the Greek state.

The IHU offers postgraduate programmes of study aimed at international students who are interested in studying in Greece. As a state University, all degrees awarded are accredited by the Greek Government and are recognized in the European Union and internationally.

The University has an international academic faculty and students, especially from Southeast European and Black Sea countries. Countries of origin include Albania, Armenia, Azerbaijan, Belgium, Bulgaria, Cameroon, Croatia, Georgia, Greece, Lithuania, Mexico, Moldova, North Macedonia, Romania, Russia, Slovakia, Sudan, Turkey, Ukraine and the USA.

The campus is located close to Thessaloniki on the Thessaloniki-Nea Moudania highway (14th kilometre). Building A hosts the main auditorium, the school course offices, lecture rooms, PC labs, the career office, a study area and the coffee shop. Building B hosts the University administration offices, teaching staff offices, the special account committee services, lecture rooms, PC labs and the library.

The International Hellenic University is one of the twenty-four public universities in Greece but the first where all its programmes of study are taught exclusively in English and all administrative communication with students is also in English.

The University has three schools:

- School of Economics, Business Administration & Legal Studies;
- School of Humanities;
- School of Science & Technology.

Website: <https://www.ihu.edu.gr/>

Rostov State University of Economics

Founded in 1931 **the Rostov State University of Economic** (RSUE) is an advanced University with great traditions. RSUE is located in the South of Russia, in the city of Rostov-on-Don which is informally considered as the “south capital” of Russia. As a big city Rostov-on-Don boasts a city population of over 1.1 million people, where you can enjoy a mild and warm climate (average annual temperature is +10). The town has extremely good transport connections with Moscow and many European cities.

Historically the town was and remains one of the most international cities in Russia with a very friendly and safe environment. RSUE, for a long time, was a member of the former Soviet Union’s special system of universities of applied sciences - a system of the national economy institutions. This system enclosed only 14 universities in the Soviet Union and has been designed to provide the entire country (around 300 million people) with the highly qualified personnel in the fields of economics and management.

Today RSUE is a classical University which provides training in 150 educational programs and still retains the status of one of the most prestigious higher schools in the country for economics and management. RSUE is fully integrated into the common European educational space, it implements the educational process in accordance with the principles of the Bologna process. RSUE’s Degrees are recognized and highly valued both in Russia and all over the world. Rostov State University of Economics has been training international students starting from 60s of the 20th century.

Currently, the University teaches students from 30 countries around the world, the proportion of foreign students in the overall student population makes up almost 5%. The University also educates students from CIS countries, Asia, Africa, Europe and South America. The University’s alumni held senior posts in State bodies and in private sectors of their countries. Our students can benefit from using the following possibilities: free-of-charge membership in our excellent regular and electronic libraries, participation in numerous international conferences in Russia and abroad, receiving an additional scholarship for outstanding achievements in studying, science, sports and public life, being involved in the University Exchange Programs implemented jointly with our foreign partner universities. Upon successful completion of studies international students can obtain European Diploma Supplement in addition to the State Diploma.

Website: <http://int.rsue.ru/>



University of Malta

The University of Malta is the highest educational institution in Malta. It offers undergraduate bachelor's degrees, postgraduate master's degrees and postgraduate doctorates (PhD). It is a member of the European University Association, the European Access Network, Association of Commonwealth Universities, the Utrecht Network, the Santander Network, the Compostela Group, the European Association for University Lifelong Learning (EUCEN) and the International Student Exchange Programme (ISEP).

There are 11,500 students including 750 international students from 82 countries, following full-time or part-time degree and diploma courses, many of them run on the modular or credit system. The university hosts Erasmus and other exchange students. A basic Foundation Studies Course enables international high school students who have completed their secondary or high school education overseas but who do not have the necessary entry requirements, to qualify for admission to an undergraduate degree course. Over 3,000 students graduate annually. There are a further 2,500 pre-tertiary students at the Junior College, which is also managed by the university.

The university has fourteen Faculties, a number of institutes and centres and the School of Performing Arts. The floor area occupied by the library building is between 5,000 and 6,000 square metres. A collection of one million volumes is housed throughout the Main Library, branches and institutes. The library subscribes to 60,000 e-journals, 308 print journal titles and a collection of e-books.

There is a University of the Third Age. The campus is home to the IMO International Maritime Law Institute (IMLI). The university is a member of the European University Association, the European Access Network, the Association of Commonwealth Universities, the Utrecht Network, the Santander Network, the Compostela Group, the European Association for University Lifelong Learning (EUCEN) the International Student Exchange Programme (ISEP) and the Excellence Network of Island Universities [RETI]. The university has participated in EU programmes and has won several projects in collaboration with partner universities. University of Malta staff and students participate in programmes such as Erasmus and Leonardo. The university acts as a partner with other institutions. Links have been forged with the Chamber of Commerce, Enterprise & Industry and the Employment & Training Corporation in order to determine how the university, industry, business and the public sector can develop links.

Website: <https://www.um.edu.mt/>



International Strategic Management Association (ISMA)

The ISMA was established in 1993 as a non-profit, non-governmental organization. It is an international academic association, with participation open to all persons involved or interested in business and economics. The opportunity to participate as a member of ISMA includes a subscription either in the European Research Studies Journal (ERSJ) or in the International Journal of Economics and Business Administration (IJEBA) or in the International Journal of Finance, Insurance and Risk Management (IJFIRM). Members can submit their papers to the above journals at a reduced submission fee and have the right to attend the annual International Conference in Applied Business and Economics (ICABE) at a reduced registration fee.

The association's objectives are:

- ⤴ to contribute to the development and implementation of strategic business and economics as science and practice in Europe;
- ⤴ to improve communication and exchange ideas between professors, researchers, professionals and students in business and economics worldwide;
- ⤴ to develop and support cooperation between educational and research institutions across Europe and the rest of the world;
- ⤴ to promote the idea of European integration by stimulating research on the process of European Integration and International Economics through publications in the relevant journals and the organization of conferences, workshops, scientific gatherings and related activities.

In pursuing these objectives, the ISMA is particularly keen to promote closer ties between theory-oriented and policy-oriented scientists and among students across the world. The ISMA collaborates as a complementary and non-competitive entity, with existing national and international business and economic associations.

Website: <http://www.isma-edu.eu/>



European Research Studies Journal

The European Research Studies Journal is a refereed publication and is designed to cover a wide variety of topics in the fields of Business and Economics in general including Banking, Financial Services and Internal Controls, Accounting and Finance, Health Economics, Tourism, Maritime Studies, Transport and Logistics, Energy and Environment with reference to European Integration.

It aims to act as a guide for new developments and prospects in different aspects of economic thought and business methodologies and it is programmed to come out four to 6 times a year. Papers are invited both from academics as well as practitioners. The Journal is supported by the International Strategic Management Association, the ISMASYC Group LTD and the Insurance Department of the University of Malta.

Today we are witnessing tremendous changes in the economic and financial sectors in Europe and new theories are required every so often to meet the new demands. ERSJ will serve as a guide with information on the implementation of new and enhanced methods in research thereby fulfilling a need which stems from a broad demand for new kinds of theories. Its content will include a review of current theories, an insight into future methods of development and an analysis of possible further expansion of the existing ones.

With the growth in research studies in various fields accelerating and with needs for new solutions increasing, ERSJ provides an essential worldwide reference to recent developments in the above topics. To promote the idea of being more informed of the latest innovations in the overall area of business and economics, the journal tries to encourage those engaged in different fields, to combine their experience and to evaluate project research.



Website: <http://www.ersj.eu>



International Journal of Economics and Business Administration

The International Journal of Economics & Business Administration (IJEBA) is a refereed publication that comes to address the Economic and Administration challenges that economic units of various nature face in today's rapidly changing international economic environment.

It is designed to publish original and high-quality research work that will cast light in contemporary issues and will pave the way for the application of mould-breaking solutions.

IJEBA's general scope is to stimulate, promote and disseminate contemporary research that will have a significant impact on the theory and practice of Businesses, Public Organizations and other Institutions. IJEBA aims to bridge the gap between theoretical developments and applied, policy-oriented research, becoming the ideal vehicle of advancing innovative ideas in the framework of entities' economic management and general administration.

In this context, the International Journal of Economics & Business Administration is bound to have a distinctive interdisciplinary profile, destined to cover a wide variety of topics spanning from Business Economics to Management, Finance, Accounting, Banking and International Economics. The ultimate mission of the International Journal of Economics & Business Administration is to constitute a valuable resource of scientific knowledge and applied research results for academics, practitioners and policymakers becoming an indispensable ally in tackling modern economy's challenges.



Website: www.ijebo.com



International Journal of Finance, Insurance and Risk Management

The International Journal of Finance, Insurance & Risk Management (IJFIRM) is a refereed publication that comes to address the Economic and Administration challenges that economic units of various nature face in today's rapidly changing international economic environment. It is designed to publish original and high-quality research work that will cast light in contemporary issues and will pave the way for the application of mould-braking solutions.

IJEBA's general scope is to stimulate, promote and disseminate contemporary research that will have a significant impact on the theory and practice of Businesses, Public Organizations and other Institutions. IJEBA aims to bridge the gap between theoretical developments and applied, policy-oriented research, becoming the ideal vehicle of advancing innovative ideas in the framework of entities' economic management and general administration.

In this context, the International Journal of Economics & Business Administration is bound to have a distinctive interdisciplinary profile, destined to cover a wide variety of topics spanning from Business Economics to Management, Finance, Accounting, Banking and International Economics. The ultimate mission of the International Journal of Economics & Business Administration is to constitute a valuable resource of scientific knowledge and applied research results for academics, practitioners and policymakers becoming an indispensable ally in tackling modern economy's challenges.



ISSN: 2017-0916

Website: www.journalfirm.com



Aristotle University of Thessaloniki, Postgraduate Program, Master's in Business Administration (MBA)

The postgraduate program Master's in Business Administration (MBA) of Aristotle University of Thessaloniki is designed to provide research, training and expertise to graduates and those who wish to boarden their specialization in Business Administration.

The main goals are to help scientists of all disciplines to acquire knowledge in Management in order to improve their prospects and careers as executives in companies and organizations. Create specialized scientists in Business Administration. Train managers in order to meet the needs of private and public sector. Promote research in the scientific field of Business Administration.

The program invests in high level academic and professional staff and is configured in a way that meets your professional ambitions.

Our goal is to develop students into leaders, and we believe that attending MBA in Aristotle University of Thessaloniki, the largest university in Balkans will offer a competitive advantage and a unique experience for all of us.

The postgraduate program Master's in Business Administration (MBA) of Aristotle University of Thessaloniki is designed to provide research, training and expertise to graduates and those who wish to boarden their specialization in Business Administration.

The main goals are to help scientists of all disciplines to acquire knowledge in Management in order to improve their prospects and careers as executives in companies and organizations. Create specialized scientists in Business Administration. Train managers in order to meet the needs of private and public sector. Promote research in the scientific field of Business Administration.

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RESEARCH COMMITTEE
ARISTOTLE UNIVERSITY OF THESSALONIKI

AUTH, Research Committee

The Aristotle University of Thessaloniki (AUTH) is the largest university in Greece and one of the largest in Southeastern Europe. It is Known as the most interdisciplinary university of the country with a wide range of offered services in basic and applied research as well as in research on humanities and social sciences. Over the last five years the AUTH has implemented more than 4000 Research and Technological Development Projects mainly covering the scientific areas of the environment, information technology, communications, industrial technologies, transport, biotechnology, biomedical technology and health, agriculture, forestry, fishing, education, language, history, archeology and social/economic sciences. Key AUTH administrative services include the Department of Studies, the Department of European Educational Programs, the Career Services Office, the Department of International Relations, and the Research Committee.

The Research Committee of Aristotle University of Thessaloniki is the legal body responsible for the administration of funded projects and other related services which are provided by the members of AUTH. The Research Committee has an extensive experience in the management of research projects funded by national, European and international public and private organizations. The policy of excellence, aiming at the University's distinction in the international research arena, is implemented by gathering a critical mass of scientific research projects, and adopting an interdisciplinary approach; it is further supported by setting up research teams and incorporating processes for innovation development in research activity. This policy also focuses on recognizing high individual performance, establishing new research units and fostering an environment that enhances innovative actions.

During the past three years, 985 researchers – distinguished scientists – have provided educational and research services in collaboration with a total of 7,263 external scientific associates for the implementation of 3,151 International, European and National Research and Technological Development (RTD) projects. 1,436 of these partners were universities, research centers and organizations, while 405 were businesses. AUTH research and technological development projects are funded by national, European and international agencies. At national level, these agencies include ministries, local authority organizations, public sector organizations, and private sector businesses/companies. Most research projects are funded mainly by the Directorate-General for Research and Innovation and other General Directorates of the European Commission.



University of Macedonia

Postgraduate Program in Accounting, Auditing and Finance

The basic goal of this Postgraduate Program is to help our students to specialize, in the fields of Accounting, Finance and Auditing, thus creating graduates capable of providing their services in the modern business environment as accountants, tax consultants, auditors, internal auditors, financial analysts, financial institutions and public administration executives.

Furthermore, our program aims to provide the knowledge and incentives necessary for the promotion and development of scientific research in the respective rapidly developing fields.

The quality and the criterion of continuous improvement of the services provided, the development of new professional outlets, the focus on employability for graduates as well as the acquirement of professional accreditations, is inherent in every stage of the operation of our program. This is reflected in the modern curriculum content, the excellent scientific and professional training of the department's staff members focusing in modern learning and teaching methods as well as in the monitoring and examination of the thematic units taught.

Keeping the aforementioned as our basic direction, the Department of Accounting and Finance Postgraduate Studies Program has established a collaboration with corresponding postgraduate programs of various other higher education institutions, as well as with professional organizations such as the Institute of Education of the Body of Certified Public Accountants - IESOEL, the Association of Chartered Certified Accountants - ACCA, the Institute of Chartered Accountants in England and Wales-ICAEW and the Institute of Internal Controls - IIC, providing the graduates with a skill set that makes them competitive in the international labor market.

The facilities of our Postgraduate Program provide fully equipped rooms and laboratories offering access to various accounting information software (ERP), mathematics, statistics and econometric analysis software, and financial analysis software. Moreover, the students can access various services and databases such as Bloomberg, Compustat Global, Compustat North Americas (S&P Capital IQ) that can be used for the educational needs and for the students' scientific research.



University of Malta, Dept. of Insurance

The Department currently offers a stimulating and rewarding undergraduate degree in Insurance at the B.Com. Level and Insurance and Risk Management at the B.Com.(Hons) level.

Risk and insurance touches every aspect of daily life and business. When we wake up in the morning, we accept risk of potential injury to others and ourselves. When we operate our business, we encounter risks to our business property, reputation, and livelihood. Risk management and insurance is what allows our lives and the economy to operate smoothly despite the risks and the reality that “bad things” will occasionally happen. Risk management and insurance is what makes us complete when things go wrong in both our personal and business lives.

The Insurance and Risk Management programme is very popular with undergraduate students because it provides a solid foundation for the students’ future successful careers in various sectors of the economy. It is revised each year to ensure that it remains relevant and up to date with recent developments in the financial markets. It provides students with an excellent background with which to proceed to the MA in Insurance and Risk Management offered by the department or any other M.Sc., M.A. or M.B.A. programmes offered both locally and abroad. This programme is designed to develop core units and foundation specialist knowledge in such areas as and not limited to: Actuarial Science, Risk Management, Underwriting, Claims Management, Portfolio Management, Investment Advise, Financial Planning, Brokerage, Intermediation, Regulations and Compliance, Corporate Governance, Conduct of Business, Re-insurance, Audit Management, Compliance Management, Insurance Asset and Liability Management and more.

Perhaps the most meaningful aspect of the education process is the opportunity to apply knowledge learned in the classroom to real-world situations. This is one of the primary objectives of internships, which afford students the opportunity to work for a risk/insurance organization where the student is exposed to real-world business activities, projects, and challenges. Student interns are able to gain professional experience, make valuable network connections, and usually receive wages for their effort – all while cementing and enhancing their understanding of the concepts they first learned in the classroom. In fact, many internships ultimately lead to permanent employment offers upon graduation. Because of the incredible value, that an internship experience provides this degree also promotes an internship as part of the degree requirements.

Website: <https://www.um.edu.mt/>



Pontian Spiritual Club of Kavala Prefecture

The Club was founded in 1950 by First Generation Pontians as a legacy to the younger generations to remind and preserve our ancestors' morals and customs from old times. The purpose of the Club is to preserve, retain and promote the rich cultural and folklore tradition of Pontic Hellenism, valuable elements of our National Identity.

Its goals are achieved through music, songs, dances, dialect, Pontian history, custom revivals, national memory events and commemoration of the victims of the Genocide. Also, with lectures, concerts, participation in Pan-Hellenic Traditional Dance Festivals, annual events for remembering and disseminating the values and legacies of our ancestors, trekking trips to the Pontic areas and by offering Club's activities and services to distinguished events and celebrations worldwide.

With profound respect and sacred debt to the History and memory of our ancestors and to the timeless values of Hellenism, we preserve, retain and keep alive the flame of tradition and the memories of the unforgettable land of Pontus, where for thousands of years Hellenism flourished as a worthy successor and post-educator of the Greek-Pontian spirit and culture.

The President: Michalis Tsoulfidis

The Choreographer: Matina Tsoulfidou



ICABE Committees

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- **Joachim Zentes, Professor Dr. Dr. h.c., Director H.I.MA.**, Institut für Handel & Internationales Marketing, Saarland University, GERMANY

Special Events:

The following special events open to all the participants, will be held during the conference:

- Monday October 21st, 2019 (open to all participants)

18:30-19:30 **“Meet the Editors”**: There is a number of International Journals and their respective Editors participating in ICABE 2019 publishing Economics, Business and Finance related research. It is often difficult for authors to navigate in the landscape of academic paper publishing. The Editors will help the young researchers to understand the different focus of each journal, the rewards and perils of journal publishing and the steps in preparing their research for journal publications.

19:30-20:30 **“Meet the Press”**: Invited participants only.

- Tuesday October 22nd, 2019 (open to all participants)

18:30-19:30 **“PhD Coaching”**: This special event aims to provide the participating Ph.D., researchers with the unique opportunity of benefiting from a presentation on thesis writing. Moreover, after the end of the presentation each interested Ph.D., researcher may seek for the consultancy of a scholar related to his/her research field with regard to his/her ongoing research work obtaining an objective third-party view and accumulating useful guidelines and tips on his/her future work.

[Keynote Speakers of ICABE 2019:](#)

Professor Emeritus Ali T. AKARCA

University of Illinois at Chicago, Research Associate University of Chicago, e-mail:
akarca@uic.edu

**Title: Economic Performance under Different Types of Turkish Governments:
1950-2018**



Professor Emeritus George BITROS

Athens University of Economics and Business,
e-mail: bitros@aueb.gr

**Title: Money in Classical Athens: Clues for Stemming the Next U.S. Made
International Financial Upheaval**



Professor Nicholas ECONOMIDES

New York University, Stern School of Business, e-mail:

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<http://www.stern.nyu.edu/networks/>

Executive Director, NET Institute, <http://www.NETinst.org/>

<http://www.facebook.com/NET.inst>

Title: Privacy and Antitrust in Digital Markets (Skype connection)



Professor Pierpaolo MARANO

Catholic University of the Sacred Heart-Milan, Faculty of Banking, Finance and Insurance Sciences, Department of Legal Studies, Honorary Fellow at the Asian Institute of International Financial Law

e-mail: pierpaolo.marano@unicatt.it

Title: Product Oversight and Governance: “Organizational Rules of Conduct” for Customer Protection in Financial Services



Professor Vassilis MONASTIRIOTIS

London School of Economics, Political Economy and Director of LSEE: Research on South Eastern Economy

e-mail: V.Monastiriotis@lse.ac.uk

Title: The Public – Private Investment Relationship in Emerging Europe: Crowding-In Or -Out?



Professor Ramona RUPEIKA-APOGA

University of Latvia, Head Department of Finance

e-mail: rr@lu.lv

Title: FinTech: The New Era of the Financial Sector?

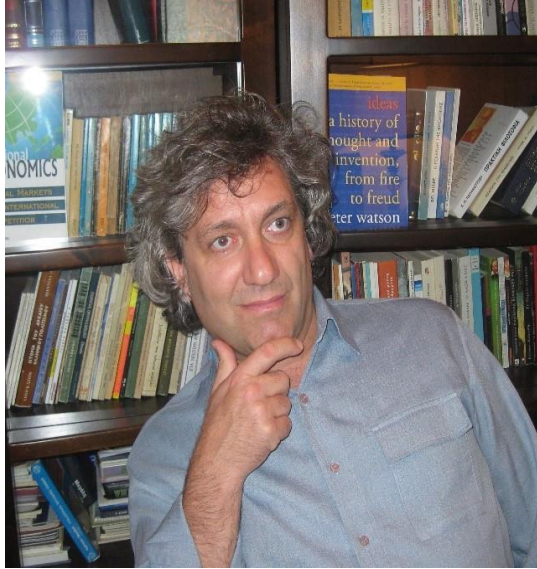


Dr Ioannis TACHMATZIDIS

Malama – Institute for Psychological Applications

e-mail: tachmatz@hotmail.com

Title: Istamology, a New Concept for Business: Syntactics than Strategy



Professor El THALASSINOS

Chair Jean Monnet, University of Piraeus, University of Malta,

e-mail: thalassinos@ersj.eu <https://www.isma-edu.eu>

Editor-in-Chief ERSJ, IJEBA, IJFIRM

www.ersj.eu www.ijebe.com www.journalfirm.com

Title: EU Following the Crisis: What Impact on Corporate Governance of Financial Institutions



Professor Panagiotis THEODOSSIOU

Cyprus University of Technology, Faculty of Management and Economics, e-mail:
theodoss@gmail.com

Editor-in-Chief Multinational Finance Journal

<http://www.mfsociety.org/page.php?pageID=159&expandable=1>

**Title: Consequences of Outlier Returns for Event Studies in Finance: A
Methodological Investigation and Treatment**



International Conference on Applied Business & Economics



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21st October – 23rd October 2019

Thessaloniki, Greece,

Aristotle University of Thessaloniki
Main Campus, Egnatias, Thessaloniki

Organized jointly by the:

Aristotle University of Thessaloniki
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International Hellenic University
Rostov State University of Economics

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International Strategic Management Association

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73	58	Sotirios Trigkas, Konstantionos Liapis	Panteion University of Athens	A new approach to model Small-Medium Bank Profitability according to IFRS under certainty and uncertainty	Greece	B8	147
74	102	Paul Handro	University of Craiova	Business Models and Banking Regulation Are Going Forward	Romania	B8	148
75	502	Davidian V.L.	Rostov State University of Economics	Modern Methods of Business Analysis of a Commercial Organization	Russia	B8	149
76	62	Bykova Olga, Repnikova Valentina, Garnov Andrey	Plekhanov Russian University of Economics	Formation of employment management policies in single-industry towns taking into account existing problems of precarious employment	Russia	C1	150
77	106	Hülya Bulut	Anadolu University	In the Context of the Regulatory and Supervisory Role of the State in the Turkish Insurance Sector Corporate Information Technology Management	Turkey	C1	151
78	111	Jarosław Kundera	Instytut Nauk Ekonomicznych Uniwersytet Wrocławski	Evolution of global international trade after 2007s	Poland	C1	152
79	203	Yannis Thalassinos, Eleftherios Thalassinos	Gulf University for Science and Technology, University of Piraeus	Anticorruption Strategy in Europe: The Case of Romania	Kuwait Greece	C1	153
80	68	Rizka Luluh Prasmawati	Accounting Departement, Faculty of Economics Universitas Islam Indonesia	The Effect of the Implementation of Syariah Governance and Customer Relationship Marketing on Muzakki Loyalty	Indonesia	C1	154
81	69	Franco Curmi, Emanuel Said, Conrad Attard	University of Malta	Political Campaign Success Predictors from Social Media Financing	Malta	C1	155
82	208	Anca Tanasie	University of Craiova	The Impact of EU Funding on Regional Development in Romania	Romania	C1	156

83	209	Olvia Biltac	University of Craiova	Social Performance Reporting in Romania – A Critical Analysis	Romania	C2	157
84	14	Eleftherios Thalassinos Mirela Cristea Gratiela Georgiana Noja	University of Piraeus, University of Craiova West University of Timisoara	Measuring Active Ageing Within the European Union – Implications on Economic Development	Greece Romania Romania	C2	158
85	06	Alexandru Monahov, Thomas Jobert	University of Nantes, IAE, LEMNA, University Côte d’Azur, GREDEG-CNRS	Case Study of Bank Fraud in Moldova: is Early Intervention the Best Central Bank Strategy to avoid Financial Crises?	France	C2	159
86	36	M. Oguz Arslan, Hatice Altinok	Anadolu University	An Economic Tale of Three Southern European Countries: Applying Goodwin's Growth Cycle Model for Turkey, Spain, and Greece	Turkey	C2	160
87	204	Pantelis Thalassinos, Yannis Thalassinos	Banking Industry, Gulf University for Science and Technology	A Structural Credit Risk Model under a Currency Board Arrangement	Switzerland Kuwait	C2	161
88	70	Stavros Arvanitis	Hellenic Mediterranean University	Uncertainty and Cash Holdings in Accommodation Industry in Europe 2001-2017	Greece	C2	162
89	08	Nicole Xanthi Vartziotis	Athens University of Economics and Business	An integrated and extensive theoretical framework for defining and diffusing innovation in organisations	Greece	C2	163
90	11	Jan Šedek	CERGE-EI	Allocation in Congested Markets with Information Acquisition	France	C2	164
91	26	Brandon Agius	University of Malta	A Risk Assessment of Road Safety in Malta	Malta	C3	165
92	42	Bartłomiej Wisnicki	Warsaw School of Economics	Impact of R&D cartelization with endogenous product differentiation	Poland	C3	166
93	53	Majd Hammoudeh	Eötvös Loránd University	Internal CSR and the Integration of Mindfulness in Organizations	Hungary	C3	167

94	72	Theodoros Stamatopoulos	Hellenic Mediterranean University	Economic Policy Uncertainty and Cash Holdings in Shipping 2001-2017	Greece	C3	168
95	60	Irina Bilan, Constantin-Marius Apostoaie, Salah Koubaa	Alexandru Ioan Cuza University, Alexandru Ioan Cuza University, Hassan II University of Casablanca	Unemployment benefits and new business creation	Romania Romania Marroco	C3	169
96	63	Toghrul Allahmanlı	Lodz University	Application of fuzzy logic in economy. In the context of production areas	Poland	C3	170

International Conference on Applied Business & Economics

CONFERENCE PROGRAM

ICABE 2019

21st October – 23rd October 2019

Thessaloniki, Greece,

Aristotle University of Thessaloniki
Main Campus, Egnatias, Thessaloniki

Organized jointly by the:

Aristotle University of Thessaloniki
Macedonia University of Thessaloniki
International Hellenic University
Rostov State University of Economics
University of Malta

International Strategic Management Association



Detailed Program

Sunday, October 20th, 2019 **20h00-22h00** Welcome drinks finger food
Macedonia Palace Hotel Thessaloniki

Monday, October 21st, 2019

KEDEA Building (known as the RED building, it is painted red outside)
3rd Septemvriou - Panepistimioupoli
GR 54636 Thessaloniki

08h30-09h30 **Registration**

09h30-10h15 **WELCOME ADDRESSES** **Ground floor Lecture Hall A**

Professor Eleftherios Thalassinos
European Chair Jean Monnet, Chair ICABE 2019
Professor Dimitrios Kousenidis
Head Dept of Economics, AUTH, Chair ICABE 2019
Rector AUTH
Invited officials

10h15-11h45 **PLENARY SESSION A1: Session Chair: Prof. Kyriaki Kosmidou**

*#K1 Money in Classical Athens: Clues for Stemming the Next U.S. Made International
Financial Upheaval*
Professor Emeritus George Bitros, Athens University of Economics and Business

#K2 FinTech: The New Era of the Financial Sector?
Professor Ramona Rupeika-Apoga, University of Latvia

#K3 The Public Private Investment Relationship in Emerging Europe: Crowding in or Out?
Professor Vassilis Monastiriotes, London School of Economics

11h45-12h00 **Coffee Break** *Ground floor*

12h00-13h30 **PLENARY SESSION A2: Session Chair: Prof. Dimitrios Maditinos**

#K4 Economic Performance under Different Types of Turkish Governments: 1950-2018
Professor Emeritus Ali Akarca, University of Illinois Chicago

#K5 Istamology, a New Concept for Business: Syntactics than Strategy
Dr Ioannis Tachmatzidis, Malama Institute of Phycological Applications

*#K6 EU Following the Crisis: What Impact on Corporate Governance of Financial
Institutions?*
Professor Eleftherios Thalassinos, University of Piraeus

13h30-14h30 **Lunch break** *KEDEA Restaurant*

**14h30-16h30 INVITED SESSION A3: Chair Prof. Inna Romānova (20min/each)
Discussant Prof. Vassilis Monastiriotis**

#10 A Hybrid Simulation Approach to Modelling the Impact of Public Interventions on Poverty
Małgorzata Łatuszyńska (Dean, Faculty of Economics and Management, University of Szczecin, **Poland**)

#108 Analysis of Sustainability Reporting in Agri-Food Giant Cargill
Irena Jindřichovská (Dean, Metropolitan University Prague, **Czech Republic**)

#211 Tax Avoidance and Earnings Management: European Evidence
Panagiotis D. Tachinakis (University of Macedonia, **Greece**)

#32 Investor Sentiment Dynamics, the Cross-section of Stock Returns and the MAX Effect
Gilbert Nartea, Muhammad Cheema (University of Canterbury, University of Waikato, **New Zealand**)

#301 The Future Impact of Blockchain Technology on Accounting
Dimitrios V. Kousenidis, Anestis C. Ladas, **Christos I. Negkakis** (Aristotle University of Thessaloniki, University of Macedonia, **University of Macedonia, Greece**)

#37 An Analysis of the Risk Factors Determining Motor Insurance Premium in a Small Island State: The Case of Malta
Aryton Magri, **Andre Farrugia**, Simon Grima, Francis Valletta (University of Malta, Dept of Insurance, **Malta**)

16h30-16h45 Coffee Break *Ground floor*

**16h45-18h30 INVITED SESSION A4: Chair Prof. Simon Grima (19min/each)
Discussant Prof. Aleka Livada**

#52 Social Media Advertising for Charity. An Experimental Approach
Athanasios Tsadiras, Marina Nerantzidou (Aristotle University of Thessaloniki, **Greece**)

#401 Fintech Ecosystem as an Instrument of Sustainable Development Provision
Natalia G. Vovchenko, S.S. Galazova, A.A. Sopchenko (Rostov State University of Economics, Khetagurov North Ossetian State University, **Russia**)

#303 Tourist Competitiveness of Polish Rural Areas Against the Background of European Countries
Agnienska Brelik, Mariola Grzybowska-Brzezińska, Aldona Mrowczyńska, Piotr Kułyk (West Pomeranian University of Technology Szczecin, **Poland**)

#35 Fintech Payment Solutions for Airlines
Inna Romānova, Simon Grima, Jonathan Spiteri (**University of Latvia**, University of Malta, University of Malta, **Latvia**)

#202 Export Performance in Southern- Northern European Countries: a comparative Statistical Analysis
Alexandra Livada (Athens University of Business and Economics, **Greece**)

#57 Planning of development versus participation of inhabitants - the author's methodological proposal (in the field of management)

Lukasz Poplawski (Cracow University of Economics, **Poland**)

18h30-19h30 **Meet the Editors**

18h30-19h30 **Meet the press (by invitation)**

Tuesday, October 22nd, 2019

Main Campus Aristotle University of Thessaloniki, Department of Economics, Egnatias

08h30-09h15 **Registration**

09h15-11h30 **PARALLEL SESSIONS B1-B2-B3** *Lecture Halls A, B, C*

SESSION B1 LECTURE HALL A: Chair Prof. Malgorzata Latuszynska (19min/each)

09h15-11h30 **Discussant Prof. Athanasios Tsadiras**

#38 The impact of Non-Performing Loans on the Profitability of listed Euro-Mediterranean commercial banks

Ayrton Psaila, Jonathan Spiteri, Simon Grima (University of Malta, **Malta**)

#39 The Impact of GDPR on the Financial Services Industry in Small European States

Kieran Xureb, Pierpaolo Marano, Andre Farrugia, **Simon Grima** (University of Malta, Università Cattolica, University of Malta, University of Malta, **Malta**)

#09 The Cognitive Neuroscience Methods in the Analysis of the Impact of Advertisements in Shaping People' S Health Habits

Mateusz Piwowarski, Uma Shankar Singh, **Kesra Nermend** (University of Szczecin, Tishk International University, Erbil-Kurdistan, Kurdistan, University of Szczecin, **Poland**)

#74 Operational Risk Events and Spillovers in the Energy Sector: A Literature Review

Sofia K. Kalatha, **Kyriaki V. Kosmidou**, Dimitrios V. Kousenidis (Aristotle University of Thessaloniki, **Greece**)

#109 Impact of IFRS On Czech Fdi: Empirical Study with the Use of Gravity Model

Irena Jindřichovská, Erginbay Ugurlu (**Metropolitan University Prague**, Istanbul Aydin University, **Czech Republic**)

#16 The Dali Model in Risk Management Practice

Simon Grima, **Rebecca Dalli Gonzi**, Jonathan Spiteri (University of Malta, **Malta**)

#402 Small Business: Success Factors

Elena Makarenko, **Yulia Chernysheva**, Irina Poliakova, Tatiana Makarenko (Rostov State University of Economics, **Russia**)

SESSION B2 LECTURE HALL B: Chair Prof. Dimitrios Maditinos (19min/each)

09h15-11h30 **Discussant Prof. Inna Romanova**

#403 Problems Related to the Commercial Use of Exclusive Rights by the Subjects of Innovative Entrepreneurship

Tatiana V. Shatkovskaya, **Tatiana V. Epifanova** (The Russian Presidential Academy of National Economy and Public Administration, **Rostov State University of Economics, Russia**)

#13 Are European cooperative banks more responsible?

Ouafa Ouyahia (EconomiX, University Paris Nanterre, **France**)

#112 The effect of Corporate Social Responsibility on Customer Loyalty in Mobile telephone companies

Efstathios Dimitriadis, Eleni Zilakaki (International Hellenic University, **Greece**)

#113 Factors Affecting Motivation in the Public Sector under the Context of Self-determination Theory and Public Service Motivation:

The case of the Hellenic Agricultural Insurance Organization (H.A.I.O.)

Martha Papadopoulou, Efstathios Dimitriadis (International Hellenic University, **Greece**)

#205 The strategic importance of supply chains and the RFID radio data identification system

Katarzyna Witczyńska, (Instytut Nauk Ekonomicznych Uniwersytet Wrocławski, **Poland**)

#23 Innovation in Less Developed Regional Ecosystems: Towards a New Synthetic Approach

Katimertzopoulos K. Fotios, Vlados Charis, (Democritus University of Thrace, **Greece**)

#34 Testing for Structural Breaks in Macroeconomic Processes of Growth: The Case of Israel

Marcin Faldzinski, Magdalena Osinska, Jerzy Boehlke, Yochanan Shachmurove, Maciej Gałeczki (**Nicolaus Copernicus University**, Nicolaus Copernicus University, Nicolaus Copernicus University, The City University of New York, Nicolaus Copernicus University, **Poland**)

SESSION B3 LECTURE HALL C: Chair Prof. Vlad Dumitrache (19min/each)

09h15-11h30

Discussant Prof. Agnienzka Brelik

#49 Sovereign Credit Risk and Global Equity Fund Returns in Emerging Markets

Andreas Savvides, Christoforos Andreou, Neophytos Lambertides (Cyprus University of Technology, **Cyprus**)

#409 Priorities of Software Project Management Support of Agro-Industrial Complex in Ensuring Food Security

Kuznetsov N.G., Bogoslavtseva L.V., **Rodionova N.D.**, Roshchina L.N (Rostov State University of Economics, **Russia**)

#25 Preliminary Results of a Healthcare Contingent Valuation Study in Greece

Afentoula Mavrodi, Vassilis Aletras, (University of Macedonia, **Greece**)

#45 Romania Vs Opportunity of Using European Structural and Investment Funds

Romeo-Victor Ionescu (Dunarea de Jos University, **Romania**)

#41 Workload and Effort: Working Faster When There Is More Work to Do

Juan-Angel Matamala-Gonzalez (UCLA Anderson School of Management, **USA**)

#406 Transparency of Public Finance in the Context of Digital Transformation

O.B. Ivanova, E.D. Kostoglodova (Rostov State University of Economics, **Russia**)

#109 Econophysics: A New Tool to Analyze Financial Economics

Lykourgos Magafas, (International Hellenic University, **Greece**)

11h30-11h45

Coffee Break

Floor hall

11h45-12h45 KEYNOTE SESSION B4 LECTURE HALL A:

SESSION CHAIR PROF. DIMITRIOS KOUSENIDIS, CHAIR ICABE

#K7 Consequences of Outlier Returns for Event Studies in Finance: A Methodological Investigation and Treatment

Professor Panayiotis Theodossiou, Cyprus Technical University

#K8 Product Oversight and Governance: “Organizational Rules of Conduct” for Customer Protection in Financial Services

Professor Pierepaolo Marano, Catholic University of the Sacred Heart-Milan

12h45-13h45

Lunch Break

University Restaurant

13h45-16h00

**KEYNOTE AND INVITED SESSION B5 LECTURE HALL A:
Chair Prof. Eleftherios Thalassinos (18min/each)
Discussant Prof. Pierpaolo Marano**

#46 What Can be Defined as Fintech? Ideas for a Regulatory Definition

Ramona Rupeika-Apoga, Pierpaolo Marano (University of Latvia, Università Cattolica, Latvia)

#40 The FORTE Framework for Good Governance: An Analysis on Small EU States

Jack Kruf, **Simon Grima**, Murat Kizilkaya, Jonathan Spiteri, Wouter Slob, John O'Dea (PRIMO, **University of Malta**, Ardahan University, University of Malta, PRIMO, PRIMO, **Malta**)

#404 The Formulation of Entrepreneurial Ecosystem in the Russian Federation

Yana I. Kurinova, **Tatiana V. Epifanova** (Rostov Regional Agency of support of entrepreneurship, **Rostov State University of Economics, Russia**)

15h00-15h25 KEYNOTE SPEECH (SKYPE)

#K9 Privacy and Antitrust in Digital markets

Professor Nicholas Economides, NYU STERN'S

#101 The Interaction Between Takeover Defenses and Economic Structures

Isidora Tachmatzidi (King's College London, UK)

#405 The problem of categorising entrepreneurial, professional and other forms of economic activity

Tatiana A. Skvortsova, Alexei N. Pozdnishov, **Nataliya V. Fedorenko** (Rostov State University of Economics, **Russia**)

#21 Theoretical Evolution of Growth Poles and Clusters Analysis: Analytical Divergences and Convergences

Dimos Chatzinikolaou, Charis Vlahos (Democritus University of Thrace, Greece)

16h00-16h15

Coffee Break

Floor hall

16h15-18h30 PARALLEL SESSIONS B6-B7-B8

PARALLEL SESSION B6: Chair Prof. El Thalassinos (15min/each)

16h15-18h30 Discussant Prof. Romana Rupeika-Apoga

#207 The Area of Farms and their Influence on Generating Negative Externalities
Tomasz Pajewski, Barbara Gołębiowska, **Agnieszka Brelik** (Warsaw University of Life Sciences, Warsaw University of Life Sciences, **West Pomeranian University of Technology Szczecin, Poland**)

#33 Defense Economics in Romania Following Membership to EU and NATO
Vlad Dumitrache, Florin Eduard Grosaru (DRESMARA National University, **Romania**)

#61 The Consumer in Building a Multi-Attribute Concept of a Food Product
Mariola Grzybowska-Brzezińska, Dominika Kuberska (West Pomeranian University of Technology Szczecin, **Poland**)

#105 Leading Factors for Sustainable Tourism Development: The Case of Georgia
Maia Diakonidze (Akaki Tsereteli State University, **Georgia**)

#71 Influencing Factors on Purchase Intentions of Co-Branded products: An Empirical Approach
Sebastian Zips (Hochschule Zittau – Goerlitz, **Germany**)

#54 Factors That Determine the Profitability of Commercial Banks in Kosovo
Donjeta Morina, **Ibish Mazreku** (University 'Haxhi Zeka', **Kosovo**)

#22 How much does disintegration cost?
Margarita Rohr, Vicente Pallardó López (University of Valencia, **Spain**)

#503 International Trade and Logistics: An Empirical Panel Investigation of the Dynamic Linkages between the Logistics Sector and Trade and their Contribution to Economic Growth
Katrakylidis Ioannis, Madas Michail, (Aristotle University of Thessaloniki, University of Macedonia, **Greece**)

#504 An Empirical Investigation of the Dynamic Linkages Among Ethanol, Crude Oil and Corn Prices in the US Market
Dimitrios Dimitriadis, C. Katrakilidis, Th. Christoforidis, A. Karakotsios (Aristotle University of Thessaloniki, **Greece**)

PARALLEL SESSION B7: Chair Prof. Panayiotis Theodossiou (15min/each)

16h15-18h30 Discussant Prof. Lykoyrgos Magafas

#73 Detecting Accounting and Financial Fraud in the Greek Stock Exchange and the Impact of the Financial Crisis on it
Gkinoglou E., Mpakas N., Gkinoglou D., Livanis E. (**Tax and Business Consultant**, Independent Authority for Public Revenue, University of Macedonia, University of Macedonia, **Greece**)

#18 Entrepreneurship Boosting Policies in Europe: The European South Case
Charis Vlados, **Dimos Chatzinikolaou**, Michail Demertzis (Democritus University of Thrace, **Greece**)

#27 Exchange rate regime and macro-economic stability: A literature review

Patricia Amalia Mercea-Handro (University of Craiova, **Romania**)

#19 Asian and African Business Students: A Comparative Analysis of theirs' Motivation, Family Support and Culture on Business Orientation

Genoveva Genoveva (President University, **Indonesia**)

#20 Connection of Competitiveness and Industrial Policy: Theoretical Trends

Dimos Chatzinikolaou, Charis Vlahos (Democritus University of Thrace, **Greece**)

#48 Measurement of land value in land developing projects: The case of Helliniko former international airport of Athens

Konstantinos Liapis, Antonios Rovolis, Christos Galanos, Panagiotis Mpakas (**Panteion University**, Panteion University, Agricultural University of Athens, Panteion University, **Greece**)

#201 A proposed model for detection of abrupt price decrease in financial data

Stefanos Tsakonas, Lykourgos Magafas, Michail Haniias, Leonidas Zachilas (**University of Thessaly**, International Hellenic University, International Hellenic University, University of Thessaly, **Greece**)

#501 Features of Informational Support of Value Analysis in Business Entities

Albekov U.A., Polubotko A.A., **Bukhov V.N.** (Rostov State University of Economics, **Russia**)

#56 Personality, Competencies and Environmental Support Towards Women Entrepreneurs' Performance Mediating Organizational Flexibility

Genoveva Genoveva, **Filbertha Nathania-Kartawaria** (President University, Khatolieke Universiteit Leuven, **France**)

PARALLEL SESSION B8: Chair Prof. Jindrichovska Irena (15min/each)

16h15-18h30

Discussant Prof. Tachinakis Panagiotis

#15 Method of determination the different categories of buyers based on the Jaynes' information principle

Arkadye Maron, Maxim Maron (National Research University Higher School of Economics, **Russia**)

#67 Determinants of Systematic Risk in the Athens Stock Exchange: The Impact of the Greek Financial Crisis

Alexandros Hatzigeorgiou, Georgios Michalopoulos (University of Macedonia, **Greece**)

#31 Delimitation of urban functional areas: in pursuit of standardised approach (initial results from econometric analysis)

Bogna Gawrońska-Nowak, Piotr Lis, Olha Zadorozhna (Institute of Urban and Regional Development, Coventry University, Kozminski University, **Poland**)

#61 The consumer in building a multi-attribute concept of a food product

Mariola Grzybowska-Brzezinska (University of Warmia and Mazury in Olsztyn, **Poland**)

#51 Impact of New Talent Management for SMEs Development in Less Developed Countries

Ibrahim Krasniqi, Bedri Statovci (UHZ, Peja, **Kosovo**)

#28 Applying Benford's Law in Public Sector Financial Investigations. The Case of Greek Municipalities

Konstantinos Liapis, **Panagiotis Spanos**, Haralampos Kapnas (Panteion University, **Hellenic Open University**, Athens University of Economics and Business, **Greece**)

#58 A new approach to model Small-Medium Bank Profitability according to IFRS under certainty and uncertainty

Sotirios Trigkas, Konstantinos Liapis, (Panteion University of Athens, **Greece**)

#102 Business Models and Banking Regulation Are Going Forward

Paul Handro (University of Craiova, **Romania**)

#502 Modern Methods of Business Analysis of a Commercial Organization

Davidian V.L. (Rostov State University of Economics, **Russia**)

20h30-Open

Gala Dinner Makedonia Palace Hotel

Wednesday, October 23rd, 2019

For our foreign participants by registration only: Day trip to Vergina departure at 08h30 from Makedonia Palace Hotel and at 08:45 from Mediterranean Palace Hotel. Return at 16h30 through Makedonia Airport (drop off approximately at 16h00).

09h30-12h00

PARALLEL SESSIONS C1, C2, C3

PARALLEL SESSION C1: Session Chair Prof. Konstantinos Liapis

#62 Formation of employment management policies in single-industry towns taking into account existing problems of precarious employment

Bykova Olga, Repnikova Valentina, Garnov Andrey (Plekhanov Russian University of Economics, **Russia**)

#106 In the Context of the Regulatory and Supervisory Role of the State in the Turkish Insurance Sector Corporate Information Technology Management

Hülya Bulut (Anadolu University, **Turkey**)

#111 Evolution of global international trade after 2007s

Jarosław Kundera (Instytut Nauk Ekonomicznych Uniwersytet Wrocławski, **Poland**)

#203 Anticorruption Strategy in Europe: The Case of Romania

Yannis Thalassinis, Eleftherios Thalassinis (Gulf University for Science and Technology, University of Piraeus, **Kuwait**)

#68 The Effect of the Implementation of Syariah Governance and Customer Relationship Marketing on Muzakki Loyalty

Rizka Luluh Prasmawati (Accounting Departement, Faculty of Economics Universitas Islam Indonesia, **Indonesia**)

#69 Political Campaign Success Predictors from Social Media Financing

Franco Curmi, Emanuel Said, Conrad Attard (University of Malta, **Malta**)

#208 The Impact of EU Funding on Regional Development in Romania
Anca Tanasie (University of Craiova, **Romania**)

PARALLEL SESSION C2: Session Chair Prof. Dimitrios Maditinos

#209 Social Performance Reporting in Romania – A Critical Analysis
Olvian Biltac (University of Craiova, **Romania**)

#14 Measuring Active Ageing Within the European Union – Implications on Economic Development

Eleftherios Thalassinos, Mirela Cristea, Gratiela Georgiana Noja (University of Piraeus, University of Craiova, West University of Timisoara, **Greece**)

#06 Case Study of Bank Fraud in Moldova: is Early Intervention the Best Central Bank Strategy to avoid Financial Crises?

Alexandru Monahov, Thomas Jobert (University of Nantes, IAE, LEMNA, University Côte d'Azur, GREDEG-CNRS, **France**)

#36 An Economic Tale of Three Southern European Countries: Applying Goodwin's Growth Cycle Model for Turkey, Spain, and Greece

M. Oguz Arslan, Hatice Altinok (Anadolu University, **Turkey**)

#204 A Structural Credit Risk Model under a Currency Board Arrangement

Pantelis Thalassinos, Yannis Thalassinos (Banking Industry, Gulf University for Science and Technology, **Switzerland**)

#70 Uncertainty and Cash Holdings in Accommodation Industry in Europe 2001-2017

Stavros Arvanitis (Hellenic Mediterranean University, **Greece**)

#08 An integrated and extensive theoretical framework for defining and diffusing innovation in organisations

Nicole Xanthi Vartziotis (Athens University of Economics and Business, **Greece**)

#11 Allocation in Congested Markets with Information Acquisition

Jan Šedek (CERGE-EI, **France**)

PARALLEL SESSION C3: Session Chair Prof. Efstathios Dimitriadis

#26 A Risk Assessment of Road Safety in Malta

Brandon Agius (University of Malta, **Malta**)

#42 Impact of R&D cartelization with endogenous product differentiation

Bartłomiej Wisnicki (Warsaw School of Economics, **Poland**)

#53 Internal CSR and the Integration of Mindfulness in Organizations

Majd Hammoudeh (Eötvös Loránd University, **Hungary**)

72 Economic Policy Uncertainty and Cash Holdings in Shipping 2001-2017

Theodoros Stamatopoulos (Hellenic Mediterranean University, **Greece**)

#60 Unemployment benefits and new business creation

Irina Bilan, Constantin-Marius Apostoae, Salah Koubaa (Alexandru Ioan Cuza University, Alexandru Ioan Cuza University, Hassan II University of Casablanca, **Romania**)

#63 Application of fuzzy logic in economy. In the context of production areas

Toghrul Allahmanlı (Lodz University, **Poland**)

#72 Economic Policy Uncertainty and Cash Holdings in Shipping 2001-2017

Theodoros Stamatopoulos (Hellenic Mediterranean University, **Greece**)

International Conference on Applied Business & Economics

LIST OF ABSTRACTS

ICABE 2019

21st October – 23rd October 2019

Thessaloniki, Greece,

Aristotle University of Thessaloniki
Main Campus, Egnatias, Thessaloniki

Organized jointly by the:

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Macedonia University of Thessaloniki
International Hellenic University
Rostov State University of Economics
University of Malta

International Strategic Management Association



Keynote 1:

Professor Emeritus Ali T. AKARCA

University of Illinois at Chicago, Research Associate University of Chicago,
e-mail: akarca@uic.edu

**Title: Economic Performance under Different Types of Turkish Governments:
1950-2018**

Short CV:

Ali T. Akarca is a Professor Emeritus of Economics at the University of Illinois at Chicago with which he has been affiliated since 1975. He has also worked as a Research Associate at the Department of Public Policy Studies of the University of Chicago during 1978-1980.

His articles on the behavior of oil prices and their impact on the economy; the effect of tax rate changes on tax revenues; economic, social, and political determinants of election outcomes and of government performance; causes and consequences of coups; and economic and political consequences of internal migration has appeared in books such as *Turkish Economy: Between Middle Income Trap and High Income Status*, and *Miracles in European Economies*, and in journals such as *Journal of Energy and Development*, *Resource and Energy Economics*, *Journal of Economics*, *International Advances in Economic Research*, *Public Finance Review*, *Public Choice*, *Electoral Studies*, *European Urban and Regional Studies*, *Journal of Economic Studies*, *Middle East Development Journal*, *IZA Journal of Migration*, and *Insight Turkey*. His analyses and accurate predictions about Turkish elections regularly appear in the media.

Keynote Speech:

Economic Performance under Different Types of Turkish Governments: 1950-2018

Economic growth typically exhibits an inverted-U type of pattern over the life of a government and declines as the number of ruling parties and the ideological distance between them increase. This applies to the Turkish case as well and holds even after external factors, election related cycles, and mean reversion in the growth rate are controlled.

The various types of Turkish governments ranked according to their economic growth performance from the best to the worst are as follows: single-party governments in their first terms; ideologically compatible coalition governments; ideologically incompatible coalition governments and single-party governments in their later terms; and military governments. The order in which these types of government followed each other was not by chance but according to a pattern induced by coups. Typically, single-party governments were ended by coups. Ideologically incompatible and then compatible coalition governments followed, usually after a brief military administration. Then once again single-party governments returned.

Consequently, the political cycles induced by coups have created parallel economic cycles, with economic performance going from very good to below average to really bad, then moving closer to average, then to good and very good again. In the presentation, these assertions are explained in detail and supported using theory, history, descriptive statistics, and regression analysis. It is also shown that if the political fragmentation caused by coups could have been avoided, and the checks and balances prevailing in the first terms of single-party governments were maintained in their later terms, Turkey's per capita real GDP today would be more than six times higher.

Keynote 2:

Professor Emeritus George BITROS

Athens University of Economics and Business,
e-mail: bitros@aueb.gr

Title: Money in Classical Athens: Clues for Stemming the Next U.S. Made International Financial Upheaval

Short CV:

George Bitros is Professor Emeritus of Economics at Athens University of Economics and Business. He holds a Ph.D. and an MA Degree from New York University, Graduate School of Arts and Science, Department of Economics and a BA from the Athens School of Economics and Business Science. He is the Founding member and President of the Adam Smith Club of Greece, (1987-1991), which in 1992 evolved in what became known all over Greece as Liberal Forum. He specializes in Microeconomic Theory, Industrial Organization, Managerial Economics, Cost-Benefit Analysis, Capital Theory.

He has served the Bank of Greece and the Center of Planning and Economic Research as Senior Research Economist for many years, the National Bureau of Economic Research as Research Associate, the New York University and the Fordham University of New York. Co-founder and Co-editor of the Greek Economic Review, 1979-1986, member of the Institute of Economic Policy Studies, the American Economic Association Institute of Economic Policy Studies and the Multinational Finance Society. He was Elector for the Nobel Prize in Economics in 1997. He has an extensive research record with a great number of publications in several journals.

Keynote Speech:

Money in Classical Athens: Clues for Stemming the Next U.S. Made International Financial Upheaval

Responsible leaderships in the U.S. behave as if nothing happened in 2008. They have an excuse, since the U.S. economy has returned to growing even above its potential. Yet experts in international organizations, universities and independent think tanks have not stopped submitting credible analyses and evidence to the contrary. Not everything is alright, they insist, because the underlying trends that led to the 2008 crisis have remained intact, if not worsened. So, can anything be done to stem the next U.S. made international financial upheaval? In a 2015 paper I discussed two paths of reforms.

One bold but gradual, which would entail altering the present institutional setup of the U.S Federal Reserve Board or Fed, provided that further research shows that it maintains control over the Federal Funds Rate (FFR); and, if not, a radical one, which would entail replacing the Fed with a monetary regime based on free banking. In this paper I go a step further by drawing on the model of money and banking without a central bank that emerged in Athens in classical times and enabled the Athenian empire to turn the Attic drachma into the dollar of today, throughout the eastern Mediterranean and beyond, without causing destructive financial crises for over two centuries.

In particular, I argue that, even if the Athenian model had not proved its superb advantages as a highly successful empire serving historical precedent, the U.S. ought to consider adapting it, before it is forced to do so by another unexpected financial crisis or revolutionary technological developments, like Libra-type and other “money” and “near money” digital means of payment and credit, render monetary regime change inescapable.

Keynote 3:

Professor Nicholas ECONOMIDES

New York University, Stern School of Business, e-mail: ECONOMIDES@stern.nyu.edu

<http://www.stern.nyu.edu/networks/>

Executive Director, NET Institute, <http://www.NETinst.org/>

Title: Privacy and Antitrust in Digital Markets (Skype connection)

Short CV:

Nicholas Economides is an internationally recognized academic authority on network economics, electronic commerce and public policy. His fields of specialization and research include the economics of networks, especially of telecommunications, computers, and information, the economics of technical compatibility and standardization, industrial organization, the structure and organization of financial markets and payment systems, antitrust, application of public policy to network industries, strategic analysis of markets and law and economics.

Professor Economides has published more than 100 articles in top academic journals in the areas of networks, telecommunications, oligopoly, antitrust, product positioning and on the liquidity and the organization of financial markets and exchanges. He holds a Ph.D. and M.A. in Economics from the University of California at Berkeley, as well as a B.Sc. (First Class Honors) in Mathematical Economics from the London School of Economics. Previously, he taught at Columbia University (1981-1988) and at Stanford University (1988-1990).

He is editor of the *Information Economics and Policy*, *Netnomics*, *Quarterly Journal of Electronic Commerce*, the *Journal of Financial Transformation*, *Journal of Network Industries*, on the Advisory Board of the *Social Science Research Network*, editor of *Economics of Networks Abstracts* by SSRN and former editor of the *International Journal of Industrial Organization*. His website on the [Economics of Networks](#) has been ranked as one of the top four economics sites worldwide by *The Economist* magazine.

Complete cv in: <http://www.stern.nyu.edu/networks/cvnoref.html>.

Keynote Speech:

Privacy and Antitrust in Digital Markets

Major digital platforms (e.g. Google, Facebook) require by default that their users provide them with their personal information in a barter-like transaction where users receive in exchange free company services.

This default opt-in regime contrasts with an opt-out regime where users are not required to provide personal information, and there are two independent markets, one for Internet search services provided by Google, and a different one for personal information sold to Google.

The requirements imposed by the digital platforms create a market failure. Consumers are harmed in the status quo if they would prefer not to provide personal information but rather pay for services provided by the companies.

Additionally, some consumers are harmed since they would be willing to sell their personal information, but not give it away for free. Thus, the imposition to users of the requirement to provide personal information results in a market failure, harms consumers, and raises significant antitrust concerns.

Keynote 4:

Professor Pierpaolo MARANO

Catholic University of the Sacred Heart-Milan, Faculty of Banking, Finance and Insurance Sciences, Department of Legal Studies, Honorary Fellow at the Asian Institute of International Financial Law, e-mail: pierpaolo.marano@unicatt.it

Title: Product Oversight and Governance: “Organizational Rules of Conduct” for Customer Protection in Financial Services

Short CV:

Pierpaolo Marano is a Professor of Commercial law at the Department of Legal Studies of the Catholic University of the Sacred Heart – Milan, a Honorary Fellow at the Asian Institute of International Financial law of the University of Hong Kong and an Affiliate Professor at the University of Malta. He currently teaches Insurance Law and Regulation and European Union Risk Governance Regulation. Graduated in Law at the Catholic University, Professor Marano holds a Ph.D. in Banking Law and Regulation from the University of Siena.

He is a scholar in residence at the University of Connecticut, School of law – Insurance law center and Visiting Professor or Visiting Lecturer at the Katholieke Universiteit Leuven, National Taiwan University, Kozminski University (Warsaw), The Chinese University of Hong Kong - CFRED, University of Vilnius, Gujarat National Law University, Japanese Institute of Life Insurance, University of International Business and Economics (Beijing), Universidad Autonoma de Madrid, Universidade Nova de Lisboa, University of Exeter, University of Hong Kong - AIIFL, Universiti Selangor (Malaysia), Warsaw School of Economics, Pontificia Universidad Catolica de Chile, Universidad de Montevideo.

He is the Director of the AIDA Europe Research Series on Insurance Law and Regulation, which is published by Springer, and he is serving as an Associate Editor of the *European Insurance law Review*, the review *Assicurazioni* and he served as an associate editor of the *Journal of Insurance Issues* in 2012-2014. He is the author of two monographs in Italian language, co-editor of three books in Italian language and five books in English language, as well as of eight conference proceedings in English Language, he has published more than one hundred academic papers in Italian, English and Spanish language.

Keynote Speech:

Product Oversight and Governance: “Organizational Rules of Conduct” for Customer Protection in Financial Services

The rules on product oversight and governance (POG) are among the most significant rules introduced by the recent EU Directives concerning financial products (MiFID II) and insurance products (IDD).

These rules are related to the organization of the insurance undertakings and insurance intermediaries, but they are addressed to customer protection.

Thus, POG indicates a new trend of the European legislator, who aims to integrate the rules of conduct within the process that leads to the creation of the product to be placed.

Keynote 5:

Professor Vassilis MONASTIRIOTIS

London School of Economics, Political Economy and Director of LSEE: Research on South Eastern Economy, e-mail: V.Monastiriotis@lse.ac.uk

Title: The Public – Private Investment Relationship in Emerging Europe: Crowding-In Or -Out?

Short CV:

Vassilis Monastiriotis is an Economist and Economic Geographer by training. He holds a PhD in Economic Geography (2002, LSE, UK) an MSc in Economics (1996, University of Macedonia, Thessaloniki) and a BSc in Economics (1994, Aristotle University, Thessaloniki). Before joining the European Institute, he was Lecturer in the Department of Economics at Royal Holloway, University of London. He has previously worked as Research Fellow at the London School of Economics and the University of Reading and as a Course Lecturer in the Department of Geography at LSE.

He has published in a variety of academic journals, such as the Oxford Economic Papers, Empirical Economics, Review of Development Economics, British Journal of Industrial Relations, Economic and Industrial Democracy, Journal of Regional Science, Regional Studies, Urban Studies, and others; while he has co-authored a number of policy documents including for the European Commission and the Corporation of London. In 2008 he received the Moss Madden Memorial Medal for his paper on Union Retreat and Regional Economic Performance (published in Regional Studies).

He is affiliated to the ESRC Spatial Economics Research Centre and the Department of Geography and Environment (LSE), member of the Hellenic Observatory and Director of the LSE Research Unit on South Eastern Europe. He is Co- Editor of Spatial Economic Analysis, Committee Member of the British and Irish Section of the Regional Science Association, and member in various professional bodies. His research spans across three disciplinary areas, including Economics, Geography and Political Economy.

Keynote Speech:

The Public – Private Investment Relationship in Emerging Europe: Crowding-In Or -Out?

Can public investment help accelerate private capital formation in the European periphery? To address this question, we examine the long- and short-run relationship between public and private capital and investments in 16 Central Eastern and South Eastern European countries over the period 2000-2015.

Using time-series econometric techniques, we draw on error correction specifications recently proposed in the literature (see, inter alia, Dreger and Reimers, 2016, *Economic Modelling*, vol.58) which examine not only the long- and short-run dynamics between public and private capital but crucially also the relationship between public and private investment adjusted for deviations from the long-run equilibrium of the stock aggregates (public and private capital stocks).

We find a strong positive long-run relationship between the two aggregates, suggesting that public investment can stimulate private capital accumulation in the catching-up economies of Europe, consistent with the crowding-in hypothesis. At the same time, we also find that in the most peripheral of our sample countries (which are less integrated to international capital markets and have lower capital endowments) private and public capital are less complementary in the short-run (and private investments dynamics are more strongly affected by interest rate movements).

We conclude that a more active public investment policy in the region could yield a double dividend, as it would foster development of both public and private capital.

Keynote 6:

Professor Ramona RUPEIKA-APOGA

University of Latvia, Head of Finance and Accounting Department, e-mail: rr@lu.lv

Title: FinTech: The New Era of the Financial Sector?

Short CV:

Ramona Rupeika-Apoga is a Professor of Finance at the University of Latvia and the Head of the Department of Finance. She has led and participated in several studies and research projects internationally and locally. She has more than 15 years of pedagogic experience in Latvian and European higher education institutions with specialization in EU Economic and Monetary Integration, International Finance, Banking Economics and SMEs. She is an expert in Economics and Management Sciences of Latvian Academy of Sciences and the author of a great number of articles in Access to Finance for SMEs, Financial Risk Assessment and Management, Financial Globalization and more, published in several international journals.

She participates, as a leader in many European research projects among them a Nordic-Baltic network in Corporate and International Finance, the research project “Innovations in Latvian Companies and Industries for Competitiveness Enhancement within the Framework of Globalization”, the think tank “CERTUS” on the research project “Riga as Financial Centre” and “Access to Finance” and INTERFRAME project “Latvian state and society challenges and solutions in an international context”.

She is editor at the European Research Studies Journal, International Journal of Economics & Business Administration, Journal of Applied Economics and Business, Journal of Finance and Financial Law and International Journal of Business and Economic Sciences Applied Research. Ramona co-edited the 2017 volume of Contemporary Studies in Economic and Financial Analysis: Issues in Finance: Current Challenges from Across Europe (with Simon Grima, Frank Bezzina and Inna Romanova).

Keynote Speech:

FinTech: The New Era of the Financial Sector?

For the last decade FinTech is emerging and gaining market share of the financial services sector. Mobile applications, social networks, machine learning, distributed ledger technology, cloud computing, big data analytics and artificial intelligence increase our access to financial products and services, while raising new risks to financial stability and integrity. For centuries, cities have competed to become financial centers; today they are competing to become fintech hubs. The international organizations and policy makers of leading economies see great potential in the development of Fintech. Fintech has tremendous potential to revolutionize access to financial services, improve the functioning of the financial system, expand financial inclusion and promote economic growth.

There is still confusion about the nature and dynamics of fintech among politicians, scientists and practitioners, as well as about the legal framework of this area. In general, we can characterize fintech by focusing on the services, suppliers or technologies used, however, the last word is up to the client, the needs of customers, and the basic customers' needs based on the functions of financial services remain the same.

About a third of the world's population, Millennials and Gen Z reach the age when they have disposable income. Unlike the older generation, they do not have large mortgages, they do not trust banks and do not seek to spend their money on luxury brands, however, they value spending their money ethically. Four out of five Millennials would be more pleased with the new offer of financial services from Google, Amazon, Apple, Paypal or Square than from their own bank.

Keynote 7:

Dr Ioannis TACHMATZIDIS

Malama – Institute for Psychological Applications (IPSE)
e-mail: tachmatzidis@ipse.gr

Title: Istamology, a New Concept for Business: Syntactics than Strategy

Short CV:

Ioannis Tachmatzidis is a Psychologist, Psychotherapist and Neuropsychologist with long experience in education, clinical practice and consultancy. He taught psychology at UK Universities such as King's College London, Cardiff University, South Bank, Glamorgan. Also, he worked as psychologist in London and researcher for UK government project.

Studies include PhD in Cognitive Psychology & Neuropsychology, MSc in Psychology of Education, MSc in Research Methods, Master's in Business Administration (MBA). Series of professional specializations and international collaborations in the field of psychology and psychotherapy. Author of scientific books and articles, numerous academic and public presentations.

Co-developer of the Istamology approach. Consultant and Trainer in strategic management and strategic communication. Accredited international Supervisor and Trainer/Fellow in Interpersonal Therapy. Associate Fellow (AFBPsS) and Chartered Member (CPsychol) of the British Psychological Society.

Keynote Speech:

Istamology, a New Concept for Business: Syntactics than Strategy

Istamology is a unique theoretical approach, with practical applications, that aims to advance the business culture and increase the effectiveness and productivity of an organization (Tachmatzidis & Malama, 2011, Tachmatzidis et al., 2019). It focuses on the interaction between psychological and business factors in the areas of strategic management and communication as well as investment behavior.

Istamology uses quantum-mechanic principles and psychological/psychotherapeutic models to better appreciate, analyze and enhance the operational dynamics, motivation and self-esteem of the organization. It proposes syntactics rather than strategy and offers a working framework to consider multiple interactions and processes in business. Analyses include psychological factors such as perceptions, attitudes, thoughts, behaviour, motives, anxiety as well as business ones. Such interplay may include leadership, SWOT analysis and stress, risk and decision making, game theory and relations, motivation, double-bind hypothesis, media influence, business dynamics, strategy and communication management.

Istamology proposes short-term training programs and consultancy for high and middle management personnel.

Keynote 8:

Professor El THALASSINOS

Chair Jean Monnet, University of Piraeus, University of Malta,

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Editor-in-Chief ERSJ, IJEBA, IJFIRM

www.ersj.eu www.ijebe.com www.journalfirm.com

Title: EU Following the Crisis: What Impact on Corporate Governance of Financial Institutions?

Short CV:

Eleftherios I. Thalassinos, is a Professor of Quantitative Analysis at the University of Piraeus and Affiliate Professor at the University of Malta. He is Editor-in-Chief of the European Research Studies Journal, the International Journal of Economics and Business Administration and the International Journal of Finance, Insurance and Risk Management. He is also the Founder of the International Conference in Applied Business and Economics.

He participates as editorial board member in various journals, external advisor in European projects and international consultant. His professional experience includes, quantitative analysis, technical and financial analysis, banking, business consulting, project evaluations, international business, international finance and shipping.

He has an extensive record of lecturing in several Universities around the world (Europe, America, Asia), participating in international conferences as a keynote speaker, coaching Ph.D. students, cooperating in projects and scientific initiatives through a worldwide network channel.

He has a long track of publications in many journals, collective volumes and chapter books. Among them a publication as a Chapter Book in the World Scientific Handbook in Financial Economic Series, Vol. 5, dedicated to the memory of Late Milton Miller, Nobel prize winner in Economics in 1990. Parallel to his academic career he has performed as Banking Director for 12 years, Ministerial Advisor for 6 years, Public Servant for 4 years and Independent Consultant for a long time.

Keynote Speech:

EU Following the Crises: What Impact on Corporate Governance of Financial Institutions?

The main aim of this study is to analyze the EU response strategy to recent crises and to investigate the impact of this strategy to corporate governance of banking and other financial institutions. Several researchers have criticized the structure of the EMU, its weaknesses and the immediate need for a re-design. Others have analyzed the recent crisis from another perspective by giving emphasis to light measures on budgetary imbalances and bad governments.

EU regulatory measures introduced in response to the financial and sovereign debt crises for corporate governance and their possible impact on the modalities of company operation, in terms of risk assessment and management. It is submitted that there is a trend of extending the power of shareholders and the regulation in the public interest at the cost of the management power. Moreover, certain aspects of corporate governance seem to steadily evolve from code-based 'soft law' norms to mandatory rules.

EU regulatory-corrective measures constitute 'grosso-modo' a desirable progress towards a more transnational approach. However, there can be no single blueprint for reforms given the differences between national systems of corporate governance, including their scope, contents, and means of implementation. Hence, the potentials of an incentive-oriented approach should be better exploited in both national and EU level regulatory activities.

Keynote 9:

Professor Panagiotis THEODOSIOU

Cyprus University of Technology, Faculty of Management and Economics,
e-mail: theodoss@gmail.com, Editor-in-Chief Multinational Finance Journal
<http://www.mfsociety.org/page.php?pageID=159&expandable=1>

Title: Consequences of Outlier Returns for Event Studies in Finance: A Methodological Investigation and Treatment

Short CV:

Panagiotis Theodosiou is a Professor of Finance and the Dean of the Faculty of Management and Economics at the Cyprus University of Technology. Previously, he was a tenured Professor at Rutgers University, NJ, for eighteen years. His teaching interests are in financial management, asset pricing, financial econometrics, real estate investing and financial markets.

His research areas are asset pricing models, international financial markets, risk measurement and robust estimation methods. He has published single- and co-authored articles in the Review of Financial Studies, Journal of Risk and Insurance, Management Science and the Journal of the American Statistical Association. His current research is on “Skewness and the Relation between Risk and Return” and “Outliers in Stock Pricing Models and Implications for Event Studies.”

He is a Fellow and the Founding President of the Multinational Finance Society and the Editor-in-Chief of the Multinational Finance Journal. He is currently serving on the National Economic Council, an advisory body to the President of Cyprus. He is the author of numerous newspaper articles on economic policy, finance and education and participates regularly as a finance expert on national TV and radio programs.

Keynote Speech:***Event Studies and Outlier Returns: Symptoms, Consequences and Treatment***

The impact of outlier returns on the OLS estimated parameters of stock return models and generated CAR statistics is investigated using a multifactor statistical framework with jumps (outliers). Stock returns are decomposed into their regular and outlier components using a maximum likelihood outlier resistant estimation method. This decomposition provides the basis for the derivation of analytical equations measuring the impact of outlier returns on the estimated models and CAR statistics. The equations show that when outlier returns are present in the estimation sample, the OLS-CAR statistics are likely to lead to biased conclusions regarding the presence of significant negative or positive impact events. The implied theoretical results are validated using Monte Carlo simulations. Furthermore, the potential impact of outliers on the conclusions reached by past event studies in finance and other business areas is investigated using 500K samples drawn randomly from the universe of stocks included in the CRSP database.

Monte Carlo simulations depict that the outlier resistant estimation method provides consistent and unbiased estimates of the parameters of asset pricing models. The robust-CAR statistics can detect correctly the presence of outliers in the event windows of more than 96% of the random samples generated, regardless of the presence or not of outliers in the estimation sample. Thus, their forecast error is less than 4%. The OLS method, however, provides inconsistent estimates of the alphas, betas and variances of the regular return equations. The OLS-CAR statistics fail to detect 40% of the randomly generated negative or positive event windows. In windows absent of outliers, because of the OLS inflated regression variances, the OLS and the outlier resistant CAR statistics produce similar results. These findings provide strong support for the use of outlier resistant estimation techniques in event studies.

The low forecasting performance of the OLS-CAR statistics is assessed further using 500K samples drawn randomly from the universe of stocks included in the CRSP database. The estimated OLS-CAR statistics in these samples fail to forecast correctly about 43% of the negative impact and 37% of the positive impact events. As in the case of Monte Carlo simulations, due to the inflated regression variances, the forecasting error of OLS-CAR statistics is close to zero in windows with no significant impact events. These findings raise serious concerns about the validity of conclusions of past event studies, especially those that rejected the hypothesis of significant negative or positive impact events.

INVITED SESSION A3

#10

A Hybrid Simulation Approach to Modelling the Impact of Public Interventions on Poverty

Malgorzata Latuszyńska (Dean, Faculty of Economics and Management, University of Szczecin, Poland) <malgorzata.latuszynska@usz.edu.pl>

Abstract

Counteracting the phenomenon of poverty is one of the tasks of public administration units. Various tools and instruments can be used to fight poverty, as a part of numerous programs financed from public funds, but their implementation should be preceded by a thorough analysis of the effects arising after their application. This is not easy, because the phenomenon of poverty is very complex, it results from the arrangement of many interrelated elements, and the outcomes of actions are visible only after a longer period of time.

This system is characterized by the heterogeneity of elements. Some of them are on a macro scale (e.g. GDP level, labour market), while others refer to the micro scale (e.g. households and their members). Building a model of households requires the use of a method that allows to reflect the behaviour and decision-making rules of individuals and the interaction between them in a disaggregated form. Agent-Based Simulation (ABS) is such a method. On the other hand, modelling elements occurring in the macro scale, where we usually deal with aggregate quantities, is best matched by System Dynamics (SD) simulation method, which allows for reflecting dynamic behaviour through feedback loops.

The aim of the article is to present the concept of a hybrid simulation model to study the impact of public intervention on the level of poverty at the local, regional and national levels. The proposed model is the hybrid of two computer simulation methods mentioned above. The applied simulation approach allows to capture the interrelations between the modelled effects in a dynamic manner for a long-time horizon, which is extremely important in the case of public management activities. The proposed concept can be used both by public administration units at various levels as well as by scientists - to conduct socio-economic research.

Keywords: hybrid simulation, poverty, public management, public intervention, ex-ante evaluation

JEL Code: C63, I32, H83

#108

Analysis of Sustainability Reporting in Agri-Food Giant Cargill

Irena Jindřichovská, Metropolitan University of Prague, Czech Republic
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Abstract

In this study we analyse narrative information in Sustainability reports of Cargill using content analysis. We want to discover whether there are any imminent issues with direct impact on natural environment, society and local community. We also assess whether there are any changes in sustainability issues over the years. As a private company Cargill does not have to publish sustainability reports for their shareholders, however it has become its practice quite early. This company started its involvement in ethical and CSR related activities very early, already in 1934. We analyse the specific approach of companies towards sustainability and the way the company deals with the traditional three CSR dimensions in agro-food industry. We can expect also some issues in local community and issues in environmental problem concerning the whole planet.

Through this research we establish that dominant companies in agro-food business react to challenges of outside environment and change their attitude using innovations and new technology to keep up with current development. Sustainability reporting is elaborated and covering all aspects of company's activity in sufficient detail. Accents are given on burning issues in particular context in order to maintain their leading position in the respective segment. This attitude is not always appreciated by all stakeholders, but the company tries to find the ways how to satisfy them.

Keywords: Sustainability report; CSR; content analysis, agriculture, food industry, local community

JEL Codes: Q18, Q56, M14, L66

#211

Tax Avoidance and Earnings Management: European Evidence

Panagiotis D. Tachinakis, Department of Accounting and Finance, School of Business Administration, University of Macedonia, 156, Egnatia Str., 54006, Thessaloniki, Greece, E-mail: tachinakis@uom.edu.gr

Abstract

Previous literature has found that firms may take advantage of countries providing tax benefits in order to avoid being taxed at higher rates. This is a common practice even in Europe where certain countries offer competitive tax rates. A significant factor that may have also played a role is the financial crisis, which led a high number of European firms into worse operating performance, while the strict austerity measures taken in some European countries made their recovery to profits harder. The present study attempts to examine how firms responded to the above factors regarding the level of earnings management and if and in what extent the different tax characteristics of certain countries played a significant role in the above. The results of the study provide indications that firms domiciled in countries with lower tax rates had different levels of earnings management in relation to firms domiciled in the rest of the European countries.

Keywords: Earnings management, tax avoidance

JEL Codes: M41

#32

Investor Sentiment Dynamics, the Cross-section of Stock Returns and the MAX Effect

Muhammad A. Cheema, School of Accounting, Finance and Economics, University of Waikato, Hamilton, New Zealand, Email: muhammad.cheema@waikato.ac.nz

Gilbert V. Nartea, Department of Economics and Finance, UC Business School University of Canterbury, Christchurch, New Zealand, Email: gilbert.nartea@canterbury.ac.nz

Abstract

Recent evidence shows that investor sentiment is a contrarian predictor of stock returns with speculative stocks earning lower (higher) future returns than safe stocks following high (low) sentiment states. We extend this argument by conditioning expected stock returns on sentiment dynamics and show that the mispricing of speculative and safe stocks worsens with sentiment continuations but is corrected with sentiment transitions, consistent with the view that the mispricing of these stocks is sentiment driven.

We show that the unconditional contrarian returns predictability of sentiment, at least in the short-run, is due to the returns of stocks in sentiment transitions. Results show that ex post, sentiment is a momentum predictor if subsequent sentiment continues; and a contrarian predictor if subsequent sentiment transitions. We also show that the MAX effect can either be positive or negative contingent on sentiment dynamics, and that the absence of a MAX effect following Low sentiment states suggested by prior studies is due to the completely offsetting negative MAX effect when sentiment continues in a Low state, and the positive MAX effect when sentiment transitions from a Low to a High state.

Keywords: Investor sentiment; MAX effect; Sentiment dynamics

JEL Codes: G11, G12, G14

#301

The Future Impact of Blockchain Technology on Accounting

Dimitrios V. Kousenidis, Department of Economics, Aristotle University of Thessaloniki

Anestis C. Ladas, Department of Accounting and Finance, University of Macedonia

Christos I. Negkakis, Department of Accounting and Finance, University of Macedonia,

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Abstract

Recent changes in financial technology spurred blockchain technology. Despite its primary use as the backbone of bitcoin, the merits of this technology were soon expanded to other areas. One of these areas is accounting and auditing.

The present study attempts to provide a thorough review of blockchain technology and the likely effects on accounting and auditing in the future. For the task in hand we develop the main characteristics of blockchain as well as the key features to become a useful tool in accounting. Then we expand on the possible uses in accounting and auditing.

Keywords: Blockchain Technology, Accounting.

JEL Codes: M41

#37

An Analysis of the Risk Factors Determining Motor Insurance Premium in a Small Island State: The Case of Malta*

Ayrton Magri, Graduate Banking and Finance, Department of Accountancy, Faculty of Economics, Management and Accountancy, University of Malta, ayrtonmagri@gmail.com

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Simon Grima, Head and Senior Lecturer, Insurance Department, Faculty of Economics, Management and Accountancy, University of Malta, corresponding author, simon.grima@um.edu.mt

Abstract

Purpose: There is scope to identify the risks presented by vehicles that Maltese insurance companies insure and which they use in the determination of the premium to be charged for motor insurance cover. This, by determining the most significant risk factors and the extent of their impact keeping an open mind to understand whether there are other risk factors, which are not currently being identified in the premium determination process. **Methodology:** The authors carried out this research by conducting 20 semi-structured interviews with experts in the field of motor insurance. Interviews were terminated when saturation point was achieved, and no further value was gained from additional interviews. The Interview consisted of seven statements/questions to which participants were requested to answer on the basis of a 5-point Likert scale ranging from 1 - 'Strongly Agree' to 5 - 'Strongly Disagree' or to which participants were required to provide an opinion or explain further. **Findings:** The study revealed that most insurers are still using the traditional rating factors, even though this might not necessarily reflect the risk being insured.

Moreover, it was found that although insurers are aware that certain rating factors, such as penalty points and vehicle grouping, can help in improving the risk identification, these are not yet being considered in the current premium calculation. Also, it was found that, Maltese insurers ought to analyse the data from the penalty points system and use telematics and vehicle groupings in order to obtain a better understanding of the risk involved in determining the premium to be charged. **Value and Significance:** The study reflects the fact that Maltese insurers are falling short in the risk identification process, and consequently may not be factoring in all the risks leading to the actual premium composition. **Keywords:** Risk Factors, Motor Insurance, Private Vehicles, Premium, Malta, Telematics **JEL Code:** G22

*This paper is based on the unpublished Thesis by Magri, A. (2018). A Study of the Factors that Determine Motor Insurance Premium in a Small Island State. Banking and Finance, Department of Banking and Finance, Faculty of Economics, Management and Accountancy, University of Malta. Supervised by Dr. Simon Grima.

INVITED SESSION A4

#52

Social Media Advertising for Charity. An Experimental Approach

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Abstract

Nowadays, more and more charity organizations attempt to use advertisement through social media to increase their appeal, attract supporters and gather more online donations. The purpose of this paper is to investigate the effectiveness of such advertisements through the Facebook social media tool to specific target groups in order to assist charities to choose the most profitable target groups to aim to and design accordingly their digital strategy. Within the framework of this objective, an experimental investigation was performed.

A well-known Greek charity was selected to be examined and in cooperation with this charity, several experimental Facebook advertisements/campaigns were chosen to be performed. Each experiment/campaign was aiming to a different target group in order to identify both the behavior of each group and also the most profitable groups. Based on the outcome of each campaign, various results were found regarding the profile of the supporters of the charity that responded to the campaigns.

These results are presented in the paper and they identify the response rate of the Facebook users to the advertisement based a) on various of their characteristics such as their age, sex, location, use of device, whether they are “Facebook friends” with the charity or not, etc and also b) the characteristics of the advertisement (e.g. image or video). In the study, the Return On Advertising Spend (ROAS) was used as marketing metric. Conclusions are drawn and presented, regarding the best target groups that a charity can aim to. Future work is also proposed in the paper, to assist the further investigation on how charities can use Internet to their advantage and establish a successful and effective digital strategy.

Keywords: Digital Strategy, Campaigns, Donations, User Profile, Facebook, Return On Advertising Spend (ROAS)

JEL Codes: M31, M37

#401

Fintech Ecosystem as an Instrument of Sustainable Development Provision

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Abstract

The article is aimed at determining the relationship between the fintech ecosystem and ensuring a stable path of economic growth in the context of digitalization. The transition to digitalization of the financial sector is accompanied by a fundamentally new, qualitative transformation of socioeconomic relations in society, creating brand new opportunities, challenges, and threats.

As part of the study, the concept of fintech was considered both in the context of technological innovation and in the context of companies utilizing these innovations in business, as well as the systematization of business models of the fintech industry. The classification of horizontal and vertical innovations of the financial industry is given. The authors presented the structure of the fintech ecosystem as an instrument for ensuring sustainable.

For the successful development of the fintech ecosystem, the authors of the study presented a number of initiatives, the implementation of which will ensure the maintenance of stability of the financial system, protection of consumer rights, as well as the development and implementation of digital innovations.

The formation of a sustainable digital financial infrastructure tends to ensure the effective provision of services in the financial market, including for small and medium-sized companies, which will increase the availability of financial services and promote competition in the financial sector.

The key contribution of the study is the ecosystem approach, which allowed determining the possibilities of safe sustainable development of the financial sector in the context of digital transformation.

Keywords: Digitalization, fintech, horizontal and vertical innovations, fintech business models, end-to-end fintech innovations, fintech ecosystem, sustainable development.

JEL Codes:

#303

Tourist Competitiveness of Polish Rural Areas Against the Background of European Countries

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Abstract

Purpose: The process of diversifying economic activity in rural areas and incorporating new non-agricultural and non-production functions into the rural space is currently one of the key determinants of the development of these areas. He is closely connected with the policy of multifunctional and sustainable rural development as well as the dominant tourist function. A comparative assessment of Poland's competitiveness against the background of selected European countries has been made in the study. The main objective was to present the conditions of international tourist competitiveness of rural areas in Poland.

Design / Methodology / Approach: An in-depth analysis of the competitiveness of Poland as a tourist region, enough European countries were carried out taking into account the individual indicators of the second pillar. The study uses a synthetic tourist competitiveness index and panel regression to demonstrate the determinants of this phenomenon. The evaluation period covered the years 2010-2017.

Findings: Based on the conducted research it has been shown that the natural and landscape value of Polish agricultural areas is very highly rated in Europe. That is why many consumers in the European Union are increasingly seen as a region attractive for tourists. At the same time, the importance of these factors in the demand for tourist places by consumers has been demonstrated, highlighting selected aspects of these conditions.

Practical Implications: The considerations presented are important for practice. They constitute an indicator which conditions influence the increase of tourist competitive attractiveness of rural areas in international perspective. Therefore, they allow to indicate the proper structure of investments and activities aimed at valuing public goods by both private and public entities.

Originality / Value: The development of rural areas in the current conditions requires the development of non-agricultural and non-production functions. The article indicates the importance of individual resources and conditions in the model approach. Not only their role was emphasized, but mutual relations between the factors considered were determined.

Keywords: Regional Economics, Rural Economics, Tourism Economics.

JEL codes: R1, Z3

#35

Fintech Payment Solutions for Airlines

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Abstract

Purpose – Revolutionary changes in the global economy, along with the development of FinTech and digital-oriented customer preferences, create new opportunities for the airline companies in offering innovative solutions for customers in terms of online and mobile payment methods offered for online/mobile flight booking. With this study, we aim to investigate the payment methods offered by the top ten Central and Eastern European (CEE) airlines and to discuss this in light customer behaviour and airline competitiveness.

Design/methodology/approach – The research is based on the analysis of data collected from 1087 responses to a self-administered structured survey based on customer satisfaction and perception of payment methods conducted with passengers. Besides, we conduct an empirical analysis of publicly available information on the payment options offered by the airlines to passengers.

Findings – The analysis of the payment methods available shows different options provided by the leading CEE airlines from the most conservative to the most innovative offering the possibility to pay using Fintech payment solutions. Development of FinTech and growing competition can be seen as an opportunity for the airlines to increase its' competitiveness through improvement of customer satisfaction, adapting offered payment methods to the needs of passengers without substantial investments.

Originality/value – In this study, we analyse the practices applied by airlines when offering innovative payment methods in order to reach passengers who already use the services of non-bank financial services providers, in a way to increase competitiveness and outreach. Therefore, the results are important for airlines, which are aiming to adapt to alternative means of payment methods so as to reach out to the changing needs of prospective passengers.

Keywords: Payment Systems; Airlines, Customer Preferences, Central and Eastern European, competitiveness, Customer Satisfaction.

JEL code: G29, L93

#202

**Export Performance in Southern- Northern European Countries: a comparative
Statistical Analysis**

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Abstract

Given the competition that European exports face in international markets from countries like China and USA, the export performance of the E.U. countries is an important factor that should be taken into account in the economic policy decision making. Especially, for periods of time with financial market instability which is very harmful for the real sector of the economy, the study of export performance is rather crucial for the choice of policies.

This paper attempts to evaluate the export performance of nine Southern and Northern European Countries - France, Spain, Italy, Greece, Portugal, Netherlands, Poland, Finland and Sweden - during the period 1990-2016 using panel data on bilateral trade by product. More specifically, we use OECD data for 228 products taken from all export categories (from 0-9) in order to construct a composite Laspeyres Index and then a Balassa index for each country and then to apply a time series analysis. The first index is used to evaluate the evolution of exports before and after the economic crisis while the second index is used to evaluate the competitive position of each country.

For the period examined according to Balassa index in the majority of the export categories France, Italy and Spain are the most competitive countries among the southern European countries while Sweden is for the northern European countries.

Keywords: Balassa index, export performance, European countries, time series analysis.

JEL Code:

#57

Planning of development versus participation of inhabitants - the author's methodological proposal (in the field of management)

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Abstract

The aim of the article is to present the author's methodological proposal in the field of management and development planning, taking the opinions of the commune inhabitants into account.

There is an emphasis that planning sustainable development is conditioned by external and internal factors. The basis for such planning is a range of area research which can distinguish the groups of similar units and quantify their stage of development. The paper presents the application of changes in planning the sustainable development, in the context of economy. In present conditions, there is a lack of problem identification, especially social and economic.

The proposed procedure of methodology based on inhabitants' opinions of the communes of Swietokrzyskie Voivodeship situated in protected areas, such as landscape parks and regions of protected landscape is an element of a wider research problem. At present this problem has and is going to have a more significant meaning, the participation of local communities in creating their own development.

Keywords: Inhabitants; Local development; Management; Planning of development; Regional development; Social economy; sustainable development.

JEL Codes:

PARALLEL SESSION B1

#38

The impact of Non-Performing Loans on the Profitability of listed Euro-Mediterranean commercial banks

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Abstract

Purpose: To analyse the impact of NPLs on listed commercial bank's profitability, in particular their ROA (Return on Assets), in the Euro-Mediterranean area. We aim to determine whether the change in the level of NPLs in listed commercial banks is either positively or negatively impacting the ROA of the concerned banks. Furthermore, knowing that the liquidity and the solvency of a bank are both equally important to maintain a robust financial position, a Liquidity (LQDT) and Solvency (SLVT) ratio were considered to help explain the variances with NPLs and ROA.

Methodology: We adopted a purposive research design using panel data (2013-2017) from data published on Thomson Reuters Eikon or annual reports of the 35 listed commercial banks in the Euro-Mediterranean region. We used descriptive statistics and four regression models, namely; the Pooled OLS regression model, Fixed Effects (FE), Random Effects (RE) and the Arellano-Bond (AB), through STATA/IC 15.1. **Findings:** Findings show that there is a negative impact of NPLs on ROA, indicating that problematic loans negatively impact listed commercial bank's profitability in the EuroMediterranean region. Also, it was indicated that the Solvency ratio (SLVT) is the only controlling factor that can significantly explain variances within NPLs and ROA.

Significance: These results carry with them significant consequences for the bank's financial stability within the Euro-Mediterranean countries, and the role of the risk management function of listed commercial banks.

Key words: Non-Performing Loans, Return on Assets, Profitability, Euro-Mediterranean, Listed commercial banks, Solvency Ratio.

JEL Codes: G20

#39

The Impact of GDPR on the Financial Services Industry in Small European States

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Abstract

Purpose: With this paper we evaluate the impact and implications of the EU General Data Protection Regulation (GDPR) on the Financial Services Industry in small European states; specifically, Malta, Slovenia, Luxembourg, Lithuania, Latvia, Estonia and Cyprus. That is countries within the EU having less than 3 million population.

Design/methodology/approach: We collected our primary data by carrying out scheduled semi-structured interviews (using whats app, Messenger and Skype) with 60 participants who are working directly or indirectly with GDPR in financial services between November 2018 and April 2019. The interview was structured using two impact themes, ‘Trust, Standardisation and Reputation’ and ‘Training and ‘Resources’, with 18 statements under each theme to which participants were required to answer using a 5-point Likert-scale ranging from “Strongly Disagree” to “Strongly Agree”. We however, allowed the participants to open up and discuss each statement and recorded these comments. Some demographic data was also collected as to the type of financial services firms the participants are working with and the level of expertise in GDPR of the participant.

Findings: We found that participants on the whole feel that although GDPR has increased the workload and costs it has helped to improve the trust, standardisation and reputation of the institutions they represent. However, they note that this comes with some repercussions from the data subjects who are not conversant with the regulation and are scared away by the consents required. This has put a lot of pressure on the demand for training and resources, suggesting that more intense training needs to be provided to employees, to reduce the possibility of data breaches and safeguard reputation, and to the clients who as already noted are not all conversant with the requirements and the benefits to them of this regulation.

Originality/value: Although, all states might be represented in the decision process, the larger states usually take over and sometimes dictate the final decision. Therefore, this paper is important since it voices the cries of smaller states and allows for an understanding of the impact and implications of new regulations to smaller jurisdictions, in this case within the EU.

Keywords: GDPR, Regulations, Small EU States, Financial Services Industry, Reputation

JEL Codes: G1, G2, G32, G15, G26, G41, K12, L5, D53, E44

#09

The Cognitive Neuroscience Methods in the Analysis of the Impact of Advertisements in Shaping People's Health Habits

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Abstract

The developments of cognitive neuroscience technique have made this discipline applicable to more and more new areas of research. These possibilities are mainly the outcome of the development in techniques for measuring brain activity and their combinations with other technologies, eg biometric measurements. They allow to correlate various mental functions with physiological sensations, which makes it possible to better understand the human reactions and behaviors. One of the applications is to study the impact of social health-promoting advertisements (healthy lifestyle, vaccinations, etc.) on recipients. A well-conducted social campaign with the proper design of an information message (advertisement) can directly transform it into shaping healthy life habits among people.

The aim of the article is to present the use of selected techniques of cognitive neuroscience (EEG, GSR, HR) to study the effectiveness of social advertising in the context of promoting a healthy lifestyle. The respondents' reactions (emotions, remembering, interest) to individual fragments of the advertisement will be analyzed. The results of neural and psychophysiological measurements will be compared with the survey participants' answers provided in the survey (after the study with EEG, GSR, etc.).

The research will allow the verification of the idea proposed by the researcher to promote healthy life habits among people. The proposed method of advertising research (EEG, GSR, HR measurements) may give valuable tips for creative advertising (neural and psychophysiological reception of individual scenes). It can also give interesting information about how individual ad groups are declaring ads (a poll) and how their brain and other parts of the body react (heart, skin).

The cognitive neuroscience methods allow building knowledge about human and its behavior at the level of internal psychophysiological and cognitive processes before they are integrated and verbalized in the form of an opinion or judgment on a given topic.

Keywords: Advertisement, health behavior, cognitive neuroscience methods, EEG, GSR

JEL Codes: D87, M37, I12

#74

Operational Risk Events and Spillovers in the Energy Sector: A Literature Review

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Abstract

It is well-known that the energy sector has a sizeable imprint on the global economic map. Despite continuous technological advances and the development of more optimized risk management systems, energy firms continue to experience heavy losses caused by different types of operational risks.

According to the Basel Committee, operational risk is the risk of losses resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk represents a significant source of risk to the energy sector. A representative example is the BP Deepwater Horizon oil spill that polluted the Gulf of Mexico in the spring of 2010, the explosion killed eleven workers and drove the total damages of BP to \$ 36.9 billion. This event caused from the operational risk is one of the most major disasters.

This article offers a brief overview of the prior literature related to various operational risk events. It includes operational risk events both in the energy sector and financial sector. Furthermore, it offers a review of the main literature regarding the operational risk, spillover effects and competitive and contagion effects. A considerable amount of the literature on operational risk events employ an event study methodology, based on a multivariate GARCH approach. So, we, also, analyze the literature about GARCH and event study methodology. Reviewing past and more recent literature, we concluded that further research is deemed necessary, mainly in the energy sector and to the effects that large operational risk events have on the risk-return profiles of energy firms.

Keywords: Operational losses; energy companies; event study; spillovers.

JEL Codes: G14, G32, C44.

#109

Impact of IFRS on Czech Fdi: Empirical Study with the Use of Gravity Model

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Abstract

The goal of this paper is to explore foreign direct investments the Czech Republic and their changes in recent years using the gravity model. Apart from traditional variables used in FDI models we also introduce the institutional change - introduction of IFRS in national accounting rules.

In this research we use predominantly open-source data from the World Bank and some data from the Czech national bank. We find that FDI contributed significantly to the economy especially in the beginning of 1990. FDI is concentrated in major sectors – automotive, financial and wholesale.

Although we have observed the effect of positive impact on broader introduction of IFRS in 2010 in terms of country import and export we cannot identify the same significance of this dummy on FDIs in the Czech Republic. We assessed the effect and possible contribution of traditional variables like size, GDP, border and distance to Czech FDIs.

We also add variable representing institutional changes - introduction of IFRS, Here we find that the positive of IFRS exists on export and import, nevertheless in case of FDIs there the effect is mixed with other institutional issues, and therefore the corresponding dummy is not statistically significant. In the future we want to try different model specification and broader set of data similarly as in previous literature.

Keywords: OLS Model, FDI, export, international trade, IFRS.

JEL Codes:

#16

The Dali Model in Risk Management Practice

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Abstract

In this article we lay out the change management practices adopted by financial firms in small states within the Eurozone. We determine whether these organisations have the ability to identify triggers for change (Red Flags) and subject them to eight thematic elements to understand whether management practices can continue to exist and support operational environments, even when unexpected circumstances affect their day to day operations and processes. In doing this we will also examine the extent to which the eight thematic elements model designed by Dalli Gonzi, 2019 (The Dali Model) can assist organisations in risk identification and business continuity planning.

A self-administered questionnaire purposely designed for this study was administered to personnel working in internal controls within financial institutions of small Eurozone states. The participants were asked to grade statements using a 5-point Likert scale, '1' being 'totally disagree' and '5' being 'totally agree' to the statement posed under the thematic elements forming the basis of the Dali Model.

Factor analysis provided support for the eight hypothesised dimensions of the decisionmaking model: connection, capacity, governance, network, policy, training, process improvement, standards.

The study provides a better understanding and support of "best practice" in change management through an understanding and assessment of the eight factors that are the basis of this model. It addresses practical recommendations to ensure application to a wider frame of use.

Keywords: Change management; Decision-making model, Risk management, Resource management, Process improvement, Good governance.

Jel Codes: G32.

#402

Small Business: Success Factors

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Abstract

Purpose. Small businesses in the economy of any country are of great significance. However, their viability is much lower than large and even medium ones. As is known, only a little number of the established small enterprises will not go bankrupt in a year, and they will succeed and continue developing for next five years expanding its activities. Even less number of small enterprises will be able to transform into the medium one. Why does it happen? It is necessary to look into the factors that assist to define the success of small business performance and development.

Design/ Methodology /Approach. The article studies, identifies and generalizes the success factors of small enterprises described in the works of many successful entrepreneurs both in Russia and abroad.

The authors use the toolkit and methods of economic analysis, consider quantitative and qualitative characteristics and features of small business development as well as entrepreneurial abilities that allow to identify key factors for small business success.

Findings. The authors have found out that many successful entrepreneurs describing their experience in managing business and identifying main success factors of small business have similar opinions in this area. These main aspects have been identified. In addition, their significance for an entrepreneur has been justified in order to ensure the successful performance of a small enterprise.

Practical implications. The article provides practical recommendations to entrepreneurs establishing their small business and trying to develop it successfully. It describes main secrets of business, philosophies of entrepreneur's actions giving the opportunity to make small business successful.

Originality/Value. The authors' position is based on the fact that business success is achieved by people who have not only necessary amount of economic knowledge but also those who have the necessary mindset, so called philosophy of success, personal attitude including intuition. Moreover, one may learn this philosophy.

Keywords: Small business, entrepreneurship, success factors of small business, philosophy of small business success.

Jel Codes:

PARALLEL SESSION B2

#403

Problems Related to the Commercial Use of Exclusive Rights by the Subjects of Innovative Entrepreneurship

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Abstract

Purpose. In the Russian Federations the improvement of intellectual-innovation economic potential has become a strategic goal of government policy, while the establishment of order within entrepreneurial relationships, responsible for commercial use of intellectual products, is mentioned as a prioritised government target. Subjects of innovative entrepreneurship do not only offer intellectual products, but also purchase the rights for intellectual property from third party individuals, as well as satisfy consumer demand for innovative products. Prevention of conflicts of private, public and societal interests, which are justified by socio-economic factors, as well as by such phenomena as legal monopolies, in the form of exclusive rights for the objects of manufacturing property, requires legal regulation and a detailed scientific analysis. **Methodology.** The article formulates and explains methodological approaches to research of the main features of subjects of innovative entrepreneurship. Authors use a system of tools and methods of legal analysis of quantitative and qualitative characteristics and features of commercial utilisation of exclusive rights, which are aimed at converging the normative-legal regulation and practical needs of business. **Findings.** As a result, the authors have established, that in relation to the transfer of rights for commercial indication and labeling of place of origination via inheritance, judicial practice confuses the subjects of entrepreneurial activity, since such a transition is only possible if the successor in an entity or an individual entrepreneur. According to the legislation, exclusive rights for the stated means of individualisation only come as part of the enterprise, which in turn can be inherited by any party.

Practical Implications. The following article gives practical recommendations to the subjects of innovative entrepreneurship, that implement the norms in the context of patent-compatibility of inventions and useful models, as well as practical recommendations throughout the process of choosing a branded label, given the conditions for its protection. **Originality/Value.** The position of the authors is justified in the discussion regarding the moment of emergence of exclusive rights for the branded labelling. Authors consider, that the emergence of exclusive rights for the firm occurs on the basis of a complicated actual composition. The moment of registration of the company, becomes the justification of its emergence, while the exclusive rights are seen from the moment of state registration of a commercial organisation as a legal entity.

Keywords: Exclusive rights, branded labelling, subjects of innovational entrepreneurship, patent, economics of innovation.

Jel Codes:

#13

Are European cooperative banks more responsible?

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Abstract

The objective of this paper is to establish a comparison between European cooperative banks and non-cooperative banks in terms of Corporate Social Responsibility (CSR). One of the main limitations of existing studies is their inability to measure and verify the concrete application of the banks' speeches and communications in their actual practices. To remedy this problem, we try in this study to, first, evaluate the banks' communication, and in a second step, measure the implication of the European banking sector in CSR practices. We also think that it is interesting to see the impact of the recent financial crisis on the practices of banks in terms of CSR. For this, we will consider the years 2008 and 2015.

This analysis concerns 24 European banks located in 7 European countries (Austria, Finland, France, Germany, Italy, Netherlands and United Kingdom), among them 10 banks are cooperatives. The data has been collected, for the most part, in the official reports published by the banks. Annual reports, activity reports and CSR reports have been analyzed to bring out as much tangible information as possible. The rest of the data was collected from the FitchConnect database.

Overall, banks appear becoming more transparent. They provided more information in 2015 compared to 2008. The banks' communication does not seem to be the only thing that has improved in 2015, banks' practices too. Moreover, cooperative banks obtain scores that are sometimes much higher than those of non-cooperative banks. This applies more to their practices than to their communication where there is no noticeable difference on average, even if at the individual level it differs. What is clear from this study, and where there are notable differences in practice, is that cooperative banks outperform other banks in financing the real economy on average. In contrast, non-cooperative banks are more advanced on governance issues, particularly on gender parity, but not on executive compensation. These findings express the nature of each type of banks: cooperative banks talk to their members and non-cooperative banks talk to their shareholders.

This study has repeatedly demonstrated the heterogeneity of the information provided by banks, partly due to lack of real obligations and credible control. As long as CSR remains freely interpreted and not regulated, it would tend to be a communication tool in order to improve the image of the bank without real progress.

Keywords: Corporate Social Responsibility (CSR); cooperative banks; European banks.

Jel Codes: G21, P13.

#112

The Effect of Corporate Social Responsibility on Customer Loyalty in Mobile Telephone Companies

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Abstract

Purpose: Corporate Social Responsibility (CSR) is an important factor for mobile telephone companies. One of the main reasons is that corporate social responsibility affects consumer loyalty. The present study aims at developing and empirical testing of a research model that presents the influence of corporate social responsibility on corporate image, customer satisfaction and customer loyalty, demonstrating the direct and indirect effects between these structures.

Design/methodology/approach: The examination of the proposed research model was carried out using a structured questionnaire completed by 358 mobile users in the city of Kavala. The questionnaire consists of five groups of question. The first group concerns the demographic characteristics of the sample that took part in the survey. The other four groups answer questions that identify the sample view of mobile service industries and the extent to which they respond to corporate social responsibility, corporate image, customer satisfaction and loyalty. The validity and the reliability of the questionnaire were examined, while data analysis was performed using Structural Equation Modeling Technique.

Findings: The findings of this study indicate that Corporate Social Responsibility have not a significant direct effect on Customer loyalty, while corporate image and customer satisfaction have a significant positive effect on customer loyalty. Moreover, the findings provide practical new insights in understanding how a mobile company's CSR policy could be developed and implemented to help enhance customer loyalty through the mediating effects of corporate image and customer satisfaction. The data analysis was performed with the use of software S.P.S.S 21 and LISREL 8.80.

Research implications/limitations: This study is a pioneer research in addressing the mediating role played by corporate image and customer satisfaction for strengthening the relationship between CSR and customer loyalty in mobile service companies. The companies would like to understand the implications of its CSR policy implementation, especially in enhancing its corporate image and customer satisfaction in terms of reputation and impression. Despite these contributions, this study has limitations due to the survey data collected and the method used. This sample of the study is constrained by the customers of Kavala town only and in a future research could be present customers from all the country.

Keywords: Corporate Image, Customer Satisfaction, Confirmatory Factor Analysis, Structural Equation Models.

JEL Codes: C12, C83

#113

Factors Affecting Motivation in the Public Sector under the Context of Self-determination Theory and Public Service Motivation. The case of the Hellenic Agricultural Insurance Organization (H.A.I.O.)

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Abstract

In recent years, motivation without money, has become a contemporary topic for investigation and it is a crucial issue of public administration, with a direct impact on employees' performance, especially in circumstances when external incentives are significantly constrained. The purpose of this study is to develop and assess a conceptual framework that explores factors that motivate employees in the light of two theories, the Self Determination Theory (SDT), and the Public Service Motivation (PSM), in a public sector organization. The assessment of the proposed conceptual framework was carried out using a valid structured questionnaire which was distributed to 390 employees (out of the 489 consisting the population) while 174 usable questionnaires were finally returned, indicating a response rate of 44,6%, consistent with previous studies in the same research field. Exploratory factor analysis, confirmatory factor analysis and the structural equation modelling (SEM) technique were used to test the research hypotheses. Results highlight, among others, the importance of work autonomy and job satisfaction and their impact on employees' intrinsic motivation. Moreover, results emphasize the need for further strengthening of a supportive work environment that contributes on employees' satisfaction of competence, autonomy and relatedness, and confirm the existence of a positive relationship among intrinsic motivation, public service motivation and job performance. Research limitations: Firstly, a case study of a single public Organization may affect the generalizability of the results.

Therefore, attention is needed to generalize the findings of the present research to all Public Sector Organizations where HRM reforms are likely to be more mature and more familiar with these incentives. Secondly, as 'motivations' are not 'fixed' characteristics and vary over time and according to circumstances, this research is a static one and does not constitute a longitudinal analysis in order to obtain reliable evidence on the role of motivation in performance in the long run. Finally, attention should be paid to the reliance on self-reported questionnaire data. Practical implications: The findings suggest that in cases where external incentives are significantly limited in public sector, it is crucial to consider the importance of promoting and supporting internal motivation and support public service incentive. Moreover, the results support self-determination theory and suggest that managers of this public sector Organization should pay more attention to autonomy-supportive work environments, consistent with findings of relevant studies. Originality/value: Self-determination theory seems to be poorly explored in the Greek public sector, and moreover, in economies and countries with similar characteristics. Therefore, it seems crucial to increase the knowledge of the quality of self-determination theory as a work motivation approach in the public sector in Greece. Finally, research results may help supervisors and leadership in general, to implement and support appropriate systems and practices that promote a supportive environment in the workplace of employees by increasing their productivity and efficiency.

#205

The strategic importance of supply chains and the RFID radio data identification system

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Abstract

The article presents the issues related to the process of supply chain management. It presents the essence and classification of supply chains and the interpretation of global supply network management.

The subject matter described is current and important, indicating the features of significance for participants of the supply chain, including economic entities and customers. The purpose of the publication is to collect and organize knowledge, and therefore also terminology related to supply chains.

The paper presents the specifics, the essence of the development of supply chains in company management, their assessment and the benefits of their use. The next part of the work presents the RFID (Radio-Frequency Identification Data) system as a modern technique of supporting supply chain management.

The publication also presents the results of research carried out in enterprises on the new RFID system used to increase the efficiency of cooperation throughout the entire supply chain.

#23

Innovation in Less Developed Regional Ecosystems: Towards a New Synthetic Approach

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Abstract

It is known that peripherality is a condition experienced by individuals, businesses and regions located on the edge of economic and communication system, away from the geographical core of development or control center of the economy. This present study examines the characteristics and variables that affect the production of innovation within the less developed regional ecosystems. There are studies that use the differences in regional characteristics either to explain the deviations in innovative performance or interpret the different forms of regional development based on regional innovative activities. On the other hand, there are studies arguing that regions do not innovate but businesses do, and as such, they use business data along with regional characteristics.

By reviewing the existing literature, this paper seeks to explore whether the innovation policy can either aim to improve regional innovation conditions, in particular through a modern approach to regional and local innovation systems or focus more on the specific needs of SMEs in these regions. All of the above are contemplated and are enriched in the light of Stra.Tech.Man (Strategy. Technology. Management) theoretical methodology for innovation.

In conclusion, it seems that innovation can start from one point, be focused on a functional area and with distinct targeting, but it must transplant the innate potential of the organism (material and intangible) in the particular circumstances of its external environment, within the particular regional dynamics, since its competitiveness - that is, its ability to survive and grow - is always synthetically determined in terms of business (and its particular physiology), industry (and its special dynamics) and socio-economic space (and its specific historical evolution).

Keywords: Peripherality, innovation, regional and local under-development, business dynamics and physiology, multi-level competitiveness, Stra.Tech.Man approach.

JEL Codes: O30, R11.

#34

Testing for Structural Breaks in Macroeconomic Processes of Growth: The Case of Israel

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Abstract

This paper investigates structural changes on the economic growth of Israel for the period of 1980 to 2017. In this case, structural breaks are interpreted as large, infrequent shocks switching the economy from one regime to another. In order to search for structural changes the unit-root and the structural breaks testing methodology is applied (i.e. the Phillips-Perron test). Specifically, a pure structural change model with the Andrews-Zivot test and the Bai-Perron test are employed.

Additionally, it is assumed that error distributions across breaks may differ which provide robustness of the test to error distribution variation. The paper's findings suggest that most of the structural breaks occurred in late 80, mid90 and mid-2000. Nevertheless, the financial crisis of 2007-2009 has also impacted Israel's economy. It is believed that such factors like immigration, encouragement of foreign direct investments and domestic entrepreneurship, focus on new technologies and start-ups as well as a relatively high rate of birth aided Israel to become the economic miracle.

Keywords: Structural breaks, unit-root, stationarity.

JEL Codes: C10, F43.

PARALLEL SESSION B3

#49

Sovereign Credit Risk and Global Equity Fund Returns in Emerging Markets

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Abstract

Problem Statement: We examine the rate of return earned by global funds on equity investment in emerging markets (EMs) particularly the role played by sovereign credit risk. We distinguish between announcements of changes in letter rating (credit upgrade/downgrade) and credit outlook/credit watch announcements

Research Method: We employ both event study analysis and estimates of asset pricing models with panel regressions. The panel results employ a two-step procedure where in the first step traditional asset-pricing models (factor models) are used to generate abnormal returns earned by foreign investors and in the second step, the determinants of abnormal returns are examined.

Results: Sovereign credit upgrades or downgrades influence excess (over risk free rate) returns earned by foreign investors: lower excess returns are associated with lower risk. The effect of credit upgrades and downgrades, however, is not symmetric. By contrast, credit outlook or credit watch announcements do not seem to influence foreign investors' excess returns. When it comes to abnormal or risk-adjusted returns, foreign investors treat the information contained in credit rating announcements differently from that in credit outlook/watch announcements. Furthermore, our findings provide evidence for the superior performance of foreign investors in EMs relative to the return of domestic market indexes in EMs, highlighting the influential role of sovereign credit risk announcements on foreign investors' abnormal returns.

Policy Implications and Conclusions: Foreign investors earn risk-adjusted returns in excess of domestic markets: alphas from asset pricing models of the difference between foreign and domestic risk-adjusted returns are positive and significant. Credit rating events play an influential role in explaining the difference: foreign investors take advantage of the forward-looking nature of credit outlook/watch announcements to increase their risk-adjusted returns compared to the market. When rating agencies confirm a credit rating by the announcement of either an upgrade or a downgrade, the confirmation of higher (lower) risk is reflected in higher (lower) risk-adjusted returns demanded by foreign investors relative to the market.

Keywords: Foreign investment, international financial markets.

JEL Codes: F21, G11, G15.

#409

Priorities of Software Project Management Support of Agro-Industrial Complex in Ensuring Food Security

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Abstract

Purpose. The issues of food independence and food security are a crucial national priority of any country in terms of insourced production of essential food products for population, as well as agricultural raw materials for sectors of economy, which would be not only sufficiently available, but of appropriate quality. The article substantiates the relevance of improving the software method of agro-industrial complex support to ensure the country's food security in the context of the current geopolitical situation.

Design / Methodology / Approach. This research reflects the genesis of the software method of government regulation of the agro-industrial complex in Russia in the context of market relationships. It reveals innovations in project financing of agricultural development and regulation of markets in agricultural products in the medium term. The paper determines actions of the federal project "Export of Agricultural Products" which require standardization of state financial control.

Findings. Recommendations in the frame of project support of the agro-industrial complex are formulated in the course of the research. The recommendations are aimed at achieving food safety criteria and increasing efficiency implementation of measures to support farmers and food producers in the medium term.

Practical implications. Improving the software project management method of support in the field of the agro-industrial complex should, on the one hand, eventually facilitate an increase in the level of international competitiveness of the industry confirmed by export volumes, and, on the other hand, facilitate a decrease in the share of food imports in the domestic market.

Originality / value The specifics of the research is a complex approach to disclosing advantages of the software project management method in ensuring country security.

Key words: financial regulation, agro-industrial complex, government programs, national projects, food security.

JEL Codes:

#25

Preliminary Results of a Healthcare Contingent Valuation Study in Greece***Afentoula Mavrodi**, University of Macedonia, Greece**Vassilis Aletras**, University of Macedonia, Greece**Abstract**

During the past decades, economic evaluations have been widely adopted in healthcare policymaking to facilitate informed decision-making in budget allocation and reimbursement of medical interventions. On that ground, health economists focus, among other areas, on assigning monetary values to people's preferences. Contingent valuation (CV) constitutes a widely used technique within the economic evaluation framework, through which individuals' willingness-to-pay (WTP) for a health improvement can be determined. In Greece, such estimates have only been elicited for specific interventions and patient populations. The primary aim of the present study was to elicit a WTP estimate for a health improvement targeting, for the first time, the general Greek population. Moreover, it intended to investigate socioeconomic, demographic and determinants differences between those willing to pay for a health improvement and those not willing to pay for such an improvement (protest responders).

A specially designed questionnaire employing the iterative bidding technique and the EuroQoL-5D-3L tool to elicit the maximum WTP for a health improvement was used. A representative sample of the general Greek population (n=1,342) completed the questionnaire via telephone interviews –computer-assisted telephone interview method for random sample selection. Socioeconomic, demographic and determinants differences between participants willing to pay (n=528) and protest responders (n=395) were assessed through Mann-Whitney U Test and Independent samples t-test. The average WTP estimate for a health improvement was €26,280. Participants willing to pay for a health improvement differed significantly from protest responders with respect to age (p=0.000), household size (p=0.018), number of household members having a part- or full-time job (p=0.000), education (p=0.000), marital status (p=0.000), household income (p=0.000) and utility (p=0.003). Respondents willing to pay for the hypothetical treatment seemed to believe to a higher extent that Greek citizens have equal access to healthcare services compared to protest responders (p=0.034). Protest responders seemed to believe to a higher extent that public healthcare structures offer high quality services and employ high quality personnel compared to participants willing to pay (p=0.016 and 0.001, respectively).

Preliminary findings revealed that, when the general Greek population is considered, the WTP estimate for a health improvement falls within the World Health Organization's criterion currently used in Greek healthcare economic evaluations. Moreover, participants willing to pay bare different characteristics compared to protest responders and their behaviour is affected by different parameters. The above results could be significant for Greek healthcare policy-makers responsible for efficient resources allocation.

*Acknowledgement: The corresponding author has received funding from the Special Account for Research Funds (ELKE) of the University of Macedonia for providing technical assistance during the present study.

Keywords: Economic evaluation, Euro-QoL-5D-3L, iterative bidding, utility, protest responders, willingness-to-pay.

JEL Codes: I10, I19

#45

Romania Vs Opportunity of Using European Structural and Investment Funds

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Abstract

The paper deals with the impact of the European Structural and Investment Funds on regional sustainable development. The analysis is focused on the connection between the European Structural and Investment Funds and the macroeconomic welfare in the receiving states.

The analysis covers three steps: comparative analysis, regression and cluster analysis. For the beginning, the analysis covers EU28 in order to point out the disparities between Member States regarding their ability to attract higher payment rates. The next step is the analysis of the major projects that receive more than 50 million euros in support through the ERDF and/or Cohesion Fund.

A distinct part of the paper is focused on Romania's ability to attract and to implement EU funds during 2014-2020. The whole analysis and the conclusions are supported by the latest official statistic data and pertinent diagrams. The regression and cluster approaches are realised under a dedicated software IBM-SPSS 25.

The main conclusion of the paper is that, under the present situation and conditions, the regional disparities between the Member States will increase on medium and long terms.

Keywords: EU payment rate; Major Projects; regional disparities; regional clusters.

JEL Codes: R10; R11; R12; R13.

#41

Workload and Effort: Working Faster When There Is More Work to Do

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Abstract

Baristas rush at morning, cooks' race during lunch, and cashiers rush when customers pile up at checkout. But because baristas, cooks, and cashiers are paid 10 dollars per hour regardless of how many Americanos they make, of how many entrees they serve, or of how many customers they take care of, the returns for exerting effort are decreasing in workload and therefore more work should not make them work harder.

But the same conflicting behavior, workers working harder when workload increases, occurs at any job in which workers are paid for the time they spend at work instead of their output and in which workers are unable to rest or slow down unless they complete their workload. What motivates workers to speed up when there is more workload?

I build this paper on the idea that being at work is not the same as workers can spend their workday doing work (effective working time) or resting (leisure at work). But to enjoy leisure at work workers must first complete their workload. Workload can then motivate workers to accelerate their pace of work because workload reduces the amount of leisure at work. I develop a model in which workers choose their pace of work to fulfill their workload. The model assumes that workers prefer more leisure at work and slower paces of work. The main prediction is that the pace of work accelerates when workload increases.

I then bring my model to the data. I observe worker-level workload and pace of work in a setting in which workload is presumably exogenous. I find that one more work assignment accelerates the pace of work in 0.05 work assignments per hour. Since on average workers work on 200 work assignments simultaneously, the estimated effect of workload on the pace of work is both statistically and economically significant.

Keywords:

JEL Codes:

#406

Transparency of Public Finance in the Context of Digital Transformation

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Abstract

The presented article is aimed at substantiating the modernization of public finance in the context of digital transformation and the implementation of national development goals. The formation of a new paradigm of public finance management involves a qualitative breakthrough in the use of innovative digital technologies aimed at ensuring transparency of public finances.

In the framework of the study, the authors utilized following methodological approaches: system-effective one, project management, process management, risk-oriented one. The systematization of the main budget and macroeconomic risks of the development of the budget system of the Russian Federation is presented; the basic principles and conditions for ensuring transparency and predictability in a public finance management system based on a platform model are revealed.

The authors of the study proposed a number of measures to improve the quality of public finance management, in particular, by introducing innovative budgeting methods (program-targeted, strategic budgeting, proactive budgeting, etc.) and improving the quality of public sector financial reporting.

Introduction of new requirements and management quality standards into the practice of public finance management will ensure the implementation of conditions for sustainable economic growth, the use of new financial technologies meeting the challenges of digital transformation, aimed at increasing transparency and openness and creating a service model for managing public finances.

The key contribution of this study is to justify initiative measures and decisions in the field of openness of public finances, ensuring the development of digital innovations and financial technologies in accordance with the standards of best international practice.

Keywords: Digital transformation, public finance management, financial technology.

JEL Codes: G28, H61.

#109

Econophysics: A New Tool to Analyze Financial Economics

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Abstract

The global economic reality is characterized by the functioning of the “markets”. However, the importance of their behavior, the enormous volume of data, as well as their complexity make it necessary to study and analyze them with new and more sophisticated computational models. A new tool to this issue is EconoPhysics.

More specifically, EconoPhysics is an interdisciplinary research field that applies the principles and laws of Physics in order to solve economic problems. Thus, laws and models from the fields of Statistical Physics, Nonlinear Dynamics (Chaos Theory), Neural Networks, and Fuzzy Logic (etc) are being used for the first time as new tools in the analysis and prediction of financial market behavior.

Historically, Economic Physics as a scientific subject was "born" by Eugene Stanley and Rosario Mantegna in the early 1990s, in an attempt to explain the great change in the stock market indexes on the "Black Monday" of 1987. Today, this subject is expanding. New postgraduate departments in the world are constantly being created.

PARALLEL SESSION B5

#101

The Interaction Between Takeover Defenses and Economic Structures

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Abstract

Takeovers and takeover defenses, as an integral part of market regulation, interact significantly with the strength and the characteristics of the economy in which they operate. The present paper aims to highlight the interplay between takeover defenses and specific structural characteristics of strong and weak economies, in particular the UK and the Greek economy. These two countries have major differences in their economic and market structure whilst having implemented the EU Takeover Directive in their jurisdiction.

The takeover defenses framework is demonstrated as well as an analysis of each country's market characteristics, followed by a comparative discussion on the interaction of these factors. Findings suggest that takeovers and takeover defenses are present regularly in the UK market activity since the UK economy operates in a market for corporate control and is characterised with a dispersed ownership structure. Regarding the weak Greek economy, since it operates in a premature, non-contestable market with concentrated ownership, takeovers and their defenses are less encountered.

The research results offer a comparative framework to comprehend the ways in which the strength and structure of an economy interacts with takeover defenses and vice-versa. Such framework may be used as a tool for policy consideration and implementation regarding the advancement of a specific economy as well as the EU harmonisation, especially within the context of the UK exiting the EU and the effort of Greece to strengthen its market power.

In conclusion, the present study showed that there is a significant positive interaction between takeover defenses and the strength of the economy.

Keywords: Legal framework, market structure, UK economy, Greek economy, Brexit, EU harmonisation.

JEL Codes: K10, K20, K33

#46

What Can be Defined as Fintech? Ideas for a Regulatory Definition

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Abstract

According to international organizations such as the IMF, the World Bank and the OECD, fintech offers the opportunity to accelerate economic growth and expand financial affordability and inclusion in all countries. Some countries are increasingly striving to become global or international regional hubs for fintechs and are working hard to develop interagency government strategies with a supportive legal environment. But which companies are fintechs and need government support and special initiatives, and which are not, is unclear? There is still confusion about the nature and dynamics of fintech among politicians, scientists and practitioners, as well as about the legal foundations of this area.

The aim of the paper is to investigate how policy makers can identify which companies are fintechs and require special initiatives in the existing legal and regulatory framework. Document analysis as a form of qualitative research was used in this study. In this study, the authors examine the definitions and key characteristics of fintech developed by international organizations as well as national authorities of leading economies.

Different definitions of fintech have been used by international bodies and national authorities. Nevertheless, the most common used fintech definition during high-level international meetings as G-20, The World Economic Forum or IMF and WBG meetings are based on Bali Fintech Agenda paper (2018) and World Economic Forum report (2015). Also, leading economies such as the United States and the EU take the same approach. We can characterize fintech by focusing on the services, suppliers or technologies used, however, the last word for the client, the needs of customers, and the basic customers' needs based on the functions of financial services remain the same. Study findings can help policymakers increase efficiency and cooperation by proposing a more unified and principled approach to the legal framework.

Keywords: Definition of fintech, characteristics of fintech, regulatory arbitrage.

JEL Codes: G20, G23, N20.

#40

The FORTe Framework for Good Governance: An Analysis on Small EU States

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Murat Kizilkaya, Ardahan University

Jonathan Spiteri, University of Malta

Wouter Slob, PRIMO

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Abstract

In this article we lay out a framework proposed by PRIMO (<https://www.primoeurope.eu/>) and test it on public and private entities of EU small jurisdictions, specifically Malta, Slovenia, Luxembourg, Lithuania, Latvia, Estonia and Cyprus. That is countries within the EU having less than 3 million population.

We collected our primary data by using a semi-structured questionnaire to participants who are working directly or indirectly with entities within these EU states. The questionnaire was structured using the FORTe acronym as themes, 'Financial and compliant design', 'Object orientation and delivery', 'Responsibility and stewardship', 'Tools and processes for creation' and 'Environmental awareness and interaction', with 5 statements under each theme to which participants were required to answer using a 5-point Likertscale ranging from "Strongly Disagree" to "Strongly Agree".

We however, allowed the participants to open up and discuss each statement and recorded these comments. Some demographic data was also collected as to the type of entity the participants are working with, the level of expertise on governance of the participant and the size of the entity.

Factor analysis provided support for the FORTe Good Governance model for both the Private and Public entities, no-matter if they are small or large.

The study provides a better understanding and supports the FORTe Model established by PRIMO-Europe, after approximately 15 years of collecting data on public risks and for the first-time tests it on both Private and Public entities, in large and small firms.

Keywords: Dialogue Framework, Governance, Holistic, Integration, Transdisciplinary, Value, Risk, Object.

Jel Codes: G34, O52.

#404

The Formulation of Entrepreneurial Ecosystem in the Russian Federation

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Abstract

One of the strategic targets of Russian Federation economic policy is the aim to create a globally competitive institutional environment, in order to stimulate entrepreneurial activity and attract investment.

Authors justify the need to formulate entrepreneurial ecosystem, provide the definition of entrepreneurial ecosystem, consider its structural elements, as well as internal relations. The study analyses factors, that affect the behaviour of economic agents, which engage in various activities within the framework of entrepreneurial ecosystems. Authors highlight the aims of modern Russian research, which broaden the sphere of applicability of ecosystem approach, consider special hierarchy of ecosystems, paying particular attention various elements of ecosystem structures.

Ecosystem approach acts as a theoretical basis of socio-economic research in various fields, including entrepreneurial activity. Furthermore, authors utilise evolutionary, institutional and sociocultural approaches to evaluate the problem.

As a result of the study, the were able authors to establish that at present, the activation of innovation-entrepreneurial activity is one of the key developmental targets for the majority of Russian universities, the basis for which is formulated by innovative ecosystem within the educational entity, as a crucial component of entrepreneurial ecosystem.

The article presents practical recommendations for the creation of entrepreneurial ecosystem in the Russian regions.

Authors' definition of entrepreneurial ecosystem is provided.

Keywords: Entrepreneurial ecosystem, ecosystem approach, entrepreneurship.

JEL Codes:

#405

The Problem of Categorising Entrepreneurial, Professional and Other Forms of Economic Activity

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Abstract

An indispensable condition for economic growth and development is the freedom of economic activity guaranteed by the Constitution of the Russian Federation. The definition of entrepreneurial activity is legally secured in the Article 2 of the Civil Code of the Russian Federation via the definition of the main criteria for such activity. However, the current Russian legislation does not define “economic activity” and “professional activity” at the level of normative-legal acts.

Furthermore, in practice there are no specified criteria for delimitation of entrepreneurial activity, economic activity and professional activity, which creates uncertainty in the matter of legal regulation of entrepreneurial relations. All of the above-mentioned creates problems in the legal practice, which requires regulation at the legislative level and theoretical research.

The article contains the analysis for the various approaches for categorizing entrepreneurs engaged in professional activity, and parties carrying out other forms of economic activity and various problems regarding legal enforcement of such definitions as «professional activity» and «economic activity». The methodological basis for the research is provided by common scientific methods, including dialectical and systematic methods, as well as scientific approaches, such as structural-functional, logical-normative, linguistic and legal-technical.

As a result of the study, authors have established, that in relation to categorizing the entrepreneurship activity from any other form of economic activity there exists a legal uncertainty, which should be eliminated via the enforcement of concrete criteria for delimitation of entrepreneurial, professional and other economic activities. Given this, the inclusion of legal definition of “economic activity” into the Russian legal system is not advisable from the practical point of view. This requires: to determine set criteria for categorizing activity as professional; to define types of activity that should be categorised as “other economic activity”, including “income-generating activity”; to delimit the types of entrepreneurial activity, which can be carried out personally, without due government registration (as individual entrepreneur). Practical Implications. Results of the study may be utilised in order to improve the current entrepreneurial legislation in Russia. The article also contains practical recommendations for subjects, that carry out entrepreneurial, professional or any other form of economic activity. Originality/Value. Authors' point of view regarding the absence of need to enforce the legal definition of «economic activity» and “professional activity” is also justified. Authors suggest that the proposed definition in scientific literature will introduce more uncertainty into the controversial legal regulation of entrepreneurial, professional and other types of economic activity.

Keywords: Entrepreneurial activity, professional activity, economic activity, income-generating activity, entrepreneurial activity criteria.

#21

Theoretical Evolution of Growth Poles and Clusters Analysis: Analytical Divergences and Convergences*

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Abstract

The theories of growth poles and clusters occupy a prominent position in the debate of regional development and underdevelopment. This article aims to identify focal points of the concept of growth poles and the analytical model of clusters by trying to distinguish differences as well as prospects for future analytical convergence based on recent developments in the field of spatial socio-economic sciences. To achieve this goal, we classify about ten foundational publications and another ten recent contributions to growth poles, along with corresponding publications on the clusters concept.

We analyse the evolution of the theoretical perspective and recent developments of growth poles theory and practice in conjunction with the most disseminated ideas of the clusters concept and recent theoretical trends. Some of the main findings are that growth poles remain within the boundaries of economic geography, while clusters/industrial districts withhold a multidisciplinary perspective. Clusters analyses are heading towards a growing study of micro-dynamics, which is not the case in the growth poles, which are limited to the meso domain of analysis (industry, region). These observations help to figure out whether there are opportunities and possibilities for synthesising these two analytical perspectives.

Keywords: growth poles; clusters; socio-economic development; spatial sciences; micro-level analysis

JEL Codes: R10, O18

*Acknowledgements: We would like to show our gratitude to Dr Andreas Andrikopoulos, Associate Professor at the Department of Business Administration of the University of the Aegean, who provided useful comments during the writing of this manuscript.

PARALLEL SESSION B6

#207

The Area of Farms and their Influence on Generating Negative Externalities

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Abstract

The aim of the research was to identify and assess the negative external effects of agricultural activity and determine whether their level is dependent on the size of farms, agricultural area expressed, in spatial terms in Poland.

The time range of the collected research material covered the years 2008-2015. A synthetic measure of the assessment was used, which enabled ranking the studied regions in terms of the indicator of agri-environmental externalities. In order to verify the accepted hypothesis, an econometric model explaining the relationship between the emerging environmental effects and the surface of farms was proposed. The collected empirical material aggregated in the panel form was used to build the model.

The results indicate significant differences in the generation of negative environmental effects between regions in Poland. It was also found that there is a relationship between the size of agricultural area on farms and the level of negative agri-environmental externalities.

The results obtained can be used to create an agricultural policy addressed to agricultural enterprises, depending on their size, expressed in the area of agricultural land.

The results are original due to the possibility of their use in each country (region). They allow to indicate environmental hazards from agricultural production depending on the area of farms / agricultural enterprises. They can be used to develop forward-looking agricultural policy scenarios.

Keywords: Agriculture farm, Environment, Externalities, Surface area of arable land.

JEL Codes: Q5.

#33

Defense Economics in Romania following membership to EU and NATO

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Abstract

Romania has joined NATO in 2004 and the EU in 2007. After 15 years of joining the first organization, we are able to track the positive and negative effects that joining these organizations has had on the economic development, especially that of defense economics. It is the aim of this paper to present some of the shortfalls in the integration process for Romania in the two organizations and to propose future directions for the country in negotiating its role inside NATO and EU. Developing a strong economy and consolidating the defense pillar will be the main interest point on which the paper will focus.

Keywords: defense economics, EU, NATO, economic growth, integration

JEL Codes:

#61

The Consumer in Building a Multi-Attribute Concept of a Food Product

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Abstract

The research problem indicated in the paper refers to the area of conceptualising preferences creation with the application of simplified decision norms which do not fulfil the assumption of rational behaviour. The carried-out analyses were based on the assumption that a food product may be viewed as a collection of directly noticeable and unnoticeable features that are regarded as attributes (values) of the offer. The applied model of a food product is composed of three levels, each of them presenting the characteristic features of product's quality. These are sensory, functional, and expressive/symbolic attributes.

The main aim of the research was to identify and model attributes of a food product which are regarded as important during the process of the consumers' choice making and to verify the methodology for the creation of the optimal market offer, which takes identified conditions of maximising consumer preferences into account. The developed research project included qualitative and quantitative analyses. Within the research, a composition approach with a traditional sensory analysis referring only to internal attributes of products was applied. Moreover, an optional research considering external features of the product (brand, price) was also carried out.

The fusion of research approaches allowed for a thorough identification and analysis of food products' characteristics at various stages of the decision-making process of individual consumers. A sensory evaluation of the products made it possible to diagnose how consistent the consumers are in their declared sensory preferences for brand and non-brand products. It was established that the intention of purchasing a product is on one hand determined by its quality and taste preferences, on the other hand it depends on economic limitations. Brand and price have a significant impact on taste, smell, colour, and consistency of the product preferences. They also influence the assessment of the utility of technological properties of tested food products.

By applying the presented approach of shaping a multi-attribute concept of a food product and its influence on preferences and choices made by consumers, it can be analysed how consumers view products and how their perceptions influence their behaviour. The carried-out analyses may provide information crucial for communicating with the market and promoting food products, especially when the intention of a producer is to change consumer's habits. The presented methodological approach may provide clues on what attributes should be constructed in the case of new food products.

Keywords: Consumer, marketing experiments, modeling attributes, food product.

JEL Code: D11, D12, M310.

#105

Leading Factors for Sustainable Tourism Development: The Case of Georgia

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Abstract

The main aim of this article is to identify the leading factors for a sustainable development in the tourism industry in a less developed country.

Sustainable development can be defined as the process of economic and social changes where the exploitation of natural resources, the direction of investment, the orientation of scientific and technological development, personal development and institutional changes are coordinated with each other and strengthen the present and future potential for human needs and aspirations. In many ways it is about ensuring the quality of life of people. The design of the article includes theoretical explanations and empirical evidence (survey) regarding sustainability, development of proposals for legislative regulation with an aim of future development with emphasis in the tourism industry.

More effective policies promoting the industry in addition to specific projects improving the infrastructure and the social feelings about tourism are proposed.

A set of measures have been identified able to influence the industry in a positive way regarding its direct and indirect effects in the state, regional and local economies of tourism destinations.

This is a first attempt describing and identifying issues related to the Georgian tourism sector. It is a valuable piece of information for policy makers to adopt the article's proposals for the improvement of the industry.

Keywords: Sustainable development; Tourism; Tourism Industry.

#71

Influencing Factors on Purchase Intentions of Co-Branded products: An Empirical Approach**Sebastian Zips**, Hochschule Zittau – Goerlitz, Germany**Abstract**

Although co-branding as a brand combination strategy has an increasing relevance in the consumer goods market, the status quo of the existing co-branding research provides only a few empirical findings regarding the motivations of buying behaviour for co-branded products. Although Huber (2004) uses a linear structural equation model to identify influencing factors of purchasing behaviour, these have not yet been replicated. In addition, Huber's (2004) research results are based exclusively on a product category of fast-moving consumer goods, which is why a transfer to other product groups of the consumer goods market is only possible to a limited extent without specific modifications.

Furthermore, brand involvement and variety seeking are excluded as potential influencing factors. This leads to the assumption that significant effects have not been taken into account. Against this background, the central objective of the present scientific work was to identify a comprehensive network of potentially relevant influencing factors on the purchasing behaviour of co-branded products. In order to achieve this research objective, a system of impact hypotheses was first developed on the basis of theoretical considerations and existing empirical findings from co-branding research, which contributed to the concretisation of the research objective. The review of the postulated impact hypotheses required a measurement and operationalization of the used theoretical constructs. For this purpose, well-founded measurement approaches of social research formed starting points for the choice of the appropriate measuring instrument. Subjects: In an online survey distributed via social media, almost 1000 valid interviews were obtained. Stimuli: The respondents were shown fictitious co-branded products' advertisings with real existing brands from the areas of sports shoes, TV streaming, furniture and food.

Various statistical analysis methods were used to test the impact hypotheses (factor analysis to identify potential influencing variables, as well as multiple regressions with the dependent variables "willingness to buy" and "recommendation of co-branded products"), which contributed to the concrete definition of the objective of the study. Thus, this result of the study can be recorded: Attitude as well as brand involvement to the constituent partner brands show an indirect effect on the buying behaviour of co-branded products. The perceived brand fit also plays a major role: according to this, partner brands whose brand concepts fit together increase the willingness of buying co-brand products sustainably. In addition, the product fit plays a determining role concerning the purchase intention of co-branded products. Constituent partner brands, whose associated products exhibit a high degree of similarity from the subjective point of view of consumers, thus not only improve the attitude to a co-brand product, but also indirectly contribute to the development of a purchase intention. Brand affinity and Variety Seeking, contrary to expectations, do not contribute to the explanation of the buying behaviour of co-branded products. Future Research on this topic should consider the following things: As an outcome variable the "real" Purchase behaviour should be measured instead of the "willingness to buy". Stimuli besides the FMCG categories should be used. Instead of the multiple regression a structural equation model could be used to reveal deeper coherences between the items.

#54

Factors That Determine the Profitability of Commercial Banks in Kosovo

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Abstract

The main role of any financial system is to help transfer funds from savers to borrowers by increasing consumption and investment in the economy. If a financial system is efficient, then it should show improvements in profit, increasing the volume of flow of funds into the economy and providing quality customers service. Unlike developed countries, where this flow of funds is enabled by financial markets, in developing countries where we are part, the functioning of these markets is often lacking. Due to the lack of markets, all the weight of this falls in the banking sector, which sector plays an important role in the intermediary economy and this indicates the importance of studying the profitability of this sector, which profitability depends on many factors.

The paper aims to analyze the profitability sensitivity of the banking sector in Kosovo to some of the factors that we have treated in the paper as internal and external or macroeconomic factors. To carry out this analysis, the paper uses a regression analysis for a time series covering a period of 7 years (2012 - 2018), using the data from commercial banks in Kosovo and some macroeconomic indicators. The result shows that the ratio of non-performing loans is negatively related to the profitability of commercial banks in Kosovo measured by ROA and ROE and is the most influential factor on the profitability of these banks, among other factors studied.

Keywords: Commercial banks, profitability, internal factors, external factors.

Jel Codes: G21, G32.

#22

How much does disintegration cost?

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Abstract

The appearance of new sovereign States after the dissolution of the USSR and the subsequent institutionalization of a new international organization made up of these former republics, the Commonwealth of Independent States, significantly influenced the magnitude and direction of Russia's trade flows.

The objective of this paper is to evaluate the impact of the disintegration of the Soviet Union on its foreign trade. In this context, an extended gravity model is estimated in order to identify the main determinants of bilateral trade flows between Russia and the former Soviet republics compared to other trading partners.

Keywords: Disintegration, International Trade, URSS, CIS, Russia.

JEL Codes: F14, F15, P33.

#503

International Trade and Logistics: An Empirical Panel Investigation of the Dynamic Linkages between the Logistics Sector and Trade and their Contribution to Economic Growth

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Madas Michael, University of Macedonia, Greece

Abstract

In this paper, we investigate the relationships between countries' logistics performance, international trade and economic growth. In particular, we analyze the dynamic linkages among the Logistics Performance Index (LPI), trade openness as a percentage of the Gross Domestic Product (GDP), as well as the GDP growth based on a sample of 39 countries worldwide over the period 2007-2018.

In addition, we assess the significance and the direction of the detected causal effects among the three variables both in the long and the short run, using panel econometrics methodologies, namely, panel unit root tests, pooled mean group (PMG) models, and the Toda-Yamamoto approach to Granger-causality analysis.

The findings support that both international trade and the performance of logistics services constitute driving forces of economic growth. Moreover, it is also demonstrated that the effects of the logistics sector on international trade are not direct but only through economic growth.

Keywords: Logistics performance, Logistics Performance Index (LPI), international trade, trade logistics, causality, PMG.

#504

An Empirical Investigation of the Dynamic Linkages Among Ethanol, Crude Oil and Corn Prices in the US Market

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Abstract

This paper investigates the dynamic linkages between ethanol prices, crude oil prices and corn prices.

The empirical analysis applies alternative series methodologies based on single equation and system estimation approaches to cointegration and specifically, the Autoregressive Distributed Lags (ARDL) and the Johansen ML cointegration methodologies.

The findings support significant long-run causal effects running from crude oil and corn prices to ethanol prices as well as from ethanol and corn prices to crude oil prices.

Furthermore, the results reveal a positive relationship between crude oil prices and ethanol prices.

Keywords: Ethanol, agricultural commodities, crude oil, corn, cointegration, causality.

PARALLEL SESSION B7

#73

**Detecting Accounting and Financial Fraud in the Greek Stock Exchange and
the Impact of the Financial Crisis on it**

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Abstract

In an unstable economic environment as it has been during the last decade especially for Greece, it is appropriate to deal with companies that are listed on the Athens Stock Exchange. From their published financial statements and the observations of the statutory auditors that form an integral part of the external audit, it was noted that there are indications of counterfeiting.

For this reason, the present paper attempts to examine the phenomenon of Financial Statements Falsifying and to investigate if it exists with use of Logistic Regression and Machine Learning models during the financial crisis in Greece from 2008 up to 2015.

The pre-crisis period from 2006 to 2008 is taken into account too, so that better conclusions can be drawn, and suggestions can be made, because it is of wide consensus that falsifying a firm's financial statements is one of the greatest risks of the modern financial system. This research will also try to highlight the role of International Financial Reporting Standards to provide guidelines for avoiding this phenomenon.

Finally, it is attempted to investigate empirically the practice of falsifying a firm's financial statements of companies listed in the Athens Stock Exchange.

Key Words: Financial Statements Fraud, Logit model, Probit model, Support Vector Machines, IFRS.

Jel Codes: M42, M41, C51, C45.

#18

Entrepreneurship Boosting Policies in Europe: The European South Case

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Abstract

There is growing awareness concerning the crucial role of entrepreneurship in the process of socio-economic development. Developed countries address the issue of fostering entrepreneurship in a variety of ways. This study aims to find out in preliminary terms whether there are converging or diverging entrepreneurial policies for different European countries. We examine four different European economies of the European South (Portugal, Italy, Croatia, and Greece) and their approaches to facilitating entrepreneurship.

Using data provided by the World Bank as the primary source, we identify the entrepreneurial measures each country has taken from the beginning of the global crisis (2008) until very recently (2018) and classify them according to their economic level of action – “macro-meso-micro.”

The results of the study reveal policy mixes on behalf of all four countries, acting on both the micro and the macro-level; the meso-level seems neglected. These policy mixes include, among others, reforms aiming at the reduction of bureaucracy as well as efficient ways for contract enforcement and business start-up through digitisation. It also becomes apparent that regardless of the country, the most frequent reforms favouring entrepreneurship are those that act in more than one levels. In conclusion, it seems that the countries lagging in entrepreneurship policies in absolute terms should follow the example of those that keep reforming on many areas and levels. Moreover, although there are signs of convergence among the different national approaches to entrepreneurship policies, fostering entrepreneurship in Europe takes various forms.

Keywords: European entrepreneurship policies, micro-meso-macro, business reforms, European South.

JEL Codes: L53, K20, K30

#27

Exchange Rate Regime and Macro-Economic Stability: a Literature Review**Patricia Amalia Mercea-Handro**, University of Craiova, Romania**Abstract**

Financial globalization and short-term capital flows volatilities generate challenges for policies and countries, as well as for global and regional markets. An appropriate policy tool, including monetary and exchange rate policy, complemented by reserve accumulation, macroprudential measures and, when needed, capital control and liquidity support mechanisms are some of the tools that could produce effective safety nets and macro stability. This paper provides a literature survey on relationship between the exchange rate and macroeconomic stability examining both, the theory that underlines the work in this area, and the results of empirical studies.

The consequences of exchange regimes on macroeconomic stability represent the paper focus, considering the capacity of capital market, international trade and asymmetric shocks as paramount transmission channels for stability and finally more growth. The effect of the fixed and flexible rates on economic development was examined and it was argued that floating rates are contributing for higher growth. The exchange rate regime choice depends on country's economic success: the flexible regime is preferred by developed countries, with strong and credible institutions, based on deep capital markets. Contemporary empirical studies further demonstrate that flexible regimes are associated with mechanisms of shock absorber under commercial tensions or global interest rate shocks without altering the asset sector or labor market. Moreover, fixed exchange rates lead to greater growth in bilateral trade and have major influences in stabilizing and reducing inflation.

Stability is preferred by emerging economies as the fixed rate offer credibility to monetary policy. The macroeconomic stability can be achieved in this case, without best macro conditions. The size and the openness of the economy, the dimension of the tradable sector, the development of financial sector is putted into discussion with their key role for exchange rate, internal price and macro-economic stability. As conclusion of our research - open financial system is necessary - , even if it devolve upon systemic risks, but macroprudential rules, increased exchange rate flexibility, opened financial markets, improved international financial cooperation as well as adopting prudent capital flow management are necessary instruments in order to increase the strength of exchange rate role as adjustment tool and to ensure development and macroeconomic stability.

Keywords: Exchange rate regime, macro-economic stability, capital flows, financial market, international trade.

JEL Codes: F43, F62.

#19

Asian and African Business Students: A Comparative Analysis of theirs' Motivation, Family Support and Culture on Business Orientation

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Abstract

Since 1970s a large number of universities has been offering entrepreneurship as major, minor, certificates, diplomas and master's degrees. Some high research-oriented universities are offering doctoral programs in research to build its teaching strength in the entrepreneurship. The Universities developing an entrepreneurial curriculum is because the economic growth in a country depends on the number of entrepreneurs. The supporting from university for produce entrepreneurs can be supported by entrepreneurial curriculum.

The aim of this research is to analysis Asian and African business student's motivation, family support and tradition on business orientation. This study selection of business students from Africa and Asia because the survey results from the GEM (Global Entrepreneurship Monitor) on 2017/2018 the motivation index in business shows that Africa has an index of 1.5 is at the bottom, then Asia with index 3.2 is in second place at the bottom, it very different from Europe with index 3.4 and America whose index reaches 5.2. Based on this motivation index, researcher is interested in taking samples from business students from these 2 continents (origin).

The research method used is both of qualitative and quantitative, where quantitative data is obtained through an online questionnaire of 335 respondents, then the data is supplemented by in-depth interviews with respondents to obtain more complete data. Quantitative data is processed using SPSS to test differences in motivation, family support and culture towards business orientation. The results showed that descriptively there were differences in Asian and African business students. Whereas based on t-test and f-test, there are positive and significant motivation, family support and culture aspects on business orientation in both groups of students. The results also in-line with some of the similar previous research where, the factors that most influence the business orientation is culture.

Keywords: Entrepreneurship, Entrepreneurship curriculum, Business Subjects, Business Intention.

JEL Codes: L26.

#20

Connection of Competitiveness and Industrial Policy: Theoretical Trends*

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Abstract

A growing number of studies examine the concepts of competitiveness and industrial policy in combinatory terms. However, it seems that there is no study in the literature attempting to analyse the parallel and combined historical evolution of these two concepts. Therefore, this contribution aims to examine how recent literature links these two evolving concepts/notions. In order to achieve this goal, we distinguished several indicative scientific publications extending from 1976 to 2017 that include at the same time the words “competitiveness” and “industrial policy” in their title and examined how they deal with the connection between the two concepts.

The findings suggest that the goal of sectoral competitiveness in industrial policy is the most used element until this day. However, new approaches to the phenomenon suggest a more complex relationship, especially after 2010, because the conception of industrial policy is not limited to the objective of structural change but aims increasingly at a goal of long-term overall socioeconomic competitiveness.

Keywords: competitiveness concept; industrial policy concept; micro-meso-macro analysis; evolutionary approach, socio-economic competitiveness

JEL Codes: L52, B52

***Acknowledgement:** We would like to show our gratitude to Dr Andreas Andrikopoulos, Associate Professor at the Department of Business Administration of the University of the Aegean, who provided useful comments during the writing of this manuscript.

#48

Measurement of land value in land developing projects: The case of Helliniko former international airport of Athens

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Abstract

The main purpose of this paper is the presentation of land valuation methodology by applying modern analytical tools in gravity models. Land value effecting factors stand as a practical necessity as much as a subject of scientific controversy among academic community, while is a significant cost factor in land development business. Variables from deferent scientific fields influence land value before any investment, such us regulatory policies, fiscal, social, spatial economics factors, where conform future land uses and urban planning.

In this paper, historic evidence of land value from neighboring municipalities of Helliniko former international airport of Athens are used as basis for applying gravity models in the land valuation process. The examination of volatility in the interpreting factors take place with sensitivity analysis by using Monte Carlo methodology and following PERT distribution function for explanatory variables.

Gravity models made by transferring land values from neighboring municipalities due to population, borders, objective and commercial value and comparing to luxury districts similar to possible future form of the case study. The research concludes that gravity models stands as a proper methodology for land valuation and contributes in appraisal in real estate by providing a historical and economic based land valuation methodology.

Keywords: Land development, Real Estate Appraisals, Gravity models, Urban Planning.

JEL Codes:

#201

A Proposed Model for Detection of Abrupt Price Decrease in Financial Data

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Abstract

The need to predict extreme behavior of the stock markets could have helped avert the 1987 and 2008 crises that both affected the global economy and the daily life of millions of people. This has led many researchers towards the investigation of alternative methods and tools developed by Physicists and their application on complex financial markets.

In the present work, the proposed model which derives from Chaos Theory, attempts to provide early warnings of sudden drops of financial prices making use of the Lyapunov Exponent as a dynamic indicator of the stability of the system. Primary results, from different financial time series indicate the validity of the model.

Keywords: Complex Financial Markets, Chaos Theory, Dynamic Indicator.

JEL Code: G17.

#501

Features of Informational Support of Value Analysis in Business Entities

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Abstract

The article highlights the features of generating and processing of accounting and analytical support of value analysis (VA) in context of cost estimate of functions the object performs. The authors arrange the incoming data flows of VA database, reveals the techniques of functional costs' analysis and defines the pros of value analysis in the context of business automation.

The authors justified a flagship role of informational support in all stages of value analysis process, providing the classification of function-cost analysis' approaches and their visualization.

In the course of the study, authors presented a comprehensive informational framework coupled with in and out data flows and data sets utilized as working materials for value analysis purposes.

Comprehensive informational support is crucial throughout the value and function analysis, providing the stakeholders and users with necessary data collected and processed in the course of business developments.

The key contribution of the study lies in a flexible and scalable informational framework that could be applied in many business entities, improving the transparency and efficiency of analysis and business processes.

Keywords: Value analysis, financial responsibility centers, accounting and analytical support, accounting and analytical managerial system.

JEL Code: M29, M49.

#56

**Personality, Competencies and Environmental Support Towards Women
Entrepreneurs' Performance Mediating Organizational Flexibility**

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Abstract

Indonesian women are more regarded as housewives than as the career woman or family's financial responsibility. The business development in Indonesia showed that the number of female entrepreneurs is increasing, although the number is still below than male entrepreneurs. A woman's managed business differs from men in many ways, for example the personality of a woman affects to the business.

Likewise, with the competencies that are owned, and the support of the surrounding environment is very influential on the business running. Flexibility of women in running a business is also a uniqueness that is different from men. Based on the uniqueness and problems, researchers want to know the influence of personality, competencies, environment support to company performance through organizational flexibility. The research method used is a quantitative method with questionnaire as data collection.

Questionnaire was distributed to women small medium enterprise as many as 325 respondents through women entrepreneurs' associations and research associate recommendations. Data can be processed as much as 250 using SEM (Structural Equation Model) with Amos 18. The results showed that personality, competencies and environment support have an influence on organizational flexibility.

Keywords: Women Entrepreneurs, career woman, business, mediating.

JEL Codes: L 26.

PARALLEL SESSION B8

#15

Method of Determination the Different Categories of Buyers Based on the Jaynes' Information Principle

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Abstract

The correct clustering of buyers is important for successful activity of any commercial organizations. Statistical methods are the main mathematical apparatus for solution of the task. Input data for these methods are results of buyer polls. Polls are labor-consuming and quite often annoyed buyers. The problem of determination of structure of buyers by the mathematical methods demanding a small amount of data is relevant. In this report considered the shop located in a student's campus of the large university. The shop sells computers, accessories to them and office supplies of low, average and high price categories. The main buyers are students. All students are divided into groups.

The task of determination of percentage of buyers from each group by the average check is set and solved if average checks for each concrete category of buyers are known. The number of required polls is much reduced, because to determine the mean of a random variable we need much less data than to determine the distribution probabilities of its values. The offered approach based on the Jaynes' information principle. According to this principle, the least biased are the probabilities of states maximizing Shannon's entropy, at the restrictions imposed by data on average manifestations of states.

The authors proved that in the case of three groups of customers, the problem of entropy maximization under the given constraints could be reduced to the problem of solving a system of three equations. In addition, two of them are linear equations. As a result, calculations are extremely simplified. The real example of calculation using MathCAD PRIME is given. The results are of particular interest to marketing experts. Also, it will be interesting to the graduate students specializing in Statistical Decision Theory.

Keywords: Statistical Decision Theory, Marketing.

JEL Codes: C44, M31.

#67

Determinants of Systematic Risk in the Athens Stock Exchange: The Impact of the Greek Financial Crisis

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Georgios Michalopoulos, University of Macedonia, Greece

Abstract

In the 1970s, early theoretical work from Hamada, Gonedes, Melicher and Beaver & Manegold, among others, had suggested a significant relationship between common stocks' systematic risk and some of the firms' accounting and financial measures. Since then, a large number of empirical studies have established a strong connection between firm-specific variables, such as size, growth, business risk, liquidity and leverage, and systematic risk.

The aim of this paper is to investigate the determinants of systematic risk of common stocks (equity market beta) in the Greek stock market and to evaluate the impact of the recent (post-2010) financial crisis, employing an empirical model in order to investigate the critical factors explaining shifts in systematic risk in the Athens Stock Exchange, during the period of the financial turmoil caused by the 2010 Greek sovereign debt crisis. More specifically, changes in firms' betas are attempted to be related to changes in firms' accounting variables and financial ratios, during an eight-year period, extending from 2007/January to 2014/December.

The study sample includes all listed companies in the Main Market of the Athens Stock Exchange, given data availability, excluding companies from financial and insurance sectors and from public utilities industries, resulting to a sample of more than 150 companies, grouped into seven different industries. Shifts in stocks' betas are measured between the post-crisis period (May 2010 - December 2014) and the preceding period (January 2007 - April 2010), applying the Ordinary Least Square Method on the well-known market model, allowing for structural break, with panel data of monthly stock and market returns from the Compustat Global Data Base. These changes of betas are attempted to be explained on the basis of changes in firm-specific characteristics, including among others size, growth, leverage, liquidity and industry sector, using annual accounting data derived from the DataStream I/B/E/S Data Base.

The estimation results presented here reveal that variations on the systematic risk level, during a period of financial crisis, are closely related to changes on specific firm operational and financial characteristics. Our findings could prove useful, for both researchers and practitioners, suggesting that specific shifts in a firm's systematic risk should be expected in a time span of crisis, given the fluctuations in the firm's accounting and financial figures.

Keywords: Stock beta, systematic risk, Greek stock market, financial crisis.

JEL Code: G01, G11, G12.

#31

Delimitation of urban functional areas: in pursuit of standardised approach (initial results from econometric analysis)

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Abstract

Suburbanisation (city sprawl) and city shrinkage force a continuous process of redefining the functional boundaries of the city. Various research methods have been used to cope with delimitation of urban areas, to mention just few of them: Synthetic Aperture Radar (SAR) interferometry, clusters of census tracts and adaptation of the Urban Morphological Zones methodology for smaller size cities, and in a case of metropolitan area delimitation processing data from integrated system of centers based on commuting patterns, mobile phone location, residential suburban zones and average time spent in city by local populations. Delimitation studies have been dominated by geographers and urban planners leaving behind economists and our applied methods. The purpose of this analysis is to narrow the gap and, thus, to propose delimitation of urban areas relying on econometric methods. In this way we hope to contribute into delimitation studies bringing on board the economic view to urban functional areas focusing on rather what is common, not different for them. There are three working hypotheses that we consider. A number of competing quantitative methods, discussed below, have been applied to increase the credibility of the achieved results. Hypothesis 1: The agglomeration area around the urban core is characterised by intense functional connections between the city itself and the surrounding districts. This is not a new hypothesis and has been well covered in the literature, it is however key to the analysis presented in this paper. According to Tobler's first law of geography the urban core should be connected by stronger ties of interdependence with its surrounding districts than with the more distant areas. It therefore logically follows that there must exist a certain border (distance, area, zone) within the limits of which the functional ties between the core city and its neighbouring districts are strong enough to create an agglomeration and beyond which the intensity and importance of these ties decreases significantly. Hypothesis 2: The span of intense functional connections between the urban core and its surrounding districts differs depending on a number of factors and socio-economic processes. According to this hypothesis, the urban core functions as a social, economic and administrative hub whose impact on the surrounding districts is not uniform in nature since the influence of the core city varies quantitatively depending on a given function. To illustrate this premise, let us look at the following example: the core city is strongly connected by way of residential construction to the districts in its direct neighbourhood - a relatively narrow area of influence - but its economic ties reach much further geographically - a broad area of influence; however the agglomeration is defined here as a fairly uniform entity around the core, with all the functional connections mentioned earlier working at a high level. In practice, this may mean that the definition of agglomeration becomes that of the narrowest functional area of influence. Hypothesis 3: The size of areas of influence (or agglomeration areas) varies depending on the size of the urban core. It is expected that the size of the area of influence, or the area of intensified functional connections, will be dependent on the size, and what follows, the standing of the urban core. Large and big cities should be characterized by further reaching influence and connections than medium-sized and small cities.

Keywords: Delimitation, spatial econometrics, city functionality, urban studies.

JEL Codes: R12, R15, C18, C31, C33.

#61

The Consumer in Building a Multi-Attribute Concept of a Food Product

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Abstract

The research problem indicated in the paper refers to the area of conceptualising preferences creation with the application of simplified decision norms which do not fulfil the assumption of rational behaviour. The carried-out analyses were based on the assumption that a food product may be viewed as a collection of directly noticeable and unnoticeable features that are regarded as attributes (values) of the offer. The applied model of a food product is composed of three levels, each of them presenting the characteristic features of product's quality. These are sensory, functional, and expressive/symbolic attributes.

The main aim of the research was to identify and model attributes of a food product which are regarded as important during the process of the consumers' choice making and to verify the methodology for the creation of the optimal market offer, which takes identified conditions of maximising consumer preferences into account. The developed research project included qualitative and quantitative analyses. Within the research, a composition approach with a traditional sensory analysis referring only to internal attributes of products was applied. Moreover, an optional research considering external features of the product (brand, price) was also carried out.

The fusion of research approaches allowed for a thorough identification and analysis of food products' characteristics at various stages of the decision-making process of individual consumers. A sensory evaluation of the products made it possible to diagnose how consistent the consumers are in their declared sensory preferences for brand and non-brand products. It was established that the intention of purchasing a product is on one hand determined by its quality and taste preferences, on the other hand it depends on economic limitations. Brand and price have a significant impact on taste, smell, colour, and consistency of the product preferences. They also influence the assessment of the utility of technological properties of tested food products.

By applying the presented approach of shaping a multi-attribute concept of a food product and its influence on preferences and choices made by consumers, it can be analysed how consumers view products and how their perceptions influence their behaviour. The carried-out analyses may provide information crucial for communicating with the market and promoting food products, especially when the intention of a producer is to change consumer's habits. The presented methodological approach may provide clues on what attributes should be constructed in the case of new food products.

Keywords: Consumer, marketing experiments, modeling attributes, food product.

JEL Codes: D11, D12, M310.

#51

Impact of New Talent Management for SMEs Development in Less Developed Countries

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Abstract

One of most important factors for economic development in all kinds of economies regardless from the size and business environment are SME-s, since they are the creator of working places and production, as well supporting the overall development. Specifically, in first stage of development, in infant enterprise stage, any SME, heavily depends on innovative ideas and new technologies, but still most important factor are talented human resources.

This paper aims to identify the role and impact of talent in the 21st century on the SME organizations in less developed countries. Nowadays talent management has become one of the key and strategic issues in leading institutions around the world. "Talent management" is the process of efficient recruitment, retention, distribution and engagement of talent in the company. Specifically, is the process of identifying key people who are capable of moving quickly to positions of higher responsibility.

However specifically in less developed countries the essence and role of talent management as a matter of anticipating market challenges and changes is not very well recognized. Thereof the paper has undertaken in research to specify consequently the need for talented human capital in line with SME development factors and market needs. The research work mainly focuses the role of young talented people in SME-s and impact of different practices including performance systems and training support to link them with company in long term. This process means identifying people who are highly skilled and will be able to create an advantage for the company.

The methodology used in the paper combines both, the qualitative and quantitative data. Primary data were collected through questionnaires and semi structured interviews with companies in the case study used and individuals working there from different sectors and with different managerial positions. The findings are promising for the validation of the alternative hypothesis described in the paper. On the other hand, the paper aims to support the hypothesis that talent management is an important part of building engaged human resources, with opportunities for professional growth and development for all.

Keywords: Economic development, talent management, enterprises, SME, human resources.

JEL Codes: O10, O20.

#28

Applying Benford's Law in Public Sector Financial Investigations: The Case of Greek Municipalities

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Abstract

In this paper, an auditing methodology is presented capable of detecting possible discrepancies in municipal revenue reports in Greece. Through the application of Benford's Law and its relevant tests, categories of municipal revenues are scanned with the intention to detect those that show an abnormal behavior during the three-year time lapse of the data.

The tests were selected based on a theoretical auditing scenario where the purpose was to detect anomalies in the provided dataset. Thus, the analysis followed a pattern where the examination moved from general tests to more specific ones, directing the investigator towards the transactions within each category whose behavior was deemed abnormal by the algorithm. In each step, the variables that deviated from the expected distribution, were analyzed within their business context and only those whose anomalous behavior could not be explained adequately were examined by the next more specific test.

The methodology, consequently, functions both as a filtering technique and a detection tool of erroneous transactions. The results could prove quite useful for any supervising authority, auditor or financial investigator as they can discern within seconds possible anomalies and thus enhancing auditing process efficiency. As a result, by applying the above-mentioned methodology, the primary goal was achieved, and anomalous behavior was detected in municipal revenue reports.

Keywords: Benford's Law, regional development.

JEL Codes: K420, H720, C38.

#58

A new approach to model Small-Medium Bank Profitability according to IFRS under certainty and uncertainty

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Abstract

The variability in techniques employed by academicians and practitioners to scrutinise the profitability, budgeting models, efficiency controlling, strategic financial planning and risk associated with banking institutions is high and distinctive. However, we investigate in this study, the volatility of banking efficiency using Key Profitability Variables (KPVs) based on fundamental financial figures reported in the balance sheet and income statement for the determination of Key Performance Indicators (KPIs).

We target Small-Medium banks' business plans (SMBs) following a prototype economic modelling approach in accordance with the structure of Additional Funds Needed (AFN) model. The KPVs are the size and structure of deposits, loans and their interest rates. Initially we examine the intervals in which the KPVs of the SMBs are moving which is followed by a sensitivity analysis under certainty and uncertainty. Our paper concludes that business plans following AFN economic models can be efficiently and constructively used for financial planning of SMBs in order to control their performance, contributing to budgeting and decision making in a strategic manner adding to the efficiency of the bank ultimately.

In terms of future directions of this research, we intend to proceed with an analysis in a stochastic environment under uncertainty where the interpretive KPVs following normal distribution, as well as their historical limits in a PERT distribution will be tested under the prescribed guidelines by IFRS 7 and IFRS 9 –Financial Instruments. In addition, we also plan to control the sensitivity in uncertainty conditions using Monte Carlo simulations and examine the results under deterministic confidence and stochastic uncertainty. Nonetheless, with this paper we contribute to the discussion regarding the introduction of economic modelling approaches for banks' profitability under certainty and uncertainty in the banking industry.

Keywords: AFN models, Bank performance, Operation Research.

JEL Codes: G21; M41; C44.

#102

Business Models and Banking Regulation Are Going Forward

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Abstract

The business model terminology in the banking industry started to be used more frequently in the last decade both by academics and the banking professionals. In this theoretical paper, we performed a literature review regarding the use and the evolution of business model terminology in the banking industry from the perspective of performance and controlling avenues. The aim of the study is to summarize the level of knowledge and to correlate published material regarding banking business models. Additionally, an analytical appraisal is paramount for a future quantitative research study.

In this research we consider, as a central point, the Liikanen report (2012) and we performed a literature review *ex-ante* and *ex-post* above this report. We used selective criteria like (i) articles published in Clarivates, ScienceDirect, Scopus or Web of Sciences; (ii) working papers that are issued under regulatory institutions like the European Central Bank (ECB), the Bank of International Settlements (BIS), the European Banking Authority (EBA), the European Union-High Level of Expert Group and other research intuitions like the Center of European Policy Studies (CEPS).

The findings of our research based on the research questions indicated that, firstly, the regulatory bodies and the policymakers have just started to study the business model of the banks and the implications regarding the resilience of these models to financial and economic shocks. Moreover, a thorough understanding of the business models can be a predictive tool and help both management and regulators to improve their future strategic decisions. Secondly, on one hand the results are showing that mainly the retail banking model, based on traditional deposit funding is the most stable and less risky and on the other hand in terms of crisis duration is carrying the most risk. Finally, the article proposes that as a future study we have to analyze the link between strategy and business models on a sample of financial institutions from Eastern and Central European countries in order to verify the research hypotheses as stated above.

Keywords: Banking Business Model, Performance, Efficiency, Retail Banking, Traditional Banking, Investment Banking.

JEL Codes: M21; G21; G24; G28.

#502

Modern Methods of Business Analysis of a Commercial Organization

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Abstract

Variety of modern methods of business analysis of a commercial organization makes difficult their practical usage, thus the purpose of the paper is to characterize the modern methods of business analysis of a commercial organization and their possible use in setting the specific targets.

The article is divided into several parts. The content of the concept of "business analysis methods" is developed. Such methods as SNW-analysis and MoSCoW method were reviewed within the business analysis of the financial component of a commercial organization. The need to apply the stakeholder approach is substantiated, the definition of this method is presented. Business analyses methodology can be used for anti-crisis management, which is particularly true in an unstable environment. Methodological foundation of the study were the system, process, situational, balanced and strategic scientific approaches to the study of modern methods of business analysis of a commercial organization.

Economic efficiency/significance of the paper for theoretical economics is determination of specifics of the individual methods of business analysis of a commercial organization. Further deep study of the concept of "business analysis" is planned, as well as development of new methods of its performance together with determining the nature of their impact on the commercial organization business.

Methods of business analysis should be applied only after definition of particular efficiency targets of a commercial organization.

Solving the assigned tasks in the course of the research allowed to provide an objective description of activities of a commercial organization from the point of view of the main groups of the stakeholders.

Keywords: Business-analyses, commercial organizations; modern methods; business forecasting, performance efficiency, stakeholder approach, SNW-analyses, MoSCoW method, competitive performance.

JEL Code: M19, M49.

PARALLEL SESSION C1

#62

Formation of employment management policies in single-industry towns taking into account existing problems of precarious employment

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Abstract

The article explores the characteristics of employment and unemployment in the labor markets of single-industry towns and evaluates the effectiveness of government measures aimed at reducing it and ensuring the protection of economic and social rights of workers. The study used foreign and Russian studies on the problems of precarious employment. Methodological research tools: analysis of statistical information sources. The study showed that the situation on the labor market in single-industry towns remains tense. The number of employees in single-industry towns is declining, and working conditions are deteriorating. It was revealed that the transition to an information-digital society, which continues to be formatted at the junction of changes in communication technologies and the motivation of labor behavior, has significantly changed the labor market in Russia.

There was a massive introduction of non-standard forms of employment, which carries not only positive effects, but also negative risks that are most acute in single-industry towns. To minimize these risks, it is necessary to find mechanisms to increase the economic and social security of workers with flexible employment. As a result of the study, it was concluded that in single-industry towns it is necessary to reduce inefficient "social employment" by creating high-performance jobs and developing self-employment. The paper proposes to develop an employment management policy in single-industry towns taking into account the existence of the problem of precarious employment, and to include in it a set of measures aimed at solving the problems of selfemployment of the population. The practical results of the study can be used to develop assumptions for regional authorities to reduce precarious employment in single-industry towns.

Keywords: Precarious work, single-industry towns, precarization, informal employment, flexible employment, self-employment, unemployment, labor market, digital technologies, population, jobs.

JEL Codes:

#106

In the Context of the Regulatory and Supervisory Role of the State in the Turkish Insurance Sector Corporate Information Technology Management

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Abstract

As one of the most important dynamics of the current business world, globalization has affected many companies and business models, especially the companies operating in the financial market in almost all areas of the business world. At this point, in the context of its regulatory and supervisory role, the state, on the one hand, associates corporate governance / governance functions with the principles of “legal responsibilities”, “accountability” and “transparency day, and bases the decision-making mechanisms of companies on ethical grounds, on the other hand asymmetric information, profit distribution, The Company aims to ensure stability by intervening when necessary in order to eliminate market failures that may arise in specific issues such as meeting the obligations.

As a vital component of corporate governance, IT governance helps organizations achieve the ethical business environment mentioned above through best practices called best practice. Following many financial scandals, such as in Enron, in order to bring the local markets into line with international financial disciplines and to limit the risks of possible financial crises, within the framework of the regulatory and supervisory function of the official authority, the local financial sector has been established under certain regulations such as Sarbanes-Oxley and Basel. Legislation came into force.

Therefore, for most of the companies operating in the developed and developing financial markets, the authorities have adopted COBIT, one of the best-known IT governance best practices in the world and has adopted COBIT as a reference document in legal regulations and audits. Therefore, the foundation of the state’s regulatory and supervisory role in the context of the work and the legal framework for COBIT is to examine the effects of the insurance companies in Turkey.

Keywords: Regulatory and Supervisory Role of State, Sarbaney-Oxley, Basel, Solvency, IT Governance, COBIT.

JEL Codes:

#111

Evolution of Global International Trade after 2007s

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Abstract

The year 2007 has a qualitative change in international space, since it has started not only financial crisis but also structural changes in the international division of labor. While the growth rate of world trade has seemed to return to a dynamic growth path since 2011, the crisis has undergone structural changes in the international division of labor related to the development of the international supply chains, turnover technologically advanced goods and services, the decline in trade of highly developed countries in favor of China and new industrial countries.

The emerging trend of trade after crisis is worth examining, for at least two reasons: firstly, because, through the crisis, they verify the theories of international trade, while at the same time giving a response – the thesis of which theories correspond to modern reality. Secondly, they shed light on the shaping of the future division of labor in the global economy and the new balance between sectors and individual partners. These changes affected the different sectors and trading partners, which, as a result of the crisis, have strengthened their position in the global economy.

After 2007, the international exchange is growing by increasing the demand for technologically advanced products, on diversity, on services. Increase developing countries in global trade and the decline in the position of developed countries points to the importance of the global value chains, competitiveness factors, diffusion of knowledge due to China and the new industrial countries closer integration into the world economy. The EU and the US are seeing the steady progress of newly industrialized countries, especially when it comes to exchanging office and telecommunication equipment, cars, chemicals, textile and clothing, computer services, construction, their participation in transport, travel service. However, medium-income countries and developing countries are of marginal importance when it comes to charges for intellectual property rights.

Keywords: International division of labor, global value chains, trade in technological advanced goods, trade in services in the world economy.

JEL Codes:

#203

Anticorruption Strategy in Europe: The Case of Romania*

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Abstract

Corruption in Europe has been characterized one of the main problems especially in countries in transition. EU has adopted several measures and directives to promote anticorruption and it has established mechanisms to protect the societies from public corruption. Using the existing framework, as described in European reports and official documents, we refer to the state of Romania as an example of a country in transition showing a considerable improvement in corruption while the state is coming closer to EU.

Therefore, the main aim of this study is to analyze, evaluate and implement the European anticorruption strategy into a country in transition on a comparable basis with the old and the new anticorruption framework in Romania.

After introduction the study presents the formal issues regarding corruption, by reference to certain cases of corruption in the period of 2010-2011 and then it refers to corruption as an indicator of a healthy state. In section 3 it presents the public policies and the legal framework required while in the following section it presents the values and the principles for an effective anticorruption space. In section 5 the existing instruments and the types of interventions are presented while in the last section the study concludes with some recommendations and proposals to be adjusted.

Keywords:

JEL Codes:

***Acknowledgement:**

This study is part of a project on anticorruption strategy contacted in 2016 by the Ministry of Regional Development and Public Administration of Romania titled: *“Integrated Management System of Investment, Control and Integrity Activities within the Ministry of Regional Development and Public Administration” SMIS Code 38550.*

#68

The Effect of the Implementation of Syariah Governance and Customer Relationship Marketing on Muzakki Loyalty

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Abstract

This study aims to analyze the effect of Syariah governance and customer relationship marketing on muzakki loyalty in Yogyakarta. Syariah governance will be divided into six, namely transparency, accountability, responsibility, independence, justice and Syariah compliance. Whereas customer relationship marketing is divided into four, namely trust, communication, justice and customer intimacy. The population in this study is muzakki (people who pay zakat) at amil zakat institutions in the Yogyakarta region for at least 2 consecutive years.

The sample of this study used convenience sampling method and obtained 200 respondents. The analytical method uses multiple linear regression analysis. The results of the research showed that transparency, fairness and syariah compliance has a positive significant effect on customer loyalty, while accountability, responsibility, and independency doesn't have positive significant effect on customer loyalty. In testing variable customer relationship marketing variables show that communication trust, customer intimacy has a positive effect on muzakki loyalty while commitment also has no effect on muzakki loyalty.

Keywords: Syariah Governance, Customer Relationship Marketing, and Muzakki Loyalty.

JEL Codes:

#69

Political Campaign Success Predictors from Social Media Financing

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Abstract

Social media advertising has become an integral part of most political campaigns. This study investigates the funding and social media strategies adopted by politicians in the 2019 European Parliament Elections. We aggregate data across an EU member state, Malta, with a voting population of 330,000. This allows us to sample the entire candidate population (n=41) to identify the strategy-variances and crowd behaviour. We then compare pre-election crowd behaviour with post-election outcome.

Results are based on 84,320 data points that include 1) individual candidate advertising spend, 2) content submitted by candidates, 3) user generated content, 4) user interaction across multiple dimensions, and 5) actual voting results. Results show that pre-election social media engagement is indicative of campaign success. Pre-election engagement is also related to campaign effectiveness based on lower cost per vote conversion.

We also note that while spending more in Facebook™ advertising alone does not necessarily improve the candidate's likelihood of getting elected, however, the advertising cost conversion seems to have a significant influence on results. This suggests that the campaign's strategic efficiency is a key determinant of success.

Keywords:

JEL Codes:

#208

The Impact of EU Funding on Regional Development in Romania

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Abstract

The EU funding topic has been, for quite a while a very important research as well as political dispute theme. One of the main reasons for such an evolution is the impact of structural funds on EU member states economies on both the positive and the negative effects side. For the Romanian case, the impact in terms of regional development and economic growth have been the main focal points of the political discussion that require research in order to provide solid scientific basis under the shape of an accurate impact analysis.

The aim of this paper is to provide an analytic approach on the impact of the EU funding on regional development in Romanian. Methodology involves a correlation analysis of EU funding absorption and macroeconomic development indicators, by regions, envisaging to identify not just a quantitative impact assessment but also a qualitative one. Main results suggest that EU funding in Romania is only partly reflected by the sustainable development of regions, suggesting thus that part of the effect has been detoured. Analysis goes deeper into identifying the factors that somehow negatively affected or limited the positive impact of the absorption.

Thus, the paper provides a scientific basis for further decision making and funds distribution taking into account also, the necessary means that would increase efficiency and boost the positive impact on both economic growth and sustainable development. Concluding, such an analysis not only clarifies the impact of EU funding on growth and development, but also puts together a set of recommendations based on the research results, that could support better results for the 2021-2027 financing timeframe.

Keywords: EU funding, regional development, Romania.

JEL Code: R58, F36, O11.

PARALLEL SESSION C2

#209

Social Performance Reporting in Romania – A Critical Analysis

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Abstract

Given recent developments within the European and the global economy, social performance became more and more important for companies, simultaneous with international efforts put into a coordinated, coherent and universal reporting system. Even though there have been significant scientific approaches on the matter, on reporting and assessing social performance, this aim has not been yet reached and there is still work to be done in this respect.

The aim of this paper is to provide an analytic and comparative perspective on the Romanian versus the EU regulatory systems concerning corporate social performance reporting. Methodology involves a critical analysis with a focus on potential improvements of the existing system, but also on Romanian companies' approach to social performance assessment and reporting within their sustainability reports, beyond their legal obligation.

Main results suggest that it is rather the multinational companies in Romania who are mostly keen on sustainability reporting given their accurate understanding of the previously scientifically proven idea that financial and social performance go together, and the Romanian regulatory system has still got major steps to take in directing companies towards socially responsible behaviour and economic results.

The paper provides a scientific basis for the development of social performance reporting in Romania, aiming further on to provide a “corporate social performance matrix” as a useful instrument in assessing this side of performance and converting it into the corresponding financial value. Concluding, Romanian decisional authorities would have a scientific instrument to work with in adjusting the existing formal, legal and informal corporate reporting systems.

Keywords: Corporate social performance, Romania, financial performance.

JEL Codes: M14, L20, Q01, G39.

#14

Measuring Active Ageing Within the European Union – Implications on Economic Development

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Abstract

The ageing phenomenon undermines the stability and equilibrium of the labour market, and it affects the economic development of countries, as well as the welfare of elderly people aged over 65 years. Against this background, our research is conducted to assess the specific ways in which active ageing (measured through the active ageing index - AAI), correlated with other economic and labour market credentials, would impact the economic development of EU Member States.

The research methodology consists of two econometric procedures, namely cluster analysis performed on EU-28 countries to form congruent groups according to similar features of the AAI and GDP, respectively the cross section analysis, applied distinctly on two panels, EU-15 and EU-13, based on three macro-econometric models (robust regression, spatial lag and spatial error), in order to test the direct influences of AAI and other economic and social selected variables on economic development. The analysis is made at the level of 2014, since this is the latest year with available data for AAI as reported by the European Commission. The results highlight important dissimilarities between the EU countries that require a rethinking of policies for the active ageing population support.

Keywords: Active Ageing Index, European Union, economic development, labour market, macro-econometric modelling.

JEL Codes: C23, I30, J14, O52.

#06

Case Study of Bank Fraud in Moldova: is Early Intervention the Best Central Bank Strategy to avoid Financial Crises?

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Abstract

In this paper, we study the means by which a billion-dollar fraud that was perpetuated in the Moldovan banking sector evolved into a severe financial crisis in which the Central Bank's inaction came under scrutiny.

We examine the financial operations through which money was taken out of the banking system and reconstruct the fraudulent schemes that led to the demise of three systemically important banks.

We also create an agent-based simulation of the banking system which replicates the pre-crisis environment and the fraudulent schemes to determine whether Central Bank intervention could have improved the outcome of the crisis.

Keywords: Financial Fraud; Prudential supervision; Central Bank Intervention; Agent Based Model; Multi-Agent Simulation.

JEL Codes: C61; C63; E58; E65; G28.

#36

An Economic Tale of Three Southern European Countries: Applying Goodwin's Growth Cycle Model for Turkey, Spain, and Greece

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Abstract

Goodwin's growth cycle model analyses the income distribution dynamics between the labor and the capital in a capitalist economy by making use of the system dynamics approach. In this study, we analyze Turkish, Spanish and Greek economies comparatively via Goodwin's growth cycle model. The results of the study point out that the distribution of GDP between the labor and the capital in those economies has presented a cyclical dynamic feature over the 1970-2017 period.

When we interpret this situation, we have concluded that the main economic crises that took place in those economies during in 48-year period coincided with the periods of the Goodwinian cyclical changes in national income shares between the labor and capital.

Keywords: System dynamics, Goodwin's growth cycle model, income distribution.

JEL classification: C63, E32, O15.

#204

A Structural Credit Risk Model under a Currency Board Arrangement

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Abstract

We build a structural credit risk model for an emerging market country which follows a fixed exchange rate regime under a Currency Board Arrangement (CBA). It is assumed that the sovereign has bonds outstanding both in local soft currency (treasuries) and in hard currency (Eurobonds). In such a setting, the liability side of the balance sheet of the country can be viewed as composed of three items in increasing order of seniority - monetary base, domestic debt, and foreign debt.

The foreign debt is the most senior tranche in the capital structure and has a typical payment priority due to the presence of limited foreign exchange reserves. The monetary base is the most junior one and has the characteristics of equity. In pursuing optimal financial and macroeconomic policies, the sovereign affects the fundamental values of the three instruments.

We quantify the effects that arise, and this allows us to make a thorough macrofinancial diagnostics of the CBA. We discuss further issues related to optimal capital structure, debt issuance and buy-backs, sterilizations, and general financial challenges of conducting macro policy under credit risk and fixed exchange rate. We make an empirical application to a representative set of countries following a CBA.

Keywords: Sovereign risk, credit spread, currency spread, foreign debt, domestic debt, Merton model, capital structure, Currency Board.

JEL Codes: F30, E43, G12, G15, C58.

#70

Uncertainty and Cash Holdings in Accommodation Industry in Europe 2001-2017

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Abstract

We studied the managers' liquidity preference in the accommodation industry in Europe over the period 2001-2017, considering formally the effect of economic policy uncertainty.

An additional novelty of the paper is that we used proxy variables to economic uncertainty drawn from international financial markets and especially for the period of the global financial crisis 2008 (GFC-2008). Using panel data econometrics, the findings showed statistically significant and positive “cash-measures of uncertainty”.

Although this relationship is strengthening in the post-GFC-2008 period it is not confirmed statistically significant difference between pre and post GFC-2008 periods, suggesting that managers paid little importance on the precautionary motive to accumulate cash.

The results also confirmed relevant literature concerning the negative correlation of cash holdings, in this tourism industry, with firms' size, leverage, liquid assets substitutes and tangibles among often used determinants. The policy implications for investors are clearly there.

Keywords: Cash holdings; economic policy uncertainty; financial crisis, accommodation industry.

JEL codes: G01 Financial crises; G31 Capital Budgeting • Fixed Investment and Inventory Studies • Capacity; G32 Financing Policy • Financial Risk and Risk Management • Value of Firms; C58 Financial Econometrics.

#08

An integrated and extensive theoretical framework for defining and diffusing innovation in organizations

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Abstract

The present thesis aims at exploring the factors that influence idea generation and innovation in organisations. Organisations need to promote innovative behaviour and create proper contexts that foster creativity and facilitate the process of innovation diffusion. Therefore, a tool for identifying employees with positive work behaviours and attitudes towards innovation will be useful as the first step for success. The present thesis will attempt to generate a theoretical model and an instrument which organisations will have the opportunity to use to identify innovative behaviours and factors that contribute to innovation diffusion.

Towards this aim, a synthesis of prominent innovation models and work behavior models will be structured. More specifically, the theoretical framework will be based on Innovative Work Behaviour model, which will be combined with the dimensions of Organisational Citizenship Behaviour model, in order to examine whether Organisational Citizenship Behaviour could serve as a criterion for identifying innovative behaviour.

For the construction of the methodological tool for diffusion of innovation within organisations, the Innovation Diffusion Theory will relate to the dimensions of the Technology Acceptance Model to test whether the Technology Acceptance Model could be used as a criterion for diffusing innovative behaviour.

Keywords: Innovation, diffusion, Organizational Citizenship Behavior, Technology Acceptance Model.

JEL Codes:

#11

Allocation in Congested Markets with Information Acquisition*

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*This project has received funding from Charles University, GAUK project No: 570218 and the European Research Council under the European Union's Horizon 2020 research and innovation programme (grant agreement No 678081)

Abstract

This paper studies strategy-proofness, information acquisition incentives and welfare in a congested market. The players first learn about their preferences over two locations, after which they choose a location to occupy. In case of congestion, the rejected players are costlessly allocated to the other location. First, we discuss strategy-proofness of this mechanism. We show that, under correlated preferences, asymmetric information resulting from learning, causes strategy-proofness to fail. We provide a condition on the allocation mechanism and preferences, under which strategy-proofness is satisfied.

Second, we show that for independent preferences the allocation game with information acquisition tends to exhibit complementarities in information acquisition. This results in equilibrium multiplicity. Finally, we provide two welfare results. First, due to prevailing positive externalities, the equilibrium where more agents learn welfare dominates the non-learning equilibrium. Second, abolishing uncertainty about allocation chances leads to a welfare improvement for the players. We show that correlated preferences can cause both welfare results to fail.

One of the applications of the results is matching markets. In particular, the second welfare result can be applied to a school choice setting, where randomization is often used to break ties. We argue that the welfare of students would be improved if tie-breaking occurred before information acquisition - a change which is technically possible to implement.

Keywords:

JEL Codes:

PARALLEL SESSION C3

#26

A Risk Assessment of Road Safety in Malta**Brandon Agius**, University of Malta, Malta**Abstract**

One of the largest political and social issues over the last 10 years has been the increase in vehicles and as a result the increase in traffic in Malta. Traffic congestion has reached an all-time high, with Malta having the highest number of cars per capita in the EU, with 86.4% of the total population having a registered vehicle on the road. As a result, the number of accidents on the road has also increased, with motor vehicle accidents rising by 8.4% in the first quarter of 2019 alone. Therefore, with this study we seek to identify the key risk factors contributing to the increase in congestion and road traffic accidents in Malta and explore policies that may help to reduce or mitigate against these rising risks.

In order to carry out this study, we adopted a three-pronged research methodology. Firstly, fieldwork was conducted along some of Malta's main arteries and traffic hotspots in order to ascertain congestion patterns and driving behaviour. Secondly, a survey questionnaire was circulated to a sample of 812 Maltese drivers, in order to understand their driving behaviour, risk preferences as well as their perception regarding Maltese roads and policies that could reduce the risk of accidents. Finally, in-depth qualitative interviews were conducted with individuals who have a vested interest in maintaining the safety of Maltese roads, namely insurance companies, medical professionals, traffic police and the transport regulator. Results were analysed using a combination of quantitative techniques including parametric methods (e.g. regression analysis) and nonparametric methods, as well as thematic analysis for the qualitative interviews, with findings triangulated in order to derive more meaningful insights.

The results show that the Maltese population is highly aware of the traffic congestion and road safety problem in Malta. Based on the survey responses, we estimate that the total annual cost of traffic congestion in Malta is equal to €312.8 million, or over €1,200 per driver, purely as a result of lost productive time. As expected, the riskiest demographic on Maltese roads are young male adults, who exhibit the highest levels of risky driving behaviour across several domains. The survey also illustrated that the main causes of motor vehicle accidents in Malta were driver negligence, distracted driving, speeding and driving under the influence. It was also noted that the Maltese population do not consider public transport as a suitable alternative, which contributes towards the continuous increase in congestion.

Unsurprisingly, there is also very little appetite for any form of fiscal measures like congestion charges or taxes. Significance of the study: Hopefully, with this study there will be an increase in awareness on the need for education and a change in mentality. Moreover, the study highlights various motor vehicle accident prevention techniques, with the use of ignition interlocks and increase in telematics. Finally, the study hopes to encourage the use of public transport and the introduction of roads with a low emission zones, which not only tackles road safety and congestion, but also contributes to cleaner air.

Keywords: Congestion; Road Accidents; Risk Behaviours; Transport Policy.

JEL Codes:

#42

Impact of R&D cartelization with endogenous product differentiation

Bartłomiej Wisnicki - Department of Business Economics, Warsaw School of Economics, Warsaw, Poland, email: bwisni@sgh.waw.pl

Abstract

We analyze the multi-stage model of a duopoly in which firms decide on the level of product differentiation, R&D investment and production. The decision of differentiation is strongly related to the cost-reducing technology spillover. We find that there is a positive relationship between the level of substitution and R&D investment, which transfers into higher production and lower market price. The critical aspect of the paper is the welfare analysis of the cartelization in the market.

We show that cooperation in R&D investment coordinates high investment with closer substitution and it increases both firms profits and consumer welfare. Moreover, from the consumers' perspective, the total monopolization of the market is more efficient scenario than a fully competitive one. Hence, the gains from coordinated joint research far outlast the possible loss from monopolization of the market.

Keywords: R&D spillovers, horizontal differentiation, market cartelization.

JEL Codes: L13, O30, D43, D60.

#53

Internal CSR and the Integration of Mindfulness in Organizations

Majd Hammoudeh, Eötvös Loránd University, Hungary

Abstract

The social role of companies has developed over time and became generally accepted among economic and political institutions (Bank, 2017), which lead to the rise of both exploratory and explanatory scientific research of Corporate Social Responsibility (CSR). The concept has evolved to be classified depending on the focus of corporate responsibility, whether on the external environment or internal humans and corporate culture, to internal/external CSR practices. In this research, the aim is to focus on the nature of internal CSR practices, activities, and human development programs and understand their effectiveness in medium-sized and large companies presenting CSR as part of the business culture in which is demanded by internal stakeholders (owner, managers, and employees).

The focus would be on theories which showed, according to previous literature and research, more emphasis on internal CSR from managerial and sociological perspective, combining them with philosophies which lead to the integration of 'Mindfulness' in corporations mentioning Foucault's theories of neoliberal governmentality and Biopower, in addition to alienation and dehumanization ideologies of Karl Marx.

Mindfulness as a discourse and training program in corporations has highly caught my attention, since big corporations and even governmental organizations are leaning towards adopting mindfulness training programs within their institutions (Carter, Tobias, & Spiegelhalter, 2016), this could be seen as a phenomenon to be thought of and even studied with its impact on the surrounding society. Mindfulness was claimed, in several psychological and managerial research papers, to have positive effects on employees' well-being, productivity, mental health inside and outside the workplace (Birdie, 2015) which reflected on the organizations' stress level among the workforce, lower turnover ratios and sick leaves.

Keywords: Social Responsibility, Corporate Culture, Human Development, Training.

JEL Codes:

#72

Economic Policy Uncertainty and Cash Holdings in Shipping 2001-2017

Theodoros V. Stamatopoulos, Hellenic Mediterranean University (HMU) School of Management and Economic Sciences (S.M.E.S.), Dept. of Accounting and Finance, MSc Accounting and Auditing, E-mail: stamth@hmu.gr

Abstract

We provided evidence about how the cash holdings, of the listed firms of the overseas shipping in the globe, are affected by economic uncertainty (policy –EPU- and industry’s specific) during 2001-2017. The novelty of the paper is that in addition to common variables used by the literature in measuring EPU we apply proxies expressing international financial markets’ 2008 turmoil.

Thus, using panel data econometrics we studied three possible mechanisms through which uncertainty impacts on shipping companies’ cash, i.e. financial constraints, corporate governance and investment irreversibility. Our findings indicate that financial constraints and investment irreversibility are statistically significant channels expressing better how economic policy or the industry’s specific economic uncertainty affect cash holdings of shipping firms.

Several aspects of financialization, such as shareholder value and calculative practices are analyzed to illuminate the changing nature of the concept of uncertainty, and thus we open either new ways for further research or new opportunities to managers or investors.

Keywords: Economic Policy Uncertainty; shipping specific uncertainty; Cash management; Shipping; Corporate governance; Financialization.

JEL Codes: G32; F65; C58; R4.

#60

Unemployment benefits and new business creation

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Abstract

There is a worldwide consensus that entrepreneurship represents one of the main engines for promoting economic growth, cutting down unemployment, spurring innovation, and increasing the competitiveness of a country, problems that many economies are faced with nowadays. Therefore, there is high concern about investigating the factors with impact on the creation of new businesses and designing the best policies to determine individuals to become entrepreneurs. From another perspective, unemployed individuals are considered to be an important source of entrepreneurship, while the features of the unemployment benefits system may influence their job search behavior or incentive to enter entrepreneurship. Against this background, our paper aims to assess how relevant the generosity of public unemployment benefits system is for the creation of new businesses.

Our analysis uses secondary data collected from several macroeconomic data sources and covers 39 developed and emerging economies and a time framework of 17 years (2001-2017). To better capture the different facets and stages of new businesses creation, several measures of the dynamics of entrepreneurial activity are employed, namely the new businesses density (for which data have been retrieved from World Bank's Entrepreneurship Survey database) and the total early-stage entrepreneurial activity, the nascent entrepreneurship rate, and the new business ownership rate (data retrieved from Global Entrepreneurship Monitor database).

The generosity of public unemployment benefits systems is captured in our analysis by the ratio between per capita public out-of-work income maintenance and support expenditures and remuneration of employees. In addition, several other potential drivers of the establishment of new businesses are included as control variables, among which macroeconomic, demographic, and business environment-related factors. The results of our study generally confirm our expectations that more generous unemployment benefits systems are reducing the incentive to become entrepreneur or find a new job, which further inhibit the creation of new businesses.

Keywords: Unemployment benefits, public expenditure, new businesses, panel-data analysis.

JEL Codes: L26, M13, H53.

#63

Application of Fuzzy Logic in Economy. In the Context of Production Areas

Toghrul Allahmanlı, Lodz University, Poland

Abstract

The use of natural resources, the creation of consumer goods useful to the community, and the satisfaction of market needs, are directly linked to the worker's immediate production. The most important factor in all stages of production is the most important enterprise. The theory of fuzzy logic was put forward by the Azerbaijani scientist Lotfi Zadeh in 1965. Currently, it is applied in many countries around the world. The essence of the theory is tolerant.

This theory, by the way, introduced and restored the rights of unseen shades on the scene. Conflict resolution, truth discovery, accuracy of calculations cannot be taken without care of intermediate phases. If done, they will have enough defects. The Japanese economy was first applied to the theory. It is reported that the majority of the technical equipment manufactured in Japan is based on the theory of fuzzy logic. After the Japanese, Americans applied that theory to their own countries.

Keywords: Fuzzy logic, manufacturing enterprises, soft computing in business.

JEL Codes: A00, C15.

#72

Economic Policy Uncertainty and Cash Holdings in Shipping 2001-2017

Theodoros V. Stamatopoulos, Hellenic Mediterranean University (HMU) School of Management and Economic Sciences (S.M.E.S.), Dept. of Accounting and Finance, MSc Accounting and Auditing, E-mail: stamth@hmu.gr

Abstract

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Keywords: Economic Policy Uncertainty; shipping specific uncertainty; Cash management; Shipping; Corporate governance; Financialization.

JEL Codes: G32; F65; C58; R4.

APPLICATION FORM FOR MEMBERSHIP

1. Personal Information			
Title (Circle One)	First Name	Middle Name	Last Name
Dr. Prof. PhD Res. Mr. Ms.			

2. Affiliation	
University	Department
Address:	
City:	State/Province: Country: Zip:
E-Mail1: _____ E-Mail2: _____	
Tel: _____ Fax: _____	

3. Declaration of Interest (circle where appropriate)
I would like to participate to and/or to be included in:
1. ICABE 2020 – PLACE TO BE ANNOUNCED
2. International Strategic Management Association (I.S.M.A.)
3. European Research Studies Journal (E.R.S.J.)
4. International Journal of Economics and Business Administration (I.J.E.B.A.)
5. South East European Finannce and Economic Association (S.E.E.F.E.)
6. International Journal of Finance, Insurance and Risk Management (I.J.F.I.R.M.)

Date: _____/_____/_____

Signature: _____

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Notes:

1. I.S.M.A.: www.isma-edu.eu

ISMA was founded in 1993 as a non-profit, non-governmental organization. It is an international scientific body, with membership open to all persons involved or interested in business, economics & European integration.

The Association operates for scientific and educational purposes to promote and encourage superior research and practice in the fields of economics, strategic management & European integration. The activities include, among others, the publication of academic journals, the cooperation and interchange of ideas among academics, business practitioners, and consultants through conference events and workshops, as well as the establishment of high ethical standards in the conduct of business.

Individual membership of the ISMA includes a subscription to the European Research Studies Journal (ERSJ) and the International Journal of Economics and Business (IJEBA). Members can submit papers to the ERSJ and/or IJEBA at a reduced submission fee and have the right to attend the annual conference (ICABE) at a reduced registration fee.

2. E.R.S.J.: www.ersj.eu

The ERSJ is a refereed publication dating since 1998. It has been designed to cover a wide variety of topics in the field of European Integration. It aims to act as a guide for new developments and prospects in different aspects of economic thought and business methodologies and it is programmed to come out four times a year. Papers are invited both from academic economists as well as practitioners.

Over this 22 year of existence it has succeeded to be indexed by some of the most renowned academic indexing services such as EconLit, SSRN, RePec, Academic One File and Elsevier while cooperation has been promoted with Scopus as well.

3. I.J.E.B.A.: www.ijebe.com

IJEBA constitutes the latest addition in the Strategic Management Association's contribution to scientific research. Its scope is to cover a variety of topics strictly in the fields of Economics and Business Administration, leaving the ERSJ being focused to issues of European Integration. The development of IJEBA came as a consequence of increased demand for paper publication on issues of Economics and Business that are not related to European Integration.

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4. S.E.E.F.E.:

SEEFEE is an independent, non-profit, European membership organization that aims to promote academic research, education, training and professional excellence; to act as a forum and think tank on core issues of Finance and Economics; to promote networking, cooperation, dialogue and consultation among all concerned professionals related to finance, economics and administration.

SEEFEE is a fairly new initiative that aspires to offer a holistic framework of business cooperation, academic education and unhindered information in the field of European finance and economic affairs. SEEFEE was established in 01/2012 in Athens and involves influential people of finance, banking and economics from all-around South-Eastern Europe. Its scope is to provide a platform that would facilitate and assist the works of business community as well as to contributing to contemporary training and academic education in the highly demanding field of economic studies.

SEEFEE membership entails lower fees for conference participation and paper publication in IJMEI, lower costs on e-learning platform seminars and accessing benefits in reports, analyses and databases of human and document resources.

5. I.J.F.I.R.M.: www.journalfirm.com

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Over 8 year of existence it has succeeded to be indexed by some of the most renowned academic indexing services such as EconLit, SSRN, RePec, Academic One File and Elsevier while cooperation has been promoted with Scopus as well.

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ISSN: 2623-3525 Print, 2623-3517 Online.