



Veronika Solilová, Hana Vránová (eds.)

ECONOMIC COMPETITIVENESS AND SUSTAINABILITY

24th International Conference

March 24th-25th, 2022

Abstracts

● MENDELU
● Faculty
● of Business
● and Economics

**Mendel University in Brno
Faculty of Business and Economics**

**Veronika Solilová
Hana Vránová (eds.)**

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**ECONOMIC COMPETITIVENESS
AND SUSTAINABILITY**

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**March 24–25, 2022
Mendel University in Brno
Czech Republic**

International scientific conference Economic Competitiveness and Sustainability 2022 was organized by the Faculty of Business and Economics, Mendel University in Brno.

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Custom-Made Internal Control Systems and Bank Performance; Evidence from Ghana

Erasmus Yaw Afriyie^a

Abstract

The present study attempts to fill a research gap due to a lack of study on custom-made internal control systems and bank performance in Ghana. The 10 years study (2009 to 2018) consist of fifty-one (51) licensed financial institutions made up of twenty (20) Commercial Banks, ten (10) Savings and Loans Companies, ten (10) Microfinance Companies and eleven (11) Rural and Community Banks. The study uses (ROA) as the performance metric. The independent variables were custom-made control environment, risk assessment, control activities, monitoring, information and communication, and net interest margin. The study found that custom-made monitoring, information and communication, control activities and risk assessment had a positive significant impact on return on assets. Net interest margin (NIM) had a significant positive impact on return on asset (profitability). However, the study discovered an insignificant negative relationship between a custom-made control environment and return on assets. The study recommends that bank executives should work together to identify and invest in the best mix of internal control systems that suit their operations and cultural environment.

Keywords

custom-made internal control systems, bank performance, banking industry

JEL Classification

G21, G30, G34, G38

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Regional self-government and strategic planning: comparison of cases in Czechia and Slovakia

Ivana Butoracová Šindleryová^a and Michal Garaj^b

Abstract

The presented analysis of self-government regions continuously follows up on the results of the analysis of evaluating strategic planning in Slovakia (Butoracová Šindleryová & Garaj, 2021). The analysis results shows various findings concerning principles of elaboration of plans, continuity in planning periods, compliance with laws, validity and timeliness of plans, scope and number of laws, transparency, targeted areas of planning, etc. The initial analysis focuses on the comparison of selected four cases: Zlín Region, South Moravian Region (two in Czechia), Trnava Region and Trenčín Region (two in Slovakia). The selection was made due to regional proximity. Analytical categories focus on identifying and comparing the following criteria: scope of legislation acts governing strategic planning, areas of strategic planning, timeliness of strategic documents, mandatory or voluntary principle of processing, compliance with the strategy by law, continuity and order of planning periods, archive availability, presence of ongoing control evaluation, inclusion of action plans and type of publication. The available results show greater or lesser differences in all indicators and they appear between individual cases, in both interstate and innerstate comparisons.

Keywords

strategic planning, selfgovernment, region, comparison, casestudy, analysis, evaluation, law

JEL Classification

H7, O2

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Debt, Liquidity, Profitability and Investment Behavior on the Corporate Level

Renat Dashkin^a

Abstract

This paper provides new evidence on how the corporate characteristics (debt leverage, liquidity, and profitability) affects companies' investment decision in Poland during 2012–2020.

By analyzing how the investment activity of 409 companies from 7 non-financial industries (agriculture, mining, utilities, construction, manufacturing, trade, and transportation) in Poland responded to changing corporate variables between 2012 and 2020 we reveal some interesting discoveries in the framework of investment decision making.

We show that polish companies from various non-financial industries react differently to the changes of corporate variables, as well as companies with different sizes and capital structures (debt leverage); we also find that investment activity during the European debt financial crisis and after it is quite different and selected variables sufficiency for investment decision making is changing.

The study could be valuable for the scientific community while searching for an answer in the fields of corporate investments as well as for the companies themselves while making investment decisions and for the external financial industry during an assessment of companies' financial needs and arising investment opportunities.

Keywords

corporate debt, liquidity, profitability, investment behavior, investments

JEL Classification

G31, G32

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Interdependence of INDUSTRY 4.0 and engine maintenance

Christian Fauska^a

Abstract

Industry 4.0 is about to revolutionize engine maintenance and support systems with predictive and analytical technologies. Available academic research probes into different expert technologies but lacks a comprehensive overview of available standards and their interaction. This paper summarizes and contrasts available technologies based on a systematic review of empirical research and suggests integrating available solutions to a new industry 4.0 based comprehensive maintenance concept.

Keywords

industry 4.0, maintenance engineering, preventive maintenance, shop floor control, smart factory

JEL Classification

L600

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A highway is not a panacea: Evaluating local impact of a new highway on the labor market in Slovakia

Jan Fidrmuc^a, Martin Hulényi^b, Kristína Gardoňová^c and Zuzana Zavorská^d

Abstract

In this paper, we explore the effect of transport infrastructure on regional labor markets by examining the impact of a new highway in central Slovakia, put into use in two stages: in 2000 and 2011. Our results show that although the unemployment declined after the construction of the highway for the whole region, opposing effects can be observed at the municipal level: a decrease of unemployment in the municipalities near the first highway segment and a surge in unemployment rate in the municipalities in the vicinity of the second section. A possible explanation for these divergent effects could be the different characteristics of the two regions, such as the availability of human capital or the degree of industrialization.

Keywords

infrastructure, regional development, unemployment

JEL Classification

O18, R58, E24, H54

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Economic and Institutional Effects of Populism

Jarko Fidrmuc^a, Fabian Reck^b and Yannick Scharf^c

Abstract

While much research has been done on the causes of populism, consequences of government takeovers by populist parties remain under-researched. This paper contributes to the broad field of research on consequences of populism and to specific research on the countries under consideration by quantitatively analyzing and comparing five cases: Hungary, the Czech Republic and Poland are considered as main Central European populist-led countries, Slovakia & Austria are added having populist-influenced governments. For empirically estimating the impact of populist government takeovers on key economic and institutional variables the synthetic control method and difference in-difference analysis are used. The results show that scores for indicators related to quality, reactivity and anti-corruption efforts of governments predominantly declined. Those observations stand in stark contrast to converse core promises made by all the considered populist parties. For the economic variables, results are mixed, with negative trend regarding GDP p.c. and productivity in Hungary, moderately positive developments in Poland and scant significant observations in the Czech Republic. Finally, the employment of two methods and varying controls allows methodological comparisons.

Keywords

populism, governance indicators, growth, institutional change, synthetic controls

JEL Classification

E02, P48, D72, C26

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Exchange Rates and the Speed of Economic Recovery: The Role of Financial Development

Boris Fisera^a

Abstract

We study the influence of the exchange rate on the speed of economic recovery in a sample of 66 developed and developing economies over the years 1989–2019. First, we provide motivational evidence that the relationship between the exchange rate and the economic growth is weaker during the period of economic recovery than during general economic expansion. Second, we use an interacted panel VAR (IPVAR) model to investigate the effect of real undervaluation on the speed of economic recovery after external shock. We find evidence that although a weaker/undervalued domestic currency increases the speed of economic recovery, its positive effect seems to be limited in size. Furthermore, we also explore the role of financial development in influencing the effectiveness of undervalued/weak domestic currency in stimulating the economic recovery. We find that the higher level of financial development seems to limit the negative effect of an overvalued currency on the speed of economic recovery, but not to influence the effect of undervalued currency on economic recovery.

Keywords

economic recovery, exchange rate, currency depreciation, real undervaluation, financial development, interacted panel VAR (IPVAR)

JEL Classification

F10, F30, F31, F43

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Foreign Direct Investment, Domestic Investment, and Economic Growth: Evidence from OECD Countries

Emre Gokceli^a

Abstract

This study assesses the impact of FDI inflows on economic growth and domestic investment in a panel of OECD countries during the period of 1990–2017 by utilizing the method of fixed-effects and system GMM. The findings show that FDI inflows are positively and significantly associated with the economic growth of the host economy. Furthermore, this research reveals that FDI inflows from developed countries contribute to the growth rate in the receiving economy while FDI from developing countries shows no significant effect. I also find no evidence of significant effect of FDI on domestic investment. Nevertheless, only FDI from developed countries shows a crowding-in effect on domestic investment.

Keywords

foreign direct investment, economic growth, domestic investment, crowding in/out, OECD

JEL Classification

E22, F21, F23, F43, O47

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Youth financial literacy and responsibility for their debts, including their enforcement in execution and debt relief process in the Czech Republic compared to EU

Roman Hlaviczka^a, Dagmar Bařinová^b and Michaela Dlabajová^c

Abstract

Debt is a wide economic issue for many citizens of the Czech Republic, especially debts arising in their childhood and which are currently being dealt with by Member States worldwide. Such a possible solution to this problem may be to adopt a new strategy to address financial literacy issues, so far from primary school' education up to the adulthood'. In the past, youngsters' debts were also a problem in the Czech legislation, which is now to be addressed by the amendment to the Insolvency Act. Many youth's debts are resolved by insolvency which, according to the current amendment to the Insolvency Act, simplifies this process for youth, but on the other hand some conditions for successful debt relief must be met. A survey of financial literacy run in primary and secondary schools found that the level of financial knowledge of pupils did not differ so it cannot be assumed that pupils in higher education would be better off with financial literacy compared to pupils in primary schools.

Keywords

financial literacy, responsibility, debt, execution process, chisquare test

JEL Classification

A22

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Price Dynamics of Non-Fungible Token: The Case of the Digital Arts Market

Florian Horky^a, Carolina Rachel^b and Jarko Fidrmuc^c

Abstract

While real incomes declined and the global art market stagnated, the digital art market was booming in recent years. This was partially due to its connection with non-fungible token, which allow any unique goods to be mapped in a digital environment for the first time. Therefore, digital arts can be sold very easily, with the change of ownership recorded nearly instantaneously in the blockchain. Using unique individual data from the online art NFT marketplace SuperRare, we combine classical econometric tools with recent machine learning approaches (LASSO, LARS). We show that individual descriptions of artworks inhibit information value for digital art prices. Moreover, we show that NFT cannot be viewed as a simple derivative to cryptocurrencies.

Keywords

digital arts, non-fungible token, hedonic prices, lasso regression, blockchain

JEL Classification

Z11, E31, N20, L86, G41

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Determinants of Drinking Water Treatment Costs in the Czech Republic

Eva Horváthová^a

Abstract

We study the factors affecting the drinking water production costs as understanding these aspects is crucial for choosing a cost-effective solution for public drinking water supply systems. Especially we test the impact of the source of raw water (groundwater vs. surface water), the amount of drinking water produced, electric power consumption and applied treatment technologies and chemicals on the drinking water production costs in the Czech Republic in 2018. The outcome of the regression can be used for the valuation of groundwater purification by the replacement cost method and hence also within the System of Environmental-Economic Accounting – Ecosystem Accounting (SEEA EA). The results suggest that drinking water production from groundwater is cheaper than from surface water. Even though drinking water production from groundwater is cheaper than from surface water, the application of some technologies can increase the production cost. Application of some treatment methods, e.g. demanganization, to groundwater can increase groundwater production costs over surface water production costs.

Keywords

drinking water, groundwater, replacement cost method, treatment costs, System of Environmental-Economic Accounting – Ecosystem Accounting (SEEA EA)

JEL Classification

L95, O13, O47, Q25, Q51, Q53, Q57

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Embedding strategic management in the police force's organizational culture

Torsten Huschbeck^a

Abstract

This paper examines which approaches to strategic management may be found in the police's organizational culture, which is often disconnected from economic knowledge. The question is, how far strategic considerations are currently embedded in the police's organizational culture. The focus of the research is on the decision-making processes around the acquisition of a police resource. This is a piece of a larger strategic decision that must be taken in principle and is based on the author's earlier risk assessments. A literature review is undertaken for this aim, which is confined to only the most recent sources. Existing sources that communicate internal German police opinions are consulted. Given the difficulty of a task, responses to parliamentary questions from German interior ministries, as well as the experiences of European police forces on the subject, were employed. It is worth noting that the police and its members are dealing with more violence, as well as a loss of reputation from segments of the populace who are becoming increasingly critical across borders. The author finds that strategic management is not fully entrenched in the police force, but it is on the rise. The previously asked scientific question can therefore only be answered in a contradictory manner.

Keywords

strategy, critical factor, strategic management process, police force, police baton

JEL Classification

L20, L89, M19

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Summary of Financial Articles

Tomáš Jakúbek^a, Roman Valovič^b and Jan Přichystal^c

Abstract

The Summary of Financial Articles (SFA) application is intended for obtaining articles in the field of financial markets published by various online media and their subsequent analysis. The aim is to facilitate the work of financial analysts, who have to process a large amount of information on a daily basis, use it to create a picture of the state of financial markets and individual securities, and then issue recommendations to customers on their trading strategy. Gathering the articles and news from online sources is very demanding process due to the technologies used there and ever-changing structure of these web sites. Not only the web application but also the API for integration into customer applications is available.

Keywords

natural language processing, machine learning, sentiment analysis, text summarization, SFA application, web application

JEL Classification

L86

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The Impact of COVID-19 on the European and Chinese Financial Market

Chen Jin^a and Jianing Zhang^b

Abstract

COVID-19 strongly influences the global financial markets. Our research lied in discovering its Impact. Therefore, we used eight months' data, including daily price changes of the Chinese Index and the daily price changes of the European index. Then, we found COVID-19 Impact on different financial markets. We took the cumulative daily number of confirmed cases and daily deaths in Europe and China as quantified bad news and collected the degree of influence of the two indexes on stock indexes. Finally, it briefly summarized COVID-19 has a negative impact on the European and Chinese Financial Market, but the specific degree of impact is different.

Keywords

COVID-19, financial crisis, european financial markets, chinese financial markets

JEL Classification

G01, G10

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From quality to quantity: how can Digital Sovereignty be parsed into measurable components?

Martin Kaloudis^a

Abstract

The use of digital technologies for state-relevant institutions, government organisations and administrations has grown steadily in recent decades. Therefore, the question arises whether the mastery of these technologies has an influence on a state's ability to act and whether state sovereignty is affected. In the European Union, the concept of digital sovereignty of states is being intensively discussed. However, it is unclear what exactly is meant by digital sovereignty and how it can be defined. The research gap is the lack of a clear qualitative and quantitative definition of digital sovereignty. The article provides an overview of possible derivations of a qualitative description, which can be concretised by a hierarchical 3-component model. Furthermore, the components are decomposed into 10 sub-components, each of which is then quantified by suitable metric parameters. 30 Parameters are populated from secondary data sources for up to 200 states and subjected to selected quantitative analyses.

This shows that a proposal for a common understanding of the digital sovereignty of a state can be developed and that suitable indicators exist to make this measurable. This data could be used in further research to create a comparative index.

Keywords

digital sovereignty, state sovereignty, technology

JEL Classification

N4, N7, O33, O38

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Recent Innovations in Local Government Budgeting in Slovakia: Practical and Research Perspectives

Daniel Klimovský^a

Abstract

Main goal is to employ desk research and uncover (1) the practical experience in Slovakia with a few budgetary innovations and (2) the Slovak researchers' interest in this field. Programme performance-based budgeting was applied in Slovakia from 2004. Researchers have addressed financial rules or strategic planning (Butoracová and Garaj 2021), but the effectiveness of performance budgeting have not attracted much interest. Numerous sub-national governments have decided to introduce participatory budgeting since 2011 and research has intensively addressed it (Bardovič 2021). The body of relevant literature focused on gender budgeting is poorly developed in Slovakia (Černěňko 2021).

1. BARDOVIČ, J. (2021). Participácia obyvateľov na participatívnom rozpočte v krajských mestách. In: DUFFEKOVÁ, K., FEKETEVOVÁ, B., AND LÖRINCVOVÁ, K. (eds.) *2020: Začiatok dekády zmien?* Košice: FF UPJŠ, pp. 250–266.
2. BUTORACOVÁ ŠINDLERYOVÁ, I., AND GARAJ, M. (2021). Strategické plánovanie na úrovni VÚC. In: ŠVIKRUHA, M., ŠAMALÍK, P., AND GANOBČÍK, J. (eds.) *PUBLICITY 2021 – časť I.* Trnava: FSV UCM, pp. 161–178.
3. ČERNĚŇKO, T. (2021). Gender and Expenditure Structure of Slovak Local Governments. In: *Public Economics and Administration 2021*. Ostrava: VSB – Technical University of Ostrava, pp. 91–99.

Keywords

local government budgeting, budgetary innovations, programme budgeting, performance budgeting, participatory budgeting, gender budgeting, Slovakia

JEL Classification

H72, H79, D71

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The contribution of innovation to the strengthening of the Strategic Management and to the development of the economy

Ioannis Koukoumliakos^a, Ioanna Grigoriou^b, Dimitrios Leontis^c
and Stergiani Florokapi^d

Abstract

The aim of the proposal under evaluation is to highlight the contribution of innovative actions to the strengthening of strategic management and the development of entrepreneurship. The methodology is based on bibliographic research and the study of secondary sources. In addition, critical examples of innovative actions will be presented in order to acquire new knowledge. The research question that will concern us is whether innovative actions contribute to the development of strategic management and business. We assume that innovative actions contribute to the development of business management strategy and we will try to verify this hypothesis. The expected results of the proposal under consideration aspire to highlight the importance in strategic management and are considered important because they provide new data to the academic community on issues of strategic management and entrepreneurship. At the same time, they lead us to the conclusion that it is deemed necessary to further strengthen innovation actions through research and educational programs. All this in the context of the smooth operation of businesses, with the ultimate goal of promoting a model of management strategy that will promote the prudent use of new technologies and sustainable business development.

Keywords

innovation strategic management, entrepreneurship, human resources, new technologies

JEL Classification

M1, M10

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Barriers to participatory budgeting in the COVID-19 crisis and their identification in Czech municipalities.

Soňa Kukučková^a and Eduard Bakos^b

Abstract

The influence of the situation connected with COVID-19 on public budgets is unquestionable. Restricted financial resources are often discussed as one of the external barriers to participatory budgeting (PB). In this article, other internal and external barriers to the PB process relevant in the period of the COVID-19 crisis are identified and their possible consequences are tested in the case of the Czech Republic. Based on the terms used by Alves and Allegretti (2012), the volatility and the fragility of PB in Czech municipalities are evaluated. The preliminary results indicate that the postponing of PB to the undefined period is rather exceptional and more municipalities changed the PB process in 2020 to the two years' period or postponed its implementation to 2021. The change in the intensity of the PB process between years 2019 and 2020 expressed by four concrete indicators point out different trends. The amount for PB is stable in most cases, but there is often a decline in the percentage of total municipal expenses. More than half of municipalities increased the participation of citizens in the voting phase of the PB process, but there is no clear trend in the development of the number of projects proposed by citizens in PB.

Keywords

participatory budgeting, barriers, crisis

JEL Classification

H11, H76, H77

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Polarization between companies in European industries

Michal Mádr^a and Radek Náplava^b

Abstract

Many important studies have provided evidence that labour markets in developed countries are polarized. This article contributes to the rich discussion by using aggregated company data which allows us to analyse job polarization between companies in European industries during period 2009 and 2016. Our dataset (based on Orbis database provided by Bureau Van Dijk) allows us to analyse more than 440,000 companies in 18 biggest industries. To identify polarization between companies, we use regression analysis, where we explain changes in employment based on average staff costs and other company characteristics. Our results imply polarization tendencies between companies in most industries – in a small, medium and large companies (distribution by sales according to the Eurostat methodology). The fact that polarization occurs across all company categories may confirm the availability of new technologies that make it possible to save (middle-skill and middle-paid) labour and release it for other productions. Our article covers a period that was accompanied by the Great Recession. Our results seem to confirm that the accompanying phenomenon of recessions is a relatively higher loss of middle-skilled jobs.

Keywords

job polarization, employment structure, firm-level, industries, skills

JEL Classification

J21, J31, 033

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Does sustainability drive bank lending activity?

A note

Fátima Sol Murta^a and Paulo Gama^b

Abstract

This paper aims at uncovering the relationship between national sustainability performance and the lending activity of commercial banks. Using sustainability scores for 149 countries, the results of the cross-sectional regressions show that the countries' sustainability performance has a positive impact on the amount of banks' credit granted to the private sector and a positive impact on the quality of banks' loans portfolio. There is also evidence that the efficient management of resources, the social cohesion and the intellectual capital are the main pillars of sustainability that contribute to the loans market. These findings survive several robustness tests and suggest that policies aiming at improving sustainability contribute to banking sector stability and financial development.

Keywords

sustainability, loans, non-performing loans, banks, financial development

JEL Classification

G21, Q01

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Program-performance based budgeting on local self-government level in Slovakia: unfulfilled expectations

Juraj Nemec^a

Abstract

Program-performance based budgeting original idea was to relate budgets for programs to their performance, at least to a certain level. This modern method of budgeting is expected to deliver more transparency and accountability to the budgeting process. Slovakia made efforts to link inputs with outputs under the concept of PPBS during its public finance reform in 2004. However, all academic and professional reports about the implementation of this budgeting method on the local self-government level suggest that this tool is improperly implemented and because of this it does not deliver expected outcomes from the point of increased transparency, accountability and responsibility (and participation, too). The core factors behind are top-down approach, general lack of accountability in the country and the municipal fragmentation.

Keywords

program-performance based budgeting, Slovakia, local self-government

JEL Classification

H7

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Attracting new students to business schools – How to get positive WOM?

Jana Pavelková^a and Jana Turčínková^b

Abstract

Thanks to enormous competition on the higher education market, it's not always easy find and attract prospective students. Among others, positive references and WOM from current students could be an important tool in university marketing strategies. The aim of this study is to investigate the correlation between student satisfaction and willingness to give recommendations, and present findings about factors playing an important role in overall student satisfaction with their university. The study involved students attending business schools at universities in the Czech Republic. Primary data were collected via online questionnaire with students of bachelor, master, and doctor degree ($n = 274$) and in-depth interviews ($n = 10$). Regression analysis and Spearman's correlation coefficient were used to analyse the data. The results proved positive correlation between satisfaction and willingness of current students to recommend their university to new prospective students, and as the most important factors influencing satisfaction and recommendation were identified reputation of the institutions and quality of student life.

Keywords

recommendation, satisfaction, higher education, WOM

JEL Classification

L1, I230

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What forms of online shopping do youth consumers prefer. And by which devices?

Michal Pšurný^a, Irena Antošová^b and Jana Stávková^c

Abstract

Many studies show that youth consumers significantly change their consumer behavior – their preferences, habits, attitudes to ways of marketing communication. The content of this paper is to find out the preferred forms of online shopping product categories. In order to determine the possible dependencies between the examined variables, namely between the Purchase Frequency and the Preference of Device Used for the Purchase and further between the Product Category and the Preferred form of Purchase, the Chi-square test of independence was used. From the obtained p-values of the Chi-square test, the relationship between the Preference of Device Used for the Purchase and the Purchase Frequency was discovered. The results also show that not only do smartphones play an important role in young people's consumer behavior, but that young people make frequent purchases by this device. The paper further identifies situational and demographic factors influencing online shopping and through the K-means cluster analysis are formed consumer segments on the online market in the Czech Republic. The obtained results can be used in a targeted way in creating recommendations for e-shops and their marketing management.

Keywords

forms of purchase, online shopping, shopping frequency, youth consumers, consumer preferences, e-commerce

JEL Classification

M310, J130, O350

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Sustainable Business Model Pattern Database: A smart way of innovation

Sebastian Schroedel^a

Abstract

Humanity consumes many times the resources that nature can regenerate. If continued, this overexploitation can cause lasting damage to the livelihoods of future generations, so that a more sustainable economy must be sought. To realise this, a fundamental transformation of the economy and the associated business models is required. Central to this are sustainable business model innovations, which, however, face manifold implementation difficulties. Dominant logics, as thought paradigms based on past success, prevent sustainable business model innovations, as does the lack of a coherent tool for implementation. One way of resolving these problem areas is to use sustainable business model patterns as an exemplary description of the business activities of existing and successful companies. The aim of this publication is to present the largest scientific description of such patterns. The basis for this is the rich body of research in the field, which is, however, held back by small-scale representations, overlaps and problems of understanding. To resolve this, a comprehensive literature search, standardisation, subsequent clustering, and the resolution of duplications will be carried out. The resulting database enables sustainable business model innovations.

Keywords

business model pattern, business model innovation, sustainability, innovation management, sustainable business model pattern

JEL Classification

O33, O31, M19

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Motivation to employ people with disabilities

Lucie Sedláková^a

Abstract

Motivation is a concept that accompanies each of us, so the motivation of companies to employ employees with disabilities will play a key role for the employer company, employees but also society as a whole. Motivated companies to employ employees with disabilities represent a caring and reliable employer for people with disabilities, to whom they can bring their work performance, loyalty and benefit to the entire collective perception of the workplace.

The aim of the research is to analyze and deeply describe the advantages for companies employing people with disabilities. The paper provides the results of an analysis of selected data about a company providing security services in the Czech Republic. The following values are considered: i. average hourly wage per employee with disabilities; ii. average hours worked per employee in half a year; iii. average costs per employee for half a year paid by the employer; iv. average allowance for employees with disabilities from the state for half a year.

Keywords

people with disabilities, motivation to employ, unique, specific needs

JEL Classification

J89, J81

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The Performance Impact on Revenue of the Football Clubs

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Abstract

With the commercialization of the football market. The football club behaves more and more like an ordinary company. Sports economics become more and more important. This paper will compare the performance of the English football clubs with the several revenue items of the football clubs. These comparisons will be analyzed using correlation coefficients. This paper will help club management and external investors to better understand the relationship between football club performance and football club income. To help operators better realize the virtuous circle of club performance and income. Help investors better predict the rate of return. Research shows that for English Premier League clubs, performance has a significant positive impact on the club's media income. For the clubs in the English Football League Championship, performance has a significant negative impact on the club's commercial income. Nevertheless, performance still has a significant positive impact on the total revenue of football clubs. Measuring the club's performance is very helpful in predicting the club's total income.

Keywords

COVID-19, football club, operations

JEL Classification

G32, L83

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Effects of central bank communication in European inflation targeters

Maria Siranova^a, Magdalena Szyszko^b and Aleksandra Rutkowska^c

Abstract

We investigate the effect of central bank communication on monetary policy's ultimate goals: inflation and economic activity. We identify effects for market variables: interest rates and exchange rates that are intermediate transmission channels of monetary impulses. The study covers twelve economies from the European region implementing inflation targeting for the period 2012–2018. First, monetary policy communication tone is derived from minutes by dictionary methods and LDA. Second, a heterogeneous panel SVAR is estimated to generate impulse responses for communication tone shock. We found no statistically significant response of production and inflation regardless of the shock type; however, we identified communication effects for interbank interest rate and nominal exchange rates. The study contributes to the literature on policy communication effects by its coverage of economies that are not at the center of economic discussion. Additionally, we also investigate the communication effects for real sphere variables that are scarcely debated in the literature. Extra value-added is created by the methodology that we apply: our model tackles different shock types and individual responses to communication shocks.

Keywords

monetary policy tone, monetary policy effects, computational linguistics, heterogeneous panel SVAR

JEL Classification

E52, E58

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A Collection of Wisdom in Predicting Sector Returns

Jolana Stejskalová^a and Hsiu-Lang Chen^b

Abstract

This study investigates whether the aggregate investor information demand via Google search volume index (SVI) on all stocks in a sector can predict the sector performance. This study shows a sector's abnormal SVI can predict the sector performance next month even after controlling for the sector's contemporaneous standardized earnings surprises and lagged returns on the market as well as the sector. Furthermore, this study shows a partial reversal in the sector's long-run performance, which is not completely consistent with the price pressure hypothesis. It indicates that parts of fundamental information about the sector can be captured by the sector's abnormal SVI on a more timely basis.

Keywords

Google Search Volume Index, S&P 500 Sector Indices, Standardized Earnings Surprises (SUEs)

JEL Classification

G10, G23

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The impact of participatory budgeting on civic participation

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Abstract

Participatory budgeting (PB) is a tool that offers citizens a wide range of opportunities to improve their lives within the territory of their local government. An essential factor of PB is the active participation of citizens in public affairs. PB offers citizens the opportunity to decide where part of the public money from the local government budget will go. These funds are used for various projects, most often the modernisation or construction of facilities that will contribute to a better life in the place where they live. The aim of this paper is to identify the impact of PB on civic participation, which we examine mainly in terms of electoral participation, using regression analysis. Using OLS models, we analysed the electoral participation in the local governments in question in comparison with the other 15 local governments that were selected using the nearest neighbour method. Whether or not a local government has PB had a non-significant effect on voter turnout in all election years studied through OLS regression models. Although there was no statistically significant effect of the OLS method, based on the difference-in-differences method, we can conclude that voter turnout was higher in local governments with PB, with the exception of parliamentary elections.

Keywords

participatory budgeting, civil society, voter turnout

JEL Classification

H72, H76, O35

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Does oil price affect the performance of electronic-vehicle companies in China?

Bowen Tian^a and Jianing Zhang^b

Abstract

This article hypothesizes the impact of oil prices on electric vehicle companies' performance and uses the monthly rate of change in oil prices from 2015 to 2020 and the implementation of 50 leading electric vehicle companies. Different from the research in other industries, this article attempts to study the non-fuel vehicle industry, trying to discover the impact of traditional fuel prices on the new energy industry. By analyzing the company performance and the change rate of oil price of all companies in the A-share plate of China's electric vehicle market, it was concluded that the change rate of oil price has a significant negative impact on the company performance of electric vehicles.

Keywords

corporate finance, firm performance, energy price

JEL Classification

G3, L25

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Telling More with Less: Competitiveness or Productivity?

Menbere Workie Tiruneh^a, Boris Fissera^b and Nikolaos Antonakakis^c

Abstract

This paper extends the discussion on the ongoing controversies over the concept of competitiveness on the macroeconomic level by empirically assessing whether or not productivity is a superior metric over competitiveness in terms of ranking countries' relative positions on the global stage. Our empirical results seem to suggest two possible contribution to ongoing call of refining the approaches to country ranking. First, the ranking of countries based on normalized labor productivity yield the same results as those based on the WEF's GCI. Second, the correlation between all the scores of the 12 sub-pillars of the WEF' and its overall GCI and labor productivity yield strikingly similar results. Third, based on a panel Vector Autoregressive estimation, the results suggest that total factor productivity had stronger prediction power over the global competitiveness index (GCI). These results seem to suggest that the use of productivity may eventually be conceptually less controversial and methodologically more robust global metric for country rankings.

Keywords

competitiveness, productivity, panel VAR

JEL Classification

C33, E24, E61, O47

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Comparison of Classifications of Firm-Level Multinationality

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Abstract

Multinational companies (MNC) include many diverse companies with varying international involvement and significance. The degree of firm-level multinationality is understood as a key dimension that spans all theoretical frameworks, levels of empirical analysis, and domains of investigation in international business research. For this purpose, various scholars have developed methods for categorizing or measuring diverse international involvement through indices. Thus, there is no agreed approach to defining or measuring multinationality. Amongst the most influential approaches belong those from Aggarwal et al. (2011), Asmussen (2009), Rugman and Verbeke (2004), and transnationality index (UNCTAD, 1995).

In this paper, the mentioned classifications of firms' multinationality are explained and compared, based on a critique of other scholars. There are six examined topics. The topics are meaningfulness of variables and data selection, usage of indices and method of categorization, the ability of classifications to include a wide range of companies from local to global ones, appropriateness of thresholds, the geographical range of companies possible to be included, and response to home-country effect.

Keywords

classification systems, firm multinationality, international business, multinational corporations

JEL Classification

F23, L25

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The smallest farms in the EU: A sustainable financial perspective behind 2023?

Jan Vavřina^a and Lubor Lacina^b

Abstract

Farms in the EU have long faced low levels of agricultural commodity prices in terms of their economic and financial sustainability. The EU Common Agricultural Policy (CAP) and its historical development is intended to effectively support the sustainable economic activities of European farms, taking into account both regional and other important specificities in decoupling subsidy schemes from production itself. The recent EU CAP has also focused more notably on valuable non-commodity outputs of farming practice in relation to environmental and landscape aspects. However, despite the aforementioned facts, there are differences in the financial level of remuneration of economic activities of farms in the EU. These differences are then identifiable both from the point of view of the EU member states and the economic size of farms. This contribution aims at the exploratory assessment of available EU Farm accountancy secondary financial data to identify the main differences in the financial performance of respective farm size categories within specific crop and animal production areas in selected EU member states in the period 2014–2020. The results of the empirical analyses then consider the EU CAP priorities for the programming period 2023+ in the area of the financial.

Keywords

EU Common Agricultural Policy, small farms, sustainability, financial perspective

JEL Classification

Q14, Q18

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Consumer Preferences in Purchasing Process Decision of Regional Food

Marek Zábaj^a

Abstract

The importance of the production, distribution and promotion of regional food has grown in recent years. The reasons for this situation include support for small and medium-sized enterprises operating in the local or regional market, which are facing strong competition from multinational retail chains and global suppliers. This issue is also influenced by consumer behaviour and the transparency of its origin. The main objective of the paper is to define factors influencing consumer preferences in the process of purchasing decisions on the regional food market. From the results of the quantitative research, it was found that the vast majority of respondents (87.6%) can correctly define the term “regional food”. 10.6% of respondents can even give a specific example of a product marked with this label. The majority of respondents in the South Moravian Region also state that they buy regional food (83.9%). Women (59.8%) buy more regional food than men (40.2%). According to the survey, respondents aged 21–30 years (30.6%) buy regional food the most, followed by respondents aged 31–40 years (17.5%). On the other hand, respondents aged less than 21 (8.9%) and aged 61–70 (8.2%) buy regional food the least.

Keywords

consumer behavior, regional food, consumer preferences, purchasing decision, segmentation, questionnaire survey

JEL Classification

M310

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Stock market development as a leading indicator of future economic growth in the BRICS countries

Klára Zálešáková^a

Abstract

This paper deals with the verification of the assumption of forecasting ability of stock indices in the BRICS countries. The literature review focuses on the definition of the financial and stock markets, measuring the economic performance and the interdependence of stock markets and economic growth. The analytical part is based on time series of GDP and stock indices of the BRICS countries, which are processed using correlation analysis, VAR models and Granger causality test, which is used to determine the existence and possible direction and strength of the causal relationship between the variables. The results show that the role of stock indices as a leading economic indicator is overestimated. However, GDP and stock indices interact, the strength and direction of causal relationships is affected by number of factors.

Keywords

BRICS, stock market, stock index, economic growth, GDP, correlation analysis, VAR model, causality, Granger test causality

JEL Classification

C320, E440, F430, H540

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Design patterns for augmented reality user interface: taking actions

Martin Zejda^a, David Procházka^b and František Dařena^c

Abstract

Augmented reality offers a large number of applications that is expanding every day. Mobile phones, which represent the largest augmented reality platform, are not always sufficient for applications that are used in specific conditions like maintenance or troubleshooting in an industrial environment. If you need hands-free usage, virtual holograms, use of additional sensors, etc., augmented reality glasses come into play. However, there are no standards for user interface design for these devices. Hence, we focus on user interface design patterns. In this article, we elaborate on one of the key chapters in user interface design: offering functions in the form of buttons and related menus. The article proposes several general design patterns that can be applied to most applications for augmented reality glasses.

Keywords

augmented reality, augmented reality glasses, Microsoft HoloLens, user interface, user experience design

JEL Classification

C88, C91

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Measurement of electrodermal activity – a better way of understanding the client in the frame of the personal finances

Pavel Žiaran^a and Eva Čechalová^b

Abstract

The vision of the hereby presented research report is to develop a method allowing to measure personality-based responses at the subconscious level, by means of the electrodermal activity.

The aim of the pilot research is to analyze the electrodermal response to audio recordings with consistent content concerning the idea of life in the future, at retirement age. The reason for this type of research is to verify whether the mental perception of various forms of quality of life in the future is also associated with a neurophysiological bodily response and consequently, whether this response also corresponds to the verbal evaluation of the respondent, in the consequent debriefing interview. The purpose of this procedure is to create a procedure that will allow to reveal subtle nuances in respondents' decision-making.

Findings based on the combination of various types of statistical analysis proves the efficiency and meaningfulness of the hereby suggested scientific methodology.

Keywords

electrodermal activity, personal sales, financial products

JEL Classification

M3, G40

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