

**EMPLOYMENT, EDUCATION AND  
ENTREPRENEURSHIP**

18-20 October 2018 Belgrade Serbia

***BOOK OF ABSTRACTS***





***EMPLOYMENT, EDUCATION AND ENTREPRENEURSHIP***

***18-20 October 2018 Belgrade Serbia***

***BUSINESS MANAGEMENT, ENTREPRENEURSHIP AND  
ENTREPRENEURIAL TENDENCIES***

*Editors:*

***Mirjana Radovic Markovic, Sladjana Vujicic, Imani Kyaruzi***

*Reviewers:*

***Snezhana Ilieva, Dragica Jovancevic, Aidin Salamzadeh***

***SUCCESSFUL IMPLEMENTATION OF INFORMATION  
TECHNOLOGY: IT, MARKETING, EDUCATION AND BUSINESS  
WORKING TOGETHER FOR BUSINESS SUCCESS***

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***Zorana Nikitovic, Dusan Markovic, Carmine D'Arconte***

*Reviewers:*

***Imani Silver Kyaruzi, Aidin Salamzadeh, Ljiljana Stanojevic***

***RAISING THE LEVEL OF EDUCATION AND EMPLOYMENT FOR  
THE PURPOSES OF CREATING NEW BUSINESS OPPORTUNITIES***

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***Maja Cogoljevic, Ljiljana Dimitrijević, Snezhana Ilieva***

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***FINANCE AND INSURANCE SECTOR INDUSTRY***

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***EMPLOYMENT, EDUCATION AND ENTREPRENEURSHIP (EEE2018)***

***Belgrade, Serbia, 18–20 October 2018***



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## **CONTENT**

<b>BUSINESS MANAGEMENT, ENTREPRENEURSHIP AND ENTREPRENEURIAL TENDENCIES.....</b>	<b>17</b>
<b><i>THE IMPORTANCE OF COMMUNICATION IN BUSINESS MANAGEMENT.....</i></b>	<b>19</b>
Mirjana RadovicMarkovic .....	19
Aidin Salamzadeh .....	19
<b><i>INFLUENTIAL FACTORS ON CORPORATE ENTREPRENEURSHIP: THE CASE OF SERBIAN PUBLIC ORGANIZATIONS.....</i></b>	<b>20</b>
Djordje Vidicki, .....	20
Ljiljana Kontic .....	20
<b><i>UNIVERSITIES LEAD THE CONTEMPORARY INNOVATION AND ENTREPRENEURSHIP .....</i></b>	<b>21</b>
Asim Majeed.....	21
Dusan Markovic.....	21
<b><i>COMPARATIVE ANALYSIS OF INNOVATIVE PERFORMANCES OF THE REPUBLIC OF SERBIA COMPARED TO THE SURROUNDING COUNTRIES.....</i></b>	<b>22</b>
Nenad Ravic.....	22
Marija Djekic .....	22
<b><i>CHANGE MANAGEMENT – RECEIVING OF NEW KNOWLEDGE AND SKILLS .....</i></b>	<b>23</b>
Marija Cukanovic Karavidic .....	23
Slavko Karavidic .....	23
<b><i>KEY SUCCESS FACTORS OF NEW TECHNOLOGY BASED FIRMS IN IRAN(NTBFS):CASE OF IRANIAN NTBFs.....</i></b>	<b>24</b>
Shiva Shabani .....	24
Sahereh Olfatpour .....	24
<b><i>CULTURE AND MANAGERIAL INNOVATION OF ALGERIAN WOMEN ENTREPRENEURS.....</i></b>	<b>25</b>
Boufeldja Ghat.....	25
<b><i>THE IMPORTANCE OF WOMEN'S ENTREPRENEURSHIP FOR THE ECONOMIC DEVELOPMENT.....</i></b>	<b>26</b>
Aleksandra Tosovic-Stevanovic .....	26
Ana Jovancai Stakic .....	26
<b><i>BUSINESS MODELS IN SERBIA: INNOVATIVE APPROACH IN CREATING A BUSINESS PLAN FOR START-UP ENTERPRISES.....</i></b>	<b>27</b>
Tijana Cvetic.....	27
Oliver Momcilovic.....	27
<b><i>RESEARCH OF RISK IN THE ENTREPRENEURIAL PROCESS.....</i></b>	<b>28</b>
Goran Lapcevic.....	28

Milan Krstic .....	28
<b><i>CORRELATING ENTREPRENEURIAL ACTIVITIES, POVERTY ALLEVIATION AND ECONOMIC GROWTH IN THE NIGERIA CONTEXT .....</i></b>	<b>29</b>
Festus Edobor .....	29
Imani Silver Kyaruzi .....	29
<b><i>CHALLENGES IN THE MANAGEMENT OF VIRTUAL ORGANIZATION.....</i></b>	<b>30</b>
Mirjana Radovic Markovic .....	30
Sonja Tomas Miskin .....	30
<b><i>SUCCESSFUL IMPLEMENTATION OF INFORMATION TECHNOLOGY: IT, MARKETING, EDUCATION AND BUSINESS WORKING TOGETHER FOR BUSINESS SUCCESS .....</i></b>	<b>31</b>
<b><i>MOBILE TECHNOLOGY IN HIGHER EDUCATION – A STUDENTS PERSPECTIVE ON LEARNING WITH MOBILE COMPUTING DEVICES.....</i></b>	<b>33</b>
Ljiljana Stanojevic .....	33
Beba Rakic .....	33
<b><i>THE APPLICATION OF MODERN INFORMATION-COMMUNICATION TECHNOLOGIES IN COMMUNICATION WITH STUDENTS TO IMPROVE STUDENTS' SATISFACTION.....</i></b>	<b>34</b>
Ana Skorup .....	34
Gordana Gavric .....	34
<b><i>ANALYSIS OF ATTITUDES ABOUT THE USE OF INFORMATION TECHNOLOGIES AND INTERNET MARKETING WITHIN DIFFERENT PROMOTIONAL STRATEGIES .....</i></b>	<b>35</b>
Dusan Garabinovic.....	35
Milos Papic .....	35
<b><i>MULTI-CRITERIA ANALYSIS IN ICT IMPLEMENTATION FOR SMART CITIES .....</i></b>	<b>36</b>
Mimica Milosevic .....	36
Violeta Dimic.....	36
<b><i>INTERNET AND INTERNET LAW.....</i></b>	<b>37</b>
Zorica Medic.....	37
Jovan Zivadinovic .....	37
<b><i>CYBER CRIME AS A START OF THE JUVENILE CRIMINAL CAREER.....</i></b>	<b>38</b>
Djordje Spasojevc .....	38
Zivanka Miladinovic Bogavac .....	38
<b><i>INTERNET DEVELOPMENT AND ETHICS IN SERBIA.....</i></b>	<b>39</b>
Jovan Zivadinovic .....	39
Zorica Medic.....	39
<b><i>CONTEMPORARY TOOLS IN THE PROCESS OF EFFICIENT MARKETING MANAGEMENT IN THE COMPANY .....</i></b>	<b>40</b>
Ljiljana Dimitrijevic.....	40
Maja Cogoljevic.....	40

<b><i>PRICING. CRITICAL ASPECTS IN ADAPTING THE PRICE.....</i></b>	<b><i>41</i></b>
Carmine D’Arconte.....	41
<b><i>CREATING PROMOTIONAL STRATEGIES IN ACCORDANCE WITH CONSUMER PREFERENCES.....</i></b>	<b><i>42</i></b>
Zorana Nikitovic.....	42
Dusan Garabinovic.....	42
<b><i>INVESTIGATING THE IMPACT OF MARKETING CAPABILITIES ON EXPORT PERFORMANCE OF IRANIAN NANO TECHNOLOGY PRODUCTS EXPORTERS.....</i></b>	<b><i>43</i></b>
Mahdi Nejati Sareban .....	43
Reza Parsa.....	43
Parisa Najafiolasli .....	43
<b><i>PEERS INFLUENCE ON CONSUMERS’ PURCHASE BEHAVIOUR: A CASE OF UNILEVER’S COSMETIC PRODUCTS.....</i></b>	<b><i>44</i></b>
Asim Majeed.....	44
Imani Silver Kyaruzi.....	44
<b><i>ANALYTICAL APPROACH TO BUSINESS INTELLIGENCE THROUGH MARKETING MIX MARKETING MARKETING INTELLIGENCE.....</i></b>	<b><i>45</i></b>
Slavica Andjelic .....	45
Vesna Mladenovic .....	45
<b><i>EVOLUTION OF THE VALUE CHAIN CONCEPT THROUGH THE DEVELOPMENT OF THE SUPPLY CHAIN CONCEPT.....</i></b>	<b><i>46</i></b>
Miodrag Cvetković .....	46
<b><i>IMPACT OF HEDONIC AND UTILITARIAN SHOPPING MOTIVE ON ONLINE PURCHASE DECISION.....</i></b>	<b><i>47</i></b>
A.Varadaraj.....	47
D.Charumathi.....	47
<b><i>RELATIONSHIP BETWEEN INNATE CONSUMER INNOVATIVENESS AND ATTITUDE TO AN INNOVATIVE PRODUCT – MEDIATING ROLE OF THE PERCEPTIONS OF USEFULNESS AND EASE OF USE.....</i></b>	<b><i>48</i></b>
Tatyana Yordanova.....	48
<b><i>THE RELATIONSHIP BETWEEN MARKETING STRATEGY ADAPTATION AND EXPORT PERFORMANCE: A REVIEW OF EMPIRICAL LITERATURE BETWEEN 2003 AND 2017.....</i></b>	<b><i>49</i></b>
Katarina Njagic.....	49
Vesna Milanovic.....	49
<b><i>RAISING THE LEVEL OF EDUCATION AND EMPLOYMENT FOR THE PURPOSES OF CREATING NEW BUSINESS OPPORTUNITIES.....</i></b>	<b><i>51</i></b>
.....	<b><i>51</i></b>
<b><i>AUTHORITY OF TEACHERS IN EDUCATIONAL EDUCATION.....</i></b>	<b><i>53</i></b>
Stefan Zimonjic.....	53
Milica Kalicanin .....	53

<b><i>COST-BENEFIT OF TECHNICAL-VOCATIONAL EDUCATION FOR EMPLOYMENT IN THE FOOD SERVICE INDUSTRY IN THE PHILIPPINES.....</i></b>	<b>54</b>
David Edward G. Jimenez .....	54
<b><i>INCLUSIVE EDUCATION FOR CHILDREN WITH SPECIAL NEEDS .....</i></b>	<b>55</b>
Nevena Petrovic .....	55
Sanja Jevremovic .....	55
<b><i>IMPROVEMENT OF THE QUALITY OF SERVICES OF HIGHER EDUCATION AND EDUCATIONAL PROCESSES FROM THE STUDENTS 'SATISFACTION ASPECT .....</i></b>	<b>56</b>
Zorica Lazic .....	56
Sladjana Vujicic .....	56
<b><i>ON THE DEVELOPMENT OF ECONOMIC IDEAS, ECONOMIC THEORIES AND ECONOMIC SCIENCES .....</i></b>	<b>57</b>
Radovan Pejanovic.....	57
Sanja Cvijanovic .....	57
<b><i>THE PERCEPTION AND COPYNG WITH MOBBING IN WOMEN IN MONTENEGRO.....</i></b>	<b>58</b>
Tatjana Vujovic.....	58
<b><i>TRANSFORMATION OF SOCIAL RELATIONS IN THE ENVIRONMENT OF NEOLIBERAL CAPITALISM: FAMILY, EDUCATION, BUSINESS.....</i></b>	<b>59</b>
Katarina Majstorovic .....	59
Milan Radicevic .....	59
<b><i>ANALYSIS OF THE STAFF POTENTIAL FROM THE PERSPECTIVE OF THE ATTITUDE OF THE YOUNG PEOPLE TOWARDS STUDYING.....</i></b>	<b>60</b>
Edita Kastratovic.....	60
Milan Dragic .....	60
<b><i>SELF-EMPLOYMENT IN THE FUNCTION OF SOLVING THE UNEMPLOYMENT PROBLEM.....</i></b>	<b>61</b>
Milan Dragic .....	61
Edita Kastratovic.....	61
<b><i>INFLUENCE OF THE INDUSTRY ON THE STRATEGIC ORIENTATIONS AND PRACTICES IN HRM .....</i></b>	<b>62</b>
Snezhana Ilieva .....	62
Biliana Lyubomirova .....	62
<b><i>SIMILARITIES AND DIFFERENCES IN WORK MOTIVES OF BULGARIAN EMPLOYEES.....</i></b>	<b>63</b>
Ergyul Tair.....	63
<b><i>THE IMPACT OF ORGANIZATIONAL CULTURE ON RECRUITMENT AND SELECTION PROCESS: A CASE STUDY OF COCA-COLA IN VIETNAM.....</i></b>	<b>64</b>
Linh Tran Duy .....	64
Imani Kyaruzi .....	64

<b>MEASURING TEAM EFFECTIVENESS IN SOFTWARE COMPANIES: LITERATURE REVIEW AND EMPIRICAL TEST OF AN INTEGRATED MODEL.....</b>	<b>65</b>
Tsvetelina Panchelieva.....	65
Snezhana Ilieva .....	65
<b>EXPLORING TURKISH HAPPINESS THEMES ON SOCIAL MEDIA .....</b>	<b>66</b>
Esra Kahya Özyirmidokuz .....	66
Kumru Uyar .....	66
Eduard Alexandru Stoica .....	66
Betül Akpınar.....	66
<b>FINANCE AND INSURANCE SECTOR INDUSTRY .....</b>	<b>67</b>
<b>IMPORTANCE OF ALLOCATION THE CAPITAL AT THE MAXIMUM VALUE OF INSURANCE COMPANIES.....</b>	<b>69</b>
Ivan Piljan .....	69
Dusan Cogoljevic.....	69
<b>LIVING STANDARDS AND MICROINSURANCE.....</b>	<b>70</b>
Vera Karadjova .....	70
Snezana Dicevska .....	70
<b>PENSION REFORM AND THE LONG-TERM LABOUR FORCE PROJECTIONS IN SERBIA: THE A P.P.LICATION OF THE COHORT-SIMULATION MODEL .....</b>	<b>71</b>
Marko Vladislavljevic.....	71
Lara Lebedinski .....	71
<b>THE IMPORTANCE OF INSURANCE FOR THE DEVELOPMENT OF AGRICULTURE.....</b>	<b>72</b>
Ivan Piljan .....	72
Tatjana Piljan .....	72
<b>ANALYSIS OF THE ATTITUDES OF THE POPULATION ON THE NEED FOR ANIMAL INSURANCE.....</b>	<b>73</b>
Dusan Cogoljevic.....	73
Tatjana Piljan .....	73
<b>PROFESSIONAL INDEMNITY INSURANCE FOR ACCOUNTANTS.....</b>	<b>74</b>
Raica Milicevic .....	74
Milica Zivkovic.....	74
<b>INVESTMENTS AS AN ELEMENT OF FRAUD IN FINANCIAL REPORTING.....</b>	<b>75</b>
Nenad Kaludjerovic .....	75
<b>TRENDS IN PROFITABILITY OF BANKS IN SERBIA THROUGH RATIONAL ANALYSIS.....</b>	<b>76</b>
Tamara Vesic .....	76
Jovan Petronijevec .....	76
<b>TERMINATION AND VOIDNESS OF CREDIT AGREEMENT WITH CURRENCY CLAUSE.....</b>	<b>77</b>
Vladimir Kozar .....	77

<b><i>EFFECTS OF FOREIGN DIRECT INVESTMENTS ON THE PRODUCTIVITY OF SELECTED COUNTRIES OF CENTRAL AND EASTERN EUROPE.....</i></b>	<b>78</b>
Nikola Radic .....	78
Vlado Radic .....	78
<b><i>THE ROLE AND IMPORTANCE OF LOCAL ECONOMIC DEVELOPMENT PLANNING - A CASE STUDY FROM SERBIA.....</i></b>	<b>79</b>
Zvonko Brnjas ,.....	79
Dusko Bodroza .....	79
<b><i>FINANCING IN TOURISM - BASIC SOURCES OF FINANCING THE ACCOMMODATION OFFER.....</i></b>	<b>80</b>
Slavoljub Vujovic .....	80
Ljiljana Arsic .....	80
<b><i>THE EUROPEAN UNION FINANCING SYSTEM.....</i></b>	<b>81</b>
Dejan Radulovic.....	81
Renata Pindzo .....	81
<b><i>ASSESSMENT OF FINANCIAL STRESS AT THE REGIONAL LEVEL: RUSSIAN AND INTERNATIONAL PRACTICE.....</i></b>	<b>82</b>
Svetlana Zenchenko.....	82
Anna Savtsova .....	82
<b><i>EXCISE ON TOBACCO AND TOBACCO MARKET IN SERBIA.....</i></b>	<b>83</b>
Vladimir Ristanovic.....	83
Alen Kasumovic.....	83
<b><i>INTERNATIONAL TRADE OF GENETICALLY MODIFIED ORGANISMS IN THE FUNCTION OF EXPLOITATION AND ACHIEVING EXTRA PROFIT FOR MULTINATIONAL COMPANIES.....</i></b>	<b>84</b>
Milan Beslac .....	84
Jovica Beslac.....	84



**BUSINESS MANAGEMENT, ENTREPRENEURSHIP  
AND ENTREPRENEURIAL TENDENCIES**





# **THE IMPORTANCE OF COMMUNICATION IN BUSINESS MANAGEMENT**

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*Aidin Salamzadeh<sup>2</sup>*

## **ABSTRACT**

*Communication, as a management function is the process of creating, communicating and interpreting ideas, facts, opinions and feelings about work performance, organisational effectiveness and efficiency as well as goals attainment in organisation. A manager must be an effective communicator and no organization can succeed or progress, build up reputation without effective communication skills. Poor communication system may result in mismanagement and bad business results. Our aim was in this paper to show that the success of any business lies in effective communication and that the effective communication is essential for the survival and progress of a business concern. We also pointed out that communication skills need to be developed on an ongoing basis and especially in a turbulent business environment.*

**Key words:** *Communication, Manager, Organization, Business Environment, Communication System Model*

**JEL Classification:** *D83*

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# **INFLUENTIAL FACTORS ON CORPORATE ENTREPRENEURSHIP: THE CASE OF SERBIAN PUBLIC ORGANIZATIONS**

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*Ljiljana Kontic*<sup>4</sup>

## **ABSTRACT**

*In this study we analyzed the internal elements of the corporate entrepreneurship, and their effects on the process of creating innovation organizational culture. The subjects of the research are four public organizations from Serbia. The research instrument was Corporate Entrepreneurship Assessment Instrument based on written permission gave by authors. The data analysis consisted of descriptive statistics, ANOVA, and regression analysis was conducted using SPSS Statistics 19.0. The findings revealed that management support had effected on dependent variables: internal factors such as quickly implementation of new methods; simulating organization clime for new ideas as well as financial support (i.e. There is financial support for new projects; There are several options within the organization for individuals to get money for their new projects and ideas). Limitation of this study and directions for future research are presented, too.*

**Key words:** *Corporate Entrepreneurship, Strategic Management, Innovative Organizational Culture, Transition, Serbia*

**JEL Classification:** L26, M13, M14

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# **UNIVERSITIES LEAD THE CONTEMPORARY INNOVATION AND ENTREPRENEURSHIP**

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## **ABSTRACT**

*The replete progression in Research and Development (RD) has led the community users to think out of the ordinary circle of life. It has evolved from its original approach that was mainly performed in governments and firm's laboratories to a new open and user-centric approach that is more and more adopted as innovation approach for product and service development. The so-called 'Living lab' is one of the concepts that have recently emerged which put users at the centre of the innovation process. This concept operates in a real-world setting and is been organised in a network that is established in various physical places such as universities. Innovation in product and service were often based exclusively on technological possibilities not on the actual needs of customers because of the constant pursuit of achievement of very quick return on investment. This has to lead the customers and other stakeholders to collaborate, integrate and participate directly in the development process in order to minimise the risks. Living labs concept provides the ways for users to participate in emerging value networks and can act as a developer, creator, producer and innovator which also enhance their entrepreneurial activities. The approach relates the way of research and development methodology where innovations are created and validated collaboratively between and the living lab stakeholders in multi-contextual, empirical real-world settings.*

*An exploration of the origin and roots of this concept is carried out in this research along with the explanation of the visions and the bottom-up approach of living lab-characteristics. It also investigates the Living Lab approach of user-driven innovation and its impact on innovation and entrepreneurship with a focus on universities living labs. The research will also focus on the user involvement process, their input, and will explore all the aspect of the concept in order to determine if innovation and entrepreneurship is led by community users in the actual context in the world of open and user innovation approach.*

**Key words:** Innovation, Entrepreneurship, Living Labs

**JEL Classification:** L26

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# **COMPARATIVE ANALYSIS OF INNOVATIVE PERFORMANCES OF THE REPUBLIC OF SERBIA COMPARED TO THE SURROUNDING COUNTRIES**

*Nenad Ravic*<sup>7</sup>

*Marija Djekic*<sup>8</sup>

## **ABSTRACT**

*Innovativeness is the ability of an organization to transform new ideas gathered by analysing internal and external environment into new products, processes and technologies. Innovations, as a result of the innovation process, are the key driver of the organization's economic growth, but also of the economy as a whole. Lack of innovations sooner or later makes companies lag behind the competition and lose their place in the market game. Economic growth, based on innovativeness, is no longer a privilege of the developed countries. More and more developing countries are adopting policies and strategies that boost innovations because they have realized that without a systematic encouragement of innovation development there is no global competitiveness.*

*Global innovation index (GII) is an index that measures the achieved level of innovativeness of certain countries based on two sub-indexes: Innovation input sub-index and Innovation output sub-index. Both sub-indexes include certain pillars. Results of the GII are globally accepted and taken as relevant. In the latest GII for 2018, Serbia ended up on the 55<sup>th</sup> place which is a weaker score than the neighbouring countries, Croatia and Slovenia, have achieved. This paper will provide a comparative analysis with the mentioned countries and, based on that, offer conclusions and recommendations for the promotion of innovativeness in the Republic of Serbia.*

**Key words:** *Innovations, Global Innovation Index, Research and Development*

**JEL Classification:** *M20*

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# **CHANGE MANAGEMENT – RECEIVING OF NEW KNOWLEDGE AND SKILLS**

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*Slavko Karavidic<sup>10</sup>*

## **ABSTRACT**

*In this paper, we tried to point out that science and education are the main drivers of developmental changes and their values through stimulating knowledge and skills, and that the work (content of work and knowledge) is the pillar of socio-economic development and the source of value.*

*The key to success is in dealing with solutions rather than problems by stimulating thought processes by promoting one's own potentials, communication, time and stress management and so on.*

*Our expectations have been confirmed by empirical research, confirming the basic hypothesis: "The success formula lies in managing the change by adopting new knowledge and skills, new, innovative, creative techniques".*

**Key words:** *Education, Knowledge, Skills, Changes, Development, Work*

**JEL Classification:** *I29, I25, O15, O31, O35*

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# **KEY SUCCESS FACTORS OF NEW TECHNOLOGY BASED FIRMS IN IRAN(NTBFS):CASE OF IRANIAN NTBFs**

*Shiva Shabani*<sup>1</sup>

*Sahereh Olfatpour*<sup>2</sup>

## **ABSTRACT**

*New technology based firms play a critical role in the economy of regions, especially in emerging economies. However, their success is highly dependent on several issues such as their management, firm levels issues or the like. This study tries to elaborate these factors and find out if these factors are effective in an emerging economy such as Iran. Then, in this paper, after a review of the literature, a multiple case study research design is considered to propose a framework by studying 11 cases. Then, a questionnaire was prepared and distributed among the owners of 312 new technology based firms. The results showed that there are several factors which affect their success, which are: (i) Launch readiness, (ii) Technology readiness, (iii) Management characteristics, (iv) Firm level competencies, (v) Marketing issues, (vi) Project related issues, and (vii) Market maturity. Finally some directions for future research are proposed.*

**Key words:** *New technology based firm (NTBF), Success factors, Iran, Startups, Knowledge based firms*

**JEL Classification:** *L26*

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# **CULTURE AND MANAGERIAL INNOVATION OF ALGERIAN WOMEN ENTREPRENEURS**

*Boufeldja Ghat13*

## **ABSTRACT**

*Women paid work in Algeria has long been ignored in the past. After the accession to political sovereignty, Algeria has experienced profound socio-cultural, economic and educational changes, which contributed relatively in the improvement of women's status. Thus, more girls were able to follow up their higher education and to integrate the working life. The difficulties and complexities of socio-cultural environment were unfavourable for the entrepreneurship spirit, then discouraged women's initiatives. Nowadays, women have to face challenges and diverse socio-cultural constraints. The women entrepreneurs and their employees are strongly influenced by local traditions that put obstacles on their professional activities (the work of women out of the matrimonial home; questioning of female authority by male's subordinates, unbalanced hierarchical relationships men / women in society and at work). A questionnaire was developed and administered on a sample of 30 women entrepreneurs from Oran region, in order to study the impact of socio-cultural factors on the performance and managerial innovation of women entrepreneurs in Algeria. The results show that women entrepreneurs have a positive psychological profile that reflects their initiative spirit and their managerial innovation abilities.*

**Key words:** *Women Entrepreneurs, Entrepreneurial Culture, Managerial Innovation, Work in Algeria*

**JEL Classification:** *L26*

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# **THE IMPORTANCE OF WOMEN'S ENTREPRENEURSHIP FOR THE ECONOMIC DEVELOPMENT**

*Aleksandra Tosovic-Stevanovic*<sup>14</sup>

*Ana Jovancai Stakic*<sup>15</sup>

## **ABSTRACT**

*According to data of the World Bank (2015) there has been global increase of female entrepreneurship and in its impact on the economic development of national economics. However, the potential of female entrepreneurship is largely underutilized and women still face a number of constraints that affect their ability to further develop and improve their business. Therefore this research will explore the specific characteristics and challenges, as well as various aspects of encouraging and developing female entrepreneurship. Paper will be based on the analysis of the official statistical data, the data from international statistics and the results of local researches. In order to identify the essential characteristics of the socio-economic and institutional context, as well as to position Republic of Serbia in the international context, a comparative analysis has been conducted on the one hand between female entrepreneurship and male entrepreneurship in Serbia, and, on the other hand, female entrepreneurship in the region and EU.*

**Key words:** *Entrepreneurship, Female Entrepreneurship, Unemployment, Economic Development*

**JEL Classification:** *M13, E24*

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# ***BUSINESS MODELS IN SERBIA: INNOVATIVE APPROACH IN CREATING A BUSINESS PLAN FOR START-UP ENTERPRISES***

*Tijana Cvetic*<sup>16</sup>

*Oliver Momcilovic*<sup>17</sup>

## ***ABSTRACT***

*The key question posed today to all companies, regardless of their size, is survival in the face of ubiquitous globalization and turbulent changes in the environment. The answer could be in the continuous strengthening of our own innovative power. In order for an enterprise to achieve innovation, it is necessary to have a clear picture for the future of its competitive situation and reliable innovative processes.*

*Since a business plan represents a plan of organizing a future enterprise, its value cannot be disputed. What can be disputed is the creation that takes place in an isolated space and for a longer period of time where the unappreciated idea goes to paper. By concluding that many business plans from the period of creation of the company to the beginning of business do not suffer timely correction, it is necessary to introduce an additional process, business modeling or business model.*

***Key word:*** *Innovation, Business plan, Business model, Modeling, SMEs*

***JEL Classification:*** *039*

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# **RESEARCH OF RISK IN THE ENTREPRENEURIAL PROCESS**

*Goran Lapcevic*<sup>18</sup>

*Milan Krstic*<sup>19</sup>

## **ABSTRACT**

*One of the answers in conditions of fast changes on the global plan is the development of entrepreneurship, which sets economic activities in motion, which influence opening of new working positions, improve national competitiveness and directly contribute to social development. Entrepreneurship is a part of economic activity which is conducted through a series of activities: perceiving business opportunities from the environment, generating business ideas based on them, the choice of the business idea with the biggest potential for success, providing necessary resources for its realization, taking over the risk by starting up an entrepreneurial venture, and persistence on its sustainability. It is evident from the stated that taking risks is one of the key elements of entrepreneurship, so it can be concluded from the previous two assumptions that the development of society is connected to undertaking a risk. The risk is an unavoidable follower of every entrepreneurial venture, and one of preconditions for successful start-up and/or leading business is the development of an ability (skill) which enables recognition, control and managing the risk. Since the risk consists of two components: possibility of occurrence of an unwanted event, as well as a negative consequence if the unwanted event occurs, and that is the reason why it is significant for the risk in entrepreneurial process to be versatilely studied and get the treatment it deserves. Studying the risk in an entrepreneurial venture is carried out by the method of the Analysis of risk. This paper deals with the research of risk from the two points of view. The risk is first researched in more details from the theoretical and later on from the practical point of view. Within the theoretical part of the research the results are briefly presented of a desktop research carried out on the subject of risk. Within the practical part of the research, the shortened results are presented of an empirical research of evaluation of the importance of entrepreneurial risk from an individual point of view as well as the risk, according to relevant business functions of an organization, conducted in micro, small and big enterprises as well as with the entrepreneurs in several districts in the Republic of Serbia.*

**Key words:** *Entrepreneurship, Risk, Analysis, Research*

**JEL Classification:** *L26*

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# **CORRELATING ENTREPRENEURIAL ACTIVITIES, POVERTY ALLEVIATION AND ECONOMIC GROWTH IN THE NIGERIA CONTEXT**

*Festus Edobor*<sup>20</sup>

*Imani Silver Kyaruzi*<sup>21</sup>

## **ABSTRACT**

*This paper seeks to determine the impact Entrepreneurial activities on economic growth and poverty alleviation. This paper focuses on the role of entrepreneurship as a strategy to reduce poverty and accelerate economic transformation in Nigeria. The Nigerian government, particularly since the structural adjustment programme of the mid 1980s, has put in place policies and programmes aimed at entrepreneurship development, as a means of employment generation, poverty alleviation and rapid economic development. However, it appears that previous strategies have proved ineffective. Data was collected through questionnaires with multiple informants in twenty (220) entrepreneurship firms in order to investigate the impact of entrepreneurship on poverty and economic growth. The study employs a stratified sampling technique. Employers and employees of two subsectors of social entrepreneurship organizations in Nigeria are surveyed using multivariate analysis and descriptive methods (frequencies, percentages, cross tabulations and multiple regression) are used for data analysis. The findings suggest that Entrepreneurship is useful for the part it plays in the process of capital accumulation, innovation, employment creation and poverty reduction. This research has been able to establish that entrepreneurs will act as more of a proxy for poverty alleviation and economic development in Nigeria.*

**Key words:** *Entrepreneurial Activities, Entrepreneurship, Poverty Alleviation, Economic Growth*

**JEL Classification:** *L26*

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# **CHALLENGES IN THE MANAGEMENT OF VIRTUAL ORGANIZATION**

*Mirjana Radovic Markovic*<sup>22</sup>

*Sonja Tomas Miskin*<sup>23</sup>

## **ABSTRACT**

*Virtual organizations entail companies who network from different parts of the world through basic technologies. Many virtual organizations are driven by process innovation, globalization, and cost reduction. Managers structure the virtual organization mostly by an egalitarian structure with alliances. Alliances among firms from the same country could be less costly because they know their own culture and way of working. Various approaches and basic technologies are established to effectively manage either private or public sectors. Virtual organizations have both advantages and disadvantages, which help to determine organizational and employee trends. This paper presents base concepts of Virtual organizations (VO) including management concepts and practical examples. . Our cases show that they are characterised by stability and a long-term business strategy. Also, mentioned companies shared the similar objectives as identification of processes and competencies necessary that are required for virtual organizing.*

**Key words:** *Virtual Organizations, IT, Managers, Management Concepts*

**JEL Classification:** *L22, I2, J23, J24, D8*

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***SUCCESSFUL IMPLEMENTATION OF INFORMATION  
TECHNOLOGY: IT, MARKETING, EDUCATION AND  
BUSINESS WORKING TOGETHER FOR BUSINESS  
SUCCESS***







# **MOBILE TECHNOLOGY IN HIGHER EDUCATION – A STUDENTS PERSPECTIVE ON LEARNING WITH MOBILE COMPUTING DEVICES**

*Ljiljana Stanojevic*<sup>24</sup>

*Beba Rakic*<sup>25</sup>

## **ABSTRACT**

*Technological developments in higher education brought about many changes affecting the way we teach and learn. The aim of this study was to investigate students' attitudes towards the use of mobile technologies in higher education as well as to obtain a deeper insight in the nature of students' use of mobile technology in order to design successful teaching interventions. For the purpose of this research a questionnaire was designed (reliability based on Cronbach's alpha = 0.875) aiming to investigate the actual daily habitual use, as well as the attitudes of students towards mobile technologies for their university education purposes. The survey was used to collect data from 107 undergraduate students from two private university in Serbia. Data were collected during winter semester 2017/2018 academic year. The conclusions indicate that majority of students use mobile technology for self-directed learning rather than within classroom or for subject-specific studies. In addition, there were no statistically significant differences in student use of mobile technologies due to their gender, age or major. Our research attempts to fill a gap in the individual country-level mobile learning research. We believe that the findings of current research could help authorities to lay the ground for mobile-based learning in universities.*

**Key words:** *Mobile Technologies, Mobile Learning, Wireless Technologies, Higher Education*

**JEL Classification:** *O14, D83, I23*

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# **THE APPLICATION OF MODERN INFORMATION- COMMUNICATION TECHNOLOGIES IN COMMUNICATION WITH STUDENTS TO IMPROVE STUDENTS' SATISFACTION**

Ana Skorup<sup>26</sup>

Gordana Gavric<sup>27</sup>

## **ABSTRACT**

*Higher education institutions, like all other service companies, must behave in accordance with the basic marketing principles, which means that the satisfaction of their students should be at the center of their attention and all their activities. Numerous research have shown that students' satisfaction has a positive impact on student motivation and attendance, as well as on attracting future students and increasing the income of higher education institutions. As the number of competitors grows in higher education every day, it is necessary to have an approach in which the client will be in the first place. Students want the best service, not only from the teaching staff, but also from the others with whom they come in contact during their studies. Research shows that there are many factors that influence students' satisfaction (teaching process, learning mechanisms, student expectations, image of higher education, communication, etc.), and that the impact of these factors on students' satisfaction increases significantly with the use of modern information and communication technology (ICT). For this reason, the authors of this paper especially dealt with the question of the impact of the application of modern ICT used in communicating with students on their satisfaction with the educational service. The theoretical aim of the research conducted by the authors of this paper among students is to indicate the modules of modern ICT-based communication that students apply. The social aim of the research is to help higher education institutions, primarily the Faculty of Business Economics and Entrepreneurship from Belgrade and the College of Profesional Studies "Radomir Bojkovic PhD" from Krusevac, in redefining the strategy of communication to the current trends of modern society, and to give recommendations for communication with students in order to improve the level of their satisfaction, create a positive image and improve the business.*

**Key words:** Education, Students' Satisfaction, Communication, Information And Communication Technologies

**JEL Classification:** I23, O33

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# **ANALYSIS OF ATTITUDES ABOUT THE USE OF INFORMATION TECHNOLOGIES AND INTERNET MARKETING WITHIN DIFFERENT PROMOTIONAL STRATEGIES**

*Dusan Garabinovic*<sup>28</sup>

*Milos Papic*<sup>29</sup>

## **ABSTRACT**

*Fast, rapid social changes are based on the changes in modern technologies as one of the most important development potentials. Modern technologies represent an important support in the field of business, as well as within overall marketing activities. The integration of the Internet with the traditional postulates of the marketing concept causes the creation of its new form – online marketing. Its continuous development constantly creates new possibilities available for marketers in the process of communication with the target market. Online marketing can be considered as a separate part, but also as a link that improves and connects all the existing elements of the marketing communication mix. Users' reactions represent the main indicative of promotional activity success because the consumers are the centre of attention in marketing. All people are different, therefore their behaviour towards certain types of influencing them will also be different, and this is very important information for the marketer in the creation of the appropriate promotional strategies. The aim of this paper is to point out the role and position of marketing based on the modern IT, as well as the results of the research on the relations and attitudes of the young people to online marketing promotion usage of different types, realised through mobile phones, emails, social networks, Web sites, blogs, forums and discussion groups.*

**Key words:** *Marketing, Online Marketing, Internet, IT, Promotion*

**JEL Classification:** *M30, M31*

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# **MULTI-CRITERIA ANALYSIS IN ICT IMPLEMENTATION FOR SMART CITIES**

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Violeta Dimic<sup>31</sup>

## **ABSTRACT**

*Cities have the potential for the smart modern digital technologies that provide better services to the citizens, greater resource efficiency and less harmful impact on the environment. They are based on the use of smart grids, the introduction of information and communication technologies, the internet connectivity of all facilities and the environment protection. It involves the introduction of intelligent transport systems, increase in energy efficiency through the implementation of smart metering and the introduction of innovative solutions in the construction industry. Each city is a unique system, where different actors, the city administration, municipal enterprises and citizens, are taking a number of activities, creating complex interactions and interdependences. Defining of the smart city is most commonly linked with the application of information and communication technology ICT. Companies, citizens, universities or scientific institutions, management bodies, non-governmental organizations and private investors – they all have a different view of the city and its future development. Despite the different visions, a sustainable city is a common goal of its citizens in the future. It is important to establish a methodology that will help to find the optimal path to the final goal-sustainable and smart city. The concept of the smart city is the result of ideas for using advanced technologies (ICT) to improve the life of people in the city and imposes as a solution to the challenges posed by the process of urbanization. Our research is aimed at developing a strategy for the smart city concept from the point of view of the integration of information and communication technologies. An integrated approach is based on the mathematical method of Analytical hierarchy process. It classifies the system through different criteria and sub-criteria in which the significant role of ICT, taking into consideration the opinions of experts, is emphasized. The proposed method performs the ranking criteria, with the aim of finding an optimal approach in the implementation of ICT in making the concept of smart city stressing indicators with dominant importance.*

**Key words:** Information-Communication Technology, Smart City, Analytical Hierarchy Process

**JEL Classification:** C16

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# **INTERNET AND INTERNET LAW**

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*Jovan Zivadinovic*<sup>33</sup>

## **ABSTRACT**

*Internet is today a generator of social development with a very high potential, but at the same time it is a phenomenon that could possibly lead to great dangers, especially in the last few years in which it has expanded. Being a communication system of interconnected computer networks, it is used for communication and exchange of all kinds of information. It is often called “the network of all networks”, since it integrates thousands of different computer networks all over the world and those networks use the same technical standards in interconnection. It is the latest and most powerful communication system. It is becoming the primary source of information and an ideal communication channel for all generations. The influence of internet on individuals and the entire nations and international communities in general is growing day by day. It has its very good sides and many positive examples of its use, but if we do not use it appropriately it can cause great damage. Whether it will be of good use or not depends solely on how we use it. Internet development brings about a great deal of legal issues, such as the right to intellectual property, copyrights, the right to secrecy, security, privacy, and confidentiality of data. Then we have topical issues like spreading slanders and rumours, encouraging hatred, pornography and many other problematic issues. Internet network is informal and has no legal regulations yet. What exists are only recommendations, and recommendations are not legally binding. This paper aims at pointing out to the fact that the legal basis of the media is inseparable from the state of law and ethics of the communities in which the media are used and that “legal and ethical chaos” has less in common with the technology itself, but rather with the state of ethics and legal regulative in societies in which those media exist.*

**Key words:** *Internet, Network, LA, Ethics*

**JEL Classification:** *D80, I21*

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# **CYBER CRIME AS A START OF THE JUVENILE CRIMINAL CAREER**

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*Zivanka Miladinovic Bogavac*<sup>35</sup>

## **ABSTRACT**

*A number of researches, cases in practice, frequent journalistic reporting, numerous preventive campaigns testify to the actuality and negative consequences of computer network abuse. One of the more prevalent ways for minors to start a criminal career is computer crime. For these reasons, this problem should be approached from a theoretical point of view. The paper presents a proposal for the classification of juvenile offenders in the wider and broader sense, which had as a basis the relevant conceptual determinations of computer crime in the wider and wider sense. In terms of juvenile hackers, a point of view is pointed out that it is not justified to class them exclusively in the category of non-volatile people. It is taken into consideration that it is necessary to formulate the third category in the form of mixed actors, as demonstrated by the analysis of the case from practice, whereby attention has been paid to certain specificities of underage hackers. A lot of attention has been paid to the motivational-causal aspect of under-age internet pursuers and abusers, which also presented the criteria for the classification of these actors to whom the author was called. In addition, a criticism was expressed regarding the view that cyber persecution is a completely new form of deviant behavior and it is taken into account that the use of the Internet represents a modern means of committing the classical crime of persecution. Also, a four-part division of the types of juvenile Internet abusers is criticized, which takes the motive as a criterion, and the need for a five-part is highlighted through the separation of the "revenge nerd" into a separate category. It was also pointed to the inadequacy of the name of a "mean girls" labeling female violators and proposing to replace it with the name "mean children".*

**Key words:** *Computer Crime, Juvenile Offenders, Hackers, Cyberstalking, Internet Violence*

**JEL Classification:** *K14*

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# **INTERNET DEVELOPMENT AND ETHICS IN SERBIA**

*Jovan Zivadinovic*<sup>36</sup>

*Zorica Medic*<sup>37</sup>

## **ABSTRACT**

*The aim of this paper is to provide some basic insights into the specificities of Internet development in the Republic of Serbia as well as the complexity of the relationship between jobs, communication and ethics in “the internet era”. Internet, being the most modern and popular medium that is used in communication by the entire population, brings about numerous advantages in comparison to previous media: freedom in the choice of information sources and the content itself, ability to create new content and share it to other users, as well as unmistakable access to necessary information. Information technologies are today the driver of social development of exceptional possibilities, but at the same time they are a special phenomenon with the potential of inestimable challenges and threats. Their appearance, dynamic development, but also possible negative consequences of that development, are most tightly related with global openness of communities and individuals for whom these media provide an independent, fast and interactive communication. Internet is a flexible and integrated global network of computer networks connected on voluntary basis. It spreads across the entire planet and serves millions of users. Global network established in such a way differs from conventional systems of media distribution, primarily because there is no central control over it and it is not under anyone’s “ownership”. Users today have a direct access to communication channels, hence they have become the leading factor, not only in mass use, but also in the collection and distribution of information. Internet and all other newer media in modern environment contribute to new ethical challenges in business activities. It is clear that fast technological developments lead to new unethical behaviour in communication which imposes the need for special attention in this field in circumstances when all personal and other information can be collected and sent with great ease. This paper aims at pointing out that the ethical basis of newer media is inseparable from the state of moral of communities in which those media act on. Yes, “moral dilemmas” on the Internet have a lot more in common with the state of ethical norms in societies using them than with the development of new technologies.*

**Key words:** *Internet, Information Technologies, Ethics, Moral*

**JEL Classification:** *D80, I21*

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# **CONTEMPORARY TOOLS IN THE PROCESS OF EFFICIENT MARKETING MANAGEMENT IN THE COMPANY**

*Ljiljana Dimitrijevic*<sup>38</sup>

*Maja Cogoljevic*<sup>39</sup>

## **ABSTRACT**

*The modern market is a testing ground for competition between supply and demand. It is the result of large, interconnected social forces, which have created new behaviors, new opportunities and new challenges. Technology is changing towards the digital revolution. We live in the information age brought by the globalization. All this imposes the need for deregulation of economic activities, which have a greater potential for growth and development. The trend of privatization of major industries is aimed at increasing productivity and efficiency, focusing on continuous performance monitoring. New trends in the business position of producers and traders have also contributed to the empowerment of customers. They expect better quality and services and adjustment and monitoring of needs, as part of an efficient marketing management.*

*Controlling is an integral part of the process of marketing management. Control is directly related to the planning, in the way that planned size, defined goals, decisions and strategic action are converted into specific standards. Actual results are measured and analyzed in relation to set standards in order to determine the need for potential correcting of plans and the way to carry out these corrections.*

**Key words:** *Efficiency, Management, Customers, Standards.*

**JEL Classification:** *M31*

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## ***PRICING. CRITICAL ASPECTS IN ADAPTING THE PRICE***

*Carmine D'Arconte<sup>40</sup>*

### ***ABSTRACT***

*All for-profit organizations are tasked with the arduous responsibility not only to try and set the right price of their products or services, but also to adapt it promptly in the best way according to particular situations and market changes. Every mistake in adapting the price, no matter how small, may result in very heavy consequences as far as final economic results are concerned, because it will inevitably affect the volume of sales as well as revenues and profit.*

*We examine first of all part of the existing literature on price adaptation, so to analyse the most important contributions and we also illustrate the results of a research we carried out to highlight entrepreneurs' knowledge and understanding of this fundamental topic.*

*We then propose our contribution to better highlight the effect of price adaptation, specifying the possible impact on three critical aspects, namely, quantities of sales, revenues and, what is more important, profit and profitability.*

*We finally draw our conclusions and we propose further investigations.*

***Key words:*** *Price and Pricing, Entrepreneurs' Approach, Adapting the Price*

***JEL Classification:*** *M30*

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## **CREATING PROMOTIONAL STRATEGIES IN ACCORDANCE WITH CONSUMER PREFERENCES**

*Zorana Nikitovic<sup>41</sup>*

*Dusan Garabinovic<sup>42</sup>*

### **ABSTRACT**

*Communicating with the target market is one of the most complex activities undertaken by an economic operator in order to achieve the set goals. Market position is significant, but it is only a consequence of a company's position within consumer awareness. An adequate choice of communication modes opens the door to new possibilities, facilitating access to new ones, as well as strengthening links with existing consumers and society as a whole. The market is a kind of stage from which many send their message according to what they deem to be the most suitable way to attract the audience to a greater or lesser extent, thus also creating differences among themselves. Determining the relationships that consumers have with respect to the elements of the promotional mix, as well as the various forms within them, is crucial within marketing management for creating new and changing existing strategies in order to achieve the best contact with the market.*

*The aim of this paper is to point out the preferences of consumers on certain forms of promotional strategies in the territory of the city of Čačak, mostly from the aspect of the frequency of their use and application of modern information and communication technologies, which is a good basis for adapting the communication mix to the characteristics of the target market by marketing managers.*

**Key words:** *Marketing, Marketing Management, Consumer Behavior, Promotional (Communication) Mix*

**JEL Classification:** *M30, M31*

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# **INVESTIGATING THE IMPACT OF MARKETING CAPABILITIES ON EXPORT PERFORMANCE OF IRANIAN NANO TECHNOLOGY PRODUCTS EXPORTERS**

*Mahdi Nejati Sareban<sup>43</sup>*

*Reza Parsa<sup>44</sup>*

*Parisa Najafiolasli<sup>45</sup>*

## **ABSTRACT**

*The purpose of this study was to investigate the impact of marketing capabilities on the export performance of Iranian companies exporting Nano technology products. This research type is applied and is descriptive-survey oriented in terms of collecting required data. The statistical population of this study is all managers of Iranian Nano technology products exporter companies. In this research, partial differential least squares method and Smart PLS software were used to study the relationship between variables and data analysis. The results of the research showed that marketing capabilities have a positive and significant effect on competitive strategies and situational advantages and competitive strategies have a positive and significant effect on situational advantages and export performance. The results also confirmed the impact of situational advantage on export performance. Other research findings confirm the role of the mediator of competitive strategies and positional advantages in the relationship between marketing capabilities and export performance, as well as the ambidextrous innovation (or Ambidexterity of innovation) moderator in the relationship between marketing capabilities with competitive strategies and situational advantages.*

**Key words:** *Marketing Capabilities, Export Performance, Competitive Advantage, Ambidextrous Innovation*

**JEL Classification:** *F14, O31*

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# ***PEERS INFLUENCE ON CONSUMERS' PURCHASE BEHAVIOUR: A CASE OF UNILEVER'S COSMETIC PRODUCTS***

*Asim Majeed*<sup>46</sup>

*Imani Silver Kyaruzi*<sup>47</sup>

## ***ABSTRACT***

The primary aim of this study is to analyse and critically evaluate the influence of friends and family on customer decisions and buying behaviour in the purchase of cosmetic products. The contemporary landscape in customers' buying behaviour has been revolutionised depending the quality of a product, self-positioning, and sources of information. It is stringent that the advertisements play a vital role in persuading customers' attention, but other factors such as, social media intrusion have influenced even more. Various interactions, among family and friends, have pillared the reasons to determine the decision of whether a customer purchases a product. Though scholars have channelled much efforts and resources towards the study of friends and family and their influence on consumer buying decisions, fewer studies have examined the impact of family and friends on individuals' buying decision behaviour when cosmetic products are concerned. The study has examined how social, economic and psychological factors impact on consumer behaviour using Unilever's products. In sum, the current technological advancement has made it easier to access and view products forcing the companies to redefine their marketing strategies as well as the beauty stereotypes.

***Key Words:*** *Consumer, Customer, Customer Buying Behaviour, Customer Decision Behaviour, cosmetic products*

***JEL Classification:*** *M30*

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# **ANALYTICAL APPROACH TO BUSINESS INTELLIGENCE THROUGH MARKETING MIX MARKETING MARKETING INTELLIGENCE**

*Slavica Andjelic*<sup>48</sup>

*Vesna Mladenovic*<sup>49</sup>

## **ABSTRACT**

*Survival, success and performance of the company depend on the quality of sensors of perception, sensitivity and agile management of responsible managers. For example, it is impossible to drive Formula 1 with a car that is tested and repaired with one tool. A definite need for a blend of intelligence is whether it is immediate, such as speed per circle and coverage of the circles or less immediate, such as position, how many rounds of the race, and how much fuel is needed to the end. Big Data analysis is accepted as a technology that will transform the analytical approach to BI - Business Intelligence as information support for better decision making. Big Data analysis is being explored, but this time through the objective of the marketing mix framework. Namely, the marketing function through the so-called marketing intelligence approach emphasizes the marketing of BI domains by formulating data relating to the market in which companies operate and make decisions. The business and marketing intelligence relationship is clearly direct and significant. MI has traditionally relied on market research to understand customer behaviour changes and improve the design and characteristics of products and services. In this way, sources of data, methods and applications are crystallized in relation to five important marketing perspectives. The goal of the paper is to determine the future directions in the field of data analysis and marketing related to business intelligence and generate a huge amount of data much faster than ever before using mobile and Cloud, after defining the starting elements and concepts, BI solutions - Cloud Business Intelligence. Specific advantages but also the vulnerabilities of BI on the cloud, as well as applications from the BI arsenal, emphasize the dominant feature of Big Data in relation to marketing mix perspectives and maintaining an intelligent marketing function.*

**Key words:** *Big Data, Marketing Mix And Intelligence, Mobile Bi, Cloud Bi*

**JEL Classification:** *M30*

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# **EVOLUTION OF THE VALUE CHAIN CONCEPT THROUGH THE DEVELOPMENT OF THE SUPPLY CHAIN CONCEPT**

*Miodrag Cvetković<sup>50</sup>*

## **ABSTRACT**

*The Value Chain Theory is one of the most important economic theories in the last few decades. Its phenomenon had enormous influence on the further development of the economic theory towards competitiveness and competitiveness factors. It can be said with certainty that Theory also had an exceptional influence on changes in business practice. In the 1980s, there were still strong traces of classical corporate governance, so author professor M. Porter created the theory based on the context of the company, but radically directed management practices towards customers, competitiveness, according to the process system, and according to activities as the "unit of measure of everything". Through the analysis of activities, strategic and operational sustainability, competitiveness, efficiency, effectiveness, profitability can be investigated and controlled. With the development of the supply chain concept, the Value Chain Theory has gained even more significance. It can be argued that only with the development of the supply chain concept, have been created conditions for the full development and understanding of this significant theory. The concept of the supply chain has unblocked the process of further developing the theory of the value chain. At the same time, the study of supply chain management is an opportunity to clarify the meaning of the terms "value chain", "supply chain", "demand chain", "process approach", and other concepts essential for managing the business in the conditions of the modern environment, as well as their role, connectivity and interactivity.*

**Key words:** *Value Chain, Supply Chain, Demand Chain, Activity, Supply Chain Management.*

**JEL classification:** *M10*

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# **IMPACT OF HEDONIC AND UTILITARIAN SHOPPING MOTIVE ON ONLINE PURCHASE DECISION**

*A.Varadaraj<sup>51</sup>*

*D.Charumathi<sup>52</sup>*

## **ABSTRACT**

*The change in technological area all over the world has changed the concept of information and communication. The use of internet for commercial purposes gave rise to the existence of the electronic commerce (e-commerce) phenomenon. Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. The study focuses on the impact of hedonic and utilitarian motives on the consumers buying behaviour towards online shopping. Questionnaire was used to collect the primary data. The sample size of the study was 125 and the sample design adopted was convenience sampling. This paper tried to find out the impact of hedonic and utilitarian motive on the consumer buying behaviour towards online shopping and gives suggestions to improve the same.*

**Key words:** *Online Shopping, Consumers, Hedonic, Utilitarian, Motive*

**JEL Classification:** *M30*

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# **RELATIONSHIP BETWEEN INNATE CONSUMER INNOVATIVENESS AND ATTITUDE TO AN INNOVATIVE PRODUCT – MEDIATING ROLE OF THE PERCEPTIONS OF USEFULNESS AND EASE OF USE**

Tatyana Yordanova<sup>53</sup>

## **ABSTRACT**

*The present article examines the indirect impact of innate consumer innovativeness on the attitude towards an innovative product mediated by consumer's perceptions of its usefulness and ease of use. The essence and peculiarities of the above-mentioned constructs are uncovered. Attention is drawn to Davis's technology acceptance model as a theoretical foundation to the presented mediation relationship. Results of an empirical study, conducted among a sample of 1106 Bulgarian respondents, which confirm the main assumption that the personality trait innovativeness determines the attitude towards the innovative product through the perceptions of the consumer of its easy use and utility are proposed. More specifically, the multiple mediation analysis reveals a statistically significant weak mediation on the part of the two instrumental beliefs in the examined cause-effect relationship. In addition, the results are interpreted by taking into consideration the leading theoretical knowledge in the field.*

**Key words:** *Innate Consumer Innovativeness, Attitude Towards An Innovative Product, Perception Of Usefulness, Perception Of Ease Of Use*

**JEL Classification:** *M31*

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# **THE RELATIONSHIP BETWEEN MARKETING STRATEGY ADAPTATION AND EXPORT PERFORMANCE: A REVIEW OF EMPIRICAL LITERATURE BETWEEN 2003 AND 2017**

*Katarina Njelic*<sup>54</sup>

*Vesna Milanovic*<sup>55</sup>

## **APSTRACT**

*The debate concerning the relationship between adaptation of marketing strategy and export performance is present in the international business literature for more than 50 years. The last literature review on this topic covered studies published from 1975 until 2001 and it revealed diverse and conflicting results. The aim of this paper was to uncover new insights that authors gained regarding this topic between 2002 and 2017. By using the combination of electronic and manual bibliographic search, 29 studies that tested observed relationships in related period were identified. To synthesize the results of studies found, vote-counting technique in combination with narrative approach was used. Antecedents, moderator and mediator variables that researchers included in their research frameworks were also discussed. Based on the review, the directions for future research were proposed.*

**Key words:** *Export Performance, International Marketing Strategy, Export Marketing Strategy, Adaptation, Marketing Mix*

**JEL classification:** *F23, M31*

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\*This paper is supported by the Ministry of Education, Science and Technological Development of the Republic of Serbia, project III 45003



***RAISING THE LEVEL OF EDUCATION AND  
EMPLOYMENT FOR THE PURPOSES OF CREATING NEW  
BUSINESS OPPORTUNITIES***





# **AUTHORITY OF TEACHERS IN EDUCATIONAL EDUCATION**

*Stefan Zimonjic*<sup>56</sup>

*Milica Kalicanin*<sup>57</sup>

## **ABSTRACT**

*In this paper, two specific views intertwine. The first refers to general attitudes about authority, and the other one to the models of scientists such as homo economicus, homo sociologicus, and homo academics. Such an approach seems necessary taking in consideration that the problem is related to the authority of teachers, the development of the teaching profession, the student/student of the future, the reform of higher education institutions and the education system; significantly causally related.*

*The main principles for the formation of scientists as individuals, but also scientific institutions and science as a social system, derived from the criteria that are valued and evaluated by scientists today, the criteria of excellence, international visibility and the like, which show how many times they are cited, how many published works in respectable international journals, what is their impact factor; how much is their h-index, how many prestigious international conferences they attended, etc. But these are just some of the most important issues and imperatives that every day scientists today face, especially university professors around the world. Based on these criteria, scientists direct their careers in the long run, but also organize their jobs on a daily basis. The fulfilment of the above mentioned criteria depends on the motivation, choice of topic for research, job planning, career teacher management, and the like.*

*From the above point of view, scientists are more burdensome, and it is more important to them that the instrument is internationally standardized and validated and taken from a reputable foreign scientist or university, rather than asking if the instrument involved specific social reality and specific features of the environment, reality, perception of problems and the experience of the actors, so, unfortunately, a rare research that combines at least in the pilot phase a qualitative and quantitative approach as well as secondary sources.*

*In methodological terms, this work relies on desk research, which includes an overview of an available webpage researcher, organization and institution websites, from the aspect of their impact on the development and evaluation of the education process, the development of the teaching profession, and educational institutions.*

**Keywords:** Authority, Evaluation, Teacher, Scientist

**JEL Classification:** I21

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## ***COST-BENEFIT OF TECHNICAL-VOCATIONAL EDUCATION FOR EMPLOYMENT IN THE FOOD SERVICE INDUSTRY IN THE PHILIPPINES***

*David Edward G. Jimenez*<sup>58</sup>

### ***ABSTRACT***

*This study aims to determine if there are any differences in the mean salary level of those working in the food service industry in one particular city in the Philippines to determine the cost-benefit of educational investment. Comparisons were made based on respondents' working experience, educational background and whether they held a national certification given by a government agency. Results did not show significant differences between respondents based on mentioned factors. However, respondents attributed their skills and behavioral characteristics based from their school programs and methodologies. Results may help students, administrators and policy makers decide on appropriate programs for a more cost-effective educational investment.*

***Key words:*** *Cost-Benefit Analysis, Technical Vocational Education, Food Service Industry*

***JEL Classification:*** *I25*

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# ***INCLUSIVE EDUCATION FOR CHILDREN WITH SPECIAL NEEDS***

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*Sanja Jevremovic*<sup>60</sup>

## ***ABSTRACT***

*Inclusion in education is a process of including the children with special needs or with disabilities in the system of full-time education with the intention of providing them with quality education and ensuring their right to equal access to development. The goal of inclusive education is to provide quality education for all students, with equal access to all. The right to education is the basic human right guaranteed by international legal acts, the Constitution of the Republic of Serbia and the laws that ensure the realization of human rights in the field of education and upbringing.*

*The key figure in the application of inclusion in educational institutions is the teacher. Teachers are expected to ensure that all pupils are educated and trained in professionally and competently.*

*In inclusive education, parents of children with developmental disabilities also play an important role in making decision on the process of education of their children, which is confirmed by the changes in the legislation regarding education in 2009 .*

***Key words:*** *Inclusion, Education, School, Teacher, Parent*

***JEL Classification:*** *124*

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# ***IMPROVEMENT OF THE QUALITY OF SERVICES OF HIGHER EDUCATION AND EDUCATIONAL PROCESSES FROM THE STUDENTS 'SATISFACTION ASPECT***

*Zorica Lazic<sup>61</sup>*

*Sladjana Vujicic<sup>62</sup>*

## ***APSTRAKT***

*This paper presents a part of the research in the doctoral dissertation, which examines and analyzes the quality of higher education institutions and processes in higher education. Presentation of the findings from the results of the research, pointing to the most critical processes and subprocesses in the system, as well as the importance of applying methods and tools of quality, from the aspect of students satisfaction, was conducted with the aim of improving the quality of the educational process.*

***Key words:*** Higher Education, Student Satisfaction, Educational Processes

***JEL Classification:*** I21, I23

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# **ON THE DEVELOPMENT OF ECONOMIC IDEAS, ECONOMIC THEORIES AND ECONOMIC SCIENCES**

*Radovan Pejanovic*<sup>63</sup>

*Sanja Cvijanovic*<sup>64</sup>

## **ABSTRACT**

*The idea (Greek eidos - vision, form, idea) according to Vujaklija and Klajic means thought, concept, performance, idea, control, view. It is a theoretical or a practical goal that "floats before the eyes", the guiding principle. This is a logical assumption, a hypothesis. The spiritual and intellectual development of a man is related to the historical development of his ideas.*

*The history of economics, which is the subject of numerous economic doctrines, is in fact a history of economic ideas, which developed through economic schools.*

*Economics as a science has gone a long way over two hundred years since Adam Smith set it up in his famous work "The Wealth of Nations". Some interventions on the path of its long and successful development are: mercantilism - progress rests on trade; physiocracy - wealth is in agriculture; classical economists - any work that creates surplus is productive; marxism - in modern society power belongs to capital; marginalist - produce what meets the needs of consumers; liberalism - market freedom is crucial for economic success; Keynesian economy - state intervention encourages employment; neoclassical synthesis; monetarism - the stability of all prices is a condition of progress; theory of rational expectations; supply economics; institutionalism - social norms are a mechanism of change. In this regard, the "invisible hand" of Adam Smith, the "visible hand" of John Maynard Keynes, Pareto's optimality, Pigou's tax, Philippe's curve, Friedman's monetarism, etc., stand out in this regard.*

**Key words:** *Economic Ideas, Economic Theory, Economic Science*

**JEL Classification:** *Q10*

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## **THE PERCEPTION AND COPYNG WITH MOBBING IN WOMEN IN MONTENEGRO**

*Tatjana Vujovic*<sup>65</sup>

### **ABSTRACT**

*The previous research shows the frequency of reporting forms of mobbing at workplaces, especially in women. The different strategies for coping with mobbing stress haven't been researched yet. Therefore, the aim of this research was to investigate the types of mobbing in women in the public and private sector. There were 170 respondents in this research, the nurses (N=90) who employed at Clinical Hospital Center of Montenegro and the workers (N=80) who employed in the company Mill- Pop. The respondents were aged 20-59 years old. When it comes to the perception of mobbing by nurses we obtained by factor analysis Varimax rotation four factors that interpreted as an attack on work activity, personality attack, sexual harassment and attempted isolation. Discriminative analysis has shown there is a statistically significant difference between these two groups when it comes to emotions focused copying, trying to solve the problem, seeking support from the colleagues and family.*

**Key words:** *Mobbing, Strategies For Coping With Mobbing, Stress, Work Experience*

**JEL Classification:** *M12*

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# **TRANSFORMATION OF SOCIAL RELATIONS IN THE ENVIRONMENT OF NEOLIBERAL CAPITALISM: FAMILY, EDUCATION, BUSINESS**

*Katarina Majstorovic*<sup>66</sup>

*Milan Radicevic*<sup>67</sup>

## **ABSTRACT**

*One of the basic sociological categories is social relations. It is natural that large social changes directly reflect on social relationships, changing their nature. Neoliberal capitalism determines the social climate of today world, and thus the character of social relations. On the track of current research, it can be said that this social order is characterized by nihilism of rush and monotheism of the market. These tags essentially move human values, which are rapidly decreasing. The subject of this paper is the way in which the environment of neoliberal capitalism and its values alter relations in important spheres of society. We selected family, education and business as paradigmatic areas in which personal, business and culture-mediated relationships can be revealed. The basic hypothesis of the paper is that the general decline in human values reflects on the impoverishment of social relations, and that this impoverishment has many aspects and significant consequences. The topic we deal with here is broad, so this paper can serve as an introduction to wider interdisciplinary research.*

**Key words:** *Social Relations, Humanity, Neoliberal Capitalism*

**JEL Classification:** *I2, I3, P16, Z1*

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# ***ANALYSIS OF THE STAFF POTENTIAL FROM THE PERSPECTIVE OF THE ATTITUDE OF THE YOUNG PEOPLE TOWARDS STUDYING***

*Edita Kastratovic*<sup>68</sup>

*Milan Dragic*<sup>69</sup>

## ***ABSTRACT***

*In this study we have presented an attitude of the young people towards the studying, values in society and development of personal career. The study had the aim to define the manner of analyzing labour market, value categories and perspective from the angle of faculty students from the region of Vojvodina. The results of this study point out that the students are aware of the economic situation in Serbia, as well as problems in labour market. The respondents have expressed the readiness for going abroad in order to provide existence. They are aware of their knowledge and skills that they possess and in equal percentage they are pro and con reorientation to the certain craft in order to initiate their own business. Informity of the young in the aspect of the trends in labour market, as well as problems in the aspect of employment significantly affects their determination and orientation towards developed and systemically regulated countries. Results of the study confirm previous studies of the same problems and impose a need for finding a certain long-term solution in order to retain the young people and establish a quality balance in labour market.*

***Key words:*** Staff, The Young, Students, Studying

***JEL Classification:*** I25

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## ***SELF-EMPLOYMENT IN THE FUNCTION OF SOLVING THE UNEMPLOYMENT PROBLEM***

*Milan Dragic*<sup>70</sup>

*Edita Kastratovic*<sup>71</sup>

### ***ABSTRACT***

*This study analyzes unemployment in the Republic of Serbia and compares statistical data on entrepreneurial activities in the period 2008-2017. The research was focused on statistics on trends in self-employment in order to reduce unemployment. The readiness of young people to start their own business was analyzed and thus contribute to the reduction of unemployment. The research covered data from various surveys as well as official statistical data in countries in the region. The statistic data presented in this paper emphasize a very pronounced fluctuation in terms of newly created and closed entrepreneurial firms. Also, the problems faced by entrepreneurs are presented. This research performed a comparison of results in the field of self-employment within a certain time frame. Also, a comparison of economic and existential problems was made according to the age criteria, number of members, as well as geographical and national affiliation. The above comparisons contributed to the understanding of the problems that the Republic of Serbia is facing with regard to self-employment.*

***Key words:*** *Self-Employment, Unemployment, Youth, Business*

***JEL Classification:*** *J21 I25*

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# **INFLUENCE OF THE INDUSTRY ON THE STRATEGIC ORIENTATIONS AND PRACTICES IN HRM**

*Snezhana Ilieva*<sup>72</sup>

*Biliana Lyubomirova*<sup>73</sup>

## **ABSTRACT**

*This research paper analyses one of the key aspects of each organization – its human resources management practices and strategic orientations. The focus is put on some theoretical concepts as well as their practical implications. The sample of the research consists of 359 participants with different demographic characteristics, working in companies from different sectors in Bulgaria. Strategic orientations in HRM follow the model of David Guest (1987) for personnel and human resource management. The results show that the long-term perspective in HRM, creating trust between the employees and the organizations, building a flexible structure and providing options for training and development are the key strategic orientations that bring success and high performance. Analysing the HRM practices is based on four aspects. “Work characteristics” have the highest mean value of  $M=3,78$ ,  $SD=0,81$ , followed by “Managerial styles and values” with  $M=3,40$ ,  $SD=0,86$ , “Remuneration and social benefits” with  $M=3,39$ ,  $SD=1,00$  and the lowest is the perception of the “Recruitment systems and performance appraisal” -  $M=3,11$ ,  $SD=0,91$ . Another very important factor that is explored is the industry of the organizations. The results show significant differences in organizational structure, the way remuneration is formed, building trust between the employees and the company, the function and the role of the HR specialist. In regards with the HRM practices, only remuneration and social benefits are influenced by the industry. As a whole, we may say that the leading sectors like IT, Finance, Sales, HR have employees that are more sensitive to strict hierarchy rules and structure, open communication, individual efforts and team work in meeting the goals set, the formal and bureaucratic role of the HR specialist in the organization.*

**Key words:** Strategic Orientations, Hrm Practices, Industry

**JEL Classification:** O15, M12, J24

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## **SIMILARITIES AND DIFFERENCES IN WORK MOTIVES OF BULGARIAN EMPLOYEES**

*Ergyul Tair*<sup>74</sup>

### **ABSTRACT**

*The paper traced out the results from survey on work motives, counting different intrinsic and extrinsic factors. Sample included 1307 persons aged 16 to 66, where 55% were women and 684 people identified themselves as Bulgarians, 288 as Roma and 335 people as Turks. The results presented both similarities and differences in work motives of the employees. Although, salary and interesting work were most motivating factors for all studied employees, also significant age, gender, education and ethnic-based differences were established. Ethnic-based differences reveal Bulgarians as more intrinsic motivated (e.g. work as source of pleasure, applying skills and knowledge, career development), Roma as more extrinsic motivated (salary, work condition, co-worker relationships), and Turks as presenting both intrinsic and extrinsic motives. The differences in work motives depending on education quite close to ethnic-based, as employees with higher education preferred intrinsic motives, while those with lower education focused more on extrinsic motives. However, the interesting result reveal on motive to learn new things or knowledge at work, that was more favoured both from employees with higher and lower education. Similarities in preference to good salary, safe work conditions, etc. were reveal, as well as significant age-based differences in other work motives were established. In details, motives as enjoyable work and career development were more favoured from younger employees, while older focus on applying skills, transferring knowledge, and co-worker relationships. Finally, similarities between males in females in motives as salary, career development, etc. were discovered, but some gender differences highlighted males as more oriented to extrinsic motives (e.g. work conditions and co-worker relationships), while females emphasis on intrinsic motive or on work satisfaction. In addition, beside universal motivation factors as salary, secure working conditions, interesting work, the results suggested the need from specific age, educational, and ethnic-based employees' motivational programs.*

**Key words:** *Work Motives, Age, Gender And Educational Differences, Bulgarians, Roma, And Turks*

**JEL Classification:** *M12*

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# **THE IMPACT OF ORGANIZATIONAL CULTURE ON RECRUITMENT AND SELECTION PROCESS: A CASE STUDY OF COCA-COLA IN VIETNAM**

*Linh Tran Duy*<sup>75</sup>

*Imani Kyaruzi*<sup>76</sup>

## **ABSTRACT**

*This paper seeks to identify the impact of organizational culture on recruitment and selection process in Vietnam using a case study of Coca-Cola. Among HR practices, recruitment and selection is seen as a key factor contributing to the growth and success of an organization. However, previously, it had proven difficult to examine the impact the cultural factors and the considerable influences they have on this activity. At Coca-Cola Vietnam, a part of the global Coca-Cola Group, the cultural diversity is prioritized and make cultural factor a key assessment of the hiring procedure. An online survey was utilized to collect data from 132 respondents, who are related to Coca-Cola Vietnam by at least having previously applied for this company. The respondents were asked to rate their level of agreement with four statements measuring the impacts of organizational belief on recruitment and the linkage between organizational value and individuals within the organization, using five-point Likert scale. The results of regression analysis revealed that organizational culture does indeed closely influence the process of recruiting and selecting applicants at Coca-Cola Vietnam. It implies that the initial meeting as well as interaction between the company and the potential employees can be of use as the correct channel to distribute crucial information about the organization to the employment seekers. Moreover, this will improve the attempt to align the personality of the prospective employees with organizational belief and value, which leads to a proper match. An understanding of an organizational culture and stimulating the advancement of human capital within the company, could contribute to the reduction of labor turnover rate.*

**Key words:** *Organizational Culture, Recruitment, Selection, Recruitment and Selection*

**JEL Classification:** *L20*

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# **MEASURING TEAM EFFECTIVENESS IN SOFTWARE COMPANIES: LITERATURE REVIEW AND EMPIRICAL TEST OF AN INTEGRATED MODEL**

*Tsvetelina Panchelieva*<sup>77</sup>

*Snezhana Ilieva*<sup>78</sup>

## **ABSTRACT**

*The paper describes a model of team effectiveness linking team performance, commitment and shared mental models. The team performance factor consists of two subscales team results and team processes. The literature review aims to find evidence on teamwork and team effectiveness indicators in software companies and software development specialists in particular. Based on the findings from the literature review a scale is created and tested amongst 494 participants from 35 software companies in Bulgaria. The scale has good reliability and validity scores and distinguishes four factors for team effectiveness: team results, processes, commitment and shared mental models. Results indicate that the way teams work is more important than team results for the overall effectiveness. Cooperation, communication, discussions and commitment play important role in software teams. The problematic areas include task distribution, corporate and team criteria for project completion and/or results, unexpected project scope changes, lack of information. The possible solutions consist of improvement of communication, improvement of team development programs and trainings, better management skills and implementation of common standards for project management. Directions for future research and application are also discussed in the article. The Team effectiveness model can be applied in different organizations especially from the high tech industry to measure the team work and effectiveness. The implications from the study are valuable for managers at all levels and team leaders when working with teams and when trying to improve their effectiveness. HR professionals and consultants also can use the scale and take into consideration the results from the study when planning training programs for employees at all levels.*

**Key words:** Management, Teams, Team Effectiveness, Model, Scale, Software

**JEL Classification:** D23, J24, L86, M54

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# **EXPLORING TURKISH HAPPINESS THEMES ON SOCIAL MEDIA**

*Esra Kahya Özyirmidokuz*<sup>79</sup>

*Kumru Uyar*<sup>80</sup>

*Eduard Alexandru Stoica*<sup>81</sup>

*Betül Akpınar*<sup>82</sup>

## **ABSTRACT**

*This research analyses the common experiences of individuals to explore the themes of Turkish happiness on social media while adapting to cultural language variations. In order to cluster happiness we ask participants their happy and unhappy feelings in the last three months. We collect data with daily studies with a total of 85 participants from social media.*

*Using a qualitative approach, we evaluated the open-ended explanations of 85 individual participants. As a result we present a thematic map of both happiness and unhappiness. In addition to describing the characteristics of two different clusters that define happiness and unhappiness, we have discovered that these two different clusters' sub-themes are expressed in the same groups. In further research, to investigate the relations between these themes, we will obtain interviews with participants. We also will examine the mathematical results of expressions using natural language processing and then text mining. Word vectors and relations between documents will be extracted.*

*The study is a part of a socio-technical mining research, which will measure online happiness from unstructured to minimize the time and the power of the software designers and the users. In further research we aim to develop a set of normative emotional ratings for the Turkish language to standardize materials for researchers. We will present the distributions of psychological valences, which will show us the happy words. Therefore, the happiness of large masses of data can be measured at real-time for various purposes.*

**Key words:** *Happiness, Analyzing Social Media, Emotional mining*

**JEL Classification:** *C80, C89, C83, I39*

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# ***FINANCE AND INSURANCE SECTOR INDUSTRY***





# **IMPORTANCE OF ALLOCATION THE CAPITAL AT THE MAXIMUM VALUE OF INSURANCE COMPANIES**

*Ivan Piljan<sup>83</sup>*

*Dusan Cogoljevic<sup>84</sup>*

## **ABSTRACT**

*The problem of allocating the capital of an insurance company is closely related to the concept of "capital adequacy". Insurance companies have an important role both for individuals and for the entire community. For these reasons, the insurance company is expected to provide security and safety to its insured. This is achieved by ensuring the prescribed margin of solvency by law, while at the same time trying to satisfy the interest of clients, i.e. by facilitating the growth of the value of the shares themselves.*

*A higher demand for capital reduces the possibility of insolvency, but also an interest in investing in an insurance company. For the above reasons, it is important to carefully consider why this should allocate costs related to the possession of personal capital to individual types of insurance.*

*Estimating the value of the company's personal capital, intended for each business line, or a project that the company takes over is capital allocation.*

*The subject of this research is the interpretation of theoretical and methodological basics, as well as the actuarial and financial techniques for the allocation of capital of the company in the field of non-life insurance.*

**Key words:** *Capital Allocation, Insurance Company, Capital Adequacy, Solvency Margin, Company Capital*

**JEL Classification:** *G21, G22, G23*

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## **LIVING STANDARDS AND MICROINSURANCE**

Vera Karadjova<sup>85</sup>

Snezana Dicevska<sup>86</sup>

### **ABSTRACT**

*Risks of a different kind are an objective category, and the occurrence of some of them shows zero correlation with regard to the level of economic development and the level of living standards. This makes it difficult to manage them, with particular emphasis on economically less developed, developing countries and poorer population structures. The demand for insurance as a basic strategy for risk management is mainly determined by the level of living standard and the possibility of purchasing insurance services by socially vulnerable categories of the population. Such a correlation, in turn, leads to that situation, that uninsured risks, regardless of the type of risk in question, especially badly affect poorer categories of society which cannot cope with the catastrophic losses from negative shocks. This applies to all types of risks that are a threat to the population and businesses, but especially to a large number of risks that people even in modern conditions cannot resist. In this category the greatest threats are so-called catastrophic risks in which there are two main categories: (1) Climate changes; and (2) Natural disasters (earthquakes, floods, etc.).*

*This paper elaborates mutual relations among mentioned categories, i.e. living standards and the need for developing microinsurance services, make analysis of the socially vulnerable strata of the population and the microinsurance models that could be applied in countries that have not still developed this form of insurance.*

**Key words:** *Living Standards, Vulnerable Strata of The Population, Poverty, Risks Management, Microinsurance*

**JEL Classification:** *G22, O11, O31, E71*

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# **PENSION REFORM AND THE LONG-TERM LABOUR FORCE PROJECTIONS IN SERBIA: THE APPLICATION OF THE COHORT-SIMULATION MODEL**

*Marko Vladisavljevic*<sup>87</sup>

*Lara Lebedinski*<sup>88</sup>

## **ABSTRACT**

*In 2014 the Government of Serbia has adopted a law that postponed both the minimum age for early retirement for men and women and the minimum age for old-age retirement for women. The measures were introduced in order to address high inactivity of the elderly, especially among women, while, at the same time, addressing the problem of the increasingly aging population and heavily burdened pension system. We use the Cohort Simulation Model and the Labour Force Survey data to investigate the medium- and long-term effects of the retirement reform on the projected activity rate of men and women in Serbia,. The results indicate that the activity rate of older workers would increase by 1.9 percentage points by 2026 and by 3.9 percentage points by 2060 even without the introduction of the pension reform, merely as the result in the activity trends. On the other hand, the introduction of the pension reform increases the activity rate by additional 2.2 percentage points in 2026 and by 2.9 percentage points in 2060. Additionally, the results suggest that the large gender gap in the activity rates will be significantly reduced. However, the growth of the activity rate suggests that the Europe 2020 target of 75% 20-64 activity rate will be reached in Serbia only in 2060.*

**Key words:** *Labour Market Activity, Pension Reform, Projection, Serbia*

**JEL Classification:** *J14, J26, H55*

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# **THE IMPORTANCE OF INSURANCE FOR THE DEVELOPMENT OF AGRICULTURE**

*Ivan Piljan*<sup>89</sup>

*Tatjana Piljan*<sup>90</sup>

## **ABSTRACT**

*Insurance in agriculture is a special type of property insurance that applies to agricultural producers in order to prevent the loss of income from agrarian activities. Insurance in agriculture is not limited to crops and fruits, but also applies to livestock, domestic and wild animals, and can also be applied to greenhouses, forestry and aquaculture.*

*In this research presents the characteristics of the insurance of crops and fruits, as a risk management instrument, which is applied in Europe and Serbia. Different insurance systems, with a focus on insurance from one type of risk, combined insurance and yield insurance, were analyzed. An overview of different forms of insurance of crops and fruits in European countries is given, with a special emphasis on the share of insured areas, the participation of insurance premium in the insured sum, the achieved technical result expressed through the ratio of claims paid and insurance premiums collected by the insurer, as well as the amount of subsidies the state partially compensates farmers for insurance premiums.*

*Direct insurance premiums in agriculture have rapidly increased over the past few years. Although insurance in agriculture is essentially a commercial activity, it is quite common for governments of countries around the world to take an active role in this industry. In the World Bank study, which covered the situation analysis in 65 countries, different approaches were noted in cases where the state decides to intervene in the insurance market segment in agriculture.*

*Agriculture as a sector of the economy is of vital importance for the Republic of Serbia and its overall social and economic development. The position of the agricultural sector is specific, because apart from the economic one, it has a special social and ecological significance, and at the same time it is the bearer of rural development.*

**Key words:** *Insurance In Agriculture, Property Insurance, Paid Claims, Subsidies, Insurance Of Crops And Fruits, Risk Management*

**JEL Classifications:** *G21, G22, G23, Q19*

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# **ANALYSIS OF THE ATTITUDES OF THE POPULATION ON THE NEED FOR ANIMAL INSURANCE**

*Dusan Cogoljevic*<sup>91</sup>

*Tatjana Piljan*<sup>92</sup>

## **ABSTRACT**

*Agriculture in the Republic of Serbia is a sector of economy that is vital for the overall social and economic development of the country. The position of the agrarian sector in Serbia is specific, since, besides the economic importance, there is also a special social and ecological significance, and agriculture contributes to the national wealth with significant participation in the creation of GDP.*

*There are no restrictions when insurance in agriculture is concerned, that is, not only crops and fruits are provided, but also livestock, domestic animals, and not often the object of insurance can be greenhouses, forestry and aquaculture farming.*

*In the EU countries, insurance in agriculture (insurance of crops, fruits and animals) is regulated by law, while in our country, producers still have a decision whether to bear the risk or provide agricultural goods and livestock.*

*Animal insurance involves a large number of risks and is classified as risk insurance. It can occur in several different forms: basic insurance, a large number of supplementary and special insurance, sample insurance for certain types of animals that are being insured for the first time, or the risks for which the insured is covered for the first time. It belongs to the group of short-term insurance or insurance for up to one year, and even shorter. The subject of insurance is the animal itself, and not just certain parts of the animal's body or manufactures that can be obtained from it.*

*The subject of this research is to examine the attitudes of the respondents regarding the necessity of animal insurance and the problems that arise in this case.*

**Key words:** *agriculture, insurance of agricultural, insurance of animals, risk, policy.*

**JEL Classifications:** *G21, G22, G23, Q19*

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# PROFESSIONAL INDEMNITY INSURANCE FOR ACCOUNTANTS

*Raica Milicevic*<sup>93</sup>

*Milica Zivkovic*<sup>94</sup>

## ABSTRACT

*Accounting means collecting and processing data, preparation and bookkeeping, preparation of business financial statements, as well as collecting and processing information about the preparation of reports for statistical, tax and other purposes. Accounting system, as one of the components of the control system has a special place in the management of companies and entrepreneurs. Accountants are expected to be accurate, reliable, responsible and systematic in order to avoid errors when processing data and compiling the report. An accountant is expected to be a person of trust, respect, with high ethical standards and procedures, to be correct and honorable, a trustworthy person whose work is subject to control by the legislative authorities. An accountant shall not undertake any work for which he is not competent, and shall work on his professional development. Accounting reports must be objective and realistic. Practice, however, shows that there are cases where accountants take action or make an omission in the work, which causes damage to the client.*

*The current Law on Accounting has not appointed a professional body (chamber, association) that would grant licenses for accountants in a form of a public document that would represent an operating license, as it is regulated in some other professions, such as lawyers, doctors, engineers and others. As a consequence of such legal solution, there is no obligation to ensure professional responsibility of accountants that would cover liability toward legal entities or entrepreneurs for which the accountant performs the accounting tasks, while the insured case is considered to be one or more acts, omissions or errors of the insured resulting in emergence of damage for which the injured party could demand compensation.*

*The objective of this paper, based on a survey conducted among accountants and users of accounting services, is to find out whether the quality of services provided by accountants would be better if the legislator, through authorized professional bodies, would introduce professional indemnity insurance for accountants as compulsory insurance.*

**Key words:** *Accountant, Professional Responsibility, Quality Of Service, Omissions In Work, Insurance*

**JEL Classification:** *G22, M41*

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# **INVESTMENTS AS AN ELEMENT OF FRAUD IN FINANCIAL REPORTING**

*Nenad Kaludjerovic<sup>95</sup>*

## **ABSTRACT**

*Releasing funds for financial support of a business entity or vice versa is a common activity where this money was never granted, while the transaction was entered in business books and this is the reason for this research. Financial investments are a common business transaction and we start from that assumption, regardless in which form and with which aim they are given. However, when financial investments are deprived of the above mentioned essential point on one hand, and entered as the so-called „release of funds“ in business books on the other hand, there occurs creativity in financial operations with economic effects that are most often not recorded in the financial statement. This paper explains, on the selected sample, how this phenomenon, i.e. simulated financial investments is used in financial reporting as apparent receivables or payment instruments that have never been given to the partners. Such occurrence of financial investments without actual cash flow or coverage creates an imitation of good business operation in total. On the contrary, they mostly represent a part of the information in financial statements on which creative accounting is applied. Such phenomena result in the subsequent write-off (frequent adjustments) of financial investments of the business entity before bankruptcy, i.e. create losses in the bankruptcy procedure. These losses can be above the equity value. The time of creation of a creative combination is closely related to some target phenomenon. From 1990 to 1996, it is related to the period of transition, from 1994 to 2003 to the period of privatization and nowadays it is related to intensive borrowings from banks with the aim to avoid repayment, conceal actual state of business, evade tax payment, seizure of property, deceive etc.*

**Key words:** *Creative Accounting, Short-Term Investments, Fraudulent Financial Reporting, Loss Above Capital Value, Fraud*

**JEL Classification:** *G20*

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## **TRENDS IN PROFITABILITY OF BANKS IN SERBIA THROUGH RATIONAL ANALYSIS**

*Tamara Vesic*<sup>96</sup>

*Jovan Petronijevic*<sup>97</sup>

### **ABSTRAKT**

*In this paper we analyzed the trend of profitability ratios of the 10 largest banks in the Republic of Serbia according to the balance sheet assets for the period 2010 – 2017. Goal of the paper is to find out why oscillations occur and their movement. The analysis was conducted on the basis of publicly published regular annual reports of 10 banks operating in the Republic of Serbia and quarterly reports of the National Bank of Serbia. The subject of research in this paper is a comparative analysis of profitability, since it is generally known that the business policies of banks are mostly aimed at increasing net profits. Given that the global economic crisis was at its peak, in the observed period in our country, we will briefly show the impact of the global economic crisis to the serbian banking sector. The participation of the 10 largest banks is shown according to the the amount of the balance sheet assets is 44% at the beginning of the observed period, up to 77% at the end of 2017, the average values of their performances largely approximate the performances of the entire banking system of the Republic of Serbia.*

**Key words:** *Banking Business, Rational Analysis of Profitability, Return on Assets, Balance Sheet Assets, Financial Reporting, Global Economic Crisis*

**JEL Classification:** *G21, G24, E40, E47, P51*

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## **TERMINATION AND VOIDNESS OF CREDIT AGREEMENT WITH CURRENCY CLAUSE**

*Vladimir Kozar*<sup>98</sup>

### **ABSTRACT**

*The Law on Contracts and Torts (LCT) does not prescribe other legal consequences of the termination of the contract due to changed circumstances, with the exception of the obligation of the plaintiff to compensate the other party for the fair part of the damage it suffers. The issue of the effect of termination has gained importance by passing a final verdict on the adoption of a claim for termination of a loan agreement with a currency clause due to changed circumstances, which did not decide on the legal consequences of the termination. The paper analyses the current court practice, above all the final verdict of the Court of Appeal in Novi Sad on the termination by which the court, adopting the claim, pronounced the termination of the contract on a long-term housing loan "due to significantly changed circumstances", as well as the opposing legal view, expressed in another judgment of the same court, according to which "the increase of the Swiss franc exchange rate relative to the moment of conclusion of the contract ... in the sense of Art. 133 para. 1 LCT does not constitute a valid reason for the termination of the contract requested. " Also, presented were the views of the Supreme Court of Cassation from the decision Rev 321/2016 of 25.01.2017 issued in the dispute over termination of the loan agreement, then the latest "pilot" verdict of the Appellate Court in Belgrade for a loan agreement in Swiss francs, as well as the decision of the Appellate Court in Novi Sad, Gž. 4345/17 of 13 April 2018, in which the position on the validity of the simultaneous contracting (cumulation) of the currency clause in EUR was expressed and interest at a rate higher than the default interest.*

**Key words:** *Termination of Contract, Changed Circumstances, Loan, Currency Clause, Clausula Rebus Sic Stantibus, Swiss Franc*

**JEL Classification:** *G21, G24*

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# **EFFECTS OF FOREIGN DIRECT INVESTMENTS ON THE PRODUCTIVITY OF SELECTED COUNTRIES OF CENTRAL AND EASTERN EUROPE**

*Nikola Radic*<sup>99</sup>

*Vlado Radic*<sup>100</sup>

## **ABSTRACT**

*Intense globalization in the last twenty-fifth years has led to a strong increase in international business activities, and foreign direct investment (FDI) has become a key feature of global economic flows. It is considered that the inflow of FDI is an important channel for the diffusion of new knowledge, technologies and different skills across national borders. In addition, FDI contributes to new employment, transformation of the production structure, improvement of production process technologies, and help in the diversification of the export structure, resulting in overall economic growth.*

*The integration of former centrally planned economies of Central and Eastern Europe (CEE) into global financial and trade flows is an interesting case for analyzing the multiple impact of FDI. Respecting exceptional economic and institutional transformations and the initial decline in economic activity at the beginning of transition process, these countries achieved exceptional growth rates in the mid-1990s. The most important factor that explains recovery and growth is the initial conditions, macroeconomic policies and structural reforms.*

*The objective of this paper is to quantify productivity because it is used as an important tool for assessing different policies. The paper will analyze the impact of FDI in the automotive industry of the Visegrad Group countries (Czech Republic, Poland, Slovakia and Hungary) on labour productivity. Using statistical analysis we conclude that automotive FDI inflow to the V4 countries increases labour productivity of the industry under study.*

**Key words:** *Foreign Direct Investment, Labour Productivity, Production Function, Automotive Industry, Central and Eastern Europe Countries*

**JEL Classification:** *E23, E24, F21, F43, L62*

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# **THE ROLE AND IMPORTANCE OF LOCAL ECONOMIC DEVELOPMENT PLANNING - A CASE STUDY FROM SERBIA**

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*Dusko Bodroza 102*

## **ABSTRACT**

*Local economic development (LED) is a concept that was launched in the world in the 60s and 70s of the last century, but popularity and special attention from economic policy makers, as well as economic development theorists, has been gaining since the 1990s. Thus, the process of the ever closer connection of economic and social flows on a global scale takes place alongside the increasing turn to local: local resources and comparative advantages as the basis for the development of local communities, and through the “bottom-up” approach, of the society as a whole. This concept allows economic development to be more tailored to local needs and possibilities and, in this sense, to be truly sustainable on the long run. The paper presents the theoretical and methodological basics of creating strategies and policies of the LED. The current theoretical approaches in this field have been pointed out; also the current methodologies developed within international institutions (such as the World Bank, International Labour Organization) and finally, some international experiences related to the practice of implementing LED in some countries in the world have been presented. In Serbia, the concept of LEDs has been initiated in a significant way in local governments since the beginning of this century, and it can be said that today it has become an almost commonly accepted concept in municipalities and cities in Serbia. Related to this in the second part of the paper, practical experience of local self-governments in Serbia in the implementation of the concept have been presented and some of the most important positive as well as negative experiences pointed out.*

**Key words:** *Local Economic Development, Methodological Basics, Development Projects, Local Community, Local Development Funds*

**JEL Classification:** *R11, R12, O12, O21, O22*

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## **FINANCING IN TOURISM - BASIC SOURCES OF FINANCING THE ACCOMMODATION OFFER**

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### **ABSTRACT**

*Based on the previous theoretical research and empirical experiences and knowledge related to the development aspects of the tourism economy, it can be concluded that the basic sources of financing all major projects in the tourism economy are share and loan capital.*

*Today, more as a financing technique rather than as a source of funds, especially from the aspect of how to make returns on invested capital, for investments in certain tourist destinations, it is interesting project financing.*

*Due to the volume of investments and the duration of construction, financing of accommodation facilities and higher investments in the tourism economy, it is particularly interesting that long-term financing, that is, long-term sources of financing. In today's business conditions, in the domestic and international practice of financing large investments in the tourism economy, the model of financing from the accumulation of own capital is very complicated or not profitable.*

*Right on, according to the above, the aim of the research is to clarify the significance of these sources and forms of financing when it comes to financing accommodation facilities of the tourist offer.*

**Key words:** *Tourism, Financing, Accommodation Facilities*

**JEL Classification:** *G10, G20, G30, G4*

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# **THE EUROPEAN UNION FINANCING SYSTEM**

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## **ABSTRACT**

*The main objective of this paper is to provide overview and analysis of the financing system of the European Union. The paper presents a historical overview of the development of the Funding System of various EU policies, the budget of the European Union, as well as its budgetary expenditures and revenues. European policy is based on solidarity and assistance of the developed to the underdeveloped, as confirmed by the fact that more than 1/3 of the EU budget is spent on: reducing the differences in the development of its regions, improving the living standards of the population in them, restructuring their industry, developing infrastructure, creating new jobs, etc. The author analyzed sources of revenue to fill the budget, the policy of spending budget funds in a seven-year period and the impact on the development of underdeveloped regions-the regions in the European Union.*

**Key words:** *European Union, Finance, Budget, Expenditures, Revenues*

**JEL Classification:** *P40*

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# **ASSESSMENT OF FINANCIAL STRESS AT THE REGIONAL LEVEL: RUSSIAN AND INTERNATIONAL PRACTICE**

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*Anna Savtsova*<sup>108</sup>

## **ABSTRACT**

*Despite the fact that risk management appeared in Russia not so long ago, it is already recognized in all spheres and sectors of the economy. Of course, there are difficulties and problems in this area, but risk management is developing, and the issues of building risk management systems are becoming increasingly important today.*

*However, little attention is paid to researching of the risk management system in the region, despite the high importance and the need for permanent forecasting of possible losses.*

*The article is presented an approach of building financial risk management system at the regional level, methods of risk control system, identified indicators of financial risk and financial stress.*

**Key words:** *Risk Management, Financial Risk, Financial Risk Indicators, Financial Control*

**JEL Clasification:** *A12*

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# ***EXCISE ON TOBACCO AND TOBACCO MARKET IN SERBIA***

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## ***ABSTRACT***

*This paper will analyse the flows of tobacco trade and the effects of excise on tobacco products. The tobacco market is specific, not only because of the type of products burdened by a special tax, but also because of its characteristics – very sensitive, regulated, covered with incomplete statistics, as well as heavily controlled market. This is indicated by the experience of other European countries that regulated this area by legal solutions, extensive regulations, and EU directives, which are now applied by Serbia. The high profit and extensive consumption of tobacco products has contributed to the existence of a parallel illegal tobacco market. Illegal flows weaken the state budget by reducing the country's revenues from excise on tobacco. The data analysis for the period 2005-2017 shows that the increase in revenues from excise on tobacco in Serbia was influenced by increased and regular collection of excise duties, stronger control of the borders and high elasticity of demand for tobacco.*

***Key words:*** *Excise, Illegal Trade, Budget Revenues*

***JEL Clasification:*** *H20, H61, H71*

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# **INTERNATIONAL TRADE OF GENETICALLY MODIFIED ORGANISMS IN THE FUNCTION OF EXPLOITATION AND ACHIEVING EXTRA PROFIT FOR MULTINATIONAL COMPANIES**

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*Jovica Beslac*<sup>112</sup>

## **ABSTRACT**

*The aim of this paper is to try to point out to the general public (scientific, expert and general) that there is no reliable knowledge and scientific evidence that genetically modified products are completely safe for food, but also that the trade of genetically modified seeds and pesticides producers of seeds and pesticides in fact, create the dependency of seed users and actually exploit them and generate high profits.*

*In this paper the method of analysis, synthesis, induction and deduction is used. Regardless of the different regulations and controls that are related to the international trade of GMOs, these products certainly come to the tables of the inhabitants also in the countries that prohibit their trade and production.*

*Exploitation of seeds and pesticides users consists in the fact that once purchased seed does not provide the next sowing of seeds in their own production and the need for the purchase of pesticides (mostly Roundup) from seed producers, without which it is not possible to grow GMO cultures. The WTO's request that all Member States must approve the trade of GMO products is in order to further exploit the small ones by large ones.*

**Key words:** *GMO, Production, International Traffic, Exploitation, Profit*

**JEL Classification:** *G24, Q19*

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