Reviewed extended abstracts of the 8th International Scientific Conference of the DOBA Business School





REVIEWED EXTENDED ABSTRACTS OF THE 8TH INTERNATIONAL SCIENTIFIC CONFERENCE OF THE DOBA BUSINESS SCHOOL

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Edited by Pedja Ašanin Gole



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#### Foreword

In this book of extended abstracts, you will find the short scientific articles prepared for the 8th International Scientific Conference of the DOBA Business School Maribor, organized by this Faculty on 12 and 13 November 2018 in Maribor. This time the organizer has succeeded in gathering relevant authors from traditional as well as less established disciplines and has bound them in the topic presented through the title of the conference »Turn Innovative Ideas into Reality". Apart from six key speakers at the conference participated 62 authors from 37 higher education institutions, companies and other organizations. The authors of 37 articles, which were double blind reviewed by members of the International Scientific Program Committee, come from 13 countries.

The mission of the 8th International Scientific conference of the DOBA Business School is to gather the researchers working or cooperating with this Faculty and researchers mainly from the region to discuss relevant issues of modern business theory and practice in manufacturing, education and in other industries. In this respect, the organizer succeeded to include contribution of university professors, researchers, top practitioners, students and members of the DOBA Faculty professional services. Therefore, we are proud to be in position to not only present research in the fields that are covered by our study programmes and research, but also analyses permanently prepared by teachers and professional co-workers in the field of teaching methods and technology. Concentrating on online study programmes the DOBA Business School feels obliged to develop also research in the field of its operation.

Rasto Ovin

The International Scientific Programme Committee and Board of Reviewers Dean, DOBA Business School

KEYNOTE INTRODUCTORY LECTURES	

#### 1 Innovation and the new story of business

#### R. Edward Freeman

#### Purpose

The purpose is the describe the underlying principles of a new narrative about business that is emerging around the world; in this new narrative ideas such as creating value for stakeholders, the importance of ethics and values, and the role of purpose are center stage. The session will focus on how these ideas lead to innovation and renewal for organizations and societies.

#### About the keynote speaker

R. Edward Freeman is University Professor of strategy, ethics, and entrepreneurship at the Darden School of Business at the University of Virginia, Elis and Olsson Professor, academic director of the Institute for Business in Society, and senior fellow of the Olsson Center for Applied Ethics at the University of Virginia Darden School of Business. He is also Adjunct Professor of Stakeholder Management at the Copenhagen Business School in Denmark, Visiting Professor at Nyenrode Business School (Netherlands), Adjunct Professor of Management at Monash University (Melbourne) and Visiting Professor at the International Center for Corporate Social Responsibility at Nottingham University. He has held honorary appointments as the Welling Professor at George Washington University and the Gourlay Professorship at University of Melbourne. Prior to coming to The Darden School Mr. Freeman taught at University of Minnesota and The Wharton School, University of Pennsylvania.

Prof. Freeman is perhaps best known for his award winning book: Strategic Management: A Stakeholder Approach (Cambridge, 2010), originally published in 1984, where he traced the origins of the stakeholder idea to a number of others and suggested that businesses build their strategy around their relationships with key stakeholders. He is the co-author of Stakeholder Theory: The State of the Art (Cambridge, 2010) and Managing for Stakeholders (Yale, 2007). He is the author or editor of over twenty volumes and one hundred articles in the areas of stakeholder management, business strategy and business ethics. He was the editor of the Ruffin Series in Business Ethics (15 volumes) published by Oxford. He is the co-editor with Mette Morsing and Jeremy Moon of the Cambridge Series: Business, Society and Value Creation (11 volumes).

Freeman has a Ph.D. in Philosophy from Washington University, and a B.A. in Mathematics and Philosophy from Duke University. He has received honorary doctorates (Doctor Honoris Causa) from Radboud University Nijmegen, Universidad Pontifcia Comillas in Spain, the Hanken School of Economics in Finland, Sherbrooke University in Canada, Comillas University in Madrid, and The Hanken School of Economics in Helsinki for his work on stakeholder theory and business ethics. Freeman

is co-editor in chief of the Journal of Business Ethics, one of the leading journals in business ethics.

He is a lifelong student of philosophy, martial arts, and the blues. Freeman is a founding member of Red Goat Records (redgoatrecords.com) bringing the joy of original soul and rhythm and blues music into the twenty-frst century. He has received Lifetime Achievement Awards from the World Resources Institute and Aspen Institute, the Humboldt University Conference on Corporate Social Responsibility and the Society for Business Ethics. He has worked with many executives and companies around the world.

### 2 Mind the market place: On building world class innovation ecosystem

Raghunath Anant Mashelkar

#### Purpose

Similar to the conventional dichotomy: basic science - applied research (which is simply not sufficient for distinguishing modern innovation processes) nowadays, we have to consider the diversified landscape of present-day innovation. It is going well beyond technological and non-technological, the old linear logic has vanished, through ever more sophisticated and complex market mechanism (decisively influenced by public policies), all kinds of actors are involved in various stages of the innovation processes. Both entrepreneurs and policy makers need to be fully aware of the differences among incremental, disruptive, and frugal innovation.

How different are innovation processes of the 21st century compared to the ones being presented at most universities and being perceived by politicians, as well as by most of the general public? Perhaps the most important one is the absolute necessity to mind market. In other words, it is necessary to consider from the start more explicitly than before which specific challenges and needs of the society a certain innovation will address (in a different way, or at least more efficiently – which already implies lower cost).

And here we come to the *»frugal innovation*« which is motivated by accessibility of the innovation for more people than the exclusive, newly introduced elite products/services. It is the responsibility of the entrepreneur to keep the business profitable, but the *»frugal* entrepreneur« is not interested primarily in maximising the profit, but *maximasing the number of satisfied customers* – which could in total bring even more profit. In this scenario profit is the reward for the entrepreneur to satisfy many customers.

Frugal innovation does not only address the needs in the market, but does it sustainably and in line with the principles of corporate social responsibility, CSR, which can be distinguished into two phases: CSR 1.0 - Doing well *and* doing good, and CSR 2.0 - Doing well *by* doing good.

While in CSR 1.0 entrepreneurs make fortunes and than give a fraction of it »back to society« through creating trusts and foundations – feeling they have a moral responsibility towards a society which allowed them to become rich. The Indian government has made a »CSR law« requesting companies to give back to society 2% of their net profits. This is good example, but globally it is not good enough, considering that 2.6 bn people earn less than 2 USD per day.

CSR 2.0 is not replacing CSR 1.0 but complementing it and bringing a far greater impact by touching the lives of millions. I call this as `doing well <u>by</u> doing good'. This means `doing good' itself becoming a `good business'.

But why should doing good be considered important? The answer is simple – because rising inequality is one of the greatest challenges of our time. Income inequalities, for instance, create access inequalities, which leads to social disharmony. It also reduces the total volume of demand, which affects negatively the scope of business.

How do we achieve CSR 2.0? We have to make a change in the way we do business, a change in which the policy makers think, the way in which science, and research is conducted, etc. I will talk about the why, what and how of CSR 2.0 through which enterprises can `do well <u>by</u> doing good'.

I propose that private sector can do well by doing good, if they adopt an ASSURED innovation strategy. And it is such ASSURED innovation alone that will assure the fastest journey from mind to market place.

```
For me, ASSURED stands for the following:

A (Affordable)

S (Scalable)

S (Sustainable)

U (Universal)

R (Rapid)

E (Excellent)

D (Distinctive)
```

Why the "inventor mentality" (opposite to »innovator mentality«) tends to prevent the innovator and entrepreneur to mind the market place appropriately? The key reasons are: failure to understand the generic nature of modern innovation process, traditional mind-set, conventional education, lack of communication and management skills.

Facing all these challenges, the decisive factor of change is the *development of the innovation ecosystem*, which includes:

- appropriate regulatory framework (public R&D funding, tax incentives for companies, ease of opening, ownership transfer and closing of companies, etc.);
- consistent and stable government policies supporting all stages of science, research and innovation & entrepreneurship, as well as business-academia partnership, clustering;
- education and training system (including Life Long Learning and online education) developing skills and competencies needed for the 21st century knowledge economy;
- efficient business and innovation *support programmes* executed through agencies operating in transparent and effective fashion;
- *value system* appreciative of knowledge, innovation, entrepreneurship and risk-taking, as well as solidarity and social responsibility.

Though a lot depends on the ecosystem, the initiative, persistence and consistent effort still remains on the innovator and entrepreneur. They nowadays - in the fast changing, globalized, uncertain and volatile environment – need more than ever a solid predictive analytical capability. Only *then* they will not be a victim of change, but an active partner and agent of it.

#### About the keynote speaker

Professor Mashelkar studied at the University of Bombay's Department of Chemical Technology where he obtained a Bachelor's degree in Chemical engineering in 1966, later on a PhD degree in 1969. Mashelkar is presently the President of Global Research Alliance, a network of publicly funded research and development institutes from Asia-Pacific, South Africa, Europe and USA with over 60,000 scientists. He is the Chairperson of India's National Innovation Foundation. He has been appointed as the first Chairperson of Academy of Scientific and Innovative Research (AcSIR). He is also the chairman of the Reliance Innovation Council formed by Reliance Industries Limited, India.

Professor Mashelkar is the former President of the Indian National Science Academy and the UK Institution of Chemical Engineers (2007–08). He served for over eleven years as the director general of the Council of Scientific and Industrial Research, world's largest chain of publicly funded industrial R&D institutions, with thirty-eight laboratories and about 20,000 employees. He is the third Indian engineer to have been elected as fellow of Royal Society (FRS), London in the twentieth century. He was elected foreign associate of the United States National Academy of Sciences in 2005, only the 8th Indian since 1863 to be selected. On 2008, he was elected as the foreign associate of Australian Academy of Technological Sciences and Engineering. He was elected foreign fellow of US National Academy of Engineering (2003), International Fellow of Royal Academy of Engineering UK (1996), and Fellow of World Academy of Art & Science, USA (2000).

With his achievements and unique experience, he is considered one of the leading international authorities on innovation processes. His most direct area of specialisation is behaviour of polymers, their thermodynamics, modelling of polymer reactors and the engineering analysis of non-Newton currents.

For his academic achievements he received over 30 honorary doctorates from universities in India, US, Europe, and Australia.

He is the current or past president of numerous international scientific and professional associations, academies, and Vice Chair of the International Advisory Board of the global Knowledge Economy Network, KEN. He is also member of chair of Boards of 13 major international companies, including TATA Motors Group, Reliance Gen Medix.

#### What works in creativity and innovation: Some key lessons from eight years of research

Kristina Potočnik

#### Purpose

In competitive markets, the organizations need to continuously innovate to survive and prosper. Innovation comes in various shapes and sizes but ultimately it will be a driver of change and improvement. For instance, in the last ten years we have witnessed incredible innovations in education (e.g., massive online open courses that can make education accessible to anyone around the globe), healthcare and medicine (e.g., revolutionary medical equipment that can save lives), and car industry (e.g., driverless cars that may reduce the number of car accidents), among others. These are just some examples of how innovations can help improve our quality of life and the competitive edge of companies that introduced them.

However, what is frequently forgotten in the innovation literature is that all these great innovations had to come from "somewhere". That is, in order for organizations, private or public, to generate innovations, they need innovative people who are capable of coming up with novel and useful ideas and promoting them in order to secure support for their implementation. They need effective teams that are composed of individuals who complement each other's knowledge and skills and can create something novel that no one could have achieved on their own. Organizations need effective leaders who are capable of empowering their subordinates and unleashing their innovation potential. In her talk, Kristina will address these points by 1) discussing how innovation is conceptualized and explored from the human resource management perspective and 2) highlighting some of the key findings about how to foster creativity and innovation in diverse settings, including social services and education.

#### About the keynote speaker

Kristina Potočnik (PhD, University of Valencia; BSc, University of Ljubljana) currently works as a Senior Lecturer/ Associate Professor in Human Resource Management at the University of Edinburgh Business School. Managing individual and team-level innovation has been one of her core research interests for the last eight years. Specifically, in her research, Kristina has looked at issues related with identifying individual innovation potential and the role of context in fostering team creativity and innovation, respectively. She has published a number of articles in different journals, including Journal of Management, Journal of Occupational and Organizational Psychology, International Journal of Selection and Assessment, European Journal of Work and Organizational Psychology, amongst others. She is a chartered member of British

Psychological Society, and a member of International Association of Applied Psychology, European Association of Work and Organizational Psychology, and Society for Industrial and Organizational Psychology. She has also consulted different organizations from variety of industries, including education, health care and HR consultancies, about how to nurture their employee creativity and consequently boost their innovation.

### 4 Innovations as a product of artistic and scientific research

Peter Gabrijelčič

#### Purpose

Innovations have always been the driving force of the economic and general development of society. They often occur randomly, but today we know mechanisms that encourage the emergence of innovation. We can create conditions that encourage innovators and researchers in their work.

I wish to draw attention to the now neglected role of artistic creation as an important form in the research process, and to the much needs to collaboration and integration of all forms and levels of research. European bureaucracy has proposed to unify the criteria and forms of research work in all technical and social sciences. This is a big mistake and a loss for the international competitiveness of Europe. I believe that innovators must, in their growth, support both intellectuals with the ability of abstract thinking, as well as professionals in a specific field. This universal ability of thinking will enable broader employment flexibility in our own and other fields and provide a »common ground« of communication and connection with other disciplines. To achieve this, the innovators will need "creative peace" where a free transition through project tasks from the lower to the higher levels of abstraction is possible. This is a process of maturity that cannot be skipped if we want to shape inquisitive, and inventive critical thinkers, as well as socially and professionally motivated intellectuals and designers. In addition, we need researchers who will be able to connect both poles of creative research devoted to basic (including purposeless) research in both spheres. In both scientific and artistic (lateral) fields

Do we truly need two kinds of research in the work of innovators: scientific and artistic? Vertical, scientific thinking is consecutive thinking, lateral thinking skips from one thing to another. Vertical, scientific thinking makes us take one step further at a time. Each step is a continuation of the previous one and the link between them is strong. The validity of a conclusion is measured with the correctness of the steps taken to arrive at the conclusion. In lateral thinking, the steps are not consecutive. We may jump forward, to a new point, and only then fill in the gap behind. Due to the different and, indeed, complementary nature of both approaches, it is beneficial in practice to link both types of experience in one person or in a team, which leads to synergy and encourages innovation in both research poles.

An innovator does not know where his ideas come from nor does he care about it. Ideas come in a meditative state, which is characterized by relaxation of the mind and a high level of personal freedom (a so-called liberated territory). Any kind of prohibition, order, control or self-control will immediately stop the process. A creative person excels in

both types of thinking. First, lateral thinking is used, giving rise to original thoughts, then vertical thinking – checking, confirming or rejecting. Exclusive focus on lateral thinking may lead to daydreaming, autism, and isolated vertical thinking leads to dull repetitions of the same operations and sterility of thought. The problem is that lateral thinking is blocked by vertical thinking.

Assuming that at the same time we need two types of thinking simultaneously, i.e. two types of research, then research focusing on the pursuit of new ideas basically calls for a relaxed atmosphere. That is why it is essential to form collaboration and to create some sort of an in-between research field where the two opposing poles interlace.

#### About the keynote speaker

Peter Gabrijelčič was a longtime dean and professor at the Faculty of Architecture , University of Ljubljana . He was a visiting professor at numerous universities: in Belgrade, Skopje, Podgorica, Graz, Milan, Birmingham, New York, Oslo, Stockholm, Grenoble, Venice, Lugano, Trento, Trieste, Lisbon and Oxford. Since 1997, the owner of the architectural office *Arhitektura* and since 1997 the city architect Ptuj. For his work he received several important national and international awards and received numerous awards at national and international competitions in the field of design, architecture and urbanism. During many years of cooperation with fellow designers, he is co-author of many bridges seen in Slovenia and abroad. Among others, the Ada Bridge over the Sava in Belgrade. He is a writer of numerous professional and scientific articles and a member of domestic and international academic and professional associations. Peter Gabrijelčič is Professor Emeritus of the University of Ljubljana.

### Who killed the truth: Politics, journalism or public relations?

Zaneta Trajkoska

#### Purpose

5

While we are talking about fake news and disinformation and how to fight this 21 Century chronic disease, it seems that we forgot to ask about the most important thing: what is the truth, where is it, who kidnaped and who killed it...and most importantly, why the global society was not ready to pay the ransom to free the truth. It was convenient to all of us to "play" with the truth from time to time, when it suits us, and after we (miss)used it, to show with the finger toward the others - as guilty one for killing the truth, and not us. With the control of media content through different strategies - propaganda, manipulation, spinning, clientelism and corruption, centers of power are tending to influence opinion of the public and to predict how people will react of different information. With internet and social media this job became much easier than before, as individual responsibility is deficient while we are using mainstream media, twitting, posting pictures, commenting or, creating jet another website for spreading messages to the public, clients, voters...

Who controls the information, controls the media and with that, controls our life and future personal choices. Macedonian case of political propaganda and spin strategies of the Ex-Prime minister Nikola Gruevski showed how far politicians can destroy fundaments of one society and erase human and democratic values and integrity. Political Spin strategies and fake news were widely used in Macedonia way before city of Veles, became globally famous capital of fake news and one of the decisive factors in US elections. Eleven years of ruling of Mr. Gruevski proved that political persuasion and lies/fake news are powerful tools when you've corrupted mainstream media, engaged trolls for social media and mushroomed numerous web portals to pollute internet sphere. This is a successful method of convincing people to change their views and opinions within circumstances of them being afforded a "free choice." Freedom is never absolute, and citizens are able to pick only one message among the many to attach to, as well as present their personal views and behaviour as public.

"Sixty-two thousand four hundred repetitions make one truth", said Aldous Huxley—author of Brave New World. So, the truth is replaced with continues repetition of a lie, as the more frequent the lie is, the more credible it is perceived to be. But who is the biggest liar in the public communication sphere — politicians, media or PR executives? For how long we will not look within our code of conducts, principles of working, professional values and standards, looking aside in order not to be able to see the lack of integrity and moral within these public professions. Is this strategy of ignoring viable or is it way to the inferno?

#### About the keynote speaker

Žaneta Trajkoska studied journalism before completing her Master Degree (Communication and management for cultural policies), at LUMSA, Rome, Italy in 2004. She holds PhD in political science at the University of St. Cyril and Methodius, Faculty of Law Iustinianus Primus, Macedonia. She is Director of the Institute of Communication Studies, Scientific Associate and Senior Lecturer at this research institution, Previously. she was director of the School of Journalism and Public Relations since its establishment in 2008, and the managing director of the Macedonian Institute for Media for seven years. Between 1993 and 2001 she was working as a journalist in different media outlets in Macedonia. Trajkoska's particular fields of interest are media, communication and politics and their interconnection in the creation of public opinion. She is also interested in the influence of the public relations on the professional journalism standards and ethics, as well as the relationship between transparency of the government institutions, communication and the media. Since June 2011, she takes part in the research projects within the UNESCO Chair in Media, Dialogue and Mutual Understanding, focused on diversity reporting and media role in promoting tolerance and social cohesion in the Macedonian society.

Research fields: media and journalism studies, mass communication and media policy, media manipulation and propaganda, political communication, strategic communication.

#### 6 Dark tourism: An insight

#### **David Taylor**

#### Purpose

The term 'dark tourism' was coined in 1996 by Lennon and Foley of Glascow Caledonian University. The definition in the Collins English dictionary is *tourism* to *sites* associated with *tragedies, disasters,* and *death*. In 1996 Lennon and Foley stated that it is the phenomenon which encompasses the presentation and consumption (by visitors) of real and co-modified death and disaster sites. Lennon and Foley also state that it refers to events that have occurred in recent times, which force the visitor to question modernity

The concept is not new and it can be argued that dark tourism has existed throughout history. Activities such as gladiator contests in Roman times, public executions in the middle ages, and guided tours of morgues in 19th century Paris could all be classed as dark tourism. In 2005 Stone suggested that "within contemporary society people regularly consume death and suffering in touristic form, seemingly in the guise of education and/or entertainment".

Dark tourism is now well established, the growth of the sector led to the establishment of the Institute for Dark Tourism Research (iDTR), based at the University of Central Lancashire, England. the iDTR has become a world-leading academic centre for dark tourism scholarship, research and teaching. The iDTR promotes ethical research into the social scientific understanding of tourist sites of death, disaster or the seemingly macabre. The iDTR brings together researchers who seek to deliver internationally recognized research that contributes to the ethical and social scientific understanding of dark tourism and dark heritage. This presentation will regularly refer to the publications of the institute.

This presentation will explore the *dark tourism* spectrum. Looking at the "shades of darkness", identifying sites to illustrate "the shades". It will explore ethical issues and explore academic research into "dark tourism" and current issues. It will also identify entrepreneurial opportunities and the moral constraints attached to opportunities.

#### About the keynote speaker

David Taylor initially worked in the Travel industry. He worked for Thomas Cook for 11 years. When he left the industry, he held the position of Area Sales Manager Scotland and North East England for Thomas Cook Holidays, the tour operation arm of Thomas Cook at that time.

He left the travel industry to follow a career in academia. From 1988 to 1993 he taught Travel and Tourism to level 3 students. During that period he completed his teaching qualifications, holding a post graduate certificate in education.

In 1993 he moved to New College Durham to take up a position of course leader for a specialist European Travel and Tourism programme at level 5. This was further developed in subsequent years to become a level 6 option (BA programme, In the early 90's David completed a post graduate certificate in management and a post graduate diploma. From there he completed his MBA.

New College Durham was a member of the Businet network of higher education institutes and David became involved in the Tourism Group. He was the chair of that group from 1993 to 2001. In 1999 he took over as General Manager of the network, a position that he still holds. As General Manager of the Businet network David organises and hosts three conferences annually - the largest of these events attracts 200 plus delegates. He therefore spends a significant amount of time negotiating and working with the hotel and tourism sectors. Since taking the role of General Manager the network has almost trebled in size, currently boasting some 108 members in 31 countries.

David is also President of another European network called ESA. He has been a Board member since 2002 and has been President for the last 4 years.

In 2006 New College Durham established the role of Head of International. David was successful in his application for this position and held until he retired from full time employment with NCD in 2016. During the period 2006 to 2016 David continued to contribute regularly to travel, or events management modules on a final year BA programme.

David took early retirement from New College is 2016. He remains in his position with Businet and owns and manages a small property development company, as well as doing some consultancy work. The reason for taking early retirement was to allow him to pursue his passion for travel and to be able work, doing things the things he enjoys, when and where he wants to do them. His travels to date has taken him to over 80 countries.

### 7 How long has the time for a utilitarian university actually been here?

**Rasto Ovin** 

#### Purpose

Last years have seen enrolment of young generation in the higher education system of about 50% thus causing the percentage from the mid of the XX. Century to be multiplied several times. Once meant for up to the 10% or so of talented young students nowadays the higher education has to comfort the population that simply must participate in this level of education – due to rising criteria set by new technologies of production and business. The author points to the development of historical types of universities and uses the difference to obsolete types as an indicator of appropriateness of higher education for the demands of labour market as well as of modern society.

The shares of young population between 18 and 24 years included in higher education differ among different states - however in Western developed countries they as a rule reach 40% - 50%. This no doubt influenced the development of the university. In the EU the biggest systemic change here was the introduction of the Bologna model in the beginning of the last century. Its mission has been best explained by its critics naming it the change from the process of education in the process of training. Since roots of university have as a rule elitist connotation it is interesting to compare their historical types and try to assess how their characteristics correspond to the today needs. Here the Napoleonic type of university is obsolete due to its mission to educate administrative elite – the graduates that expect to get their secure job after leaving the university. The research and Ph.D. focused Humboldt university derives from the 'knowwhat' principle although typical German universities have guite a time ago been subject to modernization. The Cambridge type of university is elitist and is focused on the top talented population of students. So, the path-finder in modern times seems to be the Scottish – American type of utilitarian university. A non-elitist type of (Tier II) university is typically oriented towards best possible access of the students, businesses and society to knowledge produced at the university. Unlike by selection (typical for Humboldt type university) a utilitarian university with the system of student advisors evaluate and steer the students majors according to their performance in study.

Also, in Slovenia as a transition country with high percentage of young population (50%), entering the higher education the focus will have to change. Unlike expensive lost years of the share of students losing a year due to selection more effort should be made to find the right study and major for them. That this is a feasible job has in certain form been proved by the practice at the DOBA Business School. That the school is trying to enable best possible access of the students to knowledge is shown from the fact, that it

is engaging the number of tutors that is bigger than the number of teachers. Besides, teachers' qualification for act as such is not only evaluated through compulsory and rigorous nationally prescribed research performance criteria but also through the fact, to what extent they are active in practice in the fields that they teach.

#### About the keynote speaker

Rasto Ovin is the Dean of the DOBA Business School. After graduating at the University of Maribor, School of Economics and Business, he finished his MSc at the University of Zagreb, Faculty of Economics. In 1986, he successfully defended his PhD. thesis at the University of Belgrade, Faculty of Economics. His dissertation topic was the "Comparison of productivity levels in industries of Yugoslav and Austrian manufacturing". He absolved his post-doctoral studies in the early nineties in Germany - at the Philipps University Marburg. In the course of his post-doctoral study, he also visited Heinrich-Heine University Düsseldorf, The Kiel Institute of World Economics and Bonn University.

Starting with the position of research assistant at the Maribor Institute of Economics in 1972, professor Ovin became the teaching assistant at the Faculty of Economics and Business at University of Maribor in 1974. In 1998, following his titles of an assistant, lecturer, assistant professor, and associated professor, he obtained tenure as full professor of economic theory and policy. He has held several professional functions at the university, in government as well as in business. He acted as the Vice-Dean, Dean and Vice-rector of the University of Maribor.

He has been a member of advisory boards and bodies of several Slovenian governing boards in the fields of economic policy (strategic councils, Fiscal council), science (national co-ordinator for economic science) and higher education development (expert of National Agency of Quality in Higher Education), and has been established as a commentator on economic developments by Slovenian media.

His main research field and topics in the course of his career have been productivity analysis, production and export functions of Yugoslav economy, transition, institutional economics, cross-border mergers and acquisitions and modern university development. The bibliography of professor Ovin contains more than 600 publications (mostly articles, popular articles and monographs).

TUDN	INNOVATIVE	IDEAC	INITO	DEALIT

#### INTERNATIONAL BUSINESS AND MANAGEMENT

# 8 Effects of social capital transfer on successors' innovativeness in smaller family businesses

Marina Letonja\* | Mitja Jeraj\*\*

#### Purpose of the research

In the recent period, scholarly interest for family entrepreneurship and succession has been increasing while the question of innovativeness of successors is relatively unexplored. We examined the results of research by numerous authors in order to identify independent factors that are positively related to the innovativeness of successors in SFB. This research explores the relationship between social capital of the founders in SFB and innovativeness of their successors. The transferability of social capital among generations in SFB is of strategic importance for the continuity and sustainable development of SFB in Slovenia.

RQ: Is the transfer of the social capital of the founder into SFB positively related to the innovativeness of the next generation in SFB?

Keywords: family business; innovation management; innovativeness; successor; social capital; Slovenia.

#### Introduction and literature review

Innovation is based on knowledge; a new way of doing things must be based on a new way of looking at things (Marcati et al., 2008). Innovation is the ability of a company or an individual to innovate (Hult et al., 2004), is the result of innovation ability and is reflected in innovation (Keh et al., 2007). Innovativeness is connected with competitivness of companies. Pearson et al. (2008) used the theory of social capital to explain how the specific resources of the family form the competitive advantages of SFB.

They distinguished between the structural dimension (eg. network connections and the relevant organization), the cognitive dimension (eg. common vision and language), and the relational dimension (eg. trust, norms, obligations, and identification) of SFB's social capital. The drivers of family social capital and their impact on the SFB's social capital are: stability in terms of the stability of the core of the family as well as the influence of the family on the SFB; interactions, since they allow flow between individuals; the interdependence of the family and the SFB, and the closure of the family network, which enables the specificity of the family. Arregle et al. (2007) argue, "if the family works

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better than most of its non-family competitors, this is partly due to having a strong family social capital."

#### Design/Methodology/Approach

The target group of our research were SFBs of the first and the second generation – their founders and successors in Slovenia. As our research includes two independent samples with mostly ordinal data, we used univariate (analysis of means, variance, reliability index Cronbach alpha, t-test) and multivariate (simultaneous analysis of more variables, correlation) statistical methods to study the two constructs – social capital of the founders and innovativeness of successors, to test the positive correlation between the two.

#### Findings/Results and conclusions

The transfer of the social capital of the founder to successors and the positive connection with the innovativeness of the successors was checked with the hypothesis:

"The succession of successors in the SFB in the transition economy is positively related to the transfer of the social capital of the founder to the next generation,"

which we have partially confirmed. We have found that for the innovativeness of the successors, the structural dimension of social capital is of particular importance, which refers to the willingness of the founder to share the information with the successor, and the cognitive dimension of social capital that refers to the founder and successor of a common vision of the future of SFB.

#### Research limitations/implications

An important limitation of the research was that there are few theoretical sources with combinations of studied areas, viewed on a global scale. The results of the research can not be generalized to any population of companies, as they are limited to SFB. The study was conducted on a sample of 103 SFB. The research is quantitative and it makes sense to upgrade it by qualitative research with in-depth interviews.

The research results were processed with IBM SPSS 22; we studied positive correlation, not causality between variables. The challenge for further research is the use of the SEM (Structural Equation Modeling) method and, consequently, further statistical processing of data in the founders and successors SFB databases in Slovenia.

#### Practical and/or social implications

The findings of the research are useful for family entrepreneurs of different generations - for founders and for their successors and experts who will, for example, be employed in SFB. The SFB needs to create an appropriate culture for innovation.

The family culture of the founder / SFB and the social capital of the founder can be greatly contributed to this. Key knowledge is also about innovation management, which contributes to the greater competitiveness of SFB on a global scale.

#### Originality/value

This paper links the two studied constructs and presents a valuable contribution for entrepreneurship theory; therefore, the results could be used for a further scientific research as also for practical implications.

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### 9 Labour market in Slovenia and Austria: Are unemployment and wages correlated?

Nuša Lazar\*

#### Purpose of the research

In recent years, the issue of employment and unemployment in the European Union is strongly discussed. Back in 1997, the EU Member States undertook to establish a set of common objectives and targets for employment policy. They established the European employment strategy (EES), which main aim is the creation of more and better jobs throughout the EU. It now constitutes part of the Europe 2020 growth strategy and it is implemented through the European semester.

A crucial part of the labour market is also the cost of labour. Labour plays a major role in the functioning of an economy. On one hand for businesses, it represents a cost (labour costs) that includes not only the wages and salaries paid to the employees but also non-wage costs (such as social contributions payable by the employer). On the other hand, as far as the employees are concerned, the compensation received for their work (wages or earnings), generally represents their main source of income.

The main research which we will conduct in this paper is the comparison of two key variables: the number of unemployed people in Slovenia and Austria in the period from 2006 to 2017 and the average annual wage in the mentioned countries in this period. We want to confirm the insider-outsider theory in the labour economics in Slovenia and in Austria.

Keywords: unemployment, wages, insider-outsider theory, employment protection legislation index.

#### Introduction and literature review

We want to confirm the insider-outsider theory in the labour economics. This theory was developed by Lindbeck and Snower (1985, 1990, 2001). The problem of a strong position of the insiders, that means the employed workers, when wage bargaining, researched also Shaked and Sutton (1984), Passarides (1989), Blanchflower, Oswald and Garrett (1990), Rueda (2005) and others.

The theory states that replacing the currently employed workers with new workers, who are willing to work for lower wages, can be unprofitable for a company. Laying off existing employees and replacing them with new employees and their training are namely related to higher costs.

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#### Design/Methodology/Approach

Investigations and data comparison will be done for two different countries: Slovenia and Austria. These are neighbouring countries which are in some aspects similar and on the other hand quite different. Slovenia and Austria are both member states of the European Union, although Austria had, according to the data of Eurostat, in 2017 a GDP of 42.000 Euro per capita (calculated by current prices), which is the double of Slovenia's GDP that same year. We will present an empirical analysis that distinguishes between unemployment at different age groups to investigate which age group shows the highest unemployment.

For our analyses, we will use data from Eurostat database in the period from the year 2006 till 2017 and will analyse the data on a yearly basis. In addition, we will examine the average annual wage and how this changed during the years 2006 and 2017. For our analyses, we will use data from Statistical Office of the Republic of Slovenia (SURS) and Statistik Austria and will analyse the data on a yearly basis. We will use the SPSS program for a correlation analysis of the two mentioned variables.

#### Findings/Results and conclusions

Some research of insider-outsider theory in Slovenia was done, but a comparison of this theory between Slovenia and Austria is still missing. With this paper, we will conduct a short labour market research for each country and we want to confirm the insider-outsider theory in the labour economics for both countries. Based on the data collected from the OECD database we will compare also the employment protection legislation index for both countries. We assume a slightly higher employment protection for the OECD average, which is a consequence of trade unions activity.

#### Research limitations/implications

Our research is limited with a time frame of the years 2006 and 2017 since for both countries only this secondary data is currently available. The mentioned OECD indicators measure the procedures and costs involved in dismissing individuals or groups of workers and the procedures involved in hiring the workers on fixed-term or the temporary work agency contracts. This data is available and presented by the OECD only for the years 2008 till 2013 (for both investigated countries to be compared).

#### Practical and/or social implications

Our investigations and data comparison for both countries in the above-mentioned aspects can be useful for scholars, educations, and governance.

#### Originality/value

The insider-outsider theory in Slovenia, as well as in Austria is not well researched which we want to improve with this paper.

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# 10 Time management in Montenegro

Dijana Medenica Mitrović\* | Darko Lacmanović\*\* | Maria Popović\*\*\* | Andrej Raspor\*\*\*\*

## Purpose of the research

The increasing salience of time is reflected in theoretical as well as in practical publications. A great number of authors have discussed the need for better incorporation of time in theoretical models and research designs, others focused on the ways in which people in organizations manage their time, and on ways in which these efforts can be improved. In this article we will address time from the latter point of view and testing the model of time management in the context of working time and spare time.

In recent years, in the theory and practice, growing interest has taken over time management and how to make better use of the time we have at work and spare time. So this paper deals with the research of time management, time spent, and concepts of time, work and spare time have been introduced, as well as what connects them, what they have in common and how to be efficient and effective in work and free time.

The theoretical and empirical part is given in the paper. The theoretical part relates to theoretical research on the time management and how to take advantage of the time available to people and where we lose valuable hours. The empirical part of the paper deals with the definition of how individuals from Montenegro manage their working and spare time. The research wants to answer the following questions: how do I use my available time, what is my use of available time, what are the individual's preferences in performing urgent tasks and where individuals waste time. The survey is based on how respondents use working time, i.e. how doing work affects spare time, what are the individual's preferences in solving urgent tasks, and what, in the opinion of an individual, is what impacts negatively on performing a job.

The interest in time management is by no means new (Macan, 1994, 381) and has been the subject of intensive research since the middle of the 20th century. Several authors proposed methods on how to handle time issues on job (e.g. Drucker, 1967; Lakein, 1973; MacKenzie, 1972; McCay, 1959). They suggested simple remedies such as writing work plans down on paper (so-called "to-do lists") in order to increase job performance

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(Macan, 1994, 381). At the same time, some authors (e.g. Drucker, 1967) recognized that planning tasks and activities does not always lead to the completion of planned work, especially when time pressure is high.

We also follow these findings but with slightest alternation as we aim to extend them from theory to the field of spare time. Due to modern technologies, this division is namely becoming increasingly unrecognizable. Garhammer (2002, 217–256) has pointed out that the increased pace of life is shown in doing things faster (acceleration), contracting time expenditure (e.g. eat faster, sleep less), and compressing actions (making a phone call while having lunch). Effective time management comes up with several positive outcomes such as productivity and psychological well-being.

Keywords: time management, working time, spare time, time wasters, research, model of time management

#### Introduction

A great number of authors have discussed about ways in which people in organizations manage their time, and on ways in which these efforts can be improved.

The interest in time management isn't new (Macan, 1994) and has been the subject of research since the middle of the 20th century. Several authors proposed methods on how to use time on work (e.g. Drucker, 1967; Lakein, 1973; MacKenzie, 1972; McCay, 1959) and they suggested so-called "to-do lists" in order to increase job performance (Macan, 1994, 381). At the same time, some authors like Drucker (1967) recognized that planning tasks and activities does not always lead to the completion of planned work, especially when time pressure is high. Additionally, modern technologies have changed the management of time and brought with them the speed of doing the job and at the same time mixing the free time and working time.

On the ground of the presented theory, few hypotheses were formed in order to find out whether tipping practices in Montenegro is similar or differ concerning prior findings, especially in Slovenia (Raspor and Macuh, 2017).

The hypotheses are:

H1: Insufficient (poor) use of working time affects private life.

To test this hypothesis, it was formed two sets of statements which measure the aspect of balance between working and private life:

- Q1 (11): I am not able to organize my day without being interrupted by someone = Q4 (5) I am constantly available for questions and comments from my co-workers.
- Q1 (19): There is a constant conflict between my work and free time = Q3 (4) Waiting in the queue »drives« my mind to thinking about urgent tasks = Q3 (16): I often eat my meal while I work.

*H2: Most people perform urgent tasks only.* This hypothesis is measured by the mean values of all statements.

*H3: Phone is the major time waster.* This hypothesis is measured by the maximum value of the mean.

## Methodology

The survey in form of a structured interview was created in order to empirically explore the attitudes regarding time management in Montenegro. The sample was formed by Convenience Sampling (also known as availability or Haphazard or Accidental Sampling) which is a non-probability/non-random sampling technique in order to create sample upon several criteria such as ease of access, geographical proximity, availability at given time, willingness to participate or sample is situated, spatially or administratively, near to location where researching is conducted (Lavrakas, 2008; Robinson, 2014; Etikan, 2016).

Respondents were asked to fill out the questionnaire in presence of the researcher. It was created a sample which consisted of 53 respondents. The questionnaire was distributed in various companies located in Bar in Montenegro. Answers were collected in the period from September to December 2017.

The questionnaire contained questions regarding the planning and organization of work and free time, daily scheduled working and free time, organizing the work and time in solving emergency task situations. It was also investigated the reasons for the waste of time during the workday.

It was used the Five-Point Likert scale (Sullivan and Artino, 2013; Brown, 2010) from 1 (I do not agree at all) to 5 (I totally agree) in order to measure the intensity level of positive or negative attitude.

The obligatory part of the questionnaire was also set of socio-demographic questions in order to determine the profile of respondents.

Statistical data analysis was realized by IBM Statistic Package for Social Science (SPSS) software version 20. For statistical analysis, the mean value was used to describe the main relationships among observed variables and to test the hypotheses.

#### Results

Looking at the mean value concerning the questions (Q1, Q3, and Q4) it could be noted as follows.

In first table are presented data about planning and organizing working and free time (Q1).

In question (Q1) about planning and organizing working and free time it was stated very high values of means near to 3 (2,87 in average) which means that respondents in general tend to be neutral (nor yes nor no).

Table 1: Data about planning and organizing working and free time	N	Mean	Std. Deviation
I don't spend my time the way I would like to.	1N 53	3.15	1,277
I have a feeling I am constantly <i>in a hurry</i> .	53	3,13	1,142
I suffer from the lack of time and overwork.	51	3,02	1,142
I don't achieve any progress in my work.	52	2.63	1,172
I work more hours per day than my co-workers.	49	2,84	1,172
I take my work home, to do it in the evening or at the end of the week.	52	2,04	1,091
I am mostly <i>stressed out</i> because there are many tasks to be done at the same time.	53	3,11	1,296
I have a <i>sense of guilt</i> , because I don't work better under the time distress.	53	2,62	1,259
Work is only stress and effort for me.	52	2,79	1,258
I run from one meeting to another one.	53	2,92	1,207
I am not able to <i>organize</i> my day without being interrupted by someone.	53	3,21	1,166
I may say <i>I don't have influence on</i> how I use the time available.	53	2,58	1,117
I can rarely afford recreation.	52	2,73	1,122
I can't plan my holidays and weekends more than 1 week in advance.	53	3,08	1,299
Boring, difficult and unpleasant tasks are <i>piling up</i> and I am only capable of solving them when they become urgent.	53	2,92	1,190
I mostly do my working tasks after the time my co-workers have already finished theirs.	53	2,42	,908
I have a feeling I have to be always involved in the productive tasks.	53	3,45	1,030
If I leave work earlier I have a sense of guilt.	53	2,92	1,328
There is a constant conflict between my work and free time.	52	3,31	1,213
I am not able to manage my tasks within the deadline.	53	2,32	,936

Source: Own research

The minimum value of the mean is 2,21 with the statement "I take my work home, to do it in the evening or at the end of the week" which point that respondents don't thing that work tasks have to be realized at home.

The maximum value of the mean is 3,45 with the statement "I have a feeling I have to be always involved in the productive tasks" and that is mean that respondents have a feeling to be enough productive during the workday but in same time they have little bit positive attitude to statements such as "I have a feeling I am constantly in a hurry" (3,25) which point on some kind of stress.

Testing the hypotheses H1 it was measured attitudes toward particular statements in different groups of question.

The attitudes of respondents to statements: Q1 (11): I am not able to organize my day without being interrupted by someone (3.21) and Q4 (5) I am constantly available for questions and comments from my co-workers (4,0) were different, slightly above neutral for Q1 (11) and positive for Q4 (5).

Also, the attitudes toward statements Q1 (19): There is a constant conflict between my work and free time (3,31) and Q3 (4) Waiting in the queue »drives« my mind to thinking

about urgent tasks (3,42) and Q3 (16): I often eat my meal while I work (3,26) were almost equal, little bit above neutral.

The first hypotheses according to mean values is partially confirmed which means that respondents in Montenegro were rather neutral on statement that Insufficient (poor) use of working time affects private life. In table 2 are presented data regarding the organization of the work day (Q3).

Table 2: Organizing the work day data			Std.
	N	Mean	Deviation
I work best when I am <i>under pressure.</i>	53	2,43	1,279
I often blame rush and external pressures for disturbance of my work and time.	52	3,02	1,244
I am often disappointed, because I think people are slow.	51	3,57	1,025
Waiting in the queue »drives« my mind to thinking about urgent tasks.	53	3,42	1,008
I have <i>a sense of guilt</i> when I don't work.	52	3,19	1,189
I mostly have a feeling of a hurry to get to different places and events.	52	3,12	1,003
I delegate the working tasks (if you are not a supervisor (team leader)) – I ask my co-workers to help me finish them but then <i>I take over</i> and finish them on my own.	53	3,08	,997
I often push off my co-workers to finish the task by myself.	53	2,77	1,137
I feel uncomfortable when I am not available in the office for few minutes.	53	2,53	1,067
When I am dealing with one task, I often think about another one.	53	2,96	1,192
I am the best at handling the crisis .	53	3,40	1,080
The <i>adrenaline rush</i> satisfies me more than gradually approaching long-term goal.	53	2,72	1,063
I often <i>sacrifice quality time</i> with important people in my life in order to solve a crisis.	52	2,83	,944
I assume people will understand when I have to leave to solve a crisis.	53	3,43	1,101
Solving a crisis gives me a feeling of importance.	53	3,45	1,234
I often eat my meal while I work.	53	3,26	1,211
I think one day I will <i>be able to do</i> what I want.	53	3,96	1,073
I rarely think how to eliminate future problems.	53	3,11	1,050
At the end of the day a lot of completed tasks make me feel productive.	53	4,06	,949
I want to be present on every meeting, even if the meeting is not completely connected with my current task.	53	3,11	1,266

Source: Own research

The values of means concerning the organizing the work day (Q3) were close to the value of 3. The mean of all values is 3,17, which means that the average attitude is rather to be neutral.

The minimum value of the mean is 2,43 with the statement "I work best when I am under pressure". The maximum value of the mean is 4,06 with the statement "At the end of the day a lot of completed tasks make me feel productive". The majority of the participants do not agree that they work best when they are under pressures, but they are agreeing that the amount of completed tasks makes them feel productive.

The hypothesis H2 (Most people perform urgent tasks only) could be confirmed by the majority of mean values which points that completing tasks in working time is very important to fell to be productive.

In table 3 are presented data concerning the reasons for waste of working time (Q4).

Table 3: The reasons for waste of working time data			Std.
	N	Mean	Deviation
The telephone is ringing and disturbing me all the time.	52	2,87	1,299
I don't use a cell phone as a tool for business communication, I mainly use it as a tool to keep in touch with other people.	51	2,98	1,086
I can't succeed in finishing my tasks because of the <i>unannounced visitors</i> .	51	2,61	1,060
The meetings take me too much time and the result is often unsatisfactory.	52	2,63	1,121
I am constantly available for questions and comments from my co-workers.	51	4,00	,849
Because I am <i>disorganized</i> , my meetings last too long or I have problems finishing them.	50	2,88	1,043
I have a tendency of <i>postponing</i> large, time consuming or unpleasant tasks.	51	2,53	,924
I often don't have precisely planned <i>priorities</i> , so I am trying to finish too many tasks at the same time.	52	2,54	1,093
I pay too much attention to the details and as a result I lack time for more important tasks.	52	2,83	1,133
Due to the lack of time I am unable to finish my task within the deadline, since in the meanwhile something <i>unexpected</i> comes up or I have too many things planned at the same time.	52	2,62	1,013
My working desk is <i>not organized</i> due to <i>piles of papers</i> surrounding me.	52	2,50	1,094
I archive my documents in the way that I have problems finding them later.	52	2,62	1,174
I spend too much time for <i>correspondence</i> and reading.	52	2,77	1,131
When I receive an e-mail, I stop working and focus on the e-mail.	51	2,80	1,096
Communication between me and my co-workers is often unsatisfactory.	52	2,90	1,176
Misunderstandings and working mistakes are common because of the <i>bad</i> communication flow.	52	2,71	,997
Delegating the tasks is rarely satisfactory, therefore I frequently have to do the tasks myself.	52	3,31	1,020
I hardly say no when someone expects something from me.	52	3,10	1,071
I often lack motivation to work since the goals are not clearly set.	52	2,69	1,164
Sometimes I lack <i>self-discipline</i> to achieve the planned goal .	52	2,87	1,284

Source: Own research

Looking at the reasons for waste of working time (Q4) it could be signed that values of means are also near to 3 (2,84) which is closer to neutral than negative attitude.

The minimum value of the mean is 2,50 with the statement "My working desk is not organized due to piles of papers surrounding me". The maximum value of the mean is 4,00 with the statement »I am constantly available for questions and comments from my co-workers.«.

The respondents mostly do not agree that their working desk is not organized due to piles of papers and they agree that they are they are being constantly on disposal to others. Due to that answers it cannot be confirmed the hypothesis H3.

#### Discussion and conclusion

The review "Testing the model of time management in Montenegro" through a theoretical and practical vision examines the incorporation of work and spare time in the context of management time, in order to improve the quality of both. Earlier studies, researches from time management have used to observe at one or another time, while this review seeks to establish trends in time consumption, relation of work and free time in terms of their use, as well as to test efficiency and effectiveness in work and free time.

The article sublimates the theoretical and empirical framework of time management research. Theoretically, it seeks to examine where people spend the most of their available time, and what are the models of using time in order to improve the quality of work and free time.

The empirical framework of the research observes how respondents from Montenegro manage with free time. Attention is drawn to the planning and organization of free time, the organization of work tasks and the reasons for "time wasting" in working time.

On the basis of the above, we have made the following conclusion: two of three hypotheses can be considered confirmed, while the third hypothesis is not confirmed.

In our work, we partially confirmed hypothesis 1 (Insufficient (poor) use of working time affects private life). Therefore, respondents in Montenegro prefer to stay neutral in relation to the statement that insufficient use of working time affects private life.

Hypothesis No. 2 (Most people perform urgent tasks only) is confirmed by the majority claim that respondents complete their working duties in working hours and on that way they increase their feeling of being productive.

Hypothesis No.3 (Phone is the major time waster) has not been confirmed because respondents disagree with that. Most of the time, respondents lose answering questions from their colleagues, or being constantly available to others.

We believe that future comparative researches with the content of work and free time, and their interaction, will contribute to more efficient and effective use of the work and spare time of individuals. For this, more specific methods and analyzes should be used, having on the mind the potential contribution for increasing productivity and performance.

This review has identified some aspects of planning, organization, priorities, difficulties and good practices of time management. Each of them can serve as a conceptual framework for further research and deepening research topics from the domain of time organization.

#### Limitations and future research directions

The research was conducted on the convenience sample by questionnaire. This means that participation was voluntary, and we cannot generalise the results to the population. Therefore, sampling was one of the limitations factors of the research which could be done better in the future research.

## Practical and/or social implications

Practical implications can be seen from the results of the study that can stimulate individuals to use better their working and spare time and to researchers to research and to create models of time management for companies, for employees and for themselves

## Originality/value

There are lots of research about theoretical issue of time management and working time, but there are not lots of research about comparative analysis about using working and spare time and how they effect on each other and how individuals can improve using if they time for work and for free time. That is the place that this research and this paper has originality and value for individuals, researchers and companies.

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## 11 Gender differences in tax morality

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## Purpose of the research

Tax rates and tax morale are one of the driving forces of a shadow economy. The slippery slope framework shows that tax compliance is influenced by trust in authorities, power of authorities, voluntary tax compliance, and enforced tax compliance. The quality of compliance is different according to the taxpayer's honesty.

The purpose of the proposed article is to identify gender differences based on the dimensions of the slippery slope framework. Therefore, four hypotheses derived from the slippery slope framework will be tested in the article:

- First, the level of trust in authorities is significantly higher among female respondents compared to male respondents.
- Second, the level of power of the authorities is significantly higher among females to males.
- Female respondents have a significant higher level of voluntary tax compliance than male respondents.
- Fourth, the enforced tax compliance is significantly higher among female than male participants.

Keywords: gender, taxation, tax compliance

#### Introduction and literature review

There has been a lot of research showing differences between men and women in the context of tax compliance. But the findings regarding gender are not consistent. Alm, Jackson & McKee (2006), Bazart & Pickhardt (2009), Gerxhani et al. (2007), Kastlunger et al. (2010), Torgler & Schaltegger (2005), and Torgler & Valev (2010) proved that women are more tax compliant than men.

On the other hand, several other studies could not prove the same. For example, Stensöta, Wängnerud & Svensson (2015) found that the stronger the bureaucratic principles are in the administration the less gender matters. Chung & Trivedi (2003) found women more compliant only after they have been provided with persuasive reasons to pay taxes. Torgler & Schneider (2004) reported minor differences in Spain but higher tax morale among women than men in Switzerland and Belgium. Kirchler and Mciejovsky (2001) reported that men's self-reported tax compliance was higher than their female counterpart.

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Although the empirical evidence is mixed, women were more compliant than men when there were significant differences. Chung & Trivedi (2003) as well as Torgler & Valev (2006) argue that the differences in tax compliance might results due to the different ethical standards or to their risk propensity (Byrnes, Miller, & Schafer, 1999).

## Methodology

The data were collected in May 2015 in Graz and small city in Austria by a non-stratified sample with a mall intercept method. The sample consists of n=656, where 341 were female and 315 male respondents. The questionnaire consists of 19 questions, divided into two parts and five sections. The first part includes questions about the demographic characteristics of the respondents. The second part starts with section two and three, which includes questions about the perceived trust and the perceived power of the authorities in Austria. Section four and five are focusing on the voluntary and enforced tax compliance of the respondents.

To answer the second part of the questionnaire, which included section two to six, the respondents were asked to think of a hypothetical situation, where they are self-employed with about 30-50 employees. The respondent was asked to imagine that the business in doing well and he or she must pay taxes according to the Austrian tax law. Furthermore, the respondent was also asked to consider the current political situation as well as the tax burden in Austria when answering the questionnaire. The hypothetical approach has been used due to the sensitivity of the topic of tax morality.

The voluntary and the enforced compliance were each measured with five items. The trust in and the power of authorities were measured each with three items. The reliability analysis for the voluntary compliance suggest  $\alpha$  = 0,733, for enforced compliance  $\alpha$  = 0,849, the trust in authorities  $\alpha$  = 0,551 and power of authorities 0,453.

#### Results

Findings indicate that women seem to be more compliant to men, but a significant difference was found only for the enforced tax compliance. The results are in line with Chung & Trivedi (2003) who found that women are more compliant only after they have been provided with persuasive reasons to pay taxes. Torgler & Schneider (2004) reported for Spain minor gender differences in for tax morale. And Wenzel (2002) couldn't find gender differences regarding reports of extra income but higher tax compliance among women with the reported income and deduction claims. Kirchler and Mciejovsky (2001) reported that men's self-reported tax compliance was higher than their female counterpart. One reason for the limited gender difference might due to the different ethical standards or to their risk propensity (Torgler & Valev, 2006; Kirchler & Mciejovsky, 2001).

#### Limitations

This study is confronted with several limitations.

The present results might not apply to countries with a different tax culture to Austria (Alm & Torgler, 2006). Since some results are not significant a replication study in other countries would help to see if there is a significant gender difference in all dimensions of the slippery slope model. Furthermore, no conclusions could be drawn with regards of the influence of gender on the whole shadow economy. It might be interesting to see, whether the effects of gender on the shadow economy of a country are somewhat the same as they are for tax morale, other single causal variables or the whole set of driving forces influencing the underground economic system. Another limitation is the non-stratified sample and the relatively high percentage of young people. It might be argued that people of this age are often still in education and have therefore only limited experience with the income tax system.

## Practical and/or social implications

Practical implication can be seen from the results of the study that can be useful for economic policy and can provide an opportunity for scientist-practitioner interaction.

## Originality/value

There is a lot of research showing differences between men and women in the context of tax compliance, but the proposed article is focusing on the specific market. The questionnaire was based on the work of as well as Kogler et al. (2013). But instead of using a hypothetical country, we have asked the participants to imagine a hypothetical situation in Austria. This made the research more valuable to the economic policy in Austria.

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# 12 Organic waste management in Canada: Building a sustainable circular economy

Alja Perger\*

## Purpose and introduction

The main research question was risen up during the fieldwork and assistance with the Canadian company. It presents clearly the enterprise readiness for obtaining a smart solution on organic/food waste problem. It is believed, how organic/food waste can be a resource of a high value. With the knowledge, there is a capacity of creating a new path, where organic/food waste could become the important as plant/field nutrient supply. It will build a recognizable environmental impact through our society.

In the past few years, we could witness a major concern everywhere trying to find a suitable solution to low GHG, especially CO2. In Europe, the usable solutions for OW are composting and biomethanization. We can also see how the rest of the world is still trying to find the best way how to reuse the OW.

Doing our project in Quebec, Canada, was not blindly chosen. North America is a big consumer and consequently a big producer of waste. Over the years, a lot of questions have been risen from many different groups (community, municipalities, politicians), how to find a solution for OW - which can bring a positive result.

Keywords: Organic waste, recycling, sustainability, circular economy

## Design/Methodology/Approach

For the purpose of this project, we were primarily interested in collecting information in North America, focusing on Quebec primarily. Knowing that in Quebec there are no known or applicable method of collecting organic waste in a way of transforming it later into a new source, we started with a very individual market research more than 4 years ago. We were a witness of an implication of brown containers which again do not show the solution, final solution as Canada expect in the name of Environmental Act Change. Our method was and still is concluding the following participants such are municipalities, regional boards, individuals – residents.

## Findings/Results and conclusions

In the research paper findings will only confirm our predictions, how a development to a sustainable economy in Canada has started. A few cities and some pilot projects are open with some excellent results. To conclude, the circular approach to organic waste management is urgently needed in a way how the organic waste should be reduced and

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returned as productive resource input into our economy.

## Research limitations/implications

Surely using municipal organic waste is to achieve a sustainable cycle. Ideally, we can write about a perfect sustainable circle when the organic waste is returned mostly to its place of origin. In Quebec, organic waste collection nowadays represents a big political issue and there is no one way decision yet mostly to implicate the individual city how to start. Some of the area follows the concept of Biomethanization, the other are already avoiding the mentioned. Third options tries to understand the importance of organic waste and the connection with the agricultural sector but it is important to develop also a legal framework for the use of municipal and industrial organic waste in agriculture.

## Practical and/or social implications

Referring to the fieldwork, regular work, research, analysis, results and discussions with major considered individuals the important and expected impact on society is created.

- A. Extended landfill life contributes to land preservation; diverting organics from landfills preserves space for those wastes that cannot be diverted or reused. Removing organics from landfills reduces leachate and odours nuisances; therefore, decreasing the social negative impacts for surrounding communities and society.
- B. The development of organic processing facilities and the end-use of fertilizer lead to numerous social benefits. Developing facilities closer to the communities in which the organic wastes are generated can encourage better community participation. Facilities that are close to waste sources also reduce transportation requirements, which can also provide environmental health benefits through the reduction of GHG emissions.
- C. It stimulates employment and a new, environment-based economy. Processing facilities create new jobs during both the construction and operation phases. Fertilizer management supports economic development through employment: handling, marketing, research, demonstration, and education. By providing soil improvement, organics recycling helps sustain agriculture and food production

There is a need to create the successful implementation through a variety of programs, including community, provincial and federal authorities.

## Originality/value

The paper presents a new value towards a sustainability process that Canada is building at the moment. It represents the innovative approach, which is highly accepted in some cities in Quebec with the obtained pilot projects and excellent results. This paper is not only a simple research paper, but it is also the very important original innovative document which can be highly used on the level of each municipality, region and federal level.

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TURN INNOVATIVE IDEAS INTO REALITY

TURN INNOVATIVE IDEAS INTO REALITY

# **MANAGEMENT IN TOURISM**

TURN INNOVATIVE IDEAS INTO REALITY

# 13 Overview of Slovenian gambling: 2000 – 2027

Andrej Raspor\* | Darko Lacmanović\*\*

## Purpose of the research

Gaming and gambling as the phenomenon are not new. Gambling can be defined as playing games with an uncertain result that is determined (at least partly) by chance (Bolen and Boyd, 1968) and it can be claimed to be as old as humanity itself (Kuss and Griffiths, 2012). Gambling is undergoing major changes. We are in internet gambling era. This era started when in 1994 the Antiguan government passed a law that allowed online casinos to be established within its borders (Cotte and Latour, 2008). The ability to partake in online gambling is a result of technological advances in the Internet, in gambling software, and insecure payment systems. This activity will only develop in the future. Casinos by Bloomberg are among the largest industries on earth – 12th place in 2016 (Bloomberg, 2016).

Three central arguments made in this article are: (1.) gambling was an important industry for Slovenia, because it allowed invisible exports; (2.) gambling is a capital and labor intensive industry; (3.) for Slovenia cross-border gambling is important part of gambling.

The main research question is How important is gaming for Slovenia and what proportion is gambling revenue in national GDP, Government expenditure and in employment?

The paper is now organized as follows. Section two covering the theoretical background of gambling. Section three presents main research results. Section four considering the theoretical background and research results discuss the assumed question from the research with Slovenian gambling. Section five offers the main paper conclusion.

Keywords: Slovenia, gambling, revenues, GDP, tax

#### Introduction

The definition from dictionary is that gambling is activity of betting with money, for example in a game or during horse race. On the other side is gaming risking of money in games of chance, especially at a casino (Cambridge Dictionary, 2018). Gaming and gambling as the phenomenon is not new and can be found in almost all cultures and in most parts of the world (Custer and Milt, 1985). Gambling can be defined as playing

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games with an uncertain result that is determined (at least partly) by chance (Bolen and Boyd, 1968) and it can be claimed to be as old as humanity itself (Kuss and Griffiths, 2012). In fact, there is evidence that prehistoric men liked to gamble; several anthropological studies report instruments and objects that might have been used in gambling, though they have been associated more with magic than with recreation (Petry, 2005). The four astragali of the gambler were customarily used in the temples of classical Greece and Rome, and the ceremony was much the same as for odds and evens (David, 1962). When the Romans arrived they brought with them their taste for gambling of all kinds, as witnessed by the dice made from bones, metal or ivory found in archaeological excavations all over the country of the Roman empire. In the Middle Ages, games such as cards, dice and forms of chess were popular, and there were gambling houses where bets could be placed. Later, laws were passed to regulate these establishments and to prevent their proliferation (Jiménez-Murcia et al., 2014). The legislation also sought to preserve public order, prevent usury and collect taxes for the coffers of the Crown (eg. Venezia, Belgium, France, etc.). Historical evidence suggests that gambling was common in Aboriginal communities before British settlement (Delfabbro and King, 2012). Even though often taking the forms of traditional activities including object carved from plant or animal matter, there are evidences that some communities were under influence from the passing European traders (Breen, 2008).

From the first modern casino in Venice (1638), casinos have grown incredibly. During the 18th and 19th century, a series of European spa towns, culminating in Monte Carlo, hosted casinos. In the United States, during those same years, gambling developed both in illegal urban gambling halls and in the wide-open saloons of the western frontier. Those two sides of American gambling came together in Nevada's legal casinos, whose current regime dates from 1931. Developing with a healthy assist from elements affiliated with organized crime, these casinos eventually outgrew their rough-hewn routes, becoming sun-drenched pleasure palaces along the Las Vegas Strip. With Nevada casinos proving successful, other states, beginning with New Jersey in 1976, rolled the dice. From there, casinos have come to America's tribal lands, rivers, and urban centers. In the same time in Europe countries (Italy, Germany, Yugoslavia, Austria, etc.) legalized and opened own casino offer. Some of them are domestic (Italy, Austria, Holland, etc.) other foreign (Yugoslavia, Monte Carlo, etc.) oriented. In the last decade. gambling has moved online, while Asia--with multi-billion dollar projects in Macau and Singapore--has become a new casino frontier (Schwartz, 2013). In 1994 the Antiquan government passed a law that allowed online casinos to be established within its borders (Cotte and Latour, 2008). The global market which represents the ability to partake in online gambling is a result of technological advances on the Internet, in better gambling software and of course secured payment systems. In accordance with that the global market was 463 billion in 2016 (Bloomberg, 2016). According to Bloomberg from 2016, casinos are among the largest industries on Earth with their 12th place (Ibid). There has been an increase in online gambling, with the concomitant movement of

gambling into the home which reduces the ability to control the negative aspects of the gamming.

## Methodology

The main research question is: *How important is gaming for Slovenia and what proportion is gambling revenue in national GDP, government expenditure and in employment?* 

In this work we have followed a methodology. It includes three steps: (1) data collection; (2) analyzing the data using tools; (3) forecasting process.

For the purpose of this research, the data was collected from the Slovenia national statistical office or national gambling supervisory office. The main reason in using these sources is intention to observe the total revenue in gambling industry which is important for our discussion.

The task to be solved in this paper is to analyze the dataset that is the revenue of gambling within seventeen years (from 2000 to 2016) in order to find out some patterns, cyclical or seasonal features or other significant information that allows to do forecasting of the future consumption with the certain degree of accuracy.

The datasets are analyzed using the Tableau 10.4. Forecasting is a process of estimating the unknown. It can be defined as the science of predicting future outcomes. Forecast should be fitted with the following characteristics: it should be timely, it should be as accurate as possible; it should be reliable; it should be in meaningful units. In order to do the forecasting process the following steps should be computed (Nolan, 1994; Armstrong, 2001):

- 1. definition of the purpose of the forecasting;
- 2. data preparation:
- 3. preliminary analysis;
- 4. choosing and fitting the best model;
- 5. forecasting;
- 6. evaluation.

Comparing the performance is the last and final step of the proposed methodology. Evaluation was made by using the mean absolute scaled error (MASE) which is the most reliable according to Hyndman and Koehler (2016). If the MASE is lower than 1 the forecast model is right (Hyndman in Koehler, 2006).

#### Results

In period 2000 to 2016, there is low grow (index 1.19) Revenue from gambling and betting in current prices. Average share of gambling and betting activities in GDP in current prices (in period 2000-2016) is 1.01 %. And looking at growth index for the same parameter (base in 2000 to 2016) is realized coefficient 1.018.

Using the growth indicator such as growth index in period 2007-2016 it could be presented general and individual parameters concerning the gambling and betting sector in Slovenia.

With the exception of tips on slot machines, all indicators are worse than in 2007.

The number of gambling companies and the number of employees remains at the level of ten years ago. The index of growth of employees in general (2016/07), is 0.97 points. The same result is in gross revenue from classic gambling (index 0.97).

In the same period (2016/07), tips in general are falling down (index 0.48). All other parameters (gross revenue, guest entry, number of companies in sector gambling and betting, employees in gambling and betting sector, tax in government expenditure) are below 1, which point on lower parameters in comparison to previous period. Looking at the individual parameters, it could be noticed as follows.

The little bit lower index concerning the gross revenue from casino gambling is achieved in gross revenue from table games than in gross revenue from Slot which could note on rate revenues/expenses. It is realized very high index in tips Slot (20.30) but the very low index in tips table games (0.4) and that is possible sign of customer satisfaction. In admission is realized the lowest index (0.11) comparing to index for all other parameters. It is realized almost equal index below 1 regarding concession fee (0.68) and tax (0.7) which point on lower interest achieved by state. The index refers to the participation of employees in the sector gambling and betting in the total number of employees is below 1 (0.84) which means that the employment rate in this sector is lower than the average employment rate.

Slovenian gambling is export oriented. 75% of players come from abroad. Most are Italians, Austrians, and Chinese. In Slovenia, after 2008, there was no noticeable investment in gambling. Investments in online casinos are also small.

It has been forecasted 350.4 million EUR (current prices) and 239.4 million EUR (fixed prices) in gambling and betting sector in Slovenia in 2027, which is rather to be less than it could be in the different business model.

#### Limitations and future research directions

The article has certain acknowledgeable limitations and offers some directions for future research.

Lack of some data point on limiting the scope of our analysis and prevent detailed finding to be presented. All data were collected from secondary sources with all limitations in that sense.

There were no prior research studies on this topic which sign on some findings which couldn't be compared with similar one and to find out whether there is some inconsistency or not.

Some sources which are used had the different scope of data such as statistical data regarding the participation of gambling and betting sector in national gross domestic product and it was the limitation in sense to analysis the one type of data and to present clear research results.

This study, as applicative research, define some of the opportunities for future research in terms of the new aspect concerning the subject.

It would be important to rise up some general questions concerning the relation among gambling and betting sector and tourism impacts, especially concerning the destination management.

## Practical and/or social implications

The practical implication can be seen from the results of the study that can stimulate the use Tableau for forecasting management work.

The key social implication is in the founded fact that gambling and betting sector in Slovenia has the smaller effect on business sector in comparison to the previous period and in relation to the competitive countries (Austria, Croatia and Italy).

## Originality of the research

The article shows the movement of revenue from gambling and its share in GDP by 2027 which is the point to alert decision makers to adopt appropriate policies. It is necessary to consider the sensitivity of this kind of gambling in Slovenia. The gaming industry has changed a lot in last ten years. It is, therefore, necessary to completely revise the Slovenian gaming business model. This fact is the new one and that is the key added value in the article.

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# 14 Cemeteries as cultural heritage: Implementing the model of cemeteries cultural heritage as education environment

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#### Purpose and introduction

Death is the most common mental connection to a cemetery for an average human being. This association is accompanied with negative emotions, like sorrow and frustration.

As it shall be discussed later, cemetery functions should be extended beyond funeral rites and preservation of posthumous remaining of bodies. It is also a place, where cultural heritage and the history of specific places can be researched and presented. Venue space and environment for cultural and educational activities. Cemetery, as a place with rich architectural and artistic value, presents exceptional collection of structural masterpieces and great achievements of statuary. Next to latest aspect, architectural complexes arise, as municipalities decide to hire greatest local artists to create memorable complexes.

Understanding and comprehending these aspects exceeds the cemetery primary dimension of a space for the burial into the dimension of cultural heritage and further into the tourist dimension.

With a holistic approach to all dimension of cemeteries (especially as a place enriched by the architectural monuments, historical facts, important historical persons and as a touristic point of the cities) cemetery becomes a rich resource and creative space for elementary, high school and university curriculum.

Developing perception that cemeteries can be educational environment, requires innovative management model and technological solutions, which authors of this article have developed and implemented in practice in recent years.

Keywords: cemeteries, management, school, curriculum, cultural heritage, learning environment, perception

## Design/Methodology/Approach

Many cemeteries across Europe - members of the International Association of Significant Cemeteries of Europe (ASCE) - tried the model in many variations. To further

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assess the viability of the model we have conducted case studies of educational programmes in Maribor (cultural days for schools), Dublin (Children's summer tours) and Aviles (multidisciplinary team project of high-school children). The organizers in three cases took slightly different approaches and target groups, from the youngest children to university students as from art scholars to business and economics sciences.

## Findings/Results and conclusions

Results are thought provoking as we can notice the positive effects in detabuazation of death and much more raised awareness of importance of preserving the cultural heritage of cemeteries. Educational activities increase the understanding of local and regional history among young generations and through the stories even by their parents and broader families. Cemeteries promote cultural and religion diversity and increase the awareness about the importance of remembering various historical events.

Cemeteries as educational environment open possibilities to learn art, history, geography, information technology and in future many other subjects. This multidisciplinary approach is becoming relevant in education and as the children move out from closed environments, cemeteries may be the perfect setting of many future school programmes. As young generations begin to understand different dimension of cemeteries they can create new ideas for the development of cemeteries and their dimensions.

#### Practical and/or social implications

All of the findings are important since the children of today are decision makers of tomorrow. And as we noticed in our research, positive effects are as well notable immediately. Management of cemeteries benefits from raised awareness through positive image and reputation, which makes fundraising for investment and preservation much easier.

Possibilities of implementing the cemeteries-cultural heritage as education environment model for future cemetery management are an overlooked opportunity that cemeteries managers should look upon in times of turbulent changes. Through our research we have explored these opportunities and benefits and in discussion provide further ideas on developments.

# 15 Dark tourism in Slovenia: Opportunities for tourism development?

Tanja Ostrman Renault\*

## Purpose of the research

The purpose of the present paper is to research into the dark tourism as seen and presented in Slovenia. Even though this branch of tourism is still poorly researched in Slovenia, it seems that it has been slowly gaining ground. Some researchers claim that this new type of tourism has been generating more and more income (Stone, 2005; Gosar, 2015), and it therefore seems only natural for the tourism industry in Slovenia to follow in this wake.

Keywords: dark tourism, Slovenia, tourism development, cemeteries

#### Introduction and literature review

Basically, dark tourism defines sites associated with death, suffering and pain, thus encompassing places reminiscent of holocaust atrocities, historical battles, terrorist attacks, paranormal appearances, murders and accidental deaths, natural and manprovoked disasters, cemeteries and internment sites, prisons and places of tortures. Recently, monuments and buildings erected by or commemorating communist regimes (Stone, 2008) have become part of dark tourism. Quite a controversial topic are dark amusement sites or "dartainment" (Light, 2017), such as the visit of the Amsterdam dungeon, Edinburgh Darkside Walking Tour, and the like, arguing that instead of an educational aspect such tours too often end in "dark entertainment" shows. Reenactment of historical events, that is sometimes also included in the dark tourism category, can be associated to the dartainment.

The paper tends to research the demand for the proposed supply of dark tourism in order to determine the (un)viability of these sites while it does not pretend to give reasons for it. The basic aim is to start the discussion as to the importance and usefulness of dark tourism development in Slovenia, eventual specific categorisation, and an attempt to draw basic guidelines for future research.

It is our belief that dark tourism can play a significant role in tourism generating a greater income from tourism, and moreover an (in)direct interest for our national and local history. Namely, dark tourism is not just about death and pain and suffering but a mix of history and culture. Some elements will successfully pass the test of values which change in time and place as the society changes (Timothy and Boyd, 2003). For, the past is not exciting nor boring, good nor bad, worth nor unworthy without human intervention.

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It is the human factor that defines the value of each deed, event and action taken in the past and which is then evaluated in accordance with the current society's values.

Although some academics state that dark tourism is a phenomenon of the 20th century (Lennon and Foley in Stone and Sharpley, 2008), others are convinced that it all started centuries ago with gladiators' games (Stone and Sharpley, 2008), medieval public executions and "perverse" free-time activities at the beginning of the 20th century (MacCannell, 1999), such as visiting a morgue. The majority of people visit dark sites in order to experience something different and new, something they have never experienced before (Sharpley and Stone, 2009); others are attracted by the educational part, remembrance (Stone, 2012), "schadenfreude" (Stone, 2005) — experiencing pleasure while watching the misfortune of others, voyeurism and lust for blood (Stone and Sharpley, 2008).

## Design/Methodology/Approach

The present research is based on figures obtained from institutions and organisations responsible for each of the above-mentioned sites, as well as on pre-structured interviews with responsible persons, where applicable. The quantitative research is directed towards the income generated through the demand for dark tourism services, while the qualitative research is meant to give answers to the question of how (un)popular is the use of term "dark tourism".

## Findings/Results and conclusions

In Slovenia, there are quite a few sites that are associated with the death-pain-and-suffering definition of dark tourism (Kužnik, 2015); however, only a small number of them is available or adequate for tourism. The present paper limits itself to some of the most well-known examples of dark tourism sites and their presentation in Slovenia:

- World War I: Kobarid Museum
- World War II: Frankolovo Memorial and the Old Pot penitentiary in Celje
- Battlefield: Kolovrat open air museum
- Cemeteries: Roman Necropolis in Šempeter, Žale cemetery in Liubliana
- Re-enactment: Roman Games in Ptui
- Witchcraft / Torture: Friderik's Tower in the Old Celje Castle.

## Research limitations/implications

The present study is limited in terms of examples; nevertheless, it pretends to answer the basic question about the economic viability of dark tourism development projects. Secondly, the ethic part of it is of the outmost importance and must always be the main priority. And thirdly, despite the fact that the term "dark tourism" does not necessarily imply a positive image, it should be taken as a bare definition of death related tourism industry mainly used by academia.

## Practical and/or social implications

Last but not least, we humbly believe to have shed light on some of the most pertinent questions regarding dark tourism industry in Slovenia and triggered sufficient interest amidst academia for further joint research.

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## 16 Smart contracts in smart tourism

Saša Zupan Korže\*

#### Purpose, introduction and literature review

The purpose of the research is to investigate the possibilities of implementation of smart contracts in smart tourism. We answer the research question, which spheres of tourism are applicable for the smart contracts.

The industry leaders are tailoring the new technologies to fit their particular use. With development of digital ledger technologies, application of smart contracts grows, including in tourism. Based on existing literature, the paper starts with explanation of the smart tourism context and the concept of smart contracts. In continuation, major concerns of smart contract compared to "traditional" contracts are presented. The research ends with the examples of smart contracts application in tourism, possible advantages that they bring to smart tourists and discussion on further development of smart contracts in smart tourism.

Keywords: digital ledger technologies, blockchain, smart tourism, smart contracts

## Methodology

The objectives of the research was the prime reason for the descriptive type of the paper. The research was conducted from December 2018 and April 2018. Data were collected from secondary resources (academic and professional literature, relevant media articles and web sites). They were processed by combination of the following methods: content analysis, description, compilation, comparison and inductive reasoning.

## Findings/Results and conclusions

The results of the study show that even the term "smart" is still considered a buzz word in academic circles, it has been already firmly embedded among industry stakeholders, practitioners and policy makers. Both concepts are coined on technological infrastructure. However, smart tourism involves multiple components and layers of information-communication technologies, while smart contracts - self-executing agreement existing in the form of software code - explicitly need blockchain technology. The examples of practical use of smart contracts in commercial realm shows their benefits and, on the other hand, some concerns in relation to classic contract law. The concerns are difference if smart contracts are used in public or in permissioned (private) blockchain. Tjis difference can influence on further development of smart contracts in smart tourism corporations. Smart contracts can be used in hotel and airline industry; they can be coded to create the process that the traveller's data can be seen and

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scanned when they entered the airport and for real time check-ings. Moreover, they can be used for seamless checkings for hotel guest, for overbooking prevention, for pricing and optimal revenue structures etc. Some countries are about to start implementing of blockchain and smart contract in tourism (e.g. Russia, Aruba). By introducing new concepts, even Slovenia can become an excellent example of the development of blockchain technologies and smart technologies in the field of tourism (e.g. in January 2018, the first blockchain conference in tourism took place; in April 2018, there was in international conference on the concept of smart villages in Bled). Implementation of blockchain technology and smart contract in travel and tourism would mean a win/win situation of tourism suppliers and consumers – travellers and guests.

#### Research limitations

The concept of smart tourism and smart contracts are new research topics that have been evolving in the last few years. Thus, there is a limited amount of literature available on both topic, particularly empirical.

## Practical and/or social implications

Digital ledger technologies, which are fusing the physical and digital world, has been changing our social life and organisational business models. The research contributes to existing literature on smart tourism and smart contracts and to better understanding of both concepts. It presents the possible outcomes of implementation of smart contracts in smart tourism and alert the tourism corporations to be prepared on new technologies in tourism.

## Originality/value

This is the first research on smart contract in tourism in Slovenia. It presents the first step of in-depth studies and for empirical researches of this field.

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TURN INNOVATIVE IDEAS INTO REALITY

# **MANAGEMENT OF SMART CITIES**

TURN INNOVATIVE IDEAS INTO REALITY

# 17 Smart cities' innovative tools for management of public spaces: Between the ICTs and citizen's participation

Andrej Žižek\* | Kaja Pogačar\*\*

# Purpose of the research

The paper is focusing on the management of public spaces within the smart cities' context. Public spaces are namely undergoing a visible and non-visible transformation at the beginning of the 21st Century. They are more and more becoming spaces of control, technocracy and regulation, on the other hand we would like them to become quality living environments, planned for the human scale, co-created by citizens. What tools could serve citizens to become equal partners in the development of sustainable living places and how technology could be appropriated by communities and not vice versa, are the main questions related to this research.

Thus, the purpose of this paper lies in highlighting the use of different tools for management of public spaces that can enable citizens to become more involved into the smart cities' development. As such, public spaces are complex and essential components of any great city that bring people together to socialize, work and recreate. They also help to build relationships, attract people into the city, trigger innovation and new ideas that fuel a city's economic growth.

Keywords: smart city, participation, tools, smart indicators, public spaces

#### Introduction and literature review

The review of the existing literature devoted to the management of smart cities shows that its extensive part is stressing the need for citywide planning and control, especially through the ICT systems to obtain data from different sources. On the other hand, there is less literature devoted to transformation of smart cities by citizens' power. To improve cities livability and to empower its citizens to became active players in the city arena, smart cities initiatives can also include approaches and tools for human capital investments. They are aimed at fostering a city's capacity for learning and innovation.

# Design/Methodology/Approach

This paper aims to focus on the public space transformation processes through the lens of smart city development, presenting different approaches and tools - traditional or

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classic, but also emergent, contemporary or alternative ones. A special emphasis has been put on those supporting the participation of citizens in the transformation process, as a democratic way of constantly developing cities. Methodologically, the paper is structured in two parts. First, a review of the related literature is provided and operationalized. The second part is dedicated to exemplary cases from Slovenia and abroad.

# Findings/Results and conclusions

The results of the research show a growing number of approaches and tools available for the participatory engagement of citizens (i.e. participatory urbanism, citizen's design science, urban hackathons, web-based community planning...). Findings also reveal, that the traditional, top-down planning approach (still very much present in many European countries) does not yet recognize the significance of genuine citizen participation, nor the already existing potential of information and communication technologies (ICTs) for community development of public spaces. This is in stark contrast to contemporary understanding of urban development of being an organic and self-organized development process leading to urban sustainability and the only way of reaching the sustainability goals, that are very much in focus of every contemporary city.

# Practical and/or social implications

As we empower the citizens with new tools and new technologies the question of formal regulation is becoming apparent, as the legislative part is not yet developed to support the self-organizing nature of the city as well as the potentials of co-governance. Consequently, urban planning turns a blind eye not only the most important users of urban environment, but on the creators and owners of valuable data and knowledge that should be integrated in planning and development process. It is not acceptable any more to consider citizens as passive participants of the spatial planning process as this does not comply with the principles of smart communities and of urban sustainability. Thus, new legislative approaches are being proposed.

Not lastly the principle of knowledge appropriation in the field of smart city technologies is being discussed. There is an inherent conflict between the introduction of surveillance technologies that are being added to public space intended to support contemporary mobility and information services and the public nature of space, that is meant to be owned by the public or at least being managed in public interest. The potential misuse of technology can only be diverted by opening the data access and opening the technological solutions to public that is capable of using this potential in the interest of the public.

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# 18 Data, participation and parking policy: The design of evidence based participative parking policy – a case of Idrija

Aidan Cerar\* | Urban Jeriha\*\*

# Strategies for managing the urban mobility

Everyone one way or another deals with mobility and traffic at the daily basis. Because of that traffic and mobility related issues usually attract people. Within traffic related topics, parking has a special place in terms of polarisation of opinions. People tend to react on parking places related question quite strongly. Therefore, it is not unusual that restrictive parking policy is a subject of heated discussions in local communities and / or media.

Restrictive parking policy is one of the crucial measures in reducing the amount of car use. There are several cases in which the reduction of journeys made by car has been unsuccessful even though better public transport options have been offered or bicycle infrastructure improved.

The reason was often the availability of free parking. Although the agreement on the need of restrictive parking policies is wide in the expert circles it is hard to implement parking policy that aims to reduce the availability of unrestricted parking options within a city. As the communities often reject such measures decision makers find adaptation of restrictive parking policy politically risky.

# A small-town Idrija

Idrija is a town in western Slovenia. As the first tangible result of a Sustainable urban mobility plan, Idrija decided to design restrictive parking policy - in a participative manner. The aim of the new policy was to fulfil the strategic goals such as increase in the amount of safe and accessible public places and reduce the share of public space intended for *on street parking*.

IPoP - Institute for spatial policies was invited in the consortia<sup>1</sup> that designed new parking policy. IPoP was in charge of public participation process and implementation of the research, partly. In a meaningful participation process communication of aims and measures is often grounded on data. In designing a parking policy collaboratively, reliable data is crucial in establishing trust and links between challenges, scenarios and related measures.

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#### Smart cities and communities

Lately, the use of data has often been promoted in urban development related topics. Particularly the use of big data, ICT and lot has often been argued within the *smart city* notion. On the other hand, smart city notion has often been criticized for not being participative and inclusive enough. Questions have appeared:

- Are inhabitants of the cities aware of what kind of data are being gathered and what is the link between potential new policies and data?
- Can the inhabitants participate in data-based decision making?
- Does data help making cities better, more resilient and sustainable and contribute towards the quality of everyday life of the inhabitants of the city?

All these questions are most important in terms of the use of data in city governance.

It cannot be argued that tech solutions cannot contribute to better, more sustainable or resilient cities. But only if the aim is to find solutions for the problems for and with the community. In Idrija local community was invited to participate in designing the parking policy. In order to provide grounds for participation a *Parking beat survey* was done.

# Parking beat survey

Parking beat is a method used to analyse the parking patterns. A number of parking places is observed on a given day(s) and within one day periodically each parking place is checked in term of occupancy. The method supplies the experts with the data on the share of occupancy of selected parking places in a city at different segments of the day, who occupies particular parking places — residents, commuters etc., and for how long single vehicles park on a particular parking space. Data can be presented in a visually appealing and easy-to-understand way, serving local community as a reflection of the daily use of cars in the observed area.

The data was used to co-design scenarios and measures with the local community together. The policy plan was well accepted by the local community and the new parking policy has been unanimously confirmed by the municipal council.

# Data - Participation - Policy

The case of Idrija points out the use of large amount of gathered data that was used to develop a new parking policy. The main point of the use of data was to present it to local inhabitants and to use the data to design new policy collaboratively. The emphasis on the use of data for participative design of new policies could be one of the potential development paths of the smart city notion.

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Kombinat architects were in charge of consortia that involved prostoRož association and City studio ltd., and IPoP.

# 19 Alternative methods for smart data collection: Public space usage analysis using data mining in social networks and custom urban information services

Andrej Žižek\*

# Purpose of the research

Smart city concept is today understood as the most common way of connecting urban environment with the ICT and big data. As most of collected data is being used in applications and services offered by start-ups and commercial IT corporations, there is a growing need for using the data to solve urban sustainability issues and increase quality of urban public space. This however lies in domain of cities and obliges them to actively take part in data collection and analytics.

The paper proposes alternative concepts for cities to enrich their existing spatial data sets and to acquire better insights in the public space usage patterns. For the last two decades geographic information systems (GIS) have been applied for mapping and organizing data related to spatial planning, urban management and demography related analysis. Such data is well understood, organized in standardized form and published on spatial portals that cities are providing to the public. However, these data sets are too limited and at the same time they do not provide dynamic spatial information needed in contemporary smart cities. I.e. spatiotemporal events that are at the core of modern urban dynamics are not represented in static regulation plans and in available data sets. The importance and the role of different locations and points-of-interest (POI) in the urban fabric cannot be identified from existing data. Consequently, many strategic decisions are being taken arbitrarily and fast decision making is not based on field data.

Keywords: smart city, urban management, social networks, data mining, data analytics, big data, artificial intelligence

# Design/Methodology/Approach

The paper presents an experimental method of combining public domain data acquired form social networks with existing GIS data sets to add contextual, spatiotemporal and qualitative information on existing and additionally identified points in urban public space. Such enrichment of data enables complex representation of events in urban public space and supports data based spatial research.

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In the second part the paper, a data collection strategy designed for cities, has been discussed and proposed, enabling independent real time data collection. Smart cities need new approaches to data collection based on emerging information technologies. A common approach is to install networks of sensors or IoT devices to collect the data. But this is an expensive and, in some respect, less efficient approach.

An alternative approach based on tourist information services is proposed in the paper.

To demonstrate proposed techniques of spatial analysis, two existing public squares in two different cities, namely Maribor (SLO) and Graz (AT), are analyzed by collecting geolocated digital traces of social activity that citizens are leaving on social networks. These traces are combined with existing data sets related to spatial configuration of public squares and analyzed. Patterns of location and temporarity are visualized and evaluated to show the potential of public spaces and possible new ways of using them. A non-visual layer of activity is thus presented, that is related to local context of space but more importantly to the global information space. In the final part a practical use case for this technology is presented in the form of digital tourist guide, that can respond to individual needs of the user.

The research in the paper is based upon a number of similar yet not quite comparable texts on big data application in smart cities for urban studies and planning practices, most notable coming from the China region. A number of works are studying the impact of information and communication technologies (ICT) on transformation of public space and are discussing important issues of physical and functional changes that cities are experiencing today.

There are also preliminary studies published, discussing the use and formation of cities artificial intelligence (AI) based on new data gathering methods and on formation of large datasets. These are necessary for the development of AI. All these new approaches are aiming to expand the knowledge on the inner workings of cities today and on the positive role modern information technology can play in their transformation into more sustainable and livable places.

# Findings/Results and conclusions

In the paper proposed methods and use cases are demonstrating an alternative way by which cities can obtain valuable information and form unique knowledge about their public spaces by combining existing spatial data with the new data generated by the users of public spaces in the process of their social activities. Attractiveness, usability of spaces and spatio-temporal activities can be evaluated and can result in user oriented and more efficient management of urban spaces.

Additional observation is being made on the transformation of public space from infrastructure driven space to the event driven space. A completely new form of public space "on-demand".

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TURN INNOVATIVE IDEAS INTO REALITY

# MANAGEMENT IN SOCIAL SERVICES AND ONLINE EDUCATION

TURN INNOVATIVE IDEAS INTO REALITY

# 20 Understanding innovation from memetic and evolutionary perspective

Andrej Drapal\*

# Purpose of the research

There are many ways how to understand innovation. But in each case, it is a process that changes certain aspect of reality. It is thus a practice of manipulation of reality.

What are laws that govern innovation as reflected through change of something real?

What is "reality"? All three major categories of "reality", physical, biological and psychical (better: memetic) is real. But what is the "essence" (the real) of each reality. Since if we do not know what the change acts upon, it is impossible to define such change (laws that govern it).

What we know is, that all realities change in relation to other realities, like mental concepts, changes in cultures, technologies, economies, sciences and so forth. Changes in mentioned environments thus change options for what we can then change. Who is the agent of change, if we as agent are caused by all changes we are surrounded by?

We manage our environment and change it with memes only when we have innovation in mind. Since important part of memes are words/concepts it should be necessary to make clear these concepts at present time. This conference seems like a good point to reflect what is the present meaning of memes that constitute topics of the conference and what are essential presuppositions for them.

Keywords: innovation, meme, individual

#### Introduction

To place innovation, practice and reality in the full context of existing body of knowledge is a task that goes far above the scope of this conference since it is much too vast. Author is going to narrow down "the body" arbitrary to:

- *Memetics* (Dawkins, 1976; Dennett, 1992, 1996, 2006; Blackmore, 2000).
- *Physics* relativity, quantum and thermodynamics (Smolin, 2013; Schrödinger, 1944).
- Evolutionary theory and complexity theory (Kauffmann, 1993, 2002, 2008, 2016; Gould, 1997).
- *Objectivism and creativity* (Rand, 1961, 1964, 1966, 1982; Koestler, 1964).

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Neuroscience and linguistics (Wittgenstein, 1922; Pinker, 1994, 1997, 1999, 2002, 2011).

And authors own findings related to homonism and branding.

# Methodology

Though there are some memetic research papers available that rest on quantitative data gathering and analysis (Jure Leskovec, Cornell University for instance) this paper rests on methodology of philosophy. No quantification can give insight into realm of sense, meaning and action. Internal rational coherence of the proposed methodology is the sole arbiter of validity and interrelational acceptance in dialogue is the only possible sensemaking mechanism.

#### **Findings**

Work is defined as something that changes environment or itself into something different from what it was before. It is done by many forces, but also by human force. Laws that govern such changes are linked to physical sphere, biological sphere and memetic sphere. Last two spheres are being changed by mutations in genetic codes and in memetic codes. Somehow surprising finding says that mutation is nothing but innovation, and that innovation is nothing but mutation.

Latest findings in physics place mutation also in the realm of physical reality. Our view on universe as a box defined by fixed and unchangeable laws has changed that so very much that now we are talking about evolution of universe in time, evolution that produce fluctuations; in other words, mutations. Mutations of laws as much as mutation of matter.

How do such findings relate to most prominent reflections about human creativity devised by objectivism or Arthur Koestler? Later two being most prominent authors that conceptualized a link between intrinsic human powers, imagination and structural powers that enable or at least do not prevent change on larger, societal scale?

Change can only be enacted on the level of individual. No matter if biological level or memetic level of human species is taken in account, it is individual that changes and is changed first and only later changes on societal level emerge. Fact that changes on higher levels emerge (as the matter they emerge as well on individual level), leads to a necessary conclusion: change cannot be produced or executed rationally (only). Change needs human force to exist, but human rational force as devised by objectivism cannot manage change. Top down (deductive) management of change is impossible. Innovation is induction, thus not all around rational. That is not rational does not mean it is irrational. Nothing in nature (evolution) is irrational. And at the same time nothing is rational. Change is emergent property of natural selection, where each human action/artefact/meme depends on its place and trajectory in the fitness landscape that is a part of.

To make any kind of social structure (family, company, brand, municipality, state ...) more innovative it is thus necessary to:

- Understand and accept principles of innovation;
- Disintegrate rigid top down powers of any social entity;
- Enable individuals to accept risks and opportunities, responsibility and results of their individual powers in its dependence of all other individual powers (interrelationalism).

#### Limitations

Internal and external coherence of proposed discourse is the only limitation. Since we can never relate to totality (vastness) of existing body of knowledge there are always specific relations in time and place that define validity and sense of any discourse.

# Practical implications

As already mentioned, this research is placed somewhere on the fitness landscape of all memes that then make more, less or no change. Since innovation cannot be managed top down it can also not be prevented top down. It can only be either stimulated or destimulated. By acknowledging principles explained such social entity will make individuals more proactive and social output more prone to sustain in everchanging environment

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# 21 The Coaching Maps – innovative methodology: From theory to practice

Robert Geisler\*

# Purpose of the research

The aim of the paper will be analysis the business practice regarding creation an innovative methodology for management, coaching, learning. The case study *The Coaching Maps* will be presented: from ideas and market needs, through research, till implementation for the market.

Keywords: visual ethnography, "The Coaching Maps", learning management

# Design/Methodology/Approach

The paper used autoethnography approach, which assumes that the author and his activity would be the object of the research. The process of the origin on the innovation, business model and practical issues will be analysis.

# Findings/Results and conclusions

The conclusion is that the innovation methodology and tool in learning industry and management process in XXI century called *The Coaching Maps* is used for better understanding self-awareness and organizations environment. The origin of the methodology is located in needs and requirements of contemporary business and organizations. The implementation of the innovative methodology requires network, digital environment, stable strategy and changes in management.

# Originality/value

The value of the paper is to understand, based on the case study, implementation of innovation, the role of research in innovation creation and management process of innovation in postmodern management model (postmanagement model).

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# 22 Innovation in health communications and the role of the communicator

Bill Nichols\*

# Purpose of the research

The focus of the project is the Postgraduate Certificate in Health Communications at Buckinghamshire New University. The first of its type in the UK, it first ran in 2015 and by Autumn 2018 will have completed five cohorts (~80 students at Director or Head of Communications level in UK National Health Service and other healthcare organisations. Specifically, there are three goals in a long-term longitudinal study:

- (a) to provide evaluation of benefits and outcomes for both students and participating organisations;
- (b) to obtain insight that will enable the future development of the PgCert-HC; and
- (c) to investigate and model the determinants of communications effectiveness at or near-board level in order to optimise the process of professionalization.

Keywords: health, health behaviour, education, communications

#### Introduction and literature review

The course, generally, is founded on the principle that "interventions developed with an explicit theoretical foundation or foundations are more effective than those lacking a theoretical base" (Glanz, 2017). I.e. that a strong theoretical underpinning is a significant adjunct to a professional communicator's effectiveness.

More specifically *Communications Effectiveness* is defined as "the formal as well as informal sharing of meaningful and timely information" (Sharma and Patterson, 1999, 158). In previous findings, it is critical to engendering *Trust* and essential to a strong relationship (Morgan and Hunt, 1994). Widely-used, especially in the service/professional services literature, the *CE* construct is - in part - a proxy for *Service Performance*.

The research literature, however, offers *less* clarity in terms of CE's 'drivers' (or antecedents) – notably in healthcare. There are substantial *gaps* at the convergence of domains such as:

 Communications generally (e.g. Stacks and Salwen, 2009) or in the post-digital effects of polymedia, where there is emerging evidence of a new social-technology

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- relationship as opposed to technology shift (Madianou and Miller, 2012) and ultimately founded on Gregory's classic affordance theory (1966)
- Learning, "a persisting change in human performance or performance potential...[which] must come about as a result of the learner's experience and interaction with the world" (Driscoll, 2000, 11), and
- (Public) Health Intervention (promotion) where the management of health behaviours by patients and carers is a major focus particularly in regard to NCDs non-communicable diseases (Manika and Gregory-Smith, 2017).

# Design and methodology

Primarily quantitative including multiple regression analysis.

# Findings

The initial phase (which may be extended in scope of findings by Autumn 2018) concluded;

- A majority of correlations/associations between the key course components (e.g. reputation management, knowledge transfer) are 'strong/very strong' (Evans 1996). This indicates that increased competency in one influences parallel increases in others;
- (ii) A regression finds principal benefits determining overall benefit-satisfaction are Return-on-Investment and Knowledge Transfer (itself a further source of as yet unquantified Rol). This aligns with the programme's C-Level focus and indicates high organisational awareness among participants;
- (iii) Reported communications effectiveness and knowledge transfer up by ~30%;
- (iv) Rol provisionally and conservatively assessed at 3:1 (i.e. £30K) in first year rising to an aggregate 5:1 over three years;
- (v) C-Level satisfaction high (qualitative);
- (vi) Participants experiencing significantly increased confidence (qualitative).

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# 23 Facts important for students' choice of high school

Jani Toroš<sup>\*</sup> | Iztok Sila<sup>\*\*</sup>

#### Purpose of the research

Every high school needs to have a clear picture of how and why students choose to enroll in a particular institution. In times when competitiveness between educational institutions has increased, the necessity to position themselves as the "right" choice is becoming more and more important (Hemsley-Brown & Oplatka, 2006). It is necessary to understand the students' needs and expectation. They must also help them to decide where to attend the high school (Maringe, 2006).

In the last two decades higher education market in Slovenia has changed considerably. A lot of private high schools were established, and new programs have been developed. Due to competition between high schools and universities they are looking for ways to attract and to motivate students for enrollment. Peruta & Alison B. Shields (2018) find social media as an important platform for his task. High schools need to know what are factors that influence the decision to choose to study in an institution (DesJardins et al., 1999). In order to optimize recruitment strategies, we must be aware of these factors.

In this paper we developed a model of selecting a high school, considering selected factors / attributes that make up the reason to choose one school over another. Using the MaxDiff method we measured which attributes had a significant impact on their choice. Student-related benefits in a form of questions, where students prioritized a list of performance attributes of schools were asked.

Keywords: student's preferences, score, faculty choice, model of selecting

# Methodology

Maximum Difference Scaling - MaxDiff (best-worst) scaling is a trade-off method for measuring the importance or preference for multiple items. (Sowthoot Software 2013). It is an approach for obtaining preference/importance scores for different values. The methodology, originally invented by researcher and academic Jordan Louviere, has gained in popularity over the last ten years.

Respondents complete several sets of values where each set contains a different subset of values. Combinations of values are designed with the important goal that each value

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is shown the equal number of times. Each respondent typically sees each value two or more times through the entire questionnaire.

"Why use MaxDiff instead of standard rating scales? Research has shown that MaxDiff scores demonstrate greater discrimination among items and between respondents on the items. The MaxDiff question is simple to understand, so respondents from children to adults with a variety of educational and cultural backgrounds can provide reliable data. Since respondents make choices rather than expressing strength of preference using some numeric scale, there is no opportunity for scale use bias. This is an extremely valuable property for cross-cultural research studies.

MaxDiff makes it easy for researchers with only minimal exposure to statistics to conduct sophisticated research for the scaling of multiple items. The trade-off techniques used in MaxDiff are robust and easy to apply" (Sawthooth Software, 2013).

# Approach

In our survey (between February and April 2018) two-hundred students from five Slovenian private high school participated in the study. They were asked to choose the most important and the less important fact from a five-list-facts.

Number of facts used in our survey was twenty, defined on the base of the qualitative research:

- 1 Tuition is up to € 2,000 per year.
- 2 The course fee is up to € 1,000 per year.
- 3 Tuition is up to € 3.000 per year.
- 4 The Faculty is in a large city, where many students study.
- 5 The Faculty is outside Ljubljana, where environment the is more peaceful.
- 6 The Faculty is near the place where I live.
- 7 There is a free parking close to the school.
- 8 The Faculty is reputable, with a long tradition.
- 9 Faculty is a part of the public education system.
- 10 There is a lot of practice in the education program.
- 11 Exercises and lectures are based on (analysis of) case studies
- 12 Subjects are comparable with the program of other faculties.
- 13 Lect. s are experienced practitioners.
- 14 Lect. s are mainly academics.
- 15 A few students are enrolled, so the Lect. s approach can be more individual.
- 16 I can pay tuition fees in several installments.
- 17 The Faculty is guite new so it is more flexible and accessible.
- 18 The Faculty is private with an innovative educational approach.
- 19 The Faculty advertises a lot in the media and on social networks.
- 20 The Faculty is recommended by a lot of acquaintances and friends.

It is easy to interpret the resulting item scores since they are placed on a 0 to 100 point common scale and sum to 100 points.

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# 24 Generation Y as early adopters of innovations and innovative employees

Mateja Mahnič\*

# Purpose of the research

In this paper I will confine myself to one segment of innovations: consumer's participation in turning innovative ideas into reality. I will discuss the problem of why a lot of glorious ideas do not break through the initial stages. My thesis is that maybe we have to start not from the point of view of innovator but from the point of view of receiver of innovative product or service (consumer).

Research question here is: Who are the early adopters of innovation and why.

Keywords: early adopters, dynamic communications, generation Y, mutual respect.

#### Introduction and literature review

The article could be placed in the context of popular marketing theories of dynamic communications, digitalization technologies and of the role of generation Y.

I derive from the definition of innovation: »The process of translating an idea or invention into a good or service that creates value or for which customers will pay«. Innovation is per definition synonymous with risk taking and so organizations that create revolutionary products or technologies take on the greater risk because they create new markets. Therefore, they must have some greater and bigger supporters. Our thesis is that the best supporters are target group »GenY«.

# Design/Methodology/Approach

The objectives of this article are achieved by gathering qualitative data from my educational lectures at DOBA Business Sschool. Sample size was app. 90 students in the bachelor's course Advertising campaigns. Findings in the September/October 2017 course which was held in cooperation with startup company DP indicate that generation Y is more in touch with the digitalization technology, more creative and more inclined to innovations.

# Findings/Results and conclusions

My conclusion as a teacher is that they are keen for changes and thinking outside the box. My students from Advertising Campaigns 2017 loved the innovation of startup company DP, which was producing artistic T-shirts with graphic techniques. Students prepared some inventive strategies on how to make this novelty more recognized. They

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designed a persona profile for t-shirts and also created a communication strategy, creative solutions and campaign for social media. They used social media such as FB. Instagram, linkedin, Snapshot and YouTube. They have presented a lot of effort and have got very high grades.

# Research limitations/implications

The only limitation of our study is that this was just a qualitative study, needed for DOBA's evaluations. For future research we will have to provide proper methodology.

# Practical and/or social implications

Practical implication of this paper is that generation Y is indeed identified as the correct medium for turning innovations into reality since they are the early adopters who will push innovative ideas from early adopters to early majority, late majority and then on to laggards. And they know how to do it. They are the first to try new ideas, processes, goods and services. Early adopters generally rely on their intuition and vision, choose carefully and have above-average education level.

Beside their roles as early adopters and promoters of innovations, they can also be creative and innovative as workers/employees. If they are treated properly, they could become a source of innovation. Employee creativity and innovation are essential for the success of any business and there is a clear connection between employee engagement and innovation according to a 2006 Gallup poll. A company's culture must foster innovative spirit of the best methods for stimulating creative ideas is brainstorming.

Since we have used electronic brainstorming for on-line study of creative subjects at DOBA Business School, we also recommend the same method in business environment. If the upper management follows a few basic guidelines so as to maintain open dialogue with employees, organize brainstorming sessions, encourage them to share their ideas and remain flexible and forgiving for unsuccessful innovative ideas, than the upper management is on the right path of turning innovations into reality. Baby boomers are the generation that created the biggest number of corporations, but we also know that change is constant and is the source of development. Generation Y are creative enough to be able to make that change and turn it into great results. We need them because on the one hand, different people with different points of view can create conflict. But as Adizes write: "... we make it work by creating a climate of mutual respect, so we can learn from each other. We create a group of colleagues."

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# 25 Is it possible to teach leadership in project management courses?

Tanja Kocjan Stjepanovič\* | Tomislav Rozman\*\*

#### Purpose of the research

It is a well-known fact that leadership is one of the most important skills that can make a project manager successful. It can be viewed as a skill that must and can be learned. We were looking for an answer to this question: do students understand leadership and go beyond understanding and start practising it in a complex individual assignment that simulates real-life situation in project management? Our goal was to find out if the provided course structure and materials offer enough foundation for essential concepts to adopt knowledge and understanding of the so-called hard project management skills versus the soft skills, in particular leadership.

Keywords: project management, leadership, e-learning, management skills

# Design/Methodology/Approach

We tested more than 60 students of Project management basics course from three different countries (Slovenia, Turkey, and Macedonia) who concluded a three or four weeks course. They were partly regular on-line students and international students in an Erasmus+ program. We introduced a project case simulation that we called "detective assignment" where students had to act as project consultants with access to a limited set of information, thus working as detectives. We tried to assess the effect of using real-life simulation with students of project management. Students were faced with evidence of a failed project and had to find out what were the main reasons for failure and propose a strategy to avoid it next time. All students, that previously successfully completed the course, were given the same failed project situation. Our objective was to find out if they recognise the importance of leadership as a success factor. We also went a step further and sought leadership skills in their recommendations for future projects.

# Research limitations/implications

This chosen approach has also some limitations. Although we tried to get as close as possible to a real-life problem, we could not ensure a project situation that would be equally understood by all students given their previous study background and life experience. A simple and quite general consumer related project was deliberately

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chosen. Still, not all students could entirely understand and relate to development and deployment of an online selling system for a simple food shop. It was also not possible for us to get individual students' learning and professional background.

The analysis was based on a critical review of individual in-line assignments. It showed that approximately half of the students correctly identified lack of leadership as the main reason for project failure. They mostly focused on problems with defining project requirement, planning and measuring performance. Only one in five students demonstrated leadership skills and acted as a leader. This is a clear sign that hard management skills are easier to master than leadership skills.

# Practical and/or social implications

Results of our research will have direct implications on our project management teaching approach, putting more emphasis into soft skills, especially leadership focusing on leader - team member exchange. This puts us in front of our next challenge: how to design and include more realistic teamwork assignments in our curriculum that would motivate students to work in teams according to proposed "flying geese" paradigm. All this based on the awareness that students tend to dislike team assignments because of different reasons as analysed and measured in student satisfaction questionnaires.

Findings are also important for a broader target group, covering managers, project management professionals and teachers since it shows in an objective form where is the reason for such high percentage of failed projects and how to adopt project management education to cover one the currently most pressing problems in project management.

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# 26 E-learning in higher education: Study on students' intrinsic motivation for e-learning

Darko Števančec\* | Iris Fink Grubačević\*\*

# Purpose of the research

The paper presents the most important results of the research carried out on a sample of students participating in e-learning. We were interested in factors that significantly contribute to students choosing e-learning and student's attitudes toward this type of learning. Further in the paper we present the results of the analysis of the correlation between different factors of intrinsic motivation with the development of competences and student performance in the e-learning process.

Keywords: e-learning, intrinsic motivation, higher education

#### Introduction and literature review

E-Learning is a key activity in a knowledge network society. Higher education institutions create and disseminate knowledge and contribute decisively to citizens' lifelong learning.

Universities have benefited from the broadening accessibility, cost-effectiveness, and increasing potential demand for e-learning programmes. Besides these advantages, higher education institutions progressively face much more vigorous competition, as well as diverse requests that come from a bigger pool of individuals, who in many cases are already aware of what e-learning could do for them. Higher education institutions need to gain a complete understanding of the connections between their potential e-learning strategies and the individuals' experiences that lead to user retention.

E-Learning helps students meet their educational needs via a wide spectrum of digital technologies, it allows them to construct their own knowledge by offering full access to didactic resources and teaching—learning methods, with no time and location limits.

Motivation that initiates and sustains behaviour is one of the most significant components of learning in any environment, especially level of intrinsic motivation triggers and sustains the interest of the distance education students when it comes to learning on their own in e-learning environments. Online students usually have higher motivation and more interest than students in a traditional learning environment. Motivations to learn and developing competence are essential pieces of the e-learning drop-out puzzle.

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# Design/Methodology/Approach

In the research we used two independent random, deliberate samples. The study included DOBA Faculty of Applied Business and Social Studies, Maribor and the Faculty of Industrial Engineering, Novo mesto. As a measuring instrument we used a survey questionnaire with seven-level modified Likert scales, where the level 1 meant "absolutely nothing" and the level 7 meant "completely". The set of questions was testing expression of extrinsic and intrinsic motivational drivers for study, as well as subjective and objective indicators of study success. The data was processed with the statistical software IBM SPSS Statistics 19.

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# 27 The Development of the usage model of the learning analytics at DOBA Business School

Lea Bregar\* | Miro Puhek\*\* | Pedja Ašanin Gole\*\*\*

# Purpose of the research

DOBA Business School as one of two higher education institutions with dominance in the field of online education in the Slovenian educational space has a significant advantage (Bregar and Puhek, 2017, 64). Because of the digitalization level, especially by the usage of LMS Blackboard (BB), huge amount of data with specifics of Big Data are generated but remain in general unexploited.

Blackboard offers additional module of learning analytics, which consists of four basic "packages". X-Ray Learning Analitics consists of analytical tools for exploring "the students' behaviour" when performing a study programme/course as basis for its improvement. The package Predictive Analytics consists of tools that predict/early identify learning situations, which could endanger the success of an individual student. Thirdly, Blackboard intelligence not only improves enrolment but also increases student retention, and maximizes the institutional performance. Finally, Blackboard Analytics for Learn improves instructional design of courses.

The purchase of this module is a big financial input. The inquiry was focused on the question what is the analytical usage of the data that were gathered with accessible applications (as for example Retention Center, Dashboard, Rubric, Course Report) in range of basic BB learn version, which is currently used at DOBA Business School.

Keywords: learning analytics, big data, LMS (Blackboard), e-education, quality

#### Introduction and literature review

One of the consequences of the general digitalization is constant generation of huge amount of data with so called digital traces or fingerprints. Every activity in internet or other digitalized environment, as sending an e-mail, registration on a web site, a visit to a portal, online purchase of a book, tweeting, creates a specific data entry about an individual and his activities in internet or other digital environment. Because of general integration of internet and other digital services into life and activities of an individual,

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huge amount of data has to be generated in a short period of time. These are so called Big Data and are of exceptional informational value.

There are some risks that come with the informational value of the Big Data (different forms of fictional or false information), and, on the other hand, the traditional methods of analysis are not equal to the task. In the last years the focus was on the development of specific methods and approaches for optimization of Big Data usage. The potential of Big Data that is supported by appropriate analytical methods enables development of numerous fields in business, research and educational field.

In the last years a special methodological tool named "Learning Analytics" is being developed for the analysis of Big Data in the field of education. By definition that was approved on the first conference of learning analytics and knowledge in 2011 the term learning analytics includes a string of analytical tools for measuring, gathering, analyzing and reporting of information regarding students and data related to them with the purpose of better understanding and optimization of the learning process and the environment where it takes place (Long and Siemens, 2011). Learning analytics refers to an individual in a learning process on a level of a course, program or department and are intended to improve the learning and teaching process. Parallel with the learning analytics so called academic analytics are being developed that concentrate on the institutional and national level (Clow, 2013).

#### Design/Methodology/Approach

The analytical usage was determined for four key aspects of quality of the learning process at DOBA Business School; identification of the high-risk group of students and lowering the decrease, the quality of the pedagogical support, subject plan, quality of the grading. The usage of the analytics was determined through examples of good practise and pilot usage in the learning process of the online professional higher education study programme.

# Findings/Results and conclusions

The primary purpose of the usage of the learning analytics is the improvement of the learning and teaching from the point of view of the individual. The means or activities for increase of the quality of learning and teaching with the usage of learning analytics are manifested in different ways, such as personalization of learning experience and environment, prediction of learning success, interventions for reduction of the decrease, more suitable pedagogical approaches and methods, adjustment of learning environment etc.

The positive effects of improving of the quality of learning and teaching (can) have positive effects on the institution, for example, lower costs, improvement of the administration and more effective organisation of the educational sources, better understanding of reasons (successful/unsuccessful activities) of the institution etc.

In general can be stated that the learning analytics are an appropriate tool for improvement of the quality of learning and teaching especially in organisations, which perform online education as main manner of education on the level of organization or at least on the level of study programmes, because this manner presumes a high level of digitalization of the educational process and consequently the accessibility of the "Big Data", which are key when using learning analytics.

The study shows that a systematic-analytic monitoring with data and tools, enabled by the existing version of the BB, of the study processes at DOBA Business School would provide a solid information aided base for continuous control and improvement of the quality of learning and teaching in the context of pedagogical model at DOBA. Such approach is in line with DOBA strategy of being excellent virtual faculty and it also means the realization of this strategy. The realization of the idea could improve the reputation of DOBA as leading and advanced online higher education institution since regarding the survey performed in 2017 Analysis of Digitalization and E-learning in Higher Education in Slovenia (Bregar and Puhek, 2017).

## Practical and/or social implications

The potential advantages and benefits of the usage of learning analytics can be realized only under specific circumstances. By all means the usage of the methods is logical and possible only by great level of digitalization of the educational institution. The usage of learning analytics cannot be in hands of individual enthusiasts but has to be coherent with the strategy of the institution and it has to have full support of management. In the process of implementation the information management has to cooperate, an appropriate level of professionalism has to be guaranteed and appropriate methodology approaches from collecting data to its interpretation have to be used. The key is also the adherence of ethical principles in research and the protection of personal data.

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# 28 Do the ontelligent learning systems have a future in e-learning?

Miro Puhek\* | Andreja Spernjak\*\* | Kosta Dolenc\*\*\* | Andrej Sogo\*\*\*\*

There are many types of e-learning, which in general differ in the amount of used technology, type of communication between the learner and teacher/content provider, and, of course, in type of pedagogy with learning support. The most acknowledged categorization that takes into consideration tools that are used, learning environments and the type of communication (synchronous or asynchronous) classifies five types of e-learning: a) learner-led, b) facilitated, c) instructor-led d) embedded, and e) telementoring or e-coaching (Horton and Horton, 2003; Esgi, 2013). Moreover, learnerled, facilitated and embedded e-learning are asynchronous, where only first supposed to provide autonomous learning experience to an independent student as a self-directed elearning. Instructor-led and telementored e-learning are supported with synchronous communication, where the second is only the modern version of distance learning, in which technology replaced printed materials. The approach, in which the users are going to work on the content based on cooperation, problem solving, adjustment to an individual, kind of support etc. depends on the pedagogic-didactical set of the e-learning model (Bregar, Zagmajster, Radovan, 2010). If the intelligent learning system that is regarded the highest level of technology of e-learning is used it can be comprehended as the most advanced form of e-learning, where the education is completely carried out under ICT with no direct communication between the teacher and the student (asynchronous communication), and still the difficulty level of the assignments and the achieved knowledge is being measured and autonomously adjusted. At the same time, it can be said that the idea about a computer or learning networks that hands the knowledge autonomous without an indirect involvement into the study process is quite old and that parallels could be easily drawn to the deschooling society (Illich, 1971).

With the digitalisation of the educational process the question about the effectiveness of such systems is being raised. Information literacy is being presented as one of the most important competences for employment, personal development and social inclusion in digital age; and that is why it is no surprise the EU named them competencies for citizens (Carretero, Vuorikari and Punie, 2017). If it seems that the initiative is meant only for "elderly" generations that were on private and business life

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left behind by the technology, the information literacy is neither self-evident for the so called digital natives (those who grow-up in digital age). The studies show that the digital natives are not necessary information literal, because solely owning and using smart phones, tablets, computers and other IT accessories is not directly connected to information literacy (Šorgo et al., 2016). With increasing frequency the myth of so called digital natives being good at managing technical devices and playing with them is confirmed, but it gets complicated when more advanced usage is needed, as, for example, the usage of the framework DigComp 2.1. This set the information literacy in the 8 proficiency levels (from foundations to highly specialized) for 21 competencies (Carretero, Vuorikari and Punie, 2017).

The aim of the project "Development, Testing and Validation of an Autonomous Intelligent and Adaptive E-learning System for the Improvement of Information Literacy of Adolescents" (AIPES) is the development of an autonomous educational system for e-learning that is capable of adjustment to the knowledge of the users, and the promotion of the development of the information literacy. The realization of the idea of autonomous educational system regarding the technological demands also expects a careful planning and preparation of the questionnaires for development of the information literacy, which is closely explained in this article.

Keywords: autonomous intelligent learning systems, e-learning, information literacy

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# 29 How to make teamwork in a virtual learning environment more successful?

Marko Divjak\* | Vesna Kolenc Potočnik\*\*

#### Purpose of the research

The purpose of this paper lies in exploring alternative methods for enhancing teamwork skills at the master level fully online educational programs at DOBA Business School. With regards to teamwork in educational setting we have identified several major challenges:

- students hardly differentiate between group work and team work;
- there is often too little time for teams of students to develop their full potential;
- students face several virtual communication challenges;
- virtual support for working on common documents is insufficient;
- students have difficulties recognizing different team roles and taking these differences into account when dividing and accomplishing the tasks.

During the decade of master educational programs development and implementation, we have tackled all above challenges and developed our own teamwork model, which is being constantly up-graded with new approaches, projects and insights. In this paper we would like to present and evaluate the last pilot project to up-grade the current teamwork model at DOBA Business School, which was intended to help students to become more successful and efficient with their teamwork assignments and more satisfied with their teamwork. Based on results of the pilot project, recommendations and suggestions regarding the further improvement of the teamwork model will be provided.

Keywords: strengths-based approach, teamwork, team efficiency, virtual teams, evaluation

#### Introduction and literature review

The key message from the literature is that teamwork is normally more successful than group work (synergy as 1+1=3). The second message about the rising importance of teamwork skills stems from the labor market needs and the prognosis of future trends and challenges.

Due to rapid economic and technological development problems are becoming more and more complex. Solving such complex problems requires teams of skillful experts. But the employers often report about employees having their teamwork skills insufficiently

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developed. Our master educational programs are grounded on innovativeness and creativity, which are the key transversal skills the programs intend to enhance and develop. Innovativeness needs teamwork, it needs combination of more peoples' views, more experts working together and creating synergy.

So, if we intend to develop innovativeness in our master programs we first need to ensure high quality teamwork of students.

## Design/Methodology/Approach

Thirteen (13) master students were voluntarily involved in the "Strengths pilot project". They took a "Strengths finder" test, provided by the expert company, and were then informed about their top five strengths. Afterwards, they participated in a virtual workshop, where the methodology of Strengths (developed by Boston Group) was explained and where students were advised on how to apply their strengths for better teamwork cooperation at work, in education and family-time.

After the workshop they were put together in teams at various online courses. We assumed that knowing their own strengths (and the ways to further develop these strengths towards mastery) as well as the strengths of their team members, would help them become more successful and satisfied with their teamwork.

The main research question was the following: Could the application of the "Strengths project" as an attempt to better prepare students for teamwork actually facilitate the team processes and contribute to higher satisfaction with teamwork?

This research clearly follows the principles of the case study research design with several variables to observe (by means of combined data collection techniques) but limited on a small sample of master-level online students from the selected higher education institution.

Qualitative research strategy was adopted to evaluate the "Strengths project". Participants provided their open-ended written reflections twice: first, immediately after the workshop and second, after three months of working together in teams. Afterwards, a few qualitative telephone interviews were carried out to collect additional insights from the participants.

# Finding/Results and conclusions

New improvement of the teamwork model at master-level educational programs at DOBA Business School was developed. We expect the results of the qualitative data analysis to confirm the usefulness of the "Strengths project", which could be offered to all the students as a bonus (opportunity) to learn more.

However, the sustainability of the "Strengths project" as additional paying service needs to be considered.

## Research limitations/implications

Research is limited to a pilot project on a small sample of Slovene students enrolled in master-level educational programs, who were highly motivated to participate. Further research is required to establish more solid conclusions about the value of the "Strengths project".

# Practical and/or social implications

The "Strengths project" seems to improve and enhance development of teamwork skills in highly motivated students which may be considered a relevant implication for the labor market.

# Originality/value

The value of this paper is in providing the empirically based evaluation of the pilot project that could be used by DOBA Business School and other higher education institutions as a basis to plan and promote teamwork development in virtual learning environments.

# 30 Students' virtual teamwork: A case study of DOBA Business School

Zvezdana Strmšek\* | Nuša Lazar\*\* | Ksenija Drolc\*\*\*

In a modern business world where the success is based on creating as many innovative ideas as possible, one of the key competences is teamwork. Different authors investigate the topic of teamwork since it is difficult to arrive at a single definition of teamwork. There are several different concepts of teamwork. Also the European Union in its strategy Europe 2020 works to straighten key competences, knowledge and skills by promoting a variety of learning approaches and contexts, in a lifelong learning perspective which includes also teamwork. Based on different researches and strategies in the past years, still there is a lack of teamwork competences at the work force.

Influenced by modern technologies, globalisation and internationalisation working at a virtual platform is getting more and more important for organizations' success and performance. Due to this trend also the number of studies on the topic of virtual teamwork is increasing.

Modern technologies, globalisation and internationalisation are reasons why DOBA Business School implemented virtual teamwork as one of innovative learning approaches into the curriculum. The virtual teamwork in education means that the team members use virtual platform and online communication tools for all team work activities. An important part of the successful teamwork are good communication skills and digital competences of all team members.

In the past 5 years DOBA Business School has been closely monitoring development of different skills and competences among their students. Key competences needed in the business world and developed during the studies at DOBA are teamwork as well as communication and leadership skills. Programmes at DOBA Business School are carried out fully online, a few of them are carried out also blended, but in our paper we will focus only on online programmes and based on that on the virtual teamwork. We have been collecting the data related to teamwork for the last 5 years which we will compare in different aspects. After each course students fill out anonymous questionnaires where different segments of the course are evaluated, but for our research we will use only data related to teamwork, communication skills and competences for leadership (which include solving conflicts, critical thinking, adjustability).

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The article will present the case of DOBA Business School and virtual teamwork. We will investigate the possible differences of perception of virtual teamwork among bachelor and master's students as well as among students from Slovenia, Croatia and Serbia. During the past 5 years DOBA Business Schools also implemented different pedagogical improvements, tools and instruments. This is because we noticed that at the beginning of the studies students have none or very few experiences with teamwork, especially with virtual teamwork. These improvements should also have a positive effect on virtual teamwork. Also the perception of teamwork among students changes during the studies, when they gain new experiences during each course. This will be one of our research fields in the paper as well.

DOBA Business Schools offers study programmes for different professions. Each programme enrols students with different personal characteristics and professional background which could have an effect of their perception of teamwork. That is why we will also investigate if there are differences among students from different programmes and their perception of teamwork. Is there a correlation between successful teamwork and developed knowledge and competences for successful communication during the studies? Is there a correlation between teamwork and developed competences for leadership?

The paper will present the case of DOBA Business School and the experiences with virtual teamwork among students during the last years. The results of the study will be useful for DOBA Business School and its further activities related to students' teamwork as well as for students and professors to better understand the effects of virtual teamwork, for the educational community as one of the good practises DOBA Business School is conducting, and for economy to understand and transfer teamwork skills gained during studies in the business world.

Keywords: virtual teamwork, higher education, communication skills, digital competences

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# MARKETING AND SALES

TURN INNOVATIVE IDEAS INTO REALITY

# 31 Testing the top management view about consistency of sales force control systems

Amadea Dobovišek\*

#### Purpose of the research

The purpose of this research is to compare consistency of sales force control systems in 2010 and 2018 as viewed by top management in the biggest Slovenian companies and to examine which system components have improved and which still lag behind. The sales force control system is the most important lever top executives have in exercising the influence upon the sales management of the company.

The more consistent the control system, the smaller the gap between desired and actual sales force behavior and the more effectively is implemented the planned marketing strategy.

Keywords: sales force control system; top management; sales force behaviour; implementation of marketing strategy.

#### Introduction and literature review

The sales force control system is a set of procedures used by organizations for monitoring, supervising, directing, and evaluating salespeople to influence their attitudes, behaviors, and performance (Onyemah and Anderson, 2009). Sales force control has been the subject of an important stream of research initiated by Anderson and Oliver (1987) and continued by several other authors (Oliver and Anderson 1994, 1995; Anderson and Onyemah, 2006; Darmon and Martin, 2011).

Literature, experience and research studies increasingly point out a direct relationship between a company's sales success and its commitment to manage sales force behavior. Sales forces can create customer value in transactional or consultative selling mode, either by reducing the cost of acquisition or by providing new customer benefits (Rackham and De Vincentis, 2002).

Yet trends in actual management practice are moving away from these principles in a direction exactly opposite to what this body of evidence prescribes. Thus, it can be observed that companies often experience gaps between the desired and the actual sales force behavior. This implies that important task of senior executives is to build management control systems that help produce a more reliable transformation of the desired sales force behavior into an actual one.

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# Design/Methodology/Approach

The research took place on the basis of semi-structured questionnaire which has been developed on the model of Anderson and Onyemah (2006) but significantly expanded by Dobovišek (2010). The policies and practices that managers employ to adjust sales force behavior to customer needs make up a "sales force control system" which can be categorized into several components. These components reflect the key questions senior management needs to ask about the way it conducts its sales force behavior. The questionnaire for top management is based on a set of 12 claims, which are rated from 1 to 7 on the Likert Scale. How executives of the 8 biggest Slovenian companies answer helps determine whether companies employ an outcome or behavior control system, or some hybrid combination of the two. It shows how consistent are the system components with one another and with the desired sales force behavior expressed by top management in the initial conversation.

#### Findings/Results and conclusions

My findings show that top managers identifies consultative selling as an approach which will allow the company to best realize its marketing objectives. But in practice they do not enable their sales employees to effectively perform such desired behavior. The results, both in 2010 and 2018, offer clear and compelling evidence of inconsistencies within the control systems and imply that the gap between the desired and the actual sales force behavior exists. In some companies though, minor improvements were detected in comparison to the year 2010 while some system components remain as inconsistent as eight years ago. Research evidences show that senior executives still underestimate complexity of managing their sales forces in a more consistent way.

# Research limitations/implications

The main limitation is the small research sample. However, the sample of eight biggest Slovenian companies consists of different industries offering some kind of opportunity to generalize the findings at least within such sort of companies.

# Practical and/or social implications

In any company employees, and especially sales employees, must have understanding of what the organization is trying to accomplish therefore managers addressing management control issues should think about how to influence employees to behave in a desired way. Management control involves asking the questions: »Are employees likely to behave appropriately?« and »Will they work consistently hard also without a formal control system in action?«.

# Originality/value

The research is built on foundation provided by Anderson and Oliver (1987) who characterized the sales force control system mainly along the dimension of input-based

(behavior) control versus output-based (result) control. As it provides limited explanation of what induces a firm to select one specific control tool rather than another, I integrated two disconnected literatures, "customer value creation in selling process" and "sales force control system" into a new and unified framework. This contributes to a better understanding about how sales force control systems should be established to meet companies' strategic objectives.

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# 32 Neuromakreting: A new discipline for a more effective understanding of consumer behavior

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#### Purpose and introduction

Neuromarketing is a relatively new marketing discipline that utilises neuroscientific methods for effectively understanding consumer behaviour. Thanks to neuromarketing, responses that the consumer's brain is subject to at times of purchase can be more adequately observed. Being the combination of consumer behaviour monitoring and neuroscience, neuromarketing has at this day and age almost eclipsed traditional forms of market research. On the one hand, traditional marketing is focused on defining consumer behaviour in concious moments of purchasing, while neuromarketing indetifies the unconscious in consumer reactions. In this regard, we see neuromarketing research as a unified collection and analysis of all neurological and neurophysiological findings about customers, which subsequently provide marketers with the opportunity to examine all possible reactions of the consumers with the aim of getting to know the market better.

The main goal of this paper is to point out the importance and significance of the neuromarketing discipline and point to the effectiveness of the results obtained by this method in comparison with previous, conventional methods. The authors especially meant to emphasize the importance of this modern marketing tool for having a reliable understanding of consumer behaviour.

#### Research thesis:

- HO Neuromarketing is a modern way of research that contributes to the understanding of the purchasing behaviour of the consumer and is in line with general ethical principles.
- H1 Neuromarketing is a relatively new scientific methodology for researching consumer behaviour.
- H2 Neuromarketing research will have great value in the near future.
- H3 Thanks to medical electronics, we can observe and analyse the brain of the consumer far more precisely than before.

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H4 Producers of new goods and services want a more realistic picture of what makes consumers shop, which is most accurately conveyed by surveying the consumers' brain using neuromarketing.

Keywords: Neuromarketing, consumer behavior, market research

## Methodology

The survey was conducted in the second half of 2017. Through online questionnaires, the following target groups were interviewed: marketing expers, marketing academics and neurologists - medicine specialists. The questionnaire covers issues related to neuromarketing research in the sense of recognizing the use of the market research method. The first part deals with general-type questions, and the second the questions pertaining to neuromarketing research in terms of recognizability, applicability, efficiency and ethics. From the point of view of measurement, the questions in the questionnaire are nominal and ordinal. Likert scale was used, which consisted of a series of statements by the respondents in relation to a certain attitude. The respondents were asked to express their degree of agreement or disagreement for each individual claim. A five-step scale was used: I do not agree at all, I do not agree, I do not have an opinion, I agree, I completely agree.

For the purpose of statistical data processing, the SPSS software package and statistical functions were used, and due to the types of variables to test the hypotheses, a x2 test was used. Statistical conclusion is based on a sample on which certain conclusions about the population are made (a statistical set).

# Findings and discussions

A hundred and nine respondents, 33.9% male and 66.1% female participated in the survey.

H1: Women respondents have clearer views on this new scientific methodology, while more than a third of the men have no opinion on this issue. From the answers recieved, it can be concluded that the oldest respondents and those aged 31 to 40 are less interested in the topic at hand and generally do not have an opinion on it. Over 80% of academic workers either agree or completely agree with the statement, while the percentage is somewhat lower with neurosurgeons and marketing experts - over 60%.

H2: Observing the respondents' answers according to their gender, it can be clearly seen that both male and female respondents mostly or fully agree with the stated position. In women it is 78.4%, in men 84.7%. Observing the answers of the respondents by age structure, all respondents aged 60+ agree or fully agree with the stated position, while among the respondents of other age categories this percentage is somewhat lower and amounts to 89.9% in subjects aged 51-60, 87.5% in subjects aged 41-50, 81.9% in respondents aged 21-30 and 77.9 in subjects aged 31-40. Over 93% of academic workers

agree or completely agree with the statement, while the percentage is somewhat lower in neurosurgeons and marketing experts - 72.7% and 84.9%, respectively.

H3: By observing the answers of the respondents by gender, one can see the uniformity of the answers, so that 83.8% of male respondents and 85.1% of female respondents agree or completely agree with the mentioned statement. Looking at the age structure of the respondents, 93.8% of those aged 41-50 agree or completely agree with the statement, in subjects aged 31-40 the percentage is 80%, in those aged 51-60 it is 77.8% and for subjects older than 60 it is 66.7%. All respondents aged between 21 and 30 either agree or fully agree with the statement. 96.7% of academic workers agree or completely agree with the statement, while the percentage is somewhat lower in neurosurgeons and marketing experts - 67.2% and 88.6%, respectively.

H4: Over 70% of male respondents agree or compleely agree with the statement, while this percentage is higher for the female ones - 80.5%. Over 83.9% of academic workers agree or completely agree with the statement, while the percentage is somewhat lower in neurosurgeons and marketing experts - 70% and over 77%, respectively.

#### Conclusions

On the basis of the obtained results, it can be concluded that more explicit opinions on the topic covered by reasearch questions H1-H4 are held by academic workers, neurosurgeons and marketing experts than respondents whose professions are listed as "other". The results unambiguosly indicate that neuromarketing research is an important means of analyzing consumers' brains and that it contributes to a better understanding of all consumer reactions. In this sense, this discipline enables the communicators to understand modern consumers more adequately. Neuromarketing enables a more complete and impartial insight into all consumer mental processes that are under the influence of different marketing activities of companies. in this way, a more objective understanding of the entire consumer concept is obtained.

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# 33 Consumers' perceptions and behaviors regarding food supplements in Slovenia

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#### Purpose of the research

The purpose of the study was to search for answers to the posed hypotheses and establish whether consumers are interested in natural plant-based food supplements and whether consumers, who are already taking food supplements, are willing to accept a high-priced brand and what would convince them to do so.

Keywords: food supplements, brand, positioning, food legislation, marketing plan

#### Introduction and literature review

Food supplements are foods whose purpose is to supplement the normal diet. They are concentrated sources of individual or combined nutrients, or other substances with a nutritional or physiological effect and are marketed in the form of capsules, pastilles, tablets and other similar forms, sachets of powder, ampoules of liquids, drop dispensing bottles, and other similar forms of liquids and powders designed to be taken in measured small unit quantities (*Pravilnik o prehranskih dopolnilih*, i.e. Rules relating to food supplements, Article 1). For different conditions, a different nutrient content is required to achieve a physiological effect (e.g. a healthy individual has a lower requirement for additional nutrients than patients, pregnant women, people with a compromised immune system).

Despite claims made by nutritionists that we receive all the required nutrients with a healthy diet, consumers are aware that the path from the garden to the plate is getting longer and the food is consequently losing its nutritional value. The modern lifestyle, environmental, psychological and physical stress increase the need to add nutrients. There are a number of food supplements in the Slovene market, however consumers are mostly not sufficiently informed to be able to chose products of the highest quality. They mostly settle for the opinion of the sellers, who usually offer a product of their choice (which depends on a number of factors). The fact is that different chemical forms of nutrients have a different bioavailability and the uptake can be substantially different.

The supply of safe food, which does not endanger the health of consumers through chemical, biological or other types of pollutants, is the foundation of a healthy diet and an important factor of the protection of health as a public interest. The prevention of food-borne diseases and the protection of consumers' interests are therefore two main

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elements of food legislation. Food legislation stipulates the general requirements, biological and chemical safety of foods, and establishes the requirements for food business operators as regards the labelling, presentation, and advertising of foods, including health and nutrition claims on foods.

The European Union wishes to unify the legislation of member states; however there are still major differences in regulations which hinder individual products from entering the market. So as to balance this obstacle and facilitate the exchange of goods within EU borders, the Contract on the free movement of goods and services was concluded stipulating that the competent authority has to prove the effect on public health if it prohibits the sale of a specific product in the territory of a member state and Regulation (EC) no 764/2008 on mutual recognition was adopted Generalni direktorat za podjetništvo in industrijo, 2010).

Due to the special manufacturing process, mode of action, and composition, Gematria food supplements are a unique brand of products. They are classified as products of a high quality and price. In addition to the price issue, there is the challenge that the products are manufactured in the USA, where a different food legislation applies.

Europe is a market with 500 million consumers and a high purchasing power and as such interesting for manufacturers from across the globe. As the market of self-treatment and prevention of diseases is constantly growing (including wellness, alternative medicine, etc.), there are realistic possibilities for Gematria to re-enter the Slovene and later the entire European market.

# Methodology

The quantitative research method and the technique of online surveying were used. A survey was implemented among consumers of food supplements. The respondents were asked to participate in the survey by an e-invitation. The invitation/access to the survey was sent to our contacts, who were asked to fill it in and send it to their contacts – this way, snowball sampling was used for the survey. The survey was filled in by 80 respondents. The survey was active from 29 July 2017 to 29 August 2017. The obtained data have been analysed and are presented in the results of the analysis. Based on the obtained results, the research hypotheses were tested.

# Findings/Results and conclusions

The study results allow us to conclude that the Slovene market is ready for the entry of new and previously unknown food supplement brands, which offer high-quality products made of high-quality ingredients and in accordance with Good Manufacturing Practices. The higher price is not an obstacle to succeeding in the market, however the right distribution channels have to be chosen which, in light of the survey results, are pharmacies and specialised stores. An appropriate market approach has to be prepared, which would be based on raising the awareness of the professional public (doctors and

pharmacists) and the use of social networks, as consumers usually ask advice from people that they know and trust.

## Originality/value

Based on the research results we have prepared a marketing plan proposal for the entry of this high-priced food supplement brand into the Slovene market. This chapter also gives the latest account of consumers' perception of food supplements in Slovenia. The results of the research could be used for planning further marketing activities.

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# 34 Consumer analysis as a basis for target marketing

Tina Vukasović\*

#### Purpose

The main objective of the market research, whose main results are presented in the article, was to research consumers' lifestyle and personal values as the basis for market segmentation. The quantitative research method was chosen and the technique of online surveying. 131 respondents participated in the study. The research results will be used as a basis for market segmentation and for choosing the appropriate market segment of consumers in the analysed market.

Keywords: Ifestyle, values, consumer, market segmentation, marketing strategy

#### Introduction and literature review

Market segmentation is one the first original marketing concepts originating from the United States and dating back to the 1950s (Damjan, 1995). In the United States, this was the era of fast economic and scientific development and population growth which contributed to a greater heterogeneity of demand. On this basis, market segmentation was presented as an alternative to product differentiation which had previously represented the essence of marketing strategies. Today, market segmentation has become the standard to turn to when preparing marketing strategies. It is of major importance when preparing promotional activities which are adapted to individual chosen segments.

The core of the contemporary marketing strategy of the 21st century is comprised of segmentation, choosing target markets, and positioning, which is also called target marketing (Vukasović, Jagodič, 2017). Companies are learning that mass marketing and marketing of diverse products is becoming increasingly difficult. Mass markets are getting smaller and are disintegrating into hundreds of small markets which are characterised by consumers searching for various products through various sales channels and paying attention to various communication channels. Companies are increasingly accepting target marketing. The latter presents the first step of strategic thinking in contemporary companies. Utilising a deliberate approach to target marketing, companies create the right relationships with the right consumers. In order for target marketing to be successful, the market has to be researched and the key markets determined, i.e. market segmentation followed by brand, products and services positioning.

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Companies need a lot of data on consumers, their wishes, requirements, and characteristics in order to adapt their marketing activities and be successful in the market. Company management usually does not have direct contact with consumers, does not know them, and consequently does not have all the required data. These data can be obtained with market research; however, they also need to be processed prior to use. One of the methods used for this purpose is market segmentation. The results of such processing are appropriate for creating a general picture on the situation in the market and product positioning, as well as for strategic decisions on the development of new products or groups of products. Due to the growing competition in the market and consumers with increasingly complex demands, the bases for market segmentation are becoming more and more complex and segmentation more and more difficult. For this reason, researchers involved with market segmentation began using statistical methods of classification into groups (Solomon et al., 1999; Kotler, 1998).

So, why is market segmentation so useful in marketing? Market segmentation is useful in all elements of the marketing mix. It is useful in promotional activities, as advertising, which is supported with market segmentation, plays an important role in product positioning. When it comes to distribution, buyers differ with regard to where they wish to buy. Income segmentation determines the prices of the products with regard to who is buying them. Who the product is intended for also has to be kept in focus when designing the product (Mumel, 1999).

# Methodology

The quantitative research method was chosen and the technique of online surveying. Surveying was performed using an online survey. The link to the survey was sent to the respondents' email addresses. 131 respondents participated in the study.

# Findings/Results and conclusions

The research focused on consumer's lifestyle and personal characteristics, to the attitude towards different personal values or things which consumers see as the guiding principles which give meaning to their lives. The most important values determined by the respondents were being fair and honest. This statement was chosen by 69 (68%) respondents. The respondents also find the safety of their loved ones very important. This statement was chosen by 68 (67%) respondents. The next set of statements refers to the respondents' personal characteristics. The respondents had to indicate their level of agreement with an individual statement. 101 respondents answered the question. 55 respondents (54%) find cooperation, help, and encouraging others to be very important. 53 (52%) respondents are organised, responsible, and persistent and 48 (48%) value different opinions, are willing to accept additional information and knowledge, and upgrade existing knowledge through research. The study further focused on the values with which the respondents associate their personality. We were interested in the relation between the chosen value and the respondents' gender. Reliability is the most emphasised value. 13 (22%) men and 46 (78%) women chose this value. The second

most frequently chosen value is integrity, which was chosen by 14 (26%) men and 41 (71%) women. 10 (20%) men and 40 (80%) women chose the value of respect. In light of the data obtained with our study, we can say that the percentage of positive personal values is higher among women than it is among men. The lowest number of respondents, i.e. 1 (25%) men and 4 (75%) women, chose the value of originality as the least important.

#### Originality/value

The study focused on the lifestyle and personal values of consumers. The research results will be used as a basis for market segmentation and for choosing the appropriate market segment of consumers in the analysed market.

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# 35 Consumers ethics and misbehaviours: A cros-cultural perspective

Natalija Mijaljević\*

#### Purpose

Purpose of this study is to explore some of the reasons for consumers' misbehaviour and to try to find out which types of misbehaviour are the most prevalent in relationship with demographic variables and cross-cultural differences of the respondents. This should help management, human resource management, marketing and marketing psychology to understand implications behind (un)ethics and to realize the influence of the loyalty towards the supplier on consumer behaviour. Research questions:

- What effect has the financial crisis and high prices have on consumer ethics?
- What influence do cultural differences have on consumer misbehaviour?
- Does loyalty towards the supplier affect the customers and what are the ways for human resource management to train retail staff in order to prevent or minimize misbehaviours?
- What are some of the excuses and justifications for misbehaviours?
- What implications do legal consequences have on consumer misbehaviour?
- What influence do demographic variables like age, education and income have on consumer ethics?

Keywords: consumers, ethics, marketing, HRM, behavior

#### Introduction and literature review

Consumer ethics and misbehaviour are an integral part of seller-customer relations and are of great importance to marketing, management, and human resources management. Better understanding these actions can provide direction on how to decrease losses that occur due to misbehaviour and help to train employees to better perceive and prevent them. Unethical behaviours by consumers cost a significant amount of money for retailers and service providers (including financial losses that occur directly but also the cost of CCTV surveillance). As most business literature is focused on organizational ethics perceived from the seller's side (Ha, 2013), customer ethics is a neglected part of business and marketing ethics (Brinkmann & Peattie, 2008); there is, therefore a need to put consumers' (un)ethics in context. Brinkmann & Peattie (2008) found a connection between marketing ethics and consumer ethics in a way that social responsibility of business has impact on social responsibility (ethics) of consumers. This is one more reason that justifies the exploration of the topic. The reasons for consumer

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misbehaviour might be changing as times change – just as types of misbehaviour change as times change. For example, in times of crisis and corruption in top politics made people misbehave more frequently with more excuses. Great recessions during the 21<sup>st</sup> century are also a possible reason for consumer misbehaviour and general criminal activities by consumers.

## Design/Methodology/Approach

The research design of this paper involves cross-sectional survey (snowball sampling) and usage of secondary data. A cross-sectional online survey was available online (resulted with 122 valid responses in Canada and 192 in Croatia) for one-month period of time (February 2014) and explored behaviour of a population of consumers. Secondary data was collected mostly online.

## Findings/Results and conclusions

Findings indicate that out of 28 statements, 22 of them in Canada and 11 in Croatia are impacted by demographic variables. Fear of legal consequences has moderate impact on shoplifting prevention. Personal financial situation has some impact in consumer misbehaviour. Customers' loyalty and their perceptions about the retailer and the staff affect their behaviour – they act more fairly when they like them and when they perceive them as fair and ethical. This impact is greater in Croatia than in Canada. Out of 28 statements. 12 of them have shown cross-cultural differences between two countries.

## Research limitations/implications

- The number of the respondents (122 respondents for Canada and 192 for Croatia).
- Scholars (Ha, 2013; Bock, Vermeir & Kenhove, 2013) found that same doings are not judged the same by people; and that people are often reluctant to admit their wrongdoings and they often provide socially desirable answers (De Schrijver, 2012).
- Only two countries were examined in this period of time. Including more countries
  and comparing the results gained from them in the same period of time would
  provide better insight into the differences.

Further research should explore whether Canadian respondents are more likely to commit some types of misbehaviour because they have more advanced marketing techniques and technologies than Croatians and is that the reason they are possibly more prone to consumption culture.

It would also be worth to explore other cultures and to compare the results.

Further research could explore why are there so many gaps between ethics and consumers from different demographic groups in Canada as opposed to Croatia.

Further research could cover more types of misbehaviour and more excuses and justifications for consumer misbehaviour.

# Originality/value

This paper is aimed at marketing, general management and human resource management in order to provide them with insights into possible reasons for unethical consumer behaviour. It should help (HR) management and marketing to determine whether it is more suitable for their organization to invest into the costly CCTV surveillance and additional security staff or to train employees so that they could provide better service to the customers.

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# 36 Effect of fake news on the buying behaviour of consumer

Iztok Sila\*

#### Purpose of the research

As defined by Collins Dictionary, 'fake news' means "false, often sensational, information disseminated under the guise of news reporting" (Collins, 2017). Fake news was selected the word of the year by Collins Dictionary. Usually fake news are discussed as a propaganda phenomenon but in this paper, we tend to explain - using some examples, that fake news was a part of many marketing campaigns in history as well. Big and important advertisers have been communicating some facts that later proved to be false. Our goal is to explain some of these examples.

Keywords: fake news, consumer behaviour, marketing campaigns

#### Approach

For developing this paper, external desk research was used, both online and published material was used. Luckily some video material is available as well.

## **Implications**

The first example in our analysis is spinach. In 1870, a German chemist named Erich von Wolff examined the amount of iron within spinach, among many other green vegetables. It appears that when recording his findings, Wolf accidentally misplaced a decimal point when transcribing data from his notebook. This way he changed the iron content in spinach by 10 times. There is actually only 3.5 mg of iron in a 100-gram serving of spinach, the accepted fact became 35 mg for several decades (Mehta, 2016). There are two mistakes (=fake news?) above: the amount of iron in spinach and apparently there was not decimal error mistake (Engber 2016). It is interesting, that despite "the truth about spinach and iron was known in 1892 and widely disseminated by US scientists as early as 1907" (Sutton, n.d.) Popey the Sailor became a big hero eating cans of spinach in cartoons that were released as early as in 1931. It was also believed that the cartoon character was responsible for boosting consumption of spinach in the US by a third, which is another fake fact — "the consumption of spinach in the USA had already increased massively between 1915 and 1928" (Kruszelnicki, 2011).

The second example is (healthy) cigarette advertising in the middle of the 20th century. In 1952 a series of articles were published in Reader's Digest about cigarettes causing

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cancer. At that time cigarettes in the USA were mostly filterless (the first cigarette filter was introduced by Viceroy back in 1936). Quickly, Kent's Micronite Filter was introduced. The message was: "It's a pure, dust-free, completely harmless material that is so safe, so effective, it actually is used to help filter the air in hospital operating rooms." (Cox, 2008, 193) In reality, the problem was, the Micronite filter in Kent cigarettes contained carcinogenic blue asbestos (Averall 2017) which was much more dangerous than tobacco smoke (Kennedy 2012). It is a a terrifying fact that 11,7 billion cigarettes equipped with the Micronite filter were sold until May 1956. Advertising messages of some other brands are to be analyzed, including Lucky Strike, Camel, Philip Morris, and Chesterfield. Winston, for instance "tasted good like a cigarette should," and we all know the Marlboro Man "in his cowboy hat and tattoo" (Jowett and O'Donnell, 2012).

#### Conclusions

Effect of false news can be very dangerous. This is proved in events that happened in the political arena, but there were examples that prove advertisers used fake news in promoting their products, services, brands or ideas for years. In our paper The Story of Spinach was analyzed and some examples of cigarette advertising in 1950's and 1960's was discussed. On the other hand, there remain other important players, companies like "Unilever, the world's second largest advertiser, "... that ... "has threatened to pull investment from platforms that fail to tackle fake news amid a "techlash" from the public against social media giants" (Rees, 2018). Carter at News UK agrees but says "advertisers do understand and value context and the dangers of not paying attention to that – where if you do appear on a terrorist website or on a fake news site, the damage to your brand is measurable" (Chahal, 2017). The only way to avoid the effect of fake news (in marketing) is to follow three rules: to follow objective and quality media, be serious and knowledgeable audience and to use common sense (Sila, 2017).

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TURN INNOVATIVE IDEAS INTO REALITY

# **PUBLIC RELATIONS AND SOCIAL MEDIA**

TURN INNOVATIVE IDEAS INTO REALITY

# 37 Fake news as a 'zeitgeist' media term

Pedja Ašanin Gole\* | Polona Baloh\*\*

#### Purpose

Our goal in this paper is to offer theoretical and empirical background to frame debate on fake news, their impact on companies and society and the work of professional communicators. Recent experiences of political elections (the election of the 45th president of the United States and Brexit in the United Kingdom) being influenced, attacks on corporations, and the interference of organised data management and communication strategies (e.g., by Cambridge Analytica) have fuelled the concern that fake news might be subversive and pootentially dangerous.

We begin by discussing definition of fake news. We conceptualize fake news as distorted signals uncorrelated with the truth. Fake news appropriates the look and feel of real news: from how websites look, to how articles are written, etc, and by trying to appear like traditionally trusted content, it takes on some form of credibility.

#### Introduction and literature review

A review of relevant literature used the term fake news reveals six types of definition: (1) news satire, (2) news parody, (3) fabricated and distorted information, (4) (photo) manipulation, (5) advertising and public relations, and (6) propaganda (Tandoc, Ling and Lim, 2017; Wardle, 2017).

Fake news is nothing new: people have been spreading it and complaining about it for centuries; people have been telling lies and spreading rumors since the beginning of recorded history — probably for as long as they've known how to talk to one another (Aral, 2018). But things are quite different today.

The growth of online news prompted a set of concerns; most recently, the focus of concern has shifted to social media. Content on social media platforms can be relayed among users with no significant "third party" filtering, fact-checking, or editorial judgment. An individual user with no track record or reputation can in some cases reach as many readers as conventional media. Social media, which increases the speed and breadth with which information spreads, became extraordinarily powerful in a very short time, and have a dramatically different structure than previous media technologies. Twitter, founded in 2006, has more than 300 million active users worldwide, and Facebook, founded in 2004, has more than 2 billion. Those platforms have become the primary source of news for many people. But because they have, to date, made a

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conscious choice not to vet the quality of the content they distribute, virtually no safeguards exist when it comes to truth and falsity online. The spread of falsity online is a serious concern for the democratic process. It's true that social media now offer these falsehoods very rapid channels through which to spread, but it's also easier to access information that can enable us to check it out (if we feel inclined), or to send and receive corrective messages.

We are interested in how many companies and professional communicators are affected by fake news, whether companies and professional communicators are ready to deal with fake news and have already established routines and procedures for detecting, preventing and, above all, fighting fake-news? And on the other hand, we are interested how many professional communicators are possibly also the source of fake news?

## Design/Methodology/Approach

We will use secondary data of research already conducted, whose data are publicly available. We decided on this approach because of easy access and low cost of access to primary sources. Secondary data will be used to test our hypotheses. In this way, we will first examine the previously collected data, get acquainted with the extent of the problem and the content, and define exactly what else may need to be explored with a possible primary survey that would be done with an online survey on the sample of members of the Public Relations Society of Slovenia.

## Findings/Results and conclusions

We review and analyze existing research among professional communicators about dealing with fake-news. The European Communication Monitor, the largest European survey among professional communicators (3,096 communication professionals working in companies, non-profits, governmental organisations and agencies from 48 European countries), notes only a small number of practitioners (12.3%) dealing with fake news as a major issue for communication management. As such there appears to be noticeable gap between the perceived intensity of debate about fake news and the perceived influence on the public sphere across Europe. The countries with the strongest impact of fake news are the Czech Republic, Romania, Serbia and Russia (Zerfass, Tench, Verhoeven, Verčič, & Moreno, 2018, 16-18).

Among the respondents of the European Communication Monitor, every second communication expert reports that misleading news in mass or social media influences the public sphere in his or her country. However, only a quarter feel that dealing with fake news is relevant for the daily work of their communication department or agency. This is striking as 22.5% of European organisations and their reputation have been affected by fake news within the last months. Russia, Serbia, Slovenia and Poland report the strongest impact. The main sources of misleading content are social media (81.3%), but mass media (59.6%) also plays a huge role. Despite these challenges, only 12% of

the affected organisations have already established advanced routines to identify (potential) fake news (Zerfass, Tench, Verhoeven, Verčič, & Moreno, 2018).

## Practical and/or social implications

Such discourses can create a potential influence on audiences and their trust in mainstream media and understanding of what fake news is. At the same time, they can encourage professional communicators and their companies to find more inclusive ways for discovering fake news on social media and placing effective response strategies on fake news.

Keywords: fake news, professional communication, public relations, social media, FCM

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# 38 Social media and the social role of shame

Vida Sruk\*

Shame represents a phenomenon difficult to identify. It is an emotional reaction or a state, which, as an expression of distinct discomfort, appears in a variety of social contexts. Today, the rather strong tradition of scientific concern with this phenomenon faces a wide range of aspects of the manifestation of shame (viewed one way or another) in a particular historical period (in regard to the increase or decrease of the phenomenon), social class, or in a certain domain of social interaction (primarily a sexual one, and thus often considered as gender-specific). It is further confronted with the demarcation of the private and the public sphere, with the phenomenon's role as a means of social control in the modern stratified post-industrial society, and with the presently particularly topical role of mass media in transporting and generating shame in public.

Electronic media with their specifically unlimited nature, unmanageable control, universal accessibility, accurate and permanent data preservation and regeneration, enable unprecedented possibilities to create and maintain the many types of shame. Thus, for example, cyber mobbing (online [psychological] harassment) as one of the most extreme forms of hostile creation of shame causes social degradation of an individual (or a particular group), loss of face, perhaps even "social death", severe stress and psychological disruption, which can lead to suicide.

In the public discourse, there is a concern of cultural criticism that the modern Western industrial society could collapse, as exceeding the boundaries set for shame and taboos poses a direct threat to society's civilizational, humanistic and democratic achievements. Scientific examination of moral standards, standards of behaviour and shame, observes an increase in violence, sexual permissiveness, cruelty in behaviour, and fading of common virtues and values, such as, for example, solidarity. Here, great importance is attributed to mass media and advertising, as they illustrate in an exemplary way how discourses and themes are produced through public influence on broad masses. In the context of post-modern arbitrariness, pluralism, self-realisation, and egoism became rampant, yet pointing out the factual break with taboos that could actually threaten the existence of civilization as a consequence of the new-age cultural industry, which enabled the spread of brutality and the lack of substance in the media, seems unfounded.

Influences conveyed by the media are manifest or latent, conscious or unconscious, planned or incidental. They serve economic, political, ideological purposes, and by

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internetisation and the increasing availability of modern electronic technology to the masses, they also serve as a channel for releasing frustration and aggression, which in the form of brutal cyber bullying (web intimidation) or subtle cyber mobbing through Twitter, YouTube, Facebook, and similar web tools placing offensive, humiliating, obscene, hostile, or threatening messages penetrate our private sphere and generate shame.

By advertising numerous fashion industry products, the advertising industry, the film production in a broader sense, mass media in general, and electronic media in particular, among others, mediate both examples of material consumption for self-evaluation and aesthetic patterns of physical beauty that are unobtainable, so to speak. They undoubtedly encourage negative perception and evaluation of one's own image (physical, intellectual, economic, status, etc.) and thus affect self-shame, which does not only take place in the personal sphere and physical social interaction, but also in the online social interaction, which, even though virtual, nowadays is all the more real.

"Likes" are measuring the quality of self-promotion—Internet-designed biography in Beck's sense—which, in the light of technical possibilities of faking facts and by accepting the relativity of truth and morality in a large part of today's social discourse in the form of Facebook communication, as Simanowski finds, destroys our authentic experience of reality, so to say, and even undermines the future of narrative tradition.

Dealing with the issue of this unwanted, personal as well as social psycho-physically manifest state of affairs seems necessary in the light of social inequalities and mechanisms of silent, perfidious social control carried out through the leverage of various forms of shaming and, consequently, shame in a globalised consumer society of illusory democratic freedom. It is essential to recognise these mechanisms of self-restriction and self-punishment in order to give meaning to the situation of the modern-day human who, in a society of well-being, faces exponentiated social stratification, accelerated technology and robotisation, and global media manipulation.

Recognition and awareness of these psychic mechanisms (genetically dispositional and socially updated) are indispensable for the self-awareness and the assessment of one's own position in society, and above all for the sensitisation for contemporary social problems and, therefore, for potential political activism, which in many places, precisely because of the socially generated humiliating feeling of helplessness, inability, incompetence, or lack of qualification almost faded away. The path to a more democratic, more active, consciously autonomous, and equitable society can only be quided by the mechanisms of learning about these phenomena.

Keywords: shame, social control, mass media, social networks

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# 39 Potentials of social media for collaboration in the European projects

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## Purpose

Social media tools are crucial for sustainability of the project's results therefore they are playing an important role in the project work. Usually social media tools are used for communication to and with stakeholders and for supporting dissemination. The purpose of the proposed paper is to analyze the use of social media tools in European projects. After the literature review, the authors present the empirical part of the study that was developed by obtaining primary data. The proposed paper answers to the following research questions:

Research Question 1: Due to the rapid development and change of social media tools, what are current social media tools used for EU projects?

Research Question 2: What features of social media tools would be beneficial for EU project work and the communication of its results?

Keywords: social media, differences in social media usage, project communication, dissemination, European project management

#### Introduction

Since social media tools like Facebook, Twitter and other social networks are part of our daily private lives (Stocker and Muller, 2013), but also their implementation as a business support tool has spread with amazing rapidity (Koch and Richter, 2009). Several studies show the development and the role of social media in professional lives. According to Bryan et al. (2007) social media is helpful for creating networks and good relationships with project partners. Delerue and Sicotte (2017) found social media as tools for collaboration for increasing coordination and enabling access to information at any time. But on the other hand, social media can also limit individual autonomy of team members. However, in further research, they conclude that social media does not wield a direct effect on project performance (Delerue and Sicotte, 2017, 104). Kietzmann et al. (2011) presented a number of recommendations for firms to develop strategies for monitoring, understanding, and responding to different social media activities. In their article Treem & Leonardi (2013) presented several ways through which four social media

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affordances (visibility, persistence, editability, and association) may alter socialization, knowledge sharing, and power processes in organizations.

## Methodology

The research study was conducted in the beginning of 2017 by means of a survey. The sample consists of 137 answers from all over Europe (Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Check Republic, Estonia, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Macedonia, Montenegro, Netherlands, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Switzerland, Turkey, UK, and also outside Europe e.g. Malaysia and USA). For collecting answers, the snow-ball technique was used. For the sample we chose employed people that are actively involved and are participating in EU projects.

The questionnaire for the study consisted of 27 questions. For the analysis of the results, the SPSS program was used. For presenting general perceptions about the usage of social media descriptive statistic was used. Next, inferential statistics were used to explore statistically significant differences in the results of the sub-samples. To assess significant differences in the mean ranks a nonparametric Mann-Whitney U independent samples test was used. To assess for significant differences on a continuous dependent variable by a categorical independent variable with more groups, a nonparametric Kruskal-Wallis test was used.

#### Results

The results showed that 30 % of respondents use social media to find relevant information for their work. Approximately half of the respondents find information on social media reliable, and half of them believe that the security of social media is adequate. The companies where respondents are employed often use a combination of social media to present their product portfolio and to communicate with stakeholders and customers. The most frequent use of current digital media and social media tools for EU projects are Facebook, Newsletter, Publications and LinkedIn.

When analyzing the statistical significance of the differences between genders no differences between males and females were found. On the other hand, there were some significant differences regarding the sector where our respondents are employed.

#### Limitations

The results between professionals employed in different sectors might be questionable due to the fact that each of the sectors includes 'subsectors' with distinct characteristics/experiences (e.g. financial, marketing, health, etc.). Therefore, generalizations from the sample regarding whole sectors should be made with caution. In this respect the results of this study could serve as a valuable insight into the potential differences between different sectors, while additional research would be required to

establish more solid and reliable conclusions regarding actual differences in perceptions towards usage of social media within different sectors.

Another limitation of the study could be the focus only on EU projects. We focused on the specific EU project sample as the majority of our sample represents European countries, where EU projects are the main public funds for financing development projects.

## Practical and/or social implications

Practical implication can be seen from the results of the study that can stimulate the use of social media in project management work.

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# 40 A data driven study for exploring metrics of successful twitter content

Oğuz Kuş<sup>\*</sup>

#### Purpose of the research

This paper aims to find an answer to questions regarding the metrics of successful digital content. Within the framework of the paper, successful content is accepted as "the content which receives interaction." Despite several types of distribution channels exist, quality metrics of the content shared on Twitter will be explored in terms of this study. Because, according to reports published by Content Marketing Institute (2015, 2016, 2017), Twitter is one of the most used social media platforms within B2C content marketing efforts. Considering the facts that, this paper aims to find answer to following research questions:

- 1. What is the most effective component of a successful Twitter content?
- 2. Does any relationship exist between format of the visual shared and success of a
- 3. Does number of hashtags used have an influence on the success of a content shared on Twitter?
- 4. Does character count affect the success of a content shared on Twitter?
- 5. Does daily frequency of content shared on Twitter affect the success?

Keywords: content marketing, digital content, social media analysis, twitter content analysis

#### Introduction

Digital transformation has been generating a huge influence in every aspect of daily life from consumption habits to methods of acquiring information on a specific product. Consequently, changing life and market conditions forced theory and practice of marketing to be transformed digitally. Therefore, new challenges -such as assessing effectiveness of digital marketing (Leeflang et al., 2014) or extracting value out of big data (Kannan and Li, 2017) - have appeared; successful marketing process have begun to require consumer interactions such as likes, retweets and comments (Wall and Spinuzzi, 2018); techniques which use soft sell language and pull strategies such as content marketing have emerged (Kuş, 2016). As result, strategic usage of digital content and content marketing have become a conspicuous issue and gained importance both in academia and practice of digital marketing.

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Regarding the content marketing, it is possible to encounter with reports and studies which investigate organizational issues related to content marketing, efficiency of distribution channels or role of the culture on content marketing. However, studies which is conducted in order to investigate the parameters of efficient and viral content with a data-oriented perspective does not exist. In order to develop a full perspective on the core component of content marketing, it is vital to reveal dimensions of successful content.

# Design/Methodology/Approach

Since travel industry has been heavily using digital content in marketing activities. Universe of the study was identified as airline companies that distribute content on Twitter. Therefore, global Twitter account of Turkish Airlines has been chosen as sample. Because, Turkish Airlines is one of the companies in this industry that uses digital marketing and content successfully.

Data collection step has been realized after sample is identified. Within this process, tweets have been sent by @turkishairlines from 29.10.2013 to 22.03.2018 were collected by the means of Mozdeh Big Data Text Analysis Tool. As result of data collection step, 2871 tweets have been acquired. In order to answer research questions, an innovative approach which merges text mining and descriptive statistics was adapted. Within data analysis process:

- A decision tree algorithm was designed in order to find an answer for the RQ1.
- After categorization of the visuals, total retweet count will be calculated for both categories (video/photo) for answering RQ2.
- Relationship tests and scatter graphs will compose the spine of analysis process in order to answer RQ3, RQ4, RQ5.

# Research limitations/implications

Under the light of data-based findings, parameters of a successful content which is shared on Twitter will be explored and possible new horizons in order to increase the efficiency of digital content and digital content strategy will be discussed.

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# 41 The role of public relations in shaping credibility and reputation of civil society organizations in Macedonia

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## Purpose of the research

This paper generally discusses the relationship of civil society organizations (CSOs) and public relations strategies in the achievement of the communication objectives of organizations. While public interest is of primary importance to CSOs, strategies they use to bring the issues to the fore of the public are of particular importance. In this regard, media are unavoidable partners, and especially new, online, media. The present research is also undertaken to analyze media communication practices of CSOs in Macedonia as a mechanism to legitimize their actions and maintain visibility, credibility, accountability and progress.

The purpose of this paper is to actually examine the nature and practice of public relations, by primarily focusing to media relations of CSOs, with particular reference to how media can be used in promoting the image of the CSOs, to identify issues and challenges encountered in the use of media relations and recommend ways of improving public relations practice within the civil society sector. Therefore, the main research problem is defined as: How do CSO's public and media relations affect their reputation and image among the public?

Keywords: CSOs, public relations, media

#### Introduction and literature review

CSOs cannot accomplish their missions and strategic priorities without citizens taking action in their work, whose ideas connect to the ones of the society in which they live. Leaper (1980) brought about importance of communication for NGOs in their work. In this regard, it is important to explore ways in which civil society and citizens can get connected through the communication practices of CSOs. Onaji (2001) claims that public relations are concerned with how and what others think about you as a person or an organization, while Grunig and Hunt (1984) see public relations practice as deliberate, planned and sustained effort to establish and maintain mutual understanding between an organization and its publics.

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It is very important for CSOs to directly communicate with their target audiences, while by using Internet citizens can approach CSOs in a straightforward way. Surman and Reilly (2003) highlight that online public relations potentially promote inclusion and equity, and have great potential for collaboration and mobilization of publics (2003).

This article will try to explain the relationship of civil society organizations and the use of communication strategies that involve traditional and new media. This will be done on the basis of experiences and attitudes shared through in-depth interviews with six senior experts in the field of CSOs and communication development, as leaders of credible CSOs in Macedonia that work on advocacy actions aimed at improving the relations between CSOs and media.

## Design/Methodology/Approach

Analysis of secondary data will be also used and a survey will be conducted as a quantitative research method to answer the research problem: how do CSO's public and media relations strategies affect their reputation?

## Findings/Results and conclusions

One of the main conclusions is that organizations can positively influence their relationships with publics by showing commitment and a consistent dialogue with their audiences. One of the main challenges identified is that CSOs see a problem in media's misunderstanding of the role of civil society. However, the use of different communication techniques might be a way to avoid these issues. CSOs use their information functions and tactics to achieve various strategic purposes, like awareness raising, encouraging public solidarity, etc.

# Research limitations/implications

The study is limited to the portrayal of the reality by reflecting on the practices of selected number of CSOs. While it is understandable that the number of CSOs is wide, analysis of the wide scope and the efficiency of public relations strategies different CSOs use might be in the focus of future research.

# Practical and/or social implications

It is expected that the analysis will provide the civil society sector in Macedonia with a useful insight about the importance of media relations strategies in shaping the credibility and reputation of the CSOs. It is also expected to help media get a better understanding of the needs of CSOs in enhancing of their work and creating mutual trust.

# Originality/value

This article shows the various factors shaping CSO's publicity work. There is no research work on this topic in the country or it is of limited scope. Therefore, this study is aimed

at offering both a snapshot of CSO's publicity strategies at a moment in time and a guidepost for scholars studying this topic in the future.

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# 42 Transforming social movements through social media communication

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#### Purpose

The aim of this research project is to contribute to insights into both the content of mass media concerning protests and protest movements as well as the views of major stakeholders about the communication processes and their implications for the notion of accountability in the country (in particular government accountability), while reexamining the patterns of mainstream media towards political elites, or the limited political potential of alternative platforms in the region. The paper examines the communication practices during protests and social initiatives (in 2014 and 2015) in order to understand how activists are promoting their movement and its goals, how successful are they in mobilizing the public to join their cause and what tools do they use for this purpose. Furthermore, it examines how government officials responded to calls for accountability and how they engaged in talks with those movements. The paper investigates the communication practices of the activists with government officials and institutions during the student protests in 2014, the case of an imprisonment of a journalist in 2013, and the protests against the reshaping of the exterior of the Skopje City Centre Mall (GTC) that began in 2013. The paper aims to provide an improved understanding of communication dynamics during protests and will enable recommendations for improvements of communication practices of activists with government officials, media and citizens during times of unrest and social protests.

Keyword s: social movements, social media, protests, public accountability and transparency

#### Introduction and literature review

This research design was developed based on interdisciplinary insights and includes references to social movement theories and political science on the one hand, and communication studies on the other. This paper takes as its starting point the recognition of the relevance of media and communication for protests and social movements in terms of their role in the symbolic and discursive realm in which protests emerge, but also as part of the structural dimensions, including the sociopolitical context, that determine the course and the outcomes of civic movements. The role of ICTs in organising, mobilising, recruiting, and coordinating actions and in disseminating alternative frames independent from mainstream media is what Cammaerts calls networked opportunity structure. Concerning massive protests such as the Arab Spring

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or protests in Turkey and Brazil, a body of research has been focusing on the role of the technological environment in a social movement's ability to mobilise, recruit, and coordinate actions, and to communicate views about the government (and the social movement itself) independently from the mainstream media and official sources (see for example Bennett et al., 2008). With regard to the role of mainstream media, the literature suggests that the success of social movements depends on whether and in which manner mainstream media legitimise and verify their demands and broaden their scope and whether and to what extent media content is mobilising political support. A large body of research points to the negative bias of mainstream media against protests, including a focus on spectacular events and acts of violence and favouritism towards political and economic elites, with some authors considering media the ideological apparatus of the state and capitalist interests (Althusser, 1970; McCurdy, 2010). Other sources contest such a notion of media as adversaries of social movements by pointing to the opposite practices, i.e., the favourable treatment of social movements by mainstream media.

The dominant focus of mainstream media on violence and protests involving spectacular features such as a large number of participants is often explained by the criteria of newsworthiness that mainstream media regularly adhere to. This is why social movements and protest coalitions across the globe are now regularly adopting new forms of resistance using social media as their primary tool. Thus, these movements are overcoming the traditional constraints in media to achieve a major impact in the public. With the use of online tools (social media), the production of protest "artefacts" has become easier, allowing protesters to easily create and share ideas concerning the protests. While most of the available sources point to the democratic potentials of online platforms, some stress that passive engagement, critiqued as 'clicktivism' or 'slacktivism' (Morozov 2009) does of course not always lead to active engagement, although it may facilitate it. There are different definitions of protest in literature, but the paper defines protests as collective actions aimed at achieving certain goals by trying to influence decisions of a target group (Opp 2009, p. 44). Moreover, the research is focused on political protests, a specific type of collective actions - mass demonstrations – and a specific target – the government and political actors.

# Methodology

To enable insights into communication practices during the protest movements, we employ a qualitative research design, involving:

Secondary research on theoretical concepts and trends in communication practices during citizen initiatives (relevant books, reports, etc.), as well as country-specific secondary research on both the media environment and on the newer history of protest movements in the country in question (relevant reports, analyses, media sources on social movements/protests: motives, initiators, results; sources on audience reach of media – especially media whose content was analyzed, etc.).

Frame analysis of media content. The aim of content analysis was to provide insights into how the protests and accountability were framed in media reports on the protests.

In-depth interviews were meant to provide insight into how communication during protests is perceived and how constraints and opportunities are identified by different stakeholders (activists, government, and journalists).

#### Research limitations

The limitations of this research did not allow for analysis of content across different media platforms, and the analysis was confined to selected TV and online media outlets (given that TV media outlets are still a major source of information for the citizens, while online news sources are playing an increasing role); political affiliations of online media outlets compared to social media have not been systematically analyzed, but referred to through interviews with stakeholders.

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# 43 Creating business value through corporate strategic communication

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#### Purpose of the research

The purpose of this paper is to present the overall contribution of the communication for the value creation in organizations. Even though the question about the influence of the communication on the value creation has not been answered yet, this research will attempt to measure the communication contribution through Return of Investment (RoI) and Communication Value Circle.

Keywords: communication, value creation, business value, return of investment, communication value circle

#### Introduction and literature review

The corporate success doesn't solely depend on the relations with the shareholders but also on sustainable relationships with employees, politicians, regulators, customers, mass media, social media influencers, and many other stakeholders. Strong relationships with all stakeholders are created and build with the help of a good communication.

Being influenced by the development of the communication technology and the growth of the value of the information, companies invest significant effort, time and money in creating and implementing communication strategies. The corporate communication is an integral part of a company's value chain.

# Design/Methodology/Approach

Measuring the value of communication and its influence on creation competitive advantage of the company is relatively new concept in the field of communication science. Due to its novelty, there is a scarcity of empirical research and unified reliable method of measurement. Hence, a qualitative method would be the most suitable for investigating the communication processes, policies, activities, costs and investments in XY Company.

According to Yin (2002) a case study is "an empirical inquiry that investigates a contemporary phenomenon within its real-life context especially when the boundaries and the phenomenon are not clearly evident. Some of the best and most famous case studies have been both descriptive and explanatory." Since the boundaries between the

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investment in communication and the business value are not clearly evident, this method of a case study would be the most suitable for investigating this phenomenon.

Given the nature of the research field, the most suitable method for investigating the influence of the communication on the creation of business value is series of in-dept interviews with top managers and co-workers in XY Company located in Macedonia. A qualitative method will provide an insight into the communication processes of the XY Company. The whole research process is divided in three major phases:

- Phase 1 The first phase is considered to be a preparatory phase. It starts with a broad desk research about latest achievements in the field and creating data base of all Macedonian companies eligible for investigation as a case study. The first phase resulted with a data base of 1200 companies in Macedonia. This phase is a starting point and the root of the research itself.
- Phase II Upon the selection of one company the research continues to the second phase. In this phase a list of 10-15 interview questions is being created. All of them are related to communication processes, communication strategies, practices, costs and measurements. Interviews are being conducted, recorded and transcribed for further analysis. Having the "raw" material ready, now follows the extracting the key points of the interviews and slow transfer into the third phase.
- Phase III The third phase is as equally important as the previous two. A detailed analysis of the answers provided in the second phase creates a firm base to draw several conclusions and complete recommendations for improvement.

# Research limitations/implications

The limitations of this research occur as a result of the lack of transparency about costs and investments for communication, as well as the complexity of communication processes. Further, there is a scarcity of holistic approaches which show the overall perception of value creation.

# Originality/value

Up until today it is very difficult for the communication professionals to explain the value of their work. There is an ongoing discussion among researchers and practitioners about using financial indicators such as the Return of Investment (RoI) to measure the business value of communication. However, this indicator is very often misinterpreted.

This paper represents a comprehensive framework of corporate communication value. In fact, it is an attempt to measure the value of communication through the case study of XY company. It combines the process, results and implications of the research. Its findings are a result of a three phases research process: Initiation of the project - desk research of the theory in the specific field; second phase - field research (conducting interviews) and interview analysis and, third phase - drawing conclusions and recommendations for future research.

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# 44 Employers perception on employability of undergraduates and recent graduates of public relations studies in Croatia

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The session of the Public Relations Education Commission of the American Public Relations Society with Employers in New York (2015) stated that public relations profession changes extremely quickly due to technological changes and that half of the knowledge now required, did not even exist a decade ago. Although basic skills remain valid, the context is very different and changes in the last few years have shaken the foundations of skills that have been taught for decades. All this is a challenge for educators who must adapt content and teaching methods to the needs of the labour market as quickly as possible and develop approaches in education for dealing with new challenges in public relations in terms of professionalism.

The number of public relations (PR) students has been steadily rising in Croatia and so was the number of high schools teaching PR since their introduction during the last decade. The results of the author's earlier research of students' perception of the Public Relations profession in Croatia in October 2016 pointed out for its continuation on the other side - that of employers. Thus, the research of PR industry employers' attitudes on undergraduate and newly graduated students and their knowledge, skills and competencies, was conducted in March 2018.

The research objectives were:

- To explore the perceptions of employers in PR industry concerning the knowledge (formal or informal), skills, and personal characteristics which help undergraduates /new graduates to find employment in the sector.
- 2. To ascertain whether perceptions vary by employment sector (private companies, consultancies, public institutions)
- To assess whether such perceptions can influence higher education and what activities could provide support and learning opportunities to enhance students' employability.
- 4. To assess whether the study programmes that include a greater amount of practice based and work-related teaching provide more venues for students' employability.

The research also seeks to determine whether there is a gap between the knowledge that PR students gain at universities and employers' needs and expectations of their prospective employees. Therefore, their perception of PR study programmes as well as knowledge, skills, competencies needed to enter the labour market and personality traits

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of the students as future employees were examined. This research also examined to what extent the perception of the quality of education of future PR professionals differ from the perspective of respective employers.

Besides technical and discipline competences from their degrees, employers expect graduates to have and demonstrate a range of broader informal skills and attributes like team-working, communication, leadership, critical thinking, problem solving and other abilities.

Also, the links between employers and practitioners in the field of public relations and higher education institutions, as well as their interest and willingness to prepare future professionals for their careers in practice and their actual engagement in teaching at PR universities was examined. Guest lectures, case studies, study visits, internships, work placements and other types of involvement of PR practitioners and employers in the PR study programmes at Croatian higher education institutions will be questioned.

The research had two phases:

- Brief review of literature on skills and employability capacity of recent graduates of PR studies
- 2. Online questionery for employers from public and private companies working in communication sector in Croatia which aims to assess employers' views on employability knowledge and skills of PR graduates.

The purpose of this research is to compare the attitudes of students and employers and practitioners in the field of public relations in Croatia regarding the knowledge and skills necessary for students to be able to work in the practice. Also, attitudes of the two groups regarding PR education will be compared in order to propose some improvements in teaching of public relations in academic institutions in Croatia.

Earlier research complies with the findings of the Society for Human Resource Management (SHRM) that Millennials placed more importance on job-specific training, career development and career advancement opportunities contributing to their job satisfaction compared with older generations. Therefore, it will be interesting to learn how will both sides, the employers and universities respond to what Millennials need and how will they adapt to the new reality and what will they have to give them in return in the near future.

The research results will be used for development of new approaches to teaching and learning, as well as recommendations for students' engagement during their studies in order to prepare them better for the future careers in public relations.

Keywords: public relations, public relations studies, perception of public relations employers' on PR students, expectations of public relations employers.