XIV INTERNATIONAL SCIENTIFIC CONFERENCE

EKONBIZ 2026

THE ECONOMY UNDER CONDITIONS OF UNCERTAINTY AND INNOVATION

JUNE 12TH, 2026

15	170+	90+	3	8
COUNTRIES REPRESENTED	AUTHORS AND CO-AUTHORS	SCIENTIFIC CONTRIBUTIONS	PLENARY SPEAKERS	THEMATIC & ONLINE SESSIONS

AGENDA – JUNE 12TH, 2026

11.00 – 12.00	**REGISTRATION OF PARTICIPANTS** Faculty of Business Economics Bijeljina, Centre for Higher Education, Bijeljina
12.00 – 12.30	**CONFERENCE OPENING** The Dean's welcoming speech and the Guests' introductory addresses
12.30 – 14.00	**PLENARY SESSION**
14.00 – 15.00	**COFFEE AND LUNCH BREAK**
15.00 – 17.00	**PAPER PRESENTATIONS** (Faculty of Business Economics, Bijeljina)
17.00 – 18.00	**PRESENTATION OF CONCLUSIONS** (Faculty of Business Economics, Bijeljina)
20.00 – 24.00	**DINNER FOR ALL PARTICIPANTS OF THE MEETING** Hall "Sankt Peterburg" Ethno Village "STANIŠIĆI"

PARTICIPANTS FROM 15 COUNTRIES

- Italy
- USA
- Russia
- Serbia
- Bosnia and Herzegovina
- Cyprus
- North Macedonia
- Poland
- Romania
- Montenegro
- China
- Portugal
- Lithuania
- Pakistan
- Australia

THEMATIC & ONLINE SESSIONS

- INTERNATIONAL DEVELOPMENT AND SUSTAINABLE ECONOMICS
- MONETARY AND FISCAL ECONOMICS
- ACCOUNTING, AUDITING AND INSURANCE
- MANAGEMENT AND ENTREPRENEURSHIP
- MARKETING
- DIGITAL ECONOMY
- ONLINE SESSION I
- ONLINE SESSION II

XIV International Scientific Conference EKONBIZ 2026 June 12th

The Economy under Conditions of Uncertainty and Innovation

Registration of participants – Faculty of Business Economics Bijeljina, Centre for Higher Education, Bijeljina – Location

Dinner for all participants of the meeting Hall "Sankt Peterburg" Ethno Village "STANIŠIĆI", Bijeljina – Location

Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Faculty of Economics and Business University of Belgrade, Serbia

Faculty of Economics in Subotica University of Novi Sad, Serbia

Faculty of Economics University of Niš Serbia

Faculty of Economics, University of Priština temporarily located in Kosovska Mitrovica, Serbia

Faculty of Economics University of Kragujevac, Serbia

Faculty of Economics, Podgorica University of Montenegro, Montenegro

Faculty of tourism and business logistics, Goce Delcev University, North Macedonia

School of Public Administration and Entrepreneurship, Ural Federal University, Russia

Faculty of Economic Sciences, "Lucian Blaga" University, Romania

Porto Accounting and Business School, Polytechnic Institute of Porto, Portugal

Chamber of Commerce and Industry of RS and Regional Chamber of Commerce and Industry in Bijeljina

Shanghai Polytechnic University, People's Republic of China

Saint-Petersburg State University, Russia

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University of East Sarajevo
FACULTY OF BUSINESS ECONOMICS BIJELJINA

Focus Business Efficiency

PLENARY SESSION (A34)

Chaired by: **Vesna Rajić,** *University of Belgrade, Serbia*
Panagiotis Kontakos, *University UCLan, Cyprus*
Srđan Damjanović, *University of East Sarajevo, Republic of Srpska, BiH*

Moderator: Jovan Cvjetković

Fulvio Mastrogiovanni
University of Genoa, Italy

EMBODIED ARTIFICIAL INTELLIGENCE: CHALLENGES, PERSPECTIVES AND IMPACT

Aleksandar Stajković
University of Wisconsin – Madison, USA

Kayla Stajković
University of California, Davis, USA

FEMALE LEADERSHIP ADVANTAGE: EVIDENCE AND FUTURE RESEARCH DIRECTIONS

Biljana Jovanović Gavrilović
University of Belgrade, Serbia

Mirjana Gligorić Matić
University of Belgrade, Serbia

Velibor Jovanović Gavrilović
Center for Economic Science Development, Serbia

MANKIND AT THE TURNING POINT: SCENARIOS FOR THE WORLD'S ECONOMIC FUTURE AMID GEOPOLITICS AND TECHNOLOGY

Session A (S1)

INTERNATIONAL, DEVELOPMENT AND SUSTAINABLE ECONOMICS

Chaired by**: Vesna Petrović**
Zlatko Simikić

1. **Srđan Kujundžić, Luka Marković**

TESTING THE VALIDITY OF THE PURCHASING POWER PARITY THEORY FOR THE WESTERN BALKAN COUNTRIES

2. **Panagiotis Kontakos**

SUSTAINABLE FDI AND REGIONAL INTERDEPENDENCE IN THE EASTERN MEDITERRANEAN: CROSS-BORDER COLLABORATION, GREEN INFRASTRUCTURE, AND CULTURAL ALIGNMENT

3. **Milena Lutovac Đaković, Miloš D. Lutovac, Nikola Medan**

GREEN INDUSTRIAL POLICY: FOSTERING INNOVATION AND DRIVING STRUCTURAL CHANGE TOWARD A GREEN ECONOMY

4. **Nemanja Gogić, Dragana Milenković**

LABOR MARKET AND SALARY LEVEL IN SERBIA

5. **Dušan Mojić, Boban Pavlović, Irena Petrović**

INSTITUTIONAL FRAMEWORK FOR THE TRANSITION TO RENEWABLE ENERGY SOURCES FOR HOUSEHOLD CONSUMPTION: A CASE STUDY OF THE CITY OF BIJELJINA

6. **Vesna Petrović, Zlatko Simikić**

EVALUATION OF COMPARATIVE ADVANTAGES AND TRADE BALANCE IN BILATERAL TRADE BETWEEN SERBIA AND CHINA

7. **Snježana Zarić**

SYNCHRONIZATION OF FINANCIAL CYCLES IN THE EARLY EURO AREA MEMBER STATES

8. **Darko Pašalić, Marko Milić**

ENERGY SECURITY AND INNOVATION IN RENEWABLE ENERGY SOURCES WITH REFERENCE TO BOSNIA AND HERZEGOVINA

9. **Mladen Subotić**

GLOBAL OVERPOPULATION AS A POTENTIAL FACTOR OF WORLD HUNGER: LINKS, CONSTRAINTS AND POLICIES

10. **Anđela Žarković**

ANALYSIS OF THE RELATIONSHIP BETWEEN UNEMPLOYMENT AND GDP IN BOSNIA AND HERZEGOVINA: EVIDENCE FROM OKUN’S LAW

11. **Milica Vidaković, Zorana Jović, Jelena Simić**

FOREIGN DIRECT INVESTMENT AND DOMESTIC ECONOMIC GROWTH: A COMPARISON OF THE WESTERN BALKAN COUNTRIES AND THE EU

12. **Aleksandar Lukić**

ADAPTIVE DECISION-MAKING UNDER ECONOMIC UNCERTAINTY

Session B (S2)

MONETARY AND FISCAL ECONOMICS

Chaired by: Ivan Mirović
Dražen Bojagić

1. **Jadranka Đurović Todorović, Marina Đorđević, Ivana Filipović, Milica Ristić Cakić**

AGRICULTURAL INSURANCE AS A FINANCIAL INSTRUMENT FOR ENHANCING CLIMATE RESILIENCE OF AGRICULTURE IN THE REPUBLIC OF SERBIA

2. **Biljana Srdić Gojković, Marijana Đukić, Sanja Popović**

THE FISCAL DEFICIT OF THE REPUBLIC OF SRPSKA IN THE CONTEXT OF FISCAL DECENTRALIZATION

3. **Miloš Đaković, Branimir Kalaš, Milica Inđić**

VALUING THE DEBT TAX SHIELD EFFECT ON PROFITABILITY – THRESHOLD APPROACH

4. **Nada Milenković, Aleksandra Marcikić Horvat, Vera Zelenović**

DETERMINANTS OF BANK PROFITABILITY IN AN UNCERTAIN ECONOMIC ENVIRONMENT: EVIDENCE FROM SERBIA

5. **Ognjen Radović, Jelena Radojičić, Srđan Marinković**

AGENT-BASED MODELING IN ECONOMICS AND FINANCE: A SIMPLE CRYPTOCURRENCY MARKET

6. **Vitomir Starčević, Dražen Bojagić, Ivan Mirović, Žarko Popović**

THE ROLE OF INTEREST RATES IN STABILIZING THE ECONOMY DURING FINANCIAL CRISES

7. **Ivan Milenković, Biljana Stanivuk, Snežana Bardarova Minov**

FISCAL CONSOLIDATION COMPOSITION AND PUBLIC DEBT SUSTAINABILITY IN WESTERN BALKAN COUNTRIES: EVIDENCE FROM A STRUCTURED LITERATURE REVIEW

8. **Mladen Savić**

THE IMPACT OF OPEN BANKING ON THE TRANSFORMATION OF BANKING OPERATIONS

9. **Milica Šušljik, Anja Dacić**

THE EFFECT OF LIQUIDITY RISK AND CAPITAL ADEQUACY ON BANK PERFORMANCE: PANEL DATA EVIDENCE FROM EMERGING COUNTRIES

10. **Ratko Milošević**

BONDS AS SOURCE OF LONG-TERM FINANCING FOR CAPITAL PROJECTS IN THE REPUBLIC OF SRPSKA

11. **Luka Đurković**

JANUARY EFFECT ANOMALY AND MARKET EFFICIENCY IN THE WESTERN BALKANS ECONOMIES

Session C (S3)

ACCOUNTING, AUDITING AND INSURANCE

Chaired by: Mirela Mitrašević
Nataša Tešić

1. **Vesna Rajić, Jasna Babić, Jelena Stanojević**

APPLICATION OF BENFORD'S LAW IN QUALITY MANAGEMENT AUDITING: EVIDENCE FROM ISO 9001 CERTIFIED FIRMS

2. **Jelena Kočović, Nataša Tešić, Marija Koprivica**

CHALLENGES IN INSURING AGAINST CATASTROPHIC RISKS

3. **Teodor M. Petrović, Ljiljana Ž. Tanasić**

OPPORTUNITIES AND CHALLENGES OF BLOCKCHAIN APPLICATION IN FINANCIAL ACCOUNTING

4. **Mirela Mitrašević, Katica Radosavljević, Miloš Pjanić, Boris Kuzman**

BIBLIOMETRIC ANALYSIS OF RESEARCH IN THE FIELD OF AGRICULTURAL INSURANCE IN THE PERIOD 1996–2025

5. **Milica Obrenović**

DIGITAL TRANSFORMATION OF ACCOUNTING AND ORGANIZATIONAL RESILIENCE IN ECONOMIC UNCERTAINTY: ACCOUNTANTS' PERCEPTIONS IN THE REPUBLIC OF SRPSKA

6. **Mirjana Orašanin**

ANGLO-SAXON AND CONTINENTAL MODEL OF PERSONAL BANKRUPTCY

7. **Divna Maksimović**

FORENSIC ACCOUNTING AS A RESPONSE TO MODERN INNOVATIONS AND ECONOMIC UNCERTAINTY

Session D (S4)

MANAGEMENT AND ENTREPRENEURSHIP

Chaired by: Biljana Kovačević
Katarina Božić

1. **Ana Aleksić Mirić, Maksim Vojvodić**

BEYOND GOOD AND BAD: REVISITING THE BRIGHT AND DARK SIDES OF LEADERSHIP

2. **Ljiljana Kontić, Petar Veselinović, Bojana Šćepanović**

CORPORATE ENTREPRENEURSHIP IN SERBIA: MULTICASE STUDIES PRIVATE VS PUBLIC ORGANIZATIONS

3. **Dimitrije Gašić, Nemanja Berber, Tamara Jevtić, Sanja Đukić**

EFFECT OF MANAGERIAL SUPPORT ON JOB STRESS AMONG EMPLOYEES WHO USE FLEXIBLE WORK ARRANGEMENTS

4. **Biljana Đorđević, Sandra Milanović Zbiljić**

THE ROLE OF GREEN HUMAN RESOURCE MANAGEMENT IN PROMOTING CIRCULAR ECONOMY PRACTICES: MEDIATING EFFECT OF GREEN ORGANISATIONAL CUTURE – PILOT STUDY

5. **Milan Veselinović, Sanel Mehmedi, Slaviša Milić**

LOGISTICS INTEGRATION AND COMPETITIVE ADVANTAGE: A CASE STUDY OF COCA-COLA AND MCDONALD'S

6. **Sergei Polbitsyn, Biljana Kovačević, Michael Olumekor, Katarina Božić**

FAMILY ENTREPRENEURSHIP IN THE AGE OF UNCERTAINTY

7. **Pero B. Petrović, Jelena P. Petrović, Srbijanka Stojić**

INNOVATIONS IN EVENT MANAGEMENT IN TOURISM IN CONDITIONS OF UNCERTAINTY

8. **Carolina Țîmbalari**

EMPLOYMENT PATTERNS AND WORKFORCE STRUCTURE IN ROMANIA. EVIDENCE FROM EUROPEAN LABOUR MARKET DATA

9. **Danijela Ilić**

PERCEPTION OF TALENT MANAGEMENT PRACTICES IN HEALTHCARE ORGANIZATIONS IN SERBIA: EMPIRICAL ANALYSIS

10. **Zoran Bošnjak, Dejana Savić**

IMPACT OF LOCAL SUBSIDIES ON THE DEVELOPMENT OF ENTREPRENEURIAL BUSINESSES

11. **Siniša Božičković**

MANAGEMENT OF INDUSTRIAL PROCESSES IN THE CONCEPT OF CIRCULAR ECONOMY AND SUSTAINABLE USE OF RESOURCES

Session E (S5)

MARKETING

Chaired by: Dejan Tešić
Ognjen Rankić

1. **Tanja Vujović, Ivana Aleksić**

TRAUMA AND PSYCHOLOGICAL FACTORS AS DETERMINANTS OF ENTREPRENEURIAL INTENTIONS AND SOCIAL DISTANCE IN THE POST-CONFLICT SOCIETY OF KOSOVO AND METOHIJA

2. **Dejan Tešić, Neda Tešić**

ATTITUDE RESEARCH OF THE STUDENT POPULATION ABOUT SOCIAL MEDIA MARKETING

3. **Jelena P. Petrović, Pero B. Petrović**

ADAPTATION TO TRENDS AND INNOVATIONS OF TOURISM ACTIVITY UNDER CONDITIONS OF UNCERTAINTY

4. **Ognjen Rankić, Armin Rušidi**

INNOVATIONS IN DIGITAL MARKETING AS A STRATEGIC RESPONSE TO MARKET UNCERTAINTY

5. **Jelena Mićević**

SOCIAL MEDIA MANAGEMENT STRATEGIES FOR ENHANCING CUSTOMER LOYALTY: THE CASE OF NIKE

6. **Milica Makljenović**

STRATEGY OF BUSINESS PORTFOLIO MANAGEMENT IN THE FUNCTION OF CUSTOMER LOYALTY OF THE MERCEDES COMPANY

7. **Ognjen Bukvić**

STRATEGIC IMPACT OF THE TOURIST OFFER ON THE IMAGE OF THE CITY OF TREBINJE

8. **Jelena Lutovac, Marijana Zimonjić**

FOREIGN DIRECT INVESTMENT AS A DRIVER OF ECONOMIC DEVELOPMENT IN TRANSITION COUNTRIES

Session F (S7)

DIGITAL ECONOMY

Chaired by: Predrag Katanić
Rade Božić

1. **Danijel Horvat, Vuk Vuković, Predrag Matković, Marton Sakal**

UNCOVERING HIDDEN THEMES IN S&OP PROCESS VIA TOPIC MODELING

2. **Mirjana Marić, Olivera Grljević, Rade Božić**

CHALLENGES OF APPLYING AGILE PROCESSES IN SMALL NON-IT ORGANIZATIONS

3. **Lazar Raković, Lena Đorđević Milutinović, Radul Milutinović, Pawel Lula**

THE IMPACT OF LOW-CODE/NO-CODE PLATFORMS ON ORGANIZATIONAL INNOVATIVENESS: A GENERATION Z PERSPECTIVE

4. **Nataša Đalić, Živko Erceg, Miodrag Zarubica**

SYNERGY OF INFORMATION SYSTEMS AND MANAGEMENT IN IMPROVING ORGANIZATIONAL COMPETITIVENESS

5. **Boris Siljković, Gordana Jovanović, Sanel Mehmedi, Nebojša Denić**

COMPARATIVE ANALYSIS OF DECISION-MAKING PROCESSES IN THE TRANSOFMRATION OF DIGITAL PAYMENTS

6. **Iuliia Balandina, Ilia Bushuev**

THE ROLE OF HUMAN CAPITAL IN THE AGE OF ARTIFICIAL INTELLIGENCE DEVELOPMENT

7. **Srđan Damjanović, Predrag Katanić, Luis Silva Rodrigues, Juliana Smirnova**

STATISTICAL DATA PROCESSING IN ECONOMICS USING THE PYTHON PROGRAMMING LANGUAGE

8. **Srećko Ilić**

DIGITAL DIVIDE AS A CONSTRAINT ON REGIONAL AND LOCAL DEVELOPMENT IN THE BOSNIA AND HERZEGOVINA, SERBIA AND CROATIA

9. **Marija Tubić, Božana Mitrović**

DIGITAL TRANSFORMATION OF THE HEALTHCARE SYSTEM

10. **Šejla Gradaščević**

DIGITAL TRANSFORMATION OF ENTERPRISES: THE ROLE OF ARTIFICIAL INTELLIGENCE IN ENHANCING COMPETITIVENESS

11. **Ivan Čolaković, Ivana Vasić, Aleksandra Jovanović**

DIGITAL TRANSFORMATION OF RETAIL: THE IMPACT OF E-COMMERCE ON SMALL BUSINESSES

12. **Miodrag Zarubica, Marko Joksović**

APPLICATION OF FOUNDATION MODELS OF ARTIFICIAL INTELLIGENCE IN ELECTRICITY CONSUMPTION FORECASTING UNDER CONDITIONS OF ECONOMIC UNCERTAINTY

Session G (A16)

ONLINE 1

Chaired by: Jelena Damjanović
Milica Obrenović

1. **Li Yao, Yalan Jiang**

CAN STANDARDIZATION ENHANCE THE GREEN TOTAL FACTOR PRODUCTIVITY OF EXPORTING ENTERPRISES?

2. **Liu Yu, Jia Deng**

THE TRADE CREATION EFFECTS OF BILATERAL CURRENCY SWAPS AND THEIR HETEROGENEITY: AN EMPIRICAL TEST BASED ON THE SYNTHETIC CONTROL METHOD

3. **Zhang Bolong, Liu Yu**

THE DRIVING EFFECT OF RMB INTERNATIONALIZATION ON FIRMS' OUTWARD FOREIGN DIRECT INVESTMENT: MECHANISMS AND EMPIRICAL EVIDENCE

4. **Thi Kim Oanh Le**

THE ROLE OF THE EAST–WEST ECONOMIC CORRIDOR IN ENHANCING VIETNAM'S INTERNATIONAL TRADE

5. **Meng Xiaoting**

DIGITAL INNOVATION AS A RESILIENCE ENABLER: MITIGATING SUPPLY CHAIN UNCERTAINTY IN CROSS-BORDER TRADE

6. **Fliagin Danil Igorevich**

GEOPOLITICAL TENSIONS AND MARITIME LOGISTICS: HOW SANCTIONS AND TRADE RESTRICTIONS RESHAPE SEABORNE TRADE

7. **Valeriia Tsarevskaia**

QUANTITATIVE ASSESSMENT OF OVERCOMING NON-TARIFF BARRIERS IN TRADE BETWEEN THE EAEU AND THE EU

8. **Kirill Dorovskikh**

THEORETICAL FOUNDATION OF THE DIGITALIZATION OF TRADE RELATIONS WITHIN THE EAEU

9. **Youran Wu, Li Yao**

HOW DOES STANDARDIZATION AFFECT THE QUALITY OF CORPORATE INNOVATION?

10. **Huan Yu, Yanning Jin**

CROSS-BORDER M&A AND CORPORATE GREEN RECRUITMENT: EVIDENCE FROM ONLINE JOB POSTINGS

11. **Alina Gubaidulina**

BARRIERS AND DRIVING FORCES FOR THE DEVELOPMENT OF CROSS-BORDER INTERNET COMMERCE BETWEEN RUSSIA AND CHINA: INSTITUTIONAL AND FINANCIAL ASPECTS

12. Liu Yiyang, Yu Huan

GREEN FACTORY CERTIFICATION AND THE ENTRY OF GREEN INVESTORS

13. Stojanka Dakić

ECONOMIC POSITION OF WOMEN UNDER CONDITIONS OF UNCERTAINTY: A COMPARATIVE STATISTICAL OVERVIEW OF SERBIA AND BOSNIA AND HERZEGOVINA

14. Ljubomir Miljković

COST-PUSH INFLATION AND KEYNESIAN POLICY TRADE-OFFS: EVIDENCE FROM SERBIA AND THE WESTERN BALKANS

15. Melvedin Jašarević

ELECTRONIC SIGNATURE IN COMPANY LAW OF BOSNIA AND HERZEGOVINA

16. Jelena Damjanović

DECISIONS MADE WITHIN THE FRAMEWORK OF THE WORLD INTELLECTUAL PROPERTY ORGANIZATION

Session H (NIC)

ONLINE 2

Chaired by: Suzana Marković
Srećko Ilić

1. **Milena Ilisevic**

TERTIARY EDUCATION IN AUSTRALIA AS AN INDUSTRY: ONE POSSIBLE VIEW FROM INSIDE

2. **Renata Čajić Kužet**

THE IMPACT OF DIGITAL TOOLS ON THE AUDIT'S PARADIGM CHANGE

3. **Oleg M. Roy**

MANAGEMENT OF WEAK SIGNALS IN PUBLIC ADMINISTRATION

4. **Zhang Shuyun**

UNCERTAIN GLOBAL CONSUMER DEMAND AND THE PATH TO MARKETING INNOVATION FOR INTERNATIONALIZING CHINESE BEAUTY BRANDS

5. **Lebatt Mohamed Youba**

THE IMPACT OF ECONOMIC POLICIES ON ENTREPRENEURSHIP DEVELOPMENT: A COMPARATIVE STUDY IN EMERGING COUNTRIES

6. **Mariia Koniukhova**

THE IMPACT OF SUSTAINABLE PACKAGING ON CONSUMER LOYALTY AND TRUST IN RUSSIAN E-COMMERCE

7. **Andreea Simina Porancea-Răulea**

A BIBLIOMETRIC EXPLORATION OF NEGATIVE REVIEWS AS CATALYSTS FOR QUALITY IMPROVEMENT

8. **Callistus Destiny ODEH, Sesuur Zipporah AKPUSUGH**

PUBLIC-PRIVATE PARTNERSHIP AND INNOVATION IN NIGERIA'S TEXTILE AND FASHION INDUSTRY UNDER ECONOMIC UNCERTAINTY: Lessons from China and Bangladesh

9. **Nabil Boulajoul**

THE INTEGRATION OF MODERN TECHNOLOGY WITH TRADITIONAL PRODUCTS AS LONG AS PRESERVING THE VISUAL IDENTITY OF THE PRODUCT

10. **Yan Ahmetzyanov**

ENTREPRENEURSHIP IN THE YOUTH ENVIRONMENT: METHODS OF CULTIVATION

11. **Egor Dmitriev, Alexander Burnasov**

INNOVATIVE LOGISTICS MODELS IN MOTORSPORT: FORMULA 1 CASE STUDY

12. **Chunrong Yan, Yuxin Sun**

THE IMPACT OF HOST COUNTRY DIGITAL ECONOMY DEVELOPMENT ON CHINESE ENTERPRISES' OFDI: EVIDENCE FROM RCEP MEMBER COUNTRIES

13. **Hailan Pan, Xueting Zhang**

HOW ARTIFICIAL INTELLIGENCE AFFECTS THE EXPORT TECHNOLOGICAL COMPLEXITY OF MANUFACTURING ENTERPRISES

14. **Muhammad Khalid Sohail**

DEEPSEEK ‘EFFECTS ON TECHNOLOGY AND AI STOCKS USING SENTIMENT ANALYSIS BY RETRIEVAL AUGMENTED GENERATION

15. **Tatiana Kozitsina, Alexey Klyuev**

BIG DATA TO MODERNISE TRADITIONAL METHODS IN POVERTY RESEARCH

16. **Andreea Maria Șopea-Iordache, Mircea Constantin Duică, Jianu Daniel Mureșan**

AI-ENABLED CIRCULAR BUSINESS MODELS IN CONDITIONS OF ECONOMIC UNCERTAINTY

17. **Rehana Farhat**

HR EFFECTIVENESS IN CONTEXT OF PREEMINENCE OF AI IN RECRUITMENT AND SELECTION

BOOK OF ABSTRACTS

Biljana Jovanović Gavrilović
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Mirjana Gligorić Matić
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Velibor Jovanović Gavrilović
Center for Economic Science Development, Belgrade, Serbia

MANKIND AT THE TURNING POINT: SCENARIOS FOR THE WORLD'S ECONOMIC FUTURE AMID GEOPOLITICS AND TECHNOLOGY

The future of the global economy is largely shaped by geopolitical and technological circumstances. The geopolitical context refers to the stability, predictability, and rules-based nature of the global order, while the technological landscape encompasses the speed and scope of adopting new technologies such as artificial intelligence (AI), robotics, and autonomous systems that combine sensors, AI, and automation to perform tasks without direct human intervention. This paper explores possible scenarios for the world's economic future in light of anticipated geopolitical and technological changes. The aim of the research is to examine alternative global economic trajectories for the future, with focus on the scenarios developed by the World Economic Forum (WEF), which have the potential to reshape various economic sectors and transform the operations of individual enterprises. To achieve this, the paper employs both analysis and comparison methods applied to selected global economic development scenarios as its primary methodological approach. The main hypothesis is that a systematic understanding of expected global economic trends significantly reduces strategic uncertainty and enables timely adaptation of economic actors by identifying specific risks and opportunities within different scenarios. The analysis evaluates future global economic performance and identifies strategic guidelines necessary to address the anticipated changes.

Srđan Kujundžić
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

Luka Marković
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

TESTING THE VALIDITY OF THE PURCHASING POWER PARITY THEORY FOR THE WESTERN BALKAN COUNTRIES

The aim of this research is to empirically examine the long-term validity of the Purchasing Power Parity (PPP) theory in the Western Balkan countries—Bosnia and Herzegovina, Serbia, Montenegro, North Macedonia, and Albania—in relation to the U.S. dollar. The study applies modern methodological techniques for testing the stationarity of time series, including univariate ADF, PP, and KPSS tests, as well as panel SURADF tests, both in their classical form and with the inclusion of a Fourier component. The univariate tests indicate that real exchange rates are non-stationary in levels but become stationary after first differencing, implying that standard tests do not confirm the validity of the PPP theory. The classical SURADF test also does not provide strong evidence of stationarity, except in the case of North Macedonia. However, the extended SURADF test with a Fourier function consistently rejects the null hypothesis of a unit root for all analyzed countries, indicating the existence of a long-term equilibrium in real exchange rates. To the best of our knowledge, this study represents the first systematic application of the Fourier-augmented panel SURADF unit root test to the empirical testing of the Purchasing Power Parity hypothesis for Western Balkan economies. By explicitly allowing for smooth nonlinear structural changes, the applied methodology significantly enhances the detection of mean-reverting behavior in real exchange rates that conventional linear and panel unit root tests fail to identify. The findings therefore provide robust empirical support for the long-run validity of the PPP hypothesis in the region and offer relevant implications for exchange rate policy formulation and assessments of international competitiveness.

Panagiotis Kontakos
School of Business & Management, University UCLan Cyprus

SUSTAINABLE FDI AND REGIONAL INTERDEPENDENCE IN THE EASTERN MEDITERRANEAN: CROSS-BORDER COLLABORATION, GREEN INFRASTRUCTURE, AND CULTURAL ALIGNMENT

This paper examines how sustainable foreign direct investment (FDI) can promote regional interdependence and integration in the Eastern Mediterranean. Focusing on Cyprus, Greece, Türkiye, Israel, Egypt, Lebanon, and Syria, it explores how shared challenges in energy security, water scarcity, marine degradation, infrastructure deficits, and institutional fragmentation can become opportunities for cross-border collaboration. Methodologically, the paper adopts a qualitative conceptual and comparative regional analysis, combining secondary SDG, spillover, trade, and policy evidence with scenario-based FDI blueprints. The analysis identifies key investment pathways, including renewable energy interconnectors, circular economy infrastructure, sustainable aquaculture, oil pollution monitoring, digital corridors, and low-carbon mobility. It further highlights joint ventures, public–private partnerships, multilateral finance, and policy harmonisation as mechanisms for overcoming political, regulatory, and financial barriers. The paper also positions cultural alignment as an enabling condition for cooperation across Europe, Asia, and Africa. By linking sustainable FDI with innovation, environmental governance, and trust-building, the paper contributes to debates on regional economic resilience and offers a framework for transforming fragmented neighbouring economies into a more sustainable and interconnected regional space.

Milena Lutovac Đaković
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Miloš D. Lutovac
Belgrade Business and Arts Academy of Applied Studies, Belgrade, Serbia

Nikola Medan
Triglav osiguranje d.o.o. Belgrade, Serbia

GREEN INDUSTRIAL POLICY: FOSTERING INNOVATION AND DRIVING STRUCTURAL CHANGE TOWARD A GREEN ECONOMY

Humanity is currently facing serious climate change challenges resulting from long-term reliance on unsustainable patterns of consumption and production, as well as the intensive use of land and energy resources. In addressing these challenges, there is a growing need to formulate an environmentally sustainable industrial policy capable of decoupling economic growth and improvements in quality of life from excessive resource depletion and waste generation. Achieving such a development model requires the accelerated development and deployment of new, advanced, and clean technologies, as green growth necessitates green technologies. Green industrial policy can be understood as a set of public measures and strategic state interventions aimed at transforming the structure of the economy toward environmentally sustainable sectors, technologies, and production processes. Its theoretical justification stems from the existence of market failures associated with climate change and the development of new technologies, including negative externalities, technological uncertainty, and coordination problems along value chains. The objective of this paper is to analyze the role of green industrial policy in overcoming market failures, with particular emphasis on its function in fostering innovation, reducing investment risks, and accelerating the diffusion of green technologies. Special attention is devoted to examining the instruments of green industrial policy, including subsidies, regulatory measures, and institutional support mechanisms, as well as their economic and developmental implications. The paper concludes that a properly designed industrial policy represents a key element of a successful green transition, enabling the simultaneous achievement of economic development and environmental protection goals.

Nemanja Gogić
Serbian Electric Power Company, Belgrade, Serbia

Dragana Milenković
Faculty of Economics, Pristina, Kosovska Mitrovica, Serbia

LABOR MARKET AND SALARY LEVEL IN SERBIA

With the deepening of the economic crisis through the instigation of wars in Ukraine and the Middle East, sanctions against the Russian Federation, and the increase in customs duties on certain export goods, a large number of debates appear in the scientific and professional public about their effects on the level of wages, as one of the basic instruments in the labor market. The mismatch of attitudes regarding the effect of the crisis on wages is very pronounced in Serbia. The aim of the research in this paper is to show how the labor market reacts to changes in wage prices in Serbia. The results of the research showed us that the crisis deepened the already excessive discrimination in the level of wages among employees on the labor market. The average, and especially the minimum wage in Serbia, is not at the extreme limit that could threaten the functionality of the labor market, however, it may have a limiting factor in the increase of the overall employment rate. The concluding considerations we reached in the paper are that in order to avoid unwanted effects in earnings, certain reforms in its distribution must be carried out. To mitigate the economic crisis, greater activity of the labor market creators and reform of certain factors that directly or indirectly affect the labor market are needed.

Dušan Mojić
Faculty of Philosophy, University of Belgrade, Belgrade, Serbia

Boban Pavlović
Faculty of Mining and Geology, University of Belgrade, Belgrade, Serbia

Irena Petrović
Faculty of Philosophy, University of Belgrade, Belgrade, Serbia

INSTITUTIONAL FRAMEWORK FOR THE TRANSITION TO RENEWABLE ENERGY SOURCES FOR HOUSEHOLD CONSUMPTION: A CASE STUDY OF THE CITY OF BIJELJINA

One of the most important concepts in the social sciences in recent decades is the global risk society, proposed by German sociologist Ulrich Beck. He observed that uncertainty and risk-taking have become dominant characteristics of modern societies. In addition to natural or external risks, human-made or manufactured risks are also key features of the global risk society. Global warming and environmental pollution are among the most significant threats in this context. While global warming varies in its regional, national, and local consequences, it remains a global process requiring a global institutional response. Such a response is understandably difficult to achieve in today's deeply divided world. However, environmental pollution, especially air pollution, has consequences that are far more immediate and dangerous for human settlements. Addressing these risks is much easier at the local level. For example, the City of Bijeljina (Republic of Srpska, Bosnia and Herzegovina) is often among the most air-polluted settlements in the region, especially in winter, mainly due to pollution from household energy consumption. Transitioning from fossil fuels (primarily coal) and inefficient use of firewood in individual household stoves would significantly reduce air pollution. The aim of this paper is to analyze the relevant regulatory framework for the transition towards more efficient and sustainable use of renewable energy sources in the household sector in the City of Bijeljina. A favorable institutional framework, combined with appropriate incentives for households in Bijeljina, would lead to greater use of renewable energy sources and, consequently, significantly lower levels of air pollution.

Vesna Petrović
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Zlatko Simikić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

EVALUATION OF COMPARATIVE ADVANTAGES AND TRADE BALANCE IN BILATERAL TRADE BETWEEN SERBIA AND CHINA

This paper analyzes the trade relations between the Republic of Serbia and the People's Republic of China in the period from 2021 to 2025, with the aim of providing a detailed overview of the structure, competitiveness, and balance of bilateral trade in goods. The focus of the research is on understanding key trade patterns between the two countries, as well as identifying sectors with the greatest potential for improving economic relations. The study is based on a quantitative, descriptive analytical approach and includes the application of two mutually complementary international trade indicators: the Revealed Comparative Advantage (RCA) index and the Trade Balance Index (TBI). These indicators enable a comprehensive assessment of export specialization, as well as insight into whether specific sectors are predominantly export or import oriented. The data used in the analysis are classified according to the Standard International Trade Classification (SITC), ensuring consistency and facilitating comparison across different sectors. The research results indicate a pronounced structural imbalance in trade relations between Serbia and China, with Serbia continuously recording a significant trade deficit. The combined application of the RCA and TBI indices allows for precise identification of sectors with strong export potential, as well as those that are highly dependent on imports and require structural adjustments. The findings provide a relevant basis for formulating recommendations aimed at improving export competitiveness, diversifying the production structure, and reducing the trade imbalance between the two countries. In this way, the paper contributes to a better understanding of contemporary trade flows and the potential for further development of economic relations between Serbia and China.

Snježana Zarić
Faculty of Economics Brčko, University of East Sarajevo, Bosnia and Herzegovina

SYNCHRONIZATION OF FINANCIAL CYCLES IN THE EARLY EURO AREA MEMBER STATES

The paper analyses the synchronisation of financial cycles in the early member states of the European Monetary Union, as well as their co-movement with business cycles, with the aim of formulating policy recommendations for an adequate macroprudential framework at the euro area level. Financial cycles are represented by the volume of credit to the private sector, real house prices, and share prices, while the business cycle is approximated by real GDP. The cyclical components of the observed time series were extracted with the Hodrick–Prescott filter, and their level of synchronisation was estimated using measures of static and dynamic correlation. The findings reveal that financial cycles across euro area countries are not fully synchronised, although a relatively high level of co-movement was identified between share price cycles and credit cycles, whereas housing markets markets show considerably lower levels of synchronisation. At the same time, the results confirm that financial cycles do not necessarily follow the dynamics of business cycles, highlighting the need for continuous monitoring of the financial sector in order to enable the early identification of systemic risks, both at the level of individual member states and at the level of the monetary union as a whole. The obtained results suggest that the incomplete synchronisation of financial cycles within the euro area constrains the effectiveness of a uniform macroprudential approach, and underscores the need for enhanced alignment of supranational coordination with nationally tailored macroprudential policy measures.

Darko Pašalić
European University Brčko District, Bosnia and Herzegovina

Marko Milić
The College of Service Business – Sokolac, Republic of Srpska, Bosnia and Herzegovina

ENERGY SECURITY AND INNOVATION IN RENEWABLE ENERGY SOURCES WITH REFERENCE TO BOSNIA AND HERZEGOVINA

Energy security represents one of the key development issues of modern states, particularly in the context of climate change, geopolitical instability, and disruptions in global energy markets. The subject of this paper is the analysis of the relationship between energy security and innovation in renewable energy sources, with special reference to Bosnia and Herzegovina. The aim of the paper is to examine the extent to which technological and institutional innovations in the renewable energy sector can contribute to a more stable, sustainable, and economically viable energy system in Bosnia and Herzegovina. Three key hypotheses are proposed. The first hypothesis assumes that increased investment in renewable energy sources directly contributes to strengthening energy security. The second hypothesis suggests that regulatory and institutional reforms have a decisive impact on the efficiency of innovation implementation. The third hypothesis is based on the claim that Bosnia and Herzegovina possesses significant, yet insufficiently utilized, renewable energy potentials. The paper applies the methods of analysis and synthesis, a comparative method, analysis of available statistical data, as well as a review of relevant professional and scientific literature. The results indicate that the energy transition in Bosnia and Herzegovina requires a systemic approach, strategic planning, and stronger support for innovation in order to ensure the long-term stability of the energy sector. It is further concluded that the long-term stability of the energy system depends on the ability of states to integrate innovation, develop flexible infrastructure, and provide a stable regulatory framework.

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Mladen Subotić
Faculty of Economics in Subotica, University of Novi Sad Subotica, Serbia

GLOBAL OVERPOPULATION AS A POTENTIAL FACTOR OF WORLD HUNGER: LINKS, CONSTRAINTS AND POLICIES

The issue of world hunger remains a critical challenge within international development economics, with its structural causes generating significant academic debate. While classical paradigms often isolate agricultural supply failures as the primary driver, this paper analyzes the structural link between global overpopulation, ecological constraints, and food insecurity through a critical synthesis of macroeconomic theories and contemporary demographic data. The primary objective of the study is to evaluate the relative impact of population growth against socio-economic and institutional factors in determining global hunger. The paper operationalizes the research hypothesis (H_1) that global overpopulation acts as an exogenous catalyst that amplifies environmental constraints, but the actual manifestation of hunger is strictly mediated by regional institutional capabilities and economic entitlements. Potential policy interventions are systematically categorized into techno-agricultural innovations and institutional reforms differentiated by regional economic contexts.

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Anđela Žarković
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

ANALYSIS OF THE RELATIONSHIP BETWEEN UNEMPLOYMENT AND GDP IN BOSNIA AND HERZEGOVINA: EVIDENCE FROM OKUN'S LAW

This paper analyzes the relationship between the unemployment rate and gross domestic product (GDP) growth in Bosnia and Herzegovina, with the aim of determining whether Okun's law holds in the observed period. The research is based on macroeconomic data for the period from 2000 to 2025, collected from relevant statistical sources. The study applies descriptive and econometric methods of *analysis, including stationarity tests (ADF and DF), the Bounds cointegration test, and the ARDL model. The results indicate that there is no statistically significant long-term relationship between the unemployment rate and GDP growth, while a short-term negative relationship between these variables has been confirmed. The findings suggest that Okun's law has limited applicability in Bosnia and Herzegovina and is primarily valid in the short run. Additionally, the results indicate that unemployment dynamics are influenced by other macroeconomic and structural factors, highlighting the complexity of the relationship between economic growth and the labor market.*

Milica Vidaković
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Zorana Jović
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Jelena Simić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

FOREIGN DIRECT INVESTMENT AND DOMESTIC ECONOMIC GROWTH: A COMPARISON OF THE WESTERN BALKAN COUNTRIES AND THE EU

The paper examines the effects of inflation, unemployment, economic openness, and economic growth on the inflow of foreign direct investment in the countries of the Western Balkans and the European Union. The analysis is based on data obtained from the World Bank and UNCTAD databases for the period 2020–2024. In addition to descriptive statistics, OLS regression analysis, fixed and random effects models, and the Pearson correlation test are applied. A detailed analysis leads to results showing that economic growth has a very weak positive impact on the inflow of foreign direct investment, but the effect is not statistically significant. OLS regression indicates that only unemployment has a statistically significant impact among the analyzed factors, while in the fixed effects model inflation has a significant impact on foreign direct investment; the difference in results can be explained by different model specifications. The analysis compares the countries of the Western Balkans and the European Union in order to demonstrate how fluctuations and economic challenges affect the development of the observed economies, which are at different levels of development. Different development levels, institutional frameworks, and descriptive statistics have led to the conclusion that the effects of foreign direct investment and economic growth are greater in the European Union.
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Aleksandar Lukić
Higher School of Applied Economics, Belgrade, Serbia

ADAPTIVE DECISION-MAKING UNDER ECONOMIC UNCERTAINTY

Contemporary economies are characterized by a high degree of uncertainty arising from the complexity of economic processes, rapid technological change, and limited predictability of future developments. In such an environment, traditional models of rational decision-making based on complete information and well-defined probabilities become increasingly insufficient, which creates a need for more adaptive approaches to economic behavior. This paper analyzes the theoretical mechanisms through which economic uncertainty influences the behavior of economic agents and the efficiency of decision-making processes. It focuses on how individuals and firms adjust their strategies under uncertainty through flexibility, expectation formation, and adaptive behavioral patterns. Particular attention is devoted to the role of institutions and innovations in mitigating the adverse effects of uncertainty. Innovations enhance the adaptability and efficiency of economic actors, while stable institutional frameworks provide predictability, legal security, and trust in economic relations. Their interaction represents a key mechanism for strengthening resilience in modern economic systems. The main contribution of the paper lies in integrating contemporary theoretical perspectives on uncertainty, decision-making, institutions, and innovation into a unified analytical framework, emphasizing the importance of a systemic approach to understanding economic behavior under conditions of heightened uncertainty.

Jadranka Đurović Todorović
Faculty of Economics, University of Niš, Niš, Serbia

Marina Đorđević
Faculty of Economics, University of Niš, Niš, Serbia

Ivana Filipović
Faculty of Economics, University of Niš, Niš, Serbia

Milica Ristić Cakić
Faculty of Economics, University of Niš, Niš, Serbia

AGRICULTURAL INSURANCE AS A FINANCIAL INSTRUMENT FOR ENHANCING CLIMATE RESILIENCE OF AGRICULTURE IN THE REPUBLIC OF SERBIA

The increasing frequency and intensity of climate extremes have significantly increased the exposure of the agricultural sector to production and income risks, generating substantial fiscal pressures through extraordinary state interventions. Against this background, the subsidization of agricultural insurance premiums has emerged as an important instrument for strengthening agricultural risk management and supporting the development of agricultural insurance markets.The aim of this paper is to examine the development of agricultural insurance in Serbia and to analyse the role of public support measures, particularly premium subsidies, in strengthening the position of agricultural insurance within the non-life insurance sector. The analysis is based on trends in the share of agricultural insurance premiums in total non-life insurance premiums, as well as on the dynamics of agricultural subsidies in Serbia and selected European countries. The findings indicate that the expansion of public support has been accompanied by the gradual growth of agricultural insurance within the Serbian insurance market, suggesting the increasing importance of insurance mechanisms in managing climate-related agricultural risks. The paper contributes to the discussion on the role of fiscal policy in supporting agricultural risk management and strengthening the institutional framework for climate adaptation in agriculture.

Biljana Srdić Gojković
Faculty of Economics, University of Banja Luka, Republic of Srpska, BiH

Marijana Đukić
Fiscal Council of the Republic of Srpska, BiH

Sanja Popović
Fiscal Council of Republic of Srpska, BiH

THE FISCAL DEFICIT OF THE REPUBLIC OF SRPSKA IN THE CONTEXT OF FISCAL DECENTRALIZATION

The paper analyzes the realization of the fiscal deficit in the Republic of Srpska, with a particular focus on the role of fiscal responsibility at different levels of government. Special attention is given to identifying the structure of the deficit across various government levels, including local government units, social security funds, and the central government. The empirical data used in the analysis allow for an assessment of compliance with fiscal rules and the impact that each level of government has on the overall deficit. The study is conducted using a comparative analysis, which enables the evaluation of the influence of different government levels on deficit formation. The research results provide a basis for formulating policies aimed at strengthening fiscal discipline and responsibility. The paper contributes to a deeper understanding of the mechanisms behind fiscal deficit formation and allows for a more precise identification of areas for improving public finance management and ensuring fiscal stability. The findings also offer guidance for developing strategies that can enhance the efficiency of public expenditures and minimize the risks of long-term fiscal imbalances. Overall, the study bridges theoretical approaches with practical implications, facilitating better decision-making in the field of fiscal policy and the maintenance of fiscal stability.

Miloš Đaković
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Branimir Kalaš
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Milica Inđić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

VALUING THE DEBT TAX SHIELD EFFECT ON PROFITABILITY – THRESHOLD APPROACH

Uses of tax-shields present the main basis of Capital structure theory in finance. Whether companies use leverage efficiently to increase overall tax benefits presents a challenge for every financial manager of the company. This study uses the threshold approach to determine the non-linear impact of interest tax shield on companies' levels of corporate leverage. The trade-off theory framework of Capital structure states that companies should tend to use debt as long as the benefits of tax benefits exceed the bankruptcy costs. This study uses that framework to determine if companies from Serbia tend to significantly adjust their leverage levels once a certain level of tax shield is reached. The study includes the analysis of 25 listed companies on the Serbian stock exchange from 2010 to 2024. The study includes the variables of total debt as the dependent variable, while tax shield, non-tax shield, liquidity, profitability, tangibility, GDP, inflation, number of board members, and board member diversity present independent variables. The level of tax shield is used as a threshold variable as the authors implore the panel threshold regression approach. The results indicate that financial managers should prioritize tax planning and compliance in order to minimize the company's cost of capital and the negative effects of tax liabilities.

Nada Milenković
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Aleksandra Marcikić Horvat
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Vera Zelenović
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

DETERMINANTS OF BANK PROFITABILITY IN AN UNCERTAIN ECONOMIC ENVIRONMENT: EVIDENCE FROM SERBIA

The paper analyzes the determinants of bank profitability in Serbia over the period from 2019 to 2025, with the aim of identifying key internal determinants influencing bank performance, expressed through return on assets. The research is based on data retrieved from banks' financial statements, from which relevant indicators are constructed, including profitability (ROA), capitalization, liquidity, asset structure, and operational efficiency. By applying panel regression models, the study examines the impact of these determinants on the profitability of the banks operating in Serbia. The results of this study indicate a negative significant influence of cost efficiency on the considered banks profitability, while the effects of capitalization and asset structure show a negative but insignificant impact. The research contributes to a better understanding of bank performance under varying levels of economic uncertainty, including periods of crisis and recovery.

Ognjen Radović
Faculty of Economics, University of Niš, Niš, Serbia

Jelena Radojičić
Faculty of Economics, University of Niš, Niš, Serbia

Srđan Marinković
Faculty of Economics, University of Niš, Niš, Serbia

AGENT-BASED MODELING IN ECONOMICS AND FINANCE: A SIMPLE CRYPTOCURRENCY MARKET

This paper discusses the methodological relevance of agent-based modeling and simulation (ABMS) in economics and finance and illustrates its analytical value through a simple cryptocurrency market model implemented in NetLogo. The paper first reviews the core principles of ABMS, emphasizing heterogeneous agents, bounded rationality, local interaction, endogenous dynamics and macro-level emergence. It then summarizes the role of ABMS in economic analysis, macroeconomic forecasting, financial market dynamics, systemic risk assessment and cryptocurrency research. In the empirical part, a regime-dependent agent-based model with fundamentalists and non-fundamentalists is used to simulate Bitcoin market dynamics under alternative specifications. The model is driven by macro-fundamental, crypto-fundamental and sentiment signals and validated against the historical Bitcoin price path and stylized facts of returns. The results show that the stabilized noBTC specification achieves the best compromise between price-path accuracy and regime stability, while the reproduction of stylized facts remains only partial. In particular, the simulations capture the lack of return autocorrelation fairly well, but volatility clustering, excess kurtosis and skewness remain weaker than in the benchmark study and in the empirical Bitcoin series. The findings support the view that ABMS is a useful complement to standard analytical and econometric models, especially when interactions, nonlinearities and institutional details are central to the problem under study.

Vitomir Starčević
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Dražen Bojagić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Ivan Mirović
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Žarko Popović
Faculty of Economics, University of Niš, Niš, Serbia

THE ROLE OF INTEREST RATES IN STABILIZING THE ECONOMY DURING FINANCIAL CRISES

Interest rates represent a key instrument of monetary policy used by central banks to stabilize economic activity, particularly during periods of financial and geopolitical crises. In the context of global disruptions, such as the Russia–Ukraine war and ongoing conflicts in the Middle East, significant inflationary pressures, supply chain disruptions, and increased uncertainty in financial markets have emerged. In such an environment, changes in interest rates affect the cost of financing, investment behavior, the level of personal consumption, inflation dynamics, and overall economic activity. Lowering policy interest rates is used as an expansionary measure to increase liquidity and mitigate economic downturns, while raising interest rates serves as a key mechanism in combating inflation and maintaining macroeconomic stability. The paper analyzes the transmission mechanisms of monetary policy through interest rates, as well as their effectiveness in the context of modern crises, with a particular focus on the impact of current geopolitical tensions. Special attention is given to the responses of leading central banks, such as the Federal Reserve System and the European Central Bank, in balancing inflation control and economic growth. The aim of the paper is to highlight the importance of effective interest rate management as a key factor in stabilizing the economy and preserving the resilience of the financial system in contemporary crisis conditions.

Ivan Milenković
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Biljana Stanivuk
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Snežana Bardarova Minov
Faculty of Tourism and Business Logistics, "Goce Delcev" University Stip, Republic of North Macedonia

FISCAL CONSOLIDATION COMPOSITION AND PUBLIC DEBT SUSTAINABILITY IN WESTERN BALKAN COUNTRIES: EVIDENCE FROM A STRUCTURED LITERATURE REVIEW

This paper examines whether expenditure-based fiscal consolidation produces more favorable public debt sustainability outcomes than tax-based adjustment in Western Balkan countries. The analysis is based on a structured review of empirical studies dealing with fiscal consolidation, debt dynamics, and macroeconomic performance in Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, and Serbia. In order to better interpret the regional experience, the paper also draws on selected comparative evidence from broader studies on transition economies and OECD countries. The reviewed literature suggests that the composition of fiscal adjustment matters considerably for debt sustainability outcomes. Consolidation strategies relying primarily on expenditure restraint appear to be associated with more durable debt reduction and lower macroeconomic costs than tax-based adjustments. By contrast, revenue-based or mixed packages often coincide with weaker debt stabilization effects, especially when implemented in fragile macroeconomic environments. The findings further indicate that expenditure-based adjustment is more likely to support debt sustainability when it targets inefficient or non-productive current spending while preserving public investment relevant for long-term growth.The paper also argues that the effects of fiscal consolidation in the Western Balkans cannot be understood independently of broader structural conditions. Initial debt levels, fiscal space, institutional quality, growth dynamics, and the composition of public expenditure all shape the final outcomes of consolidation efforts. The contribution of the paper lies in integrating fragmented empirical findings into a coherent analytical narrative that explains why expenditure-based consolidation appears to be the more suitable strategy for improving debt sustainability in small, open, and institutionally constrained economies of the region.

Mladen Savić
Adult Education Centre Bijeljina, Republic of Srpska, BiH

THE IMPACT OF OPEN BANKING ON THE TRANSFORMATION OF BANKING OPERATIONS

Open banking represents a significant regulatory and technological innovation aimed at increasing competition, improving efficiency, and transforming traditional banking operations. By enabling third-party providers to access banking data through secure Application Programming Interfaces (APIs), with the explicit consent of users, open banking facilitates the development of new financial services and business models. This paper examines the impact of open banking on the transformation of banking operations, with particular emphasis on its implications for competition, cost efficiency, and the role of traditional financial institutions. Special attention is given to the regulatory framework of the European Union, including the Payment Services Directive (PSD2) and its forthcoming reforms (PSD3 and PSR), as well as the process of alignment in Serbia. The research is based on a qualitative methodological approach, including the analysis of relevant literature, regulatory documents, and comparative practices. The findings suggest that open banking contributes to increased market competition, improved allocation of financial resources, and greater availability of innovative financial services. At the same time, it raises important challenges related to data security, regulatory oversight, and the sustainability of traditional banking models.

Milica Šušljik
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Anja Dacić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

THE EFFECT OF LIQUIDITY RISK AND CAPITAL ADEQUACY ON BANK PERFORMANCE: PANEL DATA EVIDENCE FROM EMERGING COUNTRIES

The study focuses on investigating the impact of liquidity risk and capital adequacy on banking profitability. This results from the fact that emerging countries mostly depend on banks as main financial institutions and therefore it is crucial to regularly follow the indicators which exert an influence on bank performance. The aim of the research is to recognize to which extent liquidity risk and capital adequacy impact banking profitability in West Balkan countries in the period from 2013 to 2025. In our case, bank profitability is measured in ROA. On the other side, liquidity risk is explained by liquid assets to total assets and loan-to-deposit ratio, whereas capital adequacy uses capital adequacy ratio and tier 1 capital ratio as its measurements. Along with that, bank size is used as an additional explanatory variable to ensure valid results of the research. In order to examine interdependence, a panel data regression model with random effects is used as a suitable method. The results show that almost every independent variable has a significant effect on ROA. The only exception is tier 1 capital ratio, which affects bank performance insignificantly. The results of our study would assist banking institutions in tracking dynamics of relevant explanatory variables in order to maintain banking stability on turbulent West Balkan market.

Ratko Milošević
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

BONDS AS SOURCE OF LONG-TERM FINANCING FOR CAPITAL PROJECTS IN THE REPUBLIC OF SRPSKA

Bonds are one of the most commonly used debt instruments for raising missing financial resources. They are very common in most capital markets, including in the capital market of the Republic of Srpska. By their very nature, they represent a convenient way to raise larger amounts Ol of capital, and spread the debt over a larger period of time. Underdeveloped capital markets are typically characterized by a limited range of bond types. As such, bonds occupy a significant place on the domestic capital market due to the volume of turnover. The paper discusses some of the basic types of bonds, their adequacy for raising capital for financing capital projects of central and local governments, the return they bring to investors, and the potential risks that may arise, as well as the current level of development of the domestic capital market. By using methods of analysis and synthesis of issued bonds on the capital market of the Republic of Srpska, an attempt is made to draw conclusion about the suitability of issuing bonds for financing capital projects. Despite the underdeveloped nature of domestic capital market, the issuance of bonds represents an adequate and sustainable model for raising long-term capital to finance capital projects.

Luka Đurković
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

JANUARY EFFECT ANOMALY AND MARKET EFFICIENCY IN THE WESTERN BALKANS ECONOMIES

The issue of the existence of calendar anomalies in financial markets has not lost its relevance for years; on the contrary, it remains a subject of ongoing debate and investigation among numerous economists. Most studies place particular emphasis on examining the efficiency of small and insufficiently developed financial markets, as well as on the possibility of generating above-average returns within them. This *paper focuses on the analysis of the January effect in the context of the efficiency of financial markets in Bosnia and Herzegovina, Serbia, Montenegro, Croatia, and North Macedonia over the period from January 2019 to December 2023. The analysis is based on daily values of the stock market indices BIRS, SASX10, BELEX15, MONEX, CROBEX, and MBI10. The starting hypothesis of the study posits that the January effect anomaly is not statistically significant in the financial markets of the Western Balkans, that is, these markets exhibit efficiency in this respect. The research employs panel data as a unified dataset, along with the t-test as the primary analytical method. The results obtained confirm the null hypothesis, indicating that within the given sample and applied methodological framework, the January effect was not observed in the analyzed markets during the specified period. The paper also outlines the limitations of the conducted test, as well as the specific characteristics of the selected time interval, which should be taken into account when interpreting the results. A descriptive examination of the panel data reveals certain simultaneous increases or decreases in returns across all observed financial markets, which may be interpreted as a form of pattern or seasonal anomaly. However, given that this observation has not been statistically validated, future research should be directed toward examining other seasonal monthly anomalies, as well as the day-of-the-week effect.*

Vesna Rajić
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Jasna Babić
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Jelena Stanojević
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

APPLICATION OF BENFORD'S LAW IN QUALITY MANAGEMENT AUDITING: EVIDENCE FROM ISO 9001 CERTIFIED FIRMS

Quality management systems rely on accurate and reliable data to support effective decision-making, continuous improvement, and organizational transparency. In organizations certified according to ISO 9001, large volumes of numerical data are generated through quality performance indicators, internal audit findings, customer complaints, corrective actions, and process monitoring activities. However, the reliability of such data is rarely assessed using statistical methods. This paper investigates the application of Benford's Law as a statistical tool for detecting irregularities in datasets used within quality management auditing processes. The analysis focuses on numerical distributions associated with selected quality management indicators in ISO 9001 certified firms. By comparing the observed distribution of leading digits with the theoretical distribution predicted by Benford's Law, potential anomalies in reported data can be identified. The results suggest that Benford's Law can serve as a useful preliminary screening method in quality management audits, enabling auditors and managers to detect unusual numerical patterns that may indicate reporting inconsistencies or data manipulation. The proposed approach contributes to strengthening internal control mechanisms and improving the reliability of data used in quality management systems.

Jelena Kočović
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Nataša Tešić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Marija Koprivica
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

CHALLENGES IN INSURING AGAINST CATASTROPHIC RISKS

This paper addresses the key challenges in insuring against catastrophic risks, with a particular focus on flood risk as one of the most complex and economically significant natural hazards in contemporary *conditions. These challenges stem from the increasing frequency and severity of extreme events, the spatial and temporal correlation of losses, high loss severity, as well as methodological difficulties in risk measurement and persistent institutional and market constraints reflected in the protection gap between economic and insured losses. The paper examines the extent to which different flood insurance models can contribute to addressing these challenges. The findings indicate that no single institutional model provides a universally optimal solution. While public models improve accessibility and social protection, and private models enhance risk-based pricing and efficiency, both exhibit significant limitations when applied in isolation. Public–private arrangements, when supported by robust risk assessment and a clear allocation of responsibilities, offer the greatest potential to reduce the protection gap and ensure more sustainable, resilient financial protection against flood losses.*

Teodor M. Petrović
Faculty of Economics Brčko, University East Sarajevo, Bosnia and Herzegovina

Ljiljana Ž. Tanasić
Faculty of Economics Brčko, University East Sarajevo, Bosnia and Herzegovina

OPPORTUNITIES AND CHALLENGES OF BLOCKCHAIN APPLICATION IN FINANCIAL ACCOUNTING

Contemporary digital technologies are reshaping the business environment, creating opportunities for innovation while challenging traditional models of governance and financial reporting. In this context, blockchain technology constitutes an innovative distributed ledger infrastructure that provides a secure, cryptographically protected, and shared platform for recording and exchanging accounting information. This paper examines the transformative potential of blockchain in financial accounting through a systematic review of the relevant academic literature, aiming to identify prevailing research trends and assess the practical implications of its adoption. The analysis focuses on the core attributes of blockchain and their effects on data integrity, process efficiency, and the reliability of financial reporting. The findings suggest that blockchain may function as a platform for the voluntary disclosure of financial and non-financial information, thereby enhancing stakeholder trust and reducing information asymmetry in the short term. Over the long term, the integration of blockchain and smart contracts may reduce errors, improve the quality, timeliness, and comparability of accounting information, and streamline reconciliation and auditing procedures. The study also addresses key implementation challenges, including regulatory uncertainty, privacy concerns, scalability limitations, and the costs of integration with existing systems. Although blockchain holds significant innovative potential for financial accounting, its sustainable implementation requires a strategic approach and strong institutional support.

Mirela Mitrašević
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Katica Radosavljević
Institute of Agricultural Economics, Belgrade, Serbia

Miloš Pjanić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Boris Kuzman
Institute of Agricultural Economics, Belgrade, Serbia

BIBLIOMETRIC ANALYSIS OF RESEARCH IN THE FIELD OF AGRICULTURAL INSURANCE IN THE PERIOD 1996–2025

This paper presents a bibliometric analysis of scientific production in the field of agricultural insurance over the period 1996–2025. Using data retrieved from the Web of Science database and analytical tools from the bibliometrix package (version 4.5.0), a total of 2,287 documents were examined to identify key *trends and the intellectual structure of the field. The results indicate a strong growth in scientific output, with an average annual growth rate of 12.25%, primarily driven by an increasing multidisciplinary focus on innovative index-based insurance models and intensive research on the impact of climate change on agricultural risks. Within this upward trend—particularly accelerated after 2010—a growing network of international collaboration is evident, dominated by authors from the United States and China. The findings suggest that future research opportunities lie in the development of hybrid models that combine indemnity-based insurance with modern technologies, alongside the introduction of loss verification mechanisms based on actual damage. Such approaches aim to reduce basis risk and enhance farmers' trust in agricultural insurance systems.*

Milica Obrenović

Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

DIGITAL TRANSFORMATION OF ACCOUNTING AND ORGANIZATIONAL RESILIENCE IN ECONOMIC UNCERTAINTY: ACCOUNTANTS' PERCEPTIONS IN THE REPUBLIC OF SRPSKA

Digital transformation has become one of the key trends in accounting, as organizations increasingly use technologies such as cloud computing, automation, and artificial intelligence to improve efficiency and support decision-making. At the same time, growing economic uncertainty has increased the need for timely and reliable financial information, highlighting the importance of digital tools in accounting processes. This paper examines the level of digitalization in accounting practices and its perceived impact on reporting quality, timeliness, and organizational resilience, with a particular focus on accounting practice in the Republic of Srpska. The study is based on a survey conducted among accounting professionals in Republic of Srpska and focuses on their perceptions of the use and effects of digital tools. The findings provide insight into current trends and emphasize the role of digital transformation in addressing the challenges of economic uncertainty in a specific regional context.

Mirjana Orašanin

OLIMP PROM GROUP Ltd. Bijeljina, Republic of Srpska, BiH

ANGLO-SAXON AND CONTINENTAL MODEL OF PERSONAL BANKRUPTCY

Debt bondage dates back to ancient times, when oppressed people were subjected to brutal punishments, even death, if they were unable to settle their debts to creditors within the prescribed deadline. It was only in the 19th century that a shift was made to a more humane bankruptcy legislation, first in England and then in the United States. European countries started adopting similar regulations only in the second half of the 20th century. The greatest contribution to the introduction of humane regulation in the field of personal bankruptcy was made by American professor Jackson, who considers personal bankruptcy a distinct branch of law aimed at the more efficient settlement of a debtor's obligations. Unlike the regulation of bankruptcy proceedings for legal entities, where no assets are exempted from the bankruptcy estate, in the case of natural persons it is necessary to leave a minimum level needed for living so as not to endanger the debtor's survival. Another difference is that, upon the completion of bankruptcy proceedings, a legal entity ceases to exist, whereas a natural person does not lose legal personality but is instead given the opportunity to return to normal economic activity after resolving their debts. There are essentially two models for resolving personal bankruptcy: the American model and the continental (European) model. The difference lies in the fact that, under the American model, a debtor may be forgiven a portion of the debt, whereas the European model generally applies a system of long-term debt restructuring, usually without debt forgiveness. This paper presents an example of personal bankruptcy legislation for individuals in Croatia. Although the IMF has repeatedly proposed Serbia to adopt a law on personal bankruptcy, our country has still not enacted such legislation, but it seeks to act preventively through measures of current monetary and credit policy, in order to prevent citizens from falling into a situation where they are unable to settle their due obligations. The issue of protection for users of financial services is regulated by a special law, which allows individuals to request from banks and other financial institutions a temporary suspension of repayment of due obligations during the period of their insolvency.

Divna Maksimović
Secondary School of Economics Bijeljina, Public Institution, Republic of Srpska, BiH

FORENSIC ACCOUNTING AS A RESPONSE TO MODERN INNOVATIONS AND ECONOMIC UNCERTAINTY

The contemporary business environment is characterized by rapid innovations and increasing economic uncertainty, further amplified by political instability. Economic shocks in the energy market are particularly pronounced. The current global oil crisis of 2026 has caused a significant rise in oil prices and disrupted supply chains, increasing the risk of financial fraud. In this context, forensic accounting has become a key tool for fraud detection, cost control, and the optimization of risk management processes. The integration of digital tools, including AI and Big Data analytics, further enhances organizations' ability to respond promptly to volatile market conditions. This paper examines the connection between crises, innovations, and financial fraud, and also discusses the impact of modern technologies and digitalization on fraud risk, as well as the need for global regulation and employee training as essential elements for maintaining business continuity.

Ana Aleksić Mirić
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

Maksim Vojvodić
Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

BEYOND GOOD AND BAD: REVISITING THE BRIGHT AND DARK SIDES OF LEADERSHIP

Research on destructive leadership has grown significantly over the past two decades, yet much of this literature continues to conceptualize dark leadership primarily as a problem of leader personality. Studies typically focus on traits such as narcissism, toxicity, or abusive behavior, implicitly assuming that destructive leadership originates in inherently "dark" individuals. This paper revisits the bright–dark dichotomy in leadership research and argues that such a binary view may overlook the complex dynamics through which leadership behavior emerges in organizational contexts. Drawing on a review of key contributions in the destructive leadership literature, the paper highlights how most explanations remain leader-centric while paying limited attention to organizational conditions. Building on this observation, we suggest that leadership styles inherently contain both constructive and destructive potentials, and that organizational contexts may shape which side becomes dominant. By mapping the existing literature and identifying conceptual gaps, the paper opens a discussion on the role of organizational design in shaping leadership dynamics. The review contributes to leadership research by reframing destructive leadership not solely as a matter of individual pathology but as a phenomenon potentially influenced by organizational structures and contextual conditions.

Ljiljana Kontić
MIANU, Faculty of Business and Law, University MB, Belgrade, Serbia

Petar Veselinović
Faculty of Economics, University of Kragujevac, Kragujevac, Serbia

Bojana Šćepanović
State Secretary at the Ministry of Justice, Belgrade, Serbia

CORPORATE ENTREPRENEURSHIP IN SERBIA: MULTICASE STUDIES PRIVATE VS PUBLIC ORGANIZATIONS

The main aim of this study was to identify similaries and differences in assessing the key factors of the corporate entrepreneurship by managers from six Serbian organizations. The sample was representative regarding a regional importance i.e. financial performances, ownership, and number of employees from six regions in Serbia. The respondents were top, middle, and first level managers from observed companies. The mixed method has been used. Qualitative data have been obtained thougth semi-structured interviews with top managers of all six companies. The quantitative research have been conducted throught the Corporate Entrepreneurship Assessment Instrument (CEAI)[1]. Quantitative data have been processed by Correspondence analysis. The results revealed similarities in assessing Organizational Boundaries by all observed managers. Managers from private companies differently assessed Management support, Work discretion, Reinforcements/Rewards, and Time availability than managers from public organizations. During the semi-structured intervews the authors tried to identify the reasons for differences in assessments of the aforementioned key corporate entrepreneurship factors. The factor Time availabilty had been identified in a previous, sector study [2]. This is a pilot study that compared assessment of the key corporate entrepreneurship factors defined by CEAI in public and private organizations in six Serbian regions. Future studies will expand to similar cultural settings and embodies large number of companies.

Dimitrije Gašić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Nemanja Berber
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Tamara Jevtić
Academy of Professional Studies, Šabac, Serbia

Sanja Đukić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

EFFECT OF MANAGERIAL SUPPORT ON JOB STRESS AMONG EMPLOYEES WHO USE FLEXIBLE WORK ARRANGEMENTS

Managerial support represents a significant organizational resource in the context of implementing various forms of flexible work arrangements (home-based work, remote work etc.) as it enables employees to cope more effectively with job demands and positively contributes to the reduction of job stress. The aim of this study is to examine the direct impact of managerial support on job stress among a sample of 448 highly educated employees in Serbia who use flexible work arrangements. To test the proposed relationship, the PLS-SEM method was applied using the SmartPLS 3 software. The results indicate that managerial support has a direct negative effect on job stress, meaning that higher levels of managerial support are associated with lower levels of job stress among employees using flexible work arrangements. Managerial support enhances employees' perceptions of autonomy, fairness, and trust, facilitates the effective implementation of flexible work arrangements, and consequently has a positive impact on the establishment of work–life balance. Lower levels of job stress generate a range of positive outcomes for employees, including improved work-related attitudes (job satisfaction, employee engagement, employee commitment, etc.) and work behaviors, which ultimately contribute to enhanced organizational performance. In line with social exchange theory, organizations should develop and strengthen mechanisms of managerial support when implementing flexible work arrangements, as this fosters mutual satisfaction for both employees and organizations. This study makes a significant contribution to the existing literature by providing empirical evidence from the context of a developing economy, with a particular focus on Serbia. Future research should include larger and more heterogeneous samples, and an examination of additional mediating mechanisms.

Biljana Đorđević
Faculty of Economics, University of Niš, Niš, Serbia

Sandra Milanović Zbiljić
Faculty of Economics, University of Niš, Niš, Serbia

THE ROLE OF GREEN HUMAN RESOURCE MANAGEMENT IN PROMOTING CIRCULAR ECONOMY PRACTICES: MEDIATING EFFECT OF GREEN ORGANISATIONAL CUTURE – PILOT STUDY

The circular economy (CE) has today become almost an imperative for companies and countries worldwide due to numerous environmental challenges and the increasing need for sustainable development. However, the transition toward a circular economy business model requires the implementation of various strategies. One of them is the orientation toward green human resource management (GHRM), which focuses on recruiting and employing individuals who are aware of the importance of environmental sustainability and the necessity of sustainable development. The relationship between GHRM and CE orientation could be even strengthened by green organisational culture (GOC). In organisations characterised by this type of OC, management tends to place greater emphasis on GHRM practices aimed at achieving environmental goals. In order to examine the relationship between GHRM practices and companies' orientation toward the CE in the Republic of Serbia, as well as to test whether GOC has a mediating role in this relationship, a pilot study was conducted. Methodologically, the study utilises quantitative data analysed using SPSS, specifically employing the PROCESS macro (Model 4) to evaluate the mediation pathways. Preliminary expectations suggest that GHRM practices positively influence companies' orientation toward the CE, both directly and indirectly through the mediating role of GOC. The contribution of this paper lies in providing both theoretical and practical insights into the importance of GHRM and GOC for companies' orientation toward a CE.

Milan Veselinović
Academy of Applied Studies, Leposavić, Kosovo and Metohia, Serbia

Sanel Mehmedi
Academy of Applied Studies, Leposavić, Kosovo and Metohia, Serbia

Slaviša Milić
Academy of Vocational Studies of Kosovo and Metohija, Department of Peć, Serbia

LOGISTICS INTEGRATION AND COMPETITIVE ADVANTAGE: A CASE STUDY OF COCA-COLA AND MCDONALD'S

The contemporary business environment is characterized by growing interdependence among supply chain participants, which makes strategic partnerships increasingly important as a source of operational efficiency and competitive advantage. This paper analyzes the importance of joint assets and coordinated activities in supply chain improvement, with particular emphasis on the long-term partnership between Coca-Cola and McDonald's. The aim of the paper is to show, using secondary sources, how the integration of logistics processes, the harmonization of quality standards, the development of specialized equipment, and long-term organizational coordination contribute to supply reliability, product standardization, and the reduction of operating costs. The analysis is grounded in theoretical approaches that emphasize the role of resources, mutual trust, and supply chain integration, and then examines the practical value of cooperation between two global companies. The findings indicate that this partnership goes beyond the traditional buyer-supplier relationship and evolves into a stable model of inter-company cooperation based on trust, shared operational standards, and long-term strategic alignment. It is concluded that this type of cooperation may represent an important source of sustainable competitive advantage, especially in conditions of global standardization, added brand value, and demanding market requirements.

Sergey Polbitsyn
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

Biljana Kovačević
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Michael Olumekor
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

Katarina Božić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

FAMILY ENTREPRENEURSHIP IN THE AGE OF UNCERTAINTY

Family entrepreneurship should be recognized as not just a significant type of economic activity, but also crucial social activity. The aim of the research is to review models of family entrepreneurship in various countries, drawing upon open-source data from official sources. The relevance of this research is determined by the fact that family entrepreneurship contributes to the socio-economic stability of countries by providing the population, especially younger generations, with reliable employment, stable income, hands-on business/professional training, and a sense of belonging. We comparatively explore how family entrepreneurship impacts these factors in Republic of Srpska, China, Russia, Vietnam and Mauritania. A significant number of studies prove that family business allows for higher economic efficiency due to the possibility of transferring entrepreneurial skills and abilities to younger family members and the higher motivation of all employees connected by family ties.

Pero B. Petrović
Institute of International Politics and Economics, Belgrade, Serbia

Jelena P. Petrović
Singidunum University, Belgrade, Serbia

Srbijanka Stojić
JP Srbijavode, Belgrade, Serbia

INNOVATIONS IN EVENT MANAGEMENT IN TOURISM IN CONDITIONS OF UNCERTAINTY

The aim of this paper is to examine the role of innovation and digital tools in tourism event management under conditions of uncertainty, focusing on how technological, organizational, and sustainability-oriented changes enhance resilience, competitiveness, and adaptability in tourism destinations and entities. A qualitative and descriptive approach is applied, based on literature review, analysis of current tourism trends, and an illustrative case study of a hypothetical AI-supported tourism event model. The study combines theoretical insights with a simulated practical application rather than empirical research. Findings show that digital transformation, artificial intelligence, and sustainability concepts such as circular and regenerative tourism improve efficiency, personalization, visitor experience, and risk management in uncertain conditions. Hybrid event formats and digital tools further increase flexibility and responsiveness in event planning and execution. The paper concludes that integrating innovation with sustainability is essential for the long-term competitiveness and resilience of tourism event management in a dynamic environment.

Carolina Țîmbalari
Lucian Blaga University of Sibiu, Romania

EMPLOYMENT PATTERNS AND WORKFORCE STRUCTURE IN ROMANIA. EVIDENCE FROM EUROPEAN LABOUR MARKET DATA

Understanding the framework and trends of national labour markets is essential for designing effective employment policies and supporting sustainable economic development. This study examines the labour market in Romania using secondary data provided by the European Employment Services (EURES). The research focuses on key labour market indicators, including labour force participation, sectoral employment distribution and wage developments. The analysis highlights several important structural characteristics of the Romanian labour market. Available data indicate that Romania's employment rate remains below the average of the European Union, revealing certain structural challenges in labour market participation. Moreover, significant disparities can be observed between genders men and women, as well as among different age groups, particularly in relation to youth employment and the participation of older workers. The sectoral structure of employment shows that manufacturing, wholesale and retail trade, construction and transport represent the main areas of economic activity that absorb the majority of the workforce. Another relevant characteristic of the Romanian labour market is the considerable share of employees working in large enterprises, even though micro-enterprises constitute the largest proportion of companies in the national economy. This apparent imbalance highlights structural particularities in the organization of labour and production. The findings emphasize several ongoing challenges, including workforce mobility, shortages of skilled labour, demographic pressures and regional disparities in employment opportunities. Overall, this study enhances understanding of the structural characteristics of Romania's labour market and provides insights that could inform the design of more effective labour and employment policies.

Danijela Ilić
Faculty of Medical Sciences, University of Kragujevac, Serbia

PERCEPTION OF TALENT MANAGEMENT PRACTICES IN HEALTHCARE ORGANIZATIONS IN SERBIA: EMPIRICAL ANALYSIS

In healthcare organizations, talent management represents an important mechanism for ensuring the continuity of service quality, given that overall performance largely depends on employees' knowledge and competencies. The aim of this study was to examine employees' perceptions of talent management practices in healthcare organizations in the Republic of Serbia. The research was conducted using a questionnaire on a sample of 151 employees. Adapted scales from previous studies were applied, and the data analysis included principal component analysis and non-parametric tests. The results suggest that perceptions of talent management practices can be structured along two dimensions: talent identification and development, and talent evaluation and reward. Both dimensions demonstrate very high reliability and jointly account for a substantial portion of the variance. Descriptive findings indicate that these practices are present at a moderate level, with mean values slightly below the theoretical midpoint of the scale. In the inferential analysis, a statistically significant difference was identified only with respect to gender in the dimension of talent identification and development, whereas no significant differences were observed in relation to age, tenure, or education.

Zoran Bošnjak
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Dejana Savić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

IMPACT OF LOCAL SUBSIDIES ON THE DEVELOPMENT OF ENTREPRENEURIAL BUSINESSES

Local subsidies represent one of the key instruments of economic policy used by local governments to encourage self-employment and the development of entrepreneurship, especially in conditions of *economic uncertainty. The subject of this paper is the analysis of the impact of local subsidies on the development of sole proprietorship businesses in the city of Bijeljina. The aim of the paper is to examine the extent to which local subsidies contribute to the establishment, survival, and stability of sole proprietorship businesses, as well as to identify the main challenges entrepreneurs face after using this type of support. The paper is based on the assumption that local subsidies have a positive, but temporally and structurally limited, impact on the development of sole proprietorship businesses. The research is designed as an empirical analysis, based on available data from the local government and relevant business performance indicators of subsidized businesses. The results of the paper can serve as a basis for improving local support measures for self-employment and for creating more efficient policies aimed at the sustainable development of entrepreneurship at the local level.*

Siniša Božičković
Faculty of Transport and Traffic Engineering, Doboj, University of East Sarajevo, Republic of Srpska, BiH

MANAGEMENT OF INDUSTRIAL PROCESSES IN THE CONCEPT OF CIRCULAR ECONOMY AND SUSTAINABLE USE OF RESOURCES

Intensive production and consumption are facing growing environmental challenges, which represent one of the key problems of the modern resource management system. The traditional linear model of the economy based on the principle of "production-consumption-disposal" leads to an increase in the amount of waste and inefficient use of material resources. The concept of circular economy, through its principles, offers an alternative approach to the traditional linear model, which is based on closing material flows and extending the life cycle of products by applying various reuse and recycling strategies. The aim of this paper is to define and develop a conceptual model for applying the principles of circular economy in managing the life cycle of a certain product. The paper analyzes the application of the principles of circular economy in the management of industrial processes with the aim of minimizing polluting and waste materials. Special emphasis is placed on waste reduction measures, process integration, recirculation of materials and energy, as well as on the economic and environmental effects of implementing circular principles. A case study examines waste valorization through an integrated model of preparation and co-processing in industrial processes. The results indicate that this approach enables the closure of material and energy flows, the reduction of landfill waste, and demonstrates the feasibility of a circular model in an industrial environment.

Tanja Vujović
Faculty of Economics, University of Priština with temporary seat in Kosovska Mitrovica, Serbia

Ivana Aleksić
Faculty of Economics, University of Priština with temporary seat in Kosovska Mitrovica, Serbia

TRAUMA AND PSYCHOLOGICAL FACTORS AS DETERMINANTS OF ENTREPRENEURIAL INTENTIONS AND SOCIAL DISTANCE IN THE POST-CONFLICT SOCIETY OF KOSOVO AND METOHIJA

Post-conflict societies, such as Kosovo and Metohija, are characterized by the long-term consequences of armed conflicts which, in addition to economic and institutional challenges, significantly shape the psychological functioning of individuals and the quality of social relations. In this context, traumatic experiences and accompanying psychological factors, such as anxiety, depression, and post-traumatic stress, may influence economic behavior and social attitudes, including entrepreneurship and the level of social distance toward other social groups. The aim of this paper is to examine the impact of trauma and psychological factors on entrepreneurial intentions and motives for starting a business, as well as on social distance in the post-conflict society of Kosovo and Metohija. The research is based on a quantitative approach and was conducted using a survey method on a sample of 105 entrepreneurs from the territory of Kosovo and Metohija. The research instrument included several dimensions of psychological functioning, including symptoms of trauma, anxiety, depression, moral injuries, and psychological resilience, as well as indicators of entrepreneurial behavior and social distance. The *research results indicate that trauma and accompanying psychological factors represent statistically significant determinants of entrepreneurship and social distance, while different dimensions of psychological functioning achieve different intensities and directions of influence. The obtained results contribute to a better understanding of the role of psychological factors in shaping economic behavior and social relations in post-conflict conditions, while also indicating the importance of integrating psychological and economic perspectives in creating policies aimed at sustainable development and social cohesion.*

Dejan Tešić
Faculty of Economics Brčko, University East Sarajevo, Bosnia and Herzegovina

Neda Tešić
Faculty of Economics Brčko, University East Sarajevo, Bosnia and Herzegovina

ATTITUDE RESEARCH OF THE STUDENT POPULATION ABOUT SOCIAL MEDIA MARKETING

By combining technology and social interaction, social media play a role in creating personal value for users. Since they enable the exchange of text, photos and videos, social media attract a large number of users whose communication is based on common interests. Thanks to their characteristics and reach, social media have become very popular in the business world. Considering the fact that they are very easily accessible via mobile phones, social media are becoming an almost indispensable subject of strategic planning of marketing activities of almost every company, regardless of its activity. One of the most commonly used social media, in addition to online communities and blogs, are social networks. The aim of this paper is to research the attitudes of the student population about social media marketing. The survey of attitudes is conducted on a sample of students studying at the Faculty of Economics Brčko in Brčko and the Faculty of Business Economics Bijeljina in Bijeljina. There were used methods of generalization, analysis and synthesis, as well as statistical methods.

Jelena P. Petrović
Singidunum University, Belgrade, Serbia

Pero B. Petrović
Institute of International Politics and Economics, Belgrade, Serbia

ADAPTATION TO TRENDS AND INNOVATIONS OF TOURISM ACTIVITY UNDER CONDITIONS OF UNCERTAINTY

Tourism activity at the global and national level should adapt as efficiently as possible to sudden and intense changes in the environment in which they perform activities. Business entities in the tourism industry should appreciate the growing importance of modern trends in their business. It is more and more inevitable to appreciate it in conditions of uncertainty because the competition is becoming more and more intense, and it is also a way to achieve a competitive advantage in specific destinations. The main reasons that should be taken into account, from the aspect of adaptation to new trends in the environment, of tourism business entities are: (1) adaptation to the "new traveler" - requirements for hyper personalization; (2) sustainability as a standard, not an option – innovation in "green" technologies; (3) digital transformation and efficiency: a) contactless technology and b) augmented reality; (4) competitiveness of destinations - economic prosperity of local communities; (5) security and predictability - Big Data analytics; Adaptation in tourism is no longer just a matter of "following trends", but of building a resilient system that can quickly respond to changes. In order to successfully adapt to the conditions brought by the coming years, the focus should be on three levels of action: technological adaptation (efficiency - technology is used for prediction and personalization; (2) operational flexibility (security) - currency flexibility; (3) emotional and value connection (loyalty); Modern travelers are no longer looking for just a destination, but experiences that are in line with their personal values and identity.

Ognjen Rankić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Armin Rušidi
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

INNOVATIONS IN DIGITAL MARKETING AS A STRATEGIC RESPONSE TO MARKET UNCERTAINTY

Contemporary markets are characterized by a high degree of volatility and unpredictability, which requires companies to develop innovative marketing approaches grounded in digital technologies. Digital communication channels have enabled more accurate targeting, personalized interaction, and timely adaptation to shifts in consumer behavior, positioning them as a key instrument of organizational adaptation under conditions of economic uncertainty. In such an environment, digital marketing emerges as a strategic mechanism that directly influences a firm's competitive position. The focus of this study is on understanding how digital marketing innovations function as a strategic mechanism for managing uncertainty, with particular attention to five integrated domains: enhanced agility, risk mitigation, data-driven decision-making, resource optimization, and the identification of new business opportunities. These mechanisms allow organizations to respond more rapidly to market disruptions, model consumer behavior with greater precision, and allocate marketing investments more efficiently. Special attention is given to the role of artificial intelligence and predictive analytics, which provide deeper insights into market dynamics and support real-time decision-making. Through such capabilities, marketing evolves into a system that not only reacts to environmental changes but also anticipates them to a certain extent. This approach contributes to greater operational stability and enables companies to maintain efficiency even in periods of pronounced market volatility.

Jelena Mićević
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

SOCIAL MEDIA MANAGEMENT STRATEGIES FOR ENHANCING CUSTOMER LOYALTY: THE CASE OF NIKE

In the modern business environment, social media play a significant role in communication between companies and consumers, and represent an important tool for building relationships and strengthening loyalty. The aim of this paper is to examine the impact of social media management strategies on the customer loyalty of the company NIKE. The research focuses on key dimensions such as content quality, level of interaction, and personalization of communication, including macroeconomic factors as contextual variables.The empirical research was conducted using a survey method on a sample of 100 respondents, and the data were analysed using descriptive statistics, correlation, and regression analysis. The results show that all analysed strategies have a statistically significant and positive impact on customer loyalty, with content quality standing out in particular. Furthermore, the results indicate the importance of implementing modern digital solutions, such as AI chatbots, which contribute to greater engagement and a more personalized approach to users. Based on the obtained results, the proposed hypothesis was confirmed.

Milica Makljenović
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

STRATEGY OF BUSINESS PORTFOLIO MANAGEMENT IN THE FUNCTION OF CUSTOMER LOYALTY OF THE MERCEDES COMPANY

This study examines the business portfolio management strategy and its impact on customer loyalty at Mercedes-Benz. The aim of the research is to analyze key elements of the portfolio – product breadth and depth, quality, innovations, premium strategy, after-sales services, personalization, and product *life cycle management – and to determine their significance for long-term customer loyalty. The theoretical part of the study discusses the concepts and models of portfolio management, the importance of customer loyalty, and the role of the brand in the automotive industry. Special attention is given to the strategic segments of Mercedes-Benz, including passenger vehicles, the luxury and electric vehicle segment (EQ line), as well as after-sales and digital services. The empirical research was conducted through a survey of 150 Mercedes-Benz customers. Data were analyzed using SPSS, including descriptive statistics, correlation, and regression analysis. The results indicate that all portfolio elements have a positive and statistically significant impact on customer loyalty, with vehicle quality, innovations, and premium strategy being the most influential determinants. The regression model explains 57% of the variance in loyalty, confirming the importance of an integrated portfolio strategy for sustainable business success. Based on the results, the study provides recommendations for enhancing the portfolio, after-sales and digital services, product personalization, and continuous management of the product life cycle, aiming to strengthen long-term customer loyalty and maintain Mercedes-Benz's competitive advantage.*

Ognjen Bukvić
Faculty of Economics Pale, University of East Sarajevo, Republic of Srpska, BiH

STRATEGIC IMPACT OF THE TOURIST OFFER ON THE IMAGE OF THE CITY OF TREBINJE

This paper analyzes the strategic impact of the tourism offer on the image of the city of Trebinje. In modern tourism, creating a recognizable and positive city image is essential for attracting visitors and achieving sustainable development. The main objective of the research is to identify key elements of the tourism offer that influence the perception of Trebinje as a tourist destination. The research combines theoretical and empirical approaches. The theoretical part is based on a review of relevant literature on tourism development and city branding. The empirical research was conducted using a survey method, with data collected from representatives of leading hotels in Trebinje. The results were analyzed using descriptive statistical methods. The findings show that the tourism offer has a significant and dominant impact on the city's image. Natural attractions, cultural and historical heritage, and tourism infrastructure are identified as the most important factors influencing tourists' perceptions. The results confirm the main hypothesis that a strategic approach to tourism development positively affects the image of the city. It can be concluded that Trebinje has strong tourism potential and a well-developed image, but further strategic improvements are necessary to enhance its competitiveness and long-term positioning in the tourism market.

Jelena Lutovac
Academy of Hospitality, Tourism and Wellness, Belgrade, Serbia

Marijana Zimonjić
Megatrend University, Belgrade, Serbia

FOREIGN DIRECT INVESTMENT AS A DRIVER OF ECONOMIC DEVELOPMENT IN TRANSITION COUNTRIES

Foreign direct investment represents one of the key drivers of economic development, especially in countries undergoing the process of economic transition from a centrally planned to a market economy. Its importance is reflected in the inflow of capital, the transfer of modern technologies, the improvement of managerial knowledge, and the increase in the competitiveness of the national economy. The aim of this paper is to analyze the role and importance of foreign direct investment in stimulating economic growth and development in transition countries, as well as its impact on economic restructuring, employment growth, and the modernization of production capacities. The paper uses an analysis of relevant scientific literature, statistical data, and a comparative approach in order to examine the experiences of different transition countries and identify the main effects of foreign capital inflows on economic development. Special attention is also given to the potential challenges associated with foreign investment inflows, such as possible dependence on foreign capital, uneven regional development, and their impact on domestic industry. The research results indicate that foreign direct investment can

significantly contribute to accelerating economic development and strengthening the competitiveness of transition economies, particularly when accompanied by a stable institutional environment, appropriate economic policies, and strategies aimed at sustainable and long-term development.

Danijel Horvat
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Vuk Vuković
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Predrag Matković
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Marton Sakal
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

UNCOVERING HIDDEN THEMES IN S&OP PROCESS VIA TOPIC MODELING

Contemporary companies and their complex supply chains are continuously exposed to a variety of external and internal risks, which creates an imperative to shift from traditional, reactive behavior toward a model of proactive planning. In this context, the Sales and Operations Planning (S&OP) process has emerged as a key mechanism that enables the alignment of often conflicting goals across different business functions through integrated supply and demand planning. Its fundamental value lies in its ability to simultaneously achieve horizontal integration by breaking down traditional functional barriers between sales, operations, and finance, and vertical integration which ensures a direct link between long-term strategic goals and concrete operational decisions. To gain a deeper understanding of research trends in the field of S&OP, this paper analyzes scientific paper abstracts using the Latent Dirichlet Allocation (LDA) method.

Mirjana Marić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Olivera Grljević
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Rade Božić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

CHALLENGES OF APPLYING AGILE PROCESSES IN SMALL NON-IT ORGANIZATIONS

Modern digital technologies imply rapid market changes and growing competition, affecting the need for small organizations to become agile, flexible and innovative. Agile work processes represent an iterative and collaborative approach to organizing work, in which tasks are performed in short cycles, teams cooperate closely with stakeholders, and continuous feedback is used to adapt solutions to changing requirements. Agile work processes, which have been successfully applied in IT organizations for more than two decades, are increasingly being used in other types of small organizations. The aim of the work is to identify the challenges and barriers faced by small non-IT organizations when introducing an agile work process, as well as to propose ways to overcome them.

Lazar Raković
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

Lena Đorđević Milutinović
Faculty of Organizational Sciences, University of Belgrade, Belgrade, Serbia

Radul Milutinović
Faculty of Organizational Sciences, University of Belgrade, Belgrade, Serbia

Pawel Lula
Krakow University of Economics, Krakow, Poland

THE IMPACT OF LOW-CODE/NO-CODE PLATFORMS ON ORGANIZATIONAL INNOVATIVENESS: A GENERATION Z PERSPECTIVE

Low Code/No Code (LCNC) platforms enable end users without formal software development knowledge to independently create applications and automate business processes. This approach, known as end-user development and citizen development, contributes to the democratization of software development and creates opportunities for decentralized innovation within organizations. The ongoing development and increasing adoption of artificial intelligence-based tools further expand the functionality of LCNC platforms, making them more accessible, intuitive, and efficient for developing digital solutions. Given that Generation Z represents future drivers of digital transformation and potential citizen developers, it is important to understand their perceptions of the innovation potential of these platforms. The aim of this paper is to examine the perceptions of Generation Z regarding the impact of LCNC platforms on organizational innovativeness. The study is based on empirical research conducted through a survey administered to a sample of Generation Z respondents. The analysis focuses on their views regarding the contribution of LCNC platforms to business process improvement, the development of new products and services, and the enhancement of organizational innovation capabilities. The findings contribute to understanding the readiness of the future workforce to adopt LCNC technologies as tools for innovation and may serve as a basis for shaping strategies related to digital skills development and the implementation of these platforms in organizational contexts.

Nataša Đalić
Faculty of Transport and Traffic Engineering, Doboj, University of East Sarajevo, Republic of Srpska, BiH

Živko Erceg
Faculty of Transport and Traffic Engineering, Doboj, University of East Sarajevo, Republic of Srpska, BiH

Miodrag Zarubica
Faculty of Electrical Engineering, University of Montenegro, Montenegro

SYNERGY OF INFORMATION SYSTEMS AND MANAGEMENT IN IMPROVING ORGANIZATIONAL COMPETITIVENESS

In the modern business environment, characterized by rapid technological changes and market uncertainty, organizations face the challenge of maintaining and improving competitiveness. This paper explores the synergy between information systems and management as a key factor in strengthening organizational competitiveness, with a special focus on the integration of digital tools and managerial practices in the strategic management of business processes, innovation and data-based decision-making. The aim of this research is to assess the extent to which the application of information systems contributes to the improvement of organizational efficiency, the development of innovation capacities and the strengthening of strategic flexibility, as well as to investigate how management can optimally use digital resources to maintain and improve the competitive position. The research relies on a review of the relevant literature, analysis of case studies and an empirical study conducted among managers of medium and large enterprises, using statistical methods and regression analysis. The research results highlight the *importance of integrating information systems into managerial functions and confirm that the synergy between technology and management enables more efficient decision-making, faster adaptation to market changes and the achievement of long-term competitive advantage. The work contributes to the development of the theory of business informatics and management, while the practical contribution is reflected in the guidelines that managers can immediately apply for the optimization of business processes and the digital transformation of their organizations.*

Boris Siljković
Academy of Applied Studies Kosovo and Metohija, Department of Peć in Leposavić, Serbia

Gordana Jovanović
Academy of Applied Studies Kosovo and Metohija, Department of Peć in Leposavić, Serbia

Sanel Mehmedi
Academy of Applied Studies Kosovo and Metohija, Department of Peć in Leposavić, Serbia

Nebojša Denić
Faculty of Sciences and Mathematics, University of Priština, Kosovska Mitrovica, Serbia

COMPARATIVE ANALYSIS OF DECISION-MAKING PROCESSES IN THE TRANSOFMRATION OF DIGITAL PAYMENTS

This paper examines digital transformation through the application of payment models and decision-making processes of two key actors: small business owners (hospitality entrepreneurs) and end users (guests). The focus of the research is a traditional hospitality establishment, the restaurant "Šadrvan kod Jonuza" in Novi Pazar, which represents an authentic economic and cultural symbol of the region. The study analyzes the complex dynamics of decision making by drawing a parallel between global standards and the specific local modalities of microbusiness operations. The methodology is based on the case study approach, supported by surveys conducted on a sample of the local population and members of the diaspora, in-depth interviews with management, and direct observation. The main hypothesis (H0) states that the successful transformation of digital payments in traditional microbusinesses does not primarily depend on technological infrastructure, but rather on an adaptive decision-making process that integrates digital efficiency with the local system of trust. The findings indicate that the digitalization of payment transactions in local brands does not result in a loss of authenticity, but rather strengthens their market position. The results confirm that the decision-making process evolves toward a hybrid model in which technology (digital code) functions as support rather than a substitute for traditional values and personalized service. The final findings suggest that a complete transformation requires overcoming the gap between technological determinism and local mentality, with digital payment emerging as a key factor in building loyalty among younger generations of consumers.

Iuliia Balandina
Immanuel Kant Baltic Federal University, Kaliningrad, Russia

Ilia Bushuev
Immanuel Kant Baltic Federal University, Kaliningrad, Russia

THE ROLE OF HUMAN CAPITAL IN THE AGE OF ARTIFICIAL INTELLIGENCE DEVELOPMENT

As artificial intelligence transitions from a technological novelty to a core economic driver, human capital faces unprecedented structural disruption. The objective of this study is to analyze how AI reshapes skill hierarchies and to formulate evidence-based corporate adaptation strategies. Methodology combines a systematic literature review (2014–2025) with a descriptive case study of Amazon's "Upskilling 2025" initiative, utilizing secondary analysis of institutional reports and corporate disclosures. The study tests two working hypotheses: (H1) AI integration shifts labor market value from routine technical execution to hybrid cognitive-adaptive competencies; (H2) structured internal upskilling *programs significantly mitigate automation risks and enhance workforce resilience. Results indicate that labor market polarization, rather than mass unemployment, represents the primary challenge, with routine cognitive roles facing displacement while adaptive and interpersonal skills gain premium value. Case evidence demonstrates that proactive internal training enhances organizational agility and internal mobility. The study concludes that strategic human capital development requires coordinated corporate and institutional action to ensure inclusive economic growth. Limitations include reliance on publicly available data; future research should incorporate longitudinal microdata across multiple sectors.*

Srđan Damjanović

Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Predrag Katanić

Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Luis Silva Rodrigues

CEOS.PP, ISCAP, Polytechnic of Porto, Portugal

Juliana Smirnova

Vilnius Gediminas Technical University, Vilnius, Lithuania

STATISTICAL DATA PROCESSING IN ECONOMICS USING THE PYTHON PROGRAMMING LANGUAGE

This paper examines the use of the Python programming language for statistical processing of economic data, with a particular focus on its role in financial analysis and education. In the context of increasing data availability and the growing importance of data-driven decision-making, Python has emerged as a practical and flexible environment for performing statistical analysis. The study highlights the use of key Python libraries — including NumPy, Pandas, SciPy, and Matplotlib — for data collection, preprocessing, analysis, and visualization. The empirical part of the paper illustrates how Python can be used to retrieve real-world financial data from online sources and perform both descriptive and inferential statistical analyses. Using daily closing stock price data for selected companies over the period 2019–2025, the paper demonstrates the application of basic statistical measures, hypothesis testing methods (paired t-test and chi-square test), and correlation analysis (Pearson correlation matrix). The results indicate the practical utility of Python in handling economic datasets and supporting the interpretation of quantitative findings. The paper also emphasizes the importance of integrating programming skills into economics education in order to bridge the gap between theoretical statistical knowledge and practical data analysis. By enabling economists to conduct the full analytical workflow independently, Python can support more efficient and timely data-driven decision-making.

Srećko Ilić

Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

DIGITAL DIVIDE AS A CONSTRAINT ON REGIONAL AND LOCAL DEVELOPMENT IN THE BOSNIA AND HERZEGOVINA, SERBIA AND CROATIA

Digital transformation represents a key factor of modern economic development. However, its effects are not evenly distributed for a number of reasons. In the countries of the Western Balkans, particularly in Bosnia and Herzegovina, Serbia and Croatia, various challenges are present that lead to differences in access to information and communication technologies, as well as in the level of digital skills, thereby deepening existing development inequalities. The aim of this paper is to examine the extent to which the digital divide represents a constraint on regional and local development in Bosnia and Herzegovina, Serbia and Croatia, as well as to analyze differences in terms of digital infrastructure, the level of digital competencies, and the existence of strategic frameworks for the development of artificial intelligence, which is becoming increasingly important in modern business. The empirical analysis is based on *secondary data obtained from the Eurostat database, as well as from the national statistical offices of the observed countries. The study employs comparative analysis and descriptive statistical analysis of the level of digital development in these countries. The contribution of this paper lies in identifying the key mechanisms through which the digital divide affects business performance and regional development in the observed countries.*

Marija Tubić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Božana Mitrović
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

DIGITAL TRANSFORMATION OF THE HEALTHCARE SYSTEM

The digital transformation of the healthcare system represents a crucial and indispensable step toward improving the quality, efficiency, and accessibility of healthcare services worldwide. The introduction of innovative technologies — such as electronic health records, telemedicine, e-prescriptions, mobile health applications, and data management systems — enables faster information exchange, more accurate diagnosis, and enhanced collaboration between healthcare institutions, as well as between patients and physicians. As one of the cornerstone elements of society, the healthcare system faces various challenges, the primary one being the need for adaptation, which is achieved through the implementation of innovative solutions and modern technologies. This paper analyzes the main aspects of digital transformation in healthcare, including its benefits and challenges, as well as the impact of these innovations on patients and healthcare professionals. Special emphasis is placed on data security, privacy protection, and the need for continuous user education. We conclude that, despite certain obstacles, digitalization represents an essential direction for the development of the modern healthcare system. The aim of this paper is to demonstrate that digital transformation significantly contributes to the modernization of healthcare and constitutes an important and key factor in its long-term sustainable development.

Šejla Gradaščević
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

DIGITAL TRANSFORMATION OF ENTERPRISES: THE ROLE OF ARTIFICIAL INTELLIGENCE IN ENHANCING COMPETITIVENESS

This paper analyzes the process of digital transformation with a special focus on the role of artificial intelligence (AI) as a key driver of modern business. The aim is to examine how the integration of AI technologies into marketing, production, finance, and sales functions contributes to process optimization and strengthening companies' competitive advantage. The research is based on a theoretical analysis of contemporary scientific sources and practical examples of artificial intelligence application in global and regional business environments. The results indicate that artificial intelligence significantly increases operational efficiency and personalization of the customer experience. However, successful implementation requires overcoming challenges such as high costs, lack of skilled workforce, and employee resistance to change. The paper concludes that digital transformation is not only a technological issue but a strategic necessity for long-term survival in the digital market.

Ivan Čolaković
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Ivana Vasić
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

Aleksandra Jovanović
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

DIGITAL TRANSFORMATION OF RETAIL: THE IMPACT OF E-COMMERCE ON SMALL BUSINESSES

The expansion of online commerce has significantly changed the structure of the modern retail market and the relationship between businesses and consumers. This paper analyzes the impact of e-commerce on traditional retail, with particular focus on the challenges faced by small retailers in the digital environment. First, the development and growth of e-commerce are examined, along with the organizational and social aspects of digital transformation, through a comparative overview of traditional retail and electronic commerce. Special attention is given to the effects of low-price platforms, using the example of Temu, including their business models, margin reduction, and impact on local sellers. The paper also explores adaptive strategies that small retailers can implement to maintain competitiveness, including improving service quality, integrating online and offline sales channels, and enhancing logistics processes. By defining the research problem and posing key questions whether e-commerce inevitably leads to the disappearance of small retailers or encourages the transformation of their business models, the paper aims to provide a comprehensive insight into the challenges and opportunities of the digital economy. The results of this research contribute to a better understanding of the adaptation mechanisms of small retailers and provide a foundation for future development strategies in a digital environment. Additionally, the paper emphasizes the importance of informed policies and support measures to preserve sustainable competition in the retail sector. The conclusions indicate that digital transformation creates both challenges and opportunities for small retailers in the modern market environment.

Miodrag Zarubica
Faculty of Electrical Engineering, University of Montenegro, Montenegro

Marko Joksović
Faculty of Medicine, University of Montenegro, Montenegro

APPLICATION OF FOUNDATION MODELS OF ARTIFICIAL INTELLIGENCE IN ELECTRICITY CONSUMPTION FORECASTING UNDER CONDITIONS OF ECONOMIC UNCERTAINT

This paper examines the application of foundation models in artificial intelligence for forecasting electricity consumption under conditions of economic uncertainty. In modern power systems, where consumption is influenced by both technical and economic factors, reliable forecasting has become increasingly challenging, but also essential for effective planning and system management. The research is based on a multivariate dataset that includes historical electricity consumption, reactive power, meteorological variables, as well as selected economic indicators. Particular attention is given to the use of pre-trained foundation models for time series, which offer improved adaptability and generalization compared to more traditional approaches. The obtained results are compared with models such as LSTM and GRU, showing that foundation models provide more stable and accurate forecasts, especially in situations where sudden changes in consumption patterns occur. This is particularly evident during periods of economic instability, when conventional models tend to lose reliability. The findings suggest that foundation models represent a promising direction for the future development of electricity consumption forecasting systems. Their ability to integrate different types of data and adapt to changing conditions makes them well suited for real-world applications.

Li Yao
School of Economics & Management, Shanghai Polytechnic University, China

Yalan Jiang
School of Economics & Management, Shanghai Polytechnic University, China

CAN STANDARDIZATION ENHANCE THE GREEN TOTAL FACTOR PRODUCTIVITY OF EXPORTING ENTERPRISES?

Standardization plays a crucial guiding role in the green transformation of export enterprises by unifying technical specifications and optimizing institutional provisions. Based on data from A-share listed export companies from 2012 to 2023, this study utilizes the National Comprehensive Standardization Reform Pilot Program and employs a multi-period DID model to examine the impact of standardization on the green total factor productivity (GTFP) of export enterprises.The results indicate that: (1) standardization significantly promotes the improvement of GTFP in export enterprises; (2) the mechanism lies in reducing institutional transaction costs and stimulating green innovation; (3) heterogeneity analysis shows that the policy has a more pronounced promotional effect on export enterprises in resource-based cities, heavily polluting industries, technology-intensive industries, and those employing executives with environmental protection backgrounds. The study's conclusions provide policy implications for leveraging standardization to empower green economic transformation.

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Liu Yu
School of Economics & Management, Shanghai Polytechnic University, China

Jia Deng
School of Economics & Management, Shanghai Polytechnic University, China

THE TRADE CREATION EFFECTS OF BILATERAL CURRENCY SWAPS AND THEIR HETEROGENEITY: AN EMPIRICAL TEST BASED ON THE SYNTHETIC CONTROL METHOD

In recent years, amid profound adjustments in the global economic landscape, the trade creation effects of bilateral local currency swap agreements have garnered considerable attention. Based on panel data spanning 2001–2023 for China and 65 countries, this paper employs the synthetic control method to conduct empirical tests on 20 signatory countries, with a focused analysis of Pakistan, Australia, Indonesia, and Russia. The findings reveal that swap agreements exert a significant overall promotional effect on both imports and exports, yet notable cross-country heterogeneity exists; import responses are generally more rapid than export responses, and for certain countries the export effect lags for several years. Placebo tests corroborate the robustness of the conclusions. The study provides methodological reference for assessing the dynamic transmission of financial instruments to the real economy and offers empirical evidence for optimizing the layout of currency swap arrangements and enhancing the role of renminbi in denominating and settling transactions.

Zhang Bolong
School of Economics & Management, Shanghai Polytechnic University, China

Liu Yu
School of Economics & Management, Shanghai Polytechnic University, China

THE DRIVING EFFECT OF RMB INTERNATIONALIZATION ON FIRMS' OUTWARD FOREIGN DIRECT INVESTMENT: MECHANISMS AND EMPIRICAL EVIDENCE

Using panel data for Chinese A-share listed companies from 2009 to 2024, this paper examines whether RMB internationalization is associated with firms' outward foreign direct investment (OFDI) and explores the channels through which this relationship may operate. The paper argues that RMB internationalization reduces currency-conversion frictions and exchange-rate exposure, improves the cross-border financing environment, and strengthens firms' incentives to search for overseas markets when domestic competition intensifies. After controlling for firm fixed effects, city fixed effects, firm characteristics, and macroeconomic conditions, the RMB Internationalization Index (RII) is positively and significantly associated with firm-level OFDI. Additional evidence shows that RMB internationalization increases the probability that firms hold RMB-denominated OFDI stock, and that firms with prior RMB-denominated OFDI experience respond more strongly to improvements in RMB internationalization. The analysis also clarifies the treatment of year fixed effects, discusses potential time-trend bias and reverse causality, and interprets the results as conditional empirical evidence rather than definitive causal proof. The findings suggest that RMB internationalization is not only a macro-level monetary process but also an institutional condition that shapes micro-level corporate globalization decisions.

Thi Kim Oanh Le
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

THE ROLE OF THE EAST–WEST ECONOMIC CORRIDOR IN ENHANCING VIETNAM'S INTERNATIONAL TRADE

The East–West Economic Corridor (EWEC) is one of the most important cross-border corridor initiatives in mainland Southeast Asia, but its contribution to Vietnam's international trade remains conditional rather than automatic. This paper examines how EWEC can enhance Vietnam's trade position and why its potential remains only partly realized. Using a conceptual and literature-based analytical review, the paper synthesizes research on economic corridors, trade facilitation, logistics, gateway development, and Vietnam's trade strategy. It develops a Corridor-to-Trade Conversion framework to explain how physical connectivity may be translated into trade outcomes through four mechanisms: accessibility conversion, institutional conversion, gateway conversion, and territorial conversion. The analysis shows that EWEC can expand Vietnam's market access, strengthen the gateway role of central Vietnam, and improve regional trade connectivity. However, incomplete trade facilitation, uneven logistics capability, port competition, and weak territorial embedding limit these gains. The paper argues that EWEC is more immediately relevant to trade expansion than to automatic trade upgrading. Its long-term value depends on corridor governance, logistics competence, stronger gateway functions, and more inclusive territorial development in central Vietnam.

Meng Xiaoting
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

DIGITAL INNOVATION AS A RESILIENCE ENABLER: MITIGATING SUPPLY CHAIN UNCERTAINTY IN CROSS-BORDER TRADE

In the context of rising global economic and geopolitical uncertainty, cross-border supply chains are plagued by frequent disruptions, elevated operational risks and systemic instability. Digital innovation has emerged as a critical enabler for enhancing supply chain resilience and mitigating exogenous uncertainties. This study aims to empirically explore the impact mechanisms of digital technologies on cross-border supply chain resilience, with three core research hypotheses proposed: H1: Big data analytics exerts a positive effect on cross-border supply chain stability; H2: Artificial intelligence significantly enhances cross-border supply chain flexibility; H3: Blockchain technology effectively strengthens cross-border supply chain risk resistance capabilities. Adopting a combined research method of systematic literature review and multi-case analysis of typical cross-border enterprises, this paper explores how digital innovation reduces information asymmetry in cross-border trade, shortens supply chain response cycles and optimizes risk management systems. The findings show that digital innovation has a prominent positive impact on improving cross-border supply chain resilience, and can effectively help enterprises cope with external shocks and adapt to the volatile market environment under uncertainty. This study enriches the theoretical framework of digital innovation in supply chain management and provides actionable practical implications for cross-border enterprises and relevant policymakers, so as to build more robust, efficient and sustainable cross-border supply chains.

Fliagin Danil Igorevich

Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

GEOPOLITICAL TENSIONS AND MARITIME LOGISTICS: HOW SANCTIONS AND TRADE RESTRICTIONS RESHAPE SEABORNE TRADE

This article examines how geopolitical tensions transform maritime supply chains and the structure of seaborne trade. Key drivers of geopolitical tension are identified, and the main types of restrictive measures (financial, commodity/technology, and transport sanctions, as well as tariff barriers) are systematized alongside their implications for maritime logistics: higher transaction costs, more complex settlements and compliance, rerouting, increased insurance and freight risks, and the emergence of alternative transshipment hubs. To make the discussion more operational, the paper proposes a transparent, non-econometric mixed-method assessment framework: (i) stage-based qualitative diagnostics of bottlenecks and (ii) a simple quantitative scoring model and indicators to classify sanctions exposure and routing concentration. The framework is illustrated with pilot scores for tariff-driven (U.S.–China) and sanctions-driven (EU–Russia) disruptions. The article outlines managerial measures to enhance resilience in maritime transport under political uncertainty.

Valeriia Tsarevskaia
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

QUANTITATIVE ASSESSMENT OF OVERCOMING NON-TARIFF BARRIERS IN TRADE BETWEEN THE EAEU AND THE EU

The paper examines the problem of quantifying non-tariff barriers and their impact on trade between the European Union (EU) and the Eurasian Economic Union (EAEU). In modern international trade, non-tariff measures, such as technical standards, sanitary and phytosanitary regulations, licensing requirements and administrative procedures, are increasingly used as instruments of trade regulation. Although these measures often pursue legitimate objectives related to consumer protection, public health and environmental safety, they may also function as hidden forms of protectionism that restrict foreign producers' access to markets. The purpose of this study is to systematize existing theoretical and *empirical approaches to the analysis and quantification of non-tariff barriers and to identify the main institutional differences between the regulatory systems of the EU and the EAEU. The study is based on a literature review, comparative institutional analysis and an exploratory econometric assessment The study uses the logic of gravity models, discusses the calculation of ad valorem tariff equivalents and adds a PPML estimation based on open CEPII Gravity and CEPII NTM-MAP data. The results of the study show that differences in technical regulation, certification procedures and administrative practices between the two integration blocs create regulatory distance and increase transaction costs for firms. Empirical studies suggest that partial harmonization of standards and mutual recognition of conformity assessment procedures may significantly increase bilateral trade flows. The exploratory PPML estimation for EU–EAEU trade in 2010–2020 indicates a statistically significant relationship between NTM coverage and bilateral trade flows. However, the estimates are affected by the aggregated nature of the data, so they should not be treated as final causal results. The paper concludes that overcoming non-tariff barriers requires a combination of institutional coordination, gradual regulatory harmonization and the use of quantitative analytical methods.*

Kirill Dorovskikh
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

THEORETICAL FOUNDATION OF THE DIGITALIZATION OF TRADE RELATIONS WITHIN THE EAEU

The purpose of this study is to analyze the theoretical foundations of the digitalization of trade relations and to identify the specific features of the development of digital trade mechanisms within the Eurasian Economic Union (EAEU). The paper examines the impact of digital technologies on the transformation of international trade and the development of economic integration processes. The methodological basis of the research includes methods of comparative and system analysis, and the method of scientific generalization. The use of these methods made it possible to comprehensively examine the processes of trade digitalization and determine the main directions of their development within integration associations. The main hypothesis of the study is that the implementation of digital technologies increases the efficiency of trade relations between EAEU member states by reducing transaction costs, simplifying trade procedures, and developing cross-border e-commerce. The results of the study show that the digitalization of international trade is becoming one of the key factors in the development of economic integration. The development of electronic document management, digital trade platforms, and electronic data exchange systems improves the efficiency of interaction between participants in foreign economic activity. It is concluded that the further development of digital technologies and the formation of a unified digital space within the EAEU may strengthen trade and economic relations between member states and increase the competitiveness of their economies in the global digital economy.

Youran Wu
School of Economics & Management, Shanghai Polytechnic University, China

Li Yao
School of Economics & Management, Shanghai Polytechnic University, China

HOW DOES STANDARDIZATION AFFECT THE QUALITY OF CORPORATE INNOVATION?

Using the National Comprehensive Standardization Reform Pilot Program as a quasi-experimental framework, this study employs a multi-period difference-in-differences model based on data from Chinese A-share listed companies from 2010 to 2024 to examine the impact of standardization efforts on the quality of corporate innovation and its underlying mechanisms.The study finds that standardization significantly improves the quality of corporate innovation, a conclusion that holds up after a series of tests. Mechanism tests indicate that standardization promotes improvements in the quality of corporate innovation through two pathways: enhancing resource allocation efficiency and increasing managers' attention to innovation. Heterogeneity analysis reveals that this effect is more pronounced in regions with *higher marketization levels, technology-intensive industries, and private enterprises. This paper offers a new perspective on understanding the micro-institutional spillover effects of standardization.*

Huan Yu
School of Economics & Management, Shanghai Polytechnic University, China

Yanning Jin
School of Economics & Management, Shanghai Polytechnic University, China

CROSS-BORDER M&A AND CORPORATE GREEN RECRUITMENT: EVIDENCE FROM ONLINE JOB POSTINGS

Green recruitment is essential for firms to acquire green talent and achieve green transformation. This paper takes cross-border M&A as a quasi-natural experiment and employs a two-way fixed effects model to examine its impact on corporate green recruitment using data from Chinese A-share listed firms from 2018 to 2024. The findings show that cross-border M&A significantly promotes corporate green recruitment, primarily through three channels: improving information disclosure quality, expanding information sharing breadth, and strengthening voluntary environmental regulation. Moreover, this effect is moderated by firm characteristics and external institutional environments, being more pronounced in non-state-owned enterprises, firms without green executive backgrounds, firms with lower levels of flexible employment, and regions with higher public environmental concern. This paper reveals the critical role of cross-border M&A in corporate green human capital allocation and provides empirical insights for promoting high-quality green development.

Alina Gubaidulina
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

BARRIERS AND DRIVING FORCES FOR THE DEVELOPMENT OF CROSS-BORDER INTERNET COMMERCE BETWEEN RUSSIA AND CHINA: INSTITUTIONAL AND FINANCIAL ASPECTS

In recent years, cross-border internet commerce (CBEC) has become a central component of global trade transformation. The integration of digital technologies into trade processes has reduced transaction costs, expanded market access, and enabled even small firms to participate in international commerce. Within this global trend, Russia and China represent a particularly important bilateral axis due to their geographic proximity, growing economic interdependence, and shared strategic interests. The significance of Russia-China cross-border e-commerce has increased dramatically in the context of shifting geopolitical conditions, including trade reorientation and financial decoupling from Western markets. For Russia, digital trade with China provides access to consumer goods, technologies, and alternative financial channels. For China, Russia represents a large and growing market with high demand for affordable goods and digital services. However, despite strong growth dynamics, the development of CBEC between Russia and China is constrained by a combination of institutional and financial barriers. At the same time, a set of powerful driving forces continues to support expansion. This paper provides an in-depth analysis of these factors, emphasizing their interaction and long-term implications.

Liu Yiyang
School of Economics & Management, Shanghai Polytechnic University, China

Yu Huan
School of Economics & Management, Shanghai Polytechnic University, China

GREEN FACTORY CERTIFICATION AND THE ENTRY OF GREEN INVESTORS

Taking the green factory certification as a quasi-natural experiment, this paper empirically tests the impact of green factory certification on the introduction of corporate green investors by using the multi-period difference-in-differences (DID) model, based on the data of Chinese A-share listed companies from 2012 to 2023. The results show that: (1) Being certified as a green factory can significantly enhance a firm's attractiveness to external green investors, and this conclusion remains valid after placebo tests and other robustness checks; (2) Mechanism analysis indicates that green factory certification promotes the entry of green investors mainly through two channels: external supervision and signal transmission; (3) Heterogeneity analysis reveals that the investment-attracting effect of green factory certification is more significant in heavily polluting industries and firms whose senior executives have no green work experience.

Stojanka Dakić
Faculty of Economics in Subotica, University of Novi Sad, Subotica, Serbia

ECONOMIC POSITION OF WOMEN UNDER CONDITIONS OF UNCERTAINTY: A COMPARATIVE STATISTICAL OVERVIEW OF SERBIA AND BOSNIA AND HERZEGOVINA

This paper analyses the economic security of women in Serbia and Bosnia and Herzegovina under conditions of uncertainty through a comparative statistical analysis of selected labour market indicators and demographic trends. The aim of the research is to examine differences in the position of women in the two countries based on the activity rate, employment rate, unemployment rate, and total fertility rate. The research assumes that women in Bosnia and Herzegovina are in a less favourable position than women in Serbia, both in terms of labour market participation and within the broader framework of economic security. The analysis relies on secondary data drawn from international statistical databases for the period 2007–2024, while fertility data are available for 2007–2023. The paper applies descriptive statistics, comparative analysis, and an analysis of changes in selected indicators over time. The results show that women in Bosnia and Herzegovina were in a less favourable position throughout the observed period, as reflected in lower activity and employment rates, higher unemployment, and more pronounced gender gaps. Fertility, included as a supplementary indicator of economic security, was also somewhat lower in Bosnia and Herzegovina, although both countries remained within the zone of low fertility. The findings confirm that women's economic security depends not only on their labour market position, but also on broader living conditions, including the ability to plan a family and achieve long-term social stability.

Ljubomir Miljković
Faculty of Business and Law, MB University, Belgrade, Serbia

COST-PUSH INFLATION AND KEYNESIAN POLICY TRADE-OFFS: EVIDENCE FROM SERBIA AND THE WESTERN BALKANS

This paper analyzes cost-push inflation and the associated Keynesian policy trade-offs in Serbia and the Western Balkans. The central question is how aggregate demand management performs when inflation is driven primarily by supply-side disturbances rather than overheating demand. Since 2021, the region has faced successive shocks including energy price surges, global supply chain disruptions, and geopolitical tensions that have raised production costs and generated inflation through cost channels. In such *circumstances, tighter policy may reduce inflation, but it also slows economic activity and weakens productive capacity. Using a panel dataset covering Serbia and Western Balkan economies over the period 2015–2025, the paper examines the interaction between supply-driven inflation, monetary and fiscal policy responses, and real economic outcomes. Aggregate supply conditions are proxied by indicators of industrial production, labor productivity, unit labor costs, and investment dynamics. The empirical strategy employs panel regressions with interaction terms to capture heterogeneity in policy transmission across countries with different structural characteristics. The results show that restrictive demand management has a statistically significant negative effect on output and supply-side indicators during periods dominated by cost-push inflation, while its disinflationary impact remains limited. These findings suggest that policymakers should clearly distinguish between demand-driven and supply-driven inflation. They also indicate that policy frameworks relying primarily on demand contraction may unintentionally reinforce stagflationary dynamics in small open economies.*

Melvedin Jašarević
Victoria International University, Mostar, Bosnia and Herzegovina

ELECTRONIC SIGNATURE IN COMPANY LAW OF BOSNIA AND HERZEGOVINA

The paper analyzes the legal regulation of electronic signatures in company law in Bosnia and Herzegovina within the context of the digital transformation of the business system. An electronic signature serves to identify the signatory and ensure the integrity of the document, while the legal system recognizes its legal validity in electronic transactions. In Bosnia and Herzegovina, a regulatory framework exists; however, its functional and consistent application remains limited. The paper includes a comparison with Regulation (EU) No. 910/2014 (eIDAS) and other relevant documents of the European Union, highlighting the partial and indirect harmonization of domestic law with European standards. Furthermore, it analyzes the legal nature and types of electronic signatures, as well as their application in the registration of business entities. Special emphasis is placed on technical, legal, and institutional challenges, including system interoperability, personal data protection, and the legal certainty of electronic transactions.

Jelena Damjanović
Faculty of Business Economics Bijeljina, University of East Sarajevo, Republic of Srpska, BiH

DECISIONS MADE WITHIN THE FRAMEWORK OF THE WORLD INTELLECTUAL PROPERTY ORGANIZATION

Specialized arbitrations are of great importance for the parties in the dispute, given that the dispute is resolved by experts in the given field, the rules of the profession and experience are of immeasurable importance, and one of the most important one is World Intellectual Property WIPO arbitration. In the era of the economy that runs under conditions of uncertainty and innovations, Intellectual Property Rights and their legal protection is of paramount importance. The subject of this research paper aims to consider the question of why international arbitration in the field of Intellectual property rights, as such, has experienced rapid expansion and development, and whether such dispute resolution based on the free choice of the parties can lead to a fairer resolution of disputes, whether resorting to arbitration is a reflection of distrust in the courts and whether the parties believe that their interests will be better protected. Arbitration is chosen over regular courts mainly because of the specialized nature of the disputes involved. The result of the work is reflected in pointing out the advantages provided by arbitration dispute resolution within the economy of uncertainty and innovation. The World Intellectual Property Organization specializes in resolving disputes in the field of intellectual property and therefore also disputes in the field of Industrial property Law as part of intellectual property law. The research objectives are primarily related to and expressed through an analysis of the advantages and disadvantages of settling international disputes by arbitration as an alternative way of resolving disputes rather than taking a case before the court. To ensure a rigorous analysis, this paper employs a multi-methodological approach rooted in social science research. Primary emphasis is placed on scientific description and content analysis (complemented by synthesis), alongside inductive-deductive, historical, and comparative methods. This paper explores the hypothesis that the WIPO Arbitration and Mediation

Center provides a superior framework for resolving intellectual property disputes within an economic landscape defined by the tension between uncertainty and innovation. The result of this paper is to outline the legal tools and opportunities available to boost innovation and economic development when facing market uncertainty, using various legal instruments and the legal strategies.

Milena Ilisevic
Western Sydney University, Australia

TERTIARY EDUCATION IN AUSTRALIA AS AN INDUSTRY: ONE POSSIBLE VIEW FROM INSIDE

The paper, from the perspective of a university professor of English and literacy, analyses the role and importance of higher education in Australia's economic development. Since higher education of international students at Australian universities is one of the most important export sectors, the government pays special attention to this sector. The income collected from international students primarily relates to tuition fees, but also to consumption and living expenses that include accommodation, transport and food. Also, a significant number of teaching staff are employed in higher education and the education of international students. This specific composition of the student body has also led to a shift in focus to English as a Foreign Language (TESOL) courses and to the importance of Australia as an immigrant country and an English-speaking country.

Renata Čajić Kužet
Supreme Audit Office of the Republic of Srpska, Banja Luka, Republic of Srpska

THE IMPACT OF DIGITAL TOOLS ON THE AUDIT'S PARADIGM CHANGE

Digital tools have fundamentally changed the way auditors plan, conduct, and report on audits. The change is not only in the speed of work and efficiency, but also in the logic of the approach - from sampling to examination of the whole, from periodic and retrospective to continuous auditing. Such technological transformation not only changes the way auditors work but also fundamentally affects the understanding of what it means to be an auditor. The focus shifts from verification to understanding, from control to interpretation, and from the past to prediction. The aim of this paper is to analyze and present how digital tools, including artificial intelligence, change the way auditors work and the implications for the development of auditing skills and, consequently, the auditing profession as a whole. This paper drew on secondary data sources, including relevant scientific articles, publications from professional organizations, and international standards. Select journalistic sources were used illustratively to reflect recent developments in the research domain, subject to interpretative processing conducted by the author. The methodological approach is based on the application of analysis and synthesis, descriptive and comparative methods, complemented by the critical-interpretative approach to examining the technological, ethical and professional challenges of AI implementation in audit practice. The theoretical approach is conceptually based on the interdisciplinary integration of analyzed sources and the author's experience in contemporary audit practice regarding risk management and institutional adaptation. This is integrated with the concept of digital transformation and development in the context of rapid technological changes.

Oleg M. Roy
Institute of Philosophy and Law, Ural Branch of the Russian Academy of Sciences, Yekaterinburg, Russian Federation

MANAGEMENT OF WEAK SIGNALS IN PUBLIC ADMINISTRATION

In 1975, through the efforts of the renowned researcher I. Ansoff, the formula of management by weak signals was introduced into scientific circulation, expressing a feature of corporate management that experiences difficulties in predicting the accuracy of changes occurring in conditions of increasing speed of changes in the business environment and responding to them. In addition to the speed of changes, the ability to respond may also be influenced by the uncertainty of incoming information and the lack of receptors in the receiving system that allow it to adequately perceive incoming information. The entry of global civilization into the 2020s era of instability and global threats has brought the problem of making state decisions under conditions of limited and distorted information to the forefront. The state's signaling system is formed in a mode of aligning the actions of governmental authorities with the real expectations of citizens based on an assessment of the feasibility of the efforts it undertakes aimed at improving people's quality of life. The purpose of the article is to identify the prospects for using the concept of weak signals in public administration and its use in the analysis of national government systems. As a research method, the article uses the analysis of the practice of response by the state authorities of the subjects of the Russian Federation to crisis phenomena. The result of the study may be proposals for improving the signaling system in the field of public administration, recommendations for strengthening signals and their organization.

Zhang Shuyun
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

UNCERTAIN GLOBAL CONSUMER DEMAND AND THE PATH TO MARKETING INNOVATION FOR INTERNATIONALIZING CHINESE BEAUTY BRANDS

Against the backdrop of rising uncertainty in global consumer demand, Chinese beauty brands face a strategic imperative to evolve from product exportation to brand value exportation during international expansion. Drawing on the latest practices in the internationalization of Chinese beauty brands from 2024 to 2026, this study employs a multi case analysis method to systematically examine the marketing innovations in channel selection, localization operations, science communication, and cultural narrative strategies of brands including Florass, Chando, Perfect Diary, and Mao Geping. The findings reveal that Chinese beauty brands have developed a dual channel strategy combining flagship store placements in premium locations with penetration of mainstream distribution channels, while implementing deeply localized country specific operating models. On the science communication front, brands are strategically engaging with international academic platforms such as the IFSCC to establish technological legitimacy. Culturally, the expression of Oriental aesthetics is evolving from symbolic representation toward deeper integration and value co creation with international intellectual properties. The study proposes that amidst persistent demand uncertainty, Chinese beauty brands must construct a dual driver marketing innovation framework powered by technology and culture to transition from short term traffic acquisition to long term brand equity building. This research offers both theoretical insights and practical implications for emerging market brands navigating global competition in a complex international environment.

Lebatt Mohamed Youba
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

THE IMPACT OF ECONOMIC POLICIES ON ENTREPRENEURSHIP DEVELOPMENT: A COMPARATIVE STUDY IN EMERGING COUNTRIES

The aim of this study is to compare the effect of economic policies on entrepreneurship development in European (Russia and Poland) and African (Ghana and Mauritania) contexts. The study uses a mixed *methods approach, including comparative case studies and analysis of quantitative data, including business registration rates, as well as qualitative data based on policy reports. The hypothesis is that if the macroeconomic policies are stable and the institutions are well-structured with support, then the entrepreneurial growth rate in the emerging economy is significantly accelerated. The research shows that Russia and Poland have better environments for entrepreneurship than the other countries because they have innovation programs and stable fiscal conditions. On the other hand, despite infrastructure and financing difficulties, the recent efforts to involve young people and financial inclusion in the digital age are contributing to progress in both Ghana and Mauritania. Sustainable entrepreneurship needs adaptive policy mechanisms that are grounded in local realities and need to provide access to finance and capacity development for the long-term.*

Mariia Koniukhova
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

THE IMPACT OF SUSTAINABLE PACKAGING ON CONSUMER LOYALTY AND TRUST IN RUSSIAN E-COMMERCE

The field of online commerce has expanded rapidly in recent years, but the opinion of customers towards eco-friendly packaging, which many companies offer in connection with growing trends, remains contradictory. The purpose of this study is to analyze the impact of eco-friendly packaging on consumer loyalty and trust in the Russian e-commerce sector. This study is aimed at solving the issue: Does eco-friendly packaging strengthen loyalty and repeat purchases, or is its effect negated by distrust? An empirical base will be compiled to assess consumers' perception of environmentally friendly packaging, their trust in retailers' statements about environmental protection, and their subsequent loyalty. There is a hypothesis that the positive impact of packaging on loyalty is entirely determined by trust. The expected results suggest nuances such as consumer skepticism about "green propaganda." The conclusion of this study highlights the importance of transparency and certification for the use of environmentally friendly packaging as a strategic asset of Russian e-commerce companies.

Andreea Simina Porancea-Răulea
Land Forces Academy Nicolae Balcescu of Sibiu and Lucian Blaga University of Sibiu, Romania

A BIBLIOMETRIC EXPLORATION OF NEGATIVE REVIEWS AS CATALYSTS FOR QUALITY IMPROVEMENT

In an economic landscape increasingly defined by uncertainty and complexity, traditional quality management strategies often struggle to keep pace with rapidly shifting consumer expectations. This paper investigates an information asset that remains frequently underutilized during periods of crisis: negative customer feedback. Far from being a mere indicator of failure, negative reviews function as real-time market sensors, providing a critical map of product and process vulnerabilities. The research employs a hybrid methodology centered on a rigorous bibliometric analysis conducted using the bibliometrix package in the R software. By processing metadata from articles indexed in Web of Science the study maps the conceptual evolution of consumer dissatisfaction, tracing its transition from a perceived marketing barrier to a strategic catalyst for quality-driven innovation. The findings reveal a strong correlation between "negative sentiment" and "innovation agility," demonstrating that organizations capable of thriving in volatile economies are those that integrate complaints directly into the Plan-Do-Check-Act (PDCA) quality improvement cycle. The paper proposes a strategic framework in which the "critical voice" of the customer serves as fuel for resource optimization and the mitigation of nonconformity. The conclusions emphasize that, under conditions of uncertainty, competitiveness is not derived from the absolute avoidance of errors, but from the organizational capacity to transform digitally signaled failures into targeted, incremental improvement. This approach redefines quality management not as a state of static compliance, but as a dynamic and resilient dialogue with the market.

Callistus Destiny ODEH
School of Public Administration and Entrepreneurship, Ural Federal University, Russia

Sesuur Zipporah AKPUSUGH
School of Public Administration and Entrepreneurship, Ural Federal University, Russia

PUBLIC-PRIVATE PARTNERSHIP AND INNOVATION IN NIGERIA'S TEXTILE AND FASHION INDUSTRY UNDER ECONOMIC UNCERTAINTY: Lessons from China and Bangladesh

This study investigates the role of public- private partnership (PPPs) in enhancing innovation in the Nigerian textile and fashion market in a situation of economic uncertainty, with a comparative analysis of China and Bangladesh. A quantitative survey design with a secondary comparative component was employed. Primary survey data were collected from 550 major stakeholders in five states: Lagos, Abia, Rivers, Abuja, and Kano. Regression analysis was used to test three hypotheses examining the relationship between PPP mechanisms, innovation capacity and SME performance. Regression results indicate that PPP- driven initiatives were significantly more effective than government-only approaches in explaining 65.9% variation in digital capability ($R^2 = 0.659$, $\beta = 0.765$, $p < 0.001$), 72.9% variation in SME performance ($R^2 = 0.729$, $\beta = 0.812$, $p = 0.001$), and 69.9% variation in competitive conditions ($R^2 = 0.699$). The results further indicate that economic uncertainty and limited industry growth were compounded by structural challenges, including infrastructural deficit (mean = 3.05/10) and policy discontinuity (mean = 4.01/10), alongside a 47.43% growth in the value of textile imports at N814.27 billion between January-September 2025. Female respondents accounted for 56.7% of the sample highlighting the critical role of gender in innovation and human capital development. Comparative analysis indicates that PPP-based industrial clustering in China and export oriented institutional framework in Bangladesh offer scalable frameworks for improving innovation and resilience. The study concludes that PPPs represent a strategic governance mechanism capable of addressing economic uncertainty, enhancing innovation systems, and supporting sustainable industrial development in Nigeria's textile and fashion industry.

Nabil Boulajoul
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

THE INTEGRATION OF MODERN TECHNOLOGY WITH TRADITIONAL PRODUCTS AS LONG AS PRESERVING THE VISUAL IDENTITY OF THE PRODUCT

This paper investigates the integration of modern digital technology in the traditional products, focusing on the preservation of their core visual and emotional identities. It presents the concept of "silent modernization" - adding functionality without changing the aesthetic appearance of heritage objects. To operationalize this concept, the study proposes the Visceral Technological Seamless (VTS) Model. This theoretical framework consists of three outer layers: an unalterable aesthetic heart that brings about emotional echo, a technological stratum that functions under the surface, and a smooth interface that interrelates the physical with the digital performance. Utilizing a qualitative comparative case study approach grounded in a multidisciplinary literature review, this research contrasts two distinct integration strategies. That illustrates the application of the invisible technology concept of the invisible technology yet maintains the original identity of the product and its main use. The second case addresses the issue of E-reader gadgets, which can be described as the example of the substitution strategy where the digital function tripping them of their traditional, cultural, lity replaces the physical appearance of books. The findings suggest that visual identity is more important in consumer acceptance of the modernized traditional products that technologies can either complement or inadvertently diminish. Ultimately, the VTS Model provides designers with a systematic approach to the fair allocation of aesthetic conservation and functional innovation that will make sure that heritage and technology can co-exist and thrive in modern markets.

Yan Ahmetzyanov
Immanuel Kant Baltic Federal University, Russia

ENTREPRENEURSHIP IN THE YOUTH ENVIRONMENT: METHODS OF CULTIVATION

This research examines mechanisms to cultivate youth entrepreneurship, focusing on transitional economies in the Western Balkans, particularly Serbia and Bosnia and Herzegovina. Using data from the Global Entrepreneurship Monitor (GEM) and OECD, the study analyzes global trends, identifies barriers, and evaluates policy instruments. Results show significant growth in youth entrepreneurial activity, yet challenges such as limited access to finance, insufficient entrepreneurial education, and regulatory constraints remain. Coordinated interventions involving government, academia, and private sector are critical to fostering entrepreneurial ecosystems. Recommendations include enhanced entrepreneurship education, improved access to finance, and promotion of innovation networks.

Egor Dmitriev
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

Alexander Burnasov
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

INNOVATIVE LOGISTICS MODELS IN MOTORSPORT: FORMULA 1 CASE STUDY

This paper examines the critical role of logistics within the Formula 1 World Championship, highlighting its function as a cornerstone of operational efficiency in one of the world's most complex and globally dispersed sporting events. As of the 2025 season, the championship comprises 10 teams (with an 11th expected in 2026), each valued at over one billion USD, competing across 24 Grand Prix events on five continents. The logistical demands extend far beyond the racetrack, impacting adjacent industries including automotive manufacturing, electronics, rubber technology, track infrastructure, and global supply chains. The central problem addressed is the unprecedented scale and dynamism of F1 logistics particularly transportation logistics which requires moving approximately 30 tons of equipment per race across 20 countries and over 230,000 kilometers annually between March and December in the context of the recently developed budget cap which also includes logistical operations. This creates immense pressure on logistics departments and their partners to adapt to evolving global challenges such as geopolitical instability, environmental regulations, and supply chain disruptions. The objective of this study is to analyze the structure, challenges, and innovations within contemporary Formula 1 logistics network, with a focus on transportation and production-service logistics. Utilizing case-based analysis and industry data, the paper identifies key techniques employed by teams to optimize routing, reduce carbon footprint, and enhance operational resilience. The results indicate that Formula 1 logistics has evolved into a highly sophisticated, real-time adaptive system that sets benchmarks for other high-performance industries. Main conclusions underscore that Formula 1 logistics is not merely supportive but strategically integral to team performance and sustainability goals. This article contributes new insights into how elite motorsport logistics can serve as a model for innovation in global supply chain management, distinguishing itself from prior studies through its focus on real-world operational complexity and future-facing adaptation strategies.

Chunrong Yan
Shanghai Polytechnic University, People's Republic of China

Yuxin Sun
Shanghai Polytechnic University, People's Republic of China

THE IMPACT OF HOST COUNTRY DIGITAL ECONOMY DEVELOPMENT ON CHINESE ENTERPRISES' OFDI: EVIDENCE FROM RCEP MEMBER COUNTRIES

This paper investigates how the digital economy development of RCEP host economies affects Chinese firms' outward foreign direct investment (OFDI), using micro data of A-share listed firms from 2010 to 2023. We construct a digital economy index via the entropy method, covering digital infrastructure, digital innovation environment, and digital export potential, and employ Probit, moderating effect and instrumental variable models for empirical analysis. The results show that host countries' digital economy significantly promotes Chinese enterprises' OFDI, with digital infrastructure and digital export potential as key drivers. The promotion effect is stronger for firms with overseas experience, in developed host economies and technology-intensive industries. Bilateral institutional distance and host innovation capacity positively moderate the linkage. Digital economy can offset institutional barriers and form synergy with innovation. This study provides empirical support for Chinese firms to optimize OFDI layout in the RCEP region.

Hailan Pan
School of Economics & Management, Shanghai Polytechnic University, China

Xueting Zhang
School of Economics & Management, Shanghai Polytechnic University, China

HOW ARTIFICIAL INTELLIGENCE AFFECTS THE EXPORT TECHNOLOGICAL COMPLEXITY OF MANUFACTURING ENTERPRISES

This study examines the annual reports of A-share-listed manufacturing companies from 2014 to 2023. Using machine learning and text analysis, it constructs firm-level indicators of AI application and assesses their effect on export technological complexity. The results show that AI significantly boosts firms' export technological complexity. AI also empowers export competitiveness through three pathways: improving total factor productivity, optimizing the human capital structure, and stimulating technological innovation. Threshold effect analysis reveals that the impact of AI is not linear. It is significantly constrained by firms' internal resource endowments. Only when the quality of human capital exceeds a certain threshold, and total factor productivity rises to a high level, does AI's enabling effect shift from weak to strong, or even from negative to positive. Heterogeneity research reveals that the effect is larger in eastern regions, among non-state-owned firms, and in places with strong intellectual property protection. These findings offer important insights into employing "AI+" to support high-quality development in the manufacturing sector.

Muhammad Khalid Sohail
Bahria University, Islamabad, Pakistan

DEEPSEEK 'EFFECTS ON TECHNOLOGY AND AI STOCKS USING SENTIMENT ANALYSIS BY RETRIEVAL AUGMENTED GENERATION

The Financial markets are sensitive to news shock, especially those that have technological innovativeness. News concerning AI innovation often results in significant market responses. This disrupted the global AI ecosystem in January 2025, when DeepSeek introduced a new AI model, and seen as a formidable rival to the current AI platforms and technologies. The main aim of this study is to *analyze how the DeepSeek AI launch affects the stock market returns in the US markets, NYS and NASDAQ. The effect of sentiments on CARs is also investigated under RAG (Retrieval Augmented Generation). The study has used event study methodology. The study has also used RAG to calculate sentiment scores to observe the effect of sentiments on CARs, which has retrieved relevant documents around the event date and extract textual content for NLP sentiment score. The study has shown significant ARs on the event date, which implies that the DeepSeek AI public release was a value-relevant event in the market, an indication of anticipatory trading where investors begin to make changes on the portfolio ahead of the formal announcement. CARs are also affected by sentiments and size of the companies. Positive sentiment has led to increase investor optimism as a result increases demand and amplifies abnormal returns, while Size has dampened CARs. As the abnormal returns were mostly negative, which indicates that most investors showed uncertainty and reassessed firm values. This research is novel in the context that RAG is used to capture the news impact on the event of DeepSeek on technology and AI stocks. This research has made a number of important observations for investors, policymakers, and scholars. These understandings can then be used by investors to formulate trading and risk-management strategies, by regulators to develop policies that limit the excess volatility, and by researchers to improve the analytical frameworks to better address the dynamics of technological disruption.*

Tatiana Kozitsina
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

Alexey Klyuev
Ural Federal University, B. N. Yeltsin, Yekaterinburg, Russia

BIG DATA TO MODERNISE TRADITIONAL METHODS IN POVERTY RESEARCH

Recent years there has been an increase in the use of digital trace data in poverty research. Big data analytics, which collects data from mobile phones, daytime and night-time light levels, and consumer activity as well as social media, has shown strong predictive power in evaluating poverty levels. This method is especially valuable in remote and underdeveloped regions. However, combining new methods with existing ones is becoming more important. The authors analyze traditional and modern methods of poverty research and compare classical approaches with modern ones based on alternative data sources and digital technology. They also examine the potential of combining different methods to create hybrid approaches.

Andreea Maria Șopea-Iordache
Valahia University of Târgovişte, Lucian Blaga University of Sibiu, Romania

Mircea Constantin Duică
Valahia University of Târgovişte, Lucian Blaga University of Sibiu, Romania

Jianu Daniel Mureșan
Petroleum-Gas University of Ploiesti, Ploiesti, Romania

AI-ENABLED CIRCULAR BUSINESS MODELS IN CONDITIONS OF ECONOMIC UNCERTAINTY

In an economic environment increasingly shaped by uncertainty and rapid technological change, firms are under growing pressure to identify strategies that support both sustainability and long-term development. In this context, the circular economy has emerged as a viable approach to improving resource efficiency, while artificial intelligence (AI) offers new opportunities for optimizing business processes. This paper explores how AI can support the development and implementation of circular business models, and how this interaction influences business outcomes. Building on the resource-based view and the dynamic capabilities perspective, the study approaches AI as a strategic tool that enables firms to better manage resources, anticipate operational issues, and make more informed decisions. The *paper proposes a conceptual framework in which AI adoption facilitates circular practices, which in turn contribute to improved organizational performance, resilience, and adaptability. Economic uncertainty is considered as a contextual factor that may influence these relationships. The research adopts a qualitative and conceptual approach, based on the analysis and synthesis of recent academic literature on circular economy, digital transformation, and business resilience. The discussion suggests that firms integrating AI into circular strategies may be better equipped to cope with disruptions, reduce dependency on scarce resources, and maintain competitiveness over time. Overall, the paper contributes to the growing discussion on the intersection between digital innovation and sustainability by offering a structured perspective on how AI-enabled circular business models can support business development in uncertain economic conditions.*

Rehana Farhat

PMAS Arid Agriculture University, Rawalpindi and Capital University of Science & Technology, Islamabad

HR EFFECTIVENESS IN CONTEXT OF PREEMINENCE OF AI IN RECRUITMENT AND SELECTION

The staunchest escalation of AI has transmuted industries, HR systems and procedures. To accomplish the requirement and development of new talent, there is essential of recruitment and selection process (R&S), which should be transparent and unbiased, so, adoption of AI for R&S process is one of the finest modes of such selection. The TOE framework's flexibility allows adaptation to specific research contexts. Strong employer reputation reduces hiring costs, as employees prefer well-branded organizations. Interactive-media-platforms is also a good platform that helps R&S process by attracting potential employees. The main objective is to observe the impact of TOE and employer reputation on AI adoption and on HR effectiveness. The study has used complex LOC-HOC integrated model under SEM and was empirically analyzed by using questionnaires data of firms which are using AI as a device in R&S. The results of complex HOC integrated model have shown that three facets of TOE and employer reputation significantly affect AI adoption and also HR effectiveness in R&S process. While the mediation analysis reveals a partial mediation of three facets of TOE and HR effectiveness. Further, Interactive-media-platforms play a moderating role to further strengthen the relationship of adoption of AI with HR effectiveness. The firms in Pakistan and other developing economies can get the benefits of this study to use AI adoption in R&S process, helping them gain a competitive and distinctive edge in today's challenging business environment.