



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

# **EMPLOYMENT, EDUCATION AND ENTREPRENEURSHIP**

The Second International Conference  
16-18 October 2013 Belgrade Serbia

***BOOK OF ABSTRACTS***





**EMPLOYMENT, EDUCATION AND ENTREPRENEURSHIP**

16-18 October 2013 Belgrade Serbia

The Second international Conference

***VOLUME 1***

***ENTREPRENEURSHIP: ECONOMIC DEVELOPMENT & FINANCE***

***EDITOR'S***

**Mirjana Radovic-Markovic**

**Krum Krumov**

**Sladjana Vujcic**

***VOLUME 2***

***GENDER, IT AND MARKETING ISSUES IN ENTREPRENEURSHIP***

***EDITOR'S***

**Radmila Grozdanic**

**Dragan Ivkovic**

**Zorana Djuricic**

***VOLUME 3***

***EDUCATION AND EMPLOYMENT OPPORTUNITIES FOR  
ENTREPRENEURS***

***EDITOR'S***

**Slavko Karavidic**

**Dusan Cogoljevic**

**Carl Edwin Lindgren**

***VOLUME 4***

***RURAL ENTREPRENEURSHIP: OPPORTUNITIES AND  
CHALLENGES***

***EDITOR'S***

**Mirjana Radovic-Markovic**

**Dragana Vojteski Kljenak**

**Dragica Jovancevic**





**Faculty of Business Economics and Entrepreneurship (BEE) from Belgrade, Serbia**  
[www.vspep.edu.rs](http://www.vspep.edu.rs)

**ECSB - European Council for Small Business and Entrepreneurship, School of Economics,  
University of Turku, Finland**  
[www.ecsb.org](http://www.ecsb.org)

**International Research Institute for Social Entrepreneurship & Economic Development  
(IRISEED), Birmingham, United Kingdom**  
[www.iriseed.org](http://www.iriseed.org)

**Faculty of Entrepreneurship, University of Tehran, Iran** <http://www.ut.ac.ir>

**College of Economics and Management, Northwest University, China, Yangling, Shaanxi,  
China** <http://en.nwsuaf.edu.cn>

**jointly organize**

## **The Second International Scientific Conference**

**EMPLOYMENT, EDUCATION AND ENTREPRENEURSHIP  
(EEE 2013)**

**Belgrade, Serbia, 16 – 18 October 2013**



**INTERNATIONAL SCIENTIFIC COMMITTEE:**

**Academician Professor Mirjana Radovic-Markovic PhD**, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia (president)

**Academician Professor Radmila Grozdanic PhD**, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia

**Academician Professor Slavko Karavidic PhD**, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia

**Associate Professor Natasa Tanjevic PhD**, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia

**Full Professor Radojko Lukic PhD**, Faculty of Economics, University of Belgrade, Serbia

**Full Professor Krum Krumov PhD**, St.Kliment Ohridski University in Sofia, Bulgaria

**Associate Professor Beatrice Avolio PhD**, Faculty of Entrepreneurship, CENTRUM Católica, Lima, Peru

**Associate Professor Mohammad Reza Zali PhD**, Faculty of Entrepreneurship, University of Tehran, Iran

**Full Professor Imani Silver Kyaruzi PhD**, Institute of Social Entrepreneurship (IRESEED), Great Britain

**Full Professor Ayinla Omolaja Muhammed PhD**, International College of Management and Technology, Nigeria

**Full Professor Ugur Demiray PhD**, Anadolia University Izmir, Turkey

**Professor Isiaka Esema PhD**, Prentice Nigeria Ltd, Lagos, Nigeria

**Assistant Professor Plama Hristova PhD**, St.Kliment Ohridski University in Sofia, Bulgaria

**Lecturer Dusan Markovic MSc**, Belgrade Business School, Belgrade, Serbia

**Lecturer Vasileios Kallinterakis PhD**, University of Liverpool Management School, Liverpool, Great Britain

**Assistant Professor Reza Mohammadkazemi PhD**, Faculty of Entrepreneurship, University of Tehran, Iran

**Lecturer Aidin Salamzadeh MSc**, Faculty of Entrepreneurship, University of Tehran, Iran

**Full Professor Emine Demiray PhD**, Anadolia University Izmir, Turkey

**Full Professor Vljako Petkovic PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

**Associate Professor Slavoljub Sljivic PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

**Full Professor Edita Kastratovic PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

**Assistant Professor Almir Pestek PhD**, Faculty of Economics, University of Sarajevo, Bosnia and Herzegovina

**Full Professor Bozidar Mihajlovic PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

**Associate Professor Dragana Vojteski Kljenak PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

**Associate Professor Milan Krstic, PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

**Full Professor Nezameddin Faghih PhD**, Editor-In-Chief „Journal of Global Entrepreneurship Research“ (JGER), Faculty of Entrepreneurship, University of Tehran, Iran

**Full Professor Radovan Pejanovic PhD**, University of Novi Sad, Serbia  
**Assistant Professor Dragan Milosevic PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia  
**Tatjana Brankov PhD**, Institute of Agricultural Economics, Belgrade, Serbia  
**Full Professor Sofronija Miladinovski PhD**, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia  
**Assistant Professor Vera Karadjova PhD**, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia

#### **ORGANIZING COMMITTEE:**

**Full Professor Goran Kvrđić PhD**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia  
**Dusan Cogoljević MSc**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia  
**Dragica Jovancević MSc**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia, president of the Organizing Committee  
**Djordje Minkov MSc**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia, PR of the Conference  
**Sladjana Vujčić MA**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia  
**Marija Petrović MA**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia  
**Boris Korenak MA**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia  
**Zorana Djurđić MSc**, Faculty for Business Economics and Entrepreneurship, Belgrade, Serbia

#### **PUBLISHER**

Faculty of Business Economics and Entrepreneurship  
8 Mitropolita Petra Street  
11000 Belgrade, Serbia

#### **PERSON RESPONSIBLE FOR PUBLISHING**

**Professor Goran Kvrđić PhD**, Director of Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia

*Copyright© 2013  
Faculty of Business Economics and Entrepreneurship, Belgrade.  
All rights reserved.*

Printing 250 copies



# CONTENT

## VOLUME 1

### **ENTREPRENEURSHIP: ECONOMIC DEVELOPMENT & FINANCE..... 25**

#### ***PART ONE***

#### ***ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT..... 27***

#### ***TRANSITION GAME: WHO PLAYED THE TRANSITION GAME AND WITH WHAT RESULTS ..... 29***

*Neven Vidakovic*

#### ***THE ROLE OF INSTITUTIONAL INVESTORS IN CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT..... 30***

*Mirjana Cizmovic*

*Milica Kovacevic*

#### ***ENTREPRENEURS AND ENTREPRENEURSHIP AS A DRIVING FORCE OF ECONOMIC DEVELOPMENT IN SERBIA..... 31***

*Momcilo Zivkovic*

*Vuk Bevanda*

#### ***EFFECTS OF INTERNATIONAL TRADE ON ECONOMIC GROWTH (A DISSAGREGATED METHOD)..... 32***

*Tanimola Kazeem Abiodun*

*Tanimola Abee*

#### ***ECONOMIC ANALYSIS IN ENTREPRENEURSHIP..... 33***

*Radovan Pejanovic*

*Mirela Tomas-Simin*

*Danica Glavas-Trbic*

#### ***ANALYSIS OF OPPORTUNITIES AND LIMITATIONS FOR STARTING MICRO AND SMALL ENTERPRISES IN SERBIA..... 34***

*Rade Stankovic*

*Vlado Radic*

*Saveta Vukadinovic*

#### ***ECONOMIC SIGNIFICANCE OF THE CLUSTERS FOR THE DEVELOPMENT OF ENTREPRENEURSHIP IN SERBIA..... 35***

*Zlatica Pesic*

*Danka Milojkovic*

<b><i>INNOVATIONS IN THE FUNCTION OF DEVELOPING COMPETITIVENESS AND EFFICIENCY IN THE REPUBLIC OF SERBIA .....</i></b>	<b><i>36</i></b>
<i>Sladjana Vujicic</i>	
<i>Elena Baranenko</i>	
<i>Stefan Prljic</i>	
<b><i>COMPARATIVE ANALYSIS OF THE ECONOMIC STRUCTURE - FACTORS AND DISPROPORTIONS IN THE ECONOMIC DEVELOPMENT.....</i></b>	<b><i>37</i></b>
<i>Vera Karadjova</i>	
<b><i>ANALYSIS OF LEASING INDUSTRY IN SERBIA AND ITS IMPACT ON ECONOMIC DEVELOPMENT.....</i></b>	<b><i>38</i></b>
<i>Radomir Vujadin</i>	
<i>Goran Kyrgic</i>	
<i>Dragan Ivkovic</i>	
<b><i>IMPACT OF TOURISM ON REGIONAL ECONOMIC DEVELOPMENT.....</i></b>	<b><i>39</i></b>
<i>Vera Karadjova</i>	
<i>Katerina Angelevska-Najdeska</i>	
<b><i>ANALYSIS AND EVALUATION OF THE EFFICIENCY OF LOCAL ECONOMIC DEVELOPMENT AS DEFINED IN STRATEGIC DOCUMENTS OF LOCAL COMMUNITIES IN BOSNIA AND HERZEGOVINA .....</i></b>	<b><i>40</i></b>
<i>Zeljka Pejic</i>	
<b><i>DECISION MAKING MODEL IN STRATEGIC MULTIVARIATE PLANNING UNDER UNCERTAINTY.....</i></b>	<b><i>41</i></b>
<i>Dragan Milosevic</i>	
<i>Dragica Jovancevic</i>	
<i>Sladjana Vujicic</i>	
<b><i>CREATIVE AND MANIPULATIVE ACCOUNTING .....</i></b>	<b><i>42</i></b>
<i>Milenko Pavlovic</i>	
<i>Dragana Vojteski Kljenak</i>	
<i>Slavoljub Sljivic</i>	
<b><i>NEW DIRECTIONS IN MANUFACTURING .....</i></b>	<b><i>43</i></b>
<i>Vlado Radic</i>	
<i>Rade Stankovic</i>	
<i>Jelena Jovovic</i>	

---

<b><i>SPECIFICS OF VOLUNTARY HEALTH INSURANCE AND DEVELOPMENT OPPORTNITIES IN THE MARKET OF THE REPUBLIC OF SERBIA.....</i></b>	<b><i>44</i></b>
<i>Jovan Savic</i>	
<i>Milan Gavrilovic</i>	
<i>Jelena Gavrilovic</i>	
<b><i>POSSIBILITIES FOR DEVELOPMENT OF LIFE INSURANCE MARKET IN SERBIA .....</i></b>	<b><i>45</i></b>
<i>Ivan Piljan</i>	
<i>Bratislav Milosevic</i>	
<i>Natasa Vujadin</i>	
<b><i>COMPARATIVE ANALYSIS OF THE LIFE INSURANCE IN THE REPUBLIC OF MACEDONIA AND THE REGION.....</i></b>	<b><i>46</i></b>
<i>Bratislav Milosevic</i>	
<i>Dusan Cogoljevic</i>	
<i>Ana Aleksic</i>	
<b><i>THE IMPORTANCE OF FRANCHISING FOR DEVELOPMENT OF SMALL AND MEDIUM-SIZED ENTERPRISES IN REPUBLIC OF SERBIA.....</i></b>	<b><i>47</i></b>
<i>Saveta Vukadinovic</i>	
<i>Jovanka Popovic</i>	
<i>Marija Komatina Al-bashir</i>	
<b><i>SMALL AND MEDIUM ENTERPRISES IN THE DEVELOPMENT OF BUJANOVAC MUNICIPALITY .....</i></b>	<b><i>48</i></b>
<i>Edita Kastratovic</i>	
<i>Milan Dragic</i>	
<i>Vesna Cilerdzic</i>	
<b><i>THE IMPACT OF GLOBALIZATION ON GLOBAL BUSINESS DEVELOPMENT.....</i></b>	<b><i>49</i></b>
<i>Sasho Kozuharov</i>	
<i>Natasha Ristovska</i>	
<b><i>GLOBALIZATION - SERBIAN CASE .....</i></b>	<b><i>50</i></b>
<i>Dejan Vukosavljevic</i>	
<i>Danijela Vukosavljevic</i>	
<i>Dragoljub Vukosavljevic</i>	
<b><i>THE EFFECTS OF GLOBALIZATION ON SMALL AND MEDIUM ENTERPRISES IN THE REPUBLIC OF MACEDONIA.....</i></b>	<b><i>51</i></b>
<i>Argjina Karemani</i>	
<i>Arjeta Amzai</i>	

<b>AGGLOMERATION ECONOMY: OPPORTUNITIES AND CHALLENGES FOR ALBANIA .....</b>	<b>52</b>
<i>Orsiola Kurti</i>	
<b>INTERNATIONAL TRADE AND FREE EXCHANGE AS A WAY OF MODERN EXPLOITATION.....</b>	<b>53</b>
<i>Milan Beslac</i>	
<i>Jovica Beslac</i>	
<i>Ljiljana Zipovski</i>	
<b>HARMONISATION OF TRADE AND TRADE LAW BETWEEN SERBIA AND EU IN TERMS OF GLOBALISATION.....</b>	<b>54</b>
<i>Milica Stankovic</i>	
<i>Danijela Glusac</i>	
<b>PART TWO</b>	
<b>ENTREPRENEURSHIP AND FINANCE.....</b>	<b>55</b>
<b>THE IMPACT OF GLOBAL ECONOMIC AND FINANCIAL CRISIS ON FINANCIAL POSITION OF THE ENTERPRISE FROM SERBIA.....</b>	<b>57</b>
<i>Dragana Beslic</i>	
<i>Ivana Beslic</i>	
<b>PERFORMANCE OF MSCI WORLD INDEX DURING THE GLOBAL FINANCIAL CRISIS: VALUE-AT-RISK APPROACH.....</b>	<b>58</b>
<i>Sinisa Miletic</i>	
<i>Boris Korenak</i>	
<i>Ivana Ivanis</i>	
<b>PROBLEMS OF FINANCING INVESTMENTS UNDER AN UNSUSTAINABLE RELATIONSHIP BETWEEN THE BUDGET DEFICIT AND PUBLIC DEBT.....</b>	<b>59</b>
<i>Jovan Savic</i>	
<i>Marina Bugarcic</i>	
<i>Milan Gavrilovic</i>	
<b>MACROECONOMIC STABILITY AS PRECONDITION FOR INCREASE IN PROPENSITY TO INVEST.....</b>	<b>60</b>
<i>Ivana Rajkovic</i>	
<i>Buda Bajic</i>	
<i>Miladin Mihajlovic</i>	
<i>Branko Hinic</i>	

**NEW POSSIBILITIES FOR FINANCING SMALL ENTERPRISES.... 61**

*Danijela Vukosavljevic  
Vladan Kovacevic  
Dragoljub Vukosavljevic*

**TRANSMISSION MECHANISMS OF MONETARY POLICY IN SERBIA WITH EMPHASIS ON THE INTEREST RATE CHANNEL.. 62**

*Goran Kyrgic  
Radomir Vujadin  
Natasa Vujadin*

**COMPETITIVENESS IN BANKING – SPECIFICITIES AND POSSIBLE EFFECTS ON THE DECREASE IN LOAN PRICES..... 63**

*Ljubisa Lukic*

**STATE AND POTENTIAL OF SERBIAN BANKING SEKTOR FOR FINANCING REAL SECTOR..... 64**

*Marija Marcetic  
Danijela Maksimovic  
Dragana Djuric*

**PERFORMANCES OF DIFFERENT INVESTMENT POLICIES OF OPEN-END FUNDS IN REPUBLIC OF SERBIA..... 65**

*Boris Korenak  
Sinisa Miletic  
Ivana Ivanis*

**THE SPECIFICS OF VALUE PERFORMANCE MEASURES BASED ON CASH FLOW: CVA AND CFROI - GERMAN EXPERIENCES..... 66**

*Ivana Beslic  
Dragana Beslic*

**VOLUME 2****GENDER, IT AND MARKETING ISSUES IN ENTREPRENEURSHIP ..... 67****PART ONE****ENTREPRENEURSHIP FROM A GENDER PERSPECTIVE..... 69****WOMEN IN BUSINESS AND LEADERSHIP: CRITIQUES AND DISCUSSIONS..... 71**

*Mirjana Radovic-Markovic  
Aidin Salamzadeh  
Seyyed Mostafa Razavi*

<b>PEOPLE'S NOTION OF WOMEN ENTREPRENEURS: CROSS-CULTURAL STUDY.....</b>	<b>72</b>
<i>Krum Krumov</i>	
<i>Mirjana Radovic-Markovic</i>	
<i>Marta Juhasz</i>	
<i>Andreea Negruti</i>	
<b>SOCIO-CULTURAL CONSTRAINTS OF WOMEN ENTREPRENEURS IN ALGERIA .....</b>	<b>73</b>
<i>Boufeldja Ghiat</i>	
<b>PUBLIC OPINION ABOUT MOTIVES FOR WOMEN ENTREPRENEURSHIP: CROSS-CULTURAL RESEARCH .....</b>	<b>74</b>
<i>Albena Krumova</i>	
<i>Plama Hristova</i>	
<i>Julika Novkova</i>	
<b>PERCEPTIONS OF PORTUGUESE TOURISM GRADUATES CONCERNING WOMEN'S PROFESSIONAL PERFORMANCE IN LEADERSHIP POSITIONS .....</b>	<b>75</b>
<i>Carlos Costa</i>	
<i>Sandra Caçador</i>	
<i>Zélia Breda</i>	
<i>Anahita Malek</i>	
<b>BUSINESS LEADERSHIP .....</b>	<b>76</b>
<i>Vlajko Petkovic</i>	
<i>Zorana Petkovic</i>	
<b>SOCIAL ENTERPRENEURSHIP.....</b>	<b>77</b>
<i>Ana Mitic</i>	
<b>PART TWO</b>	
<b>THE APPLICATION OF INFORMATION TECHNOLOGY THROUGH ENTREPRENEURSHIP.....</b>	<b>79</b>
<b>ICT SECTOR AND ENTREPRENEURSHIP.....</b>	<b>81</b>
<i>Boris Jevtic</i>	
<i>Dejan Vukosavljevic</i>	
<i>Dusan Markovic</i>	
<b>PRESENT SITUATION AND PERSPECTIVES FOR DEVELOPMENT OF TECHNOPRENEURSHIP IN SERBIA .....</b>	<b>82</b>
<i>Milan Krstic</i>	
<i>Ana Skorup</i>	
<i>Djordje Minkov</i>	

<b>"CLOUD COMPUTING" TECHNOLOGY AND THEIR USE IN EDUCATION.....</b>	<b>83</b>
<i>Zorica Medic</i>	
<i>Jovan Zivadinovic</i>	
<i>Nebojsa Stefanovic</i>	
<b>EDI TECHNOLOGY IN BUSINESS COMMUNICATION .....</b>	<b>84</b>
<i>Dusan Trajkovic</i>	
<i>Bratislav Mikaric</i>	
<b>RAPID PRODUCT DEVELOPMENT BY USING COMPUTER AIDED – TOOLS.....</b>	<b>85</b>
<i>Sanja Markovic</i>	
<i>Jelena Milanovic</i>	
<i>Bratislav Mikaric</i>	
<b>THE MEDIA POLICY FOR PROMOTION OF ENTREPRENEURSHIP IN DIGITAL GAME INDUSTRY.....</b>	<b>86</b>
<i>Datis Khajeheian</i>	
<i>Aidin Salamzadeh</i>	
<b>PART THREE</b>	
<b>ENTREPRENEURSHIP AND MARKETING &amp; BRANDING.....</b>	<b>87</b>
<b>THE CONTRIBUTION OF MARKETING TO GLOBALIZATION.....</b>	<b>89</b>
<i>Sofronija Miladinovski</i>	
<i>Katerina Angelevska – Najdeska</i>	
<i>Sreten Miladinovski</i>	
<b>GLOBAL INTERNET MARKETING STRATEGIES AND THEIR IMPLICATIONS FOR SMALL AND MEDIUM ENTERPRISES.....</b>	<b>90</b>
<i>Nenad Ravic</i>	
<i>Dragan Milosevic</i>	
<i>Djordje Minkov</i>	
<b>MARKETING CONCEPT IN THE PROVISION OF PUBLIC SERVICES IN THE EUROPEAN UNION.....</b>	<b>91</b>
<i>Dragan Kostic</i>	
<i>Daliborka Petrovic</i>	
<i>Zoran Radulovic</i>	
<b>IMC CONCEPT – AS A NECESSARY PRECONDITION FOR MARKET SUCCESS OF SMEs.....</b>	<b>92</b>
<i>Maja Cogoljevic</i>	
<i>Ljiljana Dimitrijevic</i>	
<i>Zorana Djuricic</i>	

**TALENT MANAGEMENT IN FUNCTION OF DEVELOPMENT  
OF THE TEAMS AND INCREASING THEIR PERFORMANCES ..... 93**

*Valentina Mucinska Paleska  
Todor Badarovski*

**POWER ENVIRONMENT OF INTEGRATED MARKETING  
MANAGEMENT TOURISTIC DESTINATION ..... 94**

*Jelena Avakumovic  
Julija Avakumovic  
Cedomir Avakumovic*

**CONCEPT AND EXECUTIVE PHASE OF PRIVATE BRAND  
DEVELOPMENT – CEPPB..... 95**

*Nemanja Damnjanovic  
Slavica Ostojic*

**PRIVATE LABEL - THE COMPANY'S STRATEGY WILL BE A  
SUCCESSFUL ..... 96**

*Ljiljana Dimitrijevic  
Maja Cogoljevic  
Zoran Dimitrijevic*

**INTERNATIONAL TOURISM FAIRS AS A TOOL FOR PROMOTING  
THE COUNTRY AS A TOURIST DESTINATION..... 97**

*Zoran Strezovski  
Sasko Gramatnikovski*

**VOLUME 3**

**EDUCATION AND EMPLOYMENT OPPORTUNITIES FOR  
ENTREPRENEURS ..... 99**

**PART ONE**

**EDUCATIONAL ENTREPRENEURSHIP..... 101**

**HIGH EDUCATION MARKET AND ENTREPRENEURSHIP..... 103**

*Radmila Grozdanic  
Dragica Jovancevic  
Zorana Djuricic*

**EDUCATION IN THE PROCESS OF CREATING  
COMPETENCIES FOR THE FUTURE..... 104**

*Marta Ambrozi*



**INNOVATIVE MANAGEMENT IN EDUCATION USING  
COMMUNACATION INSTRUMENTS ..... 105**

*Marija Cukanovic Karavidic  
Slavko Karavidic  
Gordana Gavric*

**ENTREPRENEURSHIP AS THE DEGREE PROGRAMME – CASE  
STUDY FROM BOTSWANA ..... 106**

*Zoran Markovic  
Olefile B. Molwane*

**ONE APPROACH TO CURRICULUM DESIGN FOR EDUCATION  
OF TECHNOPRENEURS ..... 107**

*Milan Krstic  
Ana Skorup  
Dusan Cogoljevic*

**ENGAGING OPPORTUNITIES OF HIGHER EDUCATION AND  
SCIENTIFIC STAFF THROUGH THE DEVELOPMENT OF E-  
ENTREPRENEURSHIP IN THE REPUBLIC OF MACEDONIA..... 108**

*Tatjana Petkovska Mirchevska  
Diana Boshkovska  
Zoran Janevski*

**MANAGEMENT CONTROL AND IMPROVEMENT OF  
EDUCATIONAL PROCESS ..... 109**

*Zorica Medic  
Jovan Zivadinovic  
Ivan Piljan*

**INFORMATION TECHNOLOGY IN KNOWLEDGE  
MANAGEMENT..... 110**

*Petar Subic*

**ENGINEERING STUDENTS MOTIVES FOR STUDIES AND  
THEIR PLANS FOR FUTURE - A CASE STUDY ..... 111**

*Smiljana Mirkov  
Tanja Sekulic  
Robert Molnar*

**PART TWO**

**WORK, LABOUR MARKET, ORGANIZATIONS & HUMAN  
RESOURCE MANAGEMENT..... 113**

**VOCATION AS EMPLOYEE OR ENTREPRENEUR: EFFECT OF  
EDUCATION IN CONTEXT OF CULTURE ..... 115**

*Thomas Schott*

---

<b>LABOUR IN CONCEPT OF COMPETITIVENESS OF WORLD ECONOMIC FORUM .....</b>	<b>116</b>
<i>Vladimir Knezevic</i>	
<i>Dragan Ivkovic</i>	
<i>Katarina Radosavljevic</i>	
<b>THE IMPACT OF LABOUR MARKET INSTITUTIONS ON EMPLOYMENT IN EUROPEAN COUNTRIES.....</b>	<b>117</b>
<i>Milena Lutovac</i>	
<i>Vladimir Aleksic</i>	
<b>CHANGES OF THE NUMBER OF EMPLOYEES IN SOME SECTORS OF THE ECONOMY AS A RESULT OF CLIMATE CHANGE.....</b>	<b>118</b>
<i>Jelena Milanovic</i>	
<i>Sanja Markovic</i>	
<i>Radmilo Lazarevic</i>	
<b>PROTECTION OF LABOR AND EMPLOYMENT RIGHTS IN CIVIL PROCEDURE .....</b>	<b>119</b>
<i>Vladimir Kozar</i>	
<b>RECENT TRENDS AND DEVELOPMENT OF THE LABOUR FORCE IN SERBIA .....</b>	<b>120</b>
<i>Kosovka Ognjenovic</i>	
<i>Aleksandra Brankovic</i>	
<b>PROHIBITION OF DISCRIMINATION IN SERBIA AND VULNERABLE SOCIAL GROUPS.....</b>	<b>121</b>
<i>Natasa Tanjevic</i>	
<i>Vesna Cilerdzic</i>	
<i>Milos Stanojevic</i>	
<b>PERSONAL INSOLVENCY- AN ENTREPRENEUR'S PERSPECTIVE IN SERBIAN LAW .....</b>	<b>122</b>
<i>Ana Opacic</i>	
<i>Vladimir Colovic</i>	
<i>Jovan Sarac</i>	
<b>UNCITRAL AND INTERNATIONAL COMMERCIAL ARBITRATION.....</b>	<b>123</b>
<i>Zoran Radulovic</i>	
<i>Dejan Kostic</i>	
<i>Miroslav Radulovic</i>	

<b><i>ETHICAL MANAGEMENT OF HUMAN RESOURCES AS A WAY OF RAISING AWARENESS FOR SOCIAL RESPONSIBILITY OF THE EMPLOYEES.....</i></b>	<b><i>124</i></b>
<i>Aleksandra Stoilkovska</i>	
<i>Violeta Milenkovska</i>	
<i>Konstantin Angelkovski</i>	
<b><i>GENDER DIVERSITY AND SECURITIES FRAUD .....</i></b>	<b><i>125</i></b>
<i>Douglas J. Cumming</i>	
<i>Leung Tak Yan</i>	
<i>Oliver Meng Rui</i>	
<b><i>WHAT DOES IT MEAN TO BLOW-THE-WHISTLE: ETHICAL APPROACH.....</i></b>	<b><i>126</i></b>
<i>Katarina Majstorovic</i>	
<i>Albena Krumova</i>	
<b><i>PROBLEM OF CORRUPTION IN THE BUSINESS SPHERE.....</i></b>	<b><i>127</i></b>
<i>Natasa Tanjevic</i>	
<i>Aleksandar Minkov</i>	
<i>Filip Miric</i>	
<b><i>POST-BUREAUCRATIC ORGANISATIONS AND ENTREPRENEURIAL CULTURE: UNDERSTANDING POWER AND CONTROL IN KNOWLEDGE-INTENSIVE FIRMS.....</i></b>	<b><i>128</i></b>
<i>Samuel Osei-Nimo</i>	
<i>Imani Silver Kyaruzi</i>	
<b><i>PROFESSIONAL SATISFACTION AS AN ASPECT OF ENTREPRENEURIAL ORGANIZATIONS .....</i></b>	<b><i>129</i></b>
<i>Slavko Karavidic</i>	
<i>Marija Cukanovic Karavidic</i>	
<i>Gordana Gavric</i>	
<b><i>STRESS AT WORK .....</i></b>	<b><i>130</i></b>
<i>Vlajko Petkovic</i>	
<i>Zorana Petkovic</i>	
<b><i>IMPACT OF QUALITY HUMAN RESOURCES MANAGEMENT ON COMPANY SUCCESS.....</i></b>	<b><i>131</i></b>
<i>Borko Somborac .....</i>	
	<b><i>131</i></b>
<b><i>THE ROLE OF COMMUNICATION IN INTELLECTUAL CAPITAL MANAGEMENT IN ACCORDANCE WITH THE EU MODEL .....</i></b>	<b><i>132</i></b>
<i>Vesna Baltezarevic</i>	
<i>Radoslav Baltezarevic</i>	

***DISEASE MANAGEMENT LEADERSHIP: MULTIDISCIPLINARY APPROACH CASE STUDY: DIABETES MANAGEMENT PROGRAM..... 133***

*Zarko Pavic  
Milos Stanojevic*

***HUMAN RESOURCE MANAGEMENT FROM THE PERSPECTIVE OF MODERN LEADERS IN SPORT ..... 134***

*Milan Dragic  
Edita Kastratovic  
Marija Grbovic*

***INFORMAL TYPE OF EDUCATION AS A NEED IN SERBIA..... 135***

*Jovan Petronijevic  
Selena Torlakovic  
Igor Graic*

***INFLUENCE OF THE LEADER ON INFORMAL EDUCATION..... 136***

*Zoran Punosevac*

***IDENTIFYING THE FACTORS AFFECTING ENTREPRENEURIAL ATTITUDE IN GIRL STUDENTS ATHLETE (HIGH SCHOOLS OF TEHRAN)..... 137***

*Mirzaei Fahime  
Mohammad Kazemi*

***IMPROVING THE BUSINESS OF FOOTBALL CLUBS THROUGH CROWDSOURCING ..... 138***

*Hamidreza Habibi*

**VOLUME 4**

***RURAL ENTREPRENEURSHIP: OPPORTUNITIES AND CHALLENGES ..... 139***

***PART ONE***

***RURAL ENTREPRENEURSHIP DEVELOPMENT..... 141***

***ANALYSIS OF RURAL ENTREPRENEURSHIP UNDER THE THEORETICAL APPROACH OF RESOURCES AND CAPABILITIES: THE CASE OF A RURAL MICROBUSINESS IN MEXICO..... 143***

*José G. Vargas-Hernández*

**CRITICAL REFLECTION ON RURAL ECONOMY OF SERBIA-  
SMALL FARMS PRECONDITION FOR THE DEVELOPMENT OF  
RURAL ENTREPRENEURSHIP..... 144**

*Goran Dimic  
Marko Protic  
Vladimir Varadjanin*

**RURAL ENTREPRENEURSHIP AND DEVELOPING ECONOMY:  
CHALLENGES AND PROSPECTS..... 145**

*Kehinde Kamal Arije  
Abdulrazaq Olanrewaju Afolabi  
Olusegun Joseph Adetuwo*

**THE ROLE AND IMPORTANCE OF CLUSTERS FOR RURAL  
ENTREPRENEURSHIP DEVELOPMENT..... 146**

*Ivana Jovanovic*

**FAMILY POTENTIAL AS A BASE FOR RURAL DEVELOPMENT. 147**

*Slavica Ostojic  
Nemanja Damnjanovic*

**FINANCIAL PERFORMANCES OF ENTREPRENEURSHIP IN  
SERBIA AND GREEN GROWTH..... 148**

*Slavoljub Sljivic  
Dragana Vojteski-Kljenak  
Milenko Pavlovic*

**NEW TECHNOLOGIES, GREEN GROWTH AND JOBS..... 149**

*Radmila Grozdanic  
Mirjana Radovic-Markovic  
Boris Jevtic*

**“GREEN“JOBS – THE STEP TOWARD SUSTAINABLE  
DEVELOPMENT..... 150**

*Natasa Tomic-Petrovic  
Dalibor Petrovic*

**(RE) INDUSTRIALIZATION OF SERBIA IN FUNCTION OF  
OPENING GREEN JOBS..... 151**

*Milan Krstic  
Saveta Vukadinovic  
Maja Cogoljevic*

<b>MILITARY - PUBLIC - PRIVATE PARTNERSHIP AS A FUNCTION OF SUSTAINABLE DEVELOPMENT OF GREEN ECONOMY.....</b>	<b>152</b>
<i>Sasa Trandafilovic</i>	
<i>Nebojsa Dragovic</i>	
<i>Ivana Cvetkovic</i>	
<b>SERBIA AS AN AGRICULTURAL COUNTRY.....</b>	<b>153</b>
<i>Milan Beslac</i>	
<i>Dragica Jovancevic</i>	
<i>Sladjana Vujicic</i>	
<b>SERBIAN PUBLIC ATTITUDES TOWARDS “GREEN” .....</b>	<b>154</b>
<i>Tatjana Papic Brankov</i>	
<i>Tatjana Sibalija</i>	
<i>Drago Cvijanovic</i>	
<b>INVESTMENT PROJECTS OF MUNICIPALITY OF BUJANOVAC SEEN THROUGH THE PRISM OF ECOLOGICAL DEMANDS.....</b>	<b>155</b>
<i>Edita Kastratovic</i>	
<i>Milan Dragic</i>	
<i>Vesna Cilerdzic</i>	
<b>ENERGY EFFICIENCY AND RENEWABLE ENERGY AWARENESS AND IMPACT ON MONTENEGRIN ECONOMY.....</b>	<b>156</b>
<i>Milica Dakovic</i>	
<b>PART TWO</b>	
<b>RURAL TOURISM AND ECOTOURISM .....</b>	<b>157</b>
<b>STRATEGIC DEVELOPMENT AND PROMOTION GUIDELINES OF HEALTH AND ECOTOURISM IN SERBIA.....</b>	<b>159</b>
<i>Jovanka Popovic</i>	
<i>Milan Novovic</i>	
<i>Bozidar Mihajlovic</i>	
<b>DEVELOPMENT PROSPECTS FOR ECOTOURISM IN THE SOUTHWESTERN REGION OF THE REPUBLIC OF MACEDONIA .....</b>	<b>160</b>
<i>Katerina Angelevska – Najdeska</i>	
<b>RURAL TOURISM AS A STIMULUS OF SUSTAINABLE RURAL DEVELOPMENT IN THE VICINITY OF KRAGUJEVAC.....</b>	<b>161</b>
<i>Filip Radotic</i>	
<i>Zoran Masic</i>	

---

<b><i>SERVICE QUALITY AS A KEY COMPONENT OF TOURISM DEVELOPMENT IN MUNICIPALITIES OF ULCINJ AND ROZAJE .....</i></b>	<b><i>162</i></b>
<i>Safet Kalac</i>	
<b><i>PART THREE</i></b>	
<b><i>GENETICALLY MODIFIED AND ORGANIC CROPS PRODUCTION.....</i></b>	<b><i>163</i></b>
<b><i>GENETICALLY MODIFIED FOOD: AN OVERVIEW.....</i></b>	<b><i>165</i></b>
<i>Tatjana Papic Brankov Koviljko Lovre</i>	
<b><i>LEGAL ASPECTS OF GMO - POTENTIAL ANCHOR FOR STARVING PLANET OR A TROJAN HORSE.....</i></b>	<b><i>166</i></b>
<i>Ana Opacic Jovan Sarac Aleksandar Minkov</i>	
<b><i>EUROPEAN UNION AND GENETICALLY MODIFIED FOOD.....</i></b>	<b><i>167</i></b>
<i>Vesna Baltezarevic Borivoje Baltezarevic</i>	
<b><i>ORGANIC AGRICULTURE AND SUSTAINABLE URBAN DEVELOPMENT: The Belgrade – Novi Sad Metropolitan Area Case Study .....</i></b>	<b><i>168</i></b>
<i>Vladimir Filipovic Vesna Popovic Jonel Subic</i>	
<b><i>MARKET AND TRADE PATTERNS OF ORGANIC PRODUCTS.....</i></b>	<b><i>169</i></b>
<i>Radmila Grozdanic Dusan Cogoljevic Zoran Karavelic</i>	
<b><i>KNOWLEDGE SYSTEM FOR ORGANIC FARMING IN THE REPUBLIC OF MACEDONIA.....</i></b>	<b><i>170</i></b>
<i>Biljana Angelova Natasha Daniloska Katerina Hadzi Naumova-Mihajlova</i>	







INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

16-18 October 2013 Belgrade Serbia

**VOLUME 1**

**ENTREPRENEURSHIP: ECONOMIC  
DEVELOPMENT & FINANCE**







INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART ONE***

***ENTREPRENEURSHIP AND ECONOMIC  
DEVELOPMENT***





## **TRANSITION GAME: WHO PLAYED THE TRANSITION GAME AND WITH WHAT RESULTS**

*Neven Vidakovic*<sup>1</sup>

**Abstract:** *This paper looks at the transition process from communist planned economy to free market economy for eleven countries in Europe and treats the whole process as a game. The process is interesting due to the fact all new countries have same goal, join EU and join EMU (European monetary union) join NATO and thus successfully end transition.*

*The paper perceives this process as a Bayesian game, creating a stochastic dynamic settings where policy makers analyse the policies and have the ability to change learn from their mistakes. The game is solved both analytically and theoretically. The paper does not create a computer generated estimations of the game, but looks at the real life experiment that has occurred in last 15 years in post-communist counties, an index to quantify the results of the game is created to see what were the results of each player. The main findings of the paper are that there is a considerable difference in the strategies which were chosen by each of the participants and with considerable difference in the results. What is most striking in the paper is that the game players do not have the ability to learn or to create forward expectations. Also there is little correlation between the success in the game and economic success indicating high political influence.*

**Key words:** *Transition, Game Theory, Strategy, Optimal Path, Dynamic Programming*

*JEL classification: N10, C61, C73*

---

<sup>1</sup>*Neven Vidakovic, The University College Effectus – College for Law and Finance, Croatia, nvidakov@yahoo.com*

# **THE ROLE OF INSTITUTIONAL INVESTORS IN CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT**

**Mirjana Cizmovic<sup>2</sup>**

**Milica Kovacevic<sup>3</sup>**

**Abstract:** *In recent years, the role played by institutional investors - pension and investment funds and insurance companies has increased significantly. The changed role of institutional investors is a phenomenon that attracts the attention of researchers, because it represents a significant change in financial markets, and especially in capital markets. Moreover, a change of their role in the development and reform of corporate governance is present, but not so visible. This research focuses on the role of institutional investors in corporate governance, through two aspects: their role both as objects and subjects of this process. The ambition of this paper is to investigate the conditions that are necessary and that must be considered by institutional investors, in order to achieve effective corporate governance that gives priority to sustainable development. The paper will also give an analysis of a marketing information system that provides a good basis for decision-making. The main assumption is that the role and influence of institutional investors on corporate governance, in corporations in which they are shareholders, is realized directly through their ownership of the shares and indirectly through trading of shares, and that full contribution to corporate governance can only be achieved through strategy of sustainable corporations, which will have an incentive to respect community interest, not just their own. In this regard, an important role is played by a well-developed system of internal and external communications. The methodology will include a historical analysis in order to evaluate the impact and importance of institutional investors, primarily to assess the current impact of institutional investors on corporate governance. In addition, statistical methods, SWOT and trend analysis will be used, as well as methods of abstraction in order to obtain answers to the problem of research.*

**Key words:** *Institutional Investors, Corporate Governance, Sustainable Development, SWOT analysis, Marketing Information System*

*JEL classification: L26, Q01*

---

<sup>2</sup>Mirjana Cizmovic, University Mediterranean - Montenegro Business School, Montenegro, [mirjana\\_cizmovic@yahoo.com](mailto:mirjana_cizmovic@yahoo.com)

<sup>3</sup>Milica Kovacevic, University Mediterranean - Montenegro Business School, Montenegro, [milica.kovacevic@unimediteram.net](mailto:milica.kovacevic@unimediteram.net)

# **ENTREPRENEURS AND ENTREPRENEURSHIP AS A DRIVING FORCE OF ECONOMIC DEVELOPMENT IN SERBIA**

**Momcilo Zivkovic<sup>4</sup>**

**Vuk Bevanda<sup>5</sup>**

**Abstract:** *In all industries where a large number of participants involved, they have to be cohesion, coherence and coordination. Entrepreneurship, as an activity of creative combining of available resources in the enterprise, is the driving force of the companies that are being created, grow and develop on the market. As the process of creating new values, organization, and forms of organization, entrepreneurship encompasses the activities and forecasting processes (vision), innovation, risk-taking and learning. The result of combining these various processes is birth, reproduction and performance of the new venture.*

*For the development of entrepreneurship and the private sector we need to create the appropriate conditions and business environment, which requires the support and advancement in many social spheres. To establish an adequate business infrastructure, and create the appropriate business climate, significant contribution can be given by modern forms of business support. In this way, work on improving entrepreneurship, growth, employment and starting new businesses is intensifying.*

*The subject of this research are: entrepreneurs, entrepreneurship, small and medium-sized enterprises, local economic development, national economic development.*

*The main aim is to get through the theoretical and practical analysis of relevant data, processes and relationships, understand the role and importance of entrepreneurship and entrepreneurial initiatives, as well as small and medium sized enterprises in local economic development, and economic development in general. Also, within the work there will be discussed about mechanisms required to help companies and entrepreneurs in starting and realization of new projects, during the initial period of operations that are crucial for the survival and further development of the business.*

**Key words:** *Entrepreneurship, Entrepreneurs, Businesses, SMEs, Economic Development*

*JEL classification: L26, M21, O10*

---

<sup>4</sup>Momcilo Zivkovic, Faculty of Business Studies, Megatrend University, Belgrade, Serbia, [mzivkovic@megatrend.edu.rs](mailto:mzivkovic@megatrend.edu.rs)

<sup>5</sup>Vuk Bevanda, Faculty of Business Studies, Megatrend University, Belgrade, Serbia, [vbevanda@megatrend.edu.rs](mailto:vbevanda@megatrend.edu.rs)

## ***EFFECTS OF INTERNATIONAL TRADE ON ECONOMIC GROWTH (A DISSAGREGATED METHOD)***

***Tanimola Kazeem Abiodun<sup>6</sup>  
Tanimola Abeebe<sup>7</sup>***

***Abstract:*** *In the paper, attempt was made to investigate the impact of international trade on economic growth at the disaggregate level both from the theoretical and economic angle. The study in its contribution examines this impact at the disaggregated level. To this end, an hypothesis was formulated to investigate the short –run and long run impact of international trade on growth in the country .In the econometrics investigation that follow, international trade was disaggregated to export and imports and their short run and long run effect on growth was examined. Also the aggregate international trade was also investigated to see the long run effects of its own growth. The results of the findings indicate that; both export and import impact significantly to growth in the short run. The long-run impact of export on growth was found to be positive, significant and stable both .Engle-Granger co integration test and error correlation mechanism was applied to these long run relationships. For the import, while the short run was found to be positive and significant on its impact on growth, the long run relationship was found to be negative but not significant. Therefore it is thus recommended among others that the country should engage more on export promotion drives.*

***Key words:*** *International, Trade, Disaggregated, Import, Export, Econometrics, Growth*

***JEL classification:*** *C22, F10, C01, O40*

---

<sup>6</sup>Tanimola Kazeem Abiodun, Alliant College, Nigeria, ktanimola@yahoo.com

<sup>7</sup>Tanimola Abeebe, Alliant College, Nigeria



## ***ECONOMIC ANALYSIS IN ENTREPRENEURSHIP***

***Radovan Pejanovic<sup>8</sup>***  
***Mirela Tomas-Simin<sup>9</sup>***  
***Danica Glavas-Trbic<sup>10</sup>***

***Abstract:*** *The authors discuss the importance of economic analysis in entrepreneurship. Entrepreneurship is, in fact, a very significant factor in modern economies and businesses, which is accompanied by a high degree of risk, especially in conditions of instability and crisis cycles that characterize contemporary society.*

*Economic analysis is a useful methodological approach, which provides a wide range of instruments and procedures for monitoring the operations of the economy, businesses and entrepreneurial activities. It is a scientific research use to explain the economic reality, processes, data, effects and development trends. Economic analysis is carried out by different methods, combining qualitative and quantitative economic research, supported by descriptive and statistical data.*

*Out of the many methods of economic analysis the authors are especially considering the following: business plan, profitability analysis, cost analysis, analysis of market and price, financial analysis, gross margin analysis, cost-benefit analysis, SWOT analysis, benchmarking analysis. They are applicable, according to the authors at all stages of the entrepreneurial process.*

***Key words:*** *Economic Analysis, Entrepreneurship, Profitability, Production Costs, Market, Marketing*

*JEL classification: A11, B40*

---

<sup>8</sup>Radovan Pejanovic, University of Novi Sad, Agricultural Faculty, Novi Sad, Serbia, pejanovic@polj.uns.ac.rs

<sup>9</sup>Mirela Tomas-Simin, University of Novi Sad, Agricultural Faculty, Novi Sad, Serbia

<sup>10</sup>Danica Glavas-Trbic, University of Novi Sad, Agricultural Faculty, Novi Sad, Serbia

## **ANALYSIS OF OPPORTUNITIES AND LIMITATIONS FOR STARTING MICRO AND SMALL ENTERPRISES IN SERBIA**

**Rade Stankovic**<sup>11</sup>

**Vlado Radic**<sup>12</sup>

**Saveta Vukadinovic**<sup>13</sup>

**Abstract:** *The youth unemployment rate in Serbia is about 50%, so many are trying to find a solution in self-employment, starting their own micro and small enterprises. There are some opportunities for launching and ensuring growth and development of a company, but there are also a number of limitations.*

*This paper contains identification and analysis of opportunities and limitations for starting micro and small enterprises in Serbia, interviewing young people in several towns in Serbia, data collection and hypothesis testing using ANOVA and factor analysis methods.*

*The general conclusion is that all the participants in the survey assessed very negatively about 87% of variable conditions for starting and conducting business in Serbia. Test results confirmed the hypothesis H0: There are small features and large number of barriers to business start-up and successful growth and development of micro and small enterprises in Serbia.*

**Key words:** *Entrepreneur, Micro And Small Enterprises, Factors Of Opportunities And Limitations*

*JEL classification: L26*

---

<sup>11</sup>Rade Stankovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, pep.stankovic@gmail.com

<sup>12</sup>Vlado Radic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vlado.radic@vektor.net

<sup>13</sup>Saveta Vukadinovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, savetavukadinovic@yahoo.com

# ***ECONOMIC SIGNIFICANCE OF THE CLUSTERS FOR THE DEVELOPMENT OF ENTREPRENEURSHIP IN SERBIA***

***Zlatica Pesic<sup>14</sup>***  
***Danka Milojkovic<sup>15</sup>***

***Abstract:*** *The subject of this paper is the analysis of the influence of Auto clusters of Serbia on the development of entrepreneurship, increase in competitiveness of car parts producers through the effect on an increase in export and access to new markets, flows of foreign direct investments, encouragement and development of innovation and technology, regional development and making connections between various sectors. Multiple reciprocal relations which are generated through clusters are the answers to the globalization, which forces enterprises and institutions to concentrate on their own key abilities and to take over the responsibility for a small part of the chain of creating new values from the raw materials into the final product. Connecting the production, science and education is today's necessary precondition for increasing the competitiveness. Nowadays, the policy of clusters represents the leading concept of regional encouragement to the economy, and cluster represents the instrument of further development of entrepreneurship.*

*Primary goal of this paper is to emphasize that the application of the cluster concept is the answer to the globalization, a desirable concept in Serbia and exceptionally effective instrument of marketing and economic policy in conducting a strategy for the development of auto industry of Serbia. Scientific and social validity of the research in this paper is seen in the contribution which can influence the future regional development of Serbia, SMEs and especially the auto industry. It can give answers to the questions such as how to attract direct foreign investments, what can be offered in means of economic and productive advantages to those who will come with the programs and start their own businesses in Serbia. This paper is the result of five-year long following of the process of introducing clusters into auto industry in Serbia, as well as the intensity of participants' cooperation and the dialogue between the industry, scientific institutions and the state.*

***Key words:*** *Cluster, Competitiveness, New Technologies, Entrepreneurship, Regional Development*

*JEL classification: L26, R11*

---

<sup>14</sup>Zlatica Pesic, "Tigar" AD, Pirot, Serbia, zlatica.pesic@tigar.com

<sup>15</sup>Danka Milojkovic, Clusterhouse, Nis, Serbia, danka@clusterhouse.rs

## **INNOVATIONS IN THE FUNCTION OF DEVELOPING COMPETITIVENESS AND EFFICIENCY IN THE REPUBLIC OF SERBIA**

**Sladjana Vujicic**<sup>16</sup>

**Elena Baranenko**<sup>17</sup>

**Stefan Prljic**<sup>18</sup>

***Abstract:** According to the Report on competitiveness made by World Economic Forum for the year 2012, Serbia takes the 95th place on the list that comprises 144 countries. The leading places at the list are taken by countries which are led by innovations and which invest in innovations, because they are extremely significant factor of competitiveness, both at the national and global markets. For every entrepreneurial activity, innovations are a challenge and it is also crucial to connect technical possibilities to the needs of a market. Since SMEs are potential generator of new ideas and innovations it is very important to create possibilities for development of innovative activities in this sector.*

*This paper shows the significance of innovations and the development of innovative activities in Serbia with the aim of improving the competitiveness and efficiency of the economic system of the Republic of Serbia.*

**Key words:** Innovation, Competitiveness, Competitive Advantage, Efficiency, Serbia

*JEL classification: O31*

---

<sup>16</sup>Sladjana Vujicic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sladjana.vujicic@vspep.edu.rs

<sup>17</sup>Elena Baranenko, Institute of Economic Sciences, Belgrade, PhD student at The Faculty of International Relations, Department International Trade, The University of Economics in Prague, Czech Republic, elena.baranenko@ien.bg.ac

<sup>18</sup>Stefan Prljic, MSc student at the Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, stefanlapovo@gmail.com

# **COMPARATIVE ANALYSIS OF THE ECONOMIC STRUCTURE - FACTORS AND DISPROPORTIONS IN THE ECONOMIC DEVELOPMENT**

*Vera Karadjova*<sup>19</sup>

**Abstract:** *The analysis of each national economy as an economic reality begins with the study of economic structure, because through that study are revealed not only basic features and functioning of the economy as a whole, but also the structure and volume of production of goods and services, i.e. information about what, how and in which industries or sectors everything is produced. In that sense paper provides an overview of the Macedonia economic structure, the factors that determine the economic structure in general and the dominant factors that determine the structure of the Macedonian economy. As a result of this analysis one very important problem in every economy is recognized, the interconnectedness and interdependence of activities and branches and disproportions in the economic structure as a limiting factor for development in order to propose directions to overcome discrepancies in the structure. In addition, this paper makes a comparative analysis with some surrounding countries and the EU member countries.*

*Using specific methods of economic structure analysis (input-output tables, material balances, etc.) can be determined whether and how a sector or branch is associated with other sector and branches, whether domestic production of some very important products is enough to satisfy the domestic needs or there is a need for import and so on. The structure as the percentage composition of the economy can be analyzed by: the share of individual sectors and activities in the creation of gross domestic product, percentage of employees or the active population in certain sectors, activities and branches (which means, in which sectors and industries the population is employed), the percentage of allocation, distribution of fixed assets in different sectors and branches (how and where, in which activities they are engaged). The paper also addresses the problem of unemployment.*

**Key words:** *Economic Structure, Factors, Disproportions, Comparative Analysis, Unemployment*

*JEL classification: O11, E24*

---

<sup>19</sup>*Vera Karadjova, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, verakaradzo@yahoo.com*

## **ANALYSIS OF LEASING INDUSTRY IN SERBIA AND ITS IMPACT ON ECONOMIC DEVELOPMENT**

**Radomir Vujadin**<sup>20</sup>

**Goran Kvirgic**<sup>21</sup>

**Dragan Ivkovic**<sup>22</sup>

**Abstract:** *Business practice in market economies has shown that the realizing of various investment projects and the growing need for investments cannot be satisfied only by classic forms of financing. The goal of this paper is to represent leasing as a special form of business finance and to show the specific traits of leasing transactions which adapted to the specific needs and showed significant advantages comparing with other forms of finance. The methods used in this paper are a combination of descriptive and analytic research methods. The essence of financial leasing as a business, the real leasing, is the lack of personal funds, or some other reasons, and then the lessee obtains the equipment necessary for economic exploitation and generating of certain revenue. Transactions of financial leasing, in respect to classic loans, provides the production and by using new equipment, as a subject of leasing, the necessary industrialization. The investments realized by financial leasing have continuity. Placements are found in industry, agricultural mechanization, construction machines and transport. The production meant for export should be a strategic direction of our economic policy, and the financing by leasing is a significant instrument for achieving this goal. The development of leasing industry in Serbia significantly contributes to stability and economic development, influences the increase in employment and represents the possibility for introduction and application of new technologies.*

**Key word:** *Financial Leasing, Lessee, Lessor, Business Financing*

**JEL classification:** *O10, M21*

---

<sup>20</sup>Radomir Vujadin, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, r.vujadin@gmail.com

<sup>21</sup>Goran Kvirgic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, goran.kvirgic@vspep.edu.rs

<sup>22</sup>Dragan Ivkovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, dragan.itc@gmail.com

# **IMPACT OF TOURISM ON REGIONAL ECONOMIC DEVELOPMENT**

**Vera Karadjova<sup>23</sup>**  
**Katerina Angelevska-Najdeska<sup>24</sup>**

**Abstract:** *The paper stresses the impact of tourism on the economic development, especially on the regional economic development. Using that aspect of development, the aim of this paper is to discover a part of potential factors for mutual regional development of the Balkan Peninsula states, especially in the sphere of tertiary activities and tourism in that frames. Further detailing will be direct on utilization of natural wealth as favorable climate conditions and natural beauties as comparative advantage of the Balkan region that fortunately remain almost untouched by the contemporary polluters present in the other parts of the world. This kind of analysis must stress not only the current situation, but especially have to determine future directions through different programs in order to achieve positive impact on development process.*

*Using natural benefices as a real development factor will be examine through a theoretical model for Republic of Macedonia, and then in a broader region with which Macedonia has natural relations. That is because Republic of Macedonia is a small country situated in the southern part of the Balkan Peninsula and it is a natural bridge between east and west, north and south. Priorities in Macedonian development perspectives are: to increase the economy efficiency and to achieve sustainable development; to increase employment and improve social conditions; to develop open economy and to ensure necessary domestic products protection; and export orientation of the economy. In order to accomplish those basic directions and development priorities, a number of limiting factors have to be overcome. One of the possible solutions may be creating tourism regional development strategy, using the possibilities for attracting visitors from large metropolises. That gives possibility for using tourism and especially its ecological aspects as one of the most important segments for realization of the regional development of Macedonia and a broader Balkan region.*

**Key words:** *Economic Development, Regional Aspect, Tourism, Factors for Economic Development*

*JEL classification: O18*

---

<sup>23</sup>Vera Karadjova, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, verakaradzo@yahoo.com

<sup>24</sup>Katerina Angelevska – Najdeska, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, k\_angel\_naj@yahoo.co.uk

# **ANALYSIS AND EVALUATION OF THE EFFICIENCY OF LOCAL ECONOMIC DEVELOPMENT AS DEFINED IN STRATEGIC DOCUMENTS OF LOCAL COMMUNITIES IN BOSNIA AND HERZEGOVINA**

*Zeljka Pejic*<sup>25</sup>

**Abstract:** *The key objective of this research paper is to analyze the process of project implementation and monitoring, as well as to evaluate the strategic documents of local communities based on which the strategic goals of development are achieved. The municipalities have been divided into three groups, depending on the municipality area and population; and the sample consisted of 24.6% of the total number of the municipalities in B&H. The content analysis of the documents has included the analysis and the evaluation of the integrated development strategy, the budget analysis for fiscal year 2012, and other strategic documents.*

*After a detailed analysis of all the important features of the local governments, local communities, their capacities and financial resources, as well as the strategic foundations of local development, it has been concluded that the local governments do not fully exploit their potential. Only 18% of the local development strategies have integration with higher-level strategies. The budget analysis, has shown that 40% of the local governments are indebted long-term for the implementation of capital projects. It is interesting that those local governments belong to the group which does not have the biggest budget, especially the revenue side, which should primarily consist of their own revenues.*

*The local development in B&H can be much better, with up to a 50% increase in the number of implemented capital projects, if the local government establishes a continuous monitoring and evaluation of project implementation, and propose the budget of the local governments according to the real capabilities of the local communities. The research is also relevant to the comparison of the situation in the other countries of the Balkans; and the example of Bosnia and Herzegovina may serve as the initial basis for similar studies in other countries in the region.*

**Key words:** *Local Government, Local Communities, Local Development, Integrated Strategy*

*JEL classification: M38, O21*

---

<sup>25</sup>*Zeljka Pejic, University "Vitez" in Travnik, Bosnia and Herzegovina, [zeljka.pejic@bih.net.ba](mailto:zeljka.pejic@bih.net.ba)*



## **DECISION MAKING MODEL IN STRATEGIC MULTIVARIATE PLANNING UNDER UNCERTAINTY**

**Dragan Milosevic**<sup>26</sup>  
**Dragica Jovancevic**<sup>27</sup>  
**Sladjana Vujicic**<sup>28</sup>

**Abstract:** Starting from the end of the 20<sup>th</sup> and in the beginning of the 21<sup>st</sup> century, external organizational environment has seen fast, frequent and radical changes, due to which it has become increasingly turbulent. Within such an environment, the speed at which organizations perform necessary adjustments to the changes in external environment has become imperative for the survival of any organization. Practical application of strategic planning has thus been limited to a considerable extent, along with the implementation of this entire concept. The issue of duality in the time horizon of the organizational goals in the long and short term additionally highlights the problem of establishing, adjustment and implementation of the long-term organizational goals. Complexities and high rate of environmental changes have forced the managers to focus on the key drivers of changes in external environment. In order to perform management functions within the environment overflowing with such complex changes, new models have been introduced. By simplifying the actual phenomena, models have been created with their specific implementation procedures that are intended to facilitate and speed up the decision making process for strategic decisions. Analysis and abstraction of actual phenomena applied through simplification provides a new tool that is practical to use. Simplification of actual phenomena, by using the models, reduces the complexity of the management decision making system and, in turn, improves its application in practice. The purpose of this paper is to present the decision making model in strategic multivariate planning and to highlight the problems with its practical application. Applied methods of research are as follows: analysis, abstraction and modelling.

**Key words:** Strategic Planning

**JEL classification:** O21

---

<sup>26</sup>Dragan Milosevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [dmilosevic@ikomline.net](mailto:dmilosevic@ikomline.net)

<sup>27</sup>Dragica Jovancevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [dragica.jovancevic@vspep.edu.rs](mailto:dragica.jovancevic@vspep.edu.rs)

<sup>28</sup>Sladjana Vujicic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [sladjana.vujicic@vspep.edu.rs](mailto:sladjana.vujicic@vspep.edu.rs)

## **CREATIVE AND MANIPULATIVE ACCOUNTING**

**Milenko Pavlovic<sup>29</sup>**  
**Dragana Vojteski Kljenak<sup>30</sup>**  
**Slavoljub Sljivic<sup>31</sup>**

**Abstract:** *Creative accounting is based on the need to provide real information displayed in the financial reports related to financial positions and business results of the companies, by using the flexible accounting regulatory framework. With this goal, the IAS and IFRS introduces the institution of estimating assets and liabilities at market "fair" value (IAS 16, IAS 39, etc.) and Institute of impairment of assets (IAS 36). However, applications of these institutes have "cleared the space" for manipulation with the financial reports, on which has greatly contributed very complex, and in some areas unclear accounting standards. Although, the aim of creative accounting is to give a true and fair presentation of items in the financial reports, in some cases it's turned into a manipulative accounting.*

*The aim of this paper is to clarify the differences between the types of accounting practices, pointing on what could be improved in the practices.*

**Key words:** *Creative Accounting, Manipulative Accounting, Standards, Implementation*

*JEL classification: M41, D04*

---

<sup>29</sup> Milenko Pavlovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, milenkop@privsav.rs

<sup>30</sup> Dragana Vojteski Kljenak, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vojteski@live.co.uk

<sup>31</sup> Slavoljub Sljivic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sensa037@gmail.com

## ***NEW DIRECTIONS IN MANUFACTURING***

***Vlado Radic***<sup>32</sup>  
***Rade Stankovic***<sup>33</sup>  
***Jelena Jovovic***<sup>34</sup>

***Abstract:*** *The manufacturing enterprise in future must adapt to work within the new manufacturing paradigms that are now being created. The better, faster, cheaper paradigm will remain a driving force as companies manage shorter cycle times, increased quality requirements, and customer demands for lower costs. Successful companies will be the ones that can strike a balance between these three challenges. A broader concept of manufacturing will be used in the future, including software to convert information and materials into useful products, biotechnology in the manufacturing process, and aspects of agribusiness that complement the production process. Creativity and innovation will be the bases for this new concept as societal structures become more knowledge-based, dynamic, fluid, and globally distributed. The new model of a manufacturing enterprise is simpler, modular, and looks at innovative production methods to achieve greater benefits.*

*The paper discusses new directions in production, with an emphasis on the challenges, transformation, energy intensiveness and technological innovation.*

***Key words:*** *Manufacturing, New Directions, Challenges, Transformation, Innovations*

*JEL classification: L60, O31*

---

<sup>32</sup>Vlado Radic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vlado.radic@vektor.net

<sup>33</sup>Rade Stankovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, pep.stankovic@gmail.com

<sup>34</sup>Jelena Jovovic, Faculty „Dositej“, Trn, Laktasi, Bosnia and Hercegovina, jelenax8@gmail.com

## ***SPECIFICS OF VOLUNTARY HEALTH INSURANCE AND DEVELOPMENT OPPORTNITIES IN THE MARKET OF THE REPUBLIC OF SERBIA***

***Jovan Savic***<sup>35</sup>  
***Milan Gavrilovic***<sup>36</sup>  
***Jelena Gavrilovic***<sup>37</sup>

***Abstract:*** Health care expances show a significant participation in national income. This, in the other hand, reflects the fact that the "production of health" has become extremely expensive "factory" in almost all countries of the modern world. The problem of financing health care lies in the the problem of rising costs. Because of that is constantly looking for new solutions and reforms. The reform is aimed at overcoming disproportion between needs and possibilities, which is the result of demographic changes and moral hazard in the behavior of the insured. The prognosis is that causes of a disproportions will have negative trend in the future. Therefore, it is necessary to find a solution that will, with high quality health care to the population, to provide the financial stability of the health system. According to one option the possibility to improve the situation can be seen in the development of voluntary health insurance, based on the analysis of market share and legislation of voluntary health insurance in the Republic of Serbia. In recent years, in favor of this option specifies the modest results achieved by reforms in recent years.

***Key words:*** Health Care, Voluntary Health Insurance, Reform, Market Share, Legislation

***JEL classification:*** I11, I13, K32

---

<sup>35</sup> Jovan Savic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, jovsavic@sezampro.rs

<sup>36</sup> Milan Gavrilovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sagatagm@gmail.com

<sup>37</sup> Jelena Gavrilovic, MSc student at the Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, sagatajs@gmail.com

## **POSSIBILITIES FOR DEVELOPMENT OF LIFE INSURANCE MARKET IN SERBIA**

**Ivan Piljan**<sup>38</sup>

**Bratislav Milosevic**<sup>39</sup>

**Natasa Vujadin**<sup>40</sup>

**Abstract:** *The sector of insurance has a significant influence on economic and trade development of every country. The Serbian market is in the group of developing markets with significant potential in the segment of life insurance first of all. The speed of growth of life insurance market in Serbia has been different and it showed great exposure to external and internal influences of various factors. One of the characteristic observations is that the citizens of Serbia do not have an adequate awareness of the significance, content and need of life insurance for solving social, health and financial problems in every individual's future. Domestic insurance sector is currently underdeveloped since it is currently under the average rate of development when compared to the states members of European Union and to the countries in the region. In order to achieve the wanted growth of life insurance market, an adequate marketing strategy has to be set in motion as well as certain political and market processes which will, along with the transition of the existing PDIF and health systems lead to higher level of citizen's perception of the need for life insurance.*

**Key words:** *Insurance, Life Insurance, Insurance Market, Serbia*

*JEL classification: G22*

---

<sup>38</sup>Ivan Piljan, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, piljanwvp@gmail.com

<sup>39</sup>Bratislav Milosevic, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, bratislavmilosevic@yahoo.com

<sup>40</sup>Natasa Vujadin, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, natasavujadin@gmail.com

## **COMPARATIVE ANALYSIS OF THE LIFE INSURANCE IN THE REPUBLIC OF MACEDONIA AND THE REGION**

*Bratislav Milosevic*<sup>41</sup>

*Dusan Cogoljevic*<sup>42</sup>

*Ana Aleksic*<sup>43</sup>

**Abstract:** *Inspired by the actual transition of the life insurance market “incited” by the financial crisis in The Republic of Macedonia, as well as the conditions in this sphere in the region and wider, in this work I would like to highlight the meaning of the life insurance in the developing countries and the already developed market economy.*

*In this work, i have made a descriptive-causal elaboration of the meaning of the life insurance, as a development factor for the economic-financial situation in one national economy. With the help of the empirical, analytical and comparative method, the place and the role of the life insurance will be analyzed and compared, in other words the life insurance companies and their causal successive connection with the fulfillment of the goals of the company.*

*The purpose of this research is to point out the fact that the life insurance and the insurance companies have a particular effect on the economic growth and development, in other words the overall welfare of one country.*

*The Republic of Macedonia and the countries in the Region in the period between 2008 and 2012, according to the data received from the accomplished life insurance premium are under the average of the European Union.*

*The life insurance, as it is today, is a product of a particularly long development process, where the significant importance from one side was the necessity for economical protection from the risks, and from the other side were the opportunities given from the insurance techniques.*

*Within the world framework, in the structure of the whole stipulated policy premium, life insurance takes part with a great 56.8%, while in the Region it is even higher, 60.4%. In the Republic of Macedonia in 2012 was 8.5%.*

**Key words:** *GDP per capita, Total Stipulated Policy Premium, Premium of Life Insurance, Penetration of The Life Insurance and Density of The Life Insurance*

*JEL classification: I16*

---

<sup>41</sup> Bratislav Milosevic, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, bratislavmilosevic@yahoo.com

<sup>42</sup> Dusan Cogoljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, dusan.cogoljevic@vspep.edu.rs

<sup>43</sup> Ana Aleksic, Best Western Hotel Šumadija, Belgrade, Serbia, ana.aleksic@hotelsumadija.com

# **THE IMPORTANCE OF FRANCHISING FOR DEVELOPMENT OF SMALL AND MEDIUM-SIZED ENTERPRISES IN REPUBLIC OF SERBIA**

*Saveta Vukadinovic*<sup>44</sup>

*Jovanka Popovic*<sup>45</sup>

*Marija Komatina Al-bashir*<sup>46</sup>

**Abstract:** *The subject of this paper is franchising, as a method of economic development and a new way of business in the domestic market. The aim of paper is to show, based on previous experience in applying of franchising in Republic of Serbia as a country in transition, the potential, unused areas, and the cause of not accepting franchising on a larger scale.*

*The paper will be applied the method of description, the method of explication, the method of content analysis, a method of comparison and methods of field research, with special emphasis on the impact of franchising at the development of small and medium-sized enterprises in Republic of Serbia.*

*Within the available material will be used research studies, publications, and official reports of European Franchising Federation, International Franchise Association, Centre for Franchising of Serbian Chamber of Commerce, Serbian Franchise Association, also as the other appropriate national and international literature.*

**Key words:** *Franchising, Advantages of Franchising, SMEs*

*JEL classification: L26*

---

<sup>44</sup>*Saveta Vukadinovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, savetavukadinovic@yahoo.com*

<sup>45</sup>*Jovanka Popovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, jobajcetic@gmail.com*

<sup>46</sup>*Marija Komatina Al-bashir, Faculty of Technical Sciences, Novi Sad, Serbia*

## ***SMALL AND MEDIUM ENTERPRISES IN THE DEVELOPMENT OF BUJANOVAC MUNICIPALITY***

***Edita Kastratovic***<sup>47</sup>

***Milan Dragic***<sup>48</sup>

***Vesna Cilerdzic***<sup>49</sup>

***Abstract:*** This paper is based upon the researches conducted while creating the development strategy for Bujanovac municipality. The analysis of the current economic potential of Bujanovac municipality, as underdeveloped municipality on the territory of Southern Serbia, is conducted with all its specificities. The results of the research are given along with the suggestions of measures and instruments for advancement and development of small and medium enterprises, as well as the promotion of clusters and business incubators in the function of solving issues, faster development and economic stabilization in the municipality.

***Key words:*** Small and Medium Enterprises, Clusters, Business Incubators

***JEL classification:*** L26

---

<sup>47</sup>Edita Kastratovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [kastratovice@yahoo.com](mailto:kastratovice@yahoo.com)

<sup>48</sup>Milan Dragic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [milan.dragic79@gmail.com](mailto:milan.dragic79@gmail.com)

<sup>49</sup>Vesna Cilerdzic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [vesnabk@yahoo.com](mailto:vesnabk@yahoo.com)



# **THE IMPACT OF GLOBALIZATION ON GLOBAL BUSINESS DEVELOPMENT**

**Sasho Kozuharov<sup>50</sup>**  
**Natasha Ristovska<sup>51</sup>**

**Abstract:** *The aim of this paper is to provide an understanding of the impact of the process of globalization on the world economy and on the business activities of global enterprises.*

*The global challenges research focuses on the drivers and dimensions of the trend of globalization. In addition, there is explanation of the social effects of market globalization and the effect of market globalization on the enterprise level. Analysis of the different types of risk for global business development is included. Furthermore, it elaborates the differences between the global and national business activities.*

*The paper examines the causes and motives for the global expansion of the business activities. The need of global enterprises to create and maintain competitive advantage in the global market is presented.*

*Finally, this paper highlights the key functional aspects and increasing importance of the application of the concept of global business development and entering new markets for successful realization of companies' strategic goals.*

**Key words:** *Globalization, Global Market, Global Enterprises, Global Business*

*JEL classification: F60, F23*

---

<sup>50</sup> Sasho Kozuharov, University of Tourism and Management, Skopje, Republic of Macedonia, s.kozuharov@utms.edu.mk

<sup>51</sup> Natasha Ristovska, University of Tourism and Management, Skopje, Republic of Macedonia n.ristovska@utms.edu.mk

## **GLOBALIZATION - SERBIAN CASE**

**Dejan Vukosavljevic**<sup>52</sup>  
**Danijela Vukosavljevic**<sup>53</sup>  
**Dragoljub Vukosavljevic**<sup>54</sup>

**Abstract:** *The main purpose of this paper is to analyze globalization as a term and a social process, its qualities, as well as challenging its methods by a large number of national economies in the world through international economic organizations, with particular reference to Serbia and the influence of growth of entrepreneurship and employment. The methods used in writing of this paper are desk researches, as well as models of analyses of actions of the international economic organizations in globalization, financial data and indicators of international financial, trade, banking organizations and use in practice.*

*A significant role in the process of globalization belongs to economic connections and in that respect to establishing of economic and political organizations and international law. In the scientific analysis of this issue, national and economic specifics of the process accompanying globalization must not be neglected, since they are not resistance to globalization, but are more significant for the analysis. In the research and analysis of the processes accompanying globalization one should bear in mind that their essence is economic globalization which influences employment and development of small, medium and large enterprises. This paper is a contribution to the investigation of the subject since it presents economic globalization in which in the planetary setting the rule of international economic organizations which changes the positions of national economies arises.*

**Key words:** *Globalization, International Organizations, Single Economic Space, Capital*

*JEL classification: F60, F63, F69*

---

<sup>52</sup>Dejan Vukosavljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vukosavljevic.dejan@gmail.com

<sup>53</sup>Danijela Vukosavljević, Raiffeisen Bank International, Vienna, Austria, danijela.vukosavljevic@rbinternational.com

<sup>54</sup>Dragoljub Vukosavljević, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vukas@eunet.rs

## **THE EFFECTS OF GLOBALIZATION ON SMALL AND MEDIUM ENTERPRISES IN THE REPUBLIC OF MACEDONIA**

*Argjina Karemani*<sup>55</sup>  
*Arjeta Amzai*<sup>56</sup>

**Abstract:** *About The term 'globalization of economies' we have heard often in recent times, in particular to explain the development of international enterprises and the growth of international trade in goods, services, capital and labor. In the scientific literature have been carried out various works on globalization and its effects on the economies of different countries. However, among the many studies of this issue, very few studies have been done to examine empirically the effect of globalization on small and medium enterprises. Our research includes the effects of globalization on SMEs in the Republic of Macedonia. Numerous efforts have been made to answer questions about the effects of globalization on SME-s.*

*The position of enterprises after the signing free trade agreement in the country has improved and has enabled SME-s to modernize their technology and products, develop different strategies in order to maintain its market position and penetration in foreign markets.*

**Key words:** *Globalization, SMEs, Economic Development*

**JEL classification:** *F60, F63*

---

<sup>55</sup> *Argjina Karemani, State University of Tetovo, Tetovo, Republic of Macedonia, argjina\_20@hotmail.com*

<sup>56</sup> *Arjeta Amzai, State University of Tetovo, Tetovo, Republic of Macedonia, jeta\_gaxi@yahoo.com*

## **AGGLOMERATION ECONOMY: OPPORTUNITIES AND CHALLENGES FOR ALBANIA**

*Orsiola Kurti*<sup>57</sup>

**Abstract:** *Clusters have centred the development discourse in the recent years and they have also been incorporated in the economic agendas of both developed and developing countries. In the recent decades, there was a promotion of policies aiming to support small and medium enterprises (SMEs), as one of the core units of cluster formation.*

*The benefits of agglomeration economies were identified early on by Alfred Marshall in the year 1919. Since the publication of Michael Porter's "The Competitive Advantage of Nations" in 1990, literature on clusters and potential impact in economic development and competitiveness has grown significantly. Clustering as an economic policy concern has become fashionable, stimulated especially by the success of the industrial districts of the so-called 'Third Italy' (Pitelis et al, 2006).*

*This paper argues that cluster development policies in developing countries are feasible to the extent that they are based not only in the common will of replicating successful models from developed countries, but they also consider local contexts in terms of economic situation, local and regional entrepreneurial initiatives, capital and human resources and social structures. Based on the extensive literature review and analysis of secondary sources on clustering worldwide, this paper will take an eclectic approach to investigate the feasibility of cluster development. One of the most comprehensive and systemic approaches of clustering for developing countries adopted in this research paper is put forward by Mario Davide Parilli (2007). His eclectic approach takes into consideration the spontaneous approach, the policy inducement approach and the social approach. To illustrate this, the paper will further investigate on two case studies, starting with an analysis of the Albanian economy in relation to clusters and some lessons learned from Italian industrial districts. Finally, the paper will conclude with some policy implications based on the eclectic approach in order to enhance growth and competitiveness of local economies in Albania.*

**Key words:** *Cluster Development, Agglomeration Economy, Spontaneous Approach, Policy Inducement, Social Approach*

*JEL classification: L26, Z13*

---

<sup>57</sup>Orsiola Kurti, Institute for Democracy and Mediation, University of Tirana, Tirana, Albania, orsiola.kurti@gmail.com

## ***INTERNATIONAL TRADE AND FREE EXCHANGE AS A WAY OF MODERN EXPLOITATION***

***Milan Beslac***<sup>58</sup>

***Jovica Beslac***<sup>59</sup>

***Ljiljana Zipovski***<sup>60</sup>

***Abstract:*** Free market, as a starting global base, is unquestionably accepted. It is believed that its power brings wealth to everybody to the economic balance. Domestic economies are ruined, entrusted, fall in poverty, so as to build European in future. Respecting the requests of the free market and pieces of advice of globalists, so as to develop and successfully join European Union it is not necessary nowadays to have a large scaled companies and hard working within them. Instead, there is a need for incubators, workshops, family business and small and medium sized enterprises.

*This paper specially elaborates: free trade – the way of global servitude and new economic systems.*

***Key words:*** Globalization, Trade, Development

*JEL classification: F60, F10, O10*

---

<sup>58</sup> Milan Beslac, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, milan.beslac@galeb.com

<sup>59</sup> Jovica Beslac, Student at the Faculty of Civil Engineering Belgrade, Student at the Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia

<sup>60</sup> Ljiljana Zipovski, Banca Intesa, Belgrade, Serbia

## **HARMONISATION OF TRADE AND TRADE LAW BETWEEN SERBIA AND EU IN TERMS OF GLOBALISATION**

**Milica Stankovic<sup>61</sup>**

**Danijela Glusac<sup>62</sup>**

**Abstract:** *In terms of globalisation, it is necessary to pay special attention to the development of trade in Serbia. Regarding this, it should be emphasized the importance of trade and the harmonisation of trade law between Serbia and the European Union. Serbia is developing its trade relations with the world through the conclusion of trade agreements with neighboring countries, through trade cooperation with the EU and through the negotiations on accession to the World Trade Organization. The paper points out the necessity of harmonising trade policy of Serbia with the EU, which takes place in two directions. The first direction indicates the development of preferential trade through the conclusion and implementation Interim Trade Agreement. The second direction is related to the harmonisation of national legislation with the legislation in EU in the field of trade relations. The paper highlights a number of benefits that are achieved through the harmonisation of trade and commercial law between Serbia and the EU in terms of globalisation.*

**Key words:** *Trade, Harmonisation, Trade Law, Globalisation, EU*

*JEL classification: F10, F60*

---

<sup>61</sup>Milica Stankovic, Higher School of Professional Business Studies, Novi Sad, Serbia, milica.stankovic.vps@gmail.com

<sup>62</sup>Danijela Glusac, Higher School of Professional Business Studies, Novi Sad, Serbia, daniglu@sbb.rs



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART TWO***

***ENTREPRENEURSHIP AND FINANCE***







## **THE IMPACT OF GLOBAL ECONOMIC AND FINANCIAL CRISIS ON FINANCIAL POSITION OF THE ENTERPRISE FROM SERBIA**

**Dragana Beslic<sup>63</sup>**

**Ivana Beslic<sup>64</sup>**

**Abstract:** *The survival, growth and development of enterprise, and therefore and the ability of finance enterprises in conditions of the global economic - financial crisis, were determined by financial position of the enterprise. The financial position of the enterprise is expressed its quantity and structure of the assets and capital, and by their interrelations - which are recorded in the balance sheet and income statement of the enterprise. The rating of financial position of the enterprise is based on the analysis of short and long term financial balance, analysis of indebtedness and the analysis of reproductive performance of the enterprise.*

*The management of the enterprise based on analysis of financial position of the enterprise can develop a strategic option for the prevention and elimination of consequences of current economic - financial crisis and take action (measures) that will lead to profitable growth and development of the enterprise in the future. Therefore, the subject of this paper is devoted just it. The main objective of this paper is to show a practical example of analysis of financial position of the enterprise - factory of the leather "Ruma" from Ruma for the period since 2006 until 2009 year, which to management of enterprise serves as the basis for conclusion on the development of the enterprise in conditions of the global economic - financial crisis. In this paper are used following research methods: an overview relevant scientific literature, the method of analysis, the method of synthesis, the method of induction, method of deduction, historical method, mathematical method, ratio analysis, comparative method, a case study.*

**Key words:** *Economic and Financial Crisis, Enterprise, Analysis of The Financial Position, Management, Development*

*JEL classification: M41*

---

<sup>63</sup>Dragana Beslic, Higher School of Professional Business Studies, Serbia, PhD student at the Faculty of Economics, Subotica, Serbia, d.beslic@yahoo.com

<sup>64</sup>Ivana Beslic, Higher School of Professional Business Studies, Serbia, PhD student at the Faculty of Economics, Subotica, Serbia, beslic.ivana@yahoo.com

## **PERFORMANCE OF MSCI WORLD INDEX DURING THE GLOBAL FINANCIAL CRISIS: VALUE-AT-RISK APPROACH**

**Sinisa Miletic**<sup>65</sup>

**Boris Korenak**<sup>66</sup>

**Ivana Ivanis**<sup>67</sup>

**Abstract:** Recent global financial crisis is a major turmoil event which permeated all over the world irrespective of developed or emerging countries. Value at Risk (VaR) was introduced in the Basel Accord and has become a standard measure of market risk. Banks and other financial institutions often use the concept of Value-at-Risk as a measure of market risk. The aim of this paper is to analyse the effectiveness of GARCH models in estimating Value-at-Risk for MSCI World Index, one of the most widely known benchmark for global stock funds, before and during the financial crisis. Daily returns of stock market index MSCI is analysed during the period Jun 3, 2002 to March 22, 2013 in respect. We employ symmetric GARCH and asymmetric GARCH models, as VaR forecast models. One-day-ahead VaR performance under 95% and 99% confidence levels is evaluated with realized profit and loss for 200 observations in selected stock market indices. The performance of the VaR is assessed by Kupiec test unconditional coverage which represent the most famous test in this group. Results of backtesting show that assessed Value-at-Risk for EGARCH model is adequate for both confidence level according to Kupiec test for pre crisis period. On the other hand, EGARCH (2,1) model used for calculating VaR with 99% confidence level according to Kupiec test seems to be adequate if we assume both normal and Student's *t* distribution of returns. At the same time, EGARCH (2,1) model did not pass Kupiec test at 95% confidence level with assumption that residuals follow normal and Student's *t* distribution. Since, Basel Committee prescribes testing VaR model adequacy at 99% confidence level, at these confidence level our results show that VaR calculation based on EGARCH model is adequate measure of downside risk.

**Key words:** Financial Risk, MSCI World Index, Value-at-Risk, GARCH models, Kupiec Test

*JEL classification:* G32, C14, C22, C52

---

<sup>65</sup>Sinisa Miletic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sikimil72@gmail.com

<sup>66</sup>Boris Korenak, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, korenak.boris@hotmail.com

<sup>67</sup>Ivana Ivanis, Alpha bank, Belgrade, Serbia, ivana\_ivanis@hotmail.com

## **PROBLEMS OF FINANCING INVESTMENTS UNDER AN UNSUSTAINABLE RELATIONSHIP BETWEEN THE BUDGET DEFICIT AND PUBLIC DEBT**

**Jovan Savic**<sup>68</sup>  
**Marina Bugarcic**<sup>69</sup>  
**Milan Gavrilovic**<sup>70</sup>

**Abstract:** *The paper aims to highlight the important problems of the budget deficit and public debt and its impact on economic growth. To explore the effects of budget deficits and public debt in macroeconomic relationships and aggregates (interest rate, public spending, private consumption, private investment, national income), of relevant studies and articles, as well as reports and publications (national and international). Debt crisis shakes almost all developed economies of the world. Debt implosion and explosion of development is characteristic of the economy of Serbia. The constant growth of foreign indebtedness and obligations of debt has led to their automatic growth, regardless of the pace of economic growth. Annual debt obligations exceed the last few years the amount of growth of gross domestic product. Realistically opens the problem of insolvency in international financial relations. This paper examines the relations between the dynamics of growth and rising foreign debt, the pressure of debts, factors and indicators of indebtedness. A section refers to the connection between investment and borrowing, and the inflow of capital and funding sources, with particular emphasis on domestic sources of financing, foreign direct investment and portfolio investment. The problems that we would like to point out are: the actual amount of the deficit of the consolidated budget deficit and the official system of financing the deficit, but the huge problems that will arise in the coming years in budgetary policy. The main results of the analysis indicate a crisis of public finances, which are accumulated for many years, with a growing budget deficit and the dominant external financing of the budget deficit and investment.*

**Key words:** Foreign Debt, Debt Indicators, Investment, Interest Burden, Fiscal Policy

*JEL classification:* E20, E60, H60

---

<sup>68</sup>Jovan Savic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, jovsavic@sezampro.rs

<sup>69</sup>Marina Bugarcic, PhD student at the Tax Management, Belgrade, Serbia, bugarcicm.vbpps@gmail.com

<sup>70</sup>Milan Gavrilovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sagatagm@gmail.com

## **MACROECONOMIC STABILITY AS PRECONDITION FOR INCREASE IN PROPENSITY TO INVEST**

***Ivana Rajkovic***<sup>71</sup>

***Buda Bajic***<sup>72</sup>

***Miladin Mihajlovic***<sup>73</sup>

***Branko Hinic***<sup>74</sup>

**Abstract:** *This paper aims to explain the long-run and short-run relationship between the share of investments in GDP and CPI as well as inflation volatility. We estimate error correction models on the quarterly data for Serbia for the period from 2002 to 2012. By estimating the two models we concluded that in the long run CPI as well as inflation volatility negatively affect the agents' propensity to invest. The results of this research suggest that macroeconomic stability that may be considered through stability of prices is a precondition for sustainable economic growth that is led by increased share of investments in the real GDP. Granger causality has proven the hypothesis that CPI as well as inflation volatility affect the propensity to invest.*

**Key words:** *Inflation, Volatility, Macroeconomic Stability, Investments*

**JEL classification:** *E22, E31*

---

<sup>71</sup>*Ivana Rajkovic, National Bank of Serbia, Belgrade, Serbia, ivana.rajkovic@nbs.rs*

<sup>72</sup>*Buda Bajic, National Bank of Serbia, Belgrade, Serbia, buda.bajic@nbs.rs*

<sup>73</sup>*Miladin Mihajlovic, National Bank of Serbia, Belgrade, Serbia, miladin.mihajlovic@nbs.rs*

<sup>74</sup>*Branko Hinic, National Bank of Serbia, Belgrade, Serbia, branko.hinic@nbs.rs*

## ***NEW POSSIBILITIES FOR FINANCING SMALL ENTERPRISES***

***Danijela Vukosavljevic***<sup>75</sup>

***Vladan Kovacevic***<sup>76</sup>

***Dragoljub Vukosavljevic***<sup>77</sup>

***Abstract:*** *This paper focuses on small and medium enterprises (SMEs), and its main aim is to explore the possibility of financing small enterprises from domestic and foreign funds. We used desk research method for processing relevant literature and other data collected from the relevant financial institutions. Initial hypothesis is that micro, small and medium-sized enterprises are of great importance for an economy and its development, primarily due to their number and the number of people they employ.*

*Financial institutions, above all banks, are increasingly more inclined towards financing small and medium enterprises because of the aspect of the investment risk, too. It is considered that investing in large corporations carries a greater risk regarding the possibility to service and pay off credits and loans. The expected results and contributions of this paper are confirmation of the importance of the sector of small and medium enterprises and a systematic review of the most significant funds and identification of the steps to be taken into that direction.*

***Key words:*** *Small and Medium Enterprises, Funding Sources, Financial Institutions, Risk*

*JEL classification: G01, G11, G15, G21, G28, G32*

---

<sup>75</sup>Danijela Vukosavljevic, Raiffeisen Bank International, Vienna, Austria,  
danijela.vukosavljevic@rbinternational.com

<sup>76</sup>Vladan Kovacevic, Tehnicom, Belgrade, Serbia, vladan.kovacevic@tehnicom.com

<sup>77</sup>Dragoljub Vukosavljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
vukas@eunet.rs

## **TRANSMISSION MECHANISMS OF MONETARY POLICY IN SERBIA WITH EMPHASIS ON THE INTEREST RATE CHANNEL**

**Goran Kvrđić<sup>78</sup>**  
**Radomir Vujadin<sup>79</sup>**  
**Natasa Vujadin<sup>80</sup>**

**Abstract:** *The Central Bank during the creation and conduct of monetary policy must have clear goals in order to establish the desired macroeconomic stability. Serbia, though already in the process of transition, still faces problems that were current in the 90-ies (high inflation, a high degree of dollarization, the budget deficit). Objective of this analysis was to examine to what extent the instruments and mechanisms of monetary policy of Serbia are effective. Special attention will be devoted to the movement of the interest rates in order to determine its impact on the movement of interest rates at the money market and the movement of the interest rates of commercial banks. The aim of this study was application of descriptive comparative method to assess the impact of the channel of interest rates on economic activity and inflation in our country. Actuality of the theme is undeniable. Inflation and its control is a long-standing problem of the Serbian economy. Its stabilization would be a proof of the success and effectiveness of the monetary policy of the National Bank of Serbia.*

**Key words:** *Reference Rate, Inflation, Interest Rate Channel, The Economic Activity*

*JEL classification: E58, E43, G21*

---

<sup>78</sup>Goran Kvrđić, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
goran.kvrđić@vspep.edu.rs

<sup>79</sup>Radomir Vujadin, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
r.vujadin@gmail.com

<sup>80</sup>Natasa Vujadin, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
natasavujadin@gmail.com

## ***COMPETITIVENESS IN BANKING – SPECIFICITIES AND POSSIBLE EFFECTS ON THE DECREASE IN LOAN PRICES***

***Ljubisa Lukic***<sup>81</sup>

***Abstract:*** *The existence of healthy and efficient banking sector is significant for every economy. Stability and competitiveness are the two most desirable traits of good functioning of the banking sector. Traditional business patterns which accentuate the safety of deposits, avoiding the trust issues, the severity of bankruptcy consequences, as well as the significance of the banks as the transmission of monetary policy, make banking sector less open to competition in relation to other sectors of economy, for a long time now.*

*This paper discusses the specificity of competition in banking sector after the transition with a special emphasis on considering the interest rates as the most sensitive indicator of the competitions' state. Numerous studies of benchmarking show that the interest rates in Serbia are among the highest in the region, which indicates the necessity of analysis of factors, which are significant for the more active competition in the function of decreasing the loan expenses and encouragement of economic growth.*

***Key words:*** *Banking Sector, Stability, Competition, Interest Rates, Market Environment*

*JEL classification: G21*

---

<sup>81</sup>Ljubisa Lukic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, pimlukic@yahoo.com

## **STATE AND POTENTIAL OF SERBIAN BANKING SEKTOR FOR FINANCING REAL SECTOR**

**Marija Marcetic**<sup>82</sup>  
**Danijela Maksimovic**<sup>83</sup>  
**Dragana Djuric**<sup>84</sup>

**Abstract:** *The quality and capacity of the finance sector affects the dynamics and quality of structural changes in the real economy, and consequently SMEs. The real sector of the economy in Europe is very dependent on financing through bank loans. This is especially the case in small and medium-sized enterprises making up a large part of the real sector in the region. Having this in mind, the threats and opportunities of the banking system are directly reflected to the functioning of the small and medium enterprises as the pillars of the Serbian economy. Starting from the hypothesis that a healthy banking sector is vital for development of real sector, (especially in countries where the banking system plays a major role in the financial system.) in the paper is detailed analyzed the status and operations of the banking sector in Serbia. Consolidation of domestic banks at the beginning of the transition process through the liquidation of large insolvent banks enabled strengthening the financial position of the banking sector, confidence in the banks, improved balance sheet structure, as well as capital adequacy ratio. The downward trend in the real credit growth started in early 2008, with the beginning of global economic crisis. The change of behavior patterns of banks subsidiaries operating in Serbia adversely affects the flow of capital due to the lack of liquidity in the international market. The banks, which until then had been the bearers of lending industry, have significantly reduced their lending, particularly to small and medium-sized enterprises. Although profitable, commercial banking sector, measured by the ratio of total assets, total loans and total deposits to GDP, is lagging behind in comparison with the banking systems of Central and Eastern Europe. Increased cost of capital, reduced availability of financing, slow credit activities, currency-induced credit risk, high interest rates remains the main problems witch directly affect the SMEs.*

**Key words:** *Banking System, Development, Reform, Credit, Global Economic Crisis, SMEs, Real Sector*

**JEL classification:** *G21*

---

<sup>82</sup> Marija Marcetic, Higher School of Professional Studies, Blace, Serbia, marija.marcetic@vpskp.edu.rs

<sup>83</sup> Danijela Maksimovic, Higher School of Professional Studies, Blace, Serbia, danijela.maksimovic@vpskp.edu.rs

<sup>84</sup> Dragana Djuric, Higher School of Professional Studies, Blace, Serbia, dragana.djuric@vpskp.edu.rs



## ***PERFORMANCES OF DIFFERENT INVESTMENT POLICIES OF OPEN-END FUNDS IN REPUBLIC OF SERBIA***

***Boris Korenak***<sup>85</sup>

***Sinisa Miletic***<sup>86</sup>

***Ivana Ivanis***<sup>87</sup>

***Abstract:*** *The importance of determining the adequacy of various investment strategies of open-end funds seen through the aspect of required rate of return and risk level which is crucial for all potential investors. This research paper aims to determine the effect of selection of the investment objective of open-end funds on investment performance. Research results indicate that the limits of restructuring the portfolio, determined by investment policy, represent a fundamental factor for the performance in the observed period from February 2007 until November 2012. For the purposes of the research, indices were created in order to represent indicators of the value of investment units based on different types of funds and their risk aversion.*

***Key words:*** *Open-End Funds, Investment Units, Financial Market, Portfolio Choice, Investment Policy*

*JEL classification: G23*

---

<sup>85</sup> *Boris Korenak, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, korenak.boris@gmail.com*

<sup>86</sup> *Sinisa Miletic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sikimil72@gmail.com*

<sup>87</sup> *Ivana Ivanis, Alpha bank, Belgrade, Serbia, ivana\_ivanis@hotmail.com*

## **THE SPECIFICS OF VALUE PERFORMANCE MEASURES BASED ON CASH FLOW: CVA AND CFROI - GERMAN EXPERIENCES**

**Ivana Beslic<sup>88</sup>**  
**Dragana Beslic<sup>89</sup>**

**Abstract:** *In the new economy of the 21st century, new markets and technologies require new strategies and redesign of the traditional system of measuring performance in the domestic business environment. The enterprises from Serbia should implement effective system measurement performance modeled on foreign companies because it is a key determinant of successful implementation of corporate strategy, their growth and survival in the future. Modern measuring performance should provide an accurate assessment core values, of the company and values for the owners (shareholders).*

*This paper indicates the importance of implementing value performance measures based on cash flow such as CVA and CFROI in business and management to the enterprises from Serbia. In addition, authors are represented by positive world experiences in applying these modern concepts by holding company Bayer AG Group from Germany. The concept of CVA (cash flow added) helps managers and investors, giving them an idea how that company generates the cash. Higher CVA is not desirable only for managers, investors and owners (shareholders), but also for society as a whole. The profitability of the company and its of service companies is measured with cash flow return on investment (CFROI). The objectives of this study are: 1. promote new business strategy – value oriented management and 2. explain the specifics of performance measures based on cash flow: CVA and CFROI on example of a holding company Bayer AG Group from Germany. This study uses following methods of research: an overview relevant scientific literature, the method of analysis, the method of synthesis, the method of induction, method of deduction, historical method, mathematical method, comparative method, a case study.*

**Key words:** *Value of The Company, Value for The Owners, Modern Measures of Performances, CVA, CFROI*

*JEL classification: M21*

---

<sup>88</sup>Ivana Beslic, Higher School of Professional Business Studies, Serbia, PhD student at the Faculty of Economics, Subotica, Serbia, beslic.ivana@yahoo.com

<sup>89</sup>Dragana Beslic, Higher School of Professional Business Studies, Serbia, PhD student at the Faculty of Economics, Subotica, Serbia, d.beslic@yahoo.com



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

16-18 October 2013 Belgrade Serbia

**VOLUME 2**

**GENDER, IT AND MARKETING  
ISSUES IN ENTREPRENEURSHIP**







INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART ONE***

***ENTREPRENEURSHIP FROM A GENDER  
PERSPECTIVE***





## **WOMEN IN BUSINESS AND LEADERSHIP: CRITIQUES AND DISCUSSIONS**

*Mirjana Radovic-Markovic*<sup>90</sup>

*Aidin Salamzadeh*<sup>91</sup>

*Seyyed Mostafa Razavi*<sup>92</sup>

**Abstract:** *Female leaders have emerged over the last forty years and are making their mark in the business world. On the other hand, inequality in the workforce leads to salary gaps and struggles for promotions. Strides have been made, but there is more work to be done. Female managers/leaders should understand the history of inequality in all around the world. They should understand the traits of a charismatic leader as these traits could help boost their desirability within the business world. Finally, identifying a profile of a successful female leader can help demonstrate the direction in which any female manager should head.*

**Key words:** *Female Leadership, History, Inequality, Characteristics*

*JEL classification: M21, M51, B20*

---

<sup>90</sup> *Mirjana Radovic-Markovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mradovic@gmail.com*

<sup>91</sup> *Aidin Salamzadeh, Faculty of Entrepreneurship, University of Tehran, Tehran, Iran, salamzadehaidin@gmail.com*

<sup>92</sup> *Seyyed Mostafa Razavi, Faculty of Entrepreneurship, University of Tehran, Tehran, Iran*

## **PEOPLE'S NOTION OF WOMEN ENTREPRENEURS: CROSS-CULTURAL STUDY**

**Krum Krumov**<sup>93</sup>

**Mirjana Radovic-Markovic**<sup>94</sup>

**Marta Juhasz**<sup>95</sup>

**Andreea Negruti**<sup>96</sup>

***Abstract:** The notion which other people have about the woman entrepreneur influences significantly her self-esteem and is an important regulator of her behavior. This notion plays a significant role in the professional activity of women entrepreneurs and is a factor for effectiveness of their work. The notion of other people about women entrepreneurs and about their characteristics and possibilities to deal with entrepreneurial business is the subject of the present research paper. It describes the data of a multicultural research on the image that other people have about women-entrepreneurs. The data reveals the variations of the idea which other people have about the women-entrepreneurs in several Eastern European countries. The study also identifies the main factors on which the positive or negative evaluation of the women entrepreneurs depends. The conclusions made are valuable for the successful self-regulation of behavior of women-entrepreneurs and they will help them increase effectiveness of their professional activity.*

**Key words:** Women Entrepreneurs, Notion, Public Opinion, Cross-Cultural  
*JEL classification: M21, M51, Z10*

---

<sup>93</sup>Krum Krumov, Sofia University "St. Kliment Ohridski", Sofia, Bulgaria, krumkrumov@abv.bg

<sup>94</sup>Mirjana Radovic-Markovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mradovic@gmail.com

<sup>95</sup>Marta Juhasz, Hungary

<sup>96</sup>Andreea Negruti, Rumunia



## ***SOCIO-CULTURAL CONSTRAINTS OF WOMEN ENTREPRENEURS IN ALGERIA***

***Boufeldja Ghiat***<sup>97</sup>

***Abstract:*** Algerian women had a culture of staying at home, but with the beginning of this century, the Algerian society began to see women in positions of responsibility. Many of them chose to be entrepreneurs, which indicate that the country is experiencing profound social and cultural changes.

*To be entrepreneur requires qualities of personality, management know-how and leadership abilities. To see women entrepreneurs was inconceivable, few years ago, in a male and conservative society.*

*Despite the improving economy, Algeria is experiencing a high rate of unemployment, including amongst young graduates. This motivated the state to adopt a policy of youth employment, by granting them loans, in order to create their own businesses. These factors have encouraged graduated women to venture into entrepreneurship businesses.*

*The current environment in Algeria promotes access to education and training for girls, but the socio-cultural environment remains a difficult obstacle to overcome.*

*In order to answer these questions, a questionnaire was developed and used to collect data. 20 questionnaires were filled in by women entrepreneurs from Oran city–Algeria.*

*The first results showed that women entrepreneurs have the required managerial abilities, but the majority of them complain of socio-cultural constraints. The support they receive from their friends and family members was found to be a valuable contribution, that helps them to overcome the environmental problems.*

*The purpose of this paper is to study the socio-cultural constraints of women entrepreneurs in Algerian environment, and the supports received from their families, to confront the constraints of a male society, will be examined.*

***Key words:*** Woman Entrepreneurship, Socio-Cultural Environment, Working Women in Algeria, Gender and Work

*JEL classification:* M21, M51, Z13

---

<sup>97</sup>Boufeldja Ghiat, Faculty of Social Sciences Oran University, Oran, Algeria, ghiat\_boufeldja@yahoo.fr

## ***PUBLIC OPINION ABOUT MOTIVES FOR WOMEN ENTREPRENEURSHIP: CROSS-CULTURAL RESEARCH***

***Albena Krumova***<sup>98</sup>  
***Plama Hristova***<sup>99</sup>  
***Julika Novkova***<sup>100</sup>

***Abstract:*** *Motives are main determinants of human behavior. They determine the decisions of women for their inclusion in the entrepreneurial business. Some women prefer to enter the entrepreneurial business because they wish to develop their career; others start it because they need to control people; while some others commence it because of financial problems, etc. What, however, is the public opinion about the motives which determine women entrepreneurship? What do people think about the motives that make women enter the entrepreneurial business? Answers to these questions are given by the conducted cross-cultural research. By means of a comparative analysis, the specificities of the public opinion about the motives that determine women entrepreneurship are revealed in several Eastern European countries.*

***Key words:*** *Human Behavior, Women Entrepreneurship*

***JEL classification:*** *L26*

---

<sup>98</sup> *Albena Krumova, Sofia University "St. Kliment Ohridski", Sofia, Bulgaria, albena.k.krumova@gmail.com*

<sup>99</sup> *Plama Hristova, Sofia University "St. Kliment Ohridski", Sofia, Bulgaria, plama.hristova@gmail.com*

<sup>100</sup> *Julika Novkova, Sofia University "St. Kliment Ohridski", Sofia, Bulgaria, julika@abv.bg*

# **PERCEPTIONS OF PORTUGUESE TOURISM GRADUATES CONCERNING WOMEN'S PROFESSIONAL PERFORMANCE IN LEADERSHIP POSITIONS**

*Carlos Costa*<sup>101</sup>  
*Sandra Caçador*<sup>102</sup>  
*Zélia Breda*<sup>103</sup>  
*Anahita Malek*<sup>104</sup>

**Abstract:** *This study aims at presenting the results of the Gentour Project concerning the perceptions of Portuguese tourism graduates regarding women's professional performance in leadership positions.*

*The empirical study underlying the present research was based on a survey applied to Portuguese tourism graduates and carried out from December 2010 to March 2011. The sample consisted of 1,419 graduates. Convenience sampling technique was used. Contacts were established with professors and researchers of all Portuguese institutions with tourism higher education degrees, who were asked to disseminate the survey among former graduates. IBM SPSS Statistics (v.19) was used to perform the statistical analysis. Univariate and bivariate statistical techniques were applied, through exploratory and inferential methods, and a 5% level of significance was adopted.*

*Female tourism graduates' self-perceptions confirm that women tend to enhance their professional performance and leadership skills. Thus, data suggest that self-perceptions and self-confidence cannot explain gender differences in leadership positions.*

*Since women's self-perceptions are not self-imposed barriers to their career development, as claimed by some authors, the need to unveil the reasons, inherent to the observed gender gap, is advocated.*

*The value of this study relies on the demystification of women's self-perceptions as negative and inferior comparatively to their counterparts.*

**Key words:** *Tourism, Gender, Perceptions, Performance, Leadership*

**JEL classification:** *L83, J16, L26*

---

<sup>101</sup> Carlos Costa, Department of Economics, Management and Industrial Engineering of the University of Aveiro, Aveiro, Portugal, ccosta@ua.pt

<sup>102</sup> Sandra Caçador, Department of Economics, Management and Industrial Engineering of the University of Aveiro, Aveiro, Portugal, sandracacador@ua.pt

<sup>103</sup> Zélia Breda, Department of Economics, Management and Industrial Engineering of the University of Aveiro, Aveiro, Portugal, zelia@ua.pt

<sup>104</sup> Anahita Malek, Department of Economics, Management and Industrial Engineering of the University of Aveiro, Aveiro, Portugal

## **BUSINESS LEADERSHIP**

**Vlajko Petkovic**<sup>105</sup>  
**Zorana Petkovic**<sup>106</sup>

**Abstract:** *There are different types and definitions of leaders and leadership. In this paper, business leadership is defined as a process in which operations of members of an organization are directed by the leader towards a successful achievement of the objectives of the organization in the given circumstances.*

*Leadership can be formal and real. Formal leadership is mainly linked to the first man of firm- General Manager. His position allows him to become a leader-formal and real. If he acts only from the position he holds and by the power this status gives him, he will be affirmed as a formal leader.*

*The elements of leadership are leaders, followers and their relationship. Leaders cannot be fulfilled without followers, or followers without a leader.*

*In practice, leaders are often identified with managers, and leadership with management. That is not good. Leadership and management are two different and complementary systems of actions. Each system has its own functions and characteristics. Managers plan, organize and control, and leaders create vision and make changes. Manager wants a stable business conditions avoiding risks. Leader, on the contrary, consciously takes risks. While manager focuses on how it should be done, leader focuses on what should be done.*

*Finally, manager wants to achieve greater efficiency and leader greater effectiveness.*

**Key words:** *Leader, Leadership, Manager, Management, Followers, Vision, Charisma, Changes, Organization*

*JEL classification: M10, M20*

---

<sup>105</sup>Vlajko Petkovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vlajkopetkovic@hotmail.com

<sup>106</sup>Zorana Petkovic, Higher Educational Institution for Applied Studies in Entrepreneurship, Belgrade, Serbia

## ***SOCIAL ENTREPRENEURSHIP***

***Ana Mitic***<sup>107</sup>

***Abstract:*** *Through various economic initiatives created and geared towards the general social good wishes to point out the necessity of developing this form of entrepreneurship in our country. The aim of this paper is to present the possibilities of social entrepreneurship in Serbia. At a time when the company concentrated primarily around to maximize profits, it seems that this topic has found the place in society is unacceptable. Social entrepreneurship is certainly not a mechanism to solve problems in the short term but the long-term commitment only visible but can give good results. Social groups are extracted in the inability to obtain social peace in the society, organized and focused social economy and social entrepreneurship policy would yield significant results in Serbia. Launching through the review paper, using selected literature as well as the conclusions and proposals by this paper could be found in a scientific and practical applications.*

***Key words:*** *Social Entrepreneurship, Economics, Social Good*

***JEL classification:*** *M21, P20*

---

<sup>107</sup> *Ana Mitic, PhD student at the Faculty of International Economy, Univerzitet Megatrend, Belgrade, Serbia, ana.mitic@sezampro.rs*





INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART TWO***

***THE APPLICATION OF INFORMATION  
TECHNOLOGY THROUGH  
ENTREPRENEURSHIP***







## **ICT SECTOR AND ENTREPRENEURSHIP**

**Boris Jevtic<sup>108</sup>**  
**Dejan Vukosavljevic<sup>109</sup>**  
**Dusan Markovic<sup>110</sup>**

***Abstract:** The main objective of the paper is to elaborate and suggest positive note on basic agenda existing in EU and candidate countries resisting the digital, web entrepreneur growth development and issue of ICT, for job c ration, especially as a chance for young people. The advent of ICT technologies and Internet has changed the global business landscape. Internet accounted for 10% of GDP growth over the past 15 years. Recent ICT developments like Enterprise 2.0, cloud computing, social networks, etc. are enabling dynamic new and smaller companies , entrepreneurs to develop and bring to market innovations that before were too expensive to develop. As the huge potential of ICT-enabled business innovations remains to be unleashed by SMEs. The extended use of ICT could help the entrepreneur for creating advantage, research participate in the global world of business for technology transfer, training, collaboration and employment entrepreneurial initiatives at the local and global level. The purpose of the Paper is to stress the importance of the Impact of ICT sector to the modernization and new business models in other industries, and innovative approach, entrepreneurial spirit for new enterprises founding in new ICT fields, as well as opportunities for job creation through web and technology entrepreneurship. The method used is desk research of ICT sector of EU and candidate countries, as well as of SMEs, and e-entrepreneurs and spirit*

**Key words:** ICT, Web Entrepreneurs, Technology Entrepreneurship, Technological Change

*JEL classification: M10, M15, M20*

---

<sup>108</sup> Boris Jevtic, PhD student at The Faculty for ICT, Belgrade, Serbia, boris.jevtic10@gmail.com

<sup>109</sup> Dejan Vukosavljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vukosavljevic.dejan@gmail.com

<sup>110</sup> Dusan Markovic, Belgrade Business School, Belgrade, Serbia, dusanbps@gmail.com

## **PRESENT SITUATION AND PERSPECTIVES FOR DEVELOPMENT OF TECHNOPRENEURSHIP IN SERBIA**

**Milan Krstic**<sup>111</sup>  
**Ana Skorup**<sup>112</sup>  
**Djordje Minkov**<sup>113</sup>

**Abstract:** *It is imperative for the Serbian economy in the future to achieve growth in industrial production and export, and this will in turn require intensified economic activity that can be stimulated, among other things, by developing entrepreneurship. Entrepreneurs are people who invest in business ventures in order to achieve financial, social, psychological or other effects. Special focus is on technopreneurs, a specific group of entrepreneurs operating in the field of high technology. Development of technical, managerial and entrepreneurial competencies of entrepreneurs is crucial for success of technopreneurship. Serbia is currently striving to implement the knowledge-based economy and technopreneurship, primarily in the information technology sector (IT), which is demonstrated by the number of registered companies, the presence of large global companies, as well as by the market growth, which is why the Serbian IT sector is becoming profitable. Despite the current gloomy economic situation, it can be safely said that the future perspective for the development of technopreneurship in Serbia is optimistic, providing that the following preconditions are realized: science and technology parks in several university centres in Serbia are established; strategy for education development in Serbia by the year 2020 is implemented; and adequate technopreneurship curricula within the entrepreneurship study programs are designed in two levels of academic study.*

**Key words:** *Entrepreneurship, Technopreneurship, IT industry, Higher Education, Development*

*JEL classification: M10, M15, A20*

---

<sup>111</sup> Milan Krstic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mykrstic@gmail.com

<sup>112</sup> Ana Skorup, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, anaskorup@gmail.com

<sup>113</sup> Djordje Minkov, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, djordje.minkov@vspep.edu.rs

## "CLOUD COMPUTING" TECHNOLOGY AND THEIR USE IN EDUCATION

Zorica Medic<sup>114</sup>  
Jovan Zivadinovic<sup>115</sup>  
Nebojsa Stefanovic<sup>116</sup>

**Abstract:** *The purpose of this paper is to show how, in these times of information, knowledge and innovation, to optimize the use of existing resources, to plan long-term direction and make the right decisions regarding the investment by applying cloud computing technology. We will try to explain how it works, the application models, services offered, as well as the justification for its introduction with the benefits it brings. Given the area of research, the authors used the inductive and deductive methods as the basic logical methods which, in the course of the research, allow the derivation of certain conclusions on the subject of the research, descriptive methods and the study of technical, foreign and domestic, literature, the study of documents and the methods of examining case studies. The paper focuses on the advantages of cloud computing in education, which can help increase the quality of higher education and reduce operational costs. The introduction of Cloud computing meets the educational needs of students. It allows for the connection and exchange of knowledge on all levels, direct access to a wide range of different educational resources, research applications and tools. By applying the technological platforms of Cloud computing, operating systems can be more innovative, capital and operating costs are lowered, and the need for human resources is reduced, the use of IT resources is cheaper, and all with the aim of achieving revenue more quickly, increasing efficiency and flexibility in relation to its competitors. The focus of the work is on getting acquainted with an innovative technological platform, which is widely used in different business systems, allowing the development in line with the changes in the business environment, changing the mode of operation, which contributes to cost-effective operations, with emphasis on improving the service, risk management and cost reduction*

**Key words:** *Cloud Computing, Innovations, Electronic Learning, Internet, Web Technologies*

*JEL classification: M10, M20, A20*

---

<sup>114</sup>Zorica Medic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zjovan50@gmail.com

<sup>115</sup>Jovan Zivadinovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zjovan50@gmail.com

<sup>116</sup>Nebojsa Stefanovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, stefann127@gmail.com

## **EDI TECHNOLOGY IN BUSINESS COMMUNICATION**

**Dusan Trajkovic**<sup>117</sup>  
**Bratislav Mikaric**<sup>118</sup>

**Abstract:** *In the e-business for the last 20 years, appeared a new system for exchanging electronic data - EDI (Electronic Data Interchange). EDI is a narrow segment of the overall development of information technology, which is used exclusively for business purposes, which is its most important aspect of application. For EDI is said to be the backbone of e-business as it is integrated into it and connects all its other segments.*

*EDI, as well as electronic data interchange system, an electronic exchange of business documents between the computer business partners, or between their business applications, while eliminating the need for retyping data. This EDI data exchange system to connect ERP (Enterprise Resource Planning) systems business partners through automation of business transactions (end-to-end) without human participation.*

*EDI has the greatest application in the procurement of goods and logistics, due to the large volume of documentation and due to the large impact on efficiency.*

*Modern EDI software provides to users different levels of implementation of EDI technology. The simplest and cheapest solution in the form of EDI applications via a Web portal in the form of electronic forms (e-Forms) which does not require any installation by the user, and are practically available to all potential participants in the exchange of EDI. For companies which wants to have full control over the exchange of EDI documents with their business partners, there are developed solutions that enables complete automation of the execution of transactions without human participation.*

*In this paper it's summarized the application of EDI technology in business with an emphasis on current, low-cost WEB EDI solutions for primarily small and medium-sized enterprises which have less scope for the exchange of documents.*

**Key words:** *Electronic Data Interchange, WEB EDI, Business, Documents, Efficiency*

*JEL classification: M10, M15, M20*

---

<sup>117</sup>Dusan Trajkovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, dusantt@gmail.com

<sup>118</sup>Bratislav Mikaric, Graduate school of professional management studies in business and industry, Krusevac, Serbia, bmikaric@gmail.com

## **RAPID PRODUCT DEVELOPMENT BY USING COMPUTER AIDED – TOOLS**

**Sanja Markovic**<sup>119</sup>  
**Jelena Milanovic**<sup>120</sup>  
**Bratislav Mikaric**<sup>121</sup>

**Abstract:** Throughout history it has been proved that tendencies in the manufacturing floor are a reflection of the changes in the customer's demands. Today, markets increasingly require more customized products, with shorter life cycles. The methodology of this study is designed on theoretical research opportunities to accelerate product development. The success of innovative engineering processes depend on iterative and short development cycles which offer the possibility of high quality and cost-efficient product on the market. All these new methods are subsumed under the term Rapid Product Development. The aim of this paper is discovering reserves for revitalizing and increasing local company's performances that are located in areas of rapid new products development. The engineering design supported by CA-Computer Aided tools allows optimising the product concept for rapid product development and rapid set-up production in advance. Rapid prototyping technique has shown a high potential to reduce the cycle and cost of product development, and has been considered as one of crucial enabling tools in digital manufacturing to effectively aid rapid product development. In this paper theoretical analysis and description methods, as well as the comparative method have been used. However, a theoretical analysis method has special place because it provides an objective obtaining of relevant information about Rapid Production technologies. Introducing the production environment with possible ways of increasing the enterprises competitiveness as the creation of a basis for making models of rapid prototyping approximately serial feature will enable rapid commercialization of new products on the market.

**Key words:** Concurrent Engineering, New Product Development, Rapid Prototyping, Computer Aided Tools

*JEL classification:* L74, O14

---

<sup>119</sup>Sanja Markovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, teodorasanja@gmail.com

<sup>120</sup>Jelena Milanovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, milanovic0602@gmail.com

<sup>121</sup>Bratislav Mikaric, Graduate school of professional management studies in business and industry, Krusevac, Serbia, bmikaric@gmail.com

## **THE MEDIA POLICY FOR PROMOTION OF ENTREPRENEURSHIP IN DIGITAL GAME INDUSTRY**

**Datis Khajeheian**<sup>122</sup>  
**Aidin Salamzadeh**<sup>123</sup>

**Abstract:** *The research has been done to investigate how developing economies may benefit from digital technologies advances to create more jobs in the high-tech fields, which are characterized by knowledge learning and less capital intensity. For this purpose the Digital game has been focused as an innovative, fast-growing, knowledge-based industry which has fewer barriers for young entrepreneurs in developing countries to enter and operate entrepreneurial activities. The research problem is explicitly: 'how entrepreneurship in digital game industry may promote by governments policy'. This was expected that the results open up a window for policy makers to encourage the entrepreneurship in digital games by better education to exploit the opportunities, broaden the market, and increase the employment in the high tech industry. The methodology for the paper is a mixed method, i.e. expert panel and multiple-case study. In the first part after a literature review on media entrepreneurship policy, a multi-case study has been done in the country and abroad in developing economies to understand how different countries benefited from entrepreneurship in digital game industry to raise the employment by well educated entrepreneurs. Then after, a virtual expert panel has been established consist of scholars and Iranian game industry entrepreneurs to know how media policy may encourage and promote the entrepreneurship in these countries. Research findings show that governments' policy is a determining factor in promotion of entrepreneurial activities in digital game media by providing facilitators. These facilitators are the key to flourishing the entrepreneurship in the digital media industry, by providing the services digital media enterprises needed to handle themselves in the market. Consultants, venture capitals, technical and financial service providers and so on are the facilitators which link small enterprises to the giants in the media markets and prepare the opportunity to commercialize their innovations and run them to market.*

**Key words:** *Media Entrepreneurship, Media Policy, Developing Countries, Digital Game Industry, Iranian media Enterprises*

*JEL classification: L26, L82, O10*

---

<sup>122</sup> Datis Khajeheian, University of Tehran, datiskh@ut.ac.ir

<sup>123</sup> Aidin Salamzadeh, University of Tehran, salamzadeh@ut.ac.ir



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART THREE***

***ENTREPRENEURSHIP AND MARKETING &  
BRANDING***







## **THE CONTRIBUTION OF MARKETING TO GLOBALIZATION**

**Sofronija Miladinoski**<sup>124</sup>  
**Katerina Angelevska – Najdeska**<sup>125</sup>  
**Sreten Miladinoski**<sup>126</sup>

**Abstract:** *Globalization as terminology today is often used within the overall socio political issues of the country. Globalization represents a process run by certain interests may qualify as an expression of certain values that through material culture of material production. Resources which are core drivers of economic doctrine of globalization in the world today are manifested in different directions which often cause side effects. There the question is whether the consumption causes globalization or as a result of it. The consumer motivation of people and their lifestyles expressed through the marketing philosophy of organizing entire life, causes changes in many segments of the organization of economic and political spheres of social life. These aspects cause changes that determine the changed role of men as producers and consumers.*

*Segmentation of space, time and experience, then their reaction for the expansion of marketing, in fact, is a way of acting marketing.*

*Simultaneously with the reaggregation of what we call commercial environments of categories products, brand premises and consumer hierarchy of needs, and the construction of imagined territories that make up the new space of globalization. The moment of activation of the reaggregation of marketing units are located at the level of specific activities that converge on the individual in terms of global consumer behavior. In this sense, one could say that the practices of those on the market meet a specific dimension of globalization, namely the growing category of individual as consumer*

**Key words:** *Ecotourism, Rural Tourism, Development, Resources, Valorization*  
*JEL classification: M40*

---

<sup>124</sup>Sofronija Miladinoski, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, sofmil@yahoo.com

<sup>125</sup>Katerina Angelevska – Najdeska, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia,  
k\_angel\_naj@yahoo.co.uk

<sup>126</sup>Sreten Miladinoski, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, sofmil@yahoo.com

# **GLOBAL INTERNET MARKETING STRATEGIES AND THEIR IMPLICATIONS FOR SMALL AND MEDIUM ENTERPRISES**

**Nenad Ravic**<sup>127</sup>  
**Dragan Milosevic**<sup>128</sup>  
**Djordje Minkov**<sup>129</sup>

**Abstract:** *Intensive development and massive utilization of global Internet marketing strategy has led to drastic and significant changes in overall aspects of human actions and living. Furthermore, it has enabled new approaches to the progress of small and medium enterprises. In order to improve their business, small and medium enterprises commence their work on the Internet, confirming that each online activity is in alignment with the company's general marketing strategy, bringing maximum value to the forefront.*

*The goal of the paper is to present the Internet as an important medium for the increase in small and medium enterprises business activities, an instrument which generates growth, competitiveness and innovation and, moreover, provides numerous possibilities still to be discovered. The paper analyses the Internet marketing strategy implications on small and medium enterprises as well as its significance, complexity and connotation for those enterprises.*

**Key words:** *Internet, Global Marketing Strategies, Small and Medium Enterprises*

*JEL classification: M31*

---

<sup>127</sup>Nenad Ravic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
nenad\_ravic\_bps@yahoo.com

<sup>128</sup>Dragan Milosevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
dmilosevic@ikomline.net

<sup>129</sup>Djordje Minkov, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
djordje.minkov@vspep.edu.rs

## **MARKETING CONCEPT IN THE PROVISION OF PUBLIC SERVICES IN THE EUROPEAN UNION**

**Dragan Kostic**<sup>130</sup>  
**Daliborka Petrovic**<sup>131</sup>  
**Zoran Radulovic**<sup>132</sup>

**Abstract:** Contemporary, market-oriented policy of public services in the European Union is characterized by implementation of mechanisms previously typical for the private sector, such as the opening the market of public services, managing enterprises in the competitive environment, encouraging public-private partnerships and cooperation in the field of provision of public services. This new market-oriented approach relates to the certain group of public services defined in the European Union documents as Services of General Economic Interest (postal services, telecommunication, energy, public transport). This paper attempts to answer the question whether there is a possibility of implementing already developed and well known marketing concepts in the field of public services or there is a need for the development of entirely new marketing concept for public services. Qualitative methodological approach is used for analyses and synthesis of the chosen topic. According to the final results of this paper, there is a certain possibility of implementing the service marketing concept, especially relationship marketing in the domain of public services, instead of current domination of mass marketing concept. Relationship marketing is fundamentally compatible with the new, European market-oriented policy of services of general economic interest. The findings of this paper research could be applied in the management of enterprises which are involved in the provision of Services of General Economic Interest.

**Key words:** Marketing, Public Services, European Union, Services of General Economic Interest

*JEL classification:*M31

---

<sup>130</sup>Dragan Kostic, Faculty for Management of Small and Medium-Sized Enterprises, Belgrade, Serbia

<sup>131</sup>Daliborka Petrovic, University Business Academy, Novi Sad, Serbia, petrovic.daliborka@ymail.com

<sup>132</sup>Zoran Radulovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zradulovic10@gmail.com

## **IMC CONCEPT – AS A NECESSARY PRECONDITION FOR MARKET SUCCESS OF SMEs**

**Maja Cogoljevic<sup>133</sup>**  
**Ljiljana Dimitrijevic<sup>134</sup>**  
**Zorana Djuricic<sup>135</sup>**

**Abstract:** *In modern conditions of doing business, the success of small and medium enterprises does not depend only on their ability to develop a good product/service, to form adequate prices and to make their offer available to the consumers, but also on the way of communicating with the target public. Market success is more and more based on interactive communication and efficient application of integrated marketing communication concept (IMC).*

*The concept of integrated marketing communications brings the new approach to defining the communication strategy of an enterprise. The novelty, which this concept brings, is the need of coordinated approach of combining of instruments of promotional mix and development of unique strategy of enterprise's communication with target groups. According to this concept, the target group which the modern enterprise communicates with is comprised of a larger number of public segments. Still, the center of attention is the consumer as the most important message recipient.*

*Integrated marketing communications are nowadays among the most significant "events" in the sphere of business and marketing. They are "conditio sine qua non" of contemporary business and the only sustainable competitive advantage of enterprise of the twenty-first century. Therefore this paper has the goal of showing the changes in the understanding of promotional mix and the tendency towards integrating its parts, origin and development of concept of integrated marketing communications, factors of creation and the obstacles of practical application of concept of integrated marketing communications.*

**Key words:** *Integrated Marketing Communication, Consumer, Interactive Communication*

*JEL classification: M31*

---

<sup>133</sup>Maja Cogoljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, maja.cogoljevic@gmail.com

<sup>134</sup>Ljiljana Dimitrijevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, ljiljanadimitrijevic71@hotmail.rs

<sup>135</sup>Zorana Djuricic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, djurazo001@gmail.com

## **TALENT MANAGEMENT IN FUNCTION OF DEVELOPMENT OF THE TEAMS AND INCREASING THEIR PERFORMANCES**

*Valentina Mucinska Paleska*<sup>136</sup>

*Todor Badarovski*<sup>137</sup>

***Abstract :** Talent management is a new science that focuses on the promotion and development of talent of the employees . As we conclude this is just a new way of carrying out activities that we previously met under the management of human resources .*

*The main objective of talent management is to provide the company sufficient numbers of talented people so it can achieve its goals . This was done through the proper implementation of the activities of recruitment and selection in employment and ensuring the continuous development of employees in employment .*

*The development of human resources is mainly done through the introduction and establishment of development programs within the organization or sending employees out of the organization of upgrading to another institution . The development of human resources development is divided into the workplace and the development beyond the workplace . The development of workplace covers all training techniques and methods within companies and organizations . Training outside the workplace includes all seminars , courses and other training and development that is carried out by the organization .*

*Career development plays a major role in talent management and development of human resources . Career represents all the jobs that had been placed in an employee during his working life . Most people are motivated and strive for further development and improvement of their knowledge and talent because they want to advance in their careers and rise to a higher position in the hierarchy of companies*

***Key words:** Talent Management, Human Resources, Career Development, Training, Evaluation, Companies*

*JEL classification: O15*

---

<sup>136</sup> *Valentina Mucinska Paleska ,University of Tourism and Management, Skopje, Republic of Macedonia,  
v.p.mucunska@utms.edu.mk*

<sup>137</sup> *Todor Badarovski*

## ***POWER ENVIRONMENT OF INTEGRATED MARKETING MANAGEMENT TOURISTIC DESTINATION***

*Jelena Avakumovic*<sup>138</sup>

*Julija Avakumovic*<sup>139</sup>

*Cedomir Avakumovic*<sup>140</sup>

**Abstract:** *Business System of the Tourist destination operates in the market, because it have to be oriented towards the environment in which operates. It is necessary to adapt to the environment, exploit the opportunities that appeared to it, and to reduce a minimum the potential dangers. How to determine the power of the macro and micro environment, and execute their strategic analysis is discussed in this paper.*

**Key words:** *Strategic Analysis, Process, Vision, Goals*

*JEL classification: M10*

---

<sup>138</sup> *Jelena Avakumovic, Faculty of Business and Industrial Management, Belgrade, Serbia, jelenalav@yahoo.com*

<sup>139</sup> *Julija Avakumovic, DTM, Belgrade, Serbia, julija09@yahoo.com*

<sup>140</sup> *Cedomir Avakumovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, acedomir@yahoo.com*

## **CONCEPT AND EXECUTIVE PHASE OF PRIVATE BRAND DEVELOPMENT – CEPPB**

*Nemanja Damnjanovic*<sup>141</sup>  
*Slavica Ostojic*<sup>142</sup>

**Abstract:** *When managing an assortment of retail businesses to the development of private brand items first decision that the company needs to make is a decision about its introduction. Every enterprise should presume that today almost every product is marked with brand and that the question of private brands development is quite realistic in market conditions. Retail companies by developing private brand goods creates a distance from the competition and exclusive items in their offer which resulting with consumer loyalty. The development of private brand goods is not new in modern market economies, so this paper will present new concept and executive phase (CEPPB) which includes all steps in the development process of private brand items. This work falls into the category of review papers. The concept and executive phases can be viewed as CEPPB strategy. The aim of the paper is that application of new concept and executive phase enable to retail businesses more efficient development process of private brand items. By applying new CEPPB strategie can be on more precise and easier way, through clearly defined steps, accessed to the development process of private brand items, with the ultimate goal to effectively respond to the consumers demands. With adequate implementation of CEPPB strategy retail businesses can achieve higher percentage of private brands in total sales, resulting in a higher net profit.*

**Key words:** *Concept and Executive Phase, Effective Response to Consumer Demand, Lower Prices and Exclusive Items*

*JEL classification: L81, D71*

---

<sup>141</sup>*Nemanja Damnjanovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, dr.nemanja.damnjanovic@gmail.com*

<sup>142</sup>*Slavica Ostojic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, ostojiclavica@yahoo.com*

## **PRIVATE LABEL - THE COMPANY'S STRATEGY WILL BE A SUCCESSFUL**

**Ljiljana Dimitrijevic<sup>143</sup>**

**Maja Cogoljevic<sup>144</sup>**

**Zoran Dimitrijevic<sup>145</sup>**

**Abstract:** *This paper explores the theoretical framework of private trade marks in market conditions. Special attention is paid to the strategy of market positioning of such marks, and the strategic management of private brands. Paper is intended to meet the purpose, researches trends in market share of private labels in the region, with particular reference to the situation in Serbia. This research primarily aims to explore the concept and importance of private labels for retailers, manufacturers and consumers.*

*The results show that the trading strategies of private brands, present and future-oriented strategic enterprises. Customers, through strong private labels, not just identify with the merchant, but they bear the hallmarks of national scope, due to increasing investment in their development. For the successful implementation of this strategy, of crucial importance is the role and engagement of customers, as a key stakeholder companies.*

*Modern trade can build competitive advantage in improving the image and quality of the relationship - the price for their items. We were approached by a new motive development and expansion of products under private trademarks, such as improving the image of retail sales, increase customer loyalty, the higher volume of traffic, billing bigger margin than the category average and achieving greater profitability. Although higher margins and increased profitability of the major objectives of introducing its own brands, image building and strengthening customer loyalty are the most important determinants of long-term guiding.*

*Development of a successful trade mark creates new prospects for the retail activity. A strong trademark offers significant potential to enter new markets, new channels of distribution and new product categories. Therefore, the area of food and consumer goods, an area of intensive development of private label.*

**Key words:** Trade Mark, Competitiveness, Strategy, Loyalty

**JEL classification:** M30

---

<sup>143</sup>Ljiljana Dimitrijevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, ljiljanadimitrijevic71@hotmail.rs

<sup>144</sup>Maja Cogoljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, maja.cogoljevic@gmail.com

<sup>145</sup>Zoran Dimitrijevic, Delhaize Group Serbia, Bosnia and Herzegovina and Montenegro, Belgrade, Serbia, zoran.dimitrijevic@delhaize.rs



# **INTERNATIONAL TOURISM FAIRS AS A TOOL FOR PROMOTING THE COUNTRY AS A TOURIST DESTINATION**

**Zoran Strezovski<sup>146</sup>**  
**Sasko Gramatnikovski<sup>147</sup>**

**Abstract:** *The main aim of the paper is about international tourism fairs as a tool for promotion tourist destination. International tourism fairs is great opportunity for NTO of the country to promote there tourist value, to attract tourist and to open new markets. It is main activities of National tourism organizations for promotion tourist facilities of the country.*

*We will analyze activities that Macedonian Agency for promotion and support of tourism participate on the fairs, what is the results of that and recommends how to be done.*

*Tourism fairs usually are organized by specialized companies whose business is an organization of business events. Tourism Fair is business event where meet offers and demands of tourism products.*

*Participation to International Tourism Fair is one of the primary activities of national tourism organizations the intention of establishing the country as a tourist destination. Many countries use this tool to successfully promote their country, to conclude the contracts between tour operators from different countries, use opportunity to increase awareness of the destination among potential tourists and increase tourist arrivals in the country .*

*This paper presents an action research conducted on a sample of 22 domestic tourist companies which visited tourism fairs abroad in 2012.*

*Also, this paper analyze annual reports of Agency for promotion and support of tourism in Macedonia from 2010 till 2012.*

**Key words:** *International Tourism Fair, Foreign Tourists, Fair Activities, Destination, Branding*

*JEL classification: L83*

---

<sup>146</sup> Zoran Strezovski, University of Tourism and Management, Skopje, Republic of Macedonia, z.strezovski@utms.edu.mk

<sup>147</sup> Sasko Gramatnikovski, University of Tourism and Management, Skopje, Republic of Macedonia, s.gramatnikovski@utms.edu.mk





INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

16-18 October 2013 Belgrade Serbia

**VOLUME 3**

**EDUCATION AND EMPLOYMENT  
OPPORTUNITIES FOR  
ENTREPRENEURS**







INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

## ***PART ONE***

# ***EDUCATIONAL ENTREPRENEURSHIP***





## ***HIGH EDUCATION MARKET AND ENTREPRENEURSHIP***

***Radmila Grozdanic***<sup>148</sup>

***Dragica Jovancevic***<sup>149</sup>

***Zorana Djuricic***<sup>150</sup>

***Abstract:*** *Entrepreneurship education is critical for developing entrepreneurial skills, attitudes and behaviors that are the basis for economic growth. Access and exposure to entrepreneurship within educational systems at all levels are important as they are the outreach to target audiences outside of traditional educational systems. In both respects, the role that technology can play in delivering entrepreneurship education is essential. With this the objective of this paper is to underline the development of innovative new tools, approaches and delivery methods in entrepreneurship education through consolidating the existing knowledge and good practices. This paper has put the high education approach in its focus to support further growth/opportunity entrepreneurship and social inclusion in high education market valuable for economic prosperity based on innovation and creativity.*

***Key words:*** *High Education, Entrepreneurship, Human Capital, Market Requirements*

*JEL classification: I23, I25, L26*

---

<sup>148</sup>Radmila Grozdanic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sme\_rada@hotmail.com

<sup>149</sup>Dragica Jovancevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, dragica.jovancevic@vspep.edu.rs

<sup>150</sup>Zorana Djuricic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, djurazo001@gmail.com

## **EDUCATION IN THE PROCESS OF CREATING COMPETENCIES FOR THE FUTURE**

**Marta Ambrozi<sup>151</sup>**

**Abstract:** *The lifetime of products and services of organizations are becoming shorter and shorter, so the competitions between organizations in the future transform from their output into their capability to create new products and services. Creativity of any organization depends on its competencies so competition between organizations is going to be between their competencies by which new products and services are created.*

*New competencies, which are needed in the future, are to be discovered, developed, and applied. In this process, education has to play a vital role. That means, by discovering and developing new competencies for others, education has to developed its own competencies.*

**Key words:** *Education, Creating Competencies, Future Organizations*

**JEL classification:** *A20, L23*

---

<sup>151</sup>Marta Ambrozi, Faculty of management, Sremski Karlovci, Sremski Karlovci, Serbia,  
ambrozi.marta@gmail.com



## **INNOVATIVE MANAGEMENT IN EDUCATION USING COMMUNACATION INSTRUMENTS**

**Marija Cukanovic Karavidic**<sup>152</sup>

**Slavko Karavidic**<sup>153</sup>

**Gordana Gavric**<sup>154</sup>

**Abstract:** *In paper titled Innovative management in education using communication instruments is recorded existed communication practice and possible ways of its improvement in the educational system, seen through the prism of global and social changes. New strategies in application communication instruments should contribute easier adaptation of educational system to changes which are result of changed way of business and needs of environment for education. Empirical research which is carried out disproved that educational institutions use some kind of communication, professors recognize importance of changing information, but in the same time don't give significant support to placed it in the public.*

**Key words:** *Innovations, Communication, Management, Organizational Changes*

*JEL classification: I21, I29*

---

<sup>152</sup>Marija Cukanovic Karavidic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, cukanovickaravidicmarija@gmail.com

<sup>153</sup>Slavko Karavidic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, skaravidic@gmail.com

<sup>154</sup>Gordana Gavric, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, gordana984@yahoo.com

## **ENTREPRENEURSHIP AS THE DEGREE PROGRAMME – CASE STUDY FROM BOTSWANA**

**Zoran Markovic**<sup>155</sup>  
**Olefile B. Molwane**<sup>156</sup>

**Abstract:** *Botswana is one of the most developed countries in Africa (third at the Continent as per BDP per capita, after oil rich Gabon and Equatorial Guinea, which is also the average European level), but still developing. The main economical problems are lack of diversification in economy and low employment rate for the young graduated professionals. University of Botswana, Department for Design and Technology is preparing to start full degree programme (five years) in Entrepreneurship in Design.*

*Design is an integral part of the industry, and we could analyze it as a paradigm, with all its principles – creativity, technical thinking, need for technical and technological knowledge and processes, aesthetics, but also entrepreneurship.*

*The paper is analyzing the new programme as a case study through which is trying to discuss potential opportunities in education regarding new employment opening, with accent on the young graduated professionals. It also discusses the local industry, its knowledge base and business models, and their relation with tertiary education.*

*The paper contents purpose of the case study (new programme), its approach and methodology, expected findings and conclusion. The paper concludes by recommending a way forward for education of further young professionals, including their potential absorption in the local industry.*

*Botswana, as a developing country, is not solving this problem only for itself and its industry, its development and its youth. Botswana example, as developing country, could be not only interesting, but also inspiring and maybe useful for other developing countries and countries in transition.*

**Key words:** *Employment, Tertiary education, Entrepreneurship, Young entrepreneurs, Developing countries*

*JEL classification: A20, E24, I25, L26*

---

<sup>155</sup>Zoran Markovic, University of Botswana, Gaborone, Botswana, Africa, markovic@mopipi.ub.bw

<sup>156</sup>Olefile B. Molwane, University of Botswana, Gaborone, Botswana, Africa, molwaneob@mopipi.ub.bw

## **ONE APPROACH TO CURRICULUM DESIGN FOR EDUCATION OF TECHNOPRENEURS**

**Milan Krstic**<sup>157</sup>

**Ana Skorup**<sup>158</sup>

**Dusan Cogoljevic**<sup>159</sup>

**Abstract:** *In the knowledge-based economy special attention is paid to the development of technical and entrepreneurial skills that are embodied in a new form of entrepreneurship - technopreneurship. Technopreneurship is defined as the entrepreneurial activities of companies operating in technology-intensive environments. Experiences of countries with fully developed technopreneurship have confirmed the necessity to apply a systematic approach to its development, where the most significant element is the development of study programs for technopreneurship, primarily in the field of technical sciences. The World Economic Forum Global Competitiveness Report has shown that human resources are among the greatest comparative advantages of Serbia, particularly in the technical field. Despite the fact that entrepreneurship has become an integral part of the curricula of many academic programs in the technical and technology science field, there are still no adequate study programs primarily intended to provide education for future technopreneurs. This paper highlights some relevant facts that must be taken into account when considering the principles on which technopreneurship curricula should be based, particularly with regard to the necessary competencies. Further on, based of the above described principles, projected curricula of academic study programs of the first and second level of higher education are presented, taking into account the specificities of the national system of higher education.*

**Key words:** *Technopreneurship, Design, Curriculum, Study Program, Higher Education*

*JEL classification: I25, L26*

---

<sup>157</sup> Milan Krstic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mykrstic@gmail.com

<sup>158</sup> Ana Skorup, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, anaskorup@gmail.com

<sup>159</sup> Dusan Cogoljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, dusan.cogoljevic@vspep.edu.rs

## **ENGAGING OPPORTUNITIES OF HIGHER EDUCATION AND SCIENTIFIC STAFF THROUGH THE DEVELOPMENT OF E-ENTREPRENEURSHIP IN THE REPUBLIC OF MACEDONIA**

*Tatjana Petkovska Mirchevska*<sup>160</sup>

*Diana Boshkovska*<sup>161</sup>

*Zoran Janevski*<sup>162</sup>

**Abstract:** *As a developing country, the Republic of Macedonia needs to accelerate its sustainable economic development and thus is facing an urgent need to produce and apply tertiary graduate's and researcher's knowledge as an efficient resource used in academic, public and business purposes. The data show that Republic of Macedonia has produced the highly educated people in increased volume in the past period. So one of the main goals of this paper is to answer the question: what is the potential of the Republic of Macedonia to join to the modern world trends and to open the possibility for using the knowledge gained? Unlike the developed countries where the knowledge is used as pragmatic and practical in the business sector as well as in public administration, in Republic of Macedonia using the knowledge primarily remains in the academic community and universities.*

*This paper briefly outlines the possibilities to engage the researchers and highly educated person in the business sector through the development of the e-entrepreneurship. This means their encouragement and support in the effort to create and launch online businesses, or entrepreneurial ventures with emphasized and innovative use of information and communication technologies (ICT). Recent research suggests that small online businesses are more likely to be founded and managed by entrepreneurs that are researchers or teachers at the Universities, through formal or informal programs for support of so called academic entrepreneurship. This paper provides an overview of possibilities for commercialization of research results, knowledge and expertise of scientific and academia community by starting business ventures in sectors that are based on significant technological innovations, especially in the industry of ICT and particularly Internet technologies.*

**Key words:** *E-entrepreneurship, Researchers, Academic Entrepreneurship, Innovations, E-enterprises*

*JEL classification: J20, J60, L26, M39, I23, O15*

---

<sup>160</sup>Tatjana Petkovska Mirchevska, Institute of Economics, "Ss. Cyril and Methodius" University, Skopje, Republic of Macedonia, [tatjana@ek-inst.ukim.edu.mk](mailto:tatjana@ek-inst.ukim.edu.mk)

<sup>161</sup>Diana Boshkovska, Institute of Economics, "Ss. Cyril and Methodius" University, Skopje, Republic of Macedonia, [diana@ek-inst.ukim.edu.mk](mailto:diana@ek-inst.ukim.edu.mk)

<sup>162</sup>Zoran Janevski, Institute of Economics, "Ss. Cyril and Methodius" University, Skopje, Republic of Macedonia, [zoran.janevski@ek-inst.ukim.edu.mk](mailto:zoran.janevski@ek-inst.ukim.edu.mk)

## **MANAGEMENT CONTROL AND IMPROVEMENT OF EDUCATIONAL PROCESS**

**Zorica Medic**<sup>163</sup>  
**Jovan Zivadinovic**<sup>164</sup>  
**Ivan Piljan**<sup>165</sup>

**Abstract:** *The main objective of this paper is to improve the educational process by introducing management of a control, the modern concept of business process management, using online analytical processing (OLAP) business intelligence system in educational institutions. Business Intelligence as an additional instrument of management control, is extremely profound support to business process management. Given the scope and purpose of the research, the methods to be draining quickly in the research are: Inductive and deductive methods as the basic logic method, which allows the research to derive some conclusions on the research methodology and object-oriented development of business intelligence, which includes: defining requirements, analysis, design and implementation of business processes. The introduction of modern concepts of management control, using the OLAP system enables detailed analysis of the education and business processes in order to improve the operation of educational institutions. The paper used test scores as indicators of efficiency of educational processes, analyzing them by year of study, grades, subjects, exam dates ...The use of instruments of management control is always possible to act on the corrective and effective educational processes because the data thus obtained is always a function of anticipation and quick reaction to the perceived problem. The importance of the work it is reflected in monitoring, maintaining and improving the standards of teaching and learning, scientific research, contribution to educational quality management processes, improving awareness, information sharing and collaboration among service users and staff.*

**Key words:** *Management Control, Educational Processes, OLAP, Business Intelligence*

*JEL classification: M10, M15, M20, A20*

---

<sup>163</sup>Zorica Medic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zjovan50@gmail.com

<sup>164</sup>Jovan Zivadinovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zjovan50@gmail.com

<sup>165</sup>Ivan Piljan, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, piljanwvp@gmail.com

## ***INFORMATION TECHNOLOGY IN KNOWLEDGE MANAGEMENT***

***Petar Subic***<sup>166</sup>

***Abstract:*** *The two primary function of IT in knowledge management are retrieval and communication. IT also extends the reach and range of knowledge use and enhances the speed of knowledge transfer. Knowledge management is more a methodology applied to business practices than a technology or a product. Nevertheless, IT is crucial to the success of every Knowledge Management Systems. IT enables knowledge management by providing the enterprise architecture on which it is built. KMS are developed using three sets of technologies: communication, collaboration and storage. Several technologies have contributed to significant advances in knowledge management: artificial intelligence, intelligent agents, knowledge discovery in databases, eXtensible Markup Language (XML) and Web 2.0.*

***Key words:*** *Artificial Intelligence, Intelligent Agent, Knowledge Discovery*

***JEL classification:*** *M15*

---

<sup>166</sup>Petar Subic, psubic@open.telekom.rs

## **ENGINEERING STUDENTS MOTIVES FOR STUDIES AND THEIR PLANS FOR FUTURE - A CASE STUDY**

**Smiljana Mirkov**<sup>167</sup>

**Tanja Sekulic**<sup>168</sup>

**Robert Molnar**<sup>169</sup>

**Abstract:** *This paper presents the results of an empirical study about young people motives to choose engineering studies and their plans for the future. Data for this study were collected through a standardized anonymous questionnaire method of testing. The obtained results were presented by descriptive statistics. This study was conducted during period January - March 2013 and the sample included 400 students from all years of study and study programs of the Technical College of Applied Sciences in Zrenjanin. The first findings of this study indicated very modest social background of students. Second, students on Technical College of Applied Sciences in Zrenjanin are positively motivated toward engineering profession, because through selection of studies they were guided by positive motives, such as: interest for the field of technique and technology, engineering profession provides an opportunity for creative expression, the engineering profession is a combination of theoretical and practical knowledge and ability to benefit society. However, students' expectations of the engineering profession are not compatible with the motives for the selection of study and this is reflected in the fact that half of the respondents expect from engineering profession the chance for employment and good earnings. We think that this difference is a result of reorientation of values that occurred during studying. Third, the hypothesis that students have modest expectations for personal future and the future of society was only partially confirmed. Though most of them do not believe in the prosperity of the society, when it comes to their personal vision of the future, they demonstrated a much higher level of optimism. We consider important and we emphasize that our respondents estimate that their future will not be easy, but they have strong beliefs in themselves and effectiveness of their work.*

**Key words:** *Motives, Plans for the future, Youth, Education*

**JEL classification:** *A20*

---

<sup>167</sup>Smiljana Mirkov, Technical College of Applied Sciences in Zrenjanin, Zrenjanin, Serbia, smiljanam@eunet.rs

<sup>168</sup>Tanja Sekulic, Technical College of Applied Sciences in Zrenjanin, Zrenjanin, Serbia

<sup>169</sup>Robert Molnar, Technical College of Applied Sciences in Zrenjanin, Zrenjanin, Serbia







INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART TWO***

***WORK, LABOUR MARKET,  
ORGANIZATIONS & HUMAN RESOURCE  
MANAGEMENT***





## **VOCATION AS EMPLOYEE OR ENTREPRENEUR: EFFECT OF EDUCATION IN CONTEXT OF CULTURE**

**Thomas Schott<sup>170</sup>**

**Abstract:** *People make vocational choices and enter occupations. Most choose to become either an employee or an entrepreneur. People's choice is often affected by their education. Peoples' education channels them in one direction or the other.*

*This channeling by education is embedded in society, we hypothesize, it varies from society to society, and society moderates the impact of education on vocation. In some societies, high education channels people to become entrepreneurs, whereas in some other societies, high education channels people to become employees. Whether a society channels educated people toward becoming employees or entrepreneurs depends on characteristics of the society. We hypothesize that traditional societies channel educated persons to become employees whereas secular-rational societies channel educated persons more in direction of entrepreneurship.*

*Peoples' vocational choice is examined using the adult population survey in the Global Entrepreneurship Monitor 2001-11, where the sample is 959,008 adults (employees and entrepreneurs) in 91 countries.*

*Multivariate analyses show that in the world, overall, people's education has a very small effect on their vocational choice in the way that higher education decreases odds of becoming entrepreneur (and increases odds of becoming employee).*

*This effect of education on becoming an entrepreneur versus employee, however, differs from society to society. In some societies, education increases odds of becoming entrepreneur, in other societies education does not change odds notably, and in yet other societies education decreases odds of becoming entrepreneur. These differences among societies can be explained by their culture, specifically traditional versus secular-rational culture. In traditional culture, education channels people toward becoming employees. In secular-rational culture, education channels people more toward becoming entrepreneurs.*

**Key words:** *Education, Vocation, Employee, Entrepreneur, Culture*

**JEL classification:** *A20, L26*

---

<sup>170</sup>Thomas Schott, University of Southern Denmark, Department of Entrepreneurship and Relationship Management, Denmark, tsc@sam.sdu.dk

## **LABOUR IN CONCEPT OF COMPETITIVENESS OF WORLD ECONOMIC FORUM**

**Vladimir Knezevic**<sup>171</sup>  
**Dragan Ivkovic**<sup>172</sup>  
**Katarina Radosavljevic**<sup>173</sup>

**Abstract:** *This paperwork addresses place and importance of labour in concept of expressing and measuring competitiveness of national economies as World Economic Forum does. This concept is developed through Global competitiveness index (GCI) which is based on 12 pillars of competitiveness. Here we process those which are in the most direct way related with labor force, in order to emphasize the importance of the labor force for economic development, in the way it has been treated in this methodology for the countries with low and middle level of development. Comparative analysis of short and long-term influence of labor on competitiveness has been applied through the analysis of GCI and SCI (sustainable competitiveness index). For countries at the beginner level of development the most important thing is medical care and elementary education which enables maximum contribution of labor in economic development. Middle-developed countries such as Serbia, contribution of labor in competitiveness economy can be increased by improving higher education and training, as well as the efficiency of the labor market. As for competitiveness in the long term, the first group of factors is called human capital, in addition to its somewhat modified pillars of competitiveness which are related to the labor force in middle-developed countries we meet new pillar that is defined as the Social Cohesion. Contribution of this work is the proliferation of professional public awareness of the importance of our labor force for increasing of competitiveness of the Serbian economy, which is an essential prerequisite for development, both in the short as well as long-term which presents sustainable development.*

**Key words:** *Global Competitiveness Index, Index of Long-Term Competitiveness, Labor, Economic Development*

*JEL classification: B41, E24, J83*

---

<sup>171</sup>Vladimir Knezevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vknezevic39@gmail.com

<sup>172</sup>Dragan Ivkovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, dragan.itc@gmail.com

<sup>173</sup>Katarina Radosavljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, radosavljevic.k@gmail.com

## **THE IMPACT OF LABOUR MARKET INSTITUTIONS ON EMPLOYMENT IN EUROPEAN COUNTRIES**

**Milena Lutovac**<sup>174</sup>  
**Vladimir Aleksic**<sup>175</sup>

**Abstract:** *The subject of this paper is to assess the impact of labor market institutions and their mutual interactions on employment in European countries. The main problems of the European countries labour market are presented in the paper with review the results in achieving the Lisbon targets in full employment. The task of labour market standards and institutions is to balance the need for protection of worker`s rights and need to increase flexibility on labour market that will provide a more favourable environment for employment and growth of life standard. Besides the macroeconomic measures, the active labour market policies, strengthening entrepreneurship and promoting the mobility of labour force with more taking part of the flexible forms of labour are specially emphasized.*

*A long period, the labour market in Serbia has faced with the serious problems that are deepened by the global economic crisis. It is important to stress the fact that, unlike the general favorable developmental perspective, a general perspective on labour market remain quite negative, with a good prospect of unemployment and lack of employment of the population remain highest problems and at the moment Serbia joining the European Union.*

**Key words:** *Employment Policy, Regional Analysis, Serbian Labor Market, Economic Policy*

*JEL classification: E24*

---

<sup>174</sup> Milena Lutovac, Faculty of Economics, Belgrade, Serbia, milenalutovac@ekof.bg.ac.rs

<sup>175</sup> Vladimir Aleksic, Belgrade Bussiness School, Belgarade, Serbia, vladimiraleksicdr@gmail.com

## **CHANGES OF THE NUMBER OF EMPLOYEES IN SOME SECTORS OF THE ECONOMY AS A RESULT OF CLIMATE CHANGE**

*Jelena Milanovic*<sup>176</sup>

*Sanja Markovic*<sup>177</sup>

*Radmilo Lazarevic*<sup>178</sup>

**Abstract:** *The world of work is sensitive to changes in the environment. As climate change sweeps across the globe, governments, workers and employers are facing its incremental effects as well as searching for solutions to offset them. Climate change is already shaking up the nature of work and the distribution of employment within and between countries, regions and communities, dislocating people and industries and communities. As a consequence there will be major transitions in the labour market. The most of these shifts will be within rather than between economic sectors. Climate change is affecting workplaces around the world and also looks at the new employment opportunities created by the global, national and grassroots initiatives promoting sustainable development and green jobs. There will be major transitions in the labour market, the most of these shifts will be within rather than between economic sectors. The paper presents the changes in the number of employees in certain sectors, particularly those that are closely related to climate and climate change. It also provides comparative data for some countries of Europe and the world. We used data on the number of employees available in statistical databases that are processed and then compared. The results can be guidelines that may indicate which sectors of the economy that are more or less vulnerable to climate change.*

**Key words:** *Climate Changes, Employees, Labor Market*

**JEL classification:** *Q00*

---

<sup>176</sup> *Jelena Milanovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, milanovic0602@gmail.com*

<sup>177</sup> *Sanja Markovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, teodorasanja@gmail.com*

<sup>178</sup> *Radmilo Lazarevic, Public Enterprise for electric energy transmission and transmission system control "Elektromreza Srbije", Krusevac plant transfer, Serbia, radmilo.lazarevic@ems.rs*

## **PROTECTION OF LABOR AND EMPLOYMENT RIGHTS IN CIVIL PROCEDURE**

**Vladimir Kozar**<sup>179</sup>

**Abstract:** *The subject of this paper is a new legal framework for the protection of labor rights in civil proceedings in the law of the Republic of Serbia. We analyzed the provisions of the new Code of Civil Procedure, case law, and the attitudes of the legal theory of labor disputes.*

*The aim of the research is to assess the new procedural legal issues that are inherent in a separate civil proceedings in cases arising from labor relations, and the institutions and rules whose application must, as are common in the general litigation and for specific litigation, such as working slow.*

*The study results point to the new legal institutions, which had not existed in our procedural law, especially when it comes to types of judgments and liabilities of attorney representation at all stages of the proceedings.*

*Provisions regulating regular civil procedure shall respectively apply to labor-related litigations, with the highest degree of derogation, by adjusting general norms to specific rules, nature and objective of this specific procedure. Novelty is that the court is allowed to render a decision on the basis of previously established facts, if defendant fails to appear at the main hearing, i.e. a possibility to “adjudicate on the basis of previously established facts.”*

*The new Civil Procedure Code excludes application of rules concerning small value claims to labor-related litigations, regardless of the type of complaint.*

**Key words:** *Litigation, Protection of Rights, Proceedings, Labor Relations, Judicial Review, Attorney; Lawyer*

*JEL classification: K31*

---

<sup>179</sup>Vladimir Kozar, Faculty of Law, University Business Academy, Novi Sad, Special Advisor - NLB Bank a.d. Belgrade, Serbia, kozarv@yahoo.com

## **RECENT TRENDS AND DEVELOPMENT OF THE LABOUR FORCE IN SERBIA**

**Kosovka Ognjenovic<sup>180</sup>**  
**Aleksandra Brankovic<sup>181</sup>**

***Abstract:** Serbia has experienced a permanent fall in the labour force as a result of several factors, out of which negative demographic tendencies and migrations of the population are the most important ones. The long-term structural changes, driven by transitional processes and shifts in the global economy, caused structural breaks in the employment trend. Successive rates of positive economic growth that occurred in the mid-2000s pointed out to some favourable developments in the labour market. These favourable economic conditions were additionally contributed to by the intensified privatisation and the stimulating business climate, but these improvements were only temporary. The economic crisis occurred, turning positive developments into the negative ones. This paper will examine recent trends and development of the labour force and its components in the labour market of Serbia. The Labour force survey data and the data from other statistical sources will be used for the purpose of the analysis presented in this paper.*

**Key words:** Labour Force, Serbia, Structural Changes

*JEL classification: E24*

---

<sup>180</sup> Kosovka Ognjenovic, Institute of Economic Sciences, Belgrade, Serbia, kosovka.ognjenovic@ien.bg.ac.rs

<sup>181</sup> Aleksandra Brankovic, Institute of Economic Sciences, Belgrade, Serbia, aleksandra.brankovic@ien.bg.ac.rs



## **PROHIBITION OF DISCRIMINATION IN SERBIA AND VULNERABLE SOCIAL GROUPS**

*Natasa Tanjevic*<sup>182</sup>

*Vesna Cilerdzic*<sup>183</sup>

*Milos Stanojevic*<sup>184</sup>

**Abstract:** *Vulnerable social groups in Serbia are faced with problems that are present in all areas, in almost every aspect of public and social life, from inability to meet basic needs, such as adequate health care, primary education and welfare, to the barriers in accessing the labor market. The reasons that led to this are numerous: living conditions, different social and economic policies, but also many social factors such as ignorance, carelessness, neglect, fear and prejudice. Therefore, various documents containing provisions prohibiting discrimination in all areas of public and social life were adopted on international and national level. In this paper we have tried to point out the position of certain vulnerable groups in Serbia, with a special focus on the Roma, people with disabilities, women, refugees and internally displaced persons. Regarding the protection of especially vulnerable groups from discrimination existing legal framework in Serbia provides solutions that are relatively harmonized with European legislation. However, the main problem is the lack of application of these solutions in practice, which requires a greater commitment of public authorities, in order to ensure that the law is fully implemented, and a higher level of democratic culture, which should ensure that cases of discrimination can be recognized, all in order to create the conditions where all citizens have equal opportunities to live in dignity.*

**Key words:** *Discrimination, Society, Serbia, Legislation*

*JEL classification: J14, J16, J70*

---

<sup>182</sup>Natasa Tanjevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, natasa.tanjevic@yspep.edu.rs

<sup>183</sup>Vesna Cilerdzic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vesnabk@yahoo.com

<sup>184</sup>Milos Stanojevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, milos\_stanojevic@hotmail.co.uk

## ***PERSONAL INSOLVENCY- AN ENTREPRENEUR'S PERSPECTIVE IN SERBIAN LAW***

***Ana Opacic***<sup>185</sup>  
***Vladimir Colovic***<sup>186</sup>  
***Jovan Sarac***<sup>187</sup>

***Abstract:*** *Personal insolvency, in terms of a possibility of initiating insolvency proceedings against natural persons, represents a new concept in Serbian law, for both the legislation itself and the public. Having in mind official statistical data that report an increasing trend in credit indebtedness not only for businesses but for natural persons as well, followed by an increasing trend in late payments, the Serbian legislation will inevitably have to face the challenge of implementing this concept.*

*This article outlines the principal characteristics of this concept aiming to introduce to broader professional community advantages of its implementation, not only for business entities by ensuring legal security but for the society as a whole, by applying a social method. Furthermore, using a comparative law method, the authors sought to provide some basic guidelines for future legislative challenges in terms of regulating entrepreneur insolvency, which the Serbian legislators will inevitably face, taking into consideration experiences of the considered reference countries, particularly the respective regulations in countries in the region.*

***Key words:*** *Personal Insolvency, Bankruptcy, Entrepreneur, Fresh Start Policy, Debt Relief*

*JEL classification: K35*

---

<sup>185</sup> Ana Opacic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, ana.galjak@gmail.com

<sup>186</sup> Vladimir Colovic, Institute of Comparative Law, Belgrade, Serbia, vlad966@hotmail.com

<sup>187</sup> Jovan Sarac, Institute for Intellectual Property of Bosnia and Herzegovina, j.sarac@yahoo.com

# **UNCITRAL AND INTERNATIONAL COMMERCIAL ARBITRATION**

**Zoran Radulovic**<sup>188</sup>  
**Dejan Kostic**<sup>189</sup>  
**Miroslav Radulovic**<sup>190</sup>

**Abstract:** *This paper, starting from the general positions, stated in the above introduction on the content of international business, the topic of paper and its purpose, shall offer, above all, a legal view of the operation, acts and texts of the Commission on International Trade Law; provide a brief explanation of the concept, subject and contents of the international trade law, and mostly present the place and role of UNCITRAL in the building of system of international trade law, with a detailed analysis of the most important acts, prepared by this Commission or those in which it has participated in their preparing with the appropriate international organizations and bodies.*

*Also, it shall provide a detailed presentation of issues of the international trade arbitration, as the one of priorities of the UN Commission on International Trade Law, a significant part of the international trade law and a very important factor of the efficient and legally guaranteed development of the international trade relations.*

**Key words:** *International Trade Law, International Conventions on Arbitration, International Trade Arbitration, Sources of Arbitration, Arbitration Proceedings*

*JEL classification: F13, K33*

---

<sup>188</sup>Zoran Radulovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zradulovic10@gmail.com

<sup>189</sup>Dejan Kostic, Republic Agency for Peaceful Settlement of Labour Disputes, Belgrade, Serbia

<sup>190</sup>Miroslav Radulovic, Ph.D. student at the Faculty of Law, Kragujevac, Serbia, m.radulovic83@gmail.com

## ***ETHICAL MANAGEMENT OF HUMAN RESOURCES AS A WAY OF RAISING AWARENESS FOR SOCIAL RESPONSIBILITY OF THE EMPLOYEES***

***Aleksandra Stoilkovska***<sup>191</sup>

***Violeta Milenkovska***<sup>192</sup>

***Konstantin Angelkovski***<sup>193</sup>

***Abstract:*** *The aim of the research was to gain new insights from the socially responsible behavior of companies in all segments of its action. The research confirms the connection between socially responsible behavior of the management team and employees to their motivation for joining the socially responsible activities of the company.*

*This is a case study conducted in an organization that is considered to be socially responsible organization especially in terms of ethical management of human resources. The research was conducted within the research activities of the University of Tourism and Management in Skopje, Macedonia. As the technique is used survey. The anonymously surveyed 365 employees are proportionally chosen in the organizational hierarchy.*

*The survey showed connection to business ethics of managers who possess a minimum required leadership competencies in motivating employees to perform independently and taking socially responsible activities. These superiors (managers) behave professionally, in accordance with the rules and procedures of the organization and with due respect to their subordinates. Fairness in decision making is also shown as a reason to increase the motivation of employees. Also this research has shown that the developed socially responsible organizational culture is in favor of employees' motivation for socially responsible actions.*

*The research is significant because it reveals new data about social responsibility. Also the research shows that ethical management affects positively in terms of getting the staff to greater involvement in socially responsible activities during work as well as in socially responsible actions taken by the organization.*

*The results from this research are useful not only for the organization where the research was conducted, but for all the organizations that support the principles of organizational social responsibility. Also the results can be used by other researchers working in this area.*

***Key words:*** *Social Responsibility, Business Ethics, Leadership, Organizational Culture, Rules and Norms of Behavior*

*JEL classification: M14*

---

<sup>191</sup> Aleksandra Stoilkovska, University of Tourism and Management, Skopje, Republic of Macedonia, a.stoilkovska@utms.edu.mk

<sup>192</sup> Violeta Milenkovska, University of Tourism and Management, Skopje, Republic of Macedonia

<sup>193</sup> Konstantin Angelkovski, University of Tourism and Management, Skopje, Republic of Macedonia

## ***GENDER DIVERSITY AND SECURITIES FRAUD***

***Douglas J. Cumming***<sup>194</sup>

***Leung Tak Yan***<sup>195</sup>

***Oliver Meng Rui***<sup>196</sup>

***Abstract:*** *This study examines the impact of gender difference on corporate fraud in China. Although females are still under-represented in business enterprises, the increasing number of females occupying the post of entrepreneurs and senior executives provides a motivation of the study. By comparing fraud firms and no-fraud firms, there are significant differences in the proportion of female board directors and number of female chairpersons between the two groups. We show that gender diversity is a significant factor to explain the likelihood of fraud, suggesting that females are more ethically sensitive and less likely to take risk to commit fraud. Further, we show that the market response to fraud from a gender diverse board is significantly less pronounced.*

***Key words:*** *Corporate Governance, Ethical Sensitivity, Fraud, Gender Diversity, Risk Aversion*

*JEL classification: G30, J16, K22*

---

<sup>194</sup>Douglas J. Cumming, Open University of Hong Kong, China

<sup>195</sup>Leung Tak Yan, Open University of Hong Kong, China, [tyleung@ouhk.edu.hk](mailto:tyleung@ouhk.edu.hk)

<sup>196</sup>Oliver Meng Rui, Open University of Hong Kong, China

## **WHAT DOES IT MEAN TO BLOW-THE-WHISTLE: ETHICAL APPROACH**

**Katarina Majstorovic<sup>197</sup>**  
**Albena Krumova<sup>198</sup>**

**Abstract:** *The problem of whistleblowing is recognized as a standard problem of business ethics. Considering the individual level, it is concerned with deontological value of moral integrity. Strict business ethics analysis would center this problem in the complexity of employee- employer relationships. The aim of this paper is to show the real place of two conflicting values, the value of loyalty and the value of moral integrity. We intend to reach this goal by using the whistleblowing problem as an example where these values come into conflict. To make this puzzling case clear, we will try to make a difference of loyalty and integrity on the level of duty. Thus, we introduce Kantian approach into consideration. The duty of loyalty is not absolute, and we will try to prove that employees may have a higher order obligation to be disloyal to their employer and blow the whistle. That means that the value of moral integrity may override the loyalty duty on the grounds of moral justification. It is very important to show how it is possible and justified, because of the significance of the obligation to loyalty. The results of our effort should benefit business, both the human potential and the economic interest side of it.*

**Key words:** *Whistleblowing, Business, Moral Integrity, Loyalty, Duty*  
*JEL classification: M14, M21*

---

<sup>197</sup>Katarina Majstorovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, gieronim@orion.rs

<sup>198</sup>Albena Krumova, Sofia University "St. Kliment Ohridski", Sofia, Bulgaria, albena.k.krumova@gmail.com

## **PROBLEM OF CORRUPTION IN THE BUSINESS SPHERE**

*Natasa Tanjevic*<sup>199</sup>  
*Aleksandar Minkov*<sup>200</sup>  
*Filip Miric*<sup>201</sup>

**Abstract:** *Corruption appears as an inevitable notion in transitional processes and it represents a specific characteristic of economic crime. The appearance of corruption and its various forms jeopardize almost all economic branches of a country. In Serbia the corruption is one of the biggest social problems which leads to widening of economic inequality, slows and disables the economic growth and development, destroys the legitimacy of institutions and undermines the basic values on which the society is founded. This paper shows the basic characteristics and causes of corruption in Serbia. Special attention is dedicated to the problem of corruption in the business sphere, having in mind the fact that bribery and corruption have become an integral part of doing business, and the members of influential business circles, by abusing their authority and function they do, through cheating and hiding, they do many offences hiding behind the masks of successful and powerful entrepreneurs, businessmen etc. That is why we pointed out in this paper to the phenomenon of white collar workers' crime, which represents the synonym for crimes of businessmen. The greatest danger that comes from this type of corruptions is the fact that politics and economy are connected and interrelated in the period of economic transition, which enables the individuals, who are at distinguished positions in the government or who have exceptional economic power in society, to conduct many crimes without getting punished. The significance of economic development, complexity of relations within an organization, management and business in economy in the conditions of transition oblige us to dedicate special attention to this problem, and by writing this paper that is exactly what we wanted to achieve.*

**Key words:** *Corruption, Economy, Politics, White Collar Crime, Transition, Serbia*

*JEL classification: D73, K40, K42*

---

<sup>199</sup> *Natasa Tanjevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, natasa.tanjevic@yspep.edu.rs*

<sup>200</sup> *Aleksandar Minkov, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, aleksandar.minkov@yahoo.com*

<sup>201</sup> *Filip Miric, Faculty of Law, Nis University, Nis, Serbia*

# **POST-BUREAUCRATIC ORGANISATIONS AND ENTREPRENEURIAL CULTURE: UNDERSTANDING POWER AND CONTROL IN KNOWLEDGE-INTENSIVE FIRMS**

*Samuel Osei-Nimo*<sup>202</sup>  
*Imani Silver Kyaruzi*<sup>203</sup>

***Abstract:** This paper discusses the notions of 'entrepreneurialism' and enterprising culture. In particular, it examines the significance of such discourses on the contemporary workplace and consequent impact on the individual worker's identity and behaviour. Robertson and Swan's (2004) study on Knowledge-Intensive Firms, a type of organisation that is not entirely synonymous with postbureaucratic organisation but mainly overlapping it, they revealed that majority of firms relied on 'cultural or professional forms of control'. These forms of control are regarded to have dependence on an ideology of entrepreneurialism and enterprising culture (Du Gay, 1996; McCarthy, 2008; Rose, 1990). Thus the issues of power relations and discourses in Knowledge-Intensive firms are primarily investigated in this study to expose and understand how the drive by organisations for the 'enterprising' individual produces a worker who is self-regulating and self-disciplined. The paper will include an assessment of discourses from various organisational actors to shed light on the role of 'enterprise' as a principle of control or government in creating autonomous and productive subjects in the workplace and wider society.*

**Key words:** Entrepreneurship, Organization, Entrepreneurial Culture

*JEL classification:* L26

---

<sup>202</sup> Samuel Osei-Nimo, QABusiness School, University of Ulster, Great Britain, [soseinimo@gmail.com](mailto:soseinimo@gmail.com)

<sup>203</sup> Imani Silver Kyaruzi, QABusiness School, University of Ulster, Great Britain, [imani.kyaruzi@qa.ulster.ac.uk](mailto:imani.kyaruzi@qa.ulster.ac.uk)



## **PROFESSIONAL SATISFACTION AS AN ASPECT OF ENTREPRENEURIAL ORGANIZATIONS**

**Slavko Karavidic**<sup>204</sup>

**Marija Cukanovic Karavidic**<sup>205</sup>

**Gordana Gavric**<sup>206</sup>

**Abstract:** *This paper focuses on the general theoretical and empirical knowledge of quality and values of entrepreneurial organizations by defining the factors of professional satisfaction as the primary resource for development in every organization. Assumption that it is possible to identify the factors of employees' satisfaction as one of the important dimensions of organization's quality has been confirmed in this paper; however, the existence of any meaningful link between the identified factors and personal and andragogical characteristics of the interviewees, i.e., the predictive value of the above mentioned characteristics has not been confirmed.*

**Key words:** *Entrepreneurship, Organizational Changes, Professional Satisfaction*

*JEL classification: J28*

---

<sup>204</sup> Slavko Karavidic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, skaravidic@gmail.com

<sup>205</sup> Marija Cukanovic Karavidic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, cukanovickaravidicmarija@gmail.com

<sup>206</sup> Gordana Gavric, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, gordana984@yahoo.com

## **STRESS AT WORK**

**Vlajko Petkovic**<sup>207</sup>

**Zorana Petkovic**<sup>208</sup>

**Abstract:** *Stress in general, and especially stress at work, is very common in life and work of every individual. There is no employed person who does not have stress.*

*There are different perceptions of stress in medicine, biology, psychology... What is in common to all concepts of stress is that it includes different changes in human body (stress), which arise due to the effects of certain environmental factors (stressors).*

*This paper discusses the concept and nature of stress at work, its causes and consequences, characteristics of people and their resistance to stress, as well as possible strategies, ways and means of stress management.*

*There are two types of stress: eustress (which is pleasant and contributes to good health) and distress (which is unpleasant and threatening to health).*

*There are various misconceptions and prejudices related to stress. For instance, there is a widespread belief that every kind of stress is negative. This is only partially true.*

*In practice, there are different measures and techniques that can act preventively to avoid stress and can be used to eliminate or at least mitigate its harmful effects.*

**Key words:** *Stress, Stressors, Eustress, Distress, Conflict Behavior, Stress Causes, Stress Consequences, Stress Situation, Stress Management*

*JEL classification: Z13*

---

<sup>207</sup> Vlajko Petkovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
vlajkopetkovic@hotmail.com

<sup>208</sup> Zorana Petkovic, Higher Educational Institution for Applied Studies in Entrepreneurship, Belgrade, Serbia

## **IMPACT OF QUALITY HUMAN RESOURCES MANAGEMENT ON COMPANY SUCCESS**

**Borko Somborac<sup>209</sup>**

***Abstract:** The increasing demands of the market, which are caused by constant qualitative and quantitative changes lead to the fact that every serious business organization must follow trends improved its human resources through systems upgrades, training and constant evaluation of the performance of each individual in the system operations. Human resource management has largely remained as manager's job, regardless of whether it is the general manager or specialist in this field. However, to improve work and professional performance of employees, all levels of management are responsible, not just strictly Human Resources Management (HRM), because if we assume that most of the tasks are in teamwork, every manager of a certain sector is responsible for the formation of the team, setting standards of performance, defining the means of implementation, as well as identification and elimination of potential problems during the work process. In this way, employees represent the complete picture of human resources within an organization, and their results are reflected on the company rating, as well as managers who took part in their selection of the project implementation. Content of this work is to show the influence of the human resources management in the selection of employees, their integration into the system of work, evaluation and improvement of performance in relation to the requirements of the company.*

**Key words:** Human Resources, Management, Performance, Evaluation

*JEL classification:* O15, Z13

---

<sup>209</sup>Borko Somborac, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
borko.somborac2009@gmail.com

## ***THE ROLE OF COMMUNICATION IN INTELLECTUAL CAPITAL MANAGEMENT IN ACCORDANCE WITH THE EU MODEL***

***Vesna Baltezarevic<sup>210</sup>  
Radoslav Baltezarevic<sup>211</sup>***

***Abstract:*** *To be able to manage the collective knowledge within the business entity, and to transform it into "intelligent organization," the management must possess adequate knowledge and skills. Only management that directs the company towards the creation of organizational culture which supports learning accessible to all employees, can expect creativity and innovation from employees. Internal communication that respects every individual and which has partnership for its ultimate goal, can improve the motivation and the creation of flexible teams in setting the business strategies utilizing the knowledge which underpins the concept of "intelligent organizations" The interaction of knowledge, intellectual capital and management teams who understand the importance of these resources, represent the efficient way for a company to ensure the new, competitive advantage in the market. Modern economies are increasingly turning towards the domination of intellectual capital over the natural resources. This paper aspires to identify whether the management in Serbia has accepted to recognize communication as essential skill for implementation and improvement of the intellectual capital.*

***Key words:*** *Management, Knowledge, Intelligent Organizations, Business Strategy, Communication*

*JEL classification: D83, L21, M11*

---

<sup>210</sup>Vesna Baltezarevic, Faculty for Culture and Media in Belgrade, Belgrade, Serbia, vesnabal@gmail.com

<sup>211</sup>Radoslav Baltezarevic, University in Nis, International University Cooperation Office, Nis, Serbia, trilliongarden@yahoo.com

## **DISEASE MANAGEMENT LEADERSHIP: MULTIDISCIPLINARY APPROACH CASE STUDY: DIABETES MANAGEMENT PROGRAM**

**Zarko Pavic**<sup>212</sup>  
**Milos Stanojevic**<sup>213</sup>

**Abstract:** Nowadays politics and economy directly and/or indirectly communicate with health systems through science and business-oriented sustained development. Prevention and health promotion are the basic functions of global, regional and local disease management programs. An original multidisciplinary scientific and business approach to one health problem has been taken for a Diabetes Management Program model at the level of organization, funding, health care, education as well as the application of most contemporary preventive activities, diagnostics, therapy, rehabilitation and care. The program encompassed the population of 1,400,000 people in RS (B&H entity) through the cooperation of the relevant ministry, fund, institute of public health, clinical centers, hospitals and health centers. A scientific and professional leadership has been established through a vertical reform of diabetes protection headed by the national coordinator for diabetes and the director of the national development program as well as with six regional and thirty local coordinators. At the level of organization, the National referral center for diabetes has been founded together with six regional and 30 local centers. The project resulted in a complete switch to the most contemporary pen-insulin therapy, a permanent control of possible complications due to diabetes, digitalization of diabetes protection (Computer-based Register of patients) and the education of 188 physicians of primary and 20 physicians of secondary health protection (The National Guide for Diabetes Mellitus published). Three years of the program implementation thus gave 14 new subspecialists in endocrinology (compared to just two in the beginning), 188 physicians of family medicine were trained for treating patients with diabetes (compared to 10-15 of them in dispensaries for diabetes in six bigger towns in the beginning) and a complete diabetes control monitoring was established with prompt IT support. The main results of the Program are the financial savings of over 30% for treating patients with diabetes, the reduction of diabetes-induced complications for 10-15% as well as the increase of the level of diabetes protection in one of the first European Region with a 100% pen-insulin therapy. Apart from medical experts, the Program involved experts from finance, accounting, medical engineering, pharmacy, statistics, information technology and health politics. Together with the Project Director, they were all in the Management Team responsible for the realization of previously agreed scientific and business objectives. The conclusion is that only a multidisciplinary leadership approach to science and business leads towards sustainable development of scientific and professional programs and projects as well as systems they are implemented in.

**Key words:** Leadership, Disease Management, Multidisciplinary Approach, Health Education and Policy Strategy

JEL classification: I15

---

<sup>212</sup>Zarko Pavic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zarkopavic@yahoo.com

<sup>213</sup>Milos Stanojevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
milos\_stanojevic@hotmail.co.uk

## ***HUMAN RESOURCE MANAGEMENT FROM THE PERSPECTIVE OF MODERN LEADERS IN SPORT***

***Milan Dragic***<sup>214</sup>  
***Edita Kastratovic***<sup>215</sup>  
***Marija Grbovic***<sup>216</sup>

***Abstract:*** Modern leaders are persons that have the ability to influence a certain, circle of people, smaller or bigger, depending on the field of action, the situation they may be in, in which they find themselves, which goals they aim for, etc. Their vision and ideas on how to achieve success leaders in sport convey to their closest associates, senior level executives, board members, coaches, athletes and quite often, to sports public. Kastratović mentions that the style of leadership to be selected, depends on the characteristics of leaders' subordinates, preference of managers towards the realization of the task or social factor, and the particular situation in which the organization is, Edita Kastratović (2008). Constant development of sport imposes the need for scientific research of all phenomena related to the sport, in order to elevate this area to a higher level. The importance of leaders in sport is inevitable, as the driving energy they have is one of the most significant potentials of any sports team.

***Key words:*** Leaders, Sport, Styles, Modern

***JEL classification:*** O15

---

<sup>214</sup>Milan Dragic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, milan.dragic79@gmail.com

<sup>215</sup>Edita Kastratovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, kastratovice@yahoo.com

<sup>216</sup>Marija Grbovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, grbovicmarija@hotmail.com

## ***INFORMAL TYPE OF EDUCATION AS A NEED IN SERBIA***

***Jovan Petronijevic***<sup>217</sup>

***Selena Torlakovic***<sup>218</sup>

***Igor Graic***<sup>219</sup>

***Abstract:*** *In the modern business society changes are inevitable, significant growth of innovations and market changes has put in front of us new challenges. Managers are there to ensure resources needed to accomplish business ventures and array of challenges in solving various tasks. Managers need skills so they can confront these challenges successfully, and also they need human resources with practical skills. Classical education in Serbia has been proved as inefficient, inflexible and mostly overcome and need of important new skills is obvious. It seems that formal education, especially higher education, focuses on theoretical knowledge. Practice of skills is done less than studying knowledge, and by the time when students have reached university diploma, the amount of practical knowledge is often almost nonexistent. Informal education, on the other hand, is often much more based on practical skills.*

***Key words:*** *Classical Education, Informal Education, Practical Skills, Life Learning Concept*

*JEL classification: O15, P36*

---

<sup>217</sup>Jovan Petronijevic, M.Sc student at The Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, jovanpetronijevic985@gmail.com

<sup>218</sup>Selena Torlakovic, M.Sc student at The Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, selenche@gmail.com

<sup>219</sup>Igor Graic, B.Sc student at The Faculty of Technical Sciences, University of Novi Sad, Novi Sad, Serbia, grajli@yahoo.com

## ***INFLUENCE OF THE LEADER ON INFORMAL EDUCATION***

***Zoran Punosevac<sup>220</sup>***

***Abstract:*** *The paper aims to show the way and how leader influences the informal education from the point of impact of first man of local government, public and public utility companies and owners of small and medium companies. The question is how much and how can environmental factors, like politics, economic power and infrastructure, affect the need for education, and how much influence has behavioral and how much cognitive approach, while it is well known that they do not separate from each other. How much are we prepared to not treat education as an expense and accept the fact that it doesn't bring us harm? Numerous literature, theoretical concepts and experiences of other countries teach us that we get the most by investing in knowledge. Without exaggeration and underestimation, on the base of interviews with employers and employees in many organizations, the real picture is completely different. From that reason, in further text those findings will be presented with recommendations for improvement of informal education.*

***Key words:*** *Education, Knowledge Management, Leader, Improvement*

***JEL classification:*** *I25, O15*

---

<sup>220</sup>Zoran Punosevac, Graduate school of professional management studies in business and industry, Krusevac, Serbia, punosevacz1@opn.telekom.rs



## **IDENTIFYING THE FACTORS AFFECTING ENTREPRENEURIAL ATTITUDE IN GIRL STUDENTS ATHLETE (HIGH SCHOOLS OF TEHRAN)**

*Mirzaei Fahime*<sup>221</sup>  
*Mohammad Kazemi*<sup>222</sup>

**Abstract:** *Considering entrepreneurship as a state of mind, we have to admit that nowadays, apart from business and economy, any person can think and act in an entrepreneurial manner. So not only the “entrepreneurship enhancing” policies should not be confined to higher education levels, but also they have to be included in elementary and high school programs. In this study, the level of entrepreneurial attitude and the effect of some demographic variables on it were investigated among a group of 406 person of high school’s girl students athlete in Tehran. The mail tool used in this study was the translated Athyde’s (ATE) questionnaire (attitude towards entrepreneurial business initialization) which was tested for reliability by a pilot study and computation of Cronbach’s Alpha coefficient ( $\alpha = 0.6$ ) for the main study and all its components. The results showed that the level of entrepreneurial attitude was above average among students, in all of the investigated aspects and components. They also showed that variables such as having a self-employed father, employment status of mother, and the type of school (regular/technical) have no significant impact on the level of entrepreneurial attitude in students.*

**Key words:** *Entrepreneurial Attitude, Athletic, Demographic Variable*

*JEL classification: J10, N35*

---

<sup>221</sup> *Mirzaei Fahime University of Kharazmi, Karaj, Iran, f.m.13558@gmail.com*

<sup>222</sup> *Mohammad Kazemi, University of Tehran, Tehran, Iran*

## **IMPROVING THE BUSINESS OF FOOTBALL CLUBS THROUGH CROWDSOURCING**

*Hamidreza Habibi*<sup>223</sup>

**Abstract:** *To give birth to a successful Commercialization in football clubs; Alignment of various Stakeholders' needs, implementing efficient managerial system and absorbing the best Ideas and the most talented staff are crucial. To fulfill this mission, football clubs can implement Crowdsourcing (outsourcing to the crowds) as an emerging business model which indicates implementing the collective knowledge of the users toward productive results. This study which draws from qualitative data gathered from interviewing 18 Iranian expert in the industry of football during the years 2011 and 2012, Considers the capacity of fans and other stakeholder communities of football clubs and concentrates on the merits of using this capacity for idea generation, doing tasks and fundraising in football clubs. This study seeks the reason of participation of stakeholders in these initiatives and provides some recommendation on required conditions for Crowdsourcing.*

**Key words:** *Football, Crowdsourcing, Crowdfunding, Stakeholder*

*JEL classification: M00*

---

<sup>223</sup>Hamidreza Habibi, M.A Student of entrepreneurship in University of Tehran, Tehran, Iran,  
hamidreza\_habibi@yahoo.com



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

16-18 October 2013 Belgrade Serbia

**VOLUME 4**

**RURAL ENTREPRENEURSHIP:  
OPPORTUNITIES AND  
CHALLENGES**







INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART ONE***

***RURAL ENTREPRENEURSHIP  
DEVELOPMENT***





## **ANALYSIS OF RURAL ENTREPRENEURSHIP UNDER THE THEORETICAL APPROACH OF RESOURCES AND CAPABILITIES: THE CASE OF A RURAL MICROBUSINESS IN MEXICO**

*José G. Vargas-Hernández*<sup>224</sup>

**Abstract:** *The aim of this paper is to analyze the case of a joint venture stage to determine the successes and failures to undertake this business, based on the theory of resources and skills of entrepreneurship and business. It is intended to answer the question, what were the successes and failures committed by entrepreneurs to run the business plan in this particular case?. The answers were found relating the situations described in the case with the theories of resources and skills and entrepreneurship. The analysis concludes that the empirical knowledge of entrepreneurs, in this case were not sufficient to direct the business to success, and that the lack of structured knowledge and adequate scientific support for this project strongly directed towards the non-permanence on the market.*

**Key words:** *Entrepreneurship, Women Entrepreneurs, PROMUSAG, Resources And Capabilities, Competitive Advantage*

*JEL classification: M13,O13,O18*

---

<sup>224</sup> José G. Vargas-Hernández, University Center for Economic and Managerial Sciences, University of Guadalajara, Guadalajara, Jalisco, México, [jvargas2006@gmail.com](mailto:jvargas2006@gmail.com), [jgvh0811@yahoo.com](mailto:jgvh0811@yahoo.com), [josevargas@cucea.udg.mx](mailto:josevargas@cucea.udg.mx)

## **CRITICAL REFLECTION ON RURAL ECONOMY OF SERBIA-SMALL FARMS PRECONDITION FOR THE DEVELOPMENT OF RURAL ENTREPRENEURSHIP**

**Goran Dimic**<sup>225</sup>

**Marko Protic**<sup>226</sup>

**Vladimir Varadjanin**<sup>227</sup>

**Abstract:** *This paper is a case study that provides an integrated view of rural entrepreneurship and sets the agenda for future research in this area. Rural defines a territorially specific entrepreneurial milieu with distinct physical, social and economic characteristics. Location, natural resources and the landscape, social capital, rural governance, business and social networks, as well as information and communication technologies, exert dynamic and complex influences on entrepreneurial activity in rural areas. Rural is a dynamic entrepreneurial resource that shapes both opportunities and constraints. Agriculture and agricultural extension service are facing numerous problems in present times when good solutions are not easy to find. Providing the agricultural extension service is an important foreign-policy instrument of a state, which stimulates the development of agricultural production. Agricultural extension service must serve as an effective link between holdings-producers, agricultural research and other sources of information. Agricultural extension agents must be aware of psychosocial and social aspects of group action and individual counseling.*

*Therefore, one of the priorities in the agricultural development of our country is raising the level of extension operations and the establishment of extension service based on modern principles.*

*Available socio-economic indicators define Serbia as a mostly agrarian country, in which the agricultural production is a developmental priority in the near future. From many factors of agricultural production, more active relations between the domestic producers and all lines of organic agriculture may affect an increase of the Republic's agricultural competitiveness, compared to close surroundings, as a more qualitative development of rural areas. Suitable climate and geographical conditions, unpolluted environment, exceptional biodiversity and constant demand growth for organically produced foods, definitely are on the side of this production organizers.*

**Key words:** *Rural Economy, Rural Development, Organic Production, Government, Virtual Village Serbia*

*JEL classification: O13, O18, Q13*

---

<sup>225</sup>Goran Dimic, PUC „Komunalac“, Cacak, Serbia, [goran.dimic.komunalac@gmail.com](mailto:goran.dimic.komunalac@gmail.com)

<sup>226</sup>Marko Protic, Electrical distribution, Cacak, Serbia, [proticljmarko@gmail.com](mailto:proticljmarko@gmail.com)

<sup>227</sup>Vladimir Varadjanin, Training College in Kikinda, Kikinda, Serbia, [varadjaninv@yahoo.com](mailto:varadjaninv@yahoo.com)



## ***RURAL ENTREPRENEURSHIP AND DEVELOPING ECONOMY: CHALLENGES AND PROSPECTS***

***Kehinde Kamal Arije<sup>228</sup>  
Abdulrazaq Olanrewaju Afolabi<sup>229</sup>  
Olusegun Joseph Adetuwo<sup>230</sup>***

***Abstract:*** *The new global, political and economic order is directed towards resolving the high poverty indices in developing economy, which is the result of mass movement of people, goods and services from rural settlements to urban centres. This cannot be untied from the dominant economic system that is present in these developing countries. There is no gainsaying that the mass migration of people, goods and services from the rural economic centres has had a negative impact on the economic aim of the Developing Economy and this is why we are proposing the Rural Entrepreneurship as a framework in addressing the economic challenges of the Developing Economy. The prospects of Rural Entrepreneurship will go a long way in addressing, most importantly, the issue of poverty in Developing Economy.*

***Key words:*** *Rural, Entrepreneurship, Challenges, Prospects*

***JEL classification:*** *M10, N57, O18, R00*

---

<sup>228</sup> *Kehinde Kamal Arije, Nigeria*

<sup>229</sup> *Abdulrazaq Olanrewaju Afolabi, Nigeria*

<sup>230</sup> *Olusegun Joseph Adetuwo, Nigeria*

## **THE ROLE AND IMPORTANCE OF CLUSTERS FOR RURAL ENTREPRENEURSHIP DEVELOPMENT**

*Ivana Jovanovic*<sup>231</sup>

**Abstract:** *In this turbulent global economy, whose waves particularly feels countries like Serbia, which has more than two decades in process of transition, there are a few words that economic analysts, consultants, managers kept repeating: competitiveness, innovation, strategic partnerships and cluster - particular be discussed in this paper.*

*Practice has shown that harsh verbal repetition and verbal support can not improve business conditions, creating new value, new product or service, a new job or open a new market. This is only possible through proper identification of resources, and potential problems, setting priorities and designing programs that will have the capacity to achieve the greatest impact on economic reality. And that capacity can be created through the clusters.*

*The aim of this paper is to highlight the importance of clusters, as well as opportunities and possibilities for the development of rural entrepreneurship. This paper will discuss the basic concepts related to the creation and development of clusters, and the situation about clusters in Southwestern Serbia, and in particular the city of Novi Pazar and the environment, and a special emphasis will be on the clusters in the field of agriculture. One of them is the Pester agro cluster, which was established in 2012th, which brings together producers and processors of milk and dairy products. Pester agro cluster represents an initiative to improve agricultural sector in the territory which includes municipalities Sjenica, Tutin and Novi Pazar city This paper will show what are the main priority of this cluster, as well as the strategic objectives to be achieved. It will be also discussed ways of financing, both in the first year of development clusters, and in the coming years.*

**Key words:** *Clusters, Competitiveness, Associate, Rural Development*

*JEL classification: O10, O18*

---

<sup>231</sup>*Ivana Jovanović, Teaching assistant at State University of Novi Pazar, Department for Economic sciences, Novi Pazar, Serbia, ivananp2001@yahoo.com*

## **FAMILY POTENTIAL AS A BASE FOR RURAL DEVELOPMENT**

*Slavica Ostojic*<sup>232</sup>  
*Nemanja Damnjanovic*<sup>233</sup>

**Abstract:** Rural development is determined by finding a balance between long-term sustainability of the household, environmental and social dimensions of rural development. Improving economic performance, reduce production costs, promotion of innovation and increased market orientation through diversification of economic activities are important for improving the quality of life and a better environment. Attractiveness of rural areas requires the promotion of sustainable growth and development and seeking new opportunities. Rural development starts from the point where people are now, with the vision and dreams for their future and is based on two things build and pooling resources. The concept of rural development is in its infancy. The experience of the European Union designed to show rural development policy and financial support have resulted in a successful economy. The aim of this study is to find the potential in rural areas that form the basis of rural development. In the rural areas of most natural resources (agricultural land, forests, water). Million unemployed, with a tendency to increase this number, clearly indicates that the labor force most potential for economic development of Serbia. For maturing workforce, its general education and vocational training are made enormous investments that not only have the opportunity to fully express the increase in production and an increase in productivity, but the unemployed appear as consumers and not producers. Therefore unemployed labor is not only the most abundant and untapped production potential but social problems of enormous proportions that does not create a favorable social environment for successful economic development. The subject of this research is that the family is viewed in terms of consumption, while consumption is seen as the final stage of economic activity. Economy neglected area of economic life of an individual under the assumption that what is happening in the family is not relevant or is assumed that the processes that take place in the family are analogous to those in the economy. The results of this study show that not all economists ignored the family as the subject of economic analysis. Gary Baker was awarded the Nobel Prize for the theory of the allocation of time and thus contributed to the family becomes the subject of economic analysis. The theory of time allocation has become a model of resource allocation within the family.

**Key words:** Family, Entrepreneurship, Rural Development, Economic Growth  
JEL classification: M10, O10, O18

---

<sup>232</sup>Slavica Ostojic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, ostojicslavica@yahoo.com

<sup>233</sup>Nemanja Damnjanovic, Graduate school of professional management studies in business and industry, Krusevac, Serbia, dr.nemanja.damnjanovic@gmail.com

## **FINANCIAL PERFORMANCES OF ENTREPRENEURSHIP IN SERBIA AND GREEN GROWTH**

*Slavoljub Sljivic*<sup>234</sup>  
*Dragana Vojteski-Kljenak*<sup>235</sup>  
*Milenko Pavlovic*<sup>236</sup>

**Abstract:** *This paper explores possibilities for introducing green business models in the entrepreneurial sector of Serbian economy. Major hypothesis is that, despite huge barriers, Government of the Republic of Serbia can help in forming a small, but financial viable and export oriented nucleus of green business among entrepreneurs. The paper's goal is to show on green growth business models that are the best suited to Serbian profile, and also to key barriers that should be removed, or mitigated.*

*Green growth business models that are the best suited to entrepreneurship sector in Serbia are: alternative energy and energy efficiency, production of healthy food, systems for waste regeneration and models based on green cities. Key barriers that stand on the road to green growth models implementation, are: inertia, poor infrastructure, low social capital and low quality of institutions, poor quality of governance and dependancy of entrepreneurial sector on external sources of financing. Government of the Republic of Serbia has to decide which one of the proposed green growth models could become development priority.*

*Exploration is based on several methods, such as: descriptive method, comparative method, ratio analysis and the analysis of net working capital. The paper consists of six parts. The first part describe the context of green growth, more exactly the role of market and state in creating conditions for sustainable (green) growth. The second part explains the concept and importance of green growth. The third part describes different green business models. The fourth part deals with the problems of introducing green growth in national economies. The fifth part analyses Serbia's profile and entrepreneurship performances. The six part concludes.*

**Key words:** *Green Business Models, Barriers, Entrepreneurship, Financial Performances*

*JEL classification: L26, M 41, Q56*

---

<sup>234</sup>Slavoljub Sljivic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [sensa037@gmail.com](mailto:sensa037@gmail.com)

<sup>235</sup>Dragana Vojteski-Kljenak, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [vojteski@live.co.uk](mailto:vojteski@live.co.uk)

<sup>236</sup>Milenko Pavlovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, [milenkop@privsav.rs](mailto:milenkop@privsav.rs)

## **NEW TECHNOLOGIES, GREEN GROWTH AND JOBS**

**Radmila Grozdanic**<sup>237</sup>  
**Mirjana Radovic-Markovic**<sup>238</sup>  
**Boris Jevtic**<sup>239</sup>

**Abstract:** *Global climate change, market forces and government policy present opportunities and challenges for regions. As discussed in this paper, the transition to a low-carbon economy and its implications for local labour markets requires a multi-dimensional analysis that goes beyond traditional sectoral thinking. It can also be seen through the multiplicity of possible approaches that can be taken when designing public action strategies to manage the transition and enable green growth. The aim of this Paper is to present related literature and framework for the green growth, green jobs as new green employment opportunities in the time of new technologies. This paper discusses some of the impacts of new technologies and climate change including labour market issues, the dynamics of green growth at the level of jobs and skills development, and the implications for enabling green growth. As the impacts of climate change - and especially the subsequent mitigation and adaptation policies - on labour markets are still largely unknown despite the recent demand for knowledge production and diffusion on this topic and the increasing avalanche of reports and studies from public, private and not-for-profit organizations, this work supports research on sources of green growth through channels as productivity, innovation, new markets, confidence, stability, resource bottlenecks and imbalances. The search for alternative models of growth in the midst of the financial crisis has further to increase the interest in the green growth and jobs and what it means for a rich-jobs recovery.*

**Key words:** *New Technologies, Green Growth, Green Employment*

*JEL classification: M15, Q52*

---

<sup>237</sup>Radmila Grozdanic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sme\_rada@hotmail.com

<sup>238</sup>Mirjana Radovic-Markovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mradovic@gmail.com

<sup>239</sup>Boris Jevtic, PhD student at The Faculty for ICT, Belgrade, Serbia, boris.jevtic10@gmail.com

## **“GREEN“JOBS – THE STEP TOWARD SUSTAINABLE DEVELOPMENT**

**Natasa Tomic-Petrovic<sup>240</sup>**  
**Dalibor Petrovic<sup>241</sup>**

**Abstract:** *It is considered that innovations and so called “green” jobs are answer to the problems of huge consumption of resources and the key for more just society, low carbon society which would develop renewable energy sources utilization and joint clean technology projects.*

*“Green“ jobs are defined as the working posts in agriculture, industry, research and development, administrative and service activities which significantly contribute to preservation or improvement of environmental quality. Such positions include jobs which contribute to preservation of eco-system and biological diversity, reduction of carbon utilization and appearance of pollution, with aim to prevent climate changes.*

*The sustainable production and consumption include ecological, energetic and material efficiency in every phase of goods and services production. Permanent care on clean production is necessary, because of proclaimed aims and introducing cleaner technologies will lead to the development of knowledge-based economy and improvement of economy competitiveness. In the last years the increase in number of adopted sustainable development strategies is noticed in Serbian cities and municipalities, as well as reduction of number of environmental accidents during the transport of hazardous substances and damages emerging in them.*

*The aim of this paper is to show importance of permanent effort to harmonize relation between the economy and environment, achieve success of Serbian economy, protection of environment and in that sense significant step forward is to progressively increase in Serbia the number of the new opened “green“ jobs.*

*Categorization of countries in the XXI century is based on the quality of services provided to citizens and education should be taken as the basic strategy.*

**Key words:** *Environmental Protection, “Green Jobs”, Serbia*

**JEL classification:** *O40, O44*

---

<sup>240</sup>Natasa Tomic-Petrovic, Faculty of transport and traffic engineering, University of Belgrade, Belgrade, Serbia  
natasa@sf.bg.ac.rs

<sup>241</sup>Dalibor Petrovic, Faculty of transport and traffic engineering, University of Belgrade, Belgrade, Serbia

## **(RE) INDUSTRIALIZATION OF SERBIA IN FUNCTION OF OPENING GREEN JOBS**

**Milan Krstic**<sup>242</sup>  
**Saveta Vukadinovic**<sup>243</sup>  
**Maja Cogoljevic**<sup>244</sup>

**Abstract:** *In this paper we will consider the problem of unemployment in Serbia, and solution to this problem policy makers perceive in the re-industrialization of Serbia. Therefore, we will analyze the possibilities of re-industrialization of Serbia in more details. To get the answer to this question, we start from the causes that led to the devastation of Serbian economy, especially in the industrial sector. Causes are in the last four world crisis - mega crisis, for which they are further discussed with reference to their reflection in Serbia, including also a scale of consequences they produced. It is noted that the latest crisis in the Euro zone even further exacerbate otherwise difficult situation in terms of unemployment. The paper presents the possible proposals for a way of reindustrialization of Serbia, and in this sence identifies relevant conditions, which must be fulfilled for its success. It specifically underlines the importance of ecological environment and highlights the need to meet a set of quality standards concerning the ecology, and indicates that they might be one of the major restrictions of reindustrialization for "green jobs." To make reindustrialization possible, it is necessary to define an appropriate strategy, therefore, on the basis of catastrophe theory, we propose a model for the analysis of strategy that takes into consideration five relevant dimensions of reindustrialization. Based on exposed model, some possible ways of reindustrialization are analyzed.*

**Key words:** *Crisis, Unemployment, Reindustrialization, Strategy, Ecological Environment*

*JEL classification: O40, O44*

---

<sup>242</sup> Milan Krstic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mykrstic@gmail.com

<sup>243</sup> Saveta Vukadinovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, savetavukadinovic@yahoo.com

<sup>244</sup> Maja Cogoljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, maja.cogoljevic@gmail.com

## **MILITARY - PUBLIC - PRIVATE PARTNERSHIP AS A FUNCTION OF SUSTAINABLE DEVELOPMENT OF GREEN ECONOMY**

*Sasa Trandafilovic*<sup>245</sup>

*Nebojsa Dragovic*<sup>246</sup>

*Ivana Cvetkovic*<sup>247</sup>

**Abstract:** Centuries of global trends, painted and exclusively motivated by profitable rules of behavior clearly indicates a close connection between the development of the global economy and the destruction of the global environment. As a consequence of uncontrolled and indiscriminate exploitation of not only natural, but also all other available resources "ecological balance" has long been compromised and spaceship earth has been filled to the limit of its ecological features (environmental disasters), because of these we are increasingly losing control of it (Ehrilch, 1970).

Irrespective of the various theoretical understanding of how to achieve ecological balance of the fundamental solutions and concrete way out of the current situation requires rapid "social" changes in relation to the production and development of the "dirty technologies", environmental protection, institutional sanctioning of responsible actors, overcoming conflicting interests and other factors of importance for overcoming the current environmental situation.

The aim is to identify the elements of a military system that the military model of public-private partnerships can be in terms of sustainable green economy.

**Key words:** Military Real Estate, Conversion, Green Economy, Environmental Protection

*JEL classification: Q50, O13*

---

<sup>245</sup>Sasa Trandafilovic, Ministry of Defence, Belgrade, Serbia, sasa.trandafilovic@mod.gov.rs

<sup>246</sup>Nebojsa Dragovic, Ministry of Defence, Belgrade, Serbia, nebojsa.dragovic@mod.gov.rs

<sup>247</sup>Ivana Cvetkovic, Ministry of Defence, Belgrade, Serbia, ivana.cvetkovic88@gmail.com



## **SERBIA AS AN AGRICULTURAL COUNTRY**

**Milan Beslac**<sup>248</sup>  
**Dragica Jovancevic**<sup>249</sup>  
**Sladjana Vujicic**<sup>250</sup>

**Abstract:** *Agriculture is an industry that deals with the exploitation of soil and breeding of useful plants and animals. Manufacture of vegetable and animal products and their primary level processing provides food for humanity and human survival on earth. Serbia for its geographical position and agricultural potential is one of the agricultural countries. The author wants to show that it is no wonder and national disgrace being an agricultural and agrarian country. If 70% of the total waste in agricultural soils it is potential and competitive advantage that each country must take advantage of. The author also recognizes that every day on planet Earth thousands of people, many of whom are children die of hunger and for that reason it is national, social and civilizational responsibility to produce food wherever it is possible.*

**Key words:** *Agriculture, Food, Potential, Competitive Advantage*

**JEL classification:** *Q10, Q13*

---

<sup>248</sup> Milan Beslac, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
milan.beslac@galeb.com

<sup>249</sup> Dragica Jovancevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
dragica.jovancevic@vspep.edu.rs

<sup>250</sup> Sladjana Vujicic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia,  
sladjana.vujicic@vspep.edu.rs

## **SERBIAN PUBLIC ATTITUDES TOWARDS “GREEN”**

**Tatjana Papic Brankov**<sup>251</sup>

**Tatjana Sibalija**<sup>252</sup>

**Drago Cvijanovic**<sup>253</sup>

**Abstract:** *In order to investigate the motivation and willingness of the citizens of Serbia to buy food not treated with pesticides was conducted an anonymous Internet survey on a sample of 420 respondents. Another survey of attitudes towards genetically modified (GM) food was conducted with 500 consumers. Linear regression method was used to determine the relation between the input elements (trust, risk perception and the perception of benefits) and output (motivation and willingness to buy food untreated with pesticides and willingness to consume and buy GM food). The analysis showed that in Serbia there is great consumer interest in organic products, and that the one of the main motives for the purchase of food not treated with pesticides is desire to maintain the environment. Also, rejection of GM food is partly cause by concern for the environment. It can be concluded that Serbian citizens have developed environmental awareness, and therefore all activities that contribute to environmental protection will strike a chord with the public.*

**Key words:** *Attitudes, Environment, Organic Food, GM food, Serbia*

**JEL classification:** *D12, Q13, Q18*

---

<sup>251</sup>Tatjana Papic Brankov, Institute of Agricultural Economics (IAE), Belgrade, Serbia,  
brankov.tatjana@gmail.com

<sup>252</sup>Tatjana Sibalija, Faculty of Engineering International Management, European University, Belgrade, Serbia

<sup>253</sup>Drago Cvijanovic, Institute of Agricultural Economics (IAE), Belgrade, Serbia

## **INVESTMENT PROJECTS OF MUNICIPALITY OF BUJANOVAC SEEN THROUGH THE PRISM OF ECOLOGICAL DEMANDS**

*Edita Kastratovic*<sup>254</sup>

*Milan Dragic*<sup>255</sup>

*Vesna Cilerdzic*<sup>256</sup>

**Abstract:** *This paper is based upon the researches that are conducted during the making of the development strategy of municipality Bujanovac.<sup>1</sup> This paper presents the research results and offers investment projects of municipality of Bujanovac which have the function of keeping and protecting of the environment of the Municipality. We present the explanation of the profile of making the ecological landfills as a middle-term project of development of municipality of Bujanovac.*

**Key words:** *Investment Projects, Strategy, Ecological Landfills, Municipality of Bujanovac, Environment Protection, Project Manager*

*JEL classification: Q10, Q13, Q15*

---

<sup>254</sup>*Edita Kastratovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, kastratovice@yahoo.com*

<sup>255</sup>*Milan Dragic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, milan.dragic79@gmail.com*

<sup>256</sup>*Vesna Cilerdzic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, vesnabk@yahoo.com*

## ***ENERGY EFFICIENCY AND RENEWABLE ENERGY AWARENESS AND IMPACT ON MONTENEGRIN ECONOMY***

***Milica Dakovic***<sup>257</sup>

***Abstract:*** The main goal for choosing the topic is to address the actual Montenegrin strategic orientation towards energy efficiency and renewable energy as well as the fact that energy paradigm has been changed recently. However, study is going to tackle lack of in-depth analysis on energy efficiency and renewable energy issues. Key question is to analyze two aspects related to energy: public awareness and its importance on overall economic prosperity.

For the purposes of the study it will be used a methodology that will address two issues/analysis. The first one is quantitative analysis based on the survey on public awareness among Montenegrin population that author has conducted in 2011. The primary research and questionnaire was prepared and realized on the basis of previously defined methodology that was harmonized with key EU public surveys (Eurobarometer surveys in area of energy).

Key research contributions will be in line with the previously defined assumptions: Sustainable development is a key long-term strategic orientation of Montenegro; Public opinion survey on sustainable development can help policy makers in their future decisions related to the energy efficiency and renewable energy questions in Montenegro; Study will fulfill existing lack of data on issues related to public awareness on energy as well as in-depth analysis of its impact on overall economic activities.

***Key words:*** Renewable Energy, Energy Efficiency, Sustainable Development  
***JEL classification:*** Q01, Q20

---

<sup>257</sup> Milica Dakovic, PhD student at University Donja Gorica-UDG, Podgorica, Montenegro, milicadakovic.mne@gmail.com



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

## ***PART TWO***

# ***RURAL TOURISM AND ECOTOURISM***





## **STRATEGIC DEVELOPMENT AND PROMOTION GUIDELINES OF HEALTH AND ECOTOURISM IN SERBIA**

**Jovanka Popovic**<sup>258</sup>

**Milan Novovic**<sup>259</sup>

**Bozidar Mihajlovic**<sup>260</sup>

**Abstract:** *The territory of the Republic of Serbia represents one of the most exquisite world's areas rich in thermo-mineral waters, mountain ranges and rare vegetation. All of these elements establish the basis for the development of health and ecotourism, deserving our full attention, considering the fact that the potential resources are not being utilized adequately.*

*The goal of the paper is to depict the perspective of Serbia's strategic health and ecotourism development and promotion, as well as strive to define the possible advantages in comparison with other relevant touristic destinations.*

*Furthermore, the paper aims to demonstrate the popularity of health and ecotourism products through a well-defined vision, strategy objectives, measures, projects, and priority goals, including the identification of the most efficient promotion methods applicable to both domestic and global markets.*

**Key words:** *Health Tourism, Ecotourism, Development, Promotion, Strategic Guidelines*

*JEL classification: Q00, Q56, Q57*

---

<sup>258</sup>Jovanka Popovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, jobajcetic@gmail.com

<sup>259</sup>Milan Novovic, Higher Business School of Professional Studies, Cacak, Serbia, novovic.milan@gmail.com

<sup>260</sup>Bozidar Mihajlovic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, mihajlovic.bozidar@open.telekom.rs

## **DEVELOPMENT PROSPECTS FOR ECOTOURISM IN THE SOUTHWESTERN REGION OF THE REPUBLIC OF MACEDONIA**

*Katerina Angelevska – Najdeska*<sup>261</sup>

**Abstract:** *In the creation of the tourist offer, emphasis should be laid on the extraordinary and natural motives never touched by a human hand, the magnificent compositions of anthropological and nature quality values that impress with their endemic rare and unusual species of flora and fauna that should represent a part of the wide range of “offers” but the even greater number of “suppliers”.*

*Ecotourism in Macedonia is underdeveloped, but growing. Demographic, natural, technological, economic and other factors positively or negatively affect the sustainable development of ecotourism and rural areas. Perceiving the impact direction of these factors, based on data for specific biodiversity, landscapes, water and climate of certain areas is a starting point for undertaking rural activities. This results in a positive cumulative effect of activities in rural development, including sustainable tourism development. Rural development will be done by involving households in tourist activities and preserve the balance of the ecosystem. Sustainability means rural development by providing resources renewability and economic and environmental efficiency. Achieving sustainability affect the redistribution in the structure of the number of tourists in rural areas.*

*Rural areas as a destination and the goal for potential tourists visiting became attraction that should be utilized. Real hope encourages potential of so-called rural tourism, especially because the quality of the natural environment and the essential values of the visual landscape almost on the entire space of Macedonia are continuing to be values that are or may be very attractive in tourist sense.*

**Key words:** *Ecotourism, Rural Tourism, Development, Resources, Valorization*

*JEL classification: Q00, Q56, Q57*

---

<sup>261</sup>*Katerina Angelevska – Najdeska, Faculty of Tourism and Hospitality, Ohrid, Republic of Macedonia, k\_angel\_naj@yahoo.co.uk*



## **RURAL TOURISM AS A STIMULUS OF SUSTAINABLE RURAL DEVELOPMENT IN THE VICINITY OF KRAGUJEVAC**

**Filip Radotic**<sup>262</sup>

**Zoran Masic**<sup>263</sup>

**Abstract:** Rural tourism is an activity that can have a significant impact on the economic, social, functional and structural improvement of the rural area and stop the negative processes of degradation and depopulation of rural areas. Objective: The aim of this work is the determination of importance of rural tourism, through a comprehensive review and analysis of rural tourism with special emphasis on sustainable development. The subject of the research is: Rural tourism and sustainable development through the implementation and analysis of rural tourism, the analysis of the concept of rural tourism in Kragujevac and the surrounding area. Methodological procedure: This research was conducted using standard methodological procedure. The methodological procedure based on desk research literature in the field of contemporary trends in tourism, sustainable development, ecotourism, rural tourism and other references. The paper uses the descriptive and comparative statistical methods and SWOT analysis of rural tourism elements and content of Kragujevac and the surrounding area. Research results: By using descriptive analysis revealed a significant correlation between the environmental community and the development of local communities through the adoption and implementation of sustainable rural tourism. From 56 villages in the city of Kragujevac 10 existing capacity and offers for rural tourism. Villages with rural tourism are concentrated in the north-western part of the city of Kragujevac. In the villages where rural tourism activities are grouped in a relatively small area with a radius of 18 km. The second and only one locality is situated in the southeastern part of the city of Kragujevac in Gledicke mountains. The paper analyzes current tourism offer and accommodation capacities sorted by: rural villages, number of beds, type of house hold (categorize), contains travel activities... Rural area of Kragujevac has natural, ethnic, cultural and historical resources for the development of rural tourism. Kragujevac region is less developed for rural tourism in comparison to other neighboring regions.

**Key words:** Rural Tourism, Sustainable Development

**JEL classification:** Q00, Q01

---

<sup>262</sup>Filip Radotic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, filipbk@gmail.com

<sup>263</sup>Zoran Masic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zoranmasic@yahoo.com

## ***SERVICE QUALITY AS A KEY COMPONENT OF TOURISM DEVELOPMENT IN MUNICIPALITIES OF ULCINJ AND ROZAJE***

***Safet Kalac***<sup>264</sup>

***Abstract:*** *The last thirty years , we are witnesses of growing importance of the sector service. Generally ,it is usually measured by the role that this sector has in business in the area of employment and labor force to increase its contribution to GDP and national income. Nowadays, this participation in economically most developed countries of the world is between 50-70%, while in middle-income countries, and even in less-developed services to "see" as a significant opportunity and a chance for serious involvement in the international division of labor, so that chance is noticed by Montenegro, as well.*

*In these cases tourism takes significant place in its wider economic and social connotations, so it contributes to the development of national economy. The aim of this paper is to present a new strategy in the provision of tourism services of Ulcinj and Rozaje ,to identify tourist sites and through examples to highlight the similarities and differences of this particular procedure with the basic theories in the area of service delivery, with an analysis of gaps in the level of development that can occur between Regions and Cities in Montenegro.*

*The first part of the paper contains an overview of the elements of the overall delivery of services as a key component of tourism development that are of particular importance in the process of branding cities.*

*The second part deals with concepts and strategies on how to provide services, their quality in cities as special destinations.*

*Having all of the above in mind ,we want to provide basic information about the achieved level of development of tourism in the two municipalities and to point out certain administrative barriers that slow down the rapid development of services in the tourism sector,as well as and (no) interest of potential foreign investors in the evaluation of existing resources and the development of different forms of tourism.*

***Key words:*** *Service, Strategy For Providing Services, Gaps In Services, Branding*

***JEL classification:*** *M21, Q01*

---

<sup>264</sup>Safet Kalac, Faculty of Traffic, Communications and Logistics, Berane, Montenegro, kalac.safet@gmail.com



INTERNATIONAL CONFERENCE

Employment, Education  
and Entrepreneurship

***PART THREE***

***GENETICALLY MODIFIED AND ORGANIC  
CROPS PRODUCTION***





## **GENETICALLY MODIFIED FOOD: AN OVERVIEW**

**Tatjana Papic Brankov**<sup>265</sup>

**Koviljko Lovre**<sup>266</sup>

**Abstract:** *Uncertain and unfinished genetic engineering (GI) technology has entered our lives, it won the food market of several countries and tend to occupy the global food chain. In this paper, we analyze the reasons why and the ways in which agricultural multinational companies placed genetically modified (GM) foods, the product of this technology on the market and how control of the food industry extends practically “from field to fork.”*

**Key words:** *GI technology, GM food, Multinational Companies, Market, Control*

*JEL classification: Q13*

---

<sup>265</sup>Tatjana Papic Brankov, Institute of Agricultural Economics (IAE), Belgrade, Serbia, [brankov.tatjana@gmail.com](mailto:brankov.tatjana@gmail.com)

<sup>266</sup>Koviljko Lovre, Faculty of Economics, Novi Sad, Serbia

## **LEGAL ASPECTS OF GMO - POTENTIAL ANCHOR FOR STARVING PLANET OR A TROJAN HORSE**

*Ana Opacic*<sup>267</sup>  
*Jovan Sarac*<sup>268</sup>  
*Aleksandar Minkov*<sup>269</sup>

**Abstract:** *GMO – genetically modified organism is an organism – plant or animal – whose genetic material has been altered using genetic engineering techniques.*

*Using biotechnology in agriculture and medicine, especially in the mid-1980s and at the beginning of the 1990s, numerous genetically modified (GM) organisms and their products were created. GM plants are produced in laboratories by introducing genetic material of one species (only one gene or an entire DNA) into DNA of known plants.*

*An increasing number of countries, including European countries, enact their own regulations on GMO and transgenic plants aiming to regulate all issues relating to creation, breeding and use of genetically modified organisms. At the same time, multinational companies that completely control transgenic plants and cloning – „from generating ideas to their realization“ are accused of „genetic imperialism“. Additionally, this paper will explore EU regulations concerning this field, which aims to provide an overview of trends in legislative changes, from extremely restrictive to more liberal approach. Particular attention will be devoted to positive law solution in our country, which will certainly undergo modifications in the near future, having been exposed to an increasing pressure of economic globalization.*

*In this respect, we will seek to present proposals, taking into consideration respective experiences in the region, which would enable our legislators to protect themselves from increasing pressure of “genetic imperialism” which accompanies denial of basic human right to freedom of choice, right to be informed and constitutional right to a healthy environment.*

**Key words:** *GMO, Human Rights, “Genetic Imperialism“, Biotechnology, Serbia*

*JEL classification: Q00, Q13*

---

<sup>267</sup> *Ana Opacic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, ana.galjak@gmail.com*

<sup>268</sup> *Jovan Sarac, Institute for Intellectual Property of Bosnia and Herzegovina, j.sarac@yahoo.com*

<sup>269</sup> *Aleksandar Minkov, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, aleksandar.minkov@yahoo.com*

## **EUROPEAN UNION AND GENETICALLY MODIFIED FOOD**

**Vesna Baltezarevic**<sup>270</sup>  
**Borivoje Baltezarevic**<sup>271</sup>

**Abstract:** *Genetically modified organisms (GMOs) have become a part of our daily lives. Genetics applied in food production is a topic, the consideration of which involves conflicting ethical issues, and highly opposing opinions. On one side, we have the proponents of GMOs as a 'welfare' for mankind, because, according to them, this kind of new technology should improve the quality of life and to provide sufficient food for all people. Opponents of GMO foods indicate possible effects on human health and are warning us that the product of this 'playing' with genetics can result in monstrous organisms.*

*For the public to form the appropriate attitude and informed opinion on GM technology and its consequences, provision of timely and easily understandable and objective information is necessary, which should help in shedding the light on the true nature of GMOs and the role of the Codex Alimentarius.*

*This paper focuses on the EU countries and their relation to this type of food.*

**Key words:** *Genetically Modified Food, Health Information, The European Union, Codex Alimentarius*

*JEL classification: Q13*

---

<sup>270</sup>Vesna Baltezarevic, Megatrend University, Faculty of Culture and Media in Belgrade, Serbia, vesnabal@gmail.com

<sup>271</sup>Borivoje Baltezarevic, University in Nis, International University Cooperation Office, Nis, Serbia

# **ORGANIC AGRICULTURE AND SUSTAINABLE URBAN DEVELOPMENT: The Belgrade – Novi Sad Metropolitan Area Case Study**

*Vladimir Filipovic*<sup>272</sup>

*Vesna Popovic*<sup>273</sup>

*Jonel Subic*<sup>274</sup>

**Abstract:** Sustainable agriculture plays an especially important role in sustainable urban development. Urban (intra- and peri-) agriculture contributes to reducing food miles and shaping of urban open space. Belgrade-Novı Sad metropolitan area has valuable organic production potentials based on: eco-climatic conditions in environmentally sound peri-urban areas with potentials for agro-ecotourism development, R&D, extension and infrastructure facilities and closeness to city markets and export traders. Organic production of grain and industrial crops for processing, and organically produced fruits and vegetables, honey and medicinal plants and spices have good sales prospects in the metropolitan market niches. But, small organic family farms, poorly equipped and insufficiently integrated into the value chain, still generate low profits that discourage new entrants in the sector. The authors in the paper analyze organic production sector in Belgrade – Novi Sad metropolitan area (with brief emphasis on the state of the organic sector in the world, EU and Serbia), including comparative analysis of selected organic vs. conventional family farms production efficiency and ecological sustainability, organic food market structure, consumption patterns and, particularly, potentials for diversification on organic family farms.

**Key words:** Organic Farming, Production Efficiency, Diversification, Organic Food Market, Sustainable Urban Development

JEL classification: Q00, Q13

---

<sup>272</sup>Vladimir Filipovic, Institute for Medicinal Plants Research "Dr Josif Pančić", Belgrade, Serbia, vfilipovic@mocbilja.rs

<sup>273</sup>Vesna Popovic, Institute of Agricultural Economics, Belgrade, Serbia, vesna\_p@iep.bg.ac.rs

<sup>274</sup>Jonel Subic, Institute of Agricultural Economics, Belgrade, Serbia, jonel\_s@iep.bg.ac.rs.



## **MARKET AND TRADE PATTERNS OF ORGANIC PRODUCTS**

**Radmila Grozdanic**<sup>275</sup>

**Dusan Cogoljevic**<sup>276</sup>

**Zoran Karavelic**<sup>277</sup>

**Abstract:** *The interest in organic farming is rising and is also reflected in the market and trade for the organic products, which has increased three times in the last ten years. EU member states show need for imports of organic products, despite the significant self-production. Serbia and other Western Balkan countries can take advantage of the opportunity and place substantial amounts of organic products on the international market. The main aim of this Paper is to present the organic farming results in Western Balkan countries and market perspectives for organic products trade.*

*The main contribution of the Paper is that it seeks to explain the trade patterns between the European Union and Western Balkan countries of agriculture and organic products on a more detailed level of analysis than it has previously been presented in the literature, and to support the further research on the organic agriculture as a sustainable, natural alternative for the intensification of production methods and presents a production management system that promotes the recovery of ecosystems. The countries included in the analysis are: Albania, Bosnia and Herzegovina, Croatia, FYR Macedonia, Serbia and Montenegro.*

**Key words:** *Organic Products, Trade, Trade patterns, Western Balkans*

**JEL classification:** *F14, F15*

---

<sup>275</sup>Radmila Grozdanic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, sme\_rada@hotmail.com

<sup>276</sup>Dusan Cogoljevic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, dusan.cogoljevic@gmail.com

<sup>277</sup>Zoran Karavelic, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia, zkaravelic@gmail.com

## **KNOWLEDGE SYSTEM FOR ORGANIC FARMING IN THE REPUBLIC OF MACEDONIA**

*Biljana Angelova*<sup>278</sup>

*Natasha Daniloska*<sup>279</sup>

*Katerina Hadzi Naumova-Mihajlova*<sup>280</sup>

**Abstract:** *Organic farming is a land use system with high potential as it can contribute to addressing several challenges Macedonian economy and society faces, such as unemployment, poverty, set-aside farmland, loss of biodiversity. Organic agriculture combines the ancient practical knowledge of the farming with today's scientific results. Therefore, main purpose of this paper is to research and explain the need for establishing organic farming knowledge system in the Republic of Macedonia. This kind of knowledge system is not a set of general technical practices to be implemented everywhere but is an ongoing and complex context-specific adaptation of its practices by local actors. In this paper we want to explore key processes within organic farming knowledge systems, since the value of this paper will be in showing the importance of creating knowledge system in organic farming achieved through the vision and enterprise of individuals and local entities operating with support of the government. Research methodology is based on literature review and comparative analysis. In the first part of this paper, we will discuss the potential actors of the organic farming knowledge system and their possible implications, as well as the most important knowledge devices. In the second part will be presented and analyze situation in the Macedonian organic production. Third part will describe possible model for creation of organic farming knowledge system in the Republic of Macedonia. Results will show that only systematic approach will enable easier access to information and help farmers in implementing the complete organic product process, "from land to table".*

**Key words:** *Organic Agriculture, Knowledge System, Integration, Farmer Networks, Republic of Macedonia*

*JEL classification: Q01, Q12, Q19*

---

<sup>278</sup> *Biljana Angelova, Institute of economics, University of "Ss Cyril and Methodius", Skopje, Republic of Macedonia, angelova@ek-inst.ukim.edu.mk*

<sup>279</sup> *Natasha Daniloska, Institute of economics, University of "Ss Cyril and Methodius", Skopje, Republic of Macedonia, natasha.daniloska@ek-inst.ukim.edu.mk*

<sup>280</sup> *Katerina Hadzi Naumova-Mihajlova, Institute of economics, University of "Ss Cyril and Methodius", Skopje, Republic of Macedonia, katerina@ek-inst.ukim.edu.mk*

CIP - Каталогизација у публикацији  
Народна библиотека Србије, Београд

37(048.3)  
331.5(048.3)  
005.961:005.914.3(048.3)

INTERNATIONAL Conference Employment,  
Education and Entrepreneurship (2nd ; 2013 ;  
Belgrade)

Book of abstracts / #The #Second  
International Conference Employment,  
Education and Entrepreneurship, 16-18 October  
2013 Belgrade ; [organized by Faculty of  
Business Economics and Entrepreneurship ...  
[et al.]. - Belgrade : Faculty of Business  
Economics and Entrepreneurship, 2013 (Valjevo  
: Valjevoprint). - 170 str. ; 25 cm

Tiraž 200.

ISBN 978-86-6069-091-5

1. Visoka škola za poslovnu ekonomiju i  
preduzetništvo (Beograd)

a) образовање - Апстракти b)

Запошљавање - Апстракти c)

Предузетништво - Апстракти

COBISS.SR-ID 201399308