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Assoc. Prof. M. Veysel Kaya
Dr. Patrycja Chodnicka-Jaworska

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Dr. Imdat Dogan

Dr. Imdat Doğan holds an MBA degree in Finance & Investments and PhD degree in Banking and Finance. He has worked at investment banks and investment management firms in New York City such as Goldman Sachs Co., Deutsche Bank Asset Management, Prudential Equity Group and BlackRock Inc. on a full-time and consultant basis. Dr. Dogan is an expert on portfolio investments in different asset classes, private equity and venture capital funds in technology and energy sectors.

KEYNOTE SPEAKERS

Prof. Halil Kiymaz
Rollins College, US
“The Impact of the Announced Acquisition Motives on Shareholders’ Wealth”

Dr. Patrycja Chodnicka-Jaworska
University of Warsaw, Poland
“Are the Business Segments Important for Banks Credit Ratings?”

Dr. Farzaneh Soleimani Zoghi
SRH University of Applied Sciences Berlin, Germany
“Challenges of Leadership in Service-Oriented Industries”

“Special thanks to keynote speakers”
CONTENTS

Brand Positioning Based on Web Search Traffic: A Research on Hotels  
Hulya Bakirtas, Vildan Gulpinar, Cemil Akkas  
1

Mechanisms for Market Performance of M&As in Service Industry  
Anh Dung Vu  
2

Assessing the Effect of Latent Variables on Consumption (Case study: Use of medicinal plants in Rasht)  
Mohammad Kavoosi Kalashami, Kheyzaran Hassanpoor, Amirali Faridi  
3

Influence the Innovation and Technology Transfer on the Country’s Competitive Advantages  
Nataliya Voytovych & Polyak Yuliya  
4

A Dynamic Game Theory Model for Tourism Supply Chains  
Kerim Keskin & Meltem Ucal  
5

Jiaqi Luo  
6

Indicators and Conditions for Sustainable Development  
Shok-Jakhon Khamdamov  
7

Financial Literacy and Poverty: Transmission Mechanism  
Media Wahyudi Askar  
8

The Distance to Default-Measurement of Riskiness of The Turkish Banking Sector  
Sercan Koyunlu, Sema Bayraktar  
9

Are Prospect Theory Portfolio Insurance Investors being Oversold Risk?  
Dima Tawil  
10

To be Rated or To be Indexed: Corporate Governance Rating Experience in an Emerging Market  
Burak Pirgaip  
11
Forecasting and Backtesting VaR and ES through time
Sukriye Tuysuz

A Study of India’s Unemployment Conundrum
Vinod Shastri

Does Technological Innovation, as Non-Financial Indicator, Predict Future Operational Performance? Evidence from European Patents”
Sabrine Rekik

The Role of HR Flexibility in the relationship between Organizational Agility, Employee Well-Being and Work-Life Balance: A Review of the Literature and Conceptual Framework
Nissreen Barakat

The Impact of Working Capital Management on Profitability of the Listed Companies in Emerging European Countries
Aleksandar Naumoski

Retailer’s Demand Information Acquisition Decisions with the Impact of Financial Constraints
Jia Shi

Innovation and Tradition of Arita’s Ceramic Cluster in Japan
Yuko Oki

The Establishment of the Energy Regulatory Commission of Republic of North Macedonia and Its Role in the Energy Sector as an Independent Commission
Serjozha Markov

Role of Artificial Intelligence in Human Resources
Sanad A. Alajmi & Saleh H. F. Alenezi

Top Management's Perceptions of Benchmarking and Its Impact on Services Improvement in Kuwaiti Industrial Companies
Sanad A. Alajmi & Saleh K. Almutairi

Prospects of Electric Vehicles in Pakistan Considering Force Field Analysis
Sarmad Zaman Rajper
Does Mandatory IFRS Adoption Enhance Quality of Accounting Information: Evidence from Pakistan
Adeela Rustam & Ying Wang

Does IFRS Adoption Enhance Earnings Timeliness of Accounting Information: Evidence from Pakistan
Adeela Rustam & Ying Wang

Causality Relation between Real Exchange Rate and International Trade in Agricultural Production – The Case of Turkey
Onur Bilgin & H. Bayram Isik

Paradox of Perception in EU Enlargements: Possible Consequences of Brexit in the UK
Mehmet Dikkaya, Abdulkadir Tigli

Analysis of Measure taken for Terrorism Financing Activities: The Case of Turkey
Imdat Dogan, Esra Ulukok, Hacer Akin

Investigation of the Relationship between Islamic Work Ethics and Work Alienation: The Example of the Banking Sector in Kirikkale Province
Imdat Dogan, Adnan Akin, Mahmut Saylikay, Edip Ali Pehlivanli

The Effects of Financial Liberalization for Developed and Developing Countries
Ozkan Zulfoglu
Brand Positioning Based on Web Search Traffic: A Research on Hotels

Hulya Bakirtas  
Assoc.Prof., Aksaray University, Turkey  
hbakirtas@aksaray.edu.tr

Vildan Gulpinar  
Ph.D., Aksaray University, Turkey  
vildangulpinar@aksaray.edu.tr

Cemil Akkas  
Res.Asst. Aksaray University, Turkey  
cemilakkas@aksaray.edu.tr

Abstract

Brand positioning, a business is consciously differentiation itself from rival’s product. Positioning studies conduct following the market segmentation activity after a good market research and affect consumer’s thought in a relation to the brand. That’s the way it is a very important concept for brand management of businesses. Increasing in competition in terms of businesses requires to understand a strongly brand position and manage it. Consumers search on internet in relation to the product with some keywords before making a purchase decision. The searches give a chance both consumers and businesses for better understanding consumers. Consumers seeking to purchase a product make to only a single representative keyword, but generally they use two or more keywords to find related information. Consumers may conduct simultaneous search either to obtain information on the similarities and differences of two or more product brands or to conduct more detailed information on the characteristics of a specific brand. Web search traffic shows that the amount of simultaneous search using certain keywords increases when the relationship is closer to the consumer’s mind. The creation of the relationship between each of the keywords and the evaluation of the relational data is possible through social network analysis. The purpose of this paper is to show that web hotel search traffic information can be used to derive relationships among hotel brands. Data obtained through Google Trends. The frequency of simultaneous searches of two hotel brands in web search traffic expressed as a network structure in which each hotel brand constitutes nodes and in this way the relationship between hotel brands analyzed. Social network analysis used to identify the relationship. The last one years of time series on web search traffic information used in the study. According to the results of Social Network Analysis (SNA); based on all degree centralization, the number of input and output links in the most densely visited hotels are Ramada, Hilton and Rixos hotels respectively. The hotels with the highest closeness degrees and the fastest connection to other hotels in the network are Hilton, Ramada, Rixos and Dedeman Hotels respectively. The hotels with the highest betweenness degrees, the strongest connections to other hotels, the network of bridges and the role of mediators by playing different groups in the network, are Ramada, Hilton, Rixos and Titanic hotels respectively. It can be said that the study differs from other positioning studies in terms of the perspective and contributes in terms of implementation.

Keywords: Positioning, Google Trends, Social Network Analysis, Web Search Traffic

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Mechanisms for Market Performance of M&As in Service Industry

Anh Dung Vu
Assoc. Prof., VNU-Vietnam Japan University, Vietnam
vudung@vnu.edu.vn

Abstract

This study aims to discuss about mechanisms involved in M&A’s market performance. A rigorous review from the literature of M&A suggests that research has garnered a remarkable interest in the linkage between post integration strategies and financial performance or accounting-based performance, stock market-based performance. Meanwhile, less attention has been given to the impact of specific integration practices like task integration and human integration on market performance. In addition, while much research has been found for the antecedents or the influential factors that directly affect M&A’s performance, there is a death of research on mechanisms for M&A’s performance, particularly market performance. Furthermore, since the service industry is strongly expanding, studies on performance of M&As in service industry will be valuable for an insight into major situation of most economies where the service sector accounts for the major part of GDP. With a focus on service industries to which human factors are prominently relevant, the study makes propositions for the mediating effects in the relationship between post-integration strategies including task integration and human integration on M&A’s market performance. Precisely, by aligning with characteristics of service industry, this study discusses the key components in conceptualizing task integration and human integration. The study then presents propositions that M&A’s capabilities pertaining to service quality (i.e. service capability, customization capability, organizational learning capability) are mediating factors explicating for market performance of M&As in service industry. As a pioneering study to elaborate about the aforementioned organizational capabilities as mechanisms for market performance of M&As and particularly with a dedication to M&As of service industry, the study extends the theoretical foundation of M&A. The study concludes with useful recommendations for future researchers and managers of M&As.

Keywords: M&A’s market performance, task integration, human integration, organization’s capabilities
Assessing the Effect of Latent Variables on Consumption (Case study: Use of medicinal plants in Rasht)

Mohammad Kavoosi Kalashami
*Guilan University of Rasht, Iran*

Kheyzaran Hassanpoor
*Guilan University of Rasht, Iran*

Amirali Faridi
*Guilan University of Rasht, Iran*
*amiralifaridi74@gmail.com*

Abstract

The present study aimed to investigate the effects of latent variables on the consumption of medicinal plants among urban consumers. Field information was gathered from 200 households in Rasht. The research tool was a researcher self-made questionnaire whose factual validity was confirmed by experts and its reliability was also evaluated. (Cronbach’s alpha coefficient is 0.806). This study first explores the effects of latent factors, including shopping, attitude towards healthy lifestyle and environmental behavior on the use of medicinal plants, using structural equation modeling (SEM). Smart PLS3 was used for this purpose. The results showed that the highest frequency of disease treatment with medicinal plants was in the age group of 18-24 years old. Also, the most commonly used medicinal herbs are Pooneh (6.5%), Thyme (4.5%) and Mint (4%). The factor of attitude towards healthy lifestyle and its measures is the most effective factor in the consumption of medicinal plants by urban households in Rasht. Regarding the results of lifestyle changes and promotion of healthy lifestyle components among urban consumers, it is effective on the use of medicinal plants.

*Keywords:* Mediator Variable, Moderator, Measure, Structural Equations.
Influence the Innovation and Technology Transfer on the Country’s Competitive Advantages

Nataliya Voytovych
Assoc. Prof. Stepan Gzhytskyi National University of Veterinary Medicine and Biotechnologies Lviv, Ukraine
strategy_natali@ukr.net

Polyak Yuliya
Stepan Gzhytskyi National University of Veterinary Medicine and Biotechnologies Lviv, Ukraine

Abstract
Growing competition in the world determines the importance in the technologic field are challenges for more frequent and more rapid innovations, with the end result in new products, processes and technologies. High-tech markets encourage the inventors to apply their inventions to commercial project. Many new trends on the world markets depend on factors that generate the ideas and their capacity to be absorbed. Innovation is the leading force of competitiveness, of growth, of profitability, as well as of the creation of durable values since it is well known that the competitive advantage, so much wished-for by any organization and country, which operates in a highly competitive environment, is volatile, hard to obtain. The technology transfer stand for aspect to which economies have lately, started to grant increased importance. This review attempts to provide in-depth discussion and enhance understanding on innovation technology and which the innovation influence have of the country’s competitive advantage. We will try through this paper to highlight the innovation field through the following: Definition of innovation and technology transfer; their features; the influence of the innovation technology in realizing competitive advantage. Statistical indictors serve, as an excellent support is this research. These, together with the knowledge on background, which influences statistical data, give an opportunity for an in-depth and systematic analysis of the situation, causes and trends.

Keywords: Innovation, technology transfer, competitive advantage, countries.

JEL Classification: E60, F23, M21
A Dynamic Game Theory Model for Tourism Supply Chains

Kerim Keskin
Kadir Has University, Turkey
kerim.keskin@khas.edu.tr

Meltem Ucal
Kadir Has University, Turkey
msengun@khas.edu.tr

Abstract

In tourism supply research, a game-theoretic approach can overcome some of the limitations of the original static form of structure-conduct-performance paradigm (see Song et al., 2012, pg. 1659-1662). We aim to contribute to the game-theoretic analysis of tourism supply chains in this paper. Stemming from the observations that the current literature is mostly restricted to static games with simplistic strategic options, we aim to extend this literature by utilizing the tools of dynamic game theory. Ten years ago, Yang et al. (2009) provided a game-theoretic model to represent the competition dynamics in tourism supply chains for package holidays. In their model, there are three types of suppliers: a theme park operator, multiple accommodation providers, and multiple tour operators. Each agent determines a level of quantity supplied, and the prices for their products are determined within the market accordingly. In the current paper, we consider that model of tourism supply chains as a baseline, and we then extend our analysis by assuming that agents interact in a repeated game. That is, all suppliers make the same decisions over and over again, which is realistic in the sense that either supplier would face its decision problem in each week of the season every year. This model provides new strategic options to each supplier, such as choosing alternating prices/quantities in different periods, making non-written self-enforcing long-term contracts with other suppliers, etc. By studying such a repeated game, we are able to show how the suppliers end up with higher profits in any given period of a repeated game compared to their profits in the static version of the game.

Keywords: tourism economics, tourism supply chains, game theory, dynamic games

Jiaqi Luo
University of Melbourne, Australia
jluo12@student.unimelb.edu.au

Abstract

Our study provides empirical evidence examining effects of imposed tariffs arising from US-China trade war on China’s international trade situation, constructing Difference-in-Difference models with the dataset of China’s international trade statistics during the period January 2000 – October 2018. In addition, based on regression results from Difference-in-Difference models, we further examine potential impacts of the shock in China’s overseas market resulted from the trade war on China’s domestic economy, China’s inward foreign direct investment and the CNY/USD exchange rate in the foreign exchange market, via the construction of vector autoregression models. Finally, apart from the presentation of econometric analysis, our study evaluates the significance of US-China trade war from multiple perspectives. Our findings provide implications for further trade policy evaluation and contribute to the future extension in the theoretical framework.

Keywords: Trade war; Tariff policy; International trade; Chinese economy
Indicators and Conditions for Sustainable Development

Shoh-Jakhon Khamdamov
PhD student, Tashkent State University of Economics, Uzbekistan
shhamdamov@mail.ru

Abstract

This paper presents affecting of the sustainable indices for GDP growth. Analised conditions for sustainable development. Several methods have been proposed in response to these challenges, but the lack of a holistic framework for sustainable development. Research explores the sustainability of remarkable GDP growth in emerging economies by using non-radial directional distance function (NDDF) to identify the sustainable total-factor productivity (STFP) growth in the emerging economies and comparing it with that in developed economies.

Keywords: Growth, Development, GDP
Financial Literacy and Poverty: Transmission Mechanism

Media Wahyudi Askar
The University of Manchester, United Kingdom
media.askar@postgrad.manchester.ac.uk

Abstract

There is a consensus among social scientists over the role of financial literacy in reducing poverty. However, the exact mechanism through which the lack of financial literacy causes poverty is still not clear. This study set out with the aim of assessing the transmission mechanism via which financial literacy reduces poverty. The current study estimates causal mediation analysis determining poverty and the channel variables. It analyses three important channels explaining poverty dimension, namely individual savings, financial usage and over-indebtedness. The results indicate that financial literacy has a positive and significant indirect effect on poverty which indicates crucial implications for the development of policy targeting to accelerate financial literacy.

Keywords: Poverty, financial literacy, savings, financial usage, over-indebtedness
The Distance to Default-Measurement of Riskiness of The Turkish Banking Sector

Sercan Koyunlu  
Istanbul Bilgi University, Turkey  
sercankoyunlu@hotmail.com

Sema Bayraktar  
Istanbul Bilgi University, Turkey  
sema.bayraktar@bilgi.edu.tr

Abstract

This paper examines the soundness of the Turkish Banking system to the financial crisis experienced analyzing 16 banks operated at BIST Banking Index between 1996 and 2018 by using a structural approach known as the Merton Model. For each bank, the distance to default and the probability of default is tried to measure and by using these results, it is questioned whether the model can be used as early warning indicator for the crisis and it is analyzed whether there is significant difference between failed banks and healthy banks before default process by using logistic regression. In the last part of the study, results will be presented.

Keywords: Default Probability, Merton Model, Banking
Are Prospect Theory Portfolio Insurance Investors being Oversold Risk?

Dima Tawil
Prof, Rennes School of Business, France
dima.tawil@rennes-sb.com

Abstract

Prior findings recommending a high proportion of risky assets in a constant proportion portfolio insurance (CPPI) portfolio for cumulative prospect theory investors are highly dependent on market conditions. We show that in high market volatility periods it is actually a low portion of risky assets which maximizes cumulative prospect value of portfolios. The prior finding recommending a high risky asset proportion only holds in low or average expected volatility conditions. We further show that the choice of portfolio rebalancing technique also matters. We find CPPI to dominates other investment strategies in low volatility market and that only a rebalancing based on the risky proportion itself will keep this property in volatile markets. Given that academic advice to market practitioners is currently to follow a high proportion of risky assets rule, we are concerned that investors might be being sold portfolios that don’t match their risk preferences.

Keywords: Portfolio insurance, CPPI, Cumulative prospect theory, volatility, portfolio rebalancing.
To be Rated or To be Indexed: Corporate Governance Rating Experience in an Emerging Market

Burak Pirgaip
Assoc. Prof., Independent Researcher, Turkey
burak.pirgaip@gmail.com

Abstract

We examine whether market reacts towards announcements regarding corporate governance ratings and corporate governance index inclusions of firms listed in Borsa Istanbul Stock Exchange as of a sample period of 2007-2018. We also intend to clarify the empirical relationship between these two activities and share returns. We employ an event study methodology for the first part and panel regression analyses for the second part of our investigation. We find that corporate governance rating announcements produce positive abnormal returns when compared to index inclusions. We, however, also provide evidence that initial ratings, which are associated with index inclusions, have positive impact on cumulative abnormal returns.

Keywords: Corporate governance rating, corporate governance index, abnormal returns
Forecasting and Backtesting VaR and ES through time

Sukriye Tuysuz
Assoc. Prof., Yeditepe University, Turkey
sukriye.tuysuz@yeditepe.edu.tr

Abstract

Forecasting accurately the Value-at-Risk (VaR) and the Expected Shortfall (ES) of position is very important for risk managers as well as portfolio managers. The performance of a model in modeling the dynamic of financial returns may change through time and then the accuracy of this model to forecast the VaR and ES may change too. To account these facts, the best fitting models are selected in each window and the 1-day ahead VaR and ES are forecasted. By using 500-day estimation rolling-windows more than 4000 VaR and ES are forecasted. Based on 252-day rolling-window, forecasted VaR and ES are backtested around 3750 times. Our results revealed that best fitting GARCH-specifications combined with a skewed Student or GED distribution enable to accurately forecast VaR more often. However, the best methods based on the best fitting GARCH-specifications combined with a the best fitting probability distribution do not improve the frequency of acceptance of the null hypothesis stating the accuracy of the method.

Keywords: VaR, ES, parametric, semi-parametric, backtesting, probability distribution, rolling-window
A Study of India's Unemployment Conundrum

Vinod Shastri
Dr., Bennett University, India
vinod.shastri@bennett.edu.in

Abstract

On May 23, 2019, the day of completion of this Paper, India completed the world's largest ever democratic election process to re-elect the incumbent National Democratic Alliance (NDA) government under the Prime Ministership of Narendra Modi, frequently referred to as 'NaMo' in popular media. Narendra Modi's victory is so resounding, that it is being touted as a 'TsuNaMo', washing away in its wake, even the grand old party of India, the Indian National Congress, and many other dynastic political parties. However, brutally criticised for failing to live up to its promise of creating millions of jobs during its first term, the NDA 2.0 government will have its task cut out, when it comes to tackling India's severe unemployment crisis. A story titled 'Blueprint 2.0: Here's what the new government's first big decisions are likely to be' in Economic Times, clearly identified the possibility of substantive work on job creation. The story also identified three large scale job-creating sectors, that are likely to see radical reforms. While it might be fine to bring reforms in such specific sectors in the short and medium terms to facilitate quick large-scale employment,

1. In the long term, would it be more advisable for the government to orient itself towards creating job creators rather than creating jobs themselves?
2. Would such a shift in orientation substantially reduce direct burden on the government and move the nation towards a more entrepreneurial, and hence, a self-reliant society?

To this end, the Paper aims to suggest steps that the government can take to give a greater boost to entrepreneurship. The data and information for the purpose of the study have been collected through secondary sources, primarily websites and media reports. The Paper concludes that the government has already created a strong support system comprising of policies, institutions and funding; it is just a matter of leveraging the same for greater impact.

Keywords: Unemployment, Entrepreneurship development, Job creation, Job creators
Does Technological Innovation, as Non-Financial Indicator, Predict Future Operational Performance? Evidence from European Patents”

Sabrine Rekik
Assoc. Prof., Catholic University of Lille, France
rekik.sabrine@yahoo.fr

Abstract

This paper examines the relevance of innovation quality index, which we have elaborated, as non-financial indicator to predict future operational performance. Unlike prior research, we use complementary proxies of innovation to take into account the continuity of its process. Namely, we use R&D expenditures (as measure of the innovation's input), patent count and the quality index. We find that average operating incomes are positively associated with the quality of knowledge stock and document a slight significance of patent count. Moreover, we study the role of R&D activities in stabilizing the level of future earnings. We show evidence of the risky character of innovation; R&D expenditures are strongly associated with the volatility of future operational performance. Besides, we prove the existence of a threshold effect: the positive impact of our quality composite index drops when R&D expenditures increased considerably. We explain this finding by the capability of radical innovation, often developed by small and young companies, to create economic value, with regard to incremental one, which is sustained by large firms. Our empirical study is based on European Patents data related to 599 European listed companies from different R&D-intensive industries. Our findings are based on sample of 599 companies which have applied for patents in the EPO between 1990 and 2012.

Keywords: R&D, patents, future performance, accountancy, market value, non-financial index, financial analysis
The Role of HR Flexibility in the relationship between Organizational Agility, Employee Well-Being and Work-Life Balance: A Review of the Literature and Conceptual Framework

Nissreen Barakat
University of Rennes, France
nissreen.barakat@rennes-sb.com

Abstract

Present organizational agility studies have generally focused on the relationship between agility and organizational performance; organizational effectiveness, innovation and knowledge management however, there was less focus on the employees operating in such dynamic organizations. How working in rapidly changing dynamic environment would impact the employee’s well-being and work-life balance? Does organizations need internal capability (HR flexibility) to moderate this relationship? To find answer to these questions, we were enthused to explore the literature about the relevant subjects. This paper contributes with a conceptual model that investigates the impact of organizational agility on employees well-being and work-life balance through the moderating role of HR flexibility in a volatile, uncertain, complex and ambiguous (VUCA) business environment. Organizational agility conceived as a significant dynamic capability deliberated as the ability to sense and anticipate environmental and internal changes and respond effectively and efficiently to these changes by rapidly reconfiguring its resources. In light of that, we claim that Human resources flexibility acts as a contextual moderator that arbitrate the extent to which organizational agility influences employee’s well-being and work-life balance through the evident reciprocity between HR flexibility (exploiting and exploring employees’ new skills and behavior) and employee commitment which is one of the employee well-being constructs. Precisely, we expect the Human resources flexibility effects to be fiercer in organizations operating in dynamic and rapidly changing environment since it has been previously proven in previous studies that HR flexibility is one of the capabilities that is vital and fits in dynamic organizations. It is expected to augment the employee well-being and work-life balance in agile organizations.

Keywords: Organizational agility, HR flexibility, employee well-being, work-life balance, dynamic capability theory, spillover theory, social exchange theory.
The Impact of Working Capital Management on Profitability of the Listed Companies in Emerging European Countries

Aleksandar Naumoski
PhD, Associate Professor, Ss. Cyril and Methodius University in Skopje, Faculty of Economics, Republic of North Macedonia
aleksandar@ecf.ukim.edu.mk

Abstract

This paper analyzes the impact that efficiency in working capital management has on the profitability of the companies. We have created a sample of 720 companies from ten South-East European countries (Bosnia and Herzegovina, Bulgaria, Montenegro, Croatia, Greece, North Macedonia, Romania, Slovenia, Serbia, and Turkey). Using their financial data in the period 2006–2015, we applied a panel regression model, involving operating profit ratio as a dependent variable, and several independent variables that represent the various features of the companies’ working capital, such as inventories turnover, days of collection of receivables, days of payment of accounts payable, and cash conversion cycle as a most comprehensive measure of the working capital management. In addition, we used a few control variables. The results of the model are expected to reveal which of these items, if any, have an impact on the profitability of the companies in the region. We found a statistically significant negative relationship of the profitability of the companies with the accounts receivable period and cash conversion cycle. Also, the relationship between the profitability and the inventory period is negative, but is not statistically significant. Profitability has a positive and statistically significant relationship with the accounts payable period. The companies of the SEE countries can increase operating profitability by shortening the period of collection of their receivables and the cash conversion cycle and by delaying their payments to creditors, taking care not to call into question good business relationships with them.

Keywords: Corporate profitability, working capital management, cash conversion cycle, emerging countries, South-East European countries

JEL Classification: G30, G31, M41, O52
Retailer’s Demand Information Acquisition Decisions with the Impact of Financial Constraints

Jia Shi
The University of Hong Kong, Hong Kong
evashijia@163.com

Abstract

Nowadays, firms especially retailers are devoted to improving the demand forecast ability. Today's data collection technology helps firms’ better collection with data, which can be used to demand prediction. Whether the retailer will voluntarily to do demand information acquisition with a fixed cost is the major concerns in this paper. Besides, many retailers, especially the small-size one, usually have financial concerns. Another concern in this paper is that the demand information acquisition decisions will be difficult if the retailer is financially constrained. This paper, based on the stylized newsvendor model, aims to figure out the retailer’s demand information acquisition behaviours and its corresponding inventory decisions with and without the impact of financial concerns. The influence of demand information acquisition cost is also including. Our results show that when the retailer has sufficient capital, the retailer is more willing to do information acquisition when the cost is low. But when the retailer is financially constrained, the retailer’s demand information acquisition depends on the market demand uncertainty level and the exogenous wholesale price level. This paper provided insights for the retailer’s manager on whether to invest in demand information acquisition.

Keywords: Information acquisition, operation management and finance, newsvendor model
Innovation and Tradition of Arita’s Ceramic Cluster in Japan

Yuko Oki
Prof., Toyo University, Japan
oki013@toyo.jp

Abstract

Arita was the birthplace of porcelain in Japan which began its production in 1616 and since then the tradition has continued until today. This paper will empirically reveal how innovation promotes a competitive advantage in an attempt to integrate two conflicting strategic approaches; the position view and the resource base view. The strategy of industrial clusters is regarded as a single process of knowledge transformation by connecting the external and internal contexts. As Arita has a long and overwhelm history regarding their tradition, it is not so easy to solve the recent crisis. This paper investigate how to solve this crisis in Arita and consider role of the “Business Producer” who can bridge Arita’s past and future to create innovation based on the traditional spirit of Arita. The original interviews were conducted with the relevant people in the cluster and the results were analyzed based on Porter’s Diamond model.

Keywords: Industrial cluster, innovation, tradition, business producer, ceramics
The Establishment of the Energy Regulatory Commission of Republic of North Macedonia and Its Role in the Energy Sector as an Independent Commission

Serjoza Markov
University American College Skopje, Republic of North Macedonia
sejoza.markov@cukic-markov.com.mk

Abstract

In order for any social system to function more easily as a whole, certain regulatory bodies and agencies are formed, aimed at facilitating the functioning of individual social branches. These regulatory bodies and agencies are independent in their work and often participate in the formulation of legislation in certain areas. The questions which arise as the basis of this paper are: “What is the role of the Energy Regulatory Commission of the Republic of North Macedonia in the development of the energy sector?”; “Is the Energy Regulatory Commission truly independent in its work and is it free of all kinds of pressures?”; “How has the Energy Regulatory Commission developed over the years since its inception until today?”. This paper aims to briefly answer these questions. The aim is to present the real picture of the functioning of the Energy Regulatory Commission and its important role for the electricity sector in the market environment. In practice, it seems that the independence of the Energy Regulatory Commission is increasingly questioned year after year. Although presented as an independent body, its work is influenced by certain political and business streams. This paper will try to provide directions and proposals aimed at strengthening the independence and autonomy of the Energy Regulatory Commission. In accordance with the competences of the Energy Regulatory Commission, and according to the fact that it directly participates in the formation of the price of electricity, it is apparent that its role in terms of the formation of the electricity market, and therefore in the energy sector, is of high significance. Hence, the proper functioning and role of the Energy Regulatory Commission should be a guarantee for quality, safe and uninterrupted supply of electricity to consumers.

Keywords: Energy, Regulatory, Commission, Electricity
Role of Artificial Intelligence in Human Resources

Sanad A. Alajmi
Ph.D, Public Authority for Industry, Kuwait
alajmisanad@hotmail.com

Saleh H. F. Alenezi
Ph.D, Council of Ministers, Kuwait
alenezi@inbox.com

Abstract

In today’s competitive world, developments in information technology, particularly those involving artificial intelligence, have significant implications for human resources. Assessing these impacts will be crucial to develop policies that enhance the efficiency of the human resources function for the benefit of workers, employers and society as a whole. This paper introduces the concept of artificial intelligence and reviews studies that link artificial intelligence to human resources issues, including processes that already use artificial intelligence as well as potential future applications. The paper also reviews studies of the impact of artificial intelligence on the labour market, noting the distinct usage preferences of artificial intelligence in various industries and emerging and declining job roles, as well as the skills required to deal with the changes resulting from the use of artificial intelligence. The main objective of this conceptual paper is to study the role of artificial intelligence in human resources, based on secondary sources. Published literature and websites are used to review both empirical and analytical aspects of the potential role of artificial intelligence in human resources.

Keywords: Artificial Intelligence, HR, labour market.
Top Management’s Perceptions of Benchmarking and Its Impact on Services Improvement in Kuwaiti Industrial Companies

Sanad A. Alajmi
Ph.D, Public Authority for Industry, Kuwait
alajmisanad@hotmail.com

Saleh K. Almutairi
Ph.D, Public Authority for Industry, Kuwait

Abstract

Benchmarking is an important tool that can be used to learn from others to improve the industrial services. This research investigate the impact of benchmarking on services improvement in Kuwaiti Industrial Companies. The data collection instrument used was a questionnaire which was administered and distributed to a total sample of (120) managers working in (20) industrial companies at the rate of (6) questionnaire for each. The response rate was (70%). The research results supported the hypotheses that Top Management’s perceptions of benchmarking has a significant and positive impact on industrial services improvement. The findings indicate that Top Management’s perceptions of benchmarking style explains 30.3% of the variation that occurs in industrial services improvement. These results are consistent with previous research, which consist with the important of benchmarking with performance and operation process. A discussion of the study’s findings and conclusion are provided.

Keywords: Benchmarking, services improvement, Kuwaiti
Prospects of Electric Vehicles in Pakistan Considering Force Field Analysis

Sarmad Zaman Rajper
Ghent University, Belgium
sarmadzaman1@gmail.com

Abstract

It is generally believed that electric vehicles (EVs) are not suitable for adoption in an energy deficient country marred by blackouts. In reality, there may be some forces which can trigger or resist the implementation of EV technology. In this regard, face to face interviews were conducted to enlist and evaluate the barriers and opportunities for the prospects of electric vehicles in Pakistan. It was evaluated if favourable policies are adopted there could be successful propagation of hybrid electric vehicles (HEVs) and electric two-wheelers (E2Ws) in Pakistan. For electric cars or electric four-wheelers (E4Ws), the situation could be favourable when these vehicle would offer a lower sticker price and lower cost of infrastructure.

Keywords: Electric vehicles; Developing countries; Force field analysis; Opinion of the experts
Does Mandatory IFRS Adoption Enhance Quality of Accounting Information: Evidence from Pakistan

Adeela Rustam
College of Economics and Management, Nanjing University of Aeronautics and Astronautics, China
adeelarustam@nuaa.edu.cn

Ying Wang
College of Economics and Management, Nanjing University of Aeronautics and Astronautics, China
yingwang@nuaa.edu.cn

Abstract

This objective of this study is to investigate the impact of compulsory IFRS adoption on quality of accounting information in Pakistan, and its market attributes. The study employed the data from the year 1996 to 2016 gathered from the Pakistan stock exchange. Our study finds that IFRS adoption enhanced the quality of accounting information in medium and large size banks than in small. Although the assessment by constructing a single index indicates that IFRS enhanced quality of accounting information (QAI) of all banks. Comparatively by bank-wise assessment of QAI indices, we observe that mandatory adoption has no impact on Public and Specialized banks. Conjointly, our study overcomes the traditional perception of IFRS inconsistency and provide empirical justifications of the value addition of IFRS in quality information disclosure. Results from this study have technical and policy implications for regulatory institutions, policy makers and investors in emerging economies.

Keywords: IFRS; Accounting information quality; Value relevance; Earnings timeliness; Accounting conservatism.

JEL classification: M4; M40; M41; M48
Does IFRS Adoption Enhance Earnings Timeliness of Accounting Information: Evidence from Pakistan

Adeela Rustam
College of Economics and Management, Nanjing University of Aeronautics and Astronautics, China
adeelarustam@nuaa.edu.cn

Ying Wang
College of Economics and Management, Nanjing University of Aeronautics and Astronautics, China
yingwang@nuaa.edu.cn

Abstract

This study examine the impact of mandatory IFRS adoption on earnings timeliness of accounting information in Pakistan, and its major reporting innovations. We build a unique approach by combining theoretical and quantitative aspects. Our findings portray a permanent IFRS change in disclosure of earnings timeliness information in the corporate sector. We also find cumulative effects by incorporating a single weighted index that IFRS escalated timely profit and loss realization of banks and enhanced disclosure of good/bad news. Similarly, under bank-wise assessment of indices, we observe that IFRS has no consistency with earnings timeliness of commercial and specialized banks. Relatively, by analysing response of IFRS policy shocks we find that earnings timeliness and stock returns are responding positively to reporting innovations. Altogether, our outcomes contribute to figure out the value addition of IFRS in the information content of earnings timeliness and justify consistency of IFRS for information exposure based on empirical evidence.

Keywords: IFRS; Accounting disclosure; Earnings timeliness information, Banking sector, SVAR

JEL Classification: M4; M40; M41; M48
Causality Relation between Real Exchange Rate and International Trade in Agricultural Production – The Case of Turkey

Onur Bilgin  
PhD Student, Kirikkale University, Faculty of Economics and Administrative Sciences, Kirikkale, Turkey  
onurbilgin@kku.edu.tr

H. Bayram Isik  
Prof. Dr., Kirikkale University, Faculty of Economics and Administrative Sciences, Kirikkale, Turkey  
hbayram@kku.edu.tr

Abstract

In this paper, the long-term causality relationship between the real effective exchange rate and agricultural foreign trade was examined by considering 1996-2018. Augmented Dickey Fuller (ADF) unit root test, Johansen Cointegration test and Granger Causality test were used to determine the causality relationship between the variables. The ADF unit root test showed that the series were not stationary in level values and were stationary at the first difference. The result of Johansen Cointegration test indicated the existence of at least one cointegration vector. As a result of the Granger Causality test there was one-way granger causality relationship from agricultural import to agricultural export.

Keywords: Real effective exchange rate, agricultural import and export, cointegration, granger

JEL Classification: Q17, F14
Paradox of Perception in Europeanness: Possible Consequences of Brexit in the UK

Mehmet Dikkaya  
Prof., Kirikkale University, Turkey  
mdikkaya@yahoo.com

Abdulkadir Tigli  
PhD. Candidate, Kirikkale University, Turkey  
abdulkadirtigli@yahoo.com

Abstract

The Second World War put its stamp as the most devastating in the world’s recent history, by the death of forty million people. At the end of the First World War, the treats, which are against some national benefits, have signed rapidly; the problems were papered over the cracks. On a side, there are appetitive international markets; on the other side, the fascist governments that could not achieved what they demand… The economic anxieties of 1929 Great Depression… Many nation states that were pressed into the Continental Europe… Although the Allied States were the victors of the Second War, all the countries that entered the war, suffered heavy losses. The increasing fascism movement of thought has polarized the nation countries. This circumstance has teased the European intelligentsia, thoroughly.

Before Europe’s superiority struggle between the industrial and trade giants of Germany and France reached a level of fearful again, projects for launched through a European integration or the United States of Europe. The UK, which closely follows the functioning of European integration, has established the European Free Trade Area (EFTA) with the Scandinavian countries. However, this competitive trade union did not satisfy Britain and applied for membership to the European Union in 1963. Although, the two vetoed application by French Prime Minister Charles De Gaulle, the UK gained the membership of EU by the third application. The philosophical approach and background underlying the UK’s application to the integration was purely realistic and pragmatist anxieties. The government, which applied for membership to the EU, has taken the path of integration for economic concerns rather than to regard the UK, as more aristocratic and superior than other countries.

Besides the EU membership of UK was leant towards by charter members; indeed, due to the British public’s considering itself as noble and aristocratic obsessions; the entrance could not be said indulged both sides. Then again; in the membership process up till now, the British politicians have always voiced the separation from the EU to keep their domestic political status and achievements. At that point, there are two ideological emerge, which are Euroscepticism and Europeanness.

Keywords: EU membership of the UK, Europeanness perception, Euroscepticism, BREXIT.
Analysis of Measure taken for Terrorism Financing Activities: The Case of Turkey

Imdat Dogan
Dr., Independent Researcher, Turkey
imdatdogan@yahoo.com

Esra Ulukok
Research Asst. Kirikkale University, Turkey
esraulukok@kku.edu.tr

Hacer Akin
H. Bayram Veli University, Turkey
hacerakn@gmail.com

Abstract

The effect of terrorism on social, economic, political and psychological factors has reached high levels both in national and international arena. Today, due to the various terrorist organizations and their activities influencing a large part of the World, the fight against terrorism has brought the necessity and mechanism of various measures not only in Turkey but also in many countries. In this context, main purpose of this study explores the financing of terrorism within the scope of the measures taken by Turkey, a member of United Nations, in recent years. For this purpose; the measures such as the decision taken by the Council of Ministers to freeze the assets, quality and quantity of ordinary requests & denunciation made to Financial Crimes Investigation Board (MASAK) and the number of files on terrorism financing are examined. This study evaluates the nature of the measures taken within the scope of Turkey's fight against terrorist financing.

Keywords: Terrorism, Financing of Terrorism, Anti Money Laundering (AML), Combating the Financing of Terrorism (CFT), International Struggle.
Investigation of the Relationship between Islamic Work Ethics and Work Alienation: The Example of the Banking Sector in Kirikkale Province

Imdat Dogan  
Dr., Independent Researcher, Turkey  
imdatdogan@yahoo.com

Adnan Akin  
Prof., Kirikkale University, Turkey  
akin-adnan@hotmail.com

Mahmut Saylikay  
Kirikkale University, Turkey  
mahmut210@gmail.com

Edip Ali Pehlivanli  
Aksaray University, Turkey  
pehlivanliedibali@hotmail.com

Abstract

The determining role and impact of religion, in particular, Islam in social, economic, cultural and political life is clear. The effects of Islam in working life have different reflections both in demographic and various sectors. On the other hand, Islamic working ethics is based on the “Qur'an and Sunnah ve and in this respect, it serves extremely important functions both for the market functioning which aims and directs the production of goods and services, and for the internal control of the individual. This study investigates the relationship between islamic work ethics and work alienation and aims to determine the differences between the demographic groups of these two variables. In this context, the main purpose of the study is to examine the relationship between Islamic work ethics and alienation to work on the basis of bank employees and to reveal the results with the findings of the research. The face to face interview method was utilized at the primary data collection phase. The research was conducted on the employees of the banking sector in Kirikkale province and 91 questionnaire data were obtained. According to the results; it is found that the Islamic working ethics of single bank employees are higher than married bank employees and the level of alienation from state bank employees is higher than private bank employees. However, according to the correlation analysis findings, a negative, moderate and statistically significant relationship was found between Islamic work ethics and alienation from work.

Keywords: Banks, financial sector, alienation to work and islamic work ethic.
The Effects of Financial Liberalization for Developed and Developing Countries

Ozkan Zulfuoglu
Dr., Marmara University, Turkey
ozkanzulfuoglu@gmail.com

Abstract

After the 1980s, the financial liberalization process was accelerated and this process led to significant economic consequences in developed and developing countries. During this period, capital flows from developed countries to developing countries have increased investment opportunities in these countries. On the other hand, short-term speculative capital movements have led to the crisis faced by developing countries. At this point, we need to discuss the effects of the financial liberalization process correctly. The aim of the study is to discuss the effects of financial liberalization process in developed and developing countries. In addition, with the comparative analyses based on different country groups, we try to make some projections for the future of financial liberalization.

Keywords: Developed countries, financial liberalization, investment