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22-23 June 2023, MERCURE Paris 19 Philharmonie La Villette, Paris, France

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Prof. Dr. Konrad Gunesch – Keynote Speaker/Online
London Centre for Interdisciplinary Research, London, United Kingdom

"Special thanks to keynote speakers"

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The impact of HRM practices and organizational commitment on employee retention in the service sector of Cambodia

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Abstract

Regardless of the advancements in technology, internet, and artificial intelligence (AI), human capital remains an indispensable organ in an organization. However, Cambodia has experienced a remarkable transition over the past two decades. In this emerging economy and ever-changing work culture, the loss of talented employees could be very harmful to organizational growth, especially in the service industry. The retention of skilled employees has become a major concern for employers and HR managers due to the unprecedently high turnover rates. Unfortunately, studies of employee retention in Cambodia remain inadequate and limited. Therefore, more research into this area is required. As a consequence, this study aims to examine the impact of HRM practices (training and development, performance appraisal, compensation, employee participation, benefits and incentives) and organizational commitment on employee retention. The research was conducted on 165 employees working in the service industries in Phnom Penh as the target sample. The results of structural equation modeling (SEM) reveal that HRM practices positively influence organizational commitment, and both HRM practices and organizational commitment have crucial roles in enhancing employee retention in an organization.

Unleashing the potential of forex trading with intelligent automation and blockchain innovation through a dynamic transformation

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Abstract

Blockchain technology, cryptocurrencies, and electronic trading have rapidly transformed the foreign exchange market, presenting both challenges and opportunities for market regulation and exploitation. The potential for blockchain to revolutionize the foreign exchange business by offering improved transparency, efficiency, and security is enormous. Through its distributed ledger technology, blockchain enables the creation of transparent, tamper-proof transaction records. While both blockchain technology and forex trading have experienced tremendous growth in popularity in recent years, it is crucial to recognize the risks involved for investors. This study highlights the advantages of blockchain technology for the forex market, including decentralization, efficiency, security, and transparency. However, it is important to note that the implementation of blockchain technology in the forex market is not without challenges. These challenges include issues of interoperability, scalability, and regulation. Further research is necessary to address these challenges and ensure the successful integration of blockchain technology in the forex market. Nonetheless, the potential benefits of blockchain technology in the forex market cannot be ignored, and it is clear that blockchain has the potential to significantly transform the way foreign exchange is conducted.

Keywords: blockchain, Forex, cryptocurrency, challenges and opportunities on financial markets
Jel codes: D53, E44, G1, O16, O33

AI-Driven transformation in the financial industry: Navigating change for sustainability

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Abstract

As organizations strive to achieve sustainability in the fast-paced business landscape, effective change management has become essential. Artificial intelligence (AI) has emerged as a powerful enabler of positive transformation, allowing organizations to adapt quickly and maintain a competitive edge. This paper explores the potential of AI in driving positive change in the financial industry through effective change management practices. By leveraging AI, organizations can automate tasks, analyze data, and make data-driven decisions that support sustainability goals. The paper provides examples of AI-driven transformation in various sectors, but with a focus on the financial industry, highlighting how AI can facilitate communication, collaboration, and decision-making. Additionally, the paper explores how the synergy between AI and change management can be harnessed to achieve lasting results. By integrating AI into the change management process, organizations can streamline change management, reduce resistance to change, and accelerate the pace of change, thereby achieving their sustainability goals more quickly and effectively. However, the success of any AI initiative depends on effective change management practices. Organizations must manage change effectively to harness the full potential of AI and achieve sustainable transformation. This paper concludes that AI has the potential to be a game-changer in the field of change management and sustainability, enabling organizations to drive positive transformation and create a culture of innovation and agility that is essential for long-term success in the financial industry and beyond.

Framework policy for Türkiye's structural transformation: Economic complexity

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Abstract

It is claimed that as the complexity of the products in the economy increases many macroeconomic variables will be affected by this transformation. Therefore, a good understanding of the economic complexity is important in terms of giving clues about how the growth models of the countries should be. The aim of the study is to propose a structural transformation model for Türkiye based on Economic Complexity.

Digital trust in the sharing economy

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Abstract

Since its emergence, the sharing economy has maintained a sustained and rapid development, bringing trans-formative innovations and challenges in various traditional industries, such as shared travel and shared accommodation. The sharing economy is a social and economic ecosystem that matches the demand with the idle resources and cognitive surplus of a large number of scattered individuals or organizations through the network technology platform as an intermediary. However, the establishment of laws and regulations compatible with the sharing economy lags behind business practices, and the outbreak of many negative events will destroy the trust and confidence of participants in the sharing economy, thereby affecting their willingness to participate. How to ensure the sustainable and healthy development of the sharing economy is very important. Much research literature on online trust shows that trust plays a key role in reducing the complexity of online transactions and promoting successful online transactions. However, since the establishment of trust depends on the situational factors of exchange activities, there will be differences in the influencing factors and mechanisms of trust establishment in traditional commercial activities, e-commerce, and sharing economy. Therefore, it is of great theoretical and practical significance to study the trust building mechanism under the new scenario of sharing economy.

Keywords: Sharing economy, Airbnb, Trust transfer,Visual-based trust
Jel codes: B55, D16, Q55

The influence of emotions on decision-making: The case of women entrepreneurs in oriental Morocco

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Abstract

The need to study emotions, which are now omnipresent at the heart of our professional and private lives, is widely recognised. Research into emotions has led to the emergence of an operational concept, "emotional intelligence (**EI**)". Research into **EI** has focused mainly on management, negotiation and human resources, but little on entrepreneurship. Yet, emotions are at the heart of the field of entrepreneurship as a crucial element in encouraging entrepreneurs to manage (to regulate) their emotions and make the right decisions in all kinds of situations in order to promote professional success.

Based on the relationship established in the literature between EI and performance, our research aims at determining the influence of emotions on the decision-making of women entrepreneurs in Morocco. Based on a qualitative exploratory analysis, this work purposes more specifically to establish the relationship between the notions of self-awareness, emotion management, motivation, empathy, social skills and decision-making within this category of entrepreneurs. Through semi-directive interviews with women entrepreneurs identified in the Oriental region, and on the basis of a thematic content analysis of the interviewees' discourse, the obtained results will enable us to specify the intensity of the link between emotional management and entrepreneurial success.

The source of economic growth in Türkiye

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Abstract

Turkey has undergone significant changes and succeeded in updating its political and institutional environments, increasing the level of physical and human capital, all of which contributed to tremendous progress in economic and social development. The economic growth in Turkey has been encouraging over the last decade; however, there is still a need to raise substantially real GDP growth rate on a sustained basis, both through the productivity channel and factor accumulation, particularly labor. This paper examines the sources of economic growth in Turkey, using the growth accounting framework, aimed at identifying the main driving factors of economic growth. The data used in this study covers the period of 1960-2015. The data set includes real GDP, labor force, and capital stock. The source of data is the various version of the World Economic Outlook, IMF. The capital stock is estimated using the perpetual inventory method and the base year is 1960. In estimating the growth accounting model, a translog production function is applied. Empirical results show that capital accumulation is the most important individual factor in GDP growth followed by workforce accumulation and total factor productivity (TFP). This suggests that, on average, real GDP growth in Turkey was driven primarily by factor accumulation with a low level of TFP. Empirical evidence shows that labor plays little role in GDP growth most likely due to unskilled labor force or mismatch of labor skills with the production process. Furthermore, this may also adversely affect both TFP growth and the share of capital growth to GDP growth. The results indicate that the critical constraint to the economic growth appears to be poor labor skills that lead to both low labor productivity and under-utilization of capital stock.

The effect of remittances, agriculture, FDI and economics growth on environmental quality in Türkiye

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Abstract

Economic growth is an important goal for nations; nonetheless, it is critical for nations survival that economic expansion does not jeopardize the viability of the ecological balance. This explains why contemporary discussions of the impacts of economic factors on environmental quality have become common in the international literature. In this study, we looked at how economic growth, agriculture, remittances, and foreign direct investments affect the environment in Türkiye, a country with a young population and a wealth of natural resources. The study used the yearly frequency data collection, which cover the years 1990-2019. Methods included the structural break unit root test developed by Zivot & Andrews in 1992, the structural break cointegration test developed by Gregory & Hansen in 1996, and the FMOLS coefficient estimator. According to the findings, remittances and economic growth have a negative impact on environmental pollution, whereas agriculture has a favorable impact on pollution. For foreign direct investments, no statistically significant link was discovered.

Keywords: Remittances, Environmental Quality, Türkiye
Jel codes: Q50

Empirical analysis of the impact of monetary policy on the labor market in Ukrain during the wartime

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Abstract

The purpose of the study is an in-depth analysis of the impact of monetary policy during the legal regime of martial law on the labor market and the welfare of the population in Ukraine. The article analyzes how the military actions affected the labor force and briefly outlines the central bank's main actions to stabilize the macroeconomic situation in the country, reduce inflationary pressure, and counter the outflow of capital from the country. Based on the available statistical information and expert assessments of the state of the labor market in Ukraine, the effectiveness of monetary mechanisms was analyzed, in particular, the temporary change of the inflation targeting regime to the exchange rate fixation regime. The conducted analysis confirmed that, despite timely changes by the regulator, the effectiveness of the monetary transmission mechanism in war conditions is low, and a high level of uncertainty deters refugees from returning home and encourages them to spend their earned funds in host countries, as evidenced by a slight increase in private transfers due to border despite an unprecedented wave of immigration. Therefore, the priority task of the government should be the development of a strategy of financial incentives for the return of the working population to ensure the post-war reconstruction of Ukraine.

An analysis of port networks and improvement strategies for the port of Laem Chabang

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Abstract

Ports are emerging as an increasingly important node in the world of trade. As the bridge to international trade for Thailand, the Port of Laem Chabang's network is highly diverse and interconnected, equipped in handling industrial cargos and large vessels. This paper aims to model and analyze the maritime trade network, identifying key influential nodes using Social Network Analysis (SNA). Indices such as degree centrality, betweenness centrality, closeness centrality, Katz centrality, hub and authority index, and PageRank were utilized. This paper also suggests additional routes that could be added to the network to increase connectivity, which is decided by the analysis of Thailand's trade data as well as the existing edges in the network. Results reveal Singapore, Hong Kong, and Kelang to be amongst the most influential nodes in the network, alongside Ho Chi Minh City and Kaohsiung. In consideration of additional routes, edges to Haldia and Ning Bo show the most significant changes to the network's connectivity. Adding all new chosen edges cumulatively shows promising results for the Port of Laem Chabang's connectivity as well. Further development by port authorities into these influential edges and potential new edges should yield positive results for the port network.

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Curriculum analysis of business ethics courses at universities in Türkiye

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Abstract

Economic and technological developments create new service areas in the business world, and accordingly, new regulations are made in all functions of enterprises/institutions. These new understandings, which manifest themselves in businesses, business strategies and management processes, also lead human resources processes to innovation. Accordingly, investment in labor resources is intensified, as in many other resources. While increasing the performance of the workforce with knowledge and talent development trainings, it is not known exactly how the ethical dimension will be provided in this process. Individuals are acquainted with ethical values before their university years and act in this direction in their social lives to a large extent. In addition, ethical education in schools is a guide for future managers in determining the direction in business life. Business ethics can become a phenomenon that is only needed in the increasingly complex business world, and its lack causes various problems. In this respect, it is important to examine the curriculum situation of business ethics courses in business departments that train human resources of enterprises. From this point of view, in this study, the teaching status of business ethics courses in business administration and other departments in associate, undergraduate and graduate programs in state and foundation universities in Türkiye was determined by document analysis method. In the light of the data obtained by examining the curricula of the departments of business administration and other related departments of universities, it has been tried to reveal the point of education with business ethics courses in higher education in Türkiye.

Analysis of R&D projects developed in science and technology parks through topic modeling

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Abstract

To enhance companies' innovation performance, many new Science and Technology Parks (STPs) have been established in many cities in Türkiye in the last 30-35 years. The companies located in these areas develop technology through R&D projects. In this context, understanding the distribution of themes of R&D projects developed in STPs is an important factor in determining the success factors of STPs. This study analyses the R&D documents of companies using a type of unsupervised machine-learning technique called topic modeling. The dataset containing the project documents of the companies was obtained through the Entrepreneur Information System of the Ministry of Industry and Technology of the Republic of Türkiye. The results showed that digital technologies such as artificial intelligence, mobile technologies, and web applications were developed intensively in STPs with high R&D innovation performance.

A mixed-integer linear programming model for grain shipment in black sea grain

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Abstract

The Black Sea Grain Initiative is proposed by the United Nations in light of the Russo-Ukraine War, which has disturbed the transportation of grains from Russia to the global market. This paper examines the shipments under this program, which involves the delivery of various types of grains to multiple destinations over an extended period. A mixed-integer linear programming model is formulated to determine the minimum total cost, which consists of both shipment costs and demand-based compensation, considering several factors including the supply, demand, vessel speed and capacity, and the income level of destination countries. When solved, the model finds the type of grain transported, the destination, the vessel deployed, and the starting date of each voyage. A sample problem is generated and solved to demonstrate the feasibility of the model. Numerical results and sensitivity analysis is then presented to further support the significance of the cost components and the validity of the approach.

Keywords: Black Sea Grain Initiative; Vessel scheduling; Maritime transportation; Mixed-integer linear programing
Jel codes: A12, C61, C51

Super-modular risk premium

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Abstract

In this paper, we propose a new risk attitude notion for multidimensional risk analysis. It is based on the following intuition: Diversifying, across states, by allocating fixed losses that affect heterogeneous risks across states may be good, while in that case it is more so under an additional background risk (here in the first attribute). We first show that, under the expected utility hypothesis and twice differentiability of the von Neuman-Morgenstern (VNM) utility functions, it can be characterized by the negative sign of an asymmetric fourth-order cross partial derivative of the VNM utility functions. Then, we show that this is equivalent to the super-modularity of the risk premium function for a background risk (SMRP). Finally, these new restrictions are used to: (1) propose a new index of risk attitude for the SMRP, (2) derive new stochastic dominance criteria for multidimensional risk comparisons, and (3) develop a few economic applications.

Analysis of financing methods and sources of cross-border electricity connections in Europe 2010 – 2023

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Abstract

This research analyzes the financing methods and sources of cross-border electricity connections in Europe between 2010 and 2023. The study employs a mixed-methods approach that includes qualitative and quantitative analysis. Data was collected through a review of literature, statistical data, and interviews with policymakers, industry experts, and officials from international organizations. The findings reveal that both traditional and alternative financing methods and sources have been used to fund cross-border electricity infrastructure projects. The analysis shows that the most common financing methods are project finance, corporate finance, and government-backed loans. The study also highlights the importance of subsidies, grants, and public-private partnerships as sources of funding. Furthermore, the paper provides insights into the role of the European Union in promoting cross-border electricity connections through funding mechanisms such as the Connecting Europe Facility and the European Investment Bank. The study concludes that while traditional financing methods remain prevalent, alternative finance sources such as green bonds and crowdfunding are gaining traction and are poised to play a significant role in the future financing of cross-border electricity connections.

The effect of local government debt for infrastructure development on economic development based on K-means clustering and random forest

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Abstract

In recent years, some provinces in China have encountered local government debt problems, raising concerns regarding whether local gov-ernments should continue to invest heavily in infrastructure construction. This paper explores the variations in how local government debt affects eco-nomic growth across Chinese provinces. Through Cluster Analysis, this pa-per divides China's 31 provinces into three categories: One category pertains to provinces that require sustained and intensified government investment, another pertains to provinces where government investment can be moder-ately increased, and the final category pertains to provinces where the focus should be on addressing government debt problems. For each category of provinces, this paper presents a prediction of the percentage of economic growth that corresponds to the percentage increase in government debt growth, assuming all other conditions remain constant and gives possible reasons.

Let There be Light: The Impact of Reliable Community Electrification on Women's Autonomy

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Abstract

This study examines the effects of community-level electrification on women's social autonomy in India using panel household survey data, administrative data and satellite data spanning over two decades. Using flexible difference-in-difference estimators, we find higher community-level electricity hours reduce incidence of sexual violence against women, and improve women's mobility, fertility choices and access to health care. Results are robust when using night-time luminosity as an alternative indicator of community electrification, most recent data on reliability of electricity and alternative longitudinal estimation techniques. Heterogeneity analysis shows that the effects are stronger in rural areas compared to urban areas. We identify four main channels through which electricity impacts women's autonomy: paid employment, education, exposure to mass media and safety.

Keywords: Community electricity, sexual violence, women's autonomy
Jel codes: D13, D63, H42, Q43

Brexit Shock and Productivity Within European Union

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Abstract

The paper investigates the effect of Brexit shock on productivity levels within the European Union (EU). Using the CompNet database, the results show that the Brexit shock negatively affects productivity levels across sectors. Further, both low-productive and highly-productive firms are negatively affected. The results confirm that total factor productivity and capital productivity are negatively affected by the Brexit shock but positively affect labor productivity within the EU. Further, the paper accounts for robustness checks across various productivity measures.

Administrative deficit in public sector

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Abstract

The paper investigates the effect of Brexit shock on productivity levels within the European Union (EU). Using the CompNet database, the results show that the Brexit shock negatively affects productivity levels across sectors. Further, both low-productive and highly-productive firms are negatively affected. The results confirm that total factor productivity and capital productivity are negatively affected by the Brexit shock but positively affect labor productivity within the EU. Further, the paper accounts for robustness checks across various productivity measures.

Access to finance and firm performance of small businesses in Africa

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Abstract

Due to the low level of investment and other factors that affect entrepreneurship within the African region, the impact of finance on small firms' performance is not well understood. Lower-income countries within the African region are faced with issues of weak financial institutions which makes financing entrepreneurship to be incredibly challenging compared to developed countries. Using the two-stage least square method and firm-level dataset, this study empirically tests the impact of access to finance on the small firm performance of 21 African countries. The study used five variables: annual sales, number of permanent employees, employment growth, labor productivity, and export intensity to measure firm performance. The entrepreneurial orientation is more of a survival approach which means small businesses' performance comes with some level of resilience. The study used country effect to control for regional variation to resolve issues of endogeneity and heteroskedasticity. The study also used instrumental variables to resolve issues of reverse causality. The study finds that access to finance is positive and significantly affects all measurements of firm performance of small businesses. Despite the weak financial institution and survival orientation, small businesses within the African region still find a way to compete and stay in business.

Keywords: Entrepreneurship, Small Businesses, Financial Constraints.
Jel codes: L25, L26

Moored minds: An experimental insight into the impact of anchoring & disposition effect on portfolio performance

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Abstract

We present evidence of the anchoring bias and disposition effect in investor trading decisions across different asset markets (equity and alternative assets) and market scenarios (stable and volatile markets), and how these biases affect investors' portfolio performance. The paper conducts three studies on university students allowing them to trade interactively in simulated asset markets using a quasi-experimental design. The first study investigates the investors' disposition effect using prominent tested methodologies: first applying the target of maximum loss tolerance limit based on the central idea of prospect theory (Kahneman & Tversky, 1979), that people would be more aggressive in a loss environment that would force them to bear more losses than they would admit, and other two measures are based on ratio-based approaches include Odean's (1998) and Weber and Camerer's (1998) measurements. The second study investigates the anchoring effect in winning/losing investments using previous trading high/low prices as anchors. We use the methodology proposed by Jacowitz and Kahneman (1995) to calculate the anchoring bias measure. In the third study, we develop a model to examine how behavioral biases affect investors' portfolio performance. We find both biases influence investors, but only in alternative assets and volatile markets. Further probing the investors' demographic attributes across different asset markets and scenarios reveals that behavioral biases influence women, high-income investors, and students more. Additionally, investors who have behavioral biases have lower portfolio returns and higher portfolio risk. These findings interest financial institutions and government agencies conducting similar experiments to improve financial decision-making and investment behavior. The study's findings can help individual investors understand their behavioral biases, avoid them in future trading decisions, and improve portfolio performance.

Contagious much? A study on behavioral bias transmission

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Abstract

With a rapidly growing population and increasing urbanization, India's demand for affordable housing is rising. Additionally, the relatively high return on investment in the Indian housing market, regarding rental income and capital appreciation, makes it an appealing investment option for domestic and international investors. The real estate markets are typically less efficient than financial markets. This makes the investors in these markets prone to behavioral biases. Social interactions between investors make them susceptible to beliefs and biases held by others. In this paper, we have created a conceptual model from epidemiology literature that shows the contagious nature of behavioral biases among individual investors in the Indian housing market. We used the standard SIR model of Kermack and McKendrick (1927) to showcase the transmission of behavioral biases among individual investors. Overconfidence, disposition effect, familiarity bias, and status quo bias are the behavioral biases we have studied as they most commonly occur in this market. These biases are measured using proxies extracted from Şenol and Onay (2023). The portfolio composition and trading data of individual investors are considered for this purpose. Lack of experience and dependence on the perspectives of others make naive investors more susceptible to behavioral biases. These behavioral biases need to be addressed using proper interventions, such as financial education, to mitigate them so that those infected may recover from these biases and make informed decisions. These findings provide a framework for designing effective strategies to promote a more rational and informed real estate investment community.

Keywords: Behavioral biases, housing markets, SIR model, Contagion
Jel codes: G11; G41; R31