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**EMERGING TRENDS IN  
MACROECONOMICS, INTERNATIONAL ECONOMICS, PUBLIC  
ECONOMICS AND FINANCIAL ECONOMICS**

## **Milena Seržantė, Viktorija Askoldavičiūtė. INVESTIGATION OF FACTORS DETERMINING LITHUANIAN PUBLIC DEBT TO FOREIGN COUNTRIES**

### **Abstract**

**Research purpose.** The study aims to examine which indicators influence the amount of Lithuanian public debt to foreign countries.

**Design / Methodology / Approach.** First of all, in order to find out what could be preliminary indicators, influencing the public debt, a comprehensive literature review have been done. This was implemented with the main goal to find out the influencing independent variables, which were used for the next calculation. Successively, was the selection procedure of the appropriate methodology for solving similar tasks. The pairwise and multivariate regression analyses have been carried out with the collected data.

**Findings.** Empirical research has shown that all independent variables are significant and can be used for pairwise regression analysis. After doing this, the authors found that no regression equation could be completed with none variable, which means that none of the variables affects the dependent variable (altogether). A multivariate regression analysis was also performed to check the impact of the selected variables on public debt. The regression equation was succeeded only when the criterion “population” has been eliminated. The results show that GDP, the unemployment rate, inflation and the minimum wage (in composition) may have an impact on the government's external debt.

**Originality / Value / Practical implications.** Due to the emergency (pandemic) situation, the Lithuanian state borrowed a considerable amount of money from the European Commission - last year it was planned to borrow 2.7 billion according to the initial budget, but due to the situation, the debt was increased by 5.1 billion. Euros. The concept of reasoning the amount of public debt to foreign countries is valuable not only in the concept of COVID pandemic. This empirical research analyses the critical substances, which affect the public debt, based on factual statistics, correlation analysis and pairwise and multivariate regression.

**Keywords:** public debt; impact calculation; regression analysis; unemployment; Lithuanian economy.

**JEL codes:** E01; D20.

### **Biography of the authors**

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## **Bohumil Stádník. PREDICTION OF THE DEVELOPMENT OF THE MARKET PRICE OF BITCOIN**

### **Abstract**

**Research purpose.** Prediction of the future development of the price of Bitcoin (hereinafter referred to as BTC) is a discussed problem that still lacks not only the realization of the prediction, but also a reasonable methodology on which the implementation of the prediction could be based. The aim of this research is to create such a methodology. Since the classical parity theory cannot be used for a reasonable price assessment, we based the methodology on the empirically verified fact that the market price roughly corresponds to the cost of BTC mining. The development of mining costs is an ascending curve. The ascending shape of the curve results from the rules defined by the creator of BTC, when the number of BTC obtained per unit of energy expended decreases (by half). The price of electricity also enters into the cost. The next question is what will happen after 2141, when the last



BTC should be mined, of course, if BTC still exists at that time. There are many parallels with gold, which also maintains its status as a universal medium of commodity exchange and is also not supervised by any central bank.

**Design / Methodology / Approach.** The methodology involves the construction of a random process that empirically corresponds to the historical development of the BTC market price. It contains a component of mining costs as well as anticipated scenarios for the evolution of electricity prices, which are simulated using the GBM process, and also other relevant processes.

**Findings.** In the research, a process was defined that corresponds to the historical development of BTC and that allows future predictions of development. Several scenarios of future development were also simulated.

**Research limitations.** The limitation of this research lies mainly in the failure to take into account hard-to-quantify effects such as asset popularity, risk premium. Also, the research did not take into account the different prices of electricity in different countries.

**Originality / Value / Practical implications.** Currently, a similar model for the development of the market price of BTC is absent in finance. The research helps practitioners considering investment to BTC.

**Keywords:** BTC; cost of mining; market price development.

**JEL code(s):** G1; G12.

#### **Biography of the author**

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## ***Maria Magdalena Golec. THE PRINCIPLE OF SOLIDARITY IN COOPERATIVE BANKS IN POLAND ON THE EXAMPLE OF INSTITUTIONAL PROTECTION SCHEMES***

### **Abstract**

**Research purpose.** Institutional Protection Schemes (IPS) were established in 2015 in the sector Polish cooperative banks (511 independent institutions). In 2021, more than 10 banks have still not joined this mechanism. IPS increases protection of participating banks and is self-controlled by banks. However, the systems may limit the autonomy of acceding banks. Therefore, the paper aims to examine the scope of IPS impact on participants' finances and to determine the perception of IPS by the staff of those banks.

**Design / Methodology / Approach.** Research on the scope of increasing the protection of cooperative banks' activity was based on reporting data from two IPS in Poland from 2017-2020. In order to learn the opinions of the staff from cooperative banks on their scope of knowledge about IPS and assessments, the questionnaire survey was conducted in 2021 on a group of 83 employees in various institutions, with different professional experience.

**Findings.** The study found the increasing importance of IPS for the finances of the participating entities. Aid mechanisms consist of liquidity support (maintain the mandatory deposit) and aid fund (as a part of solvency support solution). The scale of funds in IPS is increasing. These security systems allow to provide aid to banks threatened with bankruptcy. The respondents positively assess the activities of IPS, the majority correctly describe the support mechanisms and the scope of participation. 78% of respondents agreed with the statement that IPS supports the principle of solidarity in groups of cooperative banks.

**Originality / Value / Practical implications.** According to EU regulations, IPS are an obligatory in smaller cooperative banks. Larger cooperative institutions do not want to bear the operating costs of institutions threatened with bankruptcy, therefore the process of introducing IPS in Poland is still ongoing. The indicated problem of entering the IPS was the loss of some autonomy and identity by cooperative banks. The employees positively evaluate IPS, but the question arises, to what extent these mechanisms are noticed by the clients of these institutions.

**Keywords:** IPS; cooperative banks.

**JEL codes:** G21; O17.

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## ***Greta Keliuotytė-Staniulėnienė, Martyna Kudžmaitė. FINANCIAL STABILITY IN THE FACE OF THE COVID-19 PANDEMIC: THE CASE OF LITHUANIA***

### Abstract

**Research purpose.** The spread of the COVID-19 pandemic and its induced constraints has led to a global economic downturn, which inevitably affected the stability of the financial system; therefore, it is important to quantify this effect. The purpose of this research is to quantitatively assess the financial stability in Lithuania and to determine the impact of the COVID-19 pandemic on financial stability in the country.

**Design / Methodology / Approach.** After analysis of academic literature, the authors used a multi-criteria assessment approach to assess the level of financial stability; the financial stability index was formed based on the macroeconomic, financial sector, and international environment indicators. The dynamics of the index and its elements during the period from 2005 to 2021 was analyzed. Finally, a paired-samples t-test was used to find out if there is a significant difference between the index values before and during the COVID – 19 pandemic.

**Findings.** The performed research revealed that financial stability was slightly growing from 2005 to 2021, with significant decreases during the financial crisis of 2008 and the period of the COVID – 19 pandemic. However, while the financial crisis of 2008 had a major impact on the financial sector, during the COVID – 19 period the effect on macroeconomic and international environment indicators appeared to be more pronounced.

**Originality / Value / Practical implications.** The research assessed the dynamics of the financial stability index both in the long term and the short term (period of the COVID-19 pandemic). The results of the research provide insights that might be useful in assessing and maintaining financial stability in high uncertainty periods in the future.

**Keywords:** financial stability; financial stability index; multi-criteria assessment; COVID-19 pandemic.

**JEL codes:** E44; G01; G21.

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## **Viktorija Šiukščiūtė, Indrė Lapinskaitė. RESEARCH ON POTENTIAL RISKS OF FINTECH NEW SOLUTIONS IN LOTTERY ECOSYSTEM**

### **Abstract**

**Research purpose.** The use of FinTech is only increasing nowadays, but there is very little research on the FinTech risk management topic. As technology adoption grows and consumer behaviour changes, it is time to focus on a secure, seamless, and self-contained solution that combines traditional experiences with disruptive technologies. In this paper, blockchain technology as part of FinTech solution is analysed. The paper aims to identify and assess the potential risks while adapting new FinTech solutions in the lottery ecosystem.

**Design / Methodology / Approach.** PESTEL and expert analyses, Kendal concordance, competency coefficients, and Decision Matric Risk Assessment (DMRA) methods were used to achieve this aim. This paper presents a comprehensive literature review of the lottery ecosystem, FinTech, and blockchain technology, focusing on its risks in the lottery sector.

**Findings.** The potential risks of FinTech solutions in the lottery system will be identified and assessed. The opinion of expert will be presented using DMRA.

**Originality / Value / Practical implications.** With the expansion of blockchain technology, lotteries not only have had to adapt and change their attitudes to remain relevant to the new generation of players, but also, it will help to secure the core values of lotteries, which are the foundation of lottery business model. However, every innovation brings various additional risks to the whole lottery ecosystem.

**Keywords:** lottery ecosystem; blockchain; FinTech risks; risks identification; risks assessment.

**JEL codes:** G32; O32.

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## **EMERGING TRENDS IN SUSTAINABILITY AND CIRCULAR ECONOMY**

## **Armand Faganel. SOCIAL MARKETING AS A TOOL FOR A SUSTAINABLE MUNICIPAL WASTE MANAGEMENT**

### **Abstract**

**Research purpose.** The purpose is to study the household attitudes towards the separation and prevention of waste and to present an innovative model of efficient and sustainable waste management.

**Design / Methodology / Approach.** In the empirical part it was implemented an online survey to research residents' attitudes and intentions towards the handling with the household waste. It resulted in 228 valid responses, used for a quantitative analysis to answer the set hypotheses.

**Findings.** Regardless of the good results of waste separation in the municipality, the research showed that households do not know how to properly classify certain waste according to the type. It was confirmed that the use of penalty programs does not contribute to a higher level of waste separation. The already high awareness of the importance of separating waste could further be strengthened through the tools of social marketing as a factor for social change.

**Originality / Value / Practical implications.** It has been proven that residents' motivation is an important factor that indirectly influences households to separate, prevent and reduce the generation of new amounts of waste. Changing people's attitudes, mindset and behaviour to be environmentally friendly is the best way to prevent further encroachment on the natural environment.

**Keywords:** social marketing; environmental awareness; motivation; waste reduction; households.

**JEL codes:** M31.

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## **Ivana Malá. AGEING OF EUROPEAN POPULATION AND DEPRIVATION**

### **Abstract**

**Research purpose.** To quantify such a subjective phenomenon as deprivation, we can use direct questions or more objective composite indicators, including more characteristics of the situation of individuals. Moreover, when ageing is of interest, the usually used indicators should be updated to reflect the needs of ageing citizens. The European Survey of Health, Ageing and Retirement in Europe provides a huge database of data connected to the European population over 50. Two indicators for material and social deprivation from the survey are used to describe both types of deprivation in European welfare countries. The well-being of elderly inhabitants is a challenging problem of European economies; for this reason, information on the development of deprivation might be useful to address future problems even before they become.

**Design / Methodology / Approach.** Data from the survey are used to describe differences between both deprivations and to analyse the impact of age, education and gender on the deprivation level. Regression and correlation analysis are used for the analysis.

**Findings.** The welfare countries relatively control material deprivation, but social deprivation is a more serious problem. The deprivation is slowly increasing with age with the positive impact of education. The gender is less significant. The situation is not similar in European countries and the clustering of countries corresponds with the quality of life indicators and welfare of the country.

**Originality / Value / Practical implications.** Quantification of the subjective phenomenon is shown. Data-driven information on deprivation during the ageing process in the European Union is given.

**Keywords:** deprivation; composite indicator; ageing.

**JEL codes:** P46; I31.

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### **Viktorija Skvarciany, Daiva Jurevičienė. HOW EFFECTIVE EU COUNTRIES' DIGITAL ECONOMIES TRULY ARE?**

#### **Abstract**

**Research purpose.** The current research aims at using data envelopment analysis (DEA) to measure the digital economy's efficiency in terms of digital economy and society index (DESI) sub-dimensions.

**Design / Methodology / Approach.** Data envelopment analysis (DEA) has been applied as the most widely used efficiency measurement technique. In the current research, the input factors are selected based on the digital economy and society index's (DESI) sub-dimensions, as this is a methodology that measures the progress of the digital economy and society. The output is represented by gross domestic product (GDP) per capita.

**Findings.** In terms of the *Connectivity* dimension, there are five efficient digital economies with a GDP as an output in the EU; they are as follows: Cyprus, Finland, Greece, Ireland, and Luxembourg. The most efficient digital economies are in Belgium, Ireland, and Luxembourg in terms of *Human Capital*. There are three efficient digital economies in terms of the *Use of Internet*; they are as follows: Cyprus, Czechia, and Luxembourg. According to the performed calculations, the following countries were classified as efficient in the context of the digital economy in the *Integrations of Digital Technology* dimension of DESI: Austria, Denmark, France, Germany, Greece, Ireland, Italy, and Sweden. The last investigated dimension was *Digital Public Services*, and in this case, only Luxembourg was found to be an efficient digital economy.

**Originality / Value / Practical implications.** The originality of the study could be explained by the usage of the DEA approach, as it was not previously applied for such studies. The results could be used by the policy-makers while preparing the strategies devoted to the digital economy development.

**Keywords:** digital economy, efficiency, DESI, DEA.

**JEL codes:** A1.

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## **Philip L. Fioravante. ADAPTIVE INTELLIGENCE IN BUSINESS: THE NEXT LEVEL OF ORGANIZATIONAL SUSTAINMENT**

### **Abstract**

**Research purpose.** The concept of intelligence, as many prior researchers have suggested, is primarily tied to biological and cultural effectors. Intelligence refers to intellectual functioning. Organizations with specificity to those individuals within the ecosystem need to recognize and stand guard to support the notion of adaptability. Learning to be flexible and work in an open, cohesive manner is a means to adaptive intelligence. In fact, adopting a “look, listen and learn” mentality enables individuals within an organization to the adapt to changing environment real-time. Both adoption of new approaches as well as adaptability to these approaches and development of a certain skill sets are both critical success factors. The purpose of this article is to build upon the extraordinary prior work, especially of Robert Sternberg, and study the phenomena of adaptive intelligence within the context of business organizational ecosystems.

**Design / Methodology / Approach.** A qualitative methodology aligned with an axiological philosophical assumption is evidenced throughout the explanatory review and new open-ended interviews focused on intelligence, adaptability and varying approaches to understanding organizations. The methodology applied is a review of relevant literature on intelligence, adapting, adopting, critical thinking, psychometrics and mapping and was utilized to augment the interviews.

**Findings.** Through influence and shared vision, leaders provide a sense of “psychological safety” for those within the organization. Adaptive Intelligence can be fostered more readily when those in the organization are clear on the reasons to change, are comfortable with the path and ready to adapt/adopt to improve performance outcomes. A key element of success is squarely dependent on being to achieve scalability of adaptiveness. Those organizations that are most successful in adaptive environment building recognize the importance creating ‘learning communities’ which are derived by engagement and shared goals.

**Originality / Value / Practical implications.** Adaptive intelligence at the micro-level and within a business setting provides organizations with the opportunity to have an engaged workforce who can continually deliver exceptional and collaborative performance for the greater good. Focusing on the individual mindset, organizations can build best in class teams who can adapt to the changing demands of the marketplace. A blend of IQ and emotional intelligence creates a soundness to an organization’s well-being and sustainability. Elements of critical thinking, group think to synergize broad ideas and creativity all can be identified as rudiments with adaptive intelligence. Harnessing this phenomenon can provide organizations with a strong and clear path to greatness.

**Keywords:** adaptive intelligence; sustainability; organizational systems; agile; critical thinking.

**JEL codes:** L1; M1.

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## **Edgars Cerkovskis. DEVELOPMENT OF THE LATVIAN CIRCULAR ECONOMY INDEX**

### **Abstract**

**Research purpose.** The Circulation Economics Index will be calculated by summarizing the survey data of entrepreneurs, in which the managers of Latvian companies of various industries and sizes are surveyed. The survey will find out the entrepreneurs' assessment of the current situation and forecasts for the next 6 months on issues

such as the general economic activity in the country and the industry, the level of competition in the business, as well as profitability, turnover, financial position, number of employees and amount of investment.

**Design / Methodology / Approach.** The data will be weighted according to the Central Statistical Bureau's (CSB) 2020 statistics on the distribution of enterprises by characteristics: industry, location, value added by number of employees in the enterprise. This study will show a weighted percentage and an unweighted number of respondents.

**Findings.** The Circulation Economy Index is an indicator that characterizes the general mood of Latvian entrepreneurs - how optimistic or pessimistic it is overall. The components of the Circulation Economics Index also allow for a separate analysis of data on the assessment of entrepreneurs for the current situation and forecasts for the near future, as well as various aspects related to the performance of enterprises and the overall business situation in the country.

**Originality / Value / Practical implications.** The survey is conducted using two methods: a telephone interview and an Internet survey. Respondents are given the opportunity to choose the most convenient form of interview. The set of respondents is partly composed of participants in previous surveys who have agreed to participate in future surveys, and partly re-randomized.

**Keywords:** circular economy, index, indexation, environmental sustainability, green economy.

**JEL codes:** Q57; R11.

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**EMERGING TRENDS IN  
BUSINESS ADMINISTRATION, MARKETING AND CORPORATE  
FINANCE**

## **Armand Faganel. DEVELOPING AND ADAPTING THE EXISTING BUSINESS MODEL: CASE STUDY**

### **Abstract**

**Research purpose.** The paper examines how to successfully adapt the existing business model, develop and introduce a new program in a company and gain new customers.

**Design / Methodology / Approach.** It has been adopted a case study approach, with an online survey of customers' needs, interviews with employees, and Porter's five forces of competitive position analysis.

**Findings.** Based on results of the study, an innovative business model has been proposed to enhance the company's business and ensure a sustainable business. Proposed low-cost Car Fix service brings additional customers to the company, as the greatest emphasis has been planned to ensure a high level of service quality and consequently achieve high satisfaction of Car Fix service users, fostering the image and recognizability of the whole company.

**Originality / Value / Practical implications.** Due to the fast changes in the business environment which are getting increasingly complex, a resourceful management has to continuously develop, innovate and expand company's customer base. The paper offers a template how to analyze the competitive environment and introduce a sustainable competitive advantage.

**Keywords:** business process; business model; car service; service quality; customers.

**JEL codes:** M10; M30.

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## **Stefan Bongard. TOOL-SUPPORTED PROFITABILITY ANALYSIS OF ALTERNATIVE DRIVE TECHNOLOGIES**

### **Abstract**

**Research purpose.** The dominance of diesel-based drive systems in the logistics sector remains high. For diesel trucks in Germany, the share for 2021 is approx. 94 %. Against the backdrop of climate policy goals and a growing social awareness of environmental protection, it is essential that the share of alternative drive technologies must increase in the future. Logistics service providers are therefore not only faced with the problem of selecting a specific technology, e.g. hybrid, BEV or fuel cell, but above all with the problem of economic efficiency. The aim of this project is to support the selection of alternative drives in corporate practice with a pragmatic practical approach.

**Design / Methodology / Approach.** The economic analysis of alternative drives is supported by an Excel tool. This tool is characterized by the use of a direct costing-based approach with the differentiation of fixed and variable costs, the consideration of a maximum planning period of ten years as well as the structured collection of basic data (e.g. fuel and energy prices), environmentally relevant data such as CO<sub>2</sub> conversion factors and sample vehicle data for two comparison vehicles. The applicability of this tool is continuously tested in the Master Logistics course at the Ludwigshafen University of Business and Society by using it as a template for case studies. In addition to the short training period, the possibility of mapping and analyzing different scenarios (e.g. with regard to the development of energy prices) with little effort has proven to be particularly advantageous.

**Findings.** As initial results of the case studies conducted, it can be stated that there are indeed already use cases in which an alternative drive offers economic advantages over a diesel vehicle.

**Originality / Value / Practical implications.** The originality of the approach lies in the possibility that, in contrast to profitability calculators available on the Internet, this tool can be extended or modified by users themselves. The value of the study arises from the minimal effort required to perform a profitability comparison including graphical evaluations, e.g. a break-even analysis. The practical importance results from the simple application and the low training time.

**Keywords:** alternative drive technologies; calculation tool; case study; profitability analysis.

**JEL codes:** A23; R40.

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### ***Pedro Antonio Martín-Cervantes, María del Carmen Valls Martínez. IS THERE A BALTIC MODEL FOR GENDER EQUALITY IN THE WORKPLACE?***

#### **Abstract**

**Research purpose.** More and more efforts are being made by the developed nations to abolish the unfair glass ceiling that discriminates the equality between genders. In this framework, three Baltic neighbouring countries, Estonia, Latvia, and Lithuania have gradually reduced the gap between men and women, representing an example of the policies that should be implemented by other nations. The main objective of this paper is to point out the common and divergent points of these three Baltic nations, as far as gender equality at work is concerned, highlighting their main stylized facts.

**Design / Methodology / Approach.** This paper has used as an empirical basis all discrete variables included in the World Bank's "Gender Statistics" report for each of the three countries analysed.

**Findings.** Although there are some obvious differences between Estonia, Latvia, and Lithuania, it is clear that women have become fully emancipated in all aspects of daily life, although the presence of females as owners or managers of businesses is still in absolute minority compared to men.

**Originality / Value / Practical implications.** This research highlights the progress of these three Baltic nations towards a future convergence between men and women in the workplace, highlighting the key variables on which this success has been founded. These concrete measures can be used by all governments seeking to achieve labour equality according to the "Baltic model" that we have reviewed.

**Keywords:** Baltic countries; gender analysis; gender convergence; equal labour opportunities.

**JEL codes:** J16; K38.

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**María del Carmen Valls Martínez, Pedro Antonio Martín Cervantes, Javier Membrives Salvador. THE INFLUENCE OF BOARD GENDER DIVERSITY ON CORPORATE SOCIAL RESPONSIBILITY**

**Abstract**

**Research purpose.** Effective equality between women and men in the different areas of social and economic life is a basic objective in the European Union. Therefore, most member countries have included gender policies about the composition of the board of directors in their legislation. On the other hand, in recent decades, the problems of sustainable development caused by economic progress have increased the interest by environmental policies of companies. Prior research has analysed the influence of women on the board of directors on corporate social responsibility measures, generally finding a positive relationship. The aim of this study is twofold: on the one hand, we study to what level of diversity this relationship remains positive and, on the other hand, we compare the behaviour of the American and European markets, by considering that in the US there is no quota legislation in this regard.

**Design / Methodology / Approach.** To test the hypotheses, panel data methodology with fixed effects is applied to the companies listed on the S&P 500 and the EuroStoxx 300 during the period 2015-2019.

**Findings.** The results show that the presence of women on boards of directors has a positive influence on corporate social responsibility up to a limit beyond which the relationship becomes negative in the European and American markets. Moreover, this maximum is reached with a higher percentage of women in Europe. This fact implies that, in effect, the heterogeneous boards are favourable to the sustainable behaviour of companies.

**Originality / Value / Practical implications.** This research shows the benefits derived from the application of equality policies on boards of directors. Generally, the published works show the improvements achieved with a greater female presence, showing an increasing linear relationship, which in extreme cases would lead to a total or majority female board of directors. However, this study shows a quadratic relationship, but unlike other studies, in the form of an inverted U-shape. It does not show a critical mass of women but a maximum beneficial percentage. Therefore, gender equality policies should be promoted by public power.

**Keywords:** gender diversity; corporate social responsibility; gender policies; sustainable development.

**JEL codes:** G34; J16.

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## ***Inga Shina, Irina Serbinenko.* INDIVIDUAL LEVEL PREDICTORS OF ORGANIZATIONAL PERFORMANCE IN MANUFACTURING COMPANIES**

### **Abstract**

**Research purpose.** Heterogeneity of organizations is a fact but the question is whether it is predetermined by macro factors such as organizational structure, culture, strategy, etc. or by micro factors such as individuals' characteristics, behaviour, motivation, etc. Why do organizations within one industry and country which are same by structure, culture and strategy perform differently if comparing the same KPIs? The analysis of research topics by keywords shows that during last decade the interest to micro level factors has significantly increased. This article aims to find out which are individual level (employee level) predictors of organizational performance in manufacturing companies

**Design / Methodology / Approach.** This study uses mixed research method within manufacturing companies located in Latvia. Data gathering is based on (i) qualitative data - from interviews with managers and employees and (ii) quantitative data - primary from survey results and secondary from Lursoft and Statistical Yearbook of Latvia. To make analysis of qualitative data is used content analysis and for quantitative data – hierarchical regression method.

**Findings.** This article tests how (i) Cognitive, behavioural and motivational antecedents influence organizational capabilities on organizational performance; (ii) Organizational structure and culture influence individuals' behaviour and motivation on organizational performance; (iii) Balance between ability and task is mediating individuals' characteristics on organizational performance.

**Originality / Value / Practical implications.** This article contributes to the research stream of microfoundations by adding a perspective of manufacturing companies. Organizations can use the research results to better understand which individual level variables might be used as an instrument to influence their performance.

**Keywords:** microfoundations; organizational performance; manufacturing companies.

**JEL codes:** M19.

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## ***Inga Shina, Velga Vevere.* COVID-19 IMPACT ON START-UPS IN LATVIA**

### **Abstract**

**Research purpose.** Conditions of Covid-19 have changed the landscape of start-ups drastically all over the world. Startups are more adept at pivoting quickly, shutting down projects, reorienting themselves toward real profits, and even turning their business model on its head. They are more resilient to change than large companies, and this plays to their favor in times like these. The aim of the article is to identify Covid-19 impact factors on startups in Latvia.

**Design / Methodology / Approach.** The study employs the mixed research design, quantitative methods – analysis of statistical data and expert interviews.

**Findings.** 2021 has been the most successful year for new companies in 10 years, because this year they managed to attract the largest investments. In eight months, Latvian start-ups have attracted 171 million euros in investments. The main support programs are: tax rebates and the ability to grant company shares to the employees. The new development directions for future are: innovations, green technologies and digitalization. According to our research, the change of the course is at least partly due to the Covid-19 conditions that have made the start-uppers to rethinking their strategical goals.

**Originality / Value / Practical implications.** The originality of the current article lies precisely in the research of the current situation and identification of the impact factors.

**Keywords:** start-ups; Covid-19; start-up funding; tax rebates.

**JEL codes:** K34; M14.

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## ***Helmuts Lejnicks, Ilona Lejniece. ANGEL INVESTING, CREATING INVESTMENT STRATEGIES, WHY ECONOMY CAN BENEFIT FROM IT: CASE OF BALTIC COUNTRIES***

### **Abstract**

**Research purpose.** The aim of the article is to research interaction between angel investing and level of prosperity in the Baltic countries.

**Design / Methodology / Approach.** The hypothesis of the research - angel investment culture is influenced by society's attitude towards the research subject, corporate social responsibility in companies, as well as the level of prosperity in the respective countries. Quantitative and qualitative research methods were used in the development of the research. The expert survey method, mathematical statistical methods and statistical data processing methods are used in the practical part of the work.

The research is also based on a scientific research analysis method (deduction, synthesis, induction, deduction, critically creative) analysing principles of angel investing from 2017 until 2021 in Baltics, during the pandemic and how it can boost local economy. Within the framework of the research, methods of analysis and deduction are used to reveal the degree of concentration of digital principles in the socially responsible business environment. The method of synthesis and induction, as well as the logical approach is applied in assessing the effects of the application of the principles of angel investments. A critically creative method is applied to the presentation of the results of the research, revealing the elements of angel investing.

**Findings.** Angel investing are one of the most important factors of global competitiveness in the modern business environment. The new everyday life during pandemic – remote work, remote provision of goods and services not only poses new challenges for companies, showing both pros and cons in the work processes and organization, but also requires the need to improve the social and digital dialogue model as well as to encourage entrepreneurs for not only socially, but also digitally responsible business environment. Socially and digitally responsible entrepreneurship goes hand in hand, and such interactions must ensure participation in the provision of working. Angel investing is not quite familiar topic in Latvia, but level of investments will increase in the upcoming years, and also local economy can benefit from this. Digital tools for companies are great way to improve quality of work or life. Everyone can be a part of angel investing, it is only a matter of will to pursue that way.

**Originality / Value / Practical implications.** To create an angel investment culture by improving business development strategies, training programs, including angel investment elements in the structure of social corporate responsibility.

**Keywords:** angel investment strategies; economy and business; corporate social responsibility (CSR); digital reality; Baltic countries.

**JEL codes:** L1; M21; M14; M15.

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## ***Sofia Carujo, Pedro Anunciação, João Santos.* THE PROJECT MANAGEMENT APPROACH AS A CRITICAL SUCCESS FACTOR IN DIGITAL TRANSFORMATION INITIATIVES**

### **Abstract**

**Research purpose.** Following the study presented at EKA2021, the main objective of this work is to highlight the adoption of project management practices in digital transformation initiatives in companies. Thus, we will seek on the one hand, to characterize the adoption of project management practices in most economic organizations, and, on the other hand, to analyse this adoption in a process of digital transformation in one of the largest publishing groups in Portugal. Having previously studied the process of digital transformation of the warehouse, through the adoption of a Warehouse Management System, it is now important to analyse to what extent the transformation process was successful and to what extent the management as a project contributed to the achievement of the intended objectives. and generated economic value.

**Design / Methodology / Approach.** The first part of the study was carried out through surveys to managers, with a view to a general characterization, and the second part through the adoption of the focus group technique for analysis and study in greater depth of a case study. In this focus group, adopting, in a first phase, semi-structured interviews with the different managers of the group’s various companies and their departments, and, in a second phase, a joint reflection on the various existing perspectives on the digital transformation initiative and the results

obtained. This reflection allowed a more objective analysis of the facts that occurred, the adequacy of management options and the deviations.

**Findings.** Assessing investments in technologies is a management principle. The project management approach facilitates this perspective. It is essential to carry out a careful management of the project and a concrete analyse the economic and financial viability of the investment. The disruptive changes make it difficult to achieve the strategic objectives associated with the investment. So, the adoption of a project management approach seems to be critical for the successful implementation of digital transformation initiatives as well as for the identification of economic and competitive returns on investments.

**Originality / Value / Practical implications.** The digital transformation of companies is a current reality and justifies a project approach as a factor of success and economic and digital sustainability. However, it is important to analyse the extent to which management adopts the associated practices and whether it is aware of the importance of evaluating the intended results.

**Keywords:** project management; economic value; digital transformation; warehouse management system; information systems; warehouse management.

**JEL codes:** M1; M15.

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## ***Nuno Monteiro, Pedro Anuniação. IMPACTS OF SECURITY MANAGEMENT POLICIES AND STRATEGIES IN ONE OF THE LARGEST EQUIPMENT CARGO HANDLING COMPANIES IN PORTUGAL***

### **Abstract**

**Research purpose.** This research work aims to analyze the impacts of organizational policies and strategies in the field of security, or the absence of them, on the competitiveness of companies. The movement of loads in the warehouses of industrial and distribution companies is critical in optimizing the times of availability of products to customers. This activity, which in the domain of the functioning of economic organizations in general, appears to be simple and not very complex, however, when poorly managed, it can express significant costs that affect competitiveness and even significantly affect the operational functioning of companies. Knowing that the safety of cargo handling by different equipment presupposes rules and safety policies at different levels, the present study aims to analyze the respective impacts from a real situation in one of the largest handling equipment companies in Portugal.

**Design / Methodology / Approach.** Given the nature and objectives of the study, which was limited to the evidence that compliance or non-compliance with security rules and policies has benefits or costs and affects the competitiveness of economic organizations, three phases were developed. Taking the case study as a reference, the first phase focused on direct observation of safety practices in operational activities. After this analysis, in a second phase, we proceeded to the collection and analysis of existing data in the company under study referring to the number of work accidents recorded in the past. In the last phase, we sought to understand and justify the results with the company's top management. This last phase provided the understanding of the administrators' view on the subject and the confrontation with the associated impacts, not only at the financial level but at the level of the company's operation.



**Findings.** This study made it possible to analyze in detail an important organizational reality that is often not part of top management's concern. As a management issue that is often relegated to middle management, this study demonstrates the frequent failure to comply with safety rules due to the pressure of daily activities, the increase in the number of accidents with the increase in personnel in the company, and the existence of a low degree of control by the enterprise administration over the existing reality. With this concrete study, it was possible to verify the weak relevance of the topic for the company's administration and the assumption of the difficulty in regularizing the existing situation. The need for a review of management practices and models in this field became evident.

**Originality / Value / Practical implications.** The relevance of this study made it possible to point out to the top management administration that, in terms of competitiveness, although the direct costs of the operation are relevant, there are indirect and opportunity costs, such as accidents or unavailability of equipment, which represent costs that can compromise the competitiveness of the company. This study also had the advantage of providing management with evidence of the existing reality in the company, which tends to be undervalued or to go unnoticed in the day-to-day of the company's current activities. In addition, it should also be noted that a proposal for an improvement plan for the company's safety was made available.

**Keywords:** security policies; security management; cargo handling; work accidents; competitiveness.

**JEL codes:** M1; M15.

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## ***Vitor Dinis, Antonio Briones Peñalver, Francisco Esteves, Pedro Anunciação. MAIN DIMENSIONS TO UNDERSTAND MAINTENANCE IN THE INDUSTRY 4.0 REALITY***

### **Abstract**

**Research purpose.** Industry 4.0 presents new challenges to industrial companies as it emphasizes the digitalization and robotization of industrial processes as key drivers of economic development. In this context, customized production is encouraged according to the specifics of the market, which requires equipment management to guarantee its permanent availability. These are different requirements from the traditional industrial context. Reliability in production equipment conditions the quality of the products produced, directly affecting the competitiveness of industrial companies. As there is currently no production for stocks, production is carried out in real-time according to needs, thus increasing the criticality of equipment availability. In this context, maintenance assumes a significant preponderance in a new operating framework. This development presupposes new management models and new tools that guarantee the operability of production equipment and that allow the reduction of complexity and economic risk.

**Design / Methodology / Approach.** Given the challenges associated with the digital transformation of industrial companies, it is important to analyze and study the conditioning factors of the availability and operability of industrial equipment so that it is possible to design new management models that facilitate the sustainability of industrial organizations. In this sense, the main objective of the present study was to identify the main dimensions that should be considered in the scope of production management, to frame the critical factors in the management of equipment maintenance, in an industry 4.0 context. This identification appears to be central for the future construction of a model that facilitates the respective management. To this end, a focus group was set up that included members of the academy, production and maintenance managers, and professionals in the area of information systems and technologies. The objective of this focus group was to identify, from different perspectives, the main dimensions that should be considered in the management of industrial equipment maintenance in Industry 4.0.

**Findings.** Through this study, it was possible to identify the most relevant dimensions associated with industrial maintenance in an industry 4.0 context as well as identify the aspects associated with each of the dimensions. The integration of specialists from different areas of knowledge in the focus group allowed a broader analysis of the topic and a richer sharing on the multidisciplinary of the same. The results obtained will allow the future

construction of a model that supports, for example, the construction of software that facilitates maintenance management in the current technological context, as well as to devise the essential areas and conditions to contemplate in an industry 4.0 context.

**Originality / Value / Practical implications.** This study facilitated the contextualization of maintenance in the 4.0 industry environment. The value of the results obtained allows the identification of the main dimensions of analysis that maintenance must encompass when viewed in the context of digitalization of the industry. This identification will allow the construction of a future model for its management and the development of future analysis of the real context of industrial companies. Through the results obtained, it is possible to verify that the digital transformation of the industry is not limited to the introduction of information technologies in industrial equipment but generates a synergistic effect between several dimensions associated with industrial management.

**Keywords:** Industry 4.0; digital transformation; maintenance management; information technologies.

**JEL codes:** M1; M15.

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## ***Agata Basińska-Zych, Agnieszka Springer. WORKPLACE HEALTH PROMOTION PROGRAMES (WHPPs) IN PANDEMIC REALITY - ARE PREVIOUS EXPERIENCES OF EMPLOYEE HEALTH PROMOTION USEFUL IN DESIGNING THE WHPPs DURING A PANDEMIC?***

### **Abstract**

**Research purpose.** The COVID-19 pandemic has highlighted the importance of work in shaping population health and wellbeing. The main purpose of this research is to modify the Sorensen et al.'s integrated model of workplace health protection and promotion (Sorensen et al., 2016), taking into account the determinants of the impact of the Covid-19. In addition, the aim of the paper is to translate the conclusions of the literature review in the field of WHPPs into the special requirements of the pandemic times, in which concern for the health of employees becomes one of the most important activities in the area of HR.

**Design / Methodology / Approach.** The methodology of the research is based on a systematic review of the literature in two areas: 1) research results devoted to workplace health promotion interventions in enterprises in the period before and during the Covid-19, and 2) experiences and conclusions from business reports on employee well-being and health promotion in pandemic. As a result, 260 papers (2000-2020) and 54 papers (2020-2021) from the SCOPUS database and 12 industry reports (2020-2021) published by consulting companies were used.

**Findings.** The paper attempts to answer the question to what extent knowledge from previous experiences in the field of employee health promotion is useful for designing WHPPs during the pandemic. For this purpose, the specific needs of employees and conditions for the functioning of the organization during a pandemic were identified. The key conclusions from the article lead to the indication of proposed changes and expansion of the

Sorensen et al.'s model, so that the process of implementing WHPPs is adequate to the requirements of the environment.

**Originality / Value / Practical implications.** The modified model has theoretical and practical value. The guidance provided in the model will enable employers to implement WHPPs more effectively during pandemic, thereby creating safer and healthier workplace during and after the pandemic.

**Keywords:** workplace health promotion; workplace health promotion program; health and wellbeing of employee; Covid-19.

**JEL codes:** I310; M540.

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### ***Laima Jesevičiūtė-Ufartienė, Vilma Morkūnienė, Gelmina Motiejūnė, Aušra Liorančaitė-Šukienė, Viltė Liaugodienė.* HEALTH CARE AND REHABILITATION SERVICE QUALITY MANAGEMENT: VALUES AND ITS IMPACT ON EMPLOYEE INVOLVEMENT**

#### **Abstract**

**Research purpose.** Managing and improving the quality of health services and rehabilitation are becoming increasingly important for improving the quality of life in an aging society. International conferences on health services and rehabilitation discuss the need to examine the quality of health services in a broad sense to understand how the values of a health care organization motivate employees to engage in quality assurance and how the consumer evaluates the outcome. Therefore, the research aims to determine the dependence of the quality of health care and rehabilitation services in Lithuania on the values of the organization and their impact on employee involvement.

**Methodology.** The sampling method was applied to research the consumer opinion about the quality of rehabilitation in Lithuania. The questionnaire was constructed using adapted and validated scales of employees' engagement, service quality, and values. During the research, 405 filled questionnaires were received. Reliability analyses showed 0.955 Cronbach Alpha of 47 items. SPSS'28 program was applied for the data analyses.

**Findings.** Research results enclosed that Lithuanian consumers associate the quality of the performed service with the values of an organization. Even more, research results indicated that the current organization's values impact employees' engagement and perceived service quality of health care and rehabilitation in Lithuania.

**Value and practical implications.** Research results filled the gap in empirical knowledge lack about health care and rehabilitation service quality in Lithuania. Adapted and validated questionnaires could be used in separate health care and rehabilitation organizations to measure their consumer perception of service quality and its dependence on employees' engagement and organizational values.

**Keywords:** consumer behavior; organization values; quality of service; hospitality; rehabilitation.

**JEL codes:** M14; I11.

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## ***Laima Jesevičiūtė-Ufartienė, Jūratė Masčinskienė. BRAND AWARENESS OF BAKERY PRODUCTS: ONE BRAND CASE STUDY***

### **Abstract**

**Research purpose.** In today's Lithuanian business context of fierce competition and high traffic, each brand becomes a significant challenge to stand out from other brands and be noticed by existing and potential consumers. Great efforts are directed to create a unique identity using value-added, usually intangible, attributes. However, an essential starting point in brand identity formation is brand awareness, which corresponds to one of the value components and influences the purchasing decision and the formation of loyalty. This means that the consumer's purchasing decision is made only in the light of brands at a certain level of awareness, so a significant effort should be made to build or raise brand awareness. Specifically, this article aims to identify the brand awareness of bakery products by analyzing the example of the COSMOS brand.

**Design / Methodology / Approach.** Statistical databases analyses and online sampling were chosen as research methods. A questionnaire for sampling was made applying validated scales of brand awareness, consumer habits, and positioning of the brand in the market. The responses collected could be considered reliable and could indicate market trends because the Cronbach alpha of 36 items was 0.724.

**Findings.** With the help of communication analysis, the primary means of communication used were identified, and what means of communication the brand could use to increase awareness. Unused means of brand communication negatively affect the level of brand awareness.

**Originality / Value / Practical implications.** Analyzing statistical data and consumer opinion surveys allows us to make assumptions about bread product brand awareness management in the Lithuanian market. These insights can be useful for companies engaged in producing and selling food products in the Lithuanian market.

**Keywords:** brand management; brand awareness; bread branding; food marketing; consumer behavior.

**JEL codes:** M11; M31.

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## ***Iveta Cirule. OPEN INNOVATION IN BUSINESS INCUBATION IN LATVIA***

### **Abstract**

**Research purpose.** The open innovation (OI) is the actual framework for exploiting external resources and widens networks in doing innovation instead of just operating with in-house resources (Vanhaverbke et al., 2018). Business incubators are OI places because beyond space and business consulting services, they offer networking services that facilitate OI collaborations both inside the incubator among entrepreneurs and outside with the incubator's external networks (Claussen and Rasmussen, 2011). Thus, instead of playing a mere passive role, incubators now facilitate OI for their inhabitants by providing relevant services (Grama-Vigouroux and Royer, 2020). The purpose of this research is the Open Innovation approach inclusion in the national business incubation in order to promote the values and recognition of co-creation and collaboration.

**Design / Methodology / Approach.** The Latvia business incubators' tenants survey and business incubation expert interviews were conducted in order to determine the actual application of OI strategies utilized by tenants. The survey dimensions were OI, Sustainability and Business Model. This survey included the novel dimensions in business incubation arising from the latest literature review on business incubation and entrepreneurship support.

**Findings.** The analysis of preliminary data proved the assumption that Latvia business incubator tenants utilize the OI outbound activities, whereas, OI inbound activities are less common in tenant performance.

**Originality / Value / Practical implications.** The inclusion of Open Innovation paradigm as co-creation and collaboration approach and Sustainability related dimensions in business incubation proposal is the practical implication suggested by this research.

**Acknowledgement.** This research was conducted within the project "Open Innovation, No1.1.1.2/VIAA/3/19/426" funded by Postdoctoral Research Support Aid Programme of Latvia.

**Keywords:** open innovation; business incubation

**JEL codes:** O36; M10.

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## **EMERGING TRENDS IN PEDAGOGY AND EDUCATION**

**Piotr Urbanek. THE EVOLUTION OF INSTITUTIONAL LOGIC IN THE SYSTEM OF HIGHER EDUCATION UNDER REFORM IN POLAND**

**Abstract**

**Research purpose.** The neo-institutional theory indicates the impact of the institutional environment on organizations. This leads to the creation of homogeneous institutional structures, which are the result of the existence of dominant institutional logic, which can be treated as an independent determinant of processes in the organization. University reforms, which have focused on their marketization, mean that an evolution of the institutional logical associated with the processes that constitute academic governance is necessary. The success of university transformation depends on the possibility of reconciling new logic which refers to the idea of managerialism, with its principles of strong leadership, with academic logic based on collegial decision-making processes.

**Design / Methodology / Approach.** In the empirical part of the article, the changes in the architecture of the authority structures of universities in Poland, which are result of reforms of the higher education system, were identified. Based on the analysis of statutes of 18 public universities, two groups of universities have been identified, those that try to maintain the conservative academic status quo, and those that adapt their governance structures to the changing institutional environment.

**Findings.** The results show that the scale of the changes carried out is determined by the prestige of university, determined on the basis of the place occupied in academic rankings. Higher-rated universities are trying to maintain traditional academic authority structures, including the faculty council as a collegial decision-making body, and the faculty staff electing the dean. Universities lower in the rankings are more likely to implement ideas typical for managerial institutional logic – deans are nominated by the rector, faculty boards are only advisory bodies.

**Originality / Value / Practical implications.** Reforms of Polish higher education sector lead to profound changes in the way public universities are managed and supervised. The institutional pluralism created in this way may disturb the homogeneity of academic institutions and threaten the stability of the system built on the coexistence of two competing institutional logics.

**Keywords:** neo-institutional theory; institutional logic; public universities; reforms of the higher education system.

**JEL codes:** D02; G30; I20; I21; I28.

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**Irena Klimaviciene, Jurate Vaiciulenaite. SOCIAL ACCOUNTABILITY OF LITHUANIAN UNIVERSITIES of APPLIED SCIENCES**

**Abstract**

**Research purpose.** To investigate how Lithuanian universities of applied sciences, the members of the UN Global Compact network, disclose information on practical social responsibility actions in their social reports.

**Design / Methodology / Approach.** The issues of social responsibility and accountability in higher education institutions (HEIs) are analysed. Social responsibility of HEIs is greater compared to business, as educational

institutions are responsible for developing the attitudes and skills of future professionals. In pursuit of these complex goals for HEIs, social accountability reveals practical action in implementing the 10 Development principles and contributing to the achievement objectives of the Agenda for Sustainable Development 2030. Methodology includes analysis of scientific publications and documents as well as quantitative methods - grouping of social report data, analysis of content scope and structure, data generalization in an MS Excel spreadsheet. The problem

is related to two main issues: 1) insufficient research on social accountability of Lithuanian HEIs; 2) disclosure of information on social responsibility practical activities in social reports. The research object – social reports of three Lithuanian state universities of applied sciences.

**Findings.** Content analysis of social reports identified the differences in titles, scope, logic and form of information presentation. There is a lack of uniform reporting and it is complicated to compare the disclosures of three universities. But despite the differences, the reports show strategic positions of the organizations and describe their practical activities and achievements in implementing sustainable development goals and principles.

**Originality / Value / Practical implications.** This analysis can be considered original, as there is a lack of social reporting research in Lithuanian universities of applied sciences. The study demonstrates the state of social accountability of Lithuanian universities of applied sciences and also can be used for further improving sustainability reporting. The results can be used for comparing reporting practices among different HEIs and countries, dissemination of results can be beneficial to stakeholders and implemented in teaching process.

**Keywords:** social responsibility; higher education institutions; social accountability.

**JEL codes:** I23; M14; M41.

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## ***Inga Shina, Vita Zarina.* TRANSFER OF BUSINESS MENTORING EXPERIENCE TO THE EDUCATION SECTOR**

### **Abstract**

**Research purpose.** During the Covid-19 crisis, all working people and especially managers have been facing uncertainty, physical danger, and complexity. They need emotional and professional support. Growing interest about mentoring programs is due to benefits mentors provide to mentees. Mentor-mentee cooperations provide support for everyday working and guidance for future. Entrepreneurs moved more quickly to new conditions than directors of the schools. Thus, the Mentors program implementation in interdisciplinary fields is valuable due to sharing the experience and providing new opportunities for education leaders. Mentors program provides school leaders a stability and shape professional confidence, and allows talk down fear and insecurity, thus protecting them from burning out. The aim of the article is to analyze the existing mentoring program where Mentors are entrepreneurs and Mentees – directors of the schools.

**Design / Methodology / Approach.** The study employs the mixed research design, quantitative methods – analysis of statistical data and expert interviews.

**Findings.** Based on the literature review and entrepreneurs own experience has been built Mentoring program for school's directors. 23 mentors and 42 mentees participated in this program. Mentees reported that the program



helped them to gain confidence and to use different entrepreneur methods in school life and in managing of personnel. Mentors perceived themselves to be most helpful in sharing their experiences and provide the professional support. Facetime meetings were preferred over face-to-face meetings and phone calls. Mentees showed strong interest in being in touch with their mentors and the largest part of mentors expressed readiness to cooperate after the project. Cases from entrepreneurs experience has been transformed into schools activities. According to our research both parties have benefit.

**Originality / Value / Practical implications.** The originality of the current article lies precisely in the research of the current situation and analysing the program. This article expected to be an initial stage for further research to conduct other mentoring programs in Latvia.

**Keywords:** mentors; mentees; mentor program; Covid-19.

**JEL codes:** E71; A22.

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## ***Natalja Verina, Vita Zarina, Edgars Cerkovskis, Jelena Budanceva.* PERCEIVED IMPORTANCE OF FINANCIAL ISSUES: RESULTS OF FINANCIAL LITERACY CHALLENGE FOR LATVIAN STUDENTS**

### **Abstract**

**Research purpose.** The goal of the current paper is to analyse students' feedback on Financial Literacy challenge organized by FinLit community in collaboration with the EKA University of Applied Sciences.

**Design / Methodology / Approach.** Financial Literacy challenge is a project designed with the aim to increase interest of youth to financial matters, improve their issues and encourage active and purposeful financial behaviour. Students were offered within four weeks to complete financial tasks grouped into four blocks, namely, Personal budget, Loans, Savings, and Well-being in Retirement. Tasks included both individual ones and group tasks. Students' groups had online discussion meetings and mentors' assistance. At the end of the challenge feedback of students and mentors was collected, using the authors' created questionnaire.

**Findings.** Perceived usefulness of Financial Literacy Challenge activities was very high. Students stated that the project made them re-think daily expenses, plan for future savings and increased their interest to investments. Participants also emphasize that they have gained knowledge and understanding of financial planning, pension plans, stock exchanges, and cryptocurrencies. Besides, the project was a good opportunity to test team-working abilities.

**Originality / Value / Practical implications.** Considering that the project will continue, the authors' developed feedback questionnaire can be used in further project stages. Financial Literacy Challenge is one of the activities within the framework of the Latvian Financial Literacy Strategy 2021-2027, specifically, within the goal "Sustainability-oriented financial literacy culture and competence improvement", which contributes to the outcomes of the action "Provision of educational opportunities for improvement of financial competences".

**Keywords:** financial literacy; higher education; survey.

**JEL codes:** I23; I31; C83.

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### **Rita Burceva. VIEWS OF SCHOOL CAREER COUNSELLORS OR SUPERVISION**

#### **Abstract**

**Research purpose.** The aim of the research is to analyse specific theoretical organisational aspects of supervision and conduct an empirical study on the importance of supervision and its contribution to the professional development of school career counselors in Latvia.

**Design / Methodology / Approach.** The empirical study was performed in Latvia from 2019 till 2021. Participation in the supervisions and in the research was voluntary. The data was obtained through the use of questionnaire. The study was repeated three times after each supervision session, and the results were compared and analyzed.

**Findings.** The research results show that more than 90% of the school career counselors every year recognise supervision as an effective way of professional development.

**Originality / Value / Practical implications.** School career counsellor is a new profession in Latvia. And the use of supervision as a form of support and professional improvement in the educational environment is minimal or occasional. The conclusions support the necessity to continue the use of supervision in the professional development of school career counselors. The results of the research are useful for education policy makers in order to develop new guidelines for school career counselors, and also to think through the introduction of such support measures that would potentially help to prevent job burnout.

**Keywords:** school career counsellor; supervision.

**JEL codes:** M5; I3.

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## **Jan Gonddek. CHALLENGES TO ORGANIZATIONAL LEARNING IN CULTURAL INSTITUTIONS DURING THE COVID 19 PANDEMIC**

### **Abstract**

**Research purpose.** The paper will focus on the social distancing and organizational learning of cultural institutions under conditions of pandemic crisis.

**Design / Methodology / Approach.** The empirical material consists of in-depth interviews with cultural managers who struggled with the challenges of managing cultural institutions under the COVID-19 pandemic. This research describes phases of organizational learning and reveals turning points in understanding the future implications of critical incidents for the creation of new, context-specific knowledge.

**Findings.** Inspired by research that has demonstrated the positive effects of focus on employee well-being and cognitive performance in change management, the current research aims to explore the extent to which imagined emotions, emotion-based management can also enhance organizational learning and be interpreted as a predictor of it.

**Originality / Value / Practical implications.** This reasoning is rooted in the analysis of several mediating concepts such as social distance, experience, language, social interaction and perspective taking. On the other hand, many negative effects of remote working are apparent. These mainly include social and professional isolation, increased emotional exhaustion, and reduced supervision by managers, increased stress and cognitive overload. The question is how those changes influence organizational learning?

**Keywords:** social distancing; organizational learning; Covid-19 pandemic.

**JEL codes:** A14; Z13.

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## **Zane Veidenberga. DIALOGUE PROTOCOLS AND POST-TRANSLATION QUESTIONNAIRES: INSTRUMENTS FOR GETTING FEEDBACK FROM STUDENTS WHEN PILOTING NEW TRANSLATION GUIDELINES**

### **Abstract**

**Research purpose.** The present paper is part of research on translation solutions used for transferring the meanings, connotations and functions of Latvian diminutives in literary translations, and its aim is to illustrate the combined use of dialogue protocols and post-translation questionnaires for getting feedback from students regarding guidelines devised for transferring implied values of the Latvian source text diminutives into English.

**Design / Methodology / Approach.** To achieve the aim, a translation experiment was set up to pilot draft guidelines developed for novice translators to encourage them to consider various translation solutions and language means at their disposal to deal with the challenges caused by diminutives used in Latvian source texts. Students worked in pairs, translated several selected fragments from Latvian prose texts containing diminutives and recorded their dialogue protocols. After the translation experiment, they filled in a questionnaire form, individually reflecting on their translation process and the usefulness of the draft guidelines. All data were coded and processed anonymously, triangulating translation solutions chosen by students with their comments and discussions from dialogue protocols and questionnaire answers.

**Findings.** The results of the analysis and comparison of the data gained from student translations, dialogue protocols and post-translation questionnaires show that students have carefully considered the usefulness of the draft guidelines for transferring nuances of diminutive connotations in their English translations. Therefore, it can be concluded that the combined use of dialogue protocols and post-translation questionnaires during a translation experiment provide a reliable insight into the opinion of students on the draft translation guidelines, and the gained suggestions can be used for enhancing these guidelines as a training aid.

**Originality / Value / Practical implications.** The obtained data and findings will be used for revising the guidelines developed for novice translators so that they can be used as a training aid for students in order to encourage them to think about various ways of transferring implied values of the Latvian diminutives.

**Keywords:** diminutive; Think Aloud Protocol; post-translation questionnaire; translator training.

**JEL codes:** not applicable.

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## ***Jelena Jermolajeva, Larissa Turusheva.* EKA UNIVERSITY OF APPLIED SCIENCES FIRST AND LAST YEAR STUDENTS' MOTIVATION FOR LEARNING**

### **Abstract**

**Research purpose.** A good professional education is a prerequisite for adequate responses to the challenges facing modern society. For improving the educational process efficiency, comprehensive studying of motivation for learning is necessary. The article presents some results of the research project on the learning motivation of university students. The aim is to analyse and compare the learning motivation of students of the first and last courses of the EKA University of Applied Sciences (Riga, Latvia) and to examine the correlation between motivation and the psychological atmosphere in the student group.

**Design / Methodology / Approach.** The data for an analysis were collected through a survey that used two techniques. The main technique was the method of diagnosing the educational motivation of students which makes it possible to determine the levels of 34 separate motives, the levels of 7 scales of motives, and the general level of learning motivation. The second technique was the diagnosing of the psychological atmosphere in the team based on 10 bipolar scales representing 10 aspects of the psychological climate in a group. The survey was carried out in December 2018 (graduates) and December 2019 (freshmen); 112 students of the EKA University of Applied Sciences took part. While processing the data, table method, descriptive statistics, analysis of statistical indicators, method of comparison, and correlation analysis were used.

**Findings.** In both subsamples, Professional motives for learning prevail over other motives, Creative self-realisation motives are in the second place. In general, the level of learning motivation of students at EKA is average; however, the freshmen show more motivation than graduates. In particular, there is a decrease in scores of Educational/cognitive motives. The psychological atmosphere in both groups of respondents is positive and dominated by Friendliness, Cooperation, Mutual support. Some aspects of the psychological climate correlate with general motivation as well as with separate groups of motives.

**Originality / Value / Practical implications.** The learning motivation of freshmen and graduates at the EKA University of Applied Sciences has not been investigated and compared before. The results of the study will help university academic staff to develop teaching materials and strategies. Some ways to increase freshmen's motivation for learning are proposed in the article.

**Keywords:** first year students; last year students; learning motivation; psychological atmosphere in the group.

**JEL codes:** I21; J24; M53.

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## **EMERGING TRENDS IN LAW**

**David McArdle. DIRECT NATIONALITY DISCRIMINATION AND AMATEUR SPORT:  
REFLECTIONS ON *TOPFIT AND BIFFI v. DLV***

**Abstract**

**Research purpose.** To date, very little has been written on the CJEU's decision in *Topfit v DLV*, a preliminary reference which concerns direct nationality discrimination against an amateur athlete. This paper helps to fill that gap, primarily by illustrating how *Topfit* draws on both EU sports law and EU sports policy to illustrate the potential ramifications of the EU's new sports competence in Article 165 TFEU.

**Design / Methodology / Approach.** A proper consideration of EU Sports Law requires an understanding of how the European Union's sports policy has developed, and of how its development has impacted on those legal dimensions. This is achieved through analysis of primary and secondary sources on EU sports policy and, thereafter, by detailed consideration of *Topfit* to show how sports policy has influenced sports law at the EU level.

**Findings.** Contrary to the Advocate General's Opinion, the Court in *Topfit* held that direct nationality discrimination laws were applicable to amateur sporting activities – there was no need to establish the existence of economic activity. That said, nationality restrictions can still be legitimate if they are deemed a proportionate response to a legitimate sporting interest

**Originality / Value / Practical implications.** In any other sphere of amateur activity, the idea that one's desire to take part might be lawfully ended by direct nationality discrimination would seem ludicrous. The paper argues that sport's cultural importance is no less than music's, or ballet's or any other cultural activity, and that its privileged position is more a reflection of its ability to leverage its financial position and ubiquity than any inherent qualities. The paper explores this by highlighting how the sports sector influenced the development of an EU sports policy and, thereafter, influenced its content. In turn, *Topfit* shows how this direct influence on EU policy has necessarily given it a strong, if indirect, influence on EU law.

**Keywords:** EU Law; discrimination; nationality; sport; economic activity,

**JEL codes:** K37; K39.

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**Marina Kameņeckā-Usova. GOOD GOVERNANCE IN NATIONAL SPORTS ORGANIZATIONS:  
THE IMPORTANCE OF THE INTERNAL DISPUTE RESOLUTION**

**Abstract**

**Research purpose.** The research aims to provide an overview of EU recommendations regarding good governance in national sports organizations and its correlation with internal dispute resolution procedures.

**Design / Methodology / Approach.** The research is based on empirical-analytical group of the research methodology.

**Findings.** Good governance constitutes well-structured and transparent processes of organizations functioning and decision making. It is critical to the development of an entity, its credibility, reputation, hence, good governance in sports organizations is deemed to be a demonstrable asset to the sports society and sport industry. A brilliant example of a sports organization that demonstrates that effective governance is a key element in ensuring a proper functioning of its governance bodies is Union of European Football Associations (hereinafter- UEFA)

that among other amendments discussed during the Congress in Helsinki on 05/04/2017, included a specific article to make ethics and good governance a statutory objective of UEFA. These important reforms were positively commented on by the European commissioner for education, culture, youth and sport, Tibor Navracsics stating that transparency, accountability and stakeholder involvement are the backbone of good governance principles. A recommendation to pursue and establish good governance in national sports organizations of EU Member States is being stemmed from two sources, i.e., EU soft law and international sports organization of outmost political importance, such as e.g., UEFA, IOC. Both sources not least emphasize the importance of internal dispute resolution procedures that underpin the successful good governance in sports organizations. However, it is worth noting a global significance of IOC to every member of the Olympic movement and policy distribution of UEFA only to national football federations.

In Latvia, Author's homeland, national sports organizations still have a long way to go until proper good governance is at the core of every sports organization, still pressure from both sides, i.e., EU policies and international sports organizations, allows to be optimistic regarding the changes in the future.

**Originality / Value / Practical implications.** The Author supposes that compliance with EU soft law and the guidelines of the international sports organizations on the national level will contribute to the development of internal dispute resolution procedures within the sports organizations in Latvia undoubtedly contributing to the good governance in national sport organizations. Good governance in sports organizations, in its turn, is an illustrative and obvious asset to sports society and sport industry at all levels.

**Keywords:** good governance; internal dispute resolution; sports organizations

**JEL codes:** K39.

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## **Karina Zalcmāne. CRIMINAL LIABILITY IN SPORTS**

### **Abstract**

**Research purpose.** The aim of the research is to determine the types of criminal acts in sports and to analyse the issues of liability for committing such in the criminal legislation and judicial practice of Latvia and other countries.

**Design / Methodology / Approach.** The methodological basis of the study consists of general scientific methods (monographic method, analytical method, historical method, comparative method, induction deduction) and methods of interpreting legal norms (grammatical, historical, teleological and systemic methods).

**Findings.** Currently, according to the criminal law of Latvia, a criminally punishable act in sports is only manipulation with the results of competitions. Nevertheless, if the documents of the disciplinary commissions of sports federations and the experience of foreign countries are analysed, many illegal acts in the field of Latvian sports are not even illegal at all, or the perpetrator is brought to sports, civil or administrative liability.

**Originality / Value / Practical implications.** The possible criminalization of certain acts in sports has been studied very little in Latvia and requires detailed study, since these acts often entail socially dangerous consequences.

**Keywords:** criminal law; sports law.

**JEL codes:** K19; K14.

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## **Atis Bičkovskis. JUSTIFICATION OF APPLICATION OF THE ZERO PERCENT VALUE ADDED TAX RATE**

### **Abstract**

**Research purpose.** The purpose of the paper is to study and analyse the case law of Latvia regarding the involvement of a taxpayer in fraudulent transactions with value added tax (hereinafter - VAT). Has the court and the tax administration, having detected fraud, correctly identified the preconditions specified in Section 43, Paragraph four of the Value Added Tax Law in order to be able to refuse to apply the zero percent VAT rate to the supply of goods within the territory of the European Union.

**Design / Methodology / Approach.** In accordance with Section 43, Paragraph four of the Value Added Tax Law the zero per cent tax rate shall be applied to supply of goods in the territory of the European Union, if both of the following conditions are conformed to: 1) the recipient of goods indicated in goods transport accompanying documents and tax invoice has presented a registration number of a taxable person of another Member State valid at the time of transaction; 2) goods are dispatched or transported from inland to destination in another Member State and it is attested by goods transport accompanying documents at the disposal of the supplier of goods.

Pursuant to Section 51, Paragraph one of the Value Added Tax Law the zero per cent tax rate shall not be applied if a registered taxable person who has made a transaction to which the zero per cent tax rate is to be applied in accordance with Sections 43 of this Law cannot present documents attesting exportation of goods or documents which attest the application of the zero per cent tax rate.

**Findings.** Analysing the Latvian court practice, the author has found that in the above-mentioned tax disputes, taxpayers consider that in order to apply the zero percent tax rate it is necessary to find two criteria: firstly, that the recipient of the goods is a taxable person registered in another Member State; secondly, that the recipient of the goods has submitted accompanying documents for transportation of the goods, certifying shipment of the goods to a taxable person of another Member State. According to these two criteria, taxpayers also indicate that the taxable person's counterparties are taxable persons from another Member State and, since taxpayers in most cases have also submitted accompanying transportation documents proving shipment of the goods, they consider that they have completed the requirements of Section 43, Paragraph four of the Value Added Tax Law.

**Originality / Value / Practical implications.** In order to recognise the right of a taxable person to apply a zero percent VAT rate to a transaction, it is necessary to establish that the seller has transferred the right to act as an owner to a taxable person in another Member State and that the goods have left the territory of one Member State and have been delivered to the territory of another Member State. The case-law emphasises that it is the seller, or the taxable person who applies the zero percent VAT rate to the transaction, who has to prove the conditions stated above.

In addition, from a substantive point of view, it is essential for the proper functioning of the tax system to establish that the goods have been delivered in full or the supply to the Member State concerned has been completed, where the tax is generally payable by the taxable person of that Member State. This can be explained by the nature of the VAT system, namely that the tax is paid by the final consumer of the goods, so that the tax is essentially levied in the country of final consumption. Confirmation that the supply of goods to another taxable person in another Member State has not taken place, including only a formal transaction for the purpose of abusing the VAT system to obtain an unjustified financial advantage, does not objectively ensure the proper functioning of the VAT system, as well as the application of the zero percent rate does not comply with the substantive law here. In this case, the application of the zero percent tax rate is prohibited. This, in turn, means that the preconditions for applying the zero percent VAT rate do not have to be formally verified, but it must be ensured that the supplier is not engaged in the fraudulent or otherwise abusive use of the tax system.

In tax disputes, it is to be determined that the disputed transactions have not taken place in the way they are presented in the invoices issued by the taxpayers, i.e., the goods indicated in the invoices have not been exported from the territory of Latvia and accordingly have not been imported to the territory of another European Union Member State. In order to make it even more difficult for the tax administration to detect fraud, in many cases the

goods are temporarily imported to the territory of another Member State, i.e., after being imported to the territory of another Member State, the goods are immediately returned to Latvia. It must be taken into account that the taxpayers could not have been unaware that the goods were not exported from the territory of Latvia and were not imported to the territory of another Member State. Even in cases when the temporary import of goods to the territory of another Member State has been found, the tax administration and the court shall specify the circumstances and evidence demonstrating that the taxable persons were aware of the way that the supply of such goods was organised. As a result, the tax administration and the courts have determined the involvement of taxpayers in the abuse of the VAT system.

**Keywords:** value added tax (VAT); tax fraud; evidence; national courts; tax disputes; the zero percent VAT rate

**JEL codes:** H25; K23; K34.

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## ***Gediminas Valantiejus. APPLICATION OF RULES OF CUSTOMS ORIGIN IN INTERNATIONAL TRADE: RECENT LEGAL CHALLENGES IN THE REPUBLIC OF LITHUANIA***

### Abstract

**Research purpose.** One of the main legal institutes for regulating international trade is the so-called rules of customs origin of goods, according to which both tariff (such as import taxes, customs duties) and non-tariff (such as trade sanctions) regulatory measures are being applied depending on the country (state) of origin of the goods. In the European Union (EU), which applies Common Commercial Policy and common rules for the regulation of international trade with third countries, such rules are uniformly regulated by the sources of the EU law, such as the Union Customs Code (Regulation (EU) No. 952/2013). However, the application of the rules of origin of goods (due to their diversity, e. g. non-preferential vs. preferential rules, not always clearly defined and subjective criteria of origin, etc.) was always a problematic area of the EU trade & customs law. Their application in the individual EU Member States is also not always consistent nor uniform as it is also confirmed by the constantly developing practice in the Republic of Lithuania, which is being discussed in the article.

**Design / Methodology / Approach.** The article examines the case law of the Republic of Lithuania in the last three years (2019 - 2022) formulated by the Supreme Administrative Court of Lithuania in cases related to the application of rules of origin and disputes with customs authorities, comparing the examples of practice with the case-law of the EU courts (EU Court of Justice) and identifying its differences and peculiarities

**Findings.** International traders operating in the EU Member States should be aware that the application of EU rules on the customs origin of goods may differ from country (one Member State) to country (another Member State). In the Republic of Lithuania, at the practical level (in case-law, tax disputes with customs authorities) secondary and derivative (indirect) documents of origin (documentation of business transactions and economic operations related to the importation of the disputed goods) are being removed from the list of possible proofs of customs origin. Besides, in the area related to the distribution of the burden to prove the origin of goods (when there is the question to whom it must be assigned - to the importer or customs authority) the national case law and the practice of tax disputes are in favour of importers (even more than the standard case law of the EU courts allows).

**Originality / Value / Practical implications.** The developments of national practices identified in the article are important for the improvement of EU customs legislation, in particular, the Union Customs Code and its implementing regulations while seeking to establish clearer common criteria for the application of rules of origin at the EU level. It should be noted that the recommendations for transformations of regulations proposed and presented in the article are also crucial to the proper application of the EU's international trade sanctions regime with third countries, which has expanded significantly in recent years (2021-2022).

**Keywords:** international trade; trade law; customs law; customs origin; customs authorities.

**JEL codes:** F13; K34.

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## ***Ivars Civciss. INTERDISCIPLINARY RESEARCH OF POLITICAL CRIMES***

### **Abstract**

**Research purpose.** Identify which disciplines and sub-disciplines of scientific research objects contain political crime and identify which methods of research used by these disciplines and sub-disciplines are most appropriate for the practical study of political crime.

**Design / Methodology / Approach.** The study is based on an analysis of laws and regulations and subject related literature. Following research methods are applied: creation of taxonomy, classification, analysis, synthesis, and the logical construction method.

**Findings.** Political crime is a form of criminality, and criminality is the object of criminological research. However, aspects of political crime are also the object of research in other disciplines and sub-disciplines of science. In particular, law, political science, sociology, history and psychology can be highlighted. Some disciplines and sub-disciplines of science use the same research methods as criminology, but also use research methods that are rarely used in practical criminological research. Yet the use of these research methods in the study of political crime would also provide a more complete result - a truer and broader knowledge of political crime. It would also provide a better understanding of the reasons behind the actions of political criminals and it would also help to address and solve the problem, that not all political offences are documented or that documents do not always contain truthful information. However, the choice of research methods for specific practical research of political crime is not only determined by considerations of efficiency, but also by considerations of scientific ethics.

**Originality / Value / Practical implications.** The study confirms the need for an interdisciplinary approach to practical research on political crime, which implies the integration of theoretical insights from different disciplines and sub-disciplines, including scientific methods of research. This approach can lead to a more complete and broader knowledge of political crime. The main challenges are to assess the veracity of the information obtained, and to define and respect the boundaries of scientific ethics.

**Keywords:** criminology; crime; political crime.

**JEL codes:** K40.

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**EMERGING TRENDS IN  
ICT SOLUTIONS FOR ECONOMY, BUSINESS AND EDUCATION**

**Elina Mikelsona, Aivars Spilbergs, Jean-Pierre Segers. ADAPTATION AND APPROPRIATION OF DIFFERENT WEB-BASED IDEA MANAGEMENT SYSTEM TYPES**

**Abstract**

**Research purpose.** Research web-based idea management system (IMS) application adaptation and their relations with different IMS types and how it is all related to the IMS results –idea quantity. Do different IMS applications have different adaptation and appropriation levels?

**Design / Methodology / Approach.** Data collection: the survey of 400 enterprises with web-based IMS experience was carried out. Data analysis: statistical analysis. The study only deals with available commercial web-based IMS, not with privately designed or non-commercial IMS.

**Findings.** Different types of IMS application have different adaptation and appropriation levels that could result in different outcomes. All adaptation and appropriation elements based on Innovation diffusion theory, Appropriation Scales and UTAUT model have different impact on outputs.

**Originality / Value / Practical implications.** The research contribution can be summarized as follows: (1) the practical contribution of the research results helps to understand what kind of results enterprises could expect from different IMS application types based on their different adaptations and appropriations in the companies; (2) the research results highlight the elements of adoption of different types of IMS for organizations; (3) the paper provides managers with information to make better decisions regarding the selection of IMS that is best for achieving results in a given context. Web-based IMS types and their impact on the IMS results can help to overlook the potential application and adaptation of these systems in different application scenarios.

**Keywords:** idea management systems; web-based; adaptation; appropriation; idea quality.

**JEL codes:** M15; O36; O32.

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## **Jari Kaivo-oja, Theresa Lauraeus, Mikkel Stein Knudsen. TRENDS AND TRADE-OFF ANALYSES OF INDUSTRY 4.0 TECHNOLOGY TRENDS**

### **Abstract**

**Research purpose.** The study highlights emerging technological trends and the frequently overlooked relations between the various trends. The study uses the Google Trends-database to analyse trends and trade-offs of key Industry 4.0 technologies. The study covers nine technology domains of Industry 4.0 technologies: Big Data and AI analytics, Cyber security, Cloud computing, Augmented and Virtual Reality (AR-VR), Blockchain technology, 5G and 6G wireless communication technology, Internet of Things (IoT), and Internet of Services.

**Design / Methodology / Approach.** The study analyses data collected from the Google Trends database for the period Jan. 2014 – Feb. 2022. Key Industry 4.0-trends are extracted from the database, and the interaction between various technologies are calculated with the tradeoff analyses. The correlations of key trade-offs are reported.

**Findings.** A general result of this explorative empirical study is that Industry 4.0 transformation is not a linear process. Interest in Industry 4.0-technologies has fluctuated sharply over the reviewed period. Technology developments and global interest levels in technologies are in some cases counter-cyclical, and both statistically significant positive and negative correlations between global interests in technologies are found in the dataset.

**Originality / Value / Practical implications.** The study provides valuable empirical information showing that interactions between hyped technology trends are not always straightforward. The study helps policymakers and business practitioners understand the existence and importance of key technology trends and interactions of key Industry 4.0 trends.

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**Keywords:** Industry 4.0; Industry 4.0 technologies; big data; Google trends; trade-off analyses.

**JEL codes:** L10; L80; L86; O33.

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## **Renata Walczak. IDENTIFICATION OF FACTORS DETERMINING ACCEPTANCE OF IoT SENSORS IN THE CITY OF PŁOCK FOR UNIVERSAL DESIGN PURPOSES.**

### **Abstract**

**Research purpose.** In Poland, it is necessary to take care of accessibility in urban infrastructure. The possibility of using Internet of Things (IoT) sensors is an opportunity for smart cities to help the public and design the urban spaces according to universal design principles. Using the data generated by IoT sensors makes it possible to design applications that use them for smartphones and wearables. IoT sensors will identify places and objects unsuitable for people with disabilities and provide them with personalized information based on the analysis of the situation near the sensors. However, using IoT in towns raises many concerns and controversies. To explore the factors affecting security and the attitude of residents towards IoT technology, a survey was conducted among the residents of Płock, Poland.

**Design / Methodology / Approach.** The paper identifies key opinions regarding the use of IoT devices in smart cities. Based on the literature review, the construction of the survey questionnaire and the statistical analysis of the results obtained are presented. The factors determining the acceptance of IoT technology are indicated.

**Findings.** Most respondents support introducing facilities for the disabled, although trust in the city authorities and the belief that technology will be used for a good purpose is average. People do not trust new technologies or do not know about them. Respondents are not involved in city affairs. They are not interested in what is going on in the city. People support Internet of Things sensors for ecology applications and universal design, but are against facial recognition, even with data anonymization.

**Originality / Value / Practical implications.** Evaluation of IoT acceptance in smart cities is presented in the literature. In the present paper the respondents were asked how they evaluate the technology to use it to help people with disabilities. In this case, the acceptance of the technology is largely influenced by the purpose of using the technology. Still, the ruling party influences negative opinions by the suspected illegal use of data from users' phones. The research results will be useful for the authorities of Płock when implementing IoT in the city.

**Keywords:** IoT acceptance; smart cities; universal design.

**JEL codes:** R28; O14; O18; Z13

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## **Oskars Rasnacs, Maris Vitins. MODELS FOR FORECASTING STUDENTS' KNOWLEDGE ASSESSMENTS DEPENDING ON ASSESSMENTS IN INFORMATICS AND STATISTICS COURSES**

### **Abstract**

**Research purpose.** To predict the assessments of students' knowledge in different study courses depending on the assessments of informatics and statistics courses (ISC).

**Design / Methodology / Approach.** There are surveyed study assessments of 793 Latvian university students in various study courses, including ISC assessments.

**Findings.** Student evaluation prediction models for various study courses were developed. For example, a model was developed based on 208 student assessments in entrepreneurship and ISC  $\ln(y-2)=1,019(x-2)$ ,  $R^2=0,989$ ,  $p<0,001$ , where  $x$  – assessment in ISC,  $y$  – assessment in entrepreneurship. The model was designed to work with successful student grades of 4 to 10 points. In case of 3 or lower points, the model does not work in any of the study courses. The model was tested on 48 students and had a mean relative error of 10%.

**Originality / Value / Practical implications.** Knowing the forecasting models and students' assessments, university management or a study data analyst can predict the expected assessments for students in different study courses. In cases of lower than expected assessments, the reasons for their decline can be sought.

**Keywords:** regression; university informatics and statistics courses; assessments of students' knowledge

**JEL codes:** C29

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## **Roland Böhmer, Uwe Busbach, Britta Kiesel. USE OF BUSINESS INTELLIGENCE IN PUBLIC SOCIAL WELFARE**

### **Abstract**

**Research purpose.** Public administration has a wealth of data that is rarely used for planning in the various sectors of society. Social welfare is one of the most complex areas of public administration. An approach that is practicable here can be transferred to other areas. The first approaches of business intelligence date back 20 years, but have been used only to a limited extent in public administration. The possibilities of modern, AI enhanced business intelligence methods are not used at all.

**Design / Methodology / Approach.** Classic business intelligence approaches are transferred from business to public administration. Data from specialized applications of the youth welfare office, the social welfare office and the public health office are merged. Since the underlying IT applications are very heterogeneous, the extraction and transformation aspects of the ETL process are complex. In addition, data from welfare organizations that perform concrete social work on site is entered into the data warehouse. The basis for merging the data is breaking down the silo thinking of the individual specialist groups involved and a coherent, comprehensible data protection concept. The data obtained is used to generate key figures that, once loaded with the ETL process, enable views in various detailed perspectives in a dashboard.

**Findings.** Data quality is just as crucial for the conclusions drawn from the results as a cooperative and solution-oriented attitude of the actors on the social welfare sector. Then, a more effective and efficient use of funds in the interest of the beneficiaries is possible. However, with classic business intelligence approaches, the key figures are based on outdated data values. In order to be able to identify the future development of social hotspots at an early stage, future research should use AI techniques to identify emerging hotspots at an early stage. This would enable early countermeasures, reduce the consequences of social problems and lead to cost reductions.

**Originality / Value / Practical implications.** Using key figures based on business intelligence allows for more accurate identification of neighborhoods in need of assistance. Different offices of the administration and charities share and interpret key figures based on a comprehensive data set. This promotes communication and knowledge sharing among stakeholders. As a result, measures and resources can be more accurately allocated. This is of great value in view of limited resources.

**Keywords:** business intelligence; social welfare; key figure-based public management; AI.

**JEL codes:** I38; O35; H53.

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## ***Dzintra Atstaja, Tatjana Tambovceva, Maris Purvins. ICT SOLUTIONS DIGITIZING THE STUDY PROCESS AND ADULT EDUCATION***

### **Abstract**

**Research purpose.** This study aims to introduce a broader audience to the results of digital science training studies and findings on the use of US experience in Latvia. The acquisition of multimodal subjects is related to integrating technology in studies, promotes innovation and introduces the latest research findings in the study process.

**Design / Methodology / Approach.** The design of the study shows the general strategy chosen by the authors to coherently and logically integrate the latest theoretical findings and components of the study - structured observations, structured interviews, system analysis, meta-analysis and approbation.

**Findings.** Since the beginning of the pandemic, the educational process in many educational institutions has changed. The work organisation has changed considerably, with online lectures and classes coming in much more every day. Many more technologies and their solutions are involved in the preparation of the subject and the study process itself. The exchange of experience allows for further development by increasing the number of asynchronous study courses (learning takes place through online channels). A degree of maturity in the use of digital tools has been reached, allowing students to learn the subject whenever and wherever he or she wishes. The experience gained in the USA shows that in the case of successful development of an asynchronous course, in combination with a really extended feedback, even content-compliant courses can be acquired in this way very successfully.

**Originality / Value / Practical implications.** For the first time, a complete - cycle of "learn by doing" and "do by learning" approaches are being implemented. The described methods have been tested, initially with the teaching staff in the role of a student, in full-time studies in the classroom. After that, the existing study courses are improved and modernized and new digitally implemented study courses are developed.

**Keywords:** study process; teaching methods; digital sciences; qualification improvement; innovation and R&D.

**JEL codes:** A22; A23, A29; C89, O32.

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**EMERGING TRENDS IN  
CULTURE STUDIES AND INTERNATIONAL CULTURE PROJECT  
MANAGEMENT / CREATIVE INDUSTRIES, ART AND DESIGN**

## **Anna Svirina. CREATING NEIGHBOURHOOD DEVELOPMENT PROJECT: EVIDENCE FROM SOCIAL EXPERIMENTING**

### **Abstract**

**Research purpose.** Neighborhood development is one of the key issues of research not just in urban planning, but also in community dynamics literature; the reasoning behind is the need to enhance creativity and involvement of the local citizens to ensure sustainable development of the local communities. Since the work of Barton et al. (2006), the issue of strengthening citizens' activity in community development was widely discussed –in a form of quantitative and qualitative research as well as theoretical papers. Yet, as neighborhood development is heavily depending on the activity of local communities, it seems relevant to investigate the role and possible involvement of youth in active social projecting aiming to increase life quality. Thus, the purpose of this paper was to test experientially the ability of youth to generate neighborhood development ideas.

**Design / Methodology / Approach.** The paper features a social experiment, which involved 309 participants, age 14-16. The general experiential design included initial team building phase, project idea initiation phase and project implementation planning phase. In each case the experiential group consisted of 30±3 people guided by 2 trainers; those 30 people were divided into groups of 5-6 people to go through described phases of project idea development and planning. The activities lasted for 3 hours, and the result was measured in terms of the level of idea development and its relevance to the set of local goals.

**Findings.** The social experiment indicated high level of teenager involvement in neighborhood development project creation. Absenteeism ratio in the sample was below 5%, creativity was clearly shown by 15-20% of participants who outlined novelty ideas and plans for local development. The satisfaction rate with the performed activity was above 90% in each group, and also indicated the changed level of involvement with the change of idea development method as compared to the paper workshops that local instructors ran with the same participants prior to experiment.

**Originality / Value / Practical implications.** The social experiment of this kind was implemented on the basis of rural neighborhoods in mid-Russia for the first time. The value of the performed study includes clear indication of project management method choice significance in case of teenage participants, and enhances knowledge on group development around neighborhood development planning. From the practical point of view, the study outlines one of the key methods that local authorities can use for community development, especially in the underprivileged areas, as participant sample can be considered a BoP sample.

**Keywords:** neighbourhood development; social experiments; social projects.

**JEL codes:** C93; O20.

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## **Christian Riess, Maria Tyroller, Michael Simon Josef Walter. SUPPORTING THE INDIVIDUAL LEARNING PROGRESS OF STUDENTS BY INTRODUCING E-PORTFOLIOS TO A COURSE ON PRODUCT DESIGN**

### **Abstract**

**Research purpose.** Written exams and reports are not always suitable to evaluate competencies and skills of students. This is especially true for product design courses. Here, a wide range of competencies (imagination, spatial thinking, aesthetic understanding, business knowledge, etc.) are required and a variety of results (sketches, 3D-CAD-models, real prototypes, user feedback, etc.) are generated, that cannot be adequately represented in a

written exam or report. We see a solution to this dilemma in the use of e-portfolios. In this presentation, we will detail which preparatory modifications to a course on product design are necessary (both in terms of content and organization) and how the students are introduced to and accompanied in the use of e-portfolios.

**Design / Methodology / Approach.** The use of e-portfolios requires the possibility for students to document and share data and information digitally. Therefore, it is essential to establish a fully virtual procedure on product design - starting with the initial idea, through the creation of a CAD-model, to the built of a real prototype (e.g., using 3D printing). This is realized by integrating useful software tools (CAD software, mind map tools, project management software, business canvas tools etc.) as well as the control of manufacturing machines (such as 3D printers) into our e-learning portal (Moodle). Then, students can work in a familiar environment and directly upload files, data and documents into their individual e-portfolio. Furthermore, we carried out a survey among students and lecturers to gain requirements for a successful introduction and use of e-portfolios. Based on these findings we develop a three-step process, that supports i) the preparation of e-portfolios (before the start of the course), ii) the design of individual e-portfolios (during the course) and iii) the evaluation at the end of the course.

**Findings.** The main findings of this work are seen in two fields. First, we provide a recommendation on structure and design of an e-learning course on product design that integrates required and useful software-tools and interfaces to manufacturing machines. This will drastically reduce complexity and variety of methods and tools as well as provide guidance and orientation for the students. Furthermore, the specific requirements of students and lecturers are identified, that need to be fulfilled to successfully implement e-portfolios.

**Originality / Value / Practical implications.** The use of e-portfolios is very rare among academic teaching on engineering design and product design. Then, it is only used when the design project ends with a 3D-CAD-model, neglecting a real prototype built. However, our goal is to enable the documentation of the entire product design process using e-portfolios - and thus also include the production and assembly of the individual parts and thus the real final product.

**Keywords:** education; engineering design; product design; evaluation; e-portfolio.

**JEL codes:** A22; A23.

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## ***Oksana Lentjushenkova. CULTURAL INTELLIGENCE AND INTERPERSONAL TRUST AS A DRIVERS FOR INTELLECTUAL CAPITAL DEVELOPMENT***

### **Abstract**

**Research purpose.** The aim of study is to explore how cultural intelligence and interpersonal trust enhance intellectual capital development at organisation.

**Design / Methodology / Approach.** The authors used reliability, correlation analysis for research purpose achieving. The survey was selected as research tool for data collection. Research tool was developed on the basis of scientific literature, using scales for different elements measurements for interpersonal trust, work engagement and level of cultural intelligence. Data were collected from multinational organisations in Latvia.

**Findings.** Employees with higher level of the cultural intelligence demonstrate higher level of interpersonal trust and work engagement. As a result, these employees are opened for different ideas, solutions and opportunities. They are ready to share their knowledge and experience by accepting different opinions and developing creative climate at organisation. It provides opportunity to strength all components of intellectual capital and increases competitiveness of the organisation in the future.

**Originality / Value / Practical implications.** The cultural intelligence and interpersonal trust enhance opportunities for innovative work and productivity at organisations through intellectual capital development at organisation.

**Keywords:** cultural intelligence; interpersonal trust; intellectual capital.

**JEL codes:** M1; 033.

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## ***Dita Pfeifere.* THE ISSUES OF DEFINING AND CLASSIFYING CULTURAL CENTRES**

### **Abstract**

**Research purpose.** Cultural centres are multifunctional interdisciplinary cultural institutions that provide access to culture and provide a wide variety of cultural services, promotes citizens' participation in culture, offers lifelong learning opportunities and performs various other functions. Cultural centres are a phenomenon shared with many other countries, especially former Soviet republics, however, historically different models of cultural centres have also been developed in Western countries, the field of cultural centres has been relatively little studied in the academic environment. The aim of the research is to study the problems of defining and classifying cultural centres.

**Design / Methodology / Approach.** Comparative analysis of scientific literature, official reports and documents of government agencies and municipalities, as well as secondary data analysis and qualitative expert interviews.

**Findings.** The results of the research will be presented at the conference.

**Originality / Value / Practical implications.** The results of the research will be used by Association of Latvian Culture Centres by preparing new projects for the development of cultural centres in Latvia. The results of the research will be partly used for further research within the framework of Ditas Pfeifere's doctoral thesis and will be useful for researchers in other countries who conduct research in the field of cultural centres. The practical implication of the research is related to the development of Law on Cultural Centres in Latvia, clarifying terminology used in the law and the division of cultural centres.

**Keywords:** cultural centres; cultural institutions; cultural policy.

**JEL codes:** Z1; M3.

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## ***Ilze Krūmiņa, Inga Milēviča. MEDIA USAGE SPECIFICS ( VIDZEME REGION, LATVIA)***

### **Abstract**

**Research purpose.** There is growing trend where society believe more into public broadcasting, media, as they can objectively explain and reflect what is happening on the world and in Latvia. As a pandemic escalates, people are increasingly listening to what professional journalists and experts are saying. The survey organized by the National Media Council (nepļadome.lv, 2021) also shows that trust in public media is growing. Huge challenge at this time is also misinformation and false news, which is mostly seen on the Internet and social media. Therefore, research purpose was compiled one Latvia region - Vidzeme region inhabitants to understand what media they use in daily life and how big role social media or regional media plays in their lives.

**Design / Methodology / Approach.** The study was based on the use of quantitative research was made and 232 respondents living in Vidzeme was asked to answer on 18 questions regarding daily media usage. With regard to the character of surveyed subjects non-representative sampling in the form of a snowball method was used and graphic method, as well as literature analysis.

**Findings.** The most used media are social media and Internet is most reliable source of information. Social media has outgrown traditional media. Regional media still are important to meet the information need of local community.

**Originality / Value / Practical implications.** The results of study can be used for municipalities communication professionals to strength communication within municipality websites, newspapers, as well as contribute to regional, local, and fast-growing micro media ecosystem understanding.

**Keywords:** media usage; communication; media; Latvia.

**JEL codes:** M3; L0; D1.

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## ***Jeļena Budanceva, Sabīne Soida, Lāsma Sondore. OPPORTUNITIES FOR THE DEVELOPMENT OF INTERNATIONAL COOPERATION FOR PROFESSIONAL ORCHESTRAS***

### **Abstract**

**Research purpose.** Due to COVID pandemic, the culture and leisure industries were affected by many restrictions and cancelling projects and events. Possible cultural sector is one of the most affected during COVID-19 and one of the latest to recover from the pandemic restrictions (Radermecker, 2020). This situation changed not only consumption habits of the culture events attendees, but also stopped many projects, both national and international forcing cultural institutions, including the sector of professional music, to find new solutions for concert activities locally and new possibilities for development. The orchestra RĪGA used this time to review the area of international cooperation and to find out how to look effectively for partners abroad. The purpose of the study is to

determine, how the professional orchestras can identify potential partner-countries and which aspects should be taken in order to ensure sustainable and successful international cooperation in the field of classical music.

**Design / Methodology / Approach.** The study used empirical research methods: questionnaires and in-depth interviews, as well as modelling on international cooperation at basis on Hofstede`s cultural dimensions. In total 149 musicians of 3 Latvian professional orchestras took part in the survey. Five in-depth interviews with the musicians with international experience and orchestra managers were conducted.

**Findings.** Intercultural differences must be taken into account in order to promote international cooperation, so the authors conclude that with the help of Gert Hofstede's cultural dimensions theory, it is possible to assess the potential cooperation opportunities and threats of countries by comparing them. After in-depth interviews with experts and analysis of the survey, it can be concluded that all respondents emphasize the need to develop a strategy for the promotion of international cooperation for Latvian professional orchestras. The results of the questionnaire show that the musicians of all 3 Orchestras consider that specific countries of international cooperation were named - Lithuania, Estonia, Denmark, Sweden, Norway and Germany, which is in line with expert advices and the results of Hofstedes' 6 dimensional analysis.

**Originality / Value / Practical implications.** Based on research, both empirical and theoretical, a model for international cooperation for professional orchestra was developed. The model consists of 3 aspects – existing cooperation on the city-level (partner-cities), countries which are closer to Latvia in according to Hofstede 6 dimensions model and personal contacts of musicians and music managers.

**Keywords:** culture management; international cooperation; culture diversities; professional orchestras.

**JEL codes:** not applicable

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## **Harsh Chauhan, Natalja Verina. IMPACT OF SOCIOCULTURAL CHARACTERISTICS ON ATTITUDE TOWARD DIGITAL TRANSFORMATION**

### **Abstract**

**Research purpose.** The paper investigates the mitigating effect of cultural dimensions on organisation`s digital transformation. The study concentrates on the factors associated with the social behaviour of employees and their effect on the prevailing attitudes in higher education institutions. To achieve the objective social characteristics and human-centric approach towards the digital transformation has been taken into consideration.

**Design / Methodology / Approach.** This is empirical investigation Initially a comprehensive literature review has been conducted, followed by a pilot study organised between institutions engaged in knowledge dissemination. Based on the sociocultural characteristics, a questionnaire was compiled. For the purpose of evaluation, a frequency analysis has been performed.

**Findings.** The concept- That certain social and cultural characteristics are more responsible for the contribution, and have stronger resistance to implement digital transformation is used during the research. Further, the study found out the correlation between variables and their impact on the efficacy of establishing the process of digitalisation.

**Originality / Value / Practical implications.** The study encompasses Latvian and Asian higher education institutions. The research focuses on the ways, how employers understand and use the socio-cultural characteristics of employees in order to reduce the resistance of digital transformation to take in effect. The study comprises of 100 Latvian and Asian institutions. The paper is an attempt to analyse the cultural perspectives of knowledge intensive organisation. It is based on the comparative analysis of different education establishments. Latvian and Asian higher education institutions are quite unique in nature. Overall, there is lack of scientific research in this field.

**Keywords:** Digital transformation; human resources; personnel resistance; socio-cultural characteristics.

**JEL codes:** M50; O30.

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## ***Imants Ļaviņš, Dace Ļaviņa. IMAGES OF THE REPUBLIC OF LATVIA AND NATION IN THE INTERWAR WORLD EXHIBITIONS***

### **Abstract**

**Research purpose.** Latvia, as a new country, like some other countries that had emerged because of the First World War on the ruins of collapsed empires, lacked visibility and distinction among its nearest and more distant neighbors. Probably, the best instrument to introduce the country, its territory, culture, and economic potential to the world was its eventual participation in the World and European exhibitions (expo, fairs). The exhibitions were supposed to accentuate our cultural identity and clearly demonstrate what is it that sets us apart from 'others', both from the countries we formerly were included into and from our new neighbors. Latvia was not the only one in this aspect, so were our closest neighbors - Estonia, Lithuania, Soviet Russia, and Poland.

World Fairs, which predominantly were organized to promote trade relations enabled countries such as Latvia to confirm the vital fact of its existence and obvious presence on the broadest scale and speak about its internal and domestic policies through carefully crafted and illustrative narratives. This was by no means an easy task, as at the same time the country's geography, climate, ethnography, economic potential, and art had to be shown in a relatively compact and compelling to the audience way. The organizers of the exhibitions had to face not only bureaucratic obstacles but also come to balanced arguments and take into consideration different viewpoints expressed by the exhibitors.

The present article is an attempt to disclose the genesis of these domestic policy narratives which showed up into international displays.

**Design / Methodology / Approach.** The research will contain and analyze such aspects as – the common and the different in various periods of time. It will be based on archive materials, scientific articles and press publications, exhibited artworks, and the manner of their presentation.

**Findings.** Until now this is the first research of the kind in cultural studies looking at this issue in a more comprehensive way because previously this phenomenon was examined in each country secludedly, as well as attention had chiefly been accentuated on artistic achievements without providing an overview.

**Keywords:** cultural identity; international exhibitions; new national countries; cultural heritage; constructed image.



**JEL codes:** not applicable.

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## **Nadiia Lolina. STREET ART AS A PART OF URBAN SYSTEM**

### **Abstract**

**Research purpose.** Explore the ways in which the street art is an infrastructural feature of contemporary urban space. The cultural value and importance of street art rarely approached as ‘cultural heritage’ with sometimes provocative and social message. Pursue a comparative analysis, comparing dialogue of street art and urban found in other European cities, beginning with Kyiv, Ukraine. Reframe our understanding of cultural encounters and affective responses in historical and contemporary urban system.

**Design / Methodology / Approach.** The work is rooted in a study of the daily activities, rituals, interactions, and other events taking place at street art as reflection, intersection and prediction of the reality in contemporary urban environments. It’s drawn on interviews (both structured and unstructured) with users of these spaces and contemporary mural artists, alongside field notes, surveys and questionnaires. The comparative aspect of the project (across different sites in Europe and Ukraine (Kyiv and other cities), situated in a trans-historical context) is intended to allow to explore distinctions in terms of response in relation to the age of the street arts, and, specifically, on murals, its scale, and the origin of the artists.

**Findings.** The mural must be understood in the context of social space as it is defined by the artistic and architectural conditions of the city. In referring to museums, galleries, workshops, and open and closed spaces where young and famous talents have had an opportunity to express themselves, and distribute their artistic works; activity which directly impacts upon the city background. It might be approached in relation to the events which sustain urban culture: concerts, exhibitions, fairs, markets, competitions, festivals (musical, theatrical, architectural and artistic, cinematographic; underground, rock, pop, jazz etc), and sporting events of national and international importance. This is a key component of the trans-historical focus of the research: we might note the relationship of the mural to the preservation of the original or earlier features of the city, within a palimpsest of the cultural elements of different eras, a history which distinguishes the uniqueness of a given city among other cities or metropolises.

**Originality / Value / Practical implications.** The research is intended to reposition and interrogate assumptions about cultural value, which associate contemporary outdoor decoration with ‘fast’ techniques, correspondingly according it less value than earlier murals, which are more obviously regarded as heritage. I suggest that contemporary murals share a formalization and active use of symbols that we might also observe in medieval wall decoration (as well as in textiles and manuscripts), eliciting a similar affective response, with an important place in writing the history of urban heritage.

**Keywords:** mural; street art; monumental art; city space; urban system.

**JEL codes:** N94; N90.

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## ***Liběna Jarolímková, Blanka Bejdáková. CURRENT CHALLENGES IN THE INTERPRETATION OF CULTURAL AND NATURAL HERITAGE***

### **Abstract**

**Research purpose.** Interpretation of cultural and natural heritage in tourism faces many challenges and opportunities in relation to digital transformation and technological innovations. The article presents results of the ongoing research on preferences of interpretation methods of cultural and nature heritage monument visitors and ascertains the attitudes of heritage visitors towards interpretation methods using digital support.

**Design / Methodology / Approach.** Preferences of interpretation methods were researched in the Czech Republic among three most important segments of cultural and natural heritage monument visitors: young adults, families with children and seniors in the Czech Republic. The methods of a desk research and questionnaire survey were used. Data analysis was performed using mathematical and statistical methods.

**Findings.** 83% of respondents prefer personal forms of interpretation. The attitudes towards digital forms of interpretation are positive for all segments surveyed. Young adults and families with children consider the digital forms of interpretation to be a suitable full-featured alternative to other forms of interpretation, seniors take digital forms of interpretation as a suitable complement of classical forms.

**Originality / Value / Practical implications.** The research on the topic of interpretation preferences is original and no similar research has been carried out in the Czech Republic. Research results confirm the positive attitude of visitors towards interpretation methods using digital technologies. Digitization in interpretation represents a means for improving the quality of interpretation and also a contribution in the heritage tourism management. It can help to solve problems of visitor flows, safety and security of the service and can be a source of data for improving destination management and marketing.

**Keywords:** interpretation; cultural heritage; natural heritage.; heritage tourism; digital transformation.

**JEL codes:** Z32; O33.

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## ***Lina Melnyk. SANDPLAY THERAPY IN CHILD TRAUMA RESOLUTION - CASE STUDY***

### **Abstract**

**Research purpose.** Due to the large number of children who came to Latvia as a result of the war in Ukraine, there is a need to help children overcome the consequences of trauma and help them adapt to a peaceful life in the host country. Eth and Pynoos (1985) were two of the first researchers to substantiate that witnesses to violent events were vulnerable to trauma reactions. There is, however, another level of exposure for those who are neither surviving victims nor witnesses but are related to the victim. Being related to the victim as a family member, a friend, a peer, or someone who goes to the same school as the victim or lives in the same community can create vulnerability to trauma. The aim of the study is to show on a clinical case basis how to use art therapy techniques such as sandplay therapy in child short-term trauma resolution and adaptation.

**Design / Methodology / Approach.** Study case of short-term psychotherapeutic work with a 7-year-old child to overcome trauma and help in adaptation by sandplay therapy.

**Findings.** Art therapy provides a symbolic representation of the trauma experience in a language and a format that is external and concrete and therefore manageable. The sand play format itself is effective: the sandbox acts as a container of the trauma. The contained trauma can now be managed at a sensory, tactile level by the child. The child can use it as he or she wants, thereby giving the child a sense of empowerment over the trauma.

**Originality / Value / Practical implications.** On the example of one therapeutic case there is an opportunity to show that not only psychotherapists can be useful in overcoming the consequences of child trauma. Technical means such as sand, pencils and paints are available not only in the psychotherapy room, but the techniques can be used by anyone who knows how to empathize.

**Keywords:** child psychotherapy; art therapy; sand-play therapy; trauma release psychotherapy.

**JEL codes:** not applicable.

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