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FRAUDULENT FINANCIAL REPORTING AND MANAGEMENT INTEGRITY

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Abstract

The role of accounting is to provide relevant and valid financial decision-making information and improve the decision-making process for the capital market to function effectively. A key product of an accounting information system are financial statements. Financial statements are the principal means by which financial information is transmitted to stakeholders outside the enterprise. What is not good about accounting scandals and problems is the expiation of us all. Due to accounting irregularities, employees may lose their pension fund, investors their investment, etc. The subject of this paper is to elaborate the role of accounting in decision making in practice. The content analysis method was applied during the research of the observed issues.

The aim of this paper is to identify key directions in preventing fraud in the financial statements of companies. Particular attention in the research is devoted to the role of management in the process of providing quality financial information (statements) and preventing the occurrence of fraud. One of the fields of research is establishing the role of the internal audit in fraud prevention and detection.

Keywords: financial reporting, fraud, management integrity, financial decisions, internal audit

STRATEGIC MANAGEMENT IN THE FUNCTION OF TOURISM DEVELOPMENT

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Abstract

Strategic management is one of the most studied areas in modern theory. Its role in business is of immeasurable importance, with its absence determining the failure of an organization's business. To the extent that strategic plans are realized, the organization itself will move in that direction. As strategic management is a multidisciplinary discipline, its application is steady in every industry. Tourism, as an industry where change takes place over short periods, mostly with high intensity, requires the application of strategic management as the basis of an organization's business. The increasing frequency and presence of competition are driving more dynamics in this industry, and it is necessary to find adequate mechanisms that will play a role in achieving the goals of the company and its success. In this regard, the aim of this paper will be related to the strategic approach to managing the development of the tourism potential of the municipality of Aranđelovac. The subject of this paper is the application of internal and external analysis methods that enable the creation of frameworks for the adoption and consequent implementation of strategies. The successfulness of the strategy implementation is conditioned by the successfulness of the organization.

Keywords: strategic management, development, tourism, SWOT, competitiveness

THE ROLES OF ACCOUNTING AND REPORTING IN ORGANIZATIONS AND DIGITAL ENVIRONMENT

THE ROLES OF ACCOUNTING AND REPORTING IN ORGANIZATIONS AND DIGITAL ENVIRONMENT

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Abstract

Decisions play a crucial role in the work of managers because making quality decisions enables the thriving of their companies. Decisions can be different (strategic, operational) and can be made at different time intervals. Development of decision-making based on “solid facts” is substantially supported by adequate achievements in information and communication technology. The subject of this paper is to identify relevant factors that influence the accounting system to satisfy the need for better information in the complex market environment and the intense dynamics that characterize it. A content analysis method was used for the research in the paper. Information systems, such as the accounting information system, can support people in the decision-making process by offering answers to the questions asked, creating various scenarios and stimulating the legitimacy of business-financial decisions. Relevant, timely and valid information should be the backbone of an accounting information system to support management in making economic decisions.

Keywords: accounting information system, digital environment, business-financial decision making, company

MOST INFLUENTIAL FACTORS IN DECISION MAKING REGARDING FOOD INDUSTRY – THE CASE OF ALBANIAN CONSUMERS

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Abstract

The main objective of this research is the identification of factors which affect the decision-making of Albanian consumers in food purchasing. Focused in the Fast-moving consumer goods (FMCG) products format type as the chosen market segmentation and geographically in Tirana, has provided a very narrow area of the research study. Secondary to the first main objective and as a consequence of preciseness of the format of research and used instruments, this study's hidden value remains the acknowledged relation between independent variables and dependent ones.

The study's hypothesis is that before making a purchase, Albanian consumers are relied on the taste of the product rather than its price.

Independent variables are gender and age. Dependent variables are brand, price, taste, ingredients, and word of mouth (WOM). This generates useful information for companies operating in food industry on orienting their strategies.

This study is a combination of qualitative and quantitative methodology. The qualitative methodology includes theoretical background of global scholars with the combination and analysis of consumer behavior in Albania. The quantitative methodology includes a questionnaire performed for a total of 344 Albanian consumers living in Tirana. The gathered data have been analyzed using SPSS.

The results shad light upon taste as the most important factor which guides Albanians before making a purchase. Following that, price and word of mouth (WOM) are listed in the ranking. On the other hand, changes between subgroups of the dependent variables are highly noticeable.

Key words: consumer behavior, Albania, research, product, taste, market, FMCG

Introduction

Marketers have always been in search on what triggers the consumers, what elements do they value more, and which elements should marketers empathize on the product, in order to be successful in a sea full of competitors. The goal of the companies is to deliver value to its consumers, maintain and increase the quality of its products while trying various of methods to gain new consumers. This is the reason of an increase on marker research and observations on how consumers shop, patterns they have on large supermarkets and where do they concentrate their attention on a shelf full of similar products.

This study is concentrated on two main points: i) the chosen type of market segment which is “Fast moving consumer goods” (FMCG) products format; ii) the second fundamental element is the geographical area of Tirana, the capital of Albania.

Under these two guidelines, the main objective of this research is the identification of factors which affect the decision-making of Albanian consumers in food purchasing. Focused in the Fast-moving consumer goods (FMCG) products format type as the chosen market segmentation and geographically in Tirana, has provided a very narrow area of the research study. Secondary to the first main objective and as a consequence of preciseness of the format of research and used instruments, this study’s hidden value remains the acknowledged relation between independent variables and dependent ones.

The study’s hypothesis lays on the statement which follows: “Albanian consumers are relied on the taste of the product rather than its price”.

In order to accept or refuse the hypothesis and to achieve the designed objectives, the methodology is based on a quantitative research. The theoretical background includes perspectives of global scholars with the combination and analysis of consumer behavior in Albania. The quantitative methodology includes an online questionnaire performed for Albanian consumers living in Tirana.

The designed questionnaire includes independent variables such as gender and age and dependent variables such as brand, price, taste, ingredients, and word of mouth (WOM). Results will generate useful information for companies operating in food industry on orienting their strategies.

Theoretical background

The background research has been done to understand the fundamentals of consumer behaviour in the perspective of global scholars. Continuing the analyse of Albanian market, Albanian consumer and its tendencies, more focused in Tirana, helped build a fundamental frame to this research.

Throughout decades, scholars have framed consumer behavior differently and from different perspectives reflecting the evolution of behaviour al process, thinkers have emphasized their views on particular aspects of this subject.

- *“Consumer behaviour is the study of how people buy, what they buy, when they buy and why they buy.”* (Kotler, 1994)
- *“A process of choosing, purchasing, using and disposing of products or services by the individuals and groups in order to satisfy their needs and wants.”* (Solomon et al, 1995)
- *“The dynamic interaction of affect and cognition, behaviour, and environmental events by which human beings conduct the exchange aspects of their lives.”* (Bennett 1995)
- *“Consumer behaviour is the process and activities people engage in when searching for, selecting, purchasing, using, evaluating and disposing of products and services so as to satisfy their needs and desires”.* (Belch, 1998)
- *“Consumer behaviour is the activities people undertake when obtaining, consuming and disposing of products and services.”* (Blackwell et al. 2001)
- *“The behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs”.* (Schiffman, 2007)
- *“Consumer behaviour entails "all activities associated with the purchase, use and disposal of goods and services, including the consumer's emotional, mental and*

behaviour al responses that precede or follow these activities." (Kardes, Cline & Cronley, 2011)

- *"The decisions that people make to buy or not to buy a product, and the things that influence their decisions."* (Cambridge English Dictionary, 2018)
- *"The process by which individuals search for, select, purchase, use, and dispose of goods and services, in satisfaction of their needs and wants."* (Business Dictionary, 2018)

According to the upper definitions, factors which are part of psychology, sociology, social anthropology, ethnography, marketing, economy and neuroscience are noticeably part of consumer behaviour.

However, in order to use this field in advantage to deliver a better value to consumers, to try to understand them more and to give exactly what consumers want, Blythe (2013) has listed six psychological drivers of consumer behaviour:

1. Drive and motivation studies – *"the basic force of motivation, which arises when the individual's actual state diverges from the desired state"* (Blythe, 2013) When the drive has an explicit goal, then it becomes a motivation. (Blythe, 2013)
2. Studies of goals and incentives – *"The incentive for achieving these various goals is the satisfaction of the need."* (Blythe, 2013)
3. Personality and self-concept – *"...we are dictates what we like and what we dislike, our preferred ways of dealing with our consumption problems, our preferred lifestyles, and so forth."* While self-concept is seen as how we imagine ourselves to be like – how we behave, how we make decisions, why we buy certain products and why we are loyal to different brands. (Blythe, 2013)
4. Perception – Blythe (2013) analysed it as a perceptual map. The gathered data is used to understand and conclude with well thought decisions. In the case of consumer behaviour, marketers study their consumers to know how their map is structured. They develop tools on how to place their company in the best, desired, most effective place in consumers' perception. (Blythe, 2013).
5. Learning – Examining components individually helps not only scientists but also marketers which will know how to provide information about their companies. (Blythe, 2013).
6. Attitude formation and change – An attitude is the reflection of what one thinks of something (a brand, a car etc.) perceives, or has an attitude towards it. Just like when a consumer thinks of a safe, affordable and family car, immediately Volvo comes in mind. This is the reason why marketers consider attitudes important, by not only understanding how they are formed but also changed in creating attitudes for their brands. (Blythe, 2013).

Continuing the analysis, Blythe (2013) listed four important sociological drivers such as reference groups, family, class and culture, and self-made and role. However, the process in which a consumer goes through before making a purchase is also one of the key elements which



companies analyse in terms of types of consumers, types of supermarkets and types of products. Khosla (2010) acknowledges five stages from the marketing perspective.

Figure 1. Consumer's purchase decision process. Adapted from 'How we think'

Source: Dewey, 2007

First stage is “Problem recognition”, a phase in which the consumer is fully aware of its needs and/or desires. The problem arises in two ways: i) *need recognition* – occurs when the consumer has no available products to resolve his problem and ii) *opportunity recognition* – occurs when a consumer chooses to improve the solution he is already using for his problem (Solomon, 2018).

Second stage is “Information search” which divides consumers into different groups based on their level of knowledge they have for a particular product and on the necessity of that product. Basing on their knowledge, consumers who already have information on a product tend to be in search for more information, while consumers with limited expertise may not do the same (Solomon, 2018). Basing on the necessity of a product, consumers tend to require more information when high risk and important purchase is involved. (Thaler, 1985).

Third stage is the “Past purchase behaviour” where consumers tend to gather information from previous experiences. According to Kotler and Armstrong (2012) it is difficult to find a right pattern in evaluation process, being based on the type of consumer, internal and external factors. However, they add that in pure objectivism, consumers choices from logical thinking whereas in cases of impulse buying when they do little or no evaluation.

Fourth phase, “Making a choice” is the peek and conclusion for the three previous steps. Weighting elements such as price, taste, brand, word of mouth etc., help consumers reach a conclusion. From studies is proven how one’s behaviour changes from one’s desire to have and what one uses in daily life (Smith, 1993).

Fifth and last phase is the “Post purchase behaviour” which includes the phase where consumers check if the right decision has been made while controlling their level of happiness, if their needs and expectations are met and if they will make the same decision in the future (Solomon, 2018)

Companies, by creating “a persona”, go through this process, analyzing each step and evaluating every element of theirs to better understand their clients and to deliver value best suited to them. Each phase has its own importance and the whole process is defined as a chain. Marketer’s role is to make evident certain features of products for which consumers long for before making a purchase. This will trigger their mind into buying a product and fulfilling their needs/desires.

Albanian consumer behavior

After the communist regime, Albanian market has elevated to another contemporary level. This means modernisation to not only the market, but also modernisation of consumers and their behaviour. The modernisation is reflected in merchandizing of product in supermarkets, modifying the layout consumers go through when entering a supermarket and the level of knowledge they require per each product. High number of competitors but also international organisations such as “European Commission Commission – Trade – Export Helpdesk”, “Regional Cooperation Council” and most important “CEFTA – Central European Free Trade Agreement” contribute positively to Albanian market. This contribution is in form of structuring the food industry, especially the international trade.

On the other hand, consumers are more interested on checking information relating the products on hand, its origin, the ingredients and they have the tendency to go follow more bio products. Overall these consumers have an eye for mix of traditional food with foreign products. They go beyond by pursuing new culinary experiences which is translated into a rise on demand for different products to FMCG stores.

Methodology

The quantitative research methodology mainly deals with the collection and processing of structured data that can be presented numerically (Matthews and Ross, 2010). This type of data was gathered using an online questionnaire. Overall this research can be labelled as an exploratory research because of the lack of previous market analysis and information provided to retailers and the whole food industry.

The main elements of this research are as follows:

1. Firstly, this research has not narrowed down the type of product which would be analysed. The aim of this research is to define the most important elements for Albanian consumers in the overall purchasing experience. Hence, the market segment is FMCG products format which include “*goods which are frequently bought and used, including confectionery, toiletries (toothpaste, tissue paper, shampoo), alcoholic and non-alcoholic drinks, cigarettes, newspapers and magazines.*” (Brierley, 2005).
2. Secondly, the geographical area chosen to apply the questionnaire is Tirana, the capital of Albania. Since Tirana’s prefecture is divided into twenty-nine communes, in order for a great efficiency, the study is only focused in the 29th commune named Tirana. The area is 1,110.03 km² and has a population of 427.662 citizens aged eighteen and older. Another reason to have chosen Tirana is the high amount of retail stores, thus the high level of monthly expenditure of Albanian families.

Map 1. Average monthly consumption expenditure by prefecture

Source: INSTAT, 2019

The used tool to conduct this research has chosen to be an online questionnaire. This questionnaire had close-end questions including independent and dependent variables. The questionnaire was inspired from a similar Czech market research, adapted to the objective of the current research and approved by international professors. Independent variables are age

and gender and dependent variables are brand, price, taste, ingredients and word of mouth (WOM). Before being released online, the questionnaire went through many stages:

- The process of creating the questionnaire started early December by including several drafts on how to form the questions and the overall structure. The final version was concluded on February 2019.
- Piloting a questionnaire contributes on the betterment of the quality. Hence the questionnaire was piloted three times after being modified and improved each time. Leading the releasing online on the 20th of March.
- Online the questionnaire was released among youngsters, professors, entrepreneurs and people working in different industries.

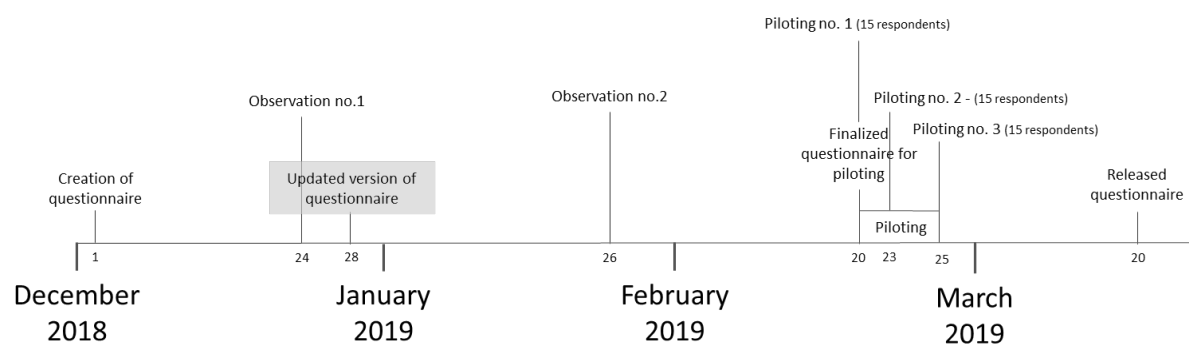


Figure 2. Steps of research

Source: Own work

The number of respondents reached 344 citizens. SurveyMonkey's sample size calculator and other sources helping on showing the right amount of number of respondents (sample size) of 384 respondents. As mentioned above, the population size is 427.662 people (in Tirana Municipality) aged 18 years old and older. This number was generated by a 95% of confidence level and 5% of margin of error. Confidence error is expressed *"as a region, constructed under the assumptions of our model, that contains the "true" value (the parameter of interest) with a specified probability."* (Term, 2002). While a 5% margin of error includes *"the range that the researched population's responses may deviate from the sample's"* ("Sample Size Calculator: Understanding Sample Sizes | SurveyMonkey", 2019). With the help of calculus, the weight of sample size (which is 344 respondents) to the researched population makes 0.08% of the population.

Validity of the research

The validity elements of this research show and are important features which conclude the seriousness of the market analysis. There are three main reasons:

- Approved questionnaire
- Piloting
- Analysed quantitative data through SPSS

The study is a systematic search, as to reach the findings and the conclusions is proceeded by following the steps that follow each other: (1) problem definition, (2) literature review, (3) research questions formulation, (4) data, (5) analysis of findings, (6) drawing conclusions.

Limitations of the study

First limitation is the researched geographic data. In order to conduct a valid market research, researchers have limited the area in order to be more concise and to draw better conclusions.

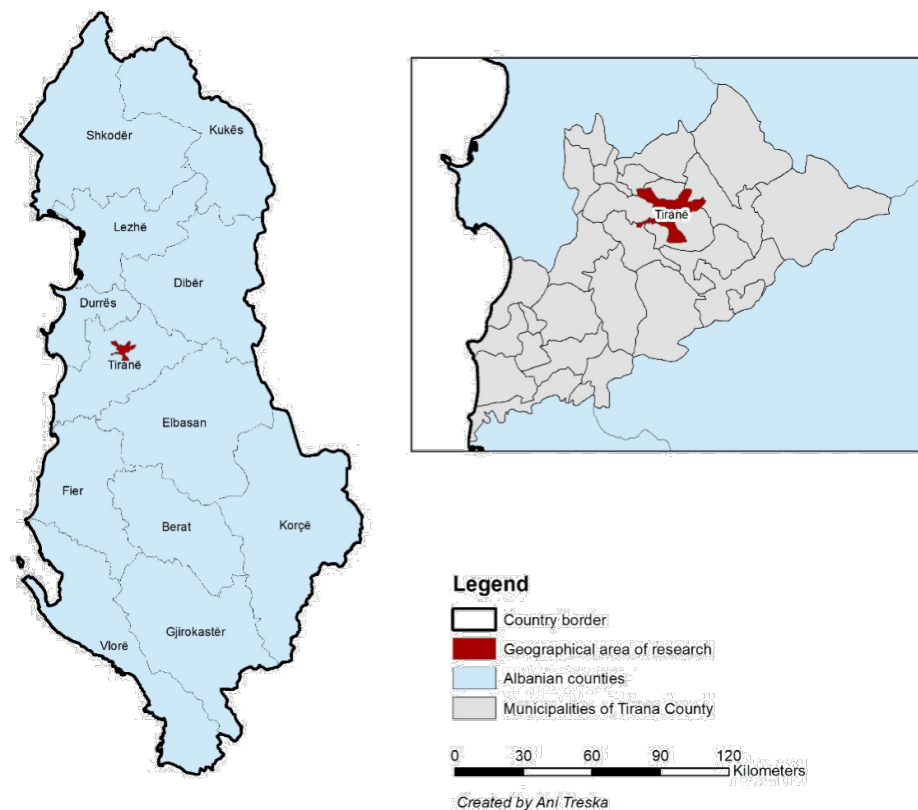


Figure 3. Geographical area of research

Source: Own work

Secondly, the research is focused on only the market segment of FMCG and the behaviour consumers have before making a purchase. Consequently, the amount of dependent variables is low and limiting the possible wider range of elements to be examined for.

Thirdly, the difficulties of reaching the normal distribution in the defined groups.

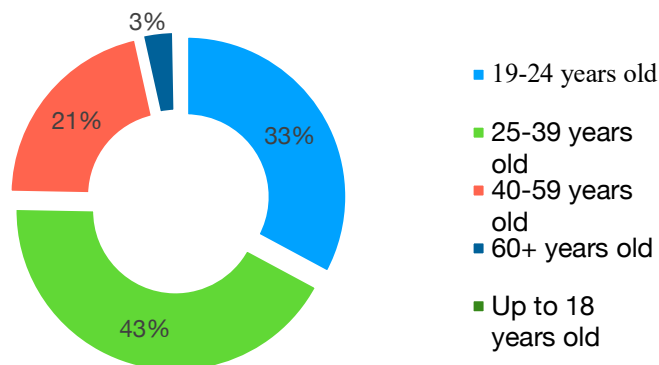
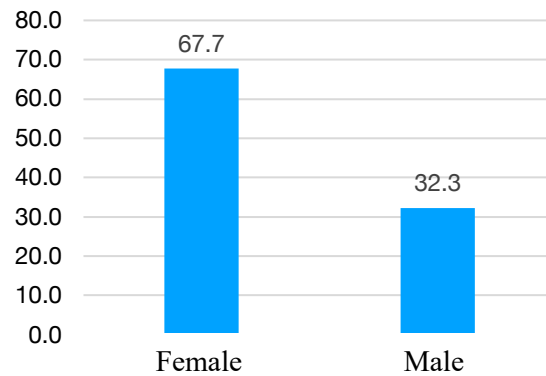
However, on top of the above listed arguments, this research is representative in the perspective of number of respondents gathered from the questionnaire. The acquired sample size is 344 respondents when the desired limit is 384.

Results

Independent variables

Regarding age, through 344 respondents, there were 233 females and 111 men participating in the research. Hence, women are dominant by 67.7% leaving behind male respondents by 32.3%.

Regarding age, through 344 respondents the most dominant age group was 25 to 39 years old by 43%, second age group were consumers in a younger age, from 19 to 24 years old by 33%; whilst the third main age group is concerning consumers 60+ years old where only 11 which made 3% of the whole amount of respondents.



Graph 1. Distribution of gender of respondents

Source: Own work

Graph 2. Age of respondents

Source: Own work

Dependent variables

The following tables, and as mentioned before, are based on a Czech research article titled “Factors influencing the consumer behaviour when buying food” (Stávková, Prudilová, Toufarová, Nagyová, 2007). According to the authors, the evaluation is made according to rate of contingency (X^2) using contingency tables. “*The rate of contingency or the so-called coefficient of contingency was calculated for each of these tables where $n_{i.}$ is the frequency in the i^{th} row throughout all columns and $n_{.j}$ is the frequency in the j^{th} column throughout all rows.*” (Stávková, Prudilová, Toufarová, Nagyová, 2007).

$$x^2 = \sum_{i=1}^k \sum_{j=1}^m \frac{\left(n_{ij} - \frac{n_{i.} n_{.j}}{n} \right)^2}{\frac{n_{i.} n_{.j}}{n}}$$

In difference with Czech study, which used table percentage, this case will be using column percentage in custom tables. Table percentage interprets one variable and analyses it as a whole when put across to another variable. On the other hand, column table percentage will evaluate a variable and its groups as separate groups; meaning they will not be examined as dependent to each other, minimizing the negative effect normal distribution might probably have in the study results. Hence, it's followed to cover up the flaw on normal distribution and to interpret variables on its own.

The gathered results are grouped in several tables as below.

Table 1. “How important are the elements listed below before purchasing a product?”

	<i>Not important</i>	<i>Slightly important</i>	<i>Important</i>	<i>Neutral</i>	<i>Very important</i>
<i>Brand</i>	4.1%	18.6%	47.4%	8.7%	21.2%
<i>Price</i>	0%	13.1%	49.4%	8.4%	29.1%
<i>Taste</i>	0.6%	8.4%	27.6%	2%	61.3%
<i>Ingredients</i>	2%	10.8%	31.7%	9.3%	46.2%
<i>Word of mouth</i>	2.3%	10.2%	49.1%	19.2%	19.2%

The main question made to consumers, highlights which of the listed elements affect their decision-making process before deciding to purchase a random product. Clearly all of them are important to consumers, however two elements are very important: taste (by 61.3%) and ingredients (by 46.2%). The individual frequency tables below, show a more detailed analysis per each dependent variable bearing in mind that the results are for the whole sample size.

Table 2. Frequency tables of dependent variables

			Frequency	Percent	Valid Percent	Cumulative Percent
Brand	Valid	Not important	14	4.1	4.1	4.1
		Slightly important	64	18.6	18.6	22.7
		Important	163	47.4	47.4	70.1
		Neutral	30	8.7	8.7	78.8
		Very important	73	21.2	21.2	100
Price	Valid	Slightly important	45	13.1	13.1	13.1
		Important	170	49.4	49.4	62.5
		Neutral	29	8.4	8.4	70.9
		Very important	100	29.1	9.1	100
Taste	Valid	Not important	2	0.6	0.6	0.6
		Slightly important	29	8.4	8.4	9
		Important	95	27.6	27.6	36.6
		Neutral	7	2	2	38.7
		Very important	211	61.3	61.3	100
Ingredients	Valid	Not important	7	2	2	2
		Slightly important	37	10.8	10.8	12.8
		Important	109	31.7	31.7	44.5
		Neutral	32	9.3	9.3	53.8
		Very important	159	46.2	46.2	100

WOM	Valid	Not important	8	2.3	2.3	2.3
		Slightly important	35	10.2	10.2	12.5
		Important	169	49.1	49.1	61.6
		Neutral	66	19.2	19.2	80.8
		Very important	66	19.2	19.2	100
		Total	344	100	100	

Source: Own work

Continuing the analysis, with the help of SPSS a “one sample statistics” was done in order to complete the frame and to clearly distinguish important factors affecting an Albanian consumer before making a purchase.

Table 3. One-Sample Statistics – Overall purchase Importance indicator

One-Sample Statistics – Overall purchase Importance indicator

	N	Mean	Std. Deviation	Std. Error Mean
<i>Taste</i>	344	4.41	0.927	0.050
<i>Ingredients</i>	344	4.09	1.079	0.058
<i>Price</i>	344	3.94	0.948	0.051
<i>Word of Mouth</i>	344	3.73	0.963	0.052
<i>Brand</i>	344	3.63	1.130	0.061

Source: Own work

In order to meet the objectives of the research another test should be done in order to understand the relation between gender, age group with the dependent variables. This table shows results and help on giving advice to marketers. Overall by having the table below, certain features can be analysed and can be drawn to conclusions.

Table 4. Row percentage table on dependent and independent variables

		Gender		Age				
		Female	Male	up to 18	19-24	25-39	40-59	60+
<i>Brand</i>	<i>Not important</i>	3.4%	5.4%	0.0%	2.7%	4.8%	2.7%	18.2%
	<i>Slightly important</i>	23.2%	9.0%	0.0%	19.5%	17.8%	19.2%	18.2%
	<i>Neutral</i>	9.0%	8.1%	0.0%	12.4%	7.5%	4.1%	18.2%
	<i>Important</i>	44.2%	54.1%	100.0%	46.9%	47.9%	50.7%	18.2%
	<i>Very important</i>	20.2%	23.4%	0.0%	18.6%	21.9%	23.3%	27.3%
<i>Price</i>	<i>Slightly important</i>	13.3%	12.6%	100.0%	7.1%	13.0%	19.2%	27.3%
	<i>Neutral</i>	6.4%	12.6%	0.0%	4.4%	9.6%	12.3%	9.1%
	<i>Important</i>	48.9%	50.5%	0.0%	54.0%	49.3%	43.8%	45.5%
	<i>Very important</i>	31.3%	24.3%	0.0%	34.5%	28.1%	24.7%	18.2%
<i>Taste</i>	<i>Not important</i>	0.9%	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%
	<i>Slightly important</i>	9.4%	6.3%	0.0%	5.3%	7.5%	13.7%	18.2%
	<i>Neutral</i>	2.1%	1.8%	0.0%	2.7%	0.7%	4.1%	0.0%
	<i>Important</i>	25.3%	32.4%	100.0%	21.2%	28.8%	32.9%	36.4%

Ingredients	<i>Very important</i>	62.2%	59.5%	0.0%	<u>70.8%</u>	61.6%	49.3%	45.5%
	<i>Not important</i>	1.7%	2.7%	0.0%	2.7%	2.1%	1.4%	0.0%
	<i>Slightly important</i>	9.9%	12.6%	100.0%	6.2%	11.0%	13.7%	27.3%
	<i>Neutral</i>	10.3%	7.2%	0.0%	13.3%	8.2%	6.8%	0.0%
	<i>Important</i>	28.8%	37.8%	0.0%	30.1%	34.2%	30.1%	27.3%
	<i>Very important</i>	49.4%	39.6%	0.0%	47.8%	44.5%	47.9%	45.5%
Word of Mouth	<i>Not important</i>	2.1%	2.7%	0.0%	2.7%	2.1%	1.4%	9.1%
	<i>Slightly important</i>	11.2%	8.1%	0.0%	4.4%	8.9%	17.8%	36.4%
	<i>Neutral</i>	15.9%	26.1%	0.0%	13.3%	20.5%	28.8%	0.0%
	<i>Important</i>	50.6%	45.9%	100.0%	<u>56.6%</u>	45.9%	42.5%	54.5%
	<i>Very important</i>	20.2%	17.1%	0.0%	23.0%	22.6%	9.6%	0.0%

Source: Own work

Conclusion and recommendations

Referring to analysis made and the shown results, Albanian consumers are affected the highest from *taste* when considering purchasing a product. The other factors in a decreasing overall trend are *price*, *WOM*, *brand* and *ingredients*. However, in the perspective of importance the list modifies a bit remaining *taste* in the first place, followed by *ingredients*, *price*, *WOM* and *brand*. Lastly, the hypothesis of the research is accepted: “Albanian consumers are relied on the taste of the product rather than its price”

In relation to *gender* as one of the independent variables, men in comparison to women value *brand* and *price* more. However, women are more affected by *ingredients* and *word of mouth*. In relation to age group as the second independent variable, overall consumers from 19 years old to 24 years old are highly influenced by the dependent variables in comparison to the other age groups. However, in the case of *brand*, consumers between the age of 40 and 59, value it more than the other age groups.

Marketers should bear in mind the quality consumer behaviour has which is constant change. Hence this research provides two recommendations:

- In order to keep one-time consumers and turn them into loyal consumers, companies and marketers should bear in mind several factors to be included related to their product.
- Companies, decision-makers and marketers are advised to bear in mind the weight that every gender and age group puts into the listed factors.

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SOCIAL STUDIES EDUCATION: A PANACEA FOR ADDRESSING GENDER INEQUALITIES AND WOMEN EMPOWERMENT IN NIGERIA

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Abstract

This paper presents a discourse on Social Studies Education: A panacea for addressing, gender inequalities and women empowerment. It starts by providing the basic explanation of the concepts of Social Studies Education, Gender inequalities and women empowerment. Gender inequalities and women empowerment are among the major issues in our societies that attract a lot of attention from scholars and non-scholars generally. The importance of sound education in the society in order to address human gender inequalities and women empowerment cannot be overemphasized. The paper therefore, assessed Social studies education as a panacea for addressing gender inequalities and women empowerment in Nigeria and arrived at a conclusion that much has not been done in that regard. Social studies education occupies a pride of place in all level of Nigerian educational system. Because of its prominence, it was made a core subject in the primary and upper basic secondary schools. It is as a result of this central position of social studies education that qualifies its effective teaching and addressing women empowerment. Some of the ways in which Social studies education can address gender inequalities and women empowerment as mentioned above were outlined and explained. Finally, the paper ended with conclusion and made some recommendations for social studies education as a panacea for addressing gender inequalities and women empowerment in Nigeria.

KEYWORDS: Social Studies Education, Gender inequalities and Women empowerment.

INTRODUCTION

The millennium development goals should be everybody's agenda and needs to be vigorously pursued. Goal 3 of this millennium agenda aims at achieving gender equality and women empowerment. The desire for equality presupposes the existence of inequality. The manifestation of gender bias and inequality in every sphere of human endeavor has been a clog in the wheel of progress of African nations (Ogba, 2008). It has brought about backwardness in economic, socio-cultural, political and scientific development when compared with the advanced nations of the world where gender inequality is almost non-existent (Igu, 2008). It is in the realization of the imperative of gender equality and women empowerment in the millennium development goals that its promotion has become one of the challenges of this millennium.

Unigwe in Oga (2008) asserts that gender equality and women empowerment in Nigeria particularly and Africa generally is some of the social phenomena that have been receiving global attention in recent times. Gender issues have been on the front burner of international summits since 1990s. Some of these summits are World Summit on Social Development WSSD (1999) Copenhagen, Fourth World Conference on Women FWCW, (1995), Beijing and

Beijing plus 5, (2005) New York. These summits are manifestations of the world's commitment to gender equality for a gender fair society where everybody is treated equally.

A gender fair society is a necessity for even development for no meaningful development can be achieved without the contributions of men and women. Achieving Goal 3 of the millennium Development Goals according to the Federal Republic of Nigeria (2006) is not only of intrinsic value in itself but also basic to the attainment of the other millennium Development Goals. According to Ewubare (2008), women all over the world and particularly in developing countries of Africa are highly discriminated against. He further maintained that they are under achieved, under-utilized and under-represented in the social-economic structure. In order to achieve the millennium Development Goals and particularly Goals 3, education is perhaps, the only viable tool.

Education according to Ocho (2005) is the complete development of man such that he becomes functionally useful to himself, his society and humanity at large. This implies that education is the means through which individuals are made comfortable with the norms of the society in which they live and are motivated to change their society for the greater good of all. It is the indispensable place of education in national development that the Federal Republic of Nigeria (2004) stated that education is an instrument par excellence for national development. To this end, Nigerian education is hinged on the philosophy of self realization, better human relation, individual and national efficiency, effective citizenship, national consciousness, national unity as well as towards socio-cultural, economic, political, scientific and technological progress (Federal Republic of Nigeria, 2004). This work therefore focuses on promoting gender equality and women empowerment through education.

CONCEPTUAL CLARIFICATION

GENDER

The concept of gender refers to a system of roles played by women and men that are not biologically determined but by the social, political and economic norms of a culture. According to Anagbogu (2001), gender is a socially constructed role, responsibilities and behaviors of women and men in a given culture or society. Taiwo and Aina in Ewubare (2008) define gender as “the social differences between men and women that are learned, changeable overtime and have wide variations within and outside cultures. Keller (1999) views gender as a cultural construct that distinguishes the roles, behavior, mental and emotional characteristics between males and females developed by a society. Betiku in Igu (2008) sees gender as the social and or cultural construct, characteristics and roles, which any society ascribes to females and males. All these definitions of gender point to the fact that it is a feeling of being male or female which influences behavioral patterns.

Gender inequality exists in all spheres of human endeavor making women who are the most vulnerable to be subjected to terrible and unimaginable population of women visa-vis their contribution in national development, however, shows a very infinitesimal percentage. According to Williams (2000), 58.79 of women in Nigeria still remain illiterate. Suara (1990) stated that in most African countries, the female literacy rate is disturbingly low and that it is always significantly lower than that of the male. Dammar (1999), asserts that available statistics indicates that in the developing regions of the world, there are significantly more female than male illiterates. This literacy gap has brought about gender disparities in every sphere of human development in Nigeria and the resultant effect is a generally lower status of women compared with.

The root cause of the disproportionately low levels of female access to the educational systems visa-vis their male counterparts dates back to the 19th century education policies of the early missionaries/colonial masters who brought western education. According to Fafunwa (1974), western education introduced by the Christian missions in southern Nigeria in the mid

19th century was male oriented. Awe (1990), further maintains that this orientation influenced both the establishment of schools and curricula both boys and girls. Although efforts are being made to bridge this disparity, the yawning gap seems difficult to fill. It is still crystal clear that women are still dominated in all spheres of life by their male counterparts.

To a large extent, gender parity in educational pursuit has been achieved in the southern part of Nigeria but it is not the same in the northern part where the level of illiteracy among women is still higher. The predominately high level of illiteracy of women in the north is the outcome of religious, cultural and societal practices that impose certain norms and values on the girl child, that tend to retard female education. According to Jimoh (1993), in some states of the northern part of the country, a ratio of four boys to one girl exists in primary school enrolment; the gender gap in enrolment is 39.5, 37.7 and 44.5 percent in Bauchi, Niger, Taraba and Adamawa states respectively. The disparity in educational pursuit has made gender inequality to persist in Nigerian society especially in prestige, inequality in power and inequality in access to or control over material and non-material resources.

SOCIAL STUDIES

The subject Social Studies has been defined in different ways by different Social Studies Educators. For example, Social Studies is not only a study but a way of life of how man influences and is influenced by his physical, social, political, economic, psychological and cultural environments (guideline on primary curriculum: Report on National workshop on (Primary Education, 2004). Adaralegbe (1980) and Ezegebe (2002) defines Social Studies as a study of how man influences and is in turn influenced by his physical, social political, religious, economic psychological, cultural, scientific and technological environments. According to Akinlaye, Mansaray and Ajiboye (1996), Social Studies is the study of man in his environment. It deals with man's interactions with his physical, social, economic, scientific and technological environments.

Mosehin (2005) defines Social Studies as a 'distinct integrated single subject that attempts to study virtually the totality of man's existences on earth purposely to encourage learners to acquire knowledge, skills and values needed for understanding and coping with various problems confronting man in the course survival.

Bruce (2008:20) defines Social Studies as 'a discipline which influences three different aspects a child's education his intellectual development; his social development and is personal growth'. The content and procedures involved in Social Studies enables the child to cultivate adequate means of involvement with the minds of wise men and inventive scholars; to know to solve social problems by knowing how to use tools already developed by social scientists and to participate effectively in his society.

2.1.2 General Aims and Objectives of Social Studies Education

When the Social Studies Department of Aiyetoro Comprehensive High School was assigned with the task of developing and writing out the materials for the early classes of secondary education, it drew up tentative aims and objectives which could be referred to as the general aims and objectives of Social Studies for Nigerian schools. (Bozimo and Ikwumelu, 1999).

These aims and objectives are as follows:

- i. To make Nigerian students understand their environments and their relationships with the physical, economic, social, cultural, etc, environments and to understand the same of other human beings;
- ii. To help them know that all subjects are related and that these subjects are just like branches of a tree with a common stem;

- iii. To improve and broaden the basis of the Nigerian educational system which has been criticized from time to time as narrow and unimaginative;
- iv. To help Nigerian teachers, pupils and students to discover what is good and unique in the physical, social, economic and cultural traditions which hitherto have been implied or neglected;
- v. To develop, encourage and strengthen enquiring minds in pupils and students.

According to Bozimo and Ikwumelu, (1999) the idea of introducing Social Studies as a school subject for Nigeria and other African countries re-echoed at a conference held at Queens College, Oxford, United Kingdom, in 1967. A year later, 1968, the African Social Studies programme (ASSP) was set up by fifteen African countries in Mombassa in association with the United States of America and Britain. This was in response to the Oxford Conference. Bozimo and Ikwumelu (2004).

Four general objectives were selected to give support and guide to the growth of Social Studies by ASSP. They are:-

- i. To create an awareness and understanding of the evolving social and physical environment as a whole, its natural, man-made; cultural and spiritual resources, together with the rational use and conservation of these resources for development;
- ii. To develop a capacity to learn and acquire skills, including not only the basic skills of listening, speaking, reading and writing, and of calculation, but also the skills of hand, together with the skills of observation, analysis and inference which are essential to the forming of sound judgment;
- iii. To ensure the acquisition of the relevant knowledge which is an essential pre-requisite to personal development as well as to the positive personal contribution to the betterment of mankind; and
- iv. To develop a systematic appreciation of the diversity and interdependence of all members of the local community, and of the wider national and international community.

The ASSP suggested that every member nation should adapt these objectives to suit its needs. Bozimo and Ikwumelu, (2004)

In Nigeria, the formulation of the goals of Social Studies education according to Mbakwem (2009) was influenced by the diversified ethnic nature of the country and the need to sustain the existing unity. On this note, Social Studies Association of Nigeria (SOSAN) formed in 1968 was charged with the responsibility of evolving by way of seminars and workshops, a theory and practice of Social Studies teaching in the country. It developed some general basic objectives adapted from those suggested by the ASSP.

The objectives are as follows:

- a. To help the learner fit into the society to which he belongs;
- b. To create an understanding of environment –social and physical environment-it's man-made, natural, cultural and spiritual resources and the conservation of these resources for development,
- c. To develop an awareness and appreciation for the inter-relatedness of human knowledge and human life;
- d. To develop capacity to learn and acquire skills essential to the formulation of satisfactory professional life and further studies;
- e. To develop capacity for logical thinking and sound rational judgment;
- f. To develop in the pupils' positive attitude to citizenship and desire to make positive personal contribution to the creation of prosperous united Nigeria;
- g. To make the student aware of the problems his country and the world in general and a sympathetic appreciation of the diversity and interdependence of all members of the local

community and of the wider national and international communities. (Bozimo and Ikwumelu, 1999).

These general objectives are in harmony with the national educational aims and objectives as stated in the National Policy on Education thus:

- i. The inculcation of national consciousness and national unity;
- ii. The inculcation of the right type of values and attitudes for the survival of The individual and the Nigerian society;
- iii. The training of the mind in the understanding of the world around; and
- iv. The acquisition of appropriate skills, abilities and competence both mental and physical as equipment for the individual to live in and contribute to the development of his society.

THE IMPERATIVE OF WOMEN EMPOWERMENT IN THE ACHIEVEMENT OF THE MILLENNIUM DEVELOPMENT GOALS

Due to the value most societies place on men over women, many women have grown up with the belief that they are inferior to men. This complex problem has placed women at a very disadvantage position in the society in vital decision-making particularly those concerning them. However, events and time have proved obviously that meaningful development cannot take place without the contributions of women. Documentary evidence has shown that women in various countries of the world have successfully steered the ship of their countries. The cases of Lady Margret Thatcher of Britain, Corazon Aquillo of Philipines, Ellen Serilif Johnson of Liberia readily came to mind. The indefatigable role played by Professor Mrs. Dora Akunyili in the fight against fake drugs and foods, the undaunted courage of the former Minister of Finance Dr. Ngozi Okonjo Iweala in freeing Nigeria from foreign debt and former Education Minister Dr. Mrs. Oby Ezekwesili in establishing due process are highly commendable. These women, among others, are distinguished because they are educated. According to Esmail (1996), women are known to be imaginary pillars and spiritual intercessors in homes, readily available in the service of God and humanity. Their roles to maintain their families cannot be overemphasized as such constitute the basic foundation on which sustainable development can be achieved.

Women development means empowering women to contribute to their well-being and that of their families, communities and the nation at large. It means fostering self actualization and becoming independent human beings who can assume responsibility for their own lives. Through this way, women can lay hold to their fundamental human rights assert their identity whenever they are challenged to do so and all these can only be a reality if women receive sound education. Ogbuagu (1990) asserts that women education is a sine-qua-non for the social, economic and political advancement of any nation. Women education is an indispensable tool that forms the cornerstone for any nation's developments.

RECOMMENDATIONS

The imperative of gender equality and women empowerment cannot be overemphasized if Nigeria is to meet with the Millennium Development Goals. Based on the issues raised in this paper, the following recommendations are made:

1. Awareness campaign on the need for equal involvement of men and women in national development and the need to provide equal educational opportunities for all irrespective of gender should be on the increase. As in the case of the quota system used in education to encourage the disadvantaged regions, government should also encourage women to brace up to their academic pursuits and enter those areas that have been dominated by men such as engineering, medicine and technology based courses. Gender awareness on the availability, combinability and profitability of these otherwise male dominated areas is a necessary effort.

2. Women who were not opportune to go school and those who left school early should be encouraged to go back to school through any of the following ways: adult education, work and study programme, distant learning or private self education.
3. Women should be properly integrated into the mainstream policy formulation and implementation. In so doing, the implications of being educated and the consequences of lack of education will be taught.
4. The clause in the National Policy on Education which stipulates equal opportunities for all Nigerians irrespective of sex should be pursued and implemented with vigor to empower Nigerian women to be active part participants in the society.

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INSTRUCTIONAL MATERIALS AND TEACHERS' EFFECTIVENESS IN PUBLIC SECONDARY SCHOOL IN AFIKPO EDUCATION ZONE OF EBONYI STATE OF NIGERIA

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Abstract

This study was carried out to examine the relationship between the use of instructional materials and teacher's effectiveness in Afikpo Education zone. The study adopted a correlational research design, aimed at ascertaining the place of instructional materials on the teacher's teaching and learning in public secondary school in Afikpo education zone. The population of the study was made up of 2100 teachers and 95 principals in public secondary schools in Afikpo Education zone. Simple random sampling technique was used in selecting 38 out of the 95 principals in public secondary schools in Afikpo education zone, furthermore, out of the 2100 public secondary school teachers in the zone, random sampling technique was used to select 854 as respondent to the questionnaires used. Two structured questionnaire titled **"use of instructional materials questionnaire (UIMQ) and teachers' effectiveness questionnaire (TEQ)"** were developed for the study. The reliability of the two questionnaires (UIMQ) and (TEQ) were ascertained through a test re-test technique and were found to be 0.88 and 0.82 respectively. Two hypotheses and two research questions were formulated to guide the study. Percentage was used to analyze the research questions while person product-moment correlation statistics was employed to test the hypotheses at 0.05 level of significance. The result of the analysis showed that there is significant relationship between the use of tape recorder, and chalkboards and teachers effectiveness, based on the findings recommendations were made amongst which is teachers should develop positive attitude towards the use of instructional materials, educational stakeholders including the federal, state, local government and private sector should contribute financially and materially in the provision of instructional materials and principals and teachers should attend seminars and workshops on current trends in the use of instructional materials.

Keywords: Instructional materials, Teachers Effectiveness, Public Secondary School, Audio, Visual and Audio-visual materials.

Background to the study

Every human endeavour is directed towards certain ideas and targets for which every possible input is made in pursuance of the realization. Education as a field of endeavour is by no means different, and so diverse activities are also motivated by the expectation of certain desirable outcomes which are usually couched as educational goals that cut across all levels of education namely – pre-baric, basic, secondary and tertiary institutions (Anyanwu, 2001).

The teacher is the pooooooo in the attainment of educational goals, he is the person trained and employed to help learning in a class situation in order to achieve set educational goals. Ukeje in Mgbakwen (2010) asserts that the teacher are the hub of any educational system, for upon their number, their quality, then devotion and their effectiveness depends the success of the system in attaining the stipulated goals are of the variables that determine the effectiveness of the teacher is his ability to select and manipulate the appropriate instructional materials in the teaching and learning process, therefore, instructional materials are indispensable tools in the hands of teachers as far as teaching and learning is involved.

Concept of Teachers Effectiveness

The team effectiveness means ability to produce results, as Udo (2009) asserts that effectiveness is the extent to which the individual teacher realises the goals of the organisation (school) and works had to achieve them. Mgbakwem (2010) asserts that teachers effectiveness as the ability for the teacher to produce desired results in the execution of his duties, which includes the efficiency, competency, readiness and willingness on the part of the teacher in performing the various classroom exercise which includes classroom control, adequate use of instructional materials as well as the appropriate utilization of teaching skills.

The concept of instructional materials

According to Heaker (2004) instructional materials are materials which the teachers use to illustrate, emphasize and explain a point thereby making the lesson easily understood by the learners. Ikenonwu (2011) shares the same view as he refers to instructional materials as those devices which help the teacher to make learning more meaningful to the learners.

Etim (2006) asserts that instructional materials as information carrying technologies that have learning content that can be stored, retrieved and transmitted as tools, resources, devices, instruments, aids which a skilful teacher carefully and deliberately employed in a teaching and learning process to convey meaning and facilitate effective teaching and proper understanding.

Etim further stated that the indispensability of instructional materials can be demonstrated by the fact that they are valuable not only to the teachers but also to the students and to the teacher they help to make their teaching simple and easier with minimum use of words. The students on the order hand, derives maximum benefits from the use of instructional materials as they facilitate quick and proper understanding and foster their participation thereby enhancing effective attainment of the educational objectives and goals. Instructional materials are classified into audio, visual and audio-visual materials.

a) Audio Materials

These are teaching and learning materials that mostly appeal to the sense of hearing, they include telephone, records, public address system, tape recorder, human voice etc.

b) Visual Materials

These are those devices that mostly appeal to the sense of seeing only. They can be sub-categorized into projected and non-projected visual. The projected visual needs electricity for projection, they include films, slides, transparencies etc. The non projected are pictures maps, globes, posters chalkboard etc.

c) **Audio-visual Materials**

There are concerned with those material which provide the students with the opportunity of seeing and hearing at the same time, examples are educational instructional television, computers etc.

Use of Tape-Recorder and Teacher Effectiveness

A tape recorder is an electronic gadget which is designed for recording, storing and playing back recorded information. It is categorized under the audio instructional materials they are mostly used in phonology classes to help students master phonemes, intonation, help to improve students communication skills etc.

The following advantages are recorded in the sue of tape-recorder:

- a) It is very portable to handle
- b) It can be played back any recording
- c) It aids meaningful interaction as it can be stopped at intervals to enable the teacher clarity certain information when the need arises.

The use of Chalkboard and Teacher Effectiveness

The chalkboard is the foundation of all other materials used in the classroom, as it provides opportunity for visualization, explanation and demonstration. A chalkboard is a well designed and constructed flat wooden or metal material, mounted conspicuously in the front of the class on which the teacher records systematically the key points of his/her lesson. It is categorized under the visual materials and is one of the oldest, most useful, commonest and readily available instructional materials. However, it is still the teacher that gives meaning to the chalkboard since every instructional material depends on the competence and efficiency of the teacher.

In teaching and learning situation, the teachers work consist largely of communication of experience to students which is developed from simple to complex. This the chalkboard provides opportunity for the teacher the key point of his lesson step-by-step which are understood by the students.

The use of Television (Audio visual) and Teacher Effectiveness

According to Ofili (2003) asserts that a television is a device for broadcasting the sound and vision to a vast audience and it is categorized under the audio-visual materials which implies that the television possesses the capacity to appeal to both the eyes and the ears (seeing and hearing) at the same time.

Okworo and Ofili (2003) found out that television and video type influence learners. They stimulate learning and enrich the class with materials not likely to be available in real class setting as it makes learning more permanent and offer experiences which promote self activity on the part of the students as it helps to stimulate their perception, repetitive learning increase our hearing and seeing simultaneously and thus our long time skills.

Statement of the Problem

One of the effective ways of assessing effective teaching and learning process is through students' performance in examination especially the external examination. The poor performance for stakeholders in education sector, not only because it indicates failure of the sector to realize the secondary education objectives, but also the realization of the millennium development goals strategy (MDGS) and the vision 2020. A situation where only (40%) forty percent out of over one million candidates that registered for the West Africa Examination Council Examination obtained credits in minimum of five subjects including English language and Mathematics which are the basic entry requirement for transition to higher education, simply means that over (60%) sixty percent of the candidates could not gain admission into any Nigeria university and this is a strong indication that these students were not adequately prepared before taking those examination.

Moreso, in most public secondary schools, it was observed that the teacher rarely make use of instructional materials in teaching the students either because instructional materials are not available and/or in short supply. This may be contributing immensely to ineffective teaching and consequently poor performance by students.

Purpose of the Study

The main purpose of this study is to examine the relationships between instructional materials and teachers effectiveness in public secondary school in Afikpo education zone.

Specifically, the study sought to:

- i. Determine the relationship between the use of tape-recorder and teachers effectiveness
- ii. Determine the relationship between the use of chalkboard and teachers effectiveness.
- iii. Determine the relationship between the use of audio-visual aid and teacher effectiveness.

Justification for the Study

This study provided empirical data which confirmed the importance of instructional material on students academic achievement in public secondary schools in Afikpo Education zone. The study is therefore justified because the finding will provide useful information to the secondary education board, Ebonyi State Ministry of Education, principals and teachers in the need to provide the required instructional materials for all classes. It will encourage the use of these instructional materials during supervision for effective teaching and learning.

The student will also benefit from this study in that they will see the need to assist their teachers in the improvisation of instructional materials and appreciate their teachers effort in providing meaningful learning.

Scope of the Study

The study focused on the use of instructional materials and teachers' effectiveness in Afikpo education zone. It covered 95 public secondary schools in 5 local government area that make up the zone. The variable of interest investigated were the concept of teachers effectiveness and the concept of instructional materials.

Research Questions

The following research questions were formulated to guide the study.

- i) To what extent does the use of tape-recorder enhance teachers effectiveness?

- ii) To what extent does the use of chalkboard enhance teachers' effectiveness?
- iii) To what extent does the use of audio-visual television enhance teachers effectiveness?

Research Hypothesis

The following research hypothesis were formulate to guide the study.

- i) There is no significant relationship between the use of tape-recorder and teachers effectiveness.
- ii) There is no significant relationship between the use of chalkboard and teachers effectiveness.
- iii) There is no significant difference between the use of audio-visual materials (television) and teachers effectiveness.

Research Methodology

Research Design

This is a correlational study. The study seeks to establish the relationship between the variable identified in the study based on co-relational co-efficient as the study is aimed at finding out the relationship between the use of instructional materials and teachers' effectiveness in public secondary schools in Afikpo educational zone.

Area of the Study

The area of this study is Afikpo education zone of Ebonyi State. It is made up of five (5) local government area of Ebonyi State. The zone has 95 public secondary schools with 95 principal and 2100 teachers. It has two universities and one college of education and one polytechnic and several private secondary schools.

Population of the Study

The population of this study consist of all 2100 teachers and 95 principals in the 95 public secondary schools in the five (5) local government areas that are in Afikpo education zone of Ebonyi State.

Sample and Sampling Techniques

The sample for this study was 854 teachers representing 40.69% of the study population of Afikpo education zone, which has ninety-five (95) public secondary schools with 2100 teachers divided into five (5) local government areas through cluster sampling technique.

Simple random sampling technique was used to select 43% of the schools and principals from each local government areas (44A) the names of each of the schools in each local government area were written in papers folded, Yes or No in equal numbers (95) was also written in paper and folded. People were made to pick papers from the basket of names of schools also from the basket of Yes or No, if Yes was alongside with the name of the school, that meant the school was selected, and if No was picked it meant that the school was rejected, at the end of the exercise, 38 (40%) schools and principals selected from the local government area (LGA) in Afikpo education zone. Therefore, 40% of teachers from each local government area was selected for the study making a total of 854 teachers.

Instrument for Data Collection

The study was carried out with the use of questionnaire. The questionnaire were tagged use of instructional materials questionnaires (UIMQ) and teaches effectiveness (TEQ). Each of these

questionnaire had fifteen (15) items. The teachers responded to the questionnaire tagged use of instructional material questionnaire while the principals responded to the teaches effectiveness questionnaire.

The respondents indicated by ticking the extent to which they agreed or disagreed with the statement that were stated. There responses were measured by means of a four point – scale rating with numeric attached to each response as follows:

Strongly Agree	(SA)	4	points
Agree	(A)	3	points
Disagree	(D)	2	points
Strongly disagree	(SD)	1	point

Validation of the Instrument

The questionnaire UIMQ and TEQ was valuated by expects in the Department of Measurement and Evaluation of EBSCOIE, Ikwo to have content and face validity and the researcher therefore adopted the instrument for the study.

Reliability of the Instrument

To ensure that the instrument was reliable, test-re-test method was used in thirty (30) public secondary schools in thirty (30) public secondary school in Afikpo education zone, for two (2) weeks internals, thirty (30) principals and thirty (30) teachers within the population but outside the sample were used for reliability test. The data collected were analyzed with the aid of pearson product moment correlation statistics with reliability coefficient of 0.88 and 0.82 respectively.

Method of Data Analysis

The data collected for the study were analyzed using percentages. Pearson product moment correlation statistics was used to test the hypotheses. The hypotheses were tested at 0.05 level of significance.

Presentation and analyses of Data

The data collected from the field are presented in tables to highlight their findings.

Research Questionnaire one:

To what extent does the use of tape-recorder enhance teachers effectiveness?

Table 1	Questionnaire	Responses			
	Item	Agree		Disagree	
		No	%	No	%
	Use of tape-recorder and teachers effectiveness	678	79.4	176	20.6

Table 1: Indicated that the use of tape recorder has effect on teachers' effectiveness. This is because the respondent in favour of the questions are equal to 678 representing 79.4%, while those not in favour of the question are 176, responding 20.6. The reason for the high number of respondents is support of the question can be attributed to the fact that the use of tape-recorder enhance teachers effectiveness. Thus the use of tape recorder as an everydo of audio material with its enlisted relevance provided that they can facilitate teaching and learning.

Research Question two

To what extent does the use of chalkboard enhance teachers effectiveness?

Table 2	Questionnaire	Responses			
	Item	Agree		Disagree	
		No	%	No	%

The use of chalkboard enhances teachers effectiveness	30	79	8	21
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Table 2: indicated that the use of chalkboard has effect on teachers' effectiveness. This is because the respondents in favour of the question one equal to 30, representing 79%, while those not in favour of the question are 8, representing 21%. The reason for the high number of respondents in support of the question can be attributed to the fact that the use of chalkboard material given the fact that it supports learner centred teaching.

Hypothesis one: There is no significant relationship between the use of tape-recorder and teachers effectiveness.

Table 3: Result of correlation analysis of the relationship between use of Tape-recorder and Teachers' effectiveness.

Variables	N	$\bar{X}$	S.D	DF	Calculated r-value	Table r-value	Decision
Use of tape-recorder	854	19.38	2.821				
				845	.057	.052	
Teacher effectiveness	854	49.96	26.61				Ho. Rejected

Independent variable: Use of Tape-recorder

Dependent variable: Teachers effectiveness

Table three showed that the calculated r-value .057 is greater than the tabulated r-value .052 at 854 degree of freedom, using 0.05 level of significance the null hypothesis was rejected. This mean that there is significant relationship between the use of tape-recorder and teachers effectiveness in public secondary school in Afikpo education zone of Ebonyi State. The tape recorder aids meaningful interaction in the class as it can be stopped at intervals in order that the teacher may give necessary clarification or disuse the silent points raise in the recorded information. Teachers we encouraged to use tape recorder when teaching as it facilitate effective teaching and learning.

Table 4: Hypothesis Two: There is no significant relationship between the use of chalkboard and teachers effectiveness.

Results

Variables	N	$\bar{X}$	S.D	DF	Calculated r-value	Table r-value	Decision
Use of Chalkboard	854	17.96	2.478				
				854	.058	.052	
Teacher effectiveness	854	49.96	26.61				Ho. Rejected

Independent variable: Use of Tape-recorder

Dependent variable: Teachers effectiveness

The results in table 4 reveal that the calculated r-value .058 is greater than the tabulated r-value .052 at 854 degree of freedom using 0.05 level of significance. The null hypothesis was rejected, this implies that there is significant relationship between the use of chalkboard and teachers effectiveness in public secondary schools in Afikpo education zone.

Chalkboard is such an important materials given the fact that it support learners centred teaching. Even the illustration made on their give strong and permanent impression on the students and also provide opportunity for the creativity, innovation, enthusiasm and enhancing their morale to learn.

Discussion of Findings

The results obtained from the analysis of research question 1 & 2 revealed that the use of chalkboard and tape recorder enhanced teachers effectiveness in public secondary schools in Afikpo education zone because the greater respondents were in favour of the research questions as instructional material facilitate quick and proper understanding and foster students participation thereby enhancing effective attainment of educational objectives and goals.

The results obtained from the analysis of the hypothesis one that there is significant relationship between the use of tape recorder and teachers effectiveness in secondary schools as this an example of the audio materials which facilitate teaching and learning.

The results obtained from hypothesis two (2) revealed that there is significant relationship between the use of chalkboard and teachers effectiveness in public secondary schools in Afikpo Education zone as chalkboard enable students to follow and understand more than the explained topic especially for those students who have learning disorder.

Summary of Findings

The findings of this study reveals that:

There is significant relationship between the use of tape recorder and teachers' effectiveness in public secondary schools in Afikpo Education zone.

There is significant relationship between the use of chalkboard and teachers' effectiveness in public secondary schools in Afikpo Education zone.

There is significant relationship between the use of chalkboard and audio materials and teacher effectiveness in public secondary schools in Afikpo Education zone.

Conclusion

It was discovered that the use of instructional materials such as Tape recorder, chalkboard predicts on teachers effectiveness. Therefore teachers are encouraged to always employ these instructional materials in teaching and learning process for effective realization of the stated educational objectives and goals. Instructional materials also facilitate quick and proper understanding and foster student participation thereby enhancing their academic performance.

Recommendations

The following recommendations are made based on the conclusion drawn.

- 1) The educational stakeholders including, federal, state, local government and private sector should contribute financially and materially in the provision of instructional materials.
- 2) There should be regular workshop/seminar for principals and teachers on the importance of current development and progress in the use of instructional material for teaching and learning.
- 3) Principals and officials of the ministry of education should ensure regular supervision of effective use of instructional materials in the secondary schools in Afikpo Education zone.

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INFLUENCE OF MOTIVATION ON TEACHERS' COMMITMENT TO WORK IN PUBLIC SECONDARY SCHOOL IN ABAKALIKI EDUCATION ZONE, EBONYI STATE.

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Abstract

This work investigated the influence motivation on teachers and commitment to duty with focus on Abakaliki Education Zone. It was a descriptive survey designed to examine the extent of the effect of motivation and commitment to work by teachers in Abakaliki Education Zone. The sample for the study consisted of 420 teachers and Principals drawn in Abakaliki Education Zone. A 20-item, 4-point scale instrument known as Teachers' Motivation and Commitment to Work Questionnaire (TMACTWO) was used to generate data for answering 2 research questions and 2 hypotheses posed to generate the scale of 0.73 established. The instrument was administered through the help of all the principals who were adequately briefed on the rudiments of the study. Mean and t-test statistics were used to answer the research questions and test the hypotheses at 0.05 significance respectively. Findings among others revealed that apart from pro-rata payment and principals' under strict administrative style of leadership, every other variable was discovered to be a motivational variable and that paying teachers according to time they put into service will never spur teachers to be more committed to duties. It was recommended that Government should do everything possible to see that students do well in the external examinations and that principals of schools should establish good relationship with their teachers as strict leadership style does not help.

Keywords: Motivation, Teachers' Commitment, Public Secondary Schools

Background of the study

The primary goal of every educational institution is to achieve optimum delivery of service which is seen in quality teaching and learning, Teacher motivation and commitment to duty is one of the major concerns of the school system. There is the general impression that teachers are no longer dedicated to their duties and this has affected academic performance of students. This is evident in the result released by WAEC for the SSCE 2017 and 2018 respectively.

This is because according to Arubayi (2004) students' academic success is often viewed as a correlate of teachers' effectiveness. Teacher's effectiveness to a great extent depends on motivation. In the same

vein Mkp (2000) notes that the success of any educational system depends on a great extent on teacher's commitment to duty and their effectiveness on the job.

The concept of motivation has been defined by different scholars in different ways. In the school system when we talk about motivation, and its influence on teachers' commitment to duty, the teacher is the focus. This is because the teacher is a critical factor in the teaching and learning process. A one functional element in the student's environment that occupies a pivot position in school activities, Adejumo in Okorie (2008) describes the teacher as one who performs students related tasks as; gives knowledge, provides conducive emotional climate in the classroom that facilitates learning and helps in the administration of the school.

Obasi (2013) noted that motivation is an inner drive or force within an individual that determine his attitude to issues and situation. Ememe, Egu and Eze (2010) opined that teacher motivation is of paramount importance for the successful realization of any educational goal in any country and that no educational policy can be realized if teachers are not fully motivated to interpret or make such policy work. More so, no educational enterprise can succeed if the reward system and work environment are inadequate to motivate and sustain its workers without which educational objectives cannot be achieved. Hence, Asika (2000) in Ossai and Nwaiado (2010) observed that when teachers are unmotivated due to lack of prompt attention to their needs; both professional and personal job dissatisfaction results and could lead teachers to opt for better job opportunities (teacher attrition), compounding resulting in schools losing experienced teachers and compromising educational standards.

The success of a number of government programmes rest on the shoulders of teacher and for this reason, a teacher must go beyond educating pupils to making them fit into a world of uncertainty. All these efforts are seen in the teaching ethics which permeates all the qualities a competent teacher must have. Such qualities must be concentrated on developing and retaining competent teachers in every community and at every grade levels. When teachers are not satisfied with their jobs to the extent that attrition rate is high, it means that the schools are not effective. Indeed, schools or educational systems can be more effective if teachers are adequately offered inducement (motivation) which leads to satisfaction and hence efficiency and effectiveness. Also, adequate inducement of teachers will make them more dedicated and committed to their jobs. Teachers' motivation is reflected on prompt payment of salaries and allowances, and promotions when due as the key factors that shape teacher's attitude to work. Adelabu (2005) identified disparity between teaching profession and other professions as another source of teacher dissatisfaction in Nigeria, adding that the teacher is a human being that expects to enjoy certain conditions at work and when these conditions are not met, they are dissatisfied in their work and this will lead to little or no commitment to their job which invariably results in diminished teacher performance. Okorie (2012), maintained that this situation is typical of Ebonyi State teachers and educational system. There is serious apathy to the teaching job as a result of zero motivation. Teachers complain of non-payment of salaries and allowances as at and when due, non implementation of their promotions, no incentives for training on the job, no encouragement from parents and students in terms of respect, obedience and interest in learning. They also complain of introduction and implementation of pro-rater policy in the midst of irregular salary payments as well as inadequate facilities and materials for teaching. These result to negative attitude of the teacher especially as it concerns the teacher commitment to duties. This has grossly led to poor student's academic performance as revealed in the recently publicized SSCE 2017 result. Based on the factors

highlighted above, the researcher is bent on finding out the influence of motivation on teachers' commitment to work in Abakaliki Education Zone.

Statement of the problem

In the recent time people have been complaining about falling standard of education which has left unanswered questions in the minds of education managers in Nigeria. Some of such questions regard to high rate of failure in examination and malpractices. Parents and Government point accusing fingers at the teacher, that they have not been alive to their responsibilities. They accuse the teacher of truancy, absenteeism, dereliction of duty, abandoning their duties for other businesses and leaving the students to their fate. The teachers on their part blame the Government for late payment of salaries and allowances, poor working conditions, lack of incentives, poor motivation leading to job dissatisfaction.

Hence, the, problem is that the strategies needed to motivate teachers in Abakaliki Education Zone have not yet been determined as the state of affair has remained what it used to be resulting in low teachers' commitment to work. Based on this, the study tries to find out series of questions yet unanswered answers of what motivational variables are likely to motivate teachers to be committed to duties. What strategies could be involved? What variables influence teachers' attitude towards teaching assignment? How do government activities affect teachers' motivation and commitment to work? What are the roles of principals in teachers' motivation to work?. These are the problems of this study and it is the gap that the study wants to fill.

Scope of the study

The study was restricted to public secondary schools in Abakaliki Education Zone of Ebonyi State. In terms of contents the study was limited to determining the variables that can motivate teachers to be more committed to their teaching duties; investigating the strategies that could be adopted to motivate teachers in Abakaliki Education Zone of Ebonyi State.

Purpose of the study

The purpose of the study is to evaluate the influence of motivation on teachers' commitment to work as .it, concerns the public secondary schools in Abakaliki Education Zone of Ebonyi State.

However, it was specifically designed:

- (1) To identify the motivational areas needed for effective teacher commitment to duty.
- (2) To investigate the strategies that could be adopted to motivate teachers in Abakaliki Education Zone of Ebonyi State.

Significance of the study

The findings of the study could be of immense benefit to the Government, Policy makers, Principals, Teachers and Students.

- ❖ To the Government whose critical concern is to improve the socio-economic status of the nation through education, the findings of the study will sensitize them on how to provide the necessary motivating conditions and materials for her teacher since, teachers are the only hope to realizing the goals of the educational system as no nation can rise above the quality of her

teachers. This is because knowledge of the variables that can motivate teachers and knowledge of motivational strategies will be a step in finding solution to motivational need of the system.

- ❖ When the findings are implemented, the teacher job will be more attractive, challenging, suiting and teacher job satisfaction will be established resulting in commitment to duty and overall educational system effectiveness. Education Managers like secondary education management board (SEMB) and other policy makers will find it an important guide in the formulation of policies that will motivate teachers to put in their best in the discharge of their duties. Education system will be taken to another level.
- ❖ The principals of secondary schools and teachers will gain insights on their role in ensuring better job commitment. It will also enable them to discover the essence of motivation and its specific role in moving the school, society and nation forward. Government and school administration will be more proactive in meeting teachers specific needs. They will appreciate the influence and importance of motivation on teachers commitment to duty, teacher retention and exit from this profession. Teachers will come to realize their worth in school, society and nation building. By virtue of this work the researcher is of the opinion that teacher motivation and job satisfaction is the solution to the current educational problem - when teachers are not motivated, they are passively engaged in their duty post. When they are well motivated they pursue the educational goals with zeal and commitment, students are well thought and educational objectives are realized.

Research questions:

The following research questions were posed to guide the study

- i. What are the motivational areas needed for effective teacher commitment to duty?
- ii. Which motivational strategies will improve teacher effectiveness?

Research hypotheses:

The following null hypotheses were formulated to guide the study

- i. The mean response scores of teachers and principals do not differ significantly on the motivational variable that are likely to improve teachers dedication to duties ($P < 0.05$).
- ii. The mean response scores of teachers is not greater than that of the principals on the strategies that could be adopted to motivate teachers in Abakaliki Education Zone ($P < 0.05$)

Methodology:

Research design:

The study adopted the descriptive survey design where the data collected are presented as they are which describes events as they occur. It also permits the use of a small group called sample to study a large group called population and the use of the result got from the sample to make generalization about the characteristics of the population. The design was to examine the extent of the influence of motivation on teachers and commitment to work in Abakaliki Education Zone.

Population of the study

The population of the study was made up of all the teachers and principals in the public secondary schools in Abakaliki Education Zone (AEZ) of Ebonyi State

The total of one thousand eight hundred and fifty seven (1,857) teachers and twenty six thousand and sixty three students (26,063).

Sample and sampling technique

The sample was made up of 420 teachers and principals teachers drawn by using a proportionate random sampling technique.

Instrument for data collection

Data were obtained through a structured questionnaire instrument known as Teachers Motivational and Commitment to work Questionnaire (TMACTWQ). The instrument was designed into two (2) parts (A &B).

Part A: Opinion of Teachers and principals on the motivational variables that would improve teachers dedication to duties.

Part B: Teachers and principals perception on the strategies that could be adopted to motivate teachers in Abakaliki Education Zone, Part (A & B) were structured in a modified four points scale, composed of statements which the respondents indicated strongly agreed (SA), Agreed (A), disagree (D) and strongly disagree (SD).

Each part provided data that was used to answer the corresponding research questions and research hypotheses and were made up of 10 structured items each, totaling 20 in all.

Reliability of the instrument

In order to test the reliability of the instrument (internal consistency), a split half approach was used. Ten (10) principals and twenty (20) teachers from two (2) local government areas in Abakaliki Education Zone (AEZ) were used for the study. The choice of the schools was made on the premises that during a pilot study, the researcher need not make use of the actual study sample provided. Two sets of scores were generated and finally correlated using spearman rank order correlation coefficient to obtain the correlation coefficient of one half or one set of scores.

Hence, to obtain the correlation coefficient of the two scores the spearman known prophecy formula which yielding an $r = 0.73$ was used.

Method of data collection

The researcher distributed the instrument to the respondents through the help of contact persons of the sampled schools who administration the instrument on the respondents (teachers and principals) and was collected back through the research assistant on later date as agreed upon with the schools. Data collected will be used in the analysis of this study.

Method of data analysis

The analysis of data collected was based on the instrument. Mean was used to answer the research questions while t-test statistics was used to test the null hypotheses at 0.05% level of significance ($P < 0.05$).

Presentation of results and data analysis

Data obtained were analyzed and presented to answer the posed research questions while t-test statistics was used to test the null hypotheses. The presentation was done with research questions and null hypotheses as sub-headings.

Research Question One (RQ1)

What motivational areas are needed for effective teacher commitment to duty.

Table 1: Mean Score of Respondents on the motivational areas needed for effective teacher commitment to duty.

	Items	Teachers	Principals
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S/		TS _T	X _T	SD _T	DEC	TS _P	X _P	SD _P	DEC
1.	Health care facilities	1340	3.35	1.40	A	69	3.44	1.46	A
2.	Prompt and regular payment of salaries and allowances	1436	3.59	1.56	A	71	3.52	1.51	A
3.	Pro-rata payment	812	2.03	1.21	R	37	1.83	1.30	R
4.	Regular supervision	1232	3.08	1.26	A	59	2.95	1.21	A
5.	Principals' strictness	732	1.83	1.30	R	47	2.36	1.13	R
6.	Adequate instructional materials	1212	3.03	1.24	A	65	3.23	1.34	A
7.	Principals delegation of duties to teachers	1348	3.37	1.42	A	62	3.06	1.25	A
8.	Study grants/in service training to teachers	1380	3.45	1.46	A	61	3.04	1.24	A
9.	Well equipped workshop /labouratory/office	1304	3.26	1.35	A	61	3.03	1.24	A
10.	Teachers' proximity to the school	1324	3.31	1.38	A	64	3.18	1.31	A
	Cluster Mean		3.03	1.36			2.96	1.30	

X_T = Mean of teachers response

X_P = Mean of principals response

SD_T = Standard deviation of teachers response

SD_P = Standard deviation of principals response

DEC = Decision taken on the mean of responses

A = Accept

R = Reject

The table shows the mean scores and standard deviation scores of the respondents (teachers and Principals) on variables that could motivate teacher's dedication or commitment to their teaching duties as well as the decision taken in respect of the listed items (variables). The table reveals that teachers agreed that variables items 1, 2, 4, 6, 7, 8, 9, 10, would motivate teachers to be committed to their duties but strictly opposed to the facts of items No. 3 and 5. This means that paying teachers pro-rata at the end of the month as well as principals strictness in his administration will in no way (improve teacher's dedication to duty).

Research Question Two (RQ2)

What strategies could be adopted to provide motivation for teachers in Aba Education Zone?

Table 2: Mean scores of Respondents on the Strategies that should be Adopted to Motivate the Teacher and Improve their Commitment to their work

S/N	ITEMS	TEACHERS					PRINCIPALS		
		TS _T	X _T	SD _T	DEC	TS _P	X _P	SD _P	DEC

11	Teachers attending workshop/seminar	1220	3.05	1.25	A	65	3.25	1.35	A
12	Providing financial reward for teachers	1304	3.26	1.35	A	58	2.0	1.18	A
13	Giving oral and other means of warm appreciation to teachers	1240	3.10	1.26	A	61	3.04	1.24	A
14.	Allowing students to evaluate their teachers	820	2.05	1.21	R	36	1.79	1.32	R
15	Providing internet facilities in the school for teachers	1224	3.06	1.25	A	60	3.01	1.23	A
16	Providing teachers with some privilege	1296	3.24	1.35	A	61	3.05	1.25	A
17	Organizing teachers forum where teachers will be expected to err their view about what happening within the education sector	114	2.86	1.17	A	63	3.15	1.29	A
18	Pay teachers according to time they put into service each month (Pro-rater)	932	2.33	1.13	R	31	1.55	1.46	R
19	Surcharging teachers on areas of their duties not covered properly	784	1.96	1.24	R	30	1.51	1.43	R
20	Teachers participatory management through accepting of their ideas and suggestion	1328	3.32	1.38	A	59	2.95	1.21	A
	Cluster Mean		2.86	1.26			2.45	1.29	

TS_T = Total Scores of the Teachers responses.

TS_P = Total scores of the principals responses.

Table 3 shows the total scores, mean scores and standard deviation scores of the respondents as well as the decision taken on the strategies that could provide motivation to teachers and hence improve their commitment to duties. Both respondents shared the same opinion. They agreed or accepted that all suggested strategies, listed from 11 to 20 excepting item numbers 14, 18 and 19 when adopted will either motivate the teachers or improve their commitment to work. This is because the observed scores fall below the expected mean of 2,5 using a modified four point scale instrument.

Hypotheses one (Hoi).

The mean response scores of teachers and principals do not differ significantly on the motivational areas that are likely to improve teachers commitment to duties.

Table 3: Result of Data Analysis on the variables that would motivate the teacher and improve their commitment to work,

Respondent	X	SD	t-cal	SL	t-tab	Decision
Teacher	3.03	1.36	0.4154	$\frac{0.05}{2}$	1.960	Null Hypotheses upheld (not significant).
Principals	2.96	1.30				

Table show that t-calculated (0.4154) and t-tabulated (1.960) at 0.05 significant level. The t-calculated (t-cal) is less than the t-tabulated (t-tab). Hence, the null hypotheses is upheld. This implies that teachers and principals do not differ in their opinion on the variables that could motivate teachers and improve their commitment to work.

Hypothesis two (Ho2)

The mean response scores of teachers are not greater than the principals on the strategies that could be adopted to motivate teachers in Abakaliki education Zone ($P < 0.05$).

Table 4: Result of Data Analysis on the ways or strategies that could be adopted to improve teachers commitment to work.

Respondent	X	SD	t-cal	SL	t-tab	Decision
Teachers	2.86	1.26	1.8458	$\frac{0.05}{2}$	1.960	Null Hypotheses/Upheld (not significant)
Principals	2.65	1.27				

Table 4 shows that t-calculated (0.8458) and t-tabulated (1.960) at 0,05 level of significance. The t-calculated (t-cal) is less than the t-tabulated (t-tab). Hence, the null hypothesis of no significant difference is upheld or accepted. This mean that both the teachers and the principals are not empirically different in their opinions about the specific ways or strategies that could be adopted to raise teachers moral or spirit and hence improve their commitment or dedication to their duties as teachers.

Summary of findings

Out of ten variables listed in the questionnaire like rating scale, only two items; pro-rata payment to teachers, and principal's strictness in his administration could not provide any motivation and as such have negative influence on teacher's dedication or commitment to duty. In other words teachers will be committed to their duties when they are paid their salaries and allowances and regularly too. Also, principals positive attitude towards their teachers, regular supervision, provision of adequate instructional materials, principals delegating specific duties to their teachers, giving teachers study

grants, job security as well as teachers proximity to school will definitely make teachers committed to their duties.

Paying teachers according to time they put into service (pro-rata) allowing students to evaluate/access their teacher as well as surcharging teachers on areas of their duties not covered properly will not only kill their job morale but will reduce their commitment to duty. However, if other listed suggestions are adopted, it will go a long way to motivate the teachers and improve their total commitment to work;

Recommendations

Based on the findings of this work the following recommendations are proffered: Students performance in external examinations need improvement, therefore efforts should be geared by the Government towards such realization. Products of school system should be equipped with skills that will make them functional in the contemporary technological world. Principles of schools should try everything possible to establish a good school climate where good relationship between the principals and teachers is operational as strict leadership style does not help matters.

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FRAUD PREVENTION AND INTERNAL CONTROL IN COMPANIES

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Abstract

Frauds, in principle, lead to an increase in the company's financial returns, then to the placement of the company in a more favourable market or economic position than its competitors, or its peers, or to support of the company to avoid some economic loss. This paper presents a discourse on the role and importance of internal control in fraud prevention with the full support of management. Internal controls should provide “reasonable assurance” in the sense that fraudulent financial reporting will at best be prevented or, at worst, identified as soon as possible. The application of certain internal controls in a company against fraud can significantly reduce the possibility to commit fraud, or at least detect an earlier fraudulent act. An integrated system of internal controls - preventive, deterrent, and detective controls - can greatly reduce a company's vulnerability to fraud and be supportive of internal audit in effective risk management. In this context, it is emphasized in the paper that special attention should be paid to designing adequate internal accounting controls. The content analysis method is applied in the paper.

Keywords: fraud, prevention, internal control, company, accounting information

EFFECTS OF VEE DIAGRAM INSTRUCTIONAL STRATEGY ON ACADEMIC ACHIEVEMENT OF SOCIAL STUDIES STUDENTS IN UPPER BASIC SCHOOLS IN EBONYI STATE, NIGERIA

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Abstract

The teaching of Social Studies is a core curriculum activity expected to be learner-centred. Observations have shown that Social Studies teachers in secondary schools mostly used the conventional strategies in their classroom practices regardless of the strategy. This study focused on effects of Vee diagram instructional strategy on achievement of Social Studies students in secondary schools in Ebonyi State. One specific purpose and one research questions guided the study while one null hypothesis was tested at 0.05 level of significance. The study was quasi-experimental in nature and adopted non-equivalent control group design. The population of the study comprised eighteen thousand eight hundred and nine (18,809) Upper Basic II students in the one hundred and seventy six (176) public secondary schools in Ebonyi State. The sample of the study was 200 students. The instrument used for data collection was Social Studies Achievement Test (SOSAT) with reliability index of 0.94 obtained using Kuder Richardson (20(KR-20) statistics. Data were analysed using mean and standard deviation for the research question, and Analysis of Co-variance (ANCOVA) was used to test the null hypothesis at 0.05 level of significance. The findings of the study revealed that the mean achievement score (77.92#SD) of secondary school students taught (Social Studies) using Vee diagram instructional strategy, was higher than the mean achievement score (55.92#SD) of those taught (Social Studies) using conventional methods. It concluded that Vee diagram was more effective than conventional strategy used in teaching Social Studies. The study recommended that ministry of education should adopt Vee diagram instructional strategy to solve the problem of poor performance of students in Social Studies in Ebonyi state. Moreover, that government should train teachers regularly in the use of Vee diagram instructional strategy in teaching of Social Studies and curriculum planners should incorporate the use of Vee diagram instructional strategy in their future innovation to enhance learner-centred approach to the study of Social Studies in Upper Basic schools in Ebonyi State.

Keywords: Effects, Vee Diagram, Instructional Strategy, Academic Achievement, Social Studies

Introduction

Vee diagram instructional strategy is designed to replace the traditional strategies when appropriate (Roehrig, 2001) ((Afamasaga-Fuata'I, 2004). The Vee map contains seven sections that encourage the progression from lower to higher levels of Bloom's (1956) taxonomy (Novak, 1983). Novak (2002) divided the Vee map into two broad components: philosophy of the activity and methodology of the activity. Philosophy on the left hand side provides incorporation of the learner's background knowledge and construction of thought processes. Method on the right-hand side is the result of the background knowledge and content learned.

The Vee map begins with the identification of the problem to be investigated. For example, a teacher can provide the inquiry question to supply a focus or the teacher could present a problem and have the students develop the inquiry question and procedure. The Vee diagram acts as a scaffolding device following Novak (1998) model of experimental learning as it guides learners through the reflective learning process, students no longer conduct mere memorization to just answer questions but form their own conclusions. Through Vee diagram and inquiry instruction, students are allowed to formulate their own decisions and create their own graphic organizer which fit their learning style (Roehrig, 2001). The Vee diagram offers practical solutions to many of the issues clouding traditional instructional exercises. The Vee diagram or map is an interactive tool that promotes higher level thinking skills for the greater freedom for the instructor to interact with the students, and less evaluation time for the instructor.

Traditional method of teaching, as most of us have experienced, is classroom-based and consist of lectures and direct instructions conducted by the teacher. The teacher-centred method emphasizes learning through the teacher's guidance at all times. Students are subjected to listen and learn from them. Arazel (2013), explained three main types of methods used in traditional education as follows:

- Lecture and direction instruction: Traditional teaching as most of us have experienced, is classroom-based and consists of lectures and direct instructions conducted by the teacher. This teacher-centre method emphasizes learning through the teacher's guidance at all times.
- Seatwork: Tests are the most significant indicator of student performance and degree of learning. Students who belong in the same class sit down and take a single set of examinations, which they should pass. Most of the examinations are taken from fundamental resources, such as textbooks and other publications that are relevant to the subject.
- Listen and observation: Teacher talks to the students about the subject matter and expect them to learn everything through the teaching in the classroom.

Traditional teaching methods may also be deemed restricted to some degree because it cannot be eroded entirely. Traditionally, classroom setting are teacher-centred where the teacher often talks to the students instead of encouraging them to interact, ask questions to make them understand the lesson thoroughly. Most classes practice rote learning, where students depend on memorization without complete understanding of the subject. Just by passing the tests consisting of descriptions, long lectures and dictations, rote memorization (and little interaction in the classroom often) leave students less attentive and participating engaged. They are prone to skipping classes and missing lesson altogether. Moreover, students in a traditional class have little opportunity to interact with their classmates or the teacher.

Many approaches are used to teach Social Studies, such as demonstration, discovering, discussion, lecture, inquiry, advanced organizer and others. Some of these methods are activity-oriented while some involve verbal presentation of concepts being taught. For instance in lecture

method, the teacher delivers the lesson to students with little or no active participation by the students. Lecture method is a teacher-centered method involving largely a one-way form of communication from the teacher to the students. This method is termed didactic method of teaching because most of the talking is done by the teacher while students remain passive listeners, taking down notes. There seem to be a strong objection to the exclusive use of lecture method in teaching science in secondary schools especially in Upper Basic classes.

Teaching-versus learning distinction is more than a matter of semantics. The new learning paradigm suggest a new starting point for improving students education that begins with a focus on the learner and what the learner is doing in the classroom, rather than focusing on what the instructor is doing. Vee diagram instructional strategy is the learner-centre paradigm, which create effective room for teaching facilitates student learning and ultimately, promoting positive learning outcomes (Anih, 2014). The major implications of the new learning paradigm for teachers and students include the following:

- Instruction changes from being teacher-centre and content-driven, and becomes more learner-centred and learning process driven. For example, instead of having students receive information-loaded lectures devoted exclusively to the coverage of subject content, learner-centre instruction involve engaging students in learning experiences that are designed not only to enable them to learn content, but also to learn the process “learning how to learn” and developing lifelong learning skills.
- The student’s role changes from that of being a passive recipient or empty receptacle into which the teacher deposits knowledge banking theory of education to that of, an engaged learner and active agent in the learning process. Classroom teaching methods may be conceptualized as ranging along a continuum from teacher centred to learner-centred. (Extreme, teacher-centred teaching is best illustrated by the uninterrupted, formal teaching where in the teacher sage on the stage does virtually all of the talking and is in complete control of the class agenda). In learner-centred classroom teacher involves less teacher domination and shift more communication, control, and responsibility to the students.
- Anih (2014) maintained that the teacher’s role expands from that of a knowledge-laden professor who professes truths and disseminates factual information, to that of being a learning mediator or facilitator who assumes the following roles:
 - a. Educational architect-designing learning tasks and creating a classroom environment that are conducive to student participation.
 - b. Educational consultant/facilitator serving as an experienced coach working with or along side of students during the learning process, i.e. the sage on the stage becomes the guide by the side and
 - c. Educational assessor evaluating student outcomes and using this assessment information as feedback to improve the learning process.

On the other hand, Vee diagram instructional strategy involves showing a particular procedure or skills to students who after a careful observation and participation repeats the same process shown to them (Igwe, 2003). This method is best used in teaching learners how to perform and understanding concepts holistically. The teacher is convinced that the learner understands the logical step-by-step procedures in concept formation, the principles that apply and the related information.

Vee diagram instructional strategy is anchored on Ausbel’s and Novak’s theory of meaningful learning where the pupils or students choose to relate new information to existing knowledge Novak in Dominic (2012). The Vee diagram is a pedagogical technique, and heuristic,

whereby learning occurs via student-directed, constructivist and inquiry-based techniques. It helps in making the students to understand how events, processes, or objects are meaningfully related because its overall purpose is the interplay between what is familiar and what they yet to be known.

Vee heuristic as developed by Gowin in Dominic (2012), is to enable students to understand the structure of knowledge (e.g. relational networks, hierarchies and combination) and to understand the process of knowledge construction. Gowin's fundamental assumption of knowledge is not absolute but, dependent upon concepts, theories and methodologies by which we view the world (Dominic, 2012). He further said that to encourage meaningful learning, teachers must lead individual to relate new knowledge to relevant concepts and prepositions they already know. Carrying out this policy, Vee instructional diagram helps student to think conceptually by acting as a meta cognitive tool. Students make explicit connections between previously learnt and newly acquired information.

Vee-diagram is a heuristic for analyzing the knowledge structure of a problem (adapted from Gowins's epistemological vee (Novak & Gowin, 1984); Novak, 2002, 1998) in terms of its conceptual framework (left-hand side) and methodological information (right-hand side). Figure 1 shows the vee-diagram structure with its telling questions to guide the reasoning and thinking process as students analyse a mathematics problem (Afamasaga-Fuata'I, 2004). The curved arrow indicates the constant interplay between the two sides as students reflect upon given information and critically analyse the knowledge structure of the problem and relevant Social Studies while simultaneously searching for suitable Social Studies principles that suggest methods of transforming given concepts to generate potential solutions.

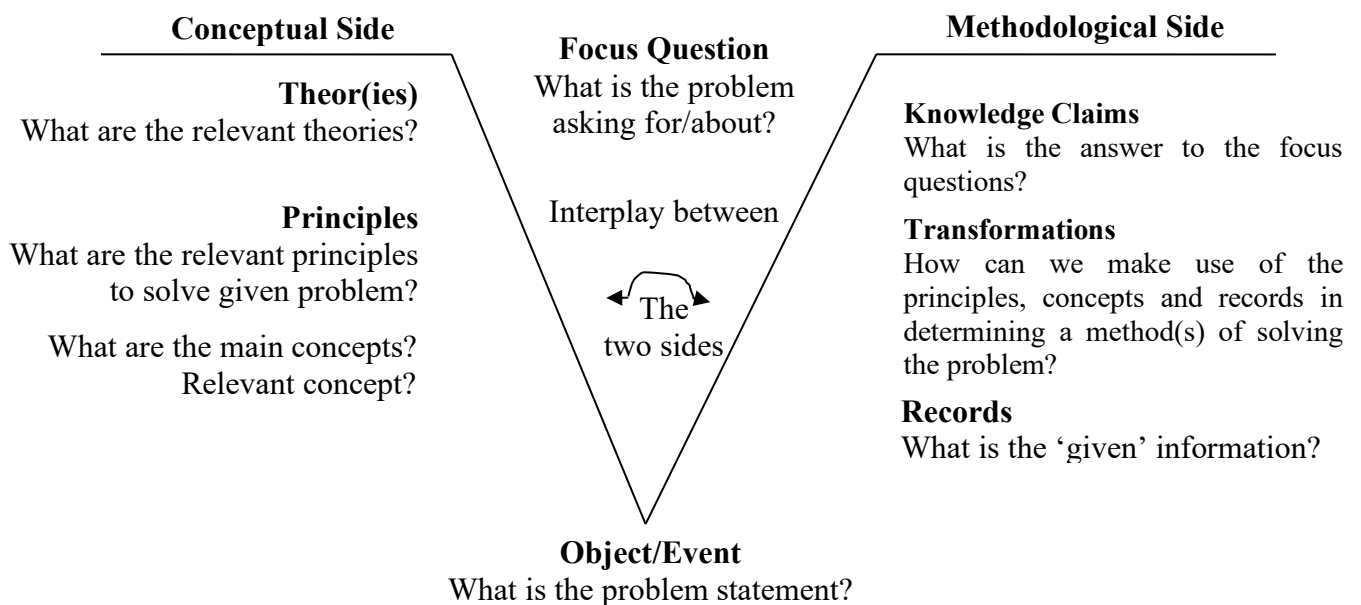


Figure 1: Problem solving vee diagram of Social Studies problems

Dominic (2012) explained the structure of Vee instructional diagram thus: the Vee diagram separates theoretical/conceptual thinking on the left from methodological (doing) elements of inquiry on the right. Both sides are arranged that theoretical/conceptual thinking actively interact with methodological (doing) elements of inquiry through the use of a focus or some telling questions that is related to the topic.

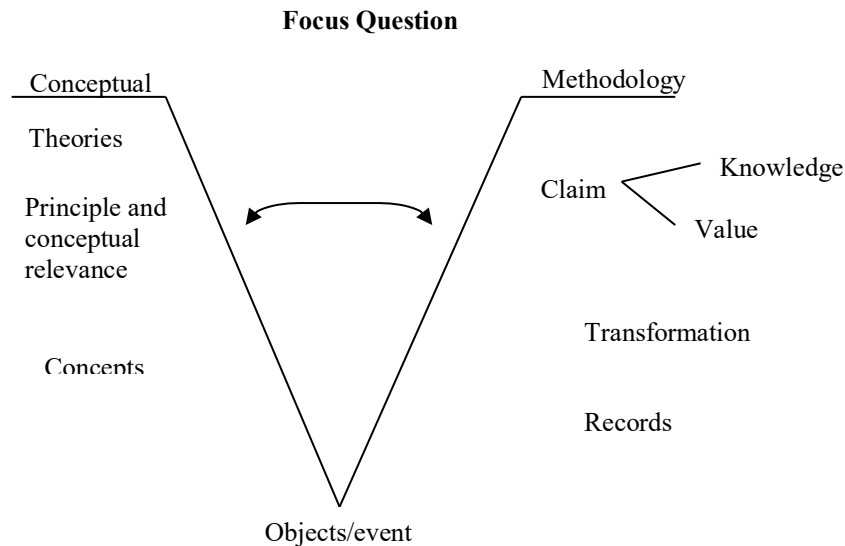


Fig. 2: Procedure for Constructing Vee Instructional Diagram

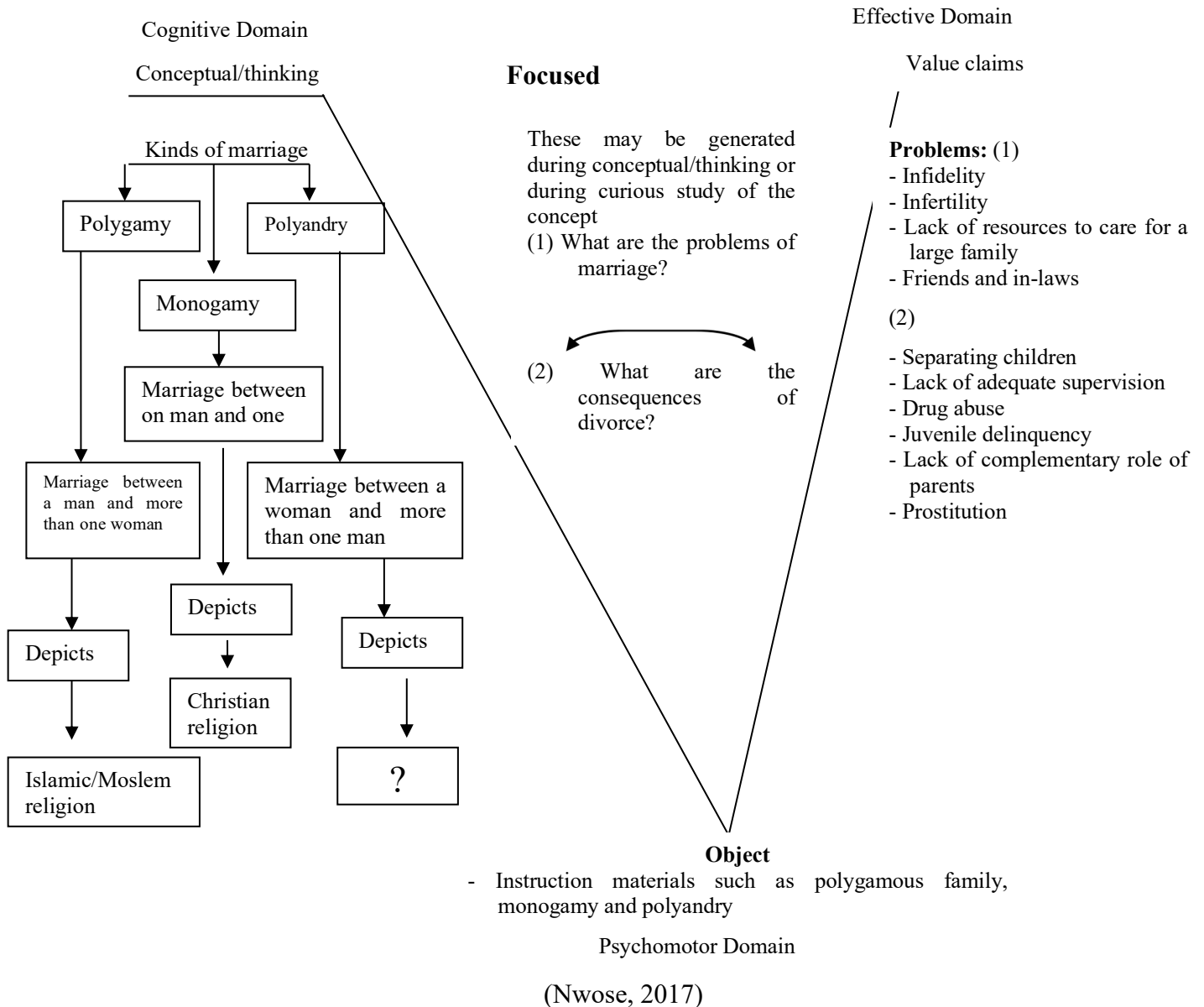
Source: Novak (1984).

The need for the Vee instructional diagram is to enhance conceptual learning has been stressed repeatedly by Novak in Dominic (2012) that in the context of organized systems of education, the issue of students period of learning is extremely important because of the progressive structuring of knowledge and understanding. Despite this feature of the structuring, teachers expect students to acquire not only new knowledge in sufficient depth but also to retain this knowledge for a long period of time. Therefore, teachers can believe that the more durable the concept remain in the mind, the better will the students be equipped with the knowledge and set of skills that they can apply and use for real-life settings.

Orhan, (2014) in his own view said that Vee instructional diagram was first introduced to educational literature by Gowin and his students in the 1970's in order to support understanding and constructing knowledge. He argued that this diagram ensures forming relationships between theoretical knowledge and factual knowledge. Nakheh in Orhan (2014) emphasized that the main purpose of instruction is "increasing meaningful learning, having students actively participate in constructing knowledge and giving students responsibility and encouragement for their own learning"; and therefore tools such as Vee diagram should be utilized. Nakiboglu, Benlikaya and Karakoc in Orhan (2014) noted that use of Vee diagram in instruction class will help students to mentally construct theoretical information and achieve meaningful learning in addition to providing learning opportunities for students in psychomotor contexts. Muscat and Pace (2013) emphasized that metacognitive learning tools such as concept mapping, Vee diagram contribute to meaningful learning in students.

The Vee instructional diagram is an instructional device to link concepts and methods to help students develop an active consideration of all the facets of a concept and produce along side with the teacher the value claims.

Figure 3: Vee diagram on transportation



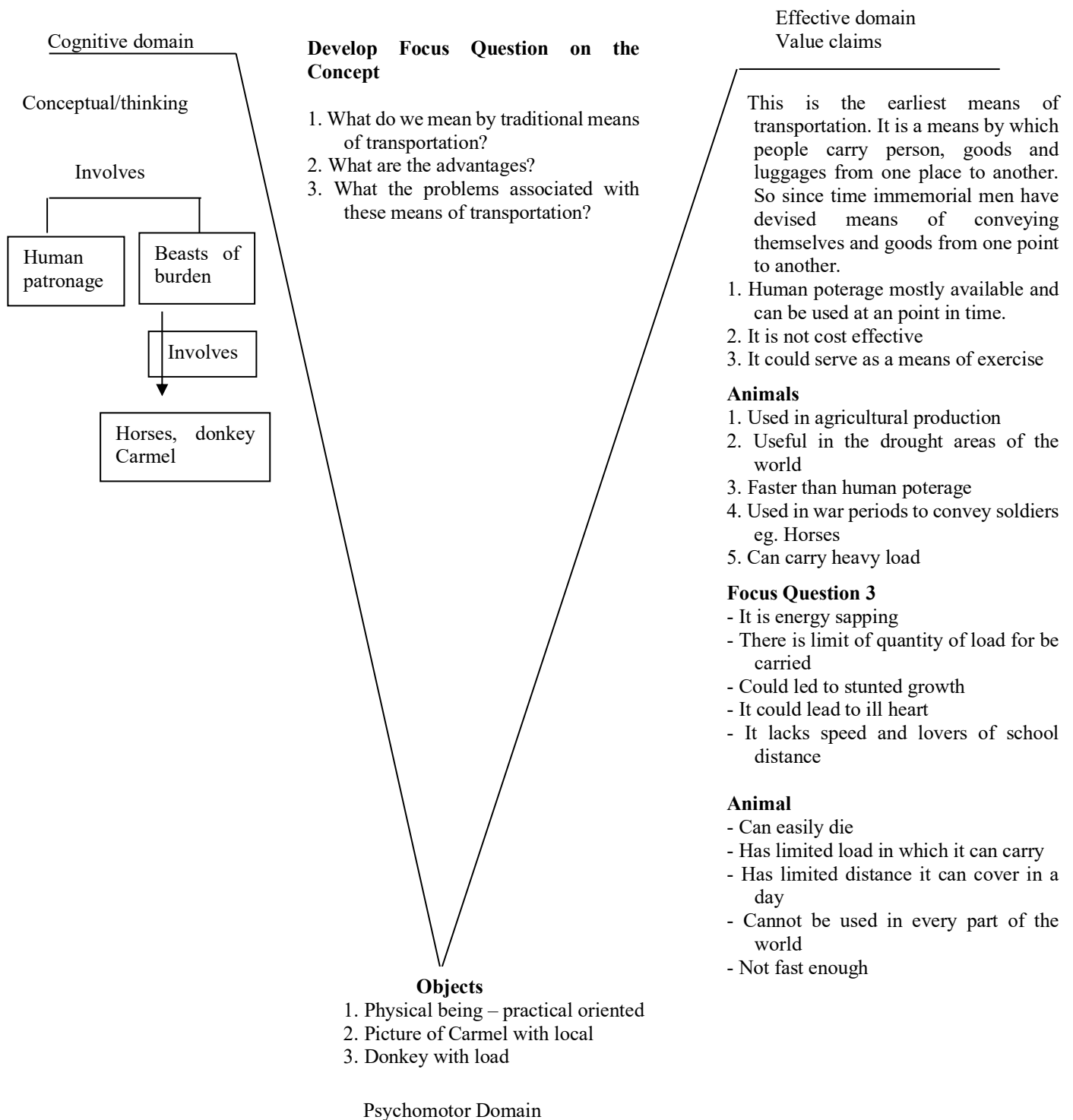


Figure: 4 Vee diagram on Marriage Institution
(Nwose, 2017)

Purpose of the Study

The purpose of the study is to explore the effects of Vee diagram instructional strategy on upper basic secondary school students' academic achievement in Social Studies in Ebonyi State of Nigeria.

Research Question

The research question was formulated to guide the study, thus:

1. What is the difference that Vee diagram instructional strategy has on students' achievement in Social Studies?

Hypothesis

HO₁: There is no significant effect of Vee diagram instructional strategy on achievement of Upper Basic students in Ebonyi State of Nigeria.

Methodology

Research Design

Non-equivalent, control group design was adopted in carrying out this study. The study is quasi-experimental in nature. According to Abonyi (2005), quasi-experimental research is the type of research which lacks the basic procedures required in pure experimental research that has to do with laboratory test. The research design was considered suitable for the study because intact class were used and randomly assigned to both experimental and control groups. Intact class comprises the entire upper basic two students as admitted by the schools. Intact classes were used because of the period which the study lasted and it was not proper to disrupt normal classes. The design is represented thus;

$Y_a \quad \chi \quad Y_b$

$Y_a \approx \chi \quad Y_b$

Where: Y_a = pretest

Y_b = Posttest

χ = Treatment

$\approx \chi$ = Control

Population of the Study

The population of this study consisted of all Upper Basic II (UB II) students in Onueke Education Zone of Ebonyi State. The number of students was eighteen thousand eight hundred and nine (18,809) (Secondary Education Board, 2019).

Sample and Sampling Techniques

The sample of the study was two hundred (200) students which represent the entire population of eighteen thousand eight hundred and nine (18,809). The researcher adopted multistage sampling procedures. In first stage, Ebonyi State was clustered into twelve (12) LGAs, each cluster represented a Local Government Area. Six (6) Local Government Areas were randomly selected through balloting with replacement on the second stage. Out of the six local governments, three schools that had population for Upper Basic Two (UB II) students in three zones were conveniently selected on the third stage. On the fourth stage, each of the three LGAs was randomly assigned to the experimental group or control group. Then the intact Upper Basic II classes of the already selected schools were used for the study. The experimental group had 101 students, (56 boys and 45 girls) while the control group had 99 students (49 boys and 50 girls). This gave rise to the sample of 200 persons.

Instrument for Data Collection

The instrument for data collection was a structured multiple choice test entitled: Social Studies Achievement Test (SOSAT). It has two sections, A and B. Section A sought personal information on the students with respect to name of the school and Section B consisted of fifty (5) multiple choice objective test items that covered the contents taught.

Each test item was followed by four (4) options (a-d) from which the student is expected to select the correct alternative. Test items covered the concepts taught during the study in the three lower levels of cognitive domain of knowledge, comprehension and application.

Reliability of the Instrument

The trial testing of the instrument was done with 20 students of Ojiegbe community secondary school in Abakaliki Education Zone of Ebonyi State. The reliability of the SOSAT is assessed using a measure of internal consistency. The test of internal consistency for the SOSAT is conducted using the K-R 20 approach. The SOSAT yielded internal consistency index of 0.94 which was considered to be sufficiently high to warrant the use of the instrument as data collection technique for the study.

Method of Data Analysis

Mean and standard deviation was used to answer the research questions while the Analysis of Co-variances (ANCOVA) was used to test the null hypotheses at an alpha level of 0.05.

Results

Research Question 1

What is the effect of Vee Diagram Instructional Strategy on students mean achievement in Social Studies?

To answer this research question, mean scores and standard deviation of students taught Social Studies with Vee diagram and conventional methods are computed and presented in Table 1.

Table 1: Description of Students' Achievement for the two groups in Social Studies

Groups	N	Mean	Standard Dev.	Mean Diff
Vee Diagram Approach	101	77.92	11.14	
Conventional Approach	99	59.92	7.64	18.00

Table 1 shows the mean achievement scores of students taught Social Studies with Vee diagram instructional strategy and those taught with conventional approach. Students taught with Vee diagram approach have mean score of 77.92 ± 11.14 while students taught the same topics in Social Studies with conventional approach have mean score of 55.92 ± 7.64 . The result showed that students taught with Vee diagram instructional strategy performed better in Social Studies than those taught with conventional approach. The mean difference is 18.00. This shows that Vee diagram approach of teaching is more effective than the conventional method in fostering students' achievement in Social Studies.

HO₁: There is no significant difference in the mean achievement scores of students taught Social Studies using the Vee diagram approach and those taught the same topics in Social Studies using conventional method of teaching.

Hypotheses 1 was tested using analysis of covariance (ANCOVA). The summary is presented in Table 2.

Table 2: Analysis of Covariance of Students Overall Social Studies Achievement Scores by Teaching Strategies Gender and by Location

Source of variation	Sum of squares	Df	Mean square	f.cal	f. probability
Covariates (pretest)	560.814	1	460.814	6.233	.013
Main effects	16272.390	3	5424.130	60.384	.000
Method	16149.179	1	16149.179	179.483	.000
Location	18.520	1	18.520	.206	.651
Gender	.007	1	.007	.000	.993
2-way interactions:					
Method and gender	26.752	1	26.752	.297	.586
Method and location	140.064	1	140.064	1.557	.214
Explained	17150.541	8	2143.818	23.827	0.000
Residual	17185.439	191	89.976		
Total	34335.980	199	172.543		

For hypothesis 1, the ANCOVA Table 2 that the level of significance at (0.05) is greater than the f-probability value (.000). This is a significant result. The decision rule is to reject the null hypothesis when the level of significance exceeds the given probability level. The study, therefore, rejected the hypothesis that, there is no significant difference in the mean achievement scores of students taught Social Studies using the Vee diagram approach and those taught Social Studies using the conventional approach.

Discussion

From the results, it was found out that the mean achievement score of students taught Social Studies with Vee diagram instructional strategy have mean score of 77.92 $\pm$ SD while students taught the same topics in Social Studies with conventional approach have mean score of 55.92 $\pm$ SD. The result showed that students taught with Vee diagram approach performed better in Social Studies than those taught with conventional approach. This shows that Vee diagram instructional strategy is better to the conventional method in fostering students' achievement of Social Studies.

Furthermore, the findings of test of the significant effect of strategy on the mean achievement of students taught Social Studies using conventional instructional strategy revealed that there is a significant difference in the mean achievement scores of students taught Social Studies using Vee diagram and those taught Social Studies using the conventional approach. The finding is in line with Borich (2011) who stated that Vee instructional strategy promotes maximum interaction between and among Social Studies students to enhance efficient decision making while discussing and analyzing Social issues. Sal (1995) added that Vee diagram instructional strategy involves students in making connections between new and already known ideas or facts. This is to say that the strategy encourages the development of critical thinking and enable students to understand the structure of knowledge.

Conclusion

Based on the findings of the study it is concluded that Vee diagram is a better approach for teaching Social Studies in Upper Basic schools when compared to conventional approach. The Vee diagram helps the student to have a better achievement in Social Studies than the use of conventional methods. The study also concluded that Vee diagram is more effective in rural areas than in urban areas.

Recommendations

In view of the above, it is recommended that:

1. Ministry of Education should adopt Vee diagram instructional strategy to solve the problem of poor performance of students in Social Studies in Ebonyi State.
2. Government should encourage teachers regularly based on the use of Vee diagram instructional strategy in the teaching of Social Studies in Upper Basic schools.
3. Vee diagram should be included by the Ministry of Education in the curriculum of teacher training institutions.
4. Curriculum planners should incorporate the use of Vee diagram instructional strategy in their future innovation to enhance learner-centred approach in the study of Social Studies in Upper Basic schools.

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DIFFERENT APPROACHES OF SOLVING SOME PROBABILITY PROBLEMS

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Abstract:

Presented paper shows two different approaches of solving two selected probability problems. The first approach uses just elementary probability, while the second one shows how probability distributions may be used. Further, it goes deeper and presents how to answer additional questions related to the problems. Math classes of some secondary educational institutions offer also some fundamentals of probability and statistics. Students of the Faculty of Applied Informatics (FAI) of the Tomas Bata University have to pass, among others, also an introductory course of probability and statistics. This introductory course begins with equating the level of all students. After reviews of elementary probability students get acquainted with some probability distributions. During the course students took two tests. The first one after first few classes, the second one at the end of the course. Moreover, the same tests were given both to full time and part time students. The results of a) which approach was used by the students to solve the problems b) whether there was any difference between full time students and part time students will be analyzed in another paper. There are no high requirements for statistical software. Although the computational environment *Statistica* is available for every student, the MS Excel or Calc from the Open Office Foundation with their statistical functions are enough to use.

Key words: probability, probability distributions, binomial distribution, hypergeometric distribution, Excel

Introduction

This paper presents two probability problems, each with two different approaches how to come to the solution. The first approach uses just elementary probability, so only basic knowledge from secondary school is needed. The second approach shows how probability distributions, explained in a tertiary education course, may be used.

In section 1 both problems are formulated and subsequently in section 2 the first approach how to solve them is shown. Next, in section 3 a brief overview of two probability distributions, namely the binomial and hypergeometric distributions is presented. After that a solution which uses those distributions is shown and finally a short conclusion is made.

1. Formulation of probability problems

1.1 Problem No.1

Let's roll a dice ten times. Calculate the probability that, as a result, the number three appears
a) exactly four times, b) at most four times.

Additional questions: what is the probability that, as a result, the number three appears
c) less than four times, d) more than four times, e) at least four times ?

1.2 Problem No.2

In the box there are three black and two white balls. We choose by random $n = 4$ balls out of the box. Calculate the probability that exactly $k = 2$ of them are black.

Additional tasks:

- A) provide a discussion of how the probability depends on n and k .
- B) calculate the probability that the number k of black balls among the four chosen is:
 - a) at most two, b) less than two, c) more than two d) at least two

2. Solution of problems using elementary probability

In this section the first approach how to solve both problems is shown. This approach uses only basic formulae from the elementary combinatorics and probability theory. Further in the text it is also explained, how to get the results with a help of a common software.

Symbol $\mathbb{N}_0$ throughout this text denotes the set of all natural numbers including zero, i.e. $\mathbb{N}_0 = \{0, 1, 2, \dots\}$

2.1 Solution of problem No.1

As there are only two possibilities in terms of “*the rolled number is three*” or “*the rolled number is not three*” and individual rolls are independent, the problem is a binomial experiment with Bernoulli trials. The probability that among the total of n trials exactly k of them occur ($n, k \in \mathbb{N}_0 \wedge k \leq n$) is:

$$P(k) = \binom{n}{k} \cdot p^k \cdot (1 - p)^{n-k} \quad (1)$$

where $\binom{n}{k} = \frac{n!}{k! \cdot (n-k)!}$ is a binomial coefficient and p is the probability of

having any number (i.e. also the number three) as a result when rolling a dice just once. So $p = \frac{1}{6}$.

Now the particular probabilities can be calculated:

$$\text{a) } P(k = 4) = \binom{10}{4} \cdot \left(\frac{1}{6}\right)^4 \cdot \left(1 - \frac{1}{6}\right)^{10-4} = \frac{10!}{4! \cdot (10-4)!} \cdot \left(\frac{1}{6}\right)^4 \cdot \left(\frac{5}{6}\right)^6 \approx 0.0543$$

$$\text{b) } P(k \leq 4) = \sum_{j=0}^4 P(j) = \sum_{j=0}^4 \binom{10}{j} \cdot \left(\frac{1}{6}\right)^j \cdot \left(1 - \frac{1}{6}\right)^{10-j} \approx 0.9845$$

To calculate the above probabilities, especially the sum in b), is quite laborious. With a help of a spreadsheet calculator (e.g. MS Excel, or Open Office Calc) the calculations may proceed as follows (see Fig. 1): firstly, the values of fixed parameters n and p are written in cells B2 and B4 respectively. The values of the independent variable k are in column D.

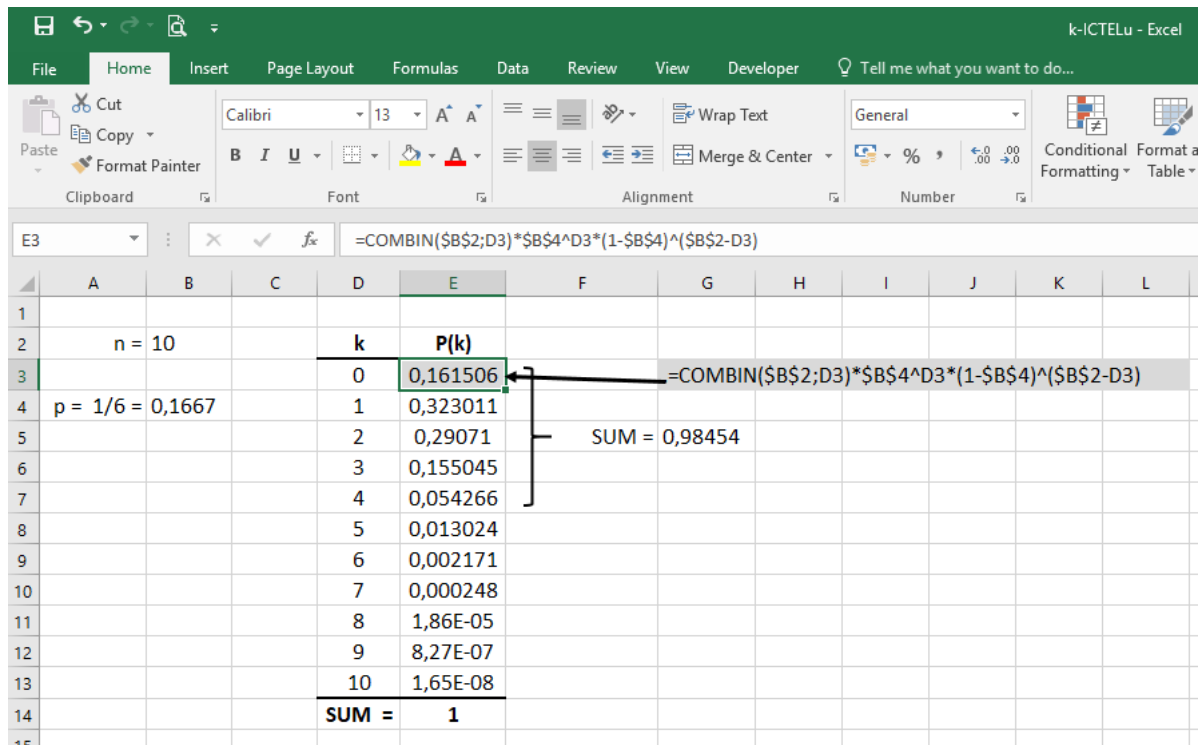


Fig. 1 – Calculations of probabilities in a binomial experiment

Next, the values of the probability for every particular value of k are calculated. To do so, the formula (1) should be written – with appropriate relative and absolute addressing – in the cell E3 and then copied in all other cells from E4 till E10. Hence, the results appear in column E.

Finally, the value of the probability $P(k=4)$ is in the cell E7 and the value of the probability $P(k \leq 4)$ is the sum of the values in cells from E3 till E7. In the Fig.1 this sum is calculated and displayed in the cell G5.

Now additional questions of the problem No. 1 can be answered:

$$c) P(k < 4) = \sum_{j=0}^3 P(j) = \sum_{j=0}^3 \binom{10}{j} \cdot \left(\frac{1}{6}\right)^j \cdot \left(1 - \frac{1}{6}\right)^{10-j} \approx 0.9303$$

$$d) P(k > 4) = \sum_{j=5}^{10} P(j) = \sum_{j=5}^{10} \binom{10}{j} \cdot \left(\frac{1}{6}\right)^j \cdot \left(1 - \frac{1}{6}\right)^{10-j} \approx 0.0155$$

$$e) P(k \geq 4) = \sum_{j=4}^{10} P(j) = \sum_{j=4}^{10} \binom{10}{j} \cdot \left(\frac{1}{6}\right)^j \cdot \left(1 - \frac{1}{6}\right)^{10-j} \approx 0.0697$$

2.1 Solution of problem No.2

In the second problem, the probability is the ratio of all favorable events and all possible events, i.e. the relative frequency of all favorable events.

Firstly, the set of N elements has $\binom{N}{n}$ subsets of n elements. Similarly as in 2.1., for the numbers holds: $N, n \in \mathbb{N}_0 \wedge n \leq N$. This combination coefficient is equal to the number of all possible ways how to take n elements out of N .

Let among the N elements, there are m elements ($m \in \mathbb{N}_0 \wedge m \leq N$) with a certain property. If n elements are randomly chosen out of those N elements, then the *number of ways* to have k elements with the given property among the n chosen elements is: $\binom{m}{k} \cdot \binom{N-m}{n-k}$.

Hence, if there are m elements with a certain property in a set of N elements and n elements are chosen randomly, then the *probability* of having k elements with the given property among those n chosen elements is:

$$P(k) = \frac{\binom{m}{k} \cdot \binom{N-m}{n-k}}{\binom{N}{n}} \quad (2)$$

for $N, m, n, k \in \mathbb{N}_0 \wedge k \leq \min\{m, n\} \leq \max\{m, n\} \leq N$

If in the box there are three black and two white balls, the total number of elements is $N = 5$. Three black balls means $m = 3$. If four balls are randomly chosen ($n = 4$), then, according to (2), the probability that exactly two of them ($k = 2$) are black is:

$$P(k=2) = \frac{\binom{3}{2} \cdot \binom{5-3}{4-2}}{\binom{5}{4}} = \frac{\binom{3}{2} \cdot \binom{2}{2}}{\binom{5}{4}} = \frac{3 \cdot 1}{5} = 0.6$$

To fulfill the task A), all possible variations of n and k should be discussed. Firstly, let's see a matrix in the Fig. 2.

	A	B	C	D	E	F	G	H	I	J	K	L	M
1													
2			N = 3+2 = 5										
3			m = 3										
4													
5													
6		k \ n	0	1	2	3	4	5					
7		0	1	0,4	0,1	0	0	0					
8		1	0	0,6	0,6	0,3	0	0					
9		2	0	0	0,3	0,6	0,6	0					
10		3	0	0	0	0,1	0,4	1					
11		4	0	0	0	0	0	0					
12		5	0	0	0	0	0	0					
13			1	1	1	1	1	1					

Fig. 2 – Possible variations of n and k with appropriate probabilities

All the nonzero probabilities in the core of the table are calculated according to (2). Formula (2) may be written, with appropriate relative and absolute addressing, in the cell C7 and then copied to the other cells of the core of the table. In the cells where in the Fig. 2 zeroes appear, at least one of the combination coefficients from (2) is not defined. In such cases the probability is obviously zero, because of one of the following cases:

- i) if e.g. two balls are chosen, there cannot be three (black) balls among them
- ii) if e.g. four balls are chosen, there cannot be four black among them, as in the box there are only three black balls,

iii) if e.g. four balls are chosen, there cannot be exactly one black among them, as in the box there are totally five balls and only two of them are white, the rest are black balls.

Let's continue with the task B) now. Using the table from the Fig. 2 and formula (2), the probabilities can be calculated as follows:

$$\begin{aligned}
 \text{a) } P(k \leq 2) &= P(0) + P(1) + P(2) = 0 + 0 + \frac{\binom{3}{2} \cdot \binom{5-3}{4-2}}{\binom{5}{4}} = \frac{\binom{3}{2} \cdot \binom{2}{2}}{\binom{5}{4}} = 0.6 \\
 \text{b) } P(k < 2) &= P(0) + P(1) = 0 + 0 = 0 \\
 \text{c) } P(k > 2) &= P(3) + P(4) + P(5) = \frac{\binom{3}{3} \cdot \binom{5-3}{4-3}}{\binom{5}{4}} + 0 + 0 = \frac{\binom{3}{3} \cdot \binom{2}{1}}{\binom{5}{4}} = 0.4 \\
 \text{d) } P(k \geq 2) &= P(2) + P(3) + P(4) + P(5) = \frac{\binom{3}{2} \cdot \binom{5-3}{4-2}}{\binom{5}{4}} + \frac{\binom{3}{3} \cdot \binom{5-3}{4-3}}{\binom{5}{4}} + 0 + 0 = \\
 &= \frac{\binom{3}{2} \cdot \binom{2}{2}}{\binom{5}{4}} + \frac{\binom{3}{3} \cdot \binom{2}{1}}{\binom{5}{4}} = 0.6 + 0.4 = 1
 \end{aligned}$$

3. Binomial and Hypergeometric distributions

In this paragraph two distributions related to the given problems are recalled. For the purposes of solutions, probability mass function and cumulative distribution functions of both distributions are crucial.

3.1 The binomial distribution

If a trial with only two results (success/failure) is repeated n times and the probability of "success" in every single trial is p , then the random variable which determines the number x of successful trials has a binomial distribution with a probability mass function:

$$f(x) = \binom{n}{x} \cdot p^x \cdot (1-p)^{n-x} \quad \text{for all } x \in \{0, \dots, n\} \quad \text{Otherwise } f(x) = 0 \quad (3.1a)$$

The cumulative distribution function is:

$$F(x) = \sum_{x_j \leq x} f(x_j) = \sum_{x_j \leq x} \binom{n}{x_j} \cdot p^{x_j} \cdot (1-p)^{n-x_j} \quad (3.1b)$$

3.2 The hypergeometric distribution

Let among N elements m of them has a certain characteristics. We choose by random n elements and observe how many of them have the given characteristics.

Random variable which determines the number x of such elements has a hypergeometric distribution with a probability mass function:

$$f(x) = \frac{\binom{m}{x} \cdot \binom{N-m}{n-x}}{\binom{N}{n}} \quad (3.2a)$$

for all $x \in \{0, \dots, m\} \wedge x \leq \min\{m, n\} \leq \max\{m, n\} \leq N$

Otherwise $f(x) = 0$.

The cumulative distribution function is:

$$F(x) = \sum_{x_j \leq x} f(x_j) = \sum_{x_j \leq x} \frac{\binom{m}{x_j} \cdot \binom{N-m}{n-x_j}}{\binom{N}{n}} \quad (3.2b)$$

4. Solution of problems using probability distributions

In this paragraph it is shown, how the probability mass function and cumulative distribution function help to solve both problems in a more elegant way. Three general facts will be used by this approach:

The output of a *probability mass function* $f(x)$ for certain x
(4a)

is the probability that the observed value of random variable is x *exactly*.

The output of a *cumulative distribution function* $F(x)$ for certain x
(4b)

is the probability that the observed value of random variable is x *or less*.

The total probability is equal to 1, i.e. $\sum_x f(x) = 1$
(4c)

In Excel (or Calc) there are statistical functions related to different distributions. For solutions of problems No. 1 and 2 only BINOM.DIST and HYPGEOM.DIST will be needed. Both functions have a structure of $PD.DIST(variable; parameters; value)$, where:

- i) PD represents the abbreviation of the particular probability distribution
(BINOM for binomial and HYPGEOM for hypergeometric)
- ii) $variable$ is the value of the random variable (x)
- iii) $parameters$ are particular parameters of the appropriate probability distribution
($n; p$ for binomial and $n; m; N$ for hypergeometric distribution respectively)
- iv) $value$ is either FALSE (or 0) for the probability mass function
or TRUE (or 1) for the cumulative distribution function

4.1 Solution of problem No.1

- a) The probability that number three will be as a result *exactly* once is according to (4a):
 $P(k = 4) = f(4) = \text{BINOM.DIST}(4; 10; 1/6; \text{FALSE}) \approx 0.0543$
- b) “At most 4” means “4 or less”, so the probability that number three will be as a result *at most* four times is according to (4b):
 $P(k \leq 4) = F(4) = \text{BINOM.DIST}(4; 10; 1/6; \text{TRUE}) \approx 0.9845$
- c) Random variable “the number of rolling three” is discrete with a step of one, so the probability $P(k < 4)$ equals $P(k \leq 3)$. Hence, it can be calculated, again according to (4b),
as:
 $P(k < 4) = P(k \leq 3) = F(3) = \text{BINOM.DIST}(3; 10; 1/6; \text{TRUE}) \approx 0.9303$
- d) According to (4c) for complementary probabilities holds: $P(k > 4) + P(k \leq 4) = 1$, so:
 $P(k > 4) = 1 - P(k \leq 4) = 1 - F(4) = 1 - \text{BINOM.DIST}(4; 10; 1/6; \text{TRUE}) \approx$
 $\approx 1 - 0.9303 = 0.0155$
- e) Similarly to d) $P(k \geq 4) + P(k < 4) = 1$, so: $P(k \geq 4) = 1 - P(k < 4)$. Further as in c)
 $P(k < 4) = P(k \leq 3)$. So all together, the probability $P(k \geq 4)$ can be calculated as:
 $P(k \geq 4) = 1 - P(k < 4) = 1 - P(k \leq 3) = 1 - F(3) =$
 $= 1 - \text{BINOM.DIST}(3; 10; 1/6; \text{TRUE}) \approx 1 - 0.9303 = 0.0697$

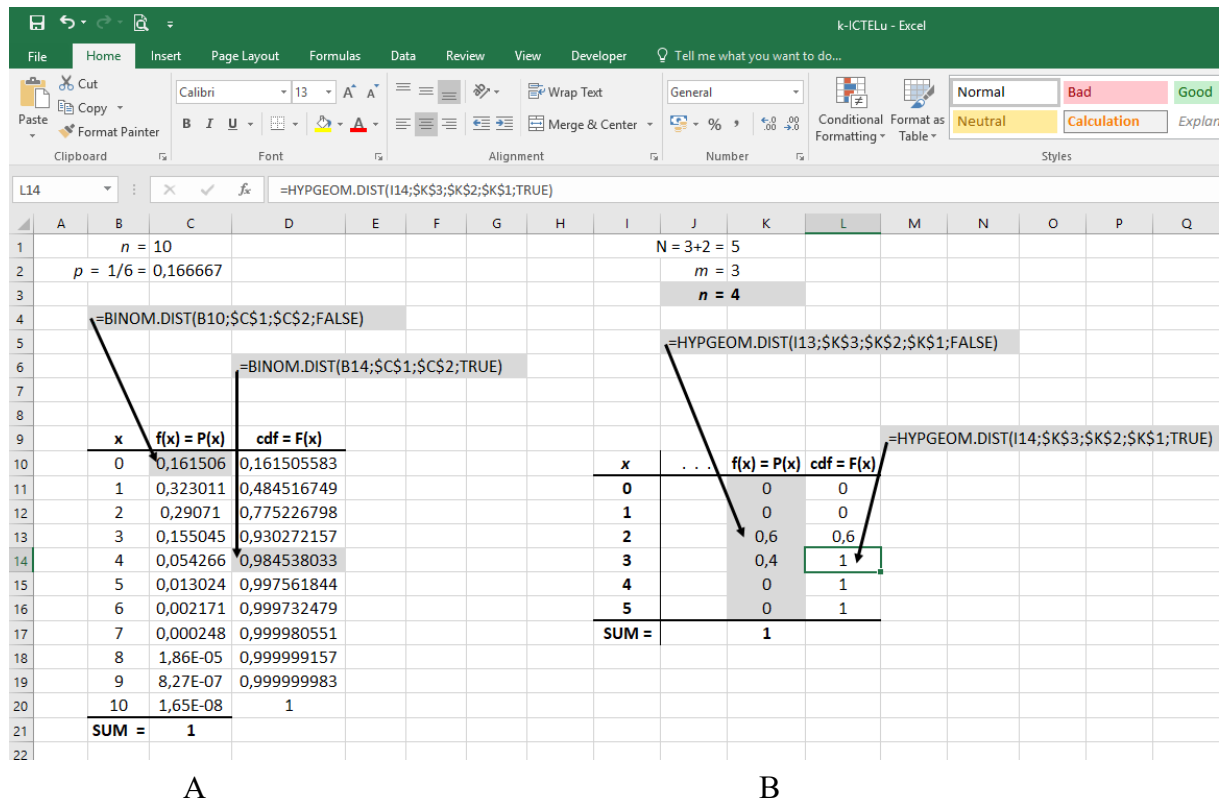


Fig. 3 – Probabilities calculated with the help of probability mass function or cumulative distribution function

In the Fig.3 A an augmented table of that from Fig.1 is shown. While in the Fig.1 the probabilities are calculated according to (1), the values in the Fig.3 are calculated with the help of $\text{BINOM.DIST}(x; n; p; \text{FALSE})$ and $\text{BINOM.DIST}(x; n; p; \text{TRUE})$ functions.

In the Fig.3 B a table shows only one column of a table from Fig.2 for $n = 4$ and another added column representing the cumulative distribution function for the hypergeometric distribution. The probabilities in Fig.2 are calculated according to (2), but the values in the Fig.3 are calculated with the help of $\text{HYPGEOM.DIST}(x; n; m; N; \text{FALSE})$ and $\text{HYPGEOM.DIST}(x; n; m; N; \text{TRUE})$ functions.

4.2 Solution of problem No.2

The probability that exactly 2 black balls will occur among 4 balls chosen from a box containing only 3 black and 2 white balls is according to (4a):

$$P(k = 2) = f(2) = \text{HYPGEOM.DIST}(2; 4; 3; 5; \text{FALSE}) = 0.6$$

Further, similarly to b), c), d) and e) from the section 4.1 the probabilities related to the problem No. 2 are:

$$P(k \leq 2) = F(2) = \text{HYPGEOM.DIST}(2; 4; 3; 5; \text{TRUE}) = 0.6$$

$$P(k < 2) = P(k \leq 1) = F(1) = \text{HYPGEOM.DIST}(1; 4; 3; 5; \text{TRUE}) = 0$$

$$P(k > 2) = 1 - P(k \leq 2) = 1 - F(2) = 1 - \text{HYPGEOM.DIST}(2; 4; 3; 5; \text{TRUE}) = 0.4$$

$$P(k \geq 2) = 1 - P(k < 2) = 1 - P(k \leq 1) = 1 - F(1) = 1 - \text{HYPGEOM.DIST}(1; 4; 3; 5; \text{TRUE}) = 1$$

Conclusion

Probability problems and their solutions presented in this paper differ in the way, how to come to the final result. “Elementary approach” may seem easier for students at the beginning of the course of probability and statistics, when they do not have any knowledge about probability distributions. On the other hand, an approach which uses probability distributions is much more convenient and less time consuming.

Nowadays, common software like MS Excel, Open Office Calc etc. have implemented many statistical functions, probability distributions and statistical tables. Hence, no expensive professional statistical software when solving basic probability problems is needed.

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THE INTEGRATIVE MODEL OF POWER SHARING AND THE LAW ON THE USE OF LANGUAGES- THE CASE OF NORTH MACEDONIA

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Abstract

The paper analyses the extent to which the integrative theory, pioneered by Donald Horowitz, has been incorporated in the new Law on the use of languages in the Republic of Macedonia. Given Macedonia’s distant and near past, the theory is applicable in the analysis of laws and policies aiming towards greater integration of ethnic minorities. The paper focuses on the ethnicity, its formation, and builds connections with the reasons for emergence of ethnic conflicts. It analyses politics of symbols as the essence of interethnic politics, and the status of one group’s language as a direct indicator of the status of the group itself.

Using the Horowitz’s integrative theory, elaborating its essence, scope, methods, the author applies the theoretical findings on the Macedonia’s case of ethnic conflict in 2001. The Ohrid Framework Agreement that finalized the conflict is used as a basis for the Law on languages. The integrative capacity of the law itself is analyzed through the prism of its provisions and political circumstances in the country.

Key words: integrative theory, law on languages, Macedonian case, Ohrid Framework Agreement

ATTITUDE OF ADULT EDUCATION TEACHERS TOWARDS ADULT LEARNERS: COUNSELING IMPLICATION

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Abstract

This study investigated the attitude of adult education teachers towards adult learners in Ebonyi State, Nigeria. The design of the study was descriptive survey. Three research questions and three null hypotheses guided the study. The whole of 451 teacher's population was used for the study. An instrument titled "Adult Teachers Attitude towards Adult Learners" (ATATAL) was used in collecting data for the study. The instrument was validated by experts in Educational Psychology, measurement and evaluation. Internal consistency was established using Cronbach Alpha at reliability coefficient of 0.82. percentage, mean and standard deviation were used to answer the research questions while Chi Square, T. test and analysis of variance were used to test the hypotheses at 0.05 of significance level. Findings indicated that adult education teachers who have positive attitudes towards adults learners are more than those of negative attitudes. Attitudes of teachers towards adult learners based on the difference significantly while there was no significant different in terms of years of experience based on the findings recommendations were made among others that female teachers should be encouraged to build a more positive attitude towards adult learners.

Key words: Attitude, adult education, Adult Learners.

Introduction

Attitude is often seen as affective feeling and tendency to behave towards some one or something on the strength of belief about something, situation or some one. It refers to individual's tendency to respond either favourably or unfavourably to an object, person or group of people, institution. Umezurike (2011), described feeling as belief and behavior. Hany (2015), posited that attitude has three components: affective, cognitive and psychomotor domains. The affective has to do with feeling or emotion about an object or situation; the cognitive component is the belief or ideals about an object or situation while Psychomotor is behavior towards an object or situation. Attitude could be positive or negative.

In this context adult education teachers exhibit positive or negative attitude towards learners. Attitude of teachers imposes a very serious extraneous variable that can promote or hinder the success of adult education. It is therefore the responsibility of the teacher to exhibit positive attitude towards adult learners in order to achieve the objectives of adult education as enshrined in the National Policy on education which aims at providing functional literacy and continuing education for adults and youths who never had the advantage of formal education or who did not

complete their educational programmes. Adult education could be said to be any organized form of education to an adult learner. It involves literacy training, acquisition of knowledge and skills. This can be obtained through evening schools distance learning, home studies, informal and non formal at workshop, churches etc.

UNESCO (1972) defined adult education as the entire body of organized educational process whatever the content, level and method, whether formed or otherwise, whether they prolong or replace initial education in schools, college and universities as well as apprenticeship whereby person

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regarded as adults by the society develop their technical or professional qualifications or turn in for new direction for personal and economic development of the society. It could also be said to be instructional and related support services for adult who are not enrolled or lack expected educational foundation needed to rise or achieve their goals and self sufficiency.

Adult learning is critical to the attainment of the objective of the Education for All (EFA) Millennium Development Goals (MDGs) Decades of Education for Sustainable Goals DESD and United Nations Literacy Decades (UDLD), which will in turn help to solve the challenges of globalization, digital divide armed conflict peace building, poverty reduction and gender parity among others (Olatuyi, 2010).

Adult education applies formal, non formal and distance education method imparting knowledge built in primary and secondary education curriculum non formal at workshops, churches etc. thus adult education is supplementary remedial undertaken to supplement or memooy earlier educational experience. These groups of learners are usually not beginners but continuing to gain additional knowledge.

In Nigeria a lot of weight is placed on certificates. For this case, many adults look in opportunities to acquire certificates for form of extra mural classes, mass education continuing education for employment, and those already employed go for technological advancement or remedial programmes in formal school setting in order to retain their jobs. This explains high demand of in –service training for employment and promotion. People who engage in this type of education are generally referred to as adult learners.

In recent times, the attitude of teachers towards these set of learners has become an issue of public discourse because it exerts great influence on learners. This study attempted to investigate the attitude of teachers towards adult learners, particularly in Ebonyi State of Nigeria.

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Purpose of the Study

This study attempted to investigate the Attitude of Adult Education Teachers towards Adult Learners.

- It also identified the attitude of teachers towards the adult learners based on gender, and investigates all of adult years of experience.

Research Questions

The following research questions guided the study:

- What is the percentage of Adult education teachers with positive and negative attitude towards adult learners
- What is the attitude of adult education teacher towards adult learners based on gender

- What is the attitude of adult education teachers towards adult learners based on years of experience

Hypotheses

The following null hypotheses were formulated and tested at 0.05 Alpha levels.

- ❖ There is no significant difference between the percentage of adult education teachers with positive and negative attitude towards adult.
- ❖ There is no significant different in the attitude of adult education teachers based on gender based on years of experience.

Method

Descriptive survey design was adopted for this study to collect data from adult education teachers on their attitudes towards adult learners. The population for the study included all the 451 adult teachers in the 90 adult education centers in the state. (Universal Basic Education Board, 2011). The whole population was used due to its manageable size. It comprised 35 males and 413 females and their years of experience ranged as 1 – 15

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years, 16-30 years, 31 years and above. The instrument for data collection was titled Adult teachers attitude towards adult learners (ATATAL), developed by the researcher. It comprised of two section A and B. Section A is bio data while section contained 22 items on adult teachers attitude towards adult learners whose responses were graded on four points like grid with the options: Strongly Agreed, SD, Agree A Disagree and strongly Disagree SD. The response options were weighted 4, 3, 2, 1 respectively for positive item while 1, 2, 3, 4 for negative items. Teachers with mean (X) score of 50 and above are of positive attitude while below 50 are of negative positive. The instrument was validated two experts in educational psychology, Measurement and Evaluation. Reliability was established through Cronbach Alpha and the coefficient of 0.82 was obtained. Percentage mean and standard deviation were used to answer the research questions while Chi Square, T test and analysis of variance (ANOVA) nud used to test the hypotheses at 0.05 alpha levels.

Results

The results are presented according to research question hypotheses.

Table 1: Percentage of teachers with Positive and Negative attitude towards adult learners.

Teachers Attitude	Number	Percentage
Positive	287	64
Negative	164	36
Total	451	100

Table 1 indicates that 287 teachers representing 64% of the teacher had positive attitude towards adult learners while 164 (36%) of the teachers had negative attitude towards adult learners. This implies that teachers with positive attitude are more than teachers with negative attitude towards adult learners.

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Table 2: Chi Square analysis of teachers with positive and Negative attitude towards adult learners.

Teacher Attitude	O	E	Df	Chi cal	Chi cvit	Result
Positive		225.5				
Negative			1	33.54	3.84	Sig

Sig level = 0.05.

Table 2 above shows that the calculated chi value of 33.54 is greater than critical Chi value of 3.84 at 0.05 level with 1 degree of freedom. This therefore accepts the null hypothesis. An alternative hypothesis was therefore established that the percentage of teachers with positive and negative attitude towards adult learners differs significantly with males more positive in attitude.

Table 3: Mean rating, standard deviation and T-test analysis of male and female teacher attitude towards adult learners.

Gender	N	$\bar{X}$	SD	df	t-cal	t-crit	Result
Male	38	66.47	7.29				
Female	413	63.83	7.85	449	2.00	1.96	Sign.

Table 3 above indicates that male teachers had a mean ($\bar{X}$) score of 66.47 and standard deviation of 7.29 while females had ($\bar{x}$) score of 63.83 and standard deviation of 7.85 on the attitude towards adult learners. This shows that male has more positive attitude towards adult learners than female learners. The mean ($\bar{x}$) score were subjected to T-test analysis, and a calculated t. value of 2.00 was obtained; which reveals t. value of 2.00 was greater than crit t. value of 1.96 at 0.05 alpha level and 449 degree freedom. Based on the result the null hypothesis was rejected. This implies that there is significant different between the attitude of adult teachers towards adult learners based on gender and in favour of male with positive attitude.

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Table 4: Mean rating, and analysis of variance (ANOVA) of attitude of teachers towards adult learners based on year of experience.

Group	N	$\bar{X}$	SD
1-15 years	198	64.81	8.57
16-30 years	152	63.72	7.49
31 and above	101	63.21	7.18
Total	451	64.09	7.93

Analysis of Variance

Source of variance	Sum of square	df	Mean sg.	F	Sig
Between groups	202.513	3	101.257	1.615	0.20
With groups	28097.114	448	62.717		
Total	28299.627	451			

Table 4 above reveals means ($\bar{x}$) score of attitude of teacher towards adult learners based on years of experience from 1-15 years, 16-30 years and 31 years and above as 64.81, 63.72 and 63.21 respectively. Based on the mean ($\bar{x}$) score, teacher with 1 – 15 years of experience had the highest mean score, followed by 16 – 30 and lastly 31 years and above. Table also shows the result of ANOVA of teachers attitude towards adult learners as F. value of 1.615 which was not significant

at 0.200. This value of 0,200 was greater than probability level of 0.05 and F calculated of 1.615 was less than F crit of 3.02. This implies that the attitude of teachers towards adult learners. Based on their years of experience does not differ significantly.

Discussion

The result of the study reveals that the percentage of adult teachers with positive and negative attitude toward adult learners differs significantly in favour of male with positive attitude. This was revealed by

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the calculated χ^2 value of 33.54 which was greater than crit. Chi value of 3.84 at 0.05 level of significance with 1 degree of freedom.

The result also shows that male teachers had positive attitude than females when subjected to T-test analysis. A calculated value of 2.00 was obtained which was greater than the crit T. value of 1.96 at 0.05 levels and 449 degree of freedom. This result is in line with the findings of Leberan (2015) who found out that male teachers have more positive attitude than female teachers towards adult learners. A part, the location and respondents, the results are the same.

Again, the result also revealed that teachers attitude towards adult learners are the same despite variation in years of experiences this was revealed by F. value of 1.615 which was not significant at 0.200. The F cal of 1.615 was less than the F crit of 3.02 conclusion.

Based on the findings, the following conclusions were drawn.

- ❖ The percentage of teachers with positive and negative attitude differs significantly in favour of male with positive attitudes
- ❖ Male teachers had positive attitude than female teachers towards adult learners.
- ❖ Attitude of teachers towards adult learners does not differ significantly based on years of experience.

Counselling Implications

This work has some counselling implications. The female adult teachers should be re-orientated to develop and maintain positive attitude towards adult learners. Also, both male and female teachers should be exposed to training workshops this will further develop and promote better teaching skills for adult learners. A more healthy cordial relationship should be encouraged between the teachers and learners.

Above all, teachers should be encouraged to be models in all aspects to the learners.

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READING IN TIMES OF TECHNOLOGICAL CHANGES. SOCIAL READING PHENOMENON.

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Abstract:

In the book "Social Reading: Platforms, Applications, Clouds and Tags" the authors point out that the Internet revolution has caused a rapid increase in online reading and writing, and thus - new terminology. Authors of the above books inform about, for example, the concepts of neologism "wreading", which means "reading as an act of writing", "multimedia reading", "online reading", "shared reading" or "social reading."

The exchange of information, opinions and views on books takes place in forums, in commentary sections of online bookstores, etc., on dedicated social networking sites, such as Good Reads, in specially created groups or Facebook pages, etc.

Based on research, it can be said that people want to share information about what they read, their thoughts, opinions, etc. and want them to be responded to. Technology is naturally and obviously a great activator of this type of activities. Thanks to this, reading - an activity that is usually associated with spending time alone - becomes a community experience. In the article, the author will take an attempt to present how technological changes have influenced the reading environment and reading habits.

Key words: social reading, reading, bob stain, social media, book

Changes are usually accompanied, on the one hand by the joyful expectation of something new, and on the other - by fear and reluctance. It was similar with breakthroughs on the road to electronic sources of knowledge. Its beginnings can be traced back to the time of Plato, who reluctantly looked at the idea of writing down philosophical considerations and literary works. He thought that such actions would lazy people's minds, which would no longer have to remember stories, assertions and parables.¹

An important step towards modernizing books was the invention of printing. It aroused institutional opposition, including church that feared the uncontrolled growth of writings that promote other views and beliefs.² It was also feared that the visual art would disappear, that there would be no need for painting, carving, etc., since everything could be easily printed. Gutenberg's

¹ M. Erler Platona krytyka pisma / oralności oraz teoria pryncypiów, Dostępny w World Wide Web: <http://peitho.amu.edu.pl/wp-content/uploads/2016/01/03.pdf> [1.12.2016].

² K. Pokorna-Ignatowicz, Kościół w świecie mediów: historia - dokumenty – dylematy [online] Kraków 2002, https://books.google.pl/books?id=LfYF2p9AMRsC&printsec=frontcover&source=gb_s_ge_summary_r&cad=0#v=onepage&q&f=false [1.12.2017].

invention also aroused the fear of massification literature, which until now was only available to selected people. It can be said that this invention influenced the emergence of a division into high literature - printed in much smaller quantities and low – for masses.

Another change that is worth mentioning was the invention of radio and then television. Here, too, death was foretold for books. Experts were convinced that access to such media would cause a decline in literacy. Why would people read if they could see (and hear) everything?

It was supposed to be even worse with the Internet. Opponents of the new medium were convinced that people who would start using it were doomed to secondary illiteracy. The end of the printing market and the return of the picture culture were anticipated, which would inevitably mean the disintegration of the so-called Gutenberg galaxies. However, to be able to use the Internet, you must be able to write and read. This medium has become a place to meet the needs of, among others: entertainment, communication and information. For many, this is a necessary complement to life in the real world.

At this point it is worth saying that the features of Internet information are closely related to the features and functions of the Internet. These include:

- no geographical restrictions,
- availability at any time,
- access to information that is at various levels of detail (depending on needs),
- easy updating and viewing, comparing, sorting, grouping or searching by keywords,
- interactivity of some articles - the text is enriched with graphics: photos, animations, sound and these elements can be easily copied and printed (of course, within the limits of copyright),
- the costs of posting information on the Internet are lower than in traditional sources,
- the time of publication is much shorter than in the case of printing.

Considering all the above-mentioned features, it can be concluded that Internet information is highly usable.³

"We are directly experiencing a revolution that, unlike the one associated with the invention of the printing press, contains many small revolutions that follow each other day by day. These are microrevolutions of techniques that change at the same time as reading and writing systems, perception and related practices. [...]. One of these trends is the socialization of reading with a series of technological, institutional, academic and professional proposals that encourage collaboration and exchange. Reading is becoming more and more social, although it has always been its characteristic."⁴

In the book "Social Reading: Platforms, Applications, Clouds and Tags" the authors point out that the internet revolution caused a rapid increase in online reading and writing, and thus - new terminology. The authors of the book cite such concepts as: neologism "wreading", which translates as "reading as an act of writing", "multimedia reading" or "new literacies". There have also been suggestions for such terms as "online reading", "interactive reading", "metamedia reading". Proponents of these terms considered them more appropriate than the term 'multimedia reading'. A similar approach was taken to 'new literacy', which they wanted to replace with such

³ J. Pondel, Cechy informacji dostępnych w Internecie, W: Informatyka Ekonomiczna 2006, nr 9, s. 366-369.

⁴ J. Cordon-García, J. Alonso-Arévalo, R. Gómez-Díaz, D. Linder Social Reading: Platforms, Applications, Clouds and Tags (Chandos Publishing Social Media Series), <https://pl.scribd.com/read/282654970/Social-Reading-Platforms-Applications-Clouds-and-Tags> [1.12.2019].

terms as 'transliteracy', 'information literacy' and 'multimedia literacy'. Henrik Berggren, CEO and founder of the German company Readmill, who opposes the transformation of books from "solo experience into social experience" claims that the term "shared reading" is better than the name "social reading." Marc Jahjah, on the other hand, tends to the name "social reading" because he believes that reading is "completely social, even without the intervention of social networks."⁵

“Readership status in Poland in 2018” Report

According to the report on the state of readership in Poland prepared by the National Library, at least one book in 2018 was read by 37% of people. This is one percent less than in 2017 (the result falls within the measurement error). "In the long run, it is clear that declarations of reading books (at least one and at least seven during the year) clearly dropped in 2004-2008. There is probably a number of reasons for the fact that interest in reading books is not growing; they include lifestyles and ways of spending free time, popularizing digital entertainment, a small translation of reading books in adult life into success on the labor market, and the fact that, due to changes in the field of communication technology, books are not the only source of knowledge and information today."⁶

9% of Poles reach for at least 7 books a year. The study shows that people belonging to this group have a mobilizing effect on their immediate surroundings. "Analysis of the relationship between the environment and reading practice clearly showed that people from homes where everyone else reads also read books themselves (as much as 82%), in contrast to homes where no one reads (here only 13% declared reading). This relationship can be seen even more clearly in the question about friends and acquaintances: in an unreadable social circle we will find only 5% of readers." Based on these data, it can be concluded that reading is a social phenomenon.⁷

As for the sources from which people derive information, 37% of people who declare themselves as readers of books, "derive news about the world also through reading, often online (...), while those who do not read choose primarily radio and television (55 %)." The survey was conducted on a nationwide representative sample - 3185 respondents who were at least 15 years old.⁸

What, why and how do you read? A survey by M.K. Tod

Mary K. Tod in the article "Social media & social reading - an author's view" notes that the phenomenon of social reading is becoming something ubiquitous through the Internet and mobile devices. When asked in survey of over 2,000 readers that read: "Please rate your attitude towards the following statements about social media and reading," 45% of respondents said that "under the influence of social media, they read more than before."⁹

The survey results show that 49% of participants "use social media regularly to support their reading" - for reading purposes. Connecting with the author of a book is the social media functionality most valued by participants. 23% of participants use social media for reading purposes daily; another 26% use it regularly.¹⁰

⁵ Ibidem.

⁶ <https://bn.org.pl/aktualnosci/3707-glowne-wskazniki-czytelnictwa-pozostaja-bez-zmian.html> [1.12.2019].

⁷ Ibidem.

⁸ Ibidem.

⁹ M. K. Tod, Social Media & Social Reading – An Author's View, <http://www.writersworkshop.co.uk/blog/social-media-social-reading-an-authors-view/> [30.09.2019].

¹⁰ Ibidem.

Further in the article, Tod explains that in a survey, respondents were asked to refer to specific statements. Most people agreed with answers such as "social media gives me a voice about books that I have read," "social media makes it easier for me to find books that I like" and "I like a sense of community in social media that allows reading." 50% of people said that "social media has changed the way I read." In addition, the author notes that readers expect the authors to be involved in the community and that this involvement from both sides has a personal dimension. In addition, "audience increases audience." This statement means that readers, by recommending books, commenting, inviting friends, etc., influence the growth of the reading community.¹¹

Of course, it should be noted here that Tod asked people who are readers of her blog called "A Writer of History". As she notes, "I hope A Writer of History can augment the conversation by focusing on the reading, writing and researching of historical fiction."¹² This, most likely influenced the large number of positive responses to social reading questions.

The history of social reading

An important figure in the history of social reading is Bob Stein. His non-traditional approach to reading dates back to the time when he studied at the Massachusetts Institute of Technology. In 1979 he was involved in the interactive reading project. Stein created the term social book in reference to publications that enable the exchange of information, collaboration between readers, authors, commenting and integration in various types of networks.¹³ According to Stein, "Reading and writing have always been social activities, but the fact tends to be obscured by the way we engage with the medium of print. We grew up with images of the solitary reader curled up in a chair or under a tree and the writer alone in a garret." "But after years of trying to keep the content of his products up to pace with technology, he discovered the networked book—networked as in plugged into the Internet but also connected to likeminded readers."¹⁴

"For Stein, 'social' means having a discussion in the margins of the book. When we read socially, we create various types of graphic markings in the book. Social also means access to comments of all readers from a given system and the opportunity to engage in contact with authors. Contact in the book occurs in a non-synchronous or real-time manner." According to Stein, the reading experience gives the reader access to a new dimension just like commenting combines reading and writing, prompting deeper reflection on the text.¹⁵

Allison Mennella emphasizes that social reading is a public activity. For the phenomenon to occur, an interaction is needed between the text and at least two of its readers. The key element here is the value added to the text by individuals. It is about comments, thoughts, notes on the margins, etc. The reader must want to pass his opinion to others. He can do this, e.g. by writing a review. In the 2011 Social Reading and Libraries article, Mennella uses the following definition of social reading: "Social reading is associated with a simple idea: people want to share what they

¹¹ M. K. Tod, 10 Thoughts On Social Reading, <https://awriterofhistory.com/2015/03/03/10-thoughts-on-social-reading/> [30.09.2019].

¹² M. K. Tod, <https://awriterofhistory.com/about-this-blog/> [30.09.2019].

¹³ J. Cerdón-García, op. cit.

¹⁴ Moyer Steve, "What IF?.., Humanities", 2009, vol. 30, No. 4, <https://www.neh.gov/humanities/2009/julyaugust/feature/what-if> [1.12.2019].

¹⁵ J. Cerdón-García, op. cit.

read. Technology is a great activator - from Flickr to YouTube, from blogs to Facebook, we have become a society that values sharing its thoughts and observations.”¹⁶

We post status updates on Facebook, share professional articles on Twitter, check-in to locations on Foursquare and blog about our daily lives, professions, passions and more on a multitude of blogging platforms. We value feedback and confirmation; even criticisms are welcome in our increasingly social-sharing society. Reading socially is only one aspect of our desire to connect with people over a common topic.¹⁷

“Bookstagram”

The goal of users who publish pictures of books is not only to share information about their collections, what they read, etc., but also to find reading inspirations and make new friends with people who share their passion. Honorata Wolna in the article “#bookstagram” wonders “Why do they choose Instagram, since there are portals such as lubimyczytac.pl or Facebook groups?” According to the author, the popularity of this application is positively influenced by the fact that mainly visual materials are published here. Such a message is easier to receive than text. Instagram also allows easy and quick editing of both photos and videos. Users can use, among others from filters, trimming tools, changing brightness, color saturation etc.

Publishing photos on Instagram allows you to easily reach a large group of people. Published materials, unless the author decides otherwise, are visible to everyone. Hashtags have a big impact on this.¹⁸

What characterizes the already mentioned #bookstagram? Wolna explains: “the authors of posts photograph everything related to reading: books, quotes from books, themselves with books, stacks of books, book presents, bookmarks, book bags, bookshelves and reading corners, often showing a lot of creativity. Often the main object is a mug or cup with coffee or tea, sweets or decorations, while books are only a background for them (...) It also turns out that there are definitely more photographs depicting paper books than electronic book readers: partly because they give more freedom when it comes to composition or color selection.”¹⁹

“Readers on social media” - survey

The author of this article conducted the survey of readers in Poland in 2017 on a number of 1,000 respondents. The research involved people from 4 Polish groups on Facebook (2 related to reading / books and 2 on general topics) who had to have a minimum of 5000 members and at least 500 posts that were published within the last 30 days). I was asking about many things, also about social media.

According to the results, 96.7% agreed with the statement: “I like reading books”. 34.8% said they took (at least once) part in an on-line discussion (on the Internet) about the book: often in groups on Facebook, on other websites (The most frequently mentioned websites were BiblioNetka and LubimyCzytac.pl) or on blogs. 42.3% want to share their thoughts, opinions, feelings etc. on the Internet.

¹⁶ Mannella Allison, What Is „Social Reading” and why Should Libraries Care?, <https://tametheweb.com/2011/06/14/what-is-social-reading-and-whyshould-libraries-care-a-ttw-guest-post-by-allison-mennella/> [12.12.2018].

¹⁷ Ibidem.

¹⁸ Honorata Wolna, #bookstagram, *Biuletyn EBIB*, no 178, 2018, <http://open.ebib.pl/ojs/index.php/ebib/article/view/611> [1.12.2018]

¹⁹ Honorata Wolna, op. cit.

Types of social reading

Based on my own analysis of the phenomenon, as well as based on Stein's text entitled "Taxonomy of Social Reading"²⁰ and Mennella's article entitled "Social Reading and Libraries,"²¹ five types of social reading can be distinguished.

The first type are traditional conversations about books. It is based on the fact that at a meeting with a friend, on a date, with a group of colleagues, etc., we can talk directly, face to face, about books. The question "have you recently read an interesting book" is a kind of glue, small talk, which allows us to keep in touch and can develop into conversation.

The second type are traditional book clubs, lesson talks etc. - group members are tasked to read the book before the scheduled meeting. During the meeting, the text is discussed, analyzed, the insights shared, etc. Why do people like to organize in book clubs? Interaction with others is certainly important. They can meet new people, have a task to complete, i.e. they need to read a book, can discuss it, exchange thoughts about it, observations or find new interesting books to read. A plus is certainly a sense of belonging to a community whose members have similar interests.

The third one are online book clubs. These are the places that were created specifically so that people can talk about books in them. There are both: general clubs and those devoted to a specific author, era, type of literature, etc. Members can write a comment regardless of where they are and what time zone they are currently in. This is also convenient for people who travel, are very busy, or sick, etc. Anonymity is also a plus for some members.

The next social reading type are social media dedicated to books. These are places where (usually) after registering and creating an account, users can rate, comment, recommend, catalog, search, create various types of lists, etc. Social media has given the mass audience the opportunity to engage in a discussion about books. Examples include: Goodreads, Amazon Review Site, Shelfari, Polish BiblioNetka, LubimyCzytać, etc. Tools such as Reddit, Digg and Delicious are also helpful. They allow to collect, categorize and share bookmarks. The mentioned Good Reads portal allows people to share their reading lists with other users, comment on books and create public boards with information about read publications or progress in reading. New social functions have also appeared on Scribd. If the user logs in with his Facebook data, he will receive personalized recommendations based on the. In addition, an interesting title is easy to share. Also, on Facebook you can create your private library which will be added to your profile. A lot of "social" functions appeared as a built-in ebook reader tool. For example, the Amazon Kindle reader, by connecting to the Goodreads website, allows you to view fragments of the text you have read that have been marked by others, check what your friends are reading, or rate books. There is also an option to borrow already read books to friends.

The last one is online reading "in the margins of the book". One of Stein's projects was a kind of online book club in which seven women, separated by nine time zones, engaged in a close reading of Doris Lessing's *The Golden Notebook*. The women, selected by Stein, agreed to read

²⁰ Bob Stein, A Taxonomy of Social Reading: a proposal, <http://futureofthebook.org/social-reading/categories-1-2-3/index.html> [1.12.2019]

²¹ Allison Mennella, *Social Reading and Libraries*, 2011.

Lessing's novel and then comment online in margins of the electronic book made possible by one of Stein's most widely acclaimed projects, open-source software called CommentPress (it can be used free with WordPress).

Figure 1. Doris Lessing's *The Golden Notebook* Project, <https://thegoldennotebook.org/> [1.11.2017]

The result was a dynamic read for participants and onlookers. A rolling margin for commentary remained in place next to the page of text being commented on. It also allowed further remarks, comments on the comments, to be added, all next to the relevant passage.

CommentPress can allow any number of readers (though Stein says ideally no group should be larger than twenty) to write down their impressions, observations, or opinions in the margins of a digital text while others look on and participate in discussion threads much as on a blog. The software positions the discussion to the right of the text. the author and the reader are in the same space. It flattened the hierarchy of print.

Similar arrangements can be made for manuscripts. Any author wishing to work in the public eye can post the progress of his manuscript, and use CommentPress as a sidebar application to take commentary, direction, even argument from readers.

Another interesting example of a place where you can talk about books in their margins is The Open Utopia project (<http://theopenutopia.org/>). "Utopia" was written by Tomas Moore. This classic work, published in Latin in 1516, explores what a perfect society might look like.

As a starting point, Mr. Duncombe, a professor from New York, used a free translation available on the Project Gutenberg Web site. He asked colleagues to help translate additional material and create footnotes. He used Kickstarter to ask strangers for donations—bringing in about \$4,500 to cover Web hosting, design, and other expenses.²²

Utopia was published online using, mentioned before, CommentPress, Online discussion and commenting is made possible by Social Book, a social-reading platform created by the Institute for the Future of the Book.²³

"Utopia" is not the only book we can put on the virtual shelf. There are currently 503 (December 2019) books in the Social Book. Users can also add their own texts and this function will definitely be useful if we want to use this tool in a lesson or create a discussion group.²⁴

To make a comment we need to select some text and click the "Add Note" button. A text field appears at the right side of the text. When the comment is finished, we need to click "Enter". Alternatively, we may choose to add a Highlight only (a blank note). This is done by clicking the "Highlight" button instead. We can also response to others comments.²⁵

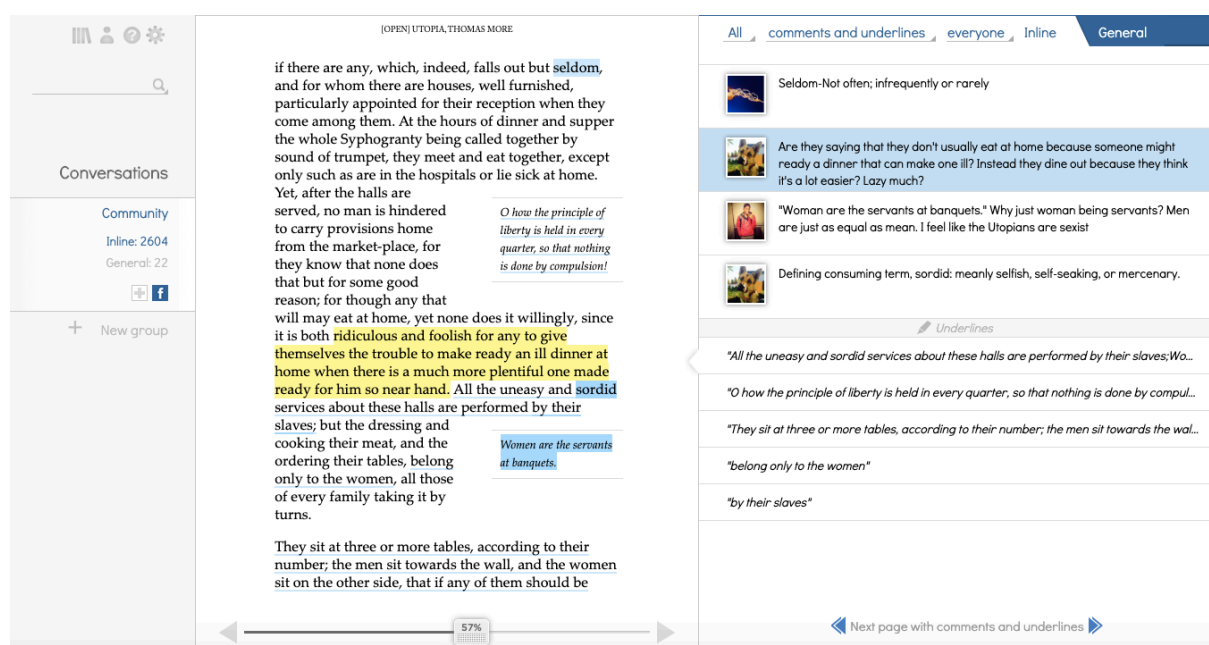


Figure 2. The Open Utopia Project,

<http://www.livemargin.com/socialbook/client/reader.html#bookId=50042d09e4b06a9f1bb4e636&mode=community&chunk=259&offset=84> [7.12.2019]

²² Howard Jennifer, With „Social Reading” Books Become Places to Meet, <http://www.chronicle.com/article/Social-Reading-Projects/135908/> [1.12.2019].

²³ Commentpress: A WordPress plugin for social texts in social contexts, <http://futureofthebook.org/commentpress/> [1.12.2019].

²⁴ Social Book. Guidelines, http://www.livemargin.com/socialbook/client/info_page.html#page=guideline.

²⁵ Help, <http://www.livemargin.com/socialbook/client/help.html> [1.12.2019].

The last example will be something from Poland. Polish blogger Tomek Tomczyk, who uses the pseudonym Jason Hunt, wrote a book called Thorn. For now, only the first volume of 3 has been published. The story described in the book is full of puzzles, links and secrets. Shortly after its premiere, a Facebook group was created, officially not at the author's initiative, although it was founded by his friend's blogger. In the description, it was noted that this is a group to discuss any ideas of solving puzzles, etc. The number of members quickly increased to about 1000. The author himself also appeared in the group.

The book in the group was discussed like this: first a post with an idea, question etc. was created and then people answered it. The author also often replied informing that the reader was following a good lead or writing complete nonsense.

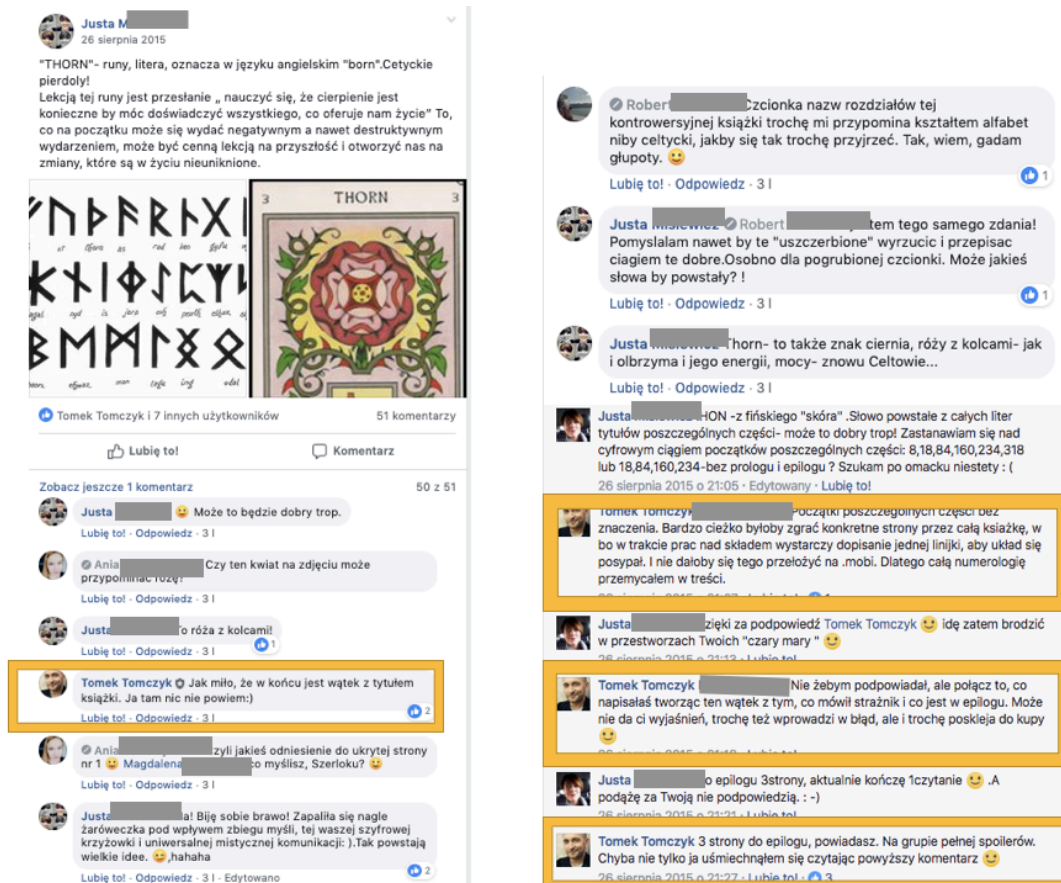


Figure 3. The comment section under the post published in a group about the book "Thorn", Author's comments are marked in yellow.

<https://www.facebook.com/groups/1695761303990235/> [3.12.2016]

The fact that the last example is a Facebook group in which readers and the author discuss the book makes it an unusual example of social reading. This is an interesting example because you can clearly see that with the emergence of new opportunities, the idea of social reading is evolving.

The digital book, with its innumerable entryways becomes a work that is never finished but always in progress, providing a whole new space for writers, readers, and publishers. Stein speaks of a book as being a place where readers congregate.

„Human communication has deep evolutionary roots, characterized by its inherently cooperative nature. And it emerges, changes and continues to evolve in contexts of use: usage is the driver of language change. While this is a natural process, new technology is advancing the range and means available for interpersonal interaction, extending the envelope of the human communication potential.”²⁶

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ETHICS IN E-COMMERCE: IS THERE UNIQUE ETHICS IN E-COMMERCE?

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Abstract

In current decades, information technology has shown itself as a major significant field in relations with other people. Moreover, the computer has provided many new communication opportunities that increase our benefits from advanced technology. Today, people cannot imagine their life without the Internet, as it covers all areas of our daily lives. The more users use the Internet, the greater the chances of developing e-commerce. Currently, users take advantage of e-commerce and transactions. As users are confronted with ethical issues about their online behaviour, their values, and their beliefs, these ethical issues always have tendencies and raise questions.

Most people learned their first ethical practices in the family from their parents, and then at school from teachers. Ethics has tremendous power and affects not only everyday life but also the business world and consumers. As long as consumers have access to the Internet and at the same time enjoy the online world, they will also face the other side of the coin, similar to ethical issues and the rules of online life.

The purpose of the article is to study the ethics that have been adopted in e-commerce and try to find out whether ethics in e-commerce is part of business ethics or there is unique ethics in e-commerce. The article will be structured as follows: first, an overview of ethics in general and some ethical theories will be conducted, then the study will continue on the basis of ethics in the business world. The third part will consist of ethical issues in e-commerce, and the last will be devoted to ethical issues of consumers on the Internet.

Keywords: ethics, ethical theories, ethics in business, ethics in e-commerce, e-commerce, consumer ethics.

INTRODUCTION.

People live their lives based on a life scenario, and not by chance. This scenario is based on cultural, philosophical, and religious rules and beliefs. (Kizza, 2014)

It is understood that the existence of business ethics began with the ancient Mesopotamian code of Hammurabi and ended with the religious books of humanity. All this indicates that people were familiar with business ethics and even tried to solve issues related to a fair price, advertising and so on. (Kolb, 2008)

Demand for business ethics has been increased in such a way that more companies and small organizations now use this as a management strategy.(Becker,2019)

In the modern business world,it is clear that the use of electronic communication forms is an undivided part of business models and processes.Last but not least,e-business is an integral part of business today.(Palmer,2010)After the emergence of the structure of the World Wide Web and the implementation of all business transactions in electronic form,the online world has changed significantly.As a result,performing these commercial activities over the Internet creates a new paradigm called e-commerce.(Kracher and Corritore,2004)

I. AN OVERVIEW OF ETHICS.

Ethics,defined as the normative rules of philosophy and consistently ethical standards have been accepted by society as behaviour.Ethical standards are not only rules,but also expectations of behaviour that is present in every part of our lives.As a result,ethics can be seen as an unwritten rule of our life that we create to communicate with each other.(Jennings,2009)

Ethics and morality sometimes have different meanings in daily conversations.But we often use ethics and morality synonymously.Ethics also refers to moral philosophy,which is the sphere of justification of the beliefs and arguments and analysing their meaning.Ethics and morality are quite normative as they can dictate human behaviour as obligatory(must do),prohibited(must not do),permissible(may do),or ideal(admirable but not mandatory)(Perry,2009)Morality is a set of general rules,principles and responsibilities that are independent of the practice of religion,apply to everyone in a group or society and have nothing to do with a person's will or power.(Kizza,2014)

Solomon(2007)states that ethics is an important part of a living society with its own traditions,as well as a part of philosophy.He claims that ethics is that you need to do good and right things,be a good person,get along with other people,and want the right things in life..He explains that ethics has both a social and a personal dimension,which is theoretically and practically not easy.That's why he refers to the word ethics first as an object of discipline-to study our values and their justification,then as a subject of discipline current practices and the set of rules in which we live.These two interpretations actually show how we behave well or how we behave badly,depending on the complex and unstable traditions and expectations.Therefore,we are forced to rethink,justify and sometimes revise our behaviour and relationships.

Kizza(2014)argued that,ethics is the study of what is right and wrong in human behaviour.He also described ethics as a theoretical analysis of morality or a theory of morality.The word ethics originates from the Greek word "eche",which means character in translation.Every person who lives in society uses ethics because every society is associated with a context of good and bad,the right to wrong,with a person's actions to group rules and customs.That is why ethics is a field of research, the theme of which is human actions, which consist of human behaviour.The recognition of human conduct and the distinction between right and wrong behaviour are ethical goals.

Ethical theories have been described and developed to apply logic and analysis to ethical dilemmas.These theories offer us the opportunity to look at problems so that we are not limited to concluding,"I think."Here are some ethical theories:

The Divine Command Theory-is a theory in which the solution of dilemmas is based on religious beliefs.The theory of ethical egoism states that we all operate in our personal interest and that we should narrow our judgment to our own ethical ego and not intervene with others' implementation of ethical egoism.The utilitarian theory minimizes the harm from the decision,and all attention is paid to the interests of others,not personal interests.The theory of the categorical

imperative, as Immanuel Kant says that you must be honest and at the same time want to do this for everyone with the right intentions. The Contractarians and Justice Theory sometimes called the theory of justice and sometimes referred to as the social contract. Followers claim that they would regularly choose the most honest and most proper solution to this dilemma. The Rights Theory is also known as an Entitlement Theory and is one of the more contemporary theories of ethics. With this ethical theory, we have human rights protection covering topics such as abortion, slavery, possession and use of property, justice (as in court cases), privacy and euthanasia. Moral Relativists believe in the ethics of time and place. Their beliefs focus on the pressure of the moment and on whether this pressure justifies the actions taken. Back to Plato and Aristotle: Ethics of Virtue is the last theory, based on the set of virtues and values that everyone must achieve through training and then they can begin to solve their individual ethical dilemmas. (Jennings, 2009)

So, we can generalize them, that ethics is part of the moral philosophy, whose main interest is the proper values and moral principles of human conduct and behaviour.

II. ETHICS IN BUSINESS.

Business ethics was considered immoral activity in the 60s, and in the later 70s it attracted the attention of the academic world. Since 1980, ethics has been integrated into large organizations, and several ethical journals have been published. From the 1990s to the 2000s, issues such as bribery and corruption, human rights, child labour, and others were the leading topics of business ethics. (Kolb, 2008)

Global business has to deal with the diverse legal systems, the ethical norms and moral concepts recognized by various communities and cultures. There are some activities that are defined as a moral norm in some societies, but at the same time in other places, they can be unethical and even illegal. That is why there is no universally recognized legal system and a unique global code of conduct for business activities around the world. (Kacatl, 2014)

There used to be a misperception when business and ethics did not agree. People believe that business is just business and nothing more. In addition, they believe that ethics will bankrupt them and lose money. Practice ethics for them was from a fantastic series of the future that they cannot imagine. Over time, the situation has changed and showed that business ethics is part of corporate life and management today. In fact, even the European Parliament and the OECD (Organization for Economic Co-operation and Development) are developing codes of ethics. In addition, the President of the World Bank introduced a new policy on corporate ethics and corporate social responsibility and opened a Business ethics and integrity office. (Minguez, 2002)

Business ethics refers to good and bad or right and wrong behaviours and practices that occur in the context of a business. (Carroll and Buchholtz, 2009)

Business ethics is different from personal ethics. Personal values such as honesty and fairness are important in everyday ethical situations, but they are also necessary to determine the organization's actions and structural policies. That's why business ethics include economic, legal and social factors that require years of practice in the business community to identify these types of risks and anticipated behaviours. (Ferrell & Ferrell, 2009)

Literature review: Velasquez (2014) stated business ethics as the subject of moral good and bad standards and behaviours of business organizations and companies. With the help of business ethics we can not only study moral standards that are part of the modern social system, the main role of which is the provision and distribution of goods and services but also analyze the activities of people working in these organizations.

Ferrell, Fraedrich and Ferrell(2017) supposed, business ethics include organizational principles, norms, standards, and qualities that derive from individuals, organizational approvals or legislation to control the behaviour of the group and individuals in the business.

Byars and Stanberry(2018) defined business ethics as the behaviour of organizations and their representatives that comply with the law and affirm the priorities of stakeholders, customers, employees and the whole society that surrounds us. In fact, the practice of business ethics allows the global business world to remain calm.

According to Morland and Bos(2011), business ethics was born into the scandal, and it seems that it is being reborn with the next part of the scandal. That's why there are 2 problems. First, we cannot deny that in a rapidly changing world, the business ethics should not be perceived as an independent institution with its own moral code. Business receives power from society. Because business is almost a human relationship with a rule established in society. The second problem is that as a business ethics rising from a scandal, it is supposed not to have moral problems. Therefore, if a business tries to bring the world something good, everyone can see only the bad side.

Since business ethics covers a wide variety of problems, these problems can be divided into 3 groups:

- Systematic issues related to economic, political, legal and other institutions in which companies operate.
- Corporate issues raise questions about a particular organization, especially about their business ethics, policies and organizational structures.
- Individual issues concern individuals, their nature, moral decisions and other actions. (Velasquez, 2014)

Business theories that were defined by Grewal and Shivani(2012) give managers to use several important alternatives when they faced with ethical business decisions. These are:

1. Stockholder Theory decides that managers are stockholders' representatives and their only ethical obligation is to increase the profits of the business without violating the law or engaging in fraudulent activity.

2. Social Contract Theory claims that companies have an ethical responsibility to all members of society, which enables the existence of companies on the basis of a social contract.

3. Stakeholder Theory argues that managers have an ethical responsibility to run the business in the interests of all its stakeholders. These are all individuals and groups who have a stake or claim to the business.

In today's business world, business ethics can present itself as well as diverse guidance and sophisticated tools. There are many ethical issues of doing business, until you need to determine correctly which decisions are important for a successful business. Thus, these ethical issues can be addressed at different levels of the business world, for individuals in organizations and business, at the organizational level, at the level of the economic system, on a social and legal basis. In addition, the demand for business ethics has also attracted the attention of business academic colleges, which eventually added this subject to their curriculum to create future business managers and prepare them for the complex ethical challenges of global business. As shown above, business ethics reflects a basic level of business ethical issues. (Becker, 2019),

Kolb(2008) decided several methods of using moral standards in business ethics. Some of the most obvious ways:

- individual ethical decisions;
- making organizational ethical decisions;

- a moral assessment of business systems and the market;
- the relationship between business and society;
- specific business issues.

Current business ethics as an important part of society, it helps to explore corporate governance and company performance in modern market conditions. (Vig and Dumicic, 2016)

So business ethics can be considered as moral principles and a set of values of the government control in doing business with individuals, organizations and interested parties in organizations.

III. ETHICS IN E-COMMERCE.

Due to Internet technologies and related forms of electronic communications, business organizations can expand their capabilities to effectively carry out various tasks and productive interaction with various stakeholders. Although many companies operate, in particular, on the Internet, using only e-business models, it is possibly even more important to what extent almost all companies had to use e-business elements to compete on the Internet in today's market. Consequently, it is obvious that e-business, transforming business practices, is becoming a key component of the new globalized economy. (Palmer, 2010)

E-business opens up new horizons for companies to take advantage of new opportunities to turn traditional markets into online markets. There are several e-business strategies, such as value creation, trust, loyalty and knowledge management, that are part of expanding e-business to increase its productivity and profitability. (Sheung, 2014)

According to Kalakota and Robinson (2000), e-business is a complex business. In addition to this, managers must be mindful of the macroeconomic and customer trends as they move from physical to digital.

To define e-commerce, it is obvious that we must begin to distinguish primarily between e-commerce and e-business. The term electronic business refers to a particular organizational form of a company as a much more flexible and informal economic unit of production in terms of physical infrastructure and employment. E-commerce, on the other hand, covers all types of activities that are performed by the marketing function and are performed over the Internet. (Sison and Fontrodona, 2006)

E-commerce is basically defined as doing business electronically. Kracher and Corritore (2004) explain that e-commerce is any transaction over the Internet, such as buying, selling, exchanging goods and completely moving the boundaries between all consumers and enterprises.

Zwass (1996) defined, e-commerce can be seen as the exchange of business information, providing business relationships and conducting business transactions over telecommunication networks.

E-commerce includes the use of the Internet, the World Wide Web, as well as mobile applications and browsers that run on mobile devices for doing business. E-commerce and e-business systems merge at the frontier of the company, where internal business systems are combined with suppliers or customers. E-business basically refers to a digital instrument of transactions and processes within a company that controls and uses information. (Laudon and Trever, 2017)

Literature review: Ethics of e-commerce is practical ethics with its moral difficulties while doing business on the Internet. This is why the main question arises: is there unique ethics in e-commerce? However, some authors suggest that the ethics in e-commerce is not specific ethics, although it reveals itself in a new way. Kracher and Corritore (2004) suggested 2 areas of e-commerce for academic research: current ethical issues and ethical rules. As ethical issues in e-commerce, the authors proposed issues such as access, intellectual property, privacy and informed consent, child protection, the security of Information and trust. They also believe that ethical rules in e-commerce are not basically different from traditional business.

Maury and Kleiner (2002) suggested as the ethical issues the impact on other business, trademarks, cybersquatting, copyrights, the impact on investors and the impact on consumers. According to them there are 3 groups issues that can raise ethical questions. The first group are other businesses, competitors; the second groups are investors and the third group are customers.

Mengrui (2015) believes that issues of business ethics can be divided into problems of buyers, problems of sellers, problems of third-party payments and problems of international logistics in e-commerce.

Web spoofing, cyber-squatting, privacy invasion, online piracy and email spamming, all together were considered by Chitrangda (2014) as the ethical issues for e-commerce.

According to Citera, Beauregard, and Mitsuya (2005), more serious ethical violations can occur in electronic transactions than in face-to-face transactions.

Roman (2007) offers 2 views on ethics in e-commerce, especially for consumers. Firstly, the ethical assessments and expectations of consumers on the Internet are of particular importance, and secondly, on the Internet, they differ from traditional retail chains. In addition, online consumers usually have a very different profile than traditional retail customers.

Ethical issues in e-commerce: Although the fundamental difference or equality of electronic commerce is controversial, virtuality-the defining feature of electronic commerce, certainly changes the dynamics of commercial transactions. Being online may not require you to create your own code of ethics for e-commerce. However, it is important to recognize the existence of important attributes that add to concerns about this type of business activity. That's why there are features that distinguish ethics in e-commerce: (Kolb, 2008)

1. Availability of information: Information is a valuable asset. In other words, getting information is not enough. This information should be processed in such a way as to create added value for the company. Since the Internet allows companies to widely disseminate the data they collect, monitoring, controlling and using information has become a major concern.

2. Lack of transparency: Oddly enough, an online presence often affects company transparency. Although e-commerce allows companies to gather information about people companies can turn their practices into deceptive anonymity.

3. Absence of accountability: Accountability is also palpable in e-commerce. This can be a problem for customers who expect the possibility of inaccurate delivery or faulty products. Product delivery is another area in which there may be no liability.

4. Perception of vulnerability: The physical and metaphorical distance between companies and their customers, combined with a constant flow of information which are both correct and misleading and as the result intensifies the network users' vulnerability feeling. Customers conduct a central discussion of failed transactions and the lack of simple protections. Having these attributes is an obstacle to online trust. That maybe seems the surprise but the trust is the only foundation of

e-commerce. For this reason, it is extremely important for the ethics of electronic commerce to consider incorporating such attributes into ethical decisions regarding electronic marketing.

The ethical difficulties associated with e-commerce are correlated with three issues: privacy and identity, both in relation to the person involved in the transaction and transaction non-refutability. The fourth issue that should be considered is "intrusion" or best characterized by the term "hacking" into computer networks, web sites, mailboxes, etc. (Sison and Fontrodona, 2006)

According Turban et al (2017), these issues are often classified into Intellectual Property Rights, privacy, free speech versus censorship, and fraud protection methods.

Intellectual Property Rights can be considered as ownership of intangible assets, such as inventions, ideas and creative work. It is becoming increasingly difficult to control the protection of intellectual property. Owners lose significant money due to piracy, therefore this is one of the main issues of e-commerce. Copyright is the unique legal right of the author or creator of intellectual property for the purpose of publishing, selling, licensing, distributing and utilising any work in any way wanted. (Turban et al., 2017)

Privacy can mean different things from different sides of life. In dealing with the government, privacy means home security and insurance against unreasonable searches and confiscations. From a personal point of view, privacy is the freedom of personal life with self-determination and the desire to live the way they want. From a workplace perspective, privacy can mean a workplace without restrictions and control by employers. (Kelly and Rowland, 2000)

Free speech versus censorship. With the help of freedom of speech, individuals and organizations can be attacked in an offensive or even harmful way. For this reason, some countries have selected to censor materials available on the Internet, protecting consumers from fraud. In the interests of e-commerce, it is important to protect not only transactions, but also participants in these transactions from fraud. (Turban et al., 2017)

Greblikaite and Pervazaitė (2014) suggested that e-commerce ethics are similar to business ethics and that traditional ethical rules and ethical solutions can be successfully applied to solve ethical issues and dilemmas in the digital environment.

The ubiquitous nature of the Internet raises many new ethical issues that managers must address in their daily work. As an e-business manager, you should focus on privacy issues at two key levels. First of all, you must find a compromise between the desire to benefit from the accumulated customer information and the need to protect confidentiality. At the other level, e-business managers also need to determine how much they want to track their employees' online activities, such as web-surfing the Internet or email chat. The primary purpose of these monitoring activities is to increase productivity and prevent employees from wasting time on non-business activities. The conflicting goals described in these two areas point to a more fundamental basis for ethical decisions, namely managing a compromise between different goals. (Jelassi, Enders and Martínez-López, 2014)

IV. CONSUMERS ETHICS

Due to the technology, the relationship between buyers and sellers has changed. For this reason, commercial interest of online sellers are compared with the interests of customer privacy. These changes place online consumers at particular risk and violated their psychological and physical privacy. Obviously, online commerce offers many benefits to consumers, including convenience, speed of transactions, time savings, information and access to multiple objects. (Kelly and Rowland, 2000)

Some authors proposed to use the term netiquette in regards to the user's behaviours and values. This may include, making transactions without registering or not adding to the company database without permission and receiving unwanted marketing materials. All this raises questions about how consumers are concerned about these issues, which affect their perceptions of e-commerce brands and consumer behaviour on the Internet. (Harris, Coles and Davies, 2003)

In contrast to traditional consumer behaviour, online transactions have some unique dimensions, such as the widespread use of technology for operations, the impersonality of the online environment, the implicit uncertainty of using open technology infrastructures for transactions. Overall, these 3 unique differences reduce the perception of online transaction control consumers. (Pavlou, 2003)

The European Union has taken more dynamic steps than the United States in the area of privacy by adopting directives requiring consumer privacy. In accordance with this directive, all efforts to obtain information about the consumer should be obvious, and the consumer should be aware of the choice “opt-in” and “opt-out”, because only with permission such information can be collected. (Maury and Kleiner, 2002)

Although the several Member States of the EU has responded to these concerns by developing clear directives to protect consumer privacy, the United States encourages a self-regulatory privacy policy. In this way, individual companies develop formulas to ensure the privacy of customers on the Internet. (Fernback and Papacharissi, 2008)

From an ethical point of view, it is unfair to infringe individuals' privacy rights in order to promote the commercial interests of the private sector, if the most intimate details are disclosed without the consent of the individual. That's why rebalancing is required so that consumers know what information is collected from them. In particular, consumers have the right to know how this information is used, how to correct inaccuracies, what security measures are appropriate and how they can limit the use of the system if they do not want to receive personal information for any reason other than filling in the transaction will be used. In the US, it is obviously easy to get information about the names, addresses and other personal information of citizens. However, the same cannot be said about EU countries because, in Europe, these databases of persons are protected and controlled by national governments. Unlike the US in Europe, information privacy is recognized as a fundamental right, which was then classified. In October 1995, the European Parliament adopted data protection directives, known as the “European Community Directive on Data Protection”. Member States should enact national legislation on the protection of personal data and businesses doing business in Europe should prohibit the transfer of personal data to countries that do not guarantee privacy. The EU directive prohibits the transfer of customer data to other companies and gives consumers a declaration of rights. (Kelly and Rowland, 2000)

Privacy was and is a serious concern for current and potential e-commerce customers. While proponents of the Internet claim that consumer-oriented marketing improves efficiency and reduces costs, some consumers believe that the collection of personal information leads to a loss of privacy. (Stead and Gilbert, 2001)

Grewal and Shivani (2012), suggest that there are problems with irresponsible parties that always pose a threat to both consumers and business organizations:

1. Web spoofing is an electronic fraud related to the Internet. This happens when an attacker creates a fake website that is almost completely the same as the original website, in order to convince consumers to provide their credit card number or other personal information.

2. Cybersquatting is an activity in which a person or company registers, purchases and uses an existing domain name to infringe their brands. This type of person or company, known as a

cybersquatter, usually infringes on trademarks in order to extort payment from the owner of the original brand.

3.Privacy Invasion- this problem is related to the consumer.This can happen in three ways.a)E-commerce companies buy information about individuals,such as:your personal information, shopping habits and lists of visits to the site.This can be done with or without the knowledge of the person using various computer technologies.b)The personal data of the transferred consumers can only be intercepted by the person for whom they are intended.c)Malicious programs provided in the background via web pages can reveal credit card numbers,usernames and passwords,which are often stored in special files called cookies.

4.Online Piracy can be defined as unauthorized copyright in electronic intellectual property,such as electronic books,music or video.This unethical act occurs when Internet users illegally use software and hardware technologies to transfer electronic intellectual property over the Internet.

5.Email Spamming is also known as Unsolicited Commercial Email,when unsolicited advertising or correspondence is sent via email over the Internet.The person who sends their email as spam is usually called a spammer.

Ethical issues are about consumer privacy.A commercial website and an advertiser may associate the information with the customer's browser through an agreement in connection with retrieving a copy of the personal information that a customer has provided to the purchasing site.In terms of privacy of personal data, it is too difficult to get back your data once you put it on the Web.On the other hand,cookies secretly collect consumer information, and there are currently no legal restrictions on the use of cookies.(Nardal and Sahin,2011)

More research is needed to better understand consumer ethics and its consequences.First of all, retail management would greatly benefit from understanding the reasons for ethical/unethical consumer behaviour.A related area of research includes the study of sales scenarios from the point of view of seller and buyer.By examining the situation in retail sales, one can identify different types of salesperson behaviour that evoke a sense of dishonesty or unethical behaviour.(Babin,Griffin and Boles,2004)

CONCLUSION.

There is no consensus today about generally accepted privacy policies.And only some of the sites have useful privacy policies.Most web sellers do not subscribe to online privacy programs.Governments throughout the world have considered many legislative measures to regulate how web operators receive and use consumer information.Such laws require the permission of the customer before personal information is disclosed.Unique features complicate the Internet to regulate.Therefore,further research is needed to develop an online retail code of ethics.(Nardal and Sahin,2011)

The Internet exists as a separate space for the physical world and may have developed its own ethical culture.Electronic commerce has increased significantly over the past decade,but consumer concerns about ethical issues related to e-commerce are also growing.(Roman,2007)

As e-commerce is growing at a fast pace that it is more impossible to track the issues especially issues related to ethical behaviour of the online consumers.However, some measures and methods can be helpful to prevent this kind of unethical behaviour regarding the consumers' online transactions.The issues embraced e-commerce is different from traditional trade.E-commerce ethics embrace online activities more than organizational or companies level as e-business ethics do.Since e-commerce crosses borders and there are no restrictions on distance, time

and accessibility in e-commerce. So it is no surprise that issues of ethics e-commerce are more various and diverse from the perspective of different participants of online transactions. As the ethics in e-commerce embrace the specific features of e-commerce it is obvious why ethics in e-commerce is so unique and unrepeated.

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INCORPORATING UNIVERSAL DESIGN IN PUBLIC SPACES: A CASE OF INCLUSIVE PARKS IN TIRANA, ALBANIA

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Abstract

Universal Design has the potential to help define a coherent policy of integrating people with disabilities, strengthening the goal of enhancing the autonomy of people and making them self-supporting. Many people with disabilities are unable to take part in important activities. They are treated in an unequal manner, merely because of policies, societies, and environments are not designed to meet their requirements. As such, disabled people are excluded from public places and the activities as they do not find the appropriate conditions. Because of the isolation from the other part of the society, many of them decide to stay away from public spaces, suffering a physical and psychological barrier.

The main aim of the present paper is to raise awareness of the existing physical and psychological barriers created in Albanian society, and proposing design for all standards in the public space environment. The study describes the existing condition of the public parks in Albania and potential improvements via principles of universal design. Specifically, the study analyses the public spaces in Tirana including surveying, interviews and observations on the interaction of the disabled people with the public spaces. Additionally, a public park in the city centre of Tirana is selected as a case study to further investigate the existing situation and potential implementation of the universal design principles. Detailed analysis on lighting, acoustics, colours, materials of the park is performed. Specifically the study explores the i) land use, greenery, existing urban furniture, water elements, existing lightening and the transitional paths of the site ii) Shading analysis in different period of year and time iii) shading elements iv) existing situation of parking and traffic v) obstacles on walkways. In addition, surveys and questionnaires are performed to understand the social interaction and perception of the people about the public space. The questionnaire includes different concerns such as park maintenance, enlightening, greenery, urban furniture, playground installations, water features, shading elements and accessibility.

The results showed that the site does not fulfil the minimum requirements for a universal design to provide the social interaction of all the disabled people. The environments are not easily accessed by people, including many physical barriers. A design proposal is suggested to improve the design for all the people. The concept transforms the park by implementing universal design standards and creates a friendly and relaxing environment for social and cultural interaction of all the categories of people. The research is expected to serve as a guideline to architects, local government, and urban planners to fully integrate the participation of people with disabilities into the community.

Keywords: Inclusive Parks, Universal Design, Public Spaces, Survey and Questionnaire

1. INTRODUCTION

Universal Design has the potential to help define a coherent policy of integrating people with disabilities, strengthening the goal of enhancing the autonomy of people and making them self-supporting. Many people with disabilities are unable to take part in important activities. They are treated in an unequal manner, merely because of policies, societies, and environments are not designed to meet their requirements. As such, disabled people are excluded from public places and the activities as they do not find the appropriate conditions. Because of the isolation from the other part of the society, many of them decide to stay away from public spaces, suffering a physical and psychological barrier.

Almost all of us in different ways experience a type of disability at least once in our lives. According to the United Nations, 10% of the world's population, or 650 million people today have some kind of disability, which may be of a large or small scale. In addition, one-quarter of all citizens in developed countries is 60 or older and, by 2050, most developing countries will have caught up [Erickson et al, 2010]. The facts show that disabilities and problems that follow them are parts of the society in different ways. The biggest problem is that disabled people are excluded from public places and the activities as they do not find the appropriate conditions. Because of the isolation from the other part of the society, many of them decide to stay away from public spaces, suffering a physical and psychological barrier. Public spaces in Tirana city center are inadequate to welcome 'weak users' into such spaces and do not provide 'social inclusion' and an equitable society. "Public spaces uphold a happy and healthy community. Streets and their sidewalks, the main public places of a city, are its most vital organs. [Ryan, 2006].

Universal design is the main concept which tends to eliminate barriers which do not allow different people of different groups and disabled to be integrated into the society. It is a design which has as a main goal to eliminate and minimize psychological, cultural, physical and social barriers in public areas. Universal Design thus has the potential to help define a coherent European policy of integrating people with disabilities, strengthening the European goal of enhancing the autonomy of people and making them self-supporting [Ginnerup, 2009]. People with disabilities are the largest minority group, while nearly 15% of the world's population experience very significant difficulties" [World Health Organization, 2010]. The increasing number of this category of people brings the demand for the creation of areas in which they can feel comfortable and have a social interaction with the other part of the society. Mostly the attention is brought also on the design of the playgrounds for disabled children, as the younger part of the society, but also the older ones.

Universal design is a very important concept to follow in the design of the public spaces. The experience and competence of the users, especially people with disabilities, is vital to the accomplishment of true universal design [Delta Centre, 2013]. In a study of the University of Canterbury for the Christ church pedestrian environment, it has been developed a study of some of the main problems and potentials of the streets. One of the main problems stated are the narrow streets because dining furniture and cafes. This narrowing resulted in pedestrians having to weave, rather than adopt a straight path" [Carr et. al, 1993]. Some of the potentials noticed in the streets are the decorative texture paving, good and controlled pedestrian crossing. In the design of the Forest Glen Park [Trieglaff, 2014], there are many successful elements of the principles of universal design. One of them is the water feature and the garden bed created to serve to people of different ability levels. Statues of different animals made from metals are designed to be durable

and touchable. Another important element is the urban furniture such as picnic tables. The experience and competence of the users, especially people with disabilities, is vital to the accomplishment of true universal design [Montes and Union, 2008].

2. METHODOLOGY

The research is based on a qualitative case study approach including surveying, interviews, and observations. Additionally, a pilot project is explored in terms of universal design principles. Detailed information on playground environments is gathered including the use of colours in design, lighting conditions, contrast, and textures on the effects of people with disabilities. The implementation of principles for the universal design of parks is a necessity as many disabled people are part of the society, without being excluded. The methodology of the thesis is based on i) Data collection and analysis ii) Case study selection iii) Surveys and Questionnaires, through systematic observations and study of the interaction of the people with the public park.

2.1 General description of selected site

The zone selected is located in the center of Tirana city. The selection and study have been developed through the detailed analysis of the site. The park is located in the city center near important institutions and green areas. In the park, there are already some existing green areas, equipment, playgrounds. However, the space needs further improvements by standards and principles of universal design, welcoming all the categories of people. The master plan of Tirana city center is illustrated in (Fig.1) showing the location of selected site. The park is located in the center near the Skanderbeg square and occupies a significant area for the inhabitants of Tirana.

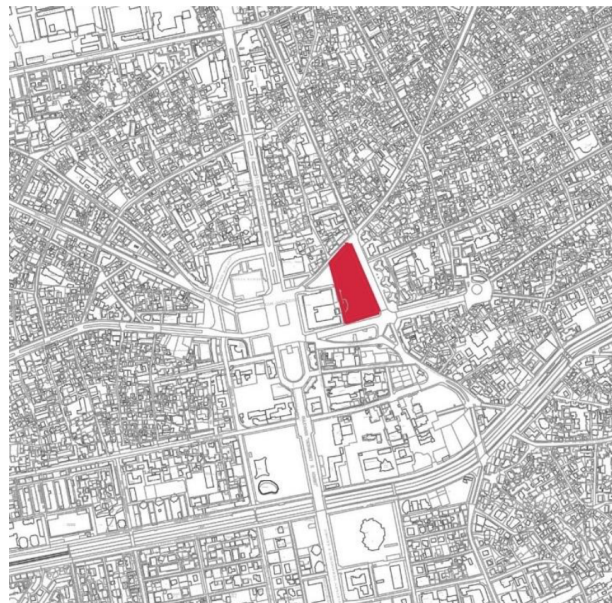


Figure 4 Tirana Map Location of the selected area

2.2 Surveying

Figure 2 illustrates the height of the floor and a near urban plan of the site location. Heights differ from 17 floors the highest to one floor the lowest, also the main idea is to show the location and the surrounding near the site. According to the map shown it is demonstrated that there is no height building close to the zone, the site provides clear vistas from the selected area. Figure 3 shows the land use of the zone, including a mixed use zone with the commercial, cultural, residential, and religious building. Moreover, the transitional pathways of the site and around site are presented. Figure 4-5 illustrate

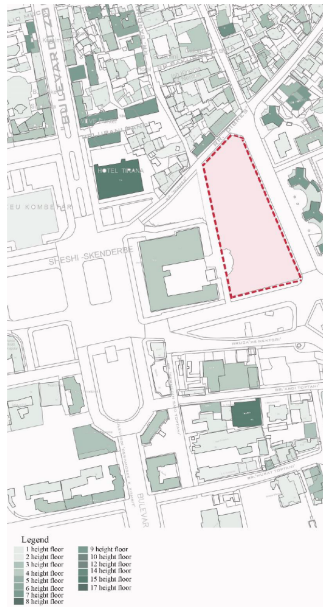


Figure 5 Tirana City, Floor heights map and location map 1/1000 scale.

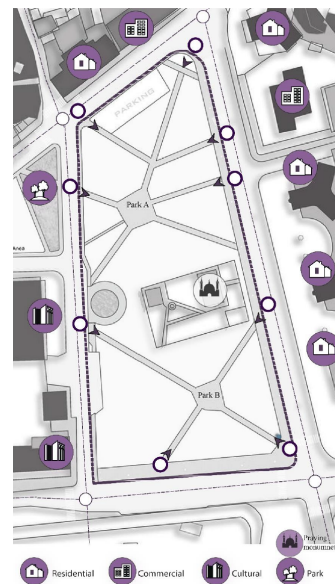


Figure 6 Land use map of selected site and the transitional paths of the site.

Greenery is an important element to the city as it promotes a healthy living, helps people in being in contact with nature. Figure 4 shows the greenery aligned the main roads and new trees are planted in the park. People use trees as a shading elements (Fig. 4) as there are no shading elements designed for the park (Fig. 5). As seen, there is a lack of shading elements. Lack of the shelter limits the use of the park, remaining only a transitional space due to the lack of the inappropriate urban furniture.



Figure 7 Existing Greenery Map.



Figure 8 Lack of shading elements, Authors courtesy.



Figure 9 Existing Lighting Map.

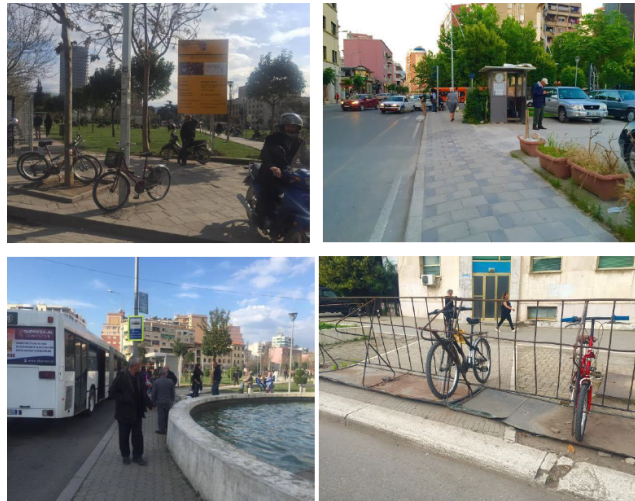


Figure 10 Typology of vehicles around park.

4.4 Site Description

This section shows through site description several problems that people encounter while visiting the case study chosen. The park is covered with a hard material limiting the wheelchair people pass through the way. People face problems due to narrow streets and barriers that the park upholds (Fig. 8). No signs for people with low visual or impaired people are located in the park at all (Fig.9). Hazard warning signs postures a potential threat to the careless people. Warning elements are not present at all in the park. Moreover, park does not offer guiding elements for blind people.



Figure 11 Additionally ramps and Figure 12 Difficulties in passing the barriers. obstacles on walkways.



The physical barriers in the park make the area difficult for people with disability to visit (Fig. 10). The park does not include any ramp, no seats for people with disability. An additional major issue is that park does not offer any events for people to gather and the playground is not well maintained offer a limited variety of plays for different aged children. Additionally the playground is not appropriate for children with disability (Fig.11). No standards are taken into consideration while designing the playground (e.g use of hard materials), making it impossible to be passed by wheelchair children. This interrupts the social inclusion of the people with disabilities in such environment. Disabled children cannot access play games because of not disposing of any ramps in the play area.



Figure 13 trying to pass the road.



Figure 14 Existing playground, flooded.

3. RESULTS AND DISCUSSION

The field research has been developed in different periods of the day and in different parts of the park. The park has been explored to analyse the social interaction that happens in it and to see the people perception about the public space. The collection of the information has been realized through systematic observations and field research. The universal design of the parks intends to create also safe and healthy environments. The surveying and observation of the frequency of the visitors in the park show the perception of the people about the park. Also, different surveying and questionnaires make an analysis of the ways in which the park is used and the accommodations it offers. Tabel 1 illustrates the number of people passing every 15 minutes while table 2 illustrated the number of people sitting in the park. . As shown in the table, people do not use the park at the weekend because of the absence of activities within the park. The highest rate of number of people seated was on 12 am on Wednesday, in contrast with the lowest rates on Sunday at 15 pm. People has the tendency to frequent the park mostly around 12 am and 15 pm. This was due to the fact

that on weekend people went on closed spaces for the reason that park does not provide any shelter and activities, as well as the bad, maintain ace. Moreover, the number of people sitting differed also from weather condition as well. According to the age, most of the visitors using the park are 55-up (54%).

Table 1 Number of people passing in 15 minutes

	Number of People passing in 15 minutes						
Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
9:00 AM	300	160	200	172	270	135	90
12:00 AM	330	207	220	189	280	193	170
15:00 PM	170	132	120	180	200	146	75
18:00 PM	190	120	110	160	189	112	80

Table 2 No of people sitting in Park for 15 minutes

	Number of people sitting in 15 minutes						
Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
9:00 AM	39	14	36	18	16	25	24
12:00 AM	24	30	40	12	36	20	28
15:00 PM	27	36	16	8	16	18	8
18:00 PM	21	20	24	7	21	15	12

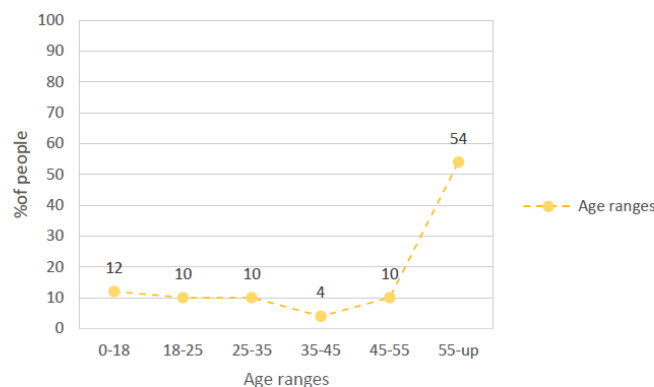


Figure 15 People frequenting park according to age.

The questionnaires developed have included also an analysis of the time that people visit and stay in the park. Following (Fig.49) most of the people interviewed visit the park normally, not very often and many of them spent less time in the public area. Also, the (Fig.49) shows that the park area does not offer conditions and spaces for the development of different activities. It means that the park is used only as a transitional connecting space and it does not follow universal principles for its use for different cultural and social interaction. Figure 13 illustrates the time spent in the park by the community, how often people frequent park, and if park provides any space for their activities. A shown, people use the park less than one hour. According to the answers, the park provides spaces for activities but the use is very limited. An analysis of the park maintain shows that the park clearance is visually normal and clean. The greenery maintenance is good but the park safety does not provide the minimum standards for making the area a safe and comfortable

place (Fig.14). Most of the activities developed in the park are for meeting people and sitting. Other activities less related with the public area are a picnic, gym, walking and dog passing, playgrounds and other children playing.

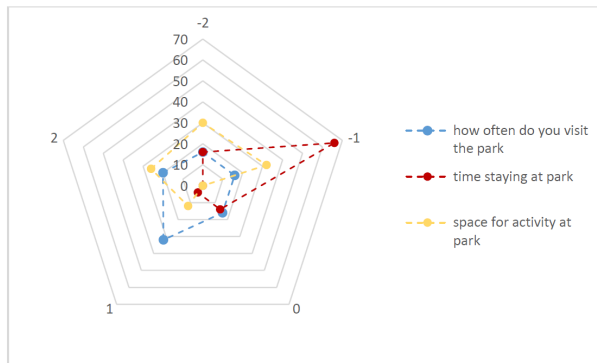


Figure 13 Time spent at park and space for activity in the park

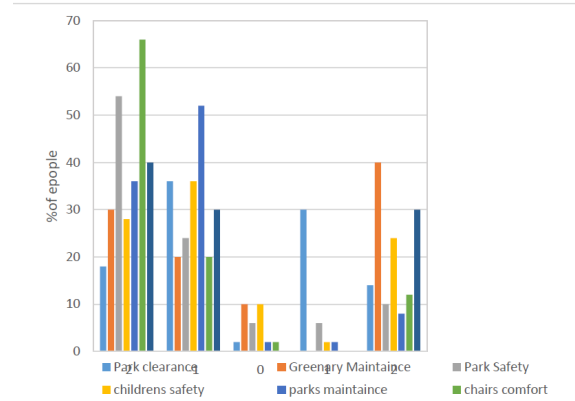


Figure 14 Park maintenance.

Regarding the accessibility of the park, (Fig.15) shows that the park is not very difficult to access, providing paths for circulation of people and wide roads around for the passing of vehicles. The main concern is related to the limitation of the accessibility of the disabled people. In term of security, that the park is not safe during the night for most of the interviewed (Fig.16), including the absence of lighting, material and contraction standards. A study of the level of comfort in different segments has been explored to show the level of difficulty in passing from one point to another of people. According to the graph, the park does not provide any standards for making the park easily accessed for all the different categories of people (Fig.17). Furthermore, the level of comfort graph shows also that despite the park the difficulty start since in the exit of the home. This emphasizes the lack of a proper mobility and accessibility.

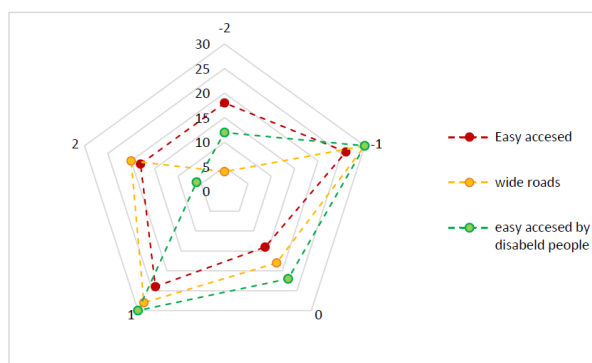


Figure 16 Park Accessibility.

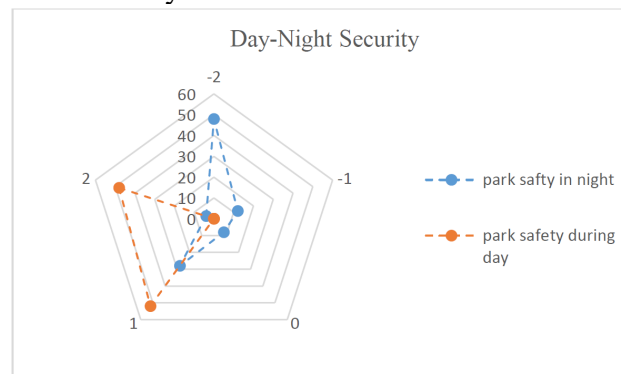


Figure 17 The level of security during Night and Day.

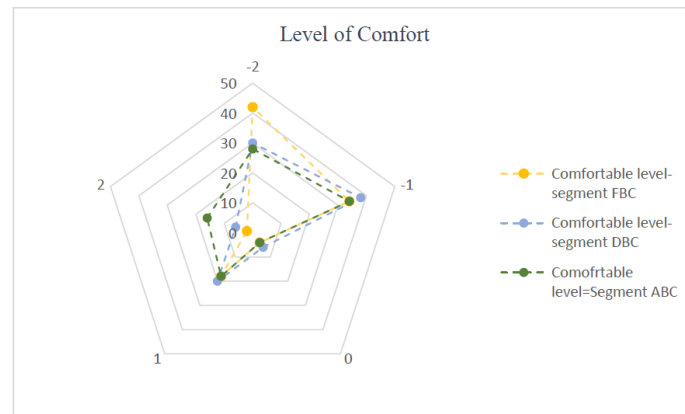


Figure 18 The level of comfort from one certain destination.

4. CONCLUSION

The number of people with disabilities is increasing during the time and it is a necessary step to create appropriate environments for their social interaction. This master thesis is an analysis of the standards that have to be followed for the transformation of an existing park to a universal area comfortable for all the categories of people. The proposal of methods served to create a model of Universal Park that will serve as a guideline to all architects, urban planners and local government. The pilot project is a further step for the promotion of the participation of all the people with disabilities in the community. The methodology on which is developed the master thesis is the documentary research, which includes the study of the digital information and maps and the social research, which is done through surveying and questionnaires. This part of methodology is very important in defining the problems that the parks in Tirana represent and the limitations they define to the disabled people.

As the results of the questionnaires' done were perceived that people need more accessible spaces in Tirana to socialize, having more activities, and disabled people need an inclusive environment in terms of design. Taking in consideration universal design park in terms of inclusive open spaces, playground, accessibility, mobility, usability, and safety, the case study chosen was a local park in the centre of the capital, near the Skanderbeg square. An analysis of the potentials and weaknesses of the site shows that the park does not fulfil the necessary requirements for a universal design to provide the social interaction of all the disabled people. The environments were not easily accessed by people, observations have observed many physical barriers, according to accessibility and playground. As well the results of the surveying and questionnaires demonstrate that the existing situation in the park does not offer good conditions for all the categories of people. Concerning all the problematic illustrated, this research seeks out for the attention of the government in fulfilling the disabled people rights, in having the opportunity to be part of the community too, by all means. This factor is essential for designers concerning the rights of disabled people to design accordingly to the standards.

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INTERACTIVE TEACHING FOR MATHEMATICS IN HIGH SCHOOL

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Abstract

In today's conditions of the development of Albanian society and of the education reform that has spread throughout pre-university and higher education, traditional teaching methods can no longer respond to new developments. The main strategy of modern education should focus on independent student activity, the organisation of self-learning environments and experimental and practical training. The realities of the 21st century student require that schools and educators radically change their practice. The aim of this article is to demonstrate the effectiveness of interactive teaching in high schools mathematics and the importance of this method in teaching mathematics. The interactive methods and techniques implemented have served students to develop organizational skills, absorb information through different learning systems, strengthen group and self-esteem, clarify values, beliefs and perspectives. Interactive methods will facilitate the establishment of an active, independent and free person with critical thinking.

Keywords: Interactive teaching, traditional methods, high school

1. Introduction

Through this article, is intended to show the importance of interactive teaching in mathematics, as a method which is focused to students on students. Being a math teacher is important and at the same time requires commitment. It is important because it helps younger generations acquire the knowledge and skills needed to cope with today's demands and the challenges of the future. It is a commitment because the teacher needs to be professionally and scientifically trained and constantly updated with the innovations in the field of education and their application in the teaching / learning process.

In the complex teaching of teaching, is and it will be a problem using efficacy.

In the complex teaching process, the use of the most effective methods of working with students is and remains a problem. One of the these techniques is interactive teaching where:

Enables active student participation and encourages critical thinking,

- We have effective cooperation,
- Is improved quality of work results,
- Is created a supportive climate,
- Concepts are developed jointly in groups where their number depends on the argument being dealt with.

Interactive teaching exploits the opportunity of each student to contribute to his or her output, utilizes the opportunity for knowledge to be built rather than getting ready, uses the opportunity for students to collaborate, integrate with each other's work.

The aim of this study is if interactive teaching in mathematics is associated with an increase of learning level compared to traditional method of teaching.

Independent variable are interacting teaching and traditional method. This study examines the use of independent variables, teachers trying to keep other variables (learning outcomes) under control and will observe changes in the dependent variable, learning outcomes.

2. Theoretical framework

2.1 Teaching and its strategies

Historically, teaching has as a fundamental problem the transmission of knowledge: the issues raised by objects, by subjects, by the ways in which this transmission is fundamental, in view of the development and forms of knowledge classification, and in particular of sciences.

Teaching is an active process, in which one person share its information with others to provide them with knowledge that leads to behavioral changes [1].

Teaching is a tripolar process, involving the teacher, the student, and the learning situation and leading to a change in the student's behavior [2].

According to the above authors, teaching is a process intended for learning by encouraging a change in student learning behavior.

Teaching strategies are shown in the table below [3]:

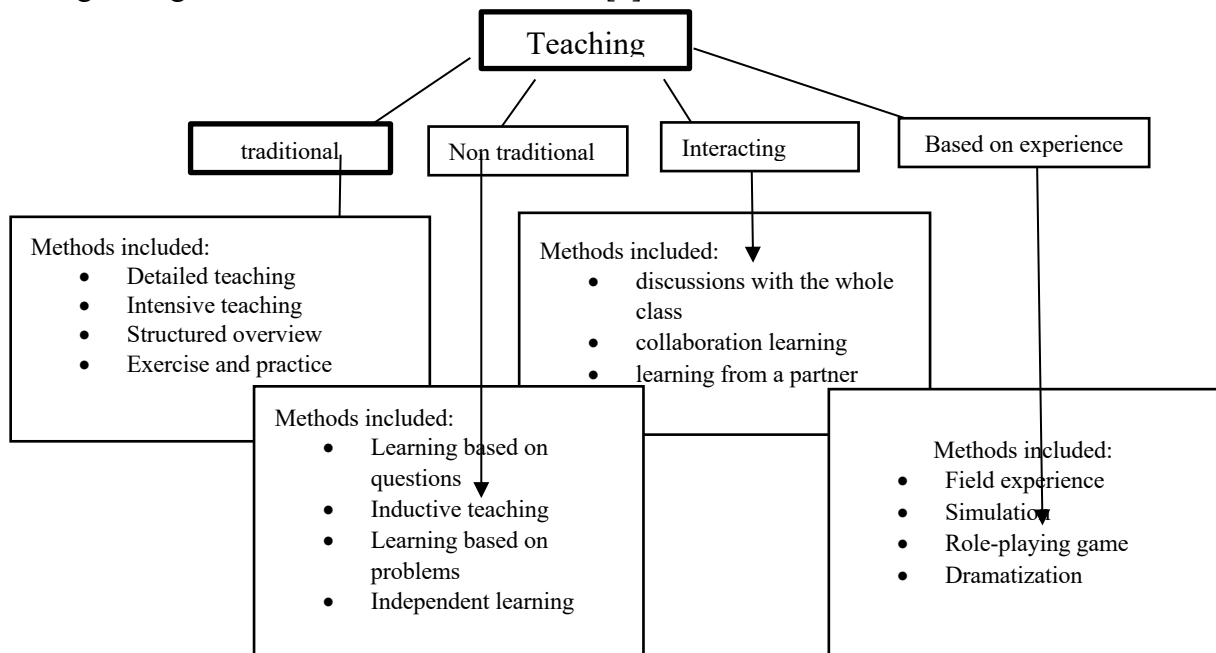


Figure 1. Teaching strategies

2.2 Interacting teaching

Interactive teaching is defined as a two-way process, in which students are expected to play an active role in answering questions, contributing to discussions, and explaining and demonstrating their methods to the class [4].

Three reasons why teachers should choose interacting teaching [5]:

- The" summary "aspect, an attempt to see what really exists in the students' brains.
- The“ formative ”aspect, where the teacher intends to direct students' mental processing through the assigned task.

- The “motivational” aspect. A motivating factor given by the interacting teacher is the demand for a response to a given task in the classroom. This serves to get the student into action, to get his brain out of bed, that is, to speak, to work together in a group, to discuss.

Thus collaborative learning constitutes an effective evolution between teaching / learning models, namely the totality and complexity with which it deals with the analysis of educational processes, while also dealing with the quality of personal relationships within them. In this learning model, classroom discussion is highly organized and even facilitating and there is an increase in the level of student independence.

The role of the teacher in interactive teaching is of particular interest. For this interactive path to be successful, a balance is needed between classroom work and individual group work [6].

Interactive teaching is not simply about letting students form any kind of feeling they can from any experience (learning by doing), but to be valuable, there is a need for teacher interaction to collaborate and challenge students' thinking, presenting them to new ideas.

Some of the different ways to categorize classroom interaction are [7]:

- student-teacher interaction,
- student-student interaction,
- small group interaction,
- the interaction of a class.

Group work is a such form of work, where students in a class are divided into several groups and work on the same or different tasks. Group formation as a form of work with students should be based on the fact that each student expresses his or her learning abilities and creates a climate of cooperation and mutual support between students in a group.

For a group work to function normally, it must be based on the following criteria [8]:

- There should not be unreasonable and unsubstantiated differences between the members of the group,
- Work arouses interest and increases the engagement of each member,
- Any work done in the group must be published. Each team member should be familiar with the whole work process.

Based on the nature, character, role, interest and ability of the members of a group we have:

- Joint assignment work, where all students do the same work,
- Works with different tasks, where each group has its own tasks,
- Rotational tasks, where groups change tasks from time to time.

The work group should be homogeneous and adaptable to the students' tasks. The number of its members must be carefully formed, usually ranging from 3-6 members. The duration of a group depends on the nature and specificity of the students' work in groups. Depending on the nature of the problem, permanent and temporary groups can be distinguished. The permanent group is formed at the beginning of the school year and lasts one scholar year. In both cases the group leader is elected.

Today we don't have anymore doubts for the help that ICT gives in supporting interacting teaching.

Teaching mathematics which is subtle in the subject itself, aims at inclusiveness, motivation, equality in all aspects and is based on teaching and learning in the competition, teacher-centered teaching and interactive teaching and learning. Students in a classroom offer a variety of benefits in terms of how they learn: individually, in groups, under the organization of teachers, independently, by specific means, etc.

The subject of mathematics requires students to master competences, to master concepts, to master habits. So, these aspects, dictate the need for different teaching strategies that are adapted to the learning object and the needs of the students.

The planning and selection of mathematics teaching methods takes into account [9]:

- Key competences of learning mathematics,
- Conceptual linking, maintaining the vertical coherence of knowledge and skills in the sense that the building of each knowledge and the education of each skill are based on the previous ones,
- Individual and group work features,
- The usefulness of using a variety of sources of information (including ICT),
- Forming and strengthening basic mathematical skills,
- Inquiry-based learning,
- The importance of practical applications, inside and outside the classroom, that link mathematical concepts to real-life situations,
- The importance of using concrete didactic tools and technology,
- The role of problem solving and the variety of solution strategies.

The above mathematical competences are synergistically linked and developed through learning situations that focus on active student participation. They are active when involved in activities, explorations, constructs or simulations of knowledge, skills, comparisons of results or conclusions. To ensure this active participation of students, the teacher must create an atmosphere that makes them feel free and versatile to develop their math knowledge.

The teacher has the following roles in organizing the work in interactive teaching:

Teaching expert, partner in communication and classroom interaction, organizer, motivator, leader, manager, counselor, evaluator [10].

The role of the teacher in interactive teaching:

- He is a partner in communication and classroom interaction,
- The teacher reduces stress levels and workload during an activity by teaching students to help each other in given tasks,
- The teacher gives advice on activities that the student will develop,
- The teacher encourages student-to-student action.

Researchers G.P. Pine and H.J.Horne [11] recommend that the teacher should create an atmosphere where:

- Encourage students to be active,
- Emphasize the individual nature of learning,
- Let know to students that it is normal to make mistakes,
- Promotes confidence in yourself,
- Make students feel respected and valued,
- Facilitate detection,
- Allow constructive discussion.

2.3 Advantages and disadvantages in interactive teaching [13]

In traditional teaching it is mainly the teachers who explain and it is not guaranteed that the students learn. Careful, interactive teaching should also ensure that classrooms do not turn into noisy classes with students losing interest. So traditional teaching does not have to be completely denied, the point is to know how to combine it with as much activation of students and their creative work as possible with interactive teaching.

The advantages of this method are:

- develops critical thinking and creative abilities,
- Improves problem solving skills,
- Improves the teacher-student relationship,
- the highest level of learning,
- increase the level of understanding,
- promotes motivation,
- helps students learn to transfer knowledge to new situations,
- develops learning according to the constructivist approach,
- high levels of self-learning,
- strengthens interpersonal skills and teamwork.

The disadvantages of this method are:

Positive reciprocal interdependence may be lacking: group members need to understand the importance of collaboration, meaning that individual success cannot exist without collective success, and consequently the failure of a single group element is a failure for all. Each person must be convinced that he / she can make a useful personal contribution to the realization of the joint project and thus develop a strong sense of responsibility, ie a greater personal commitment, with positive learning outcomes and the ability to work with the others.

Refuses to cooperate or strive to prevail: sharing social and disciplinary skills between members of the group favors collaboration and interdependence, ensures that individual skills are used for shared purposes.

Lack of social ability: effective management of interpersonal relationships requires that students know how to support a leadership role within the group, by making decisions, by speaking and listening, by asking and giving information, by stimulating discussion, by knowing how to mediate and disseminate, to help and encourage, to facilitate communication, to create a climate of trust and conflict resolution. These skills should be taught with the same awareness and care that disciplinary skills are taught.

Difficulty for students to adapt as they are accustomed to the traditional way.

In mathematics, interactive teaching is one step ahead of other methods, as it encourages the student to stay active by asking themselves and their classmates: Why? How? Where does this come from? etc.

3. Methodology

Secondary school students were selected for the experiment of this study and two 10th graders were selected as the case study sample. Class A with 32 students and Class B with 27 students. The reason for this choice is due to the fact that the new curriculum they are working on gives more opportunities for applying the interactive teaching method.

The intervention model in grades A and B is given as follows:

Class A: A1 TM A2

Class B: B1 IM B2

So, we have several stages of interventions. In class A we have a measurement in phase A1 and after the direct method (TM) lesson we have done measurement in phase A2. Whereas in class B a measurement was made in phase B1, then we performed the interactive method (IM) and in the next phase we performed measurement B2. It will be tested whether the difference between the second measurement and the first measurement ($B2 - B1$) occurs as a result of IM intervention. We will also consider whether during this period we have any changes in the other class ($A2 - A1$). The first measurement of learning outcomes (B1) was carried out during direct teaching, while the second measurement (B2) was made after a 5-week period after interactive teaching was provided.

Measurements (A1) and (A2) were performed in the classroom in which instruction was organized as direct instruction at both measurement moments.

To prove that interactive teaching is associated with an increase in learning outcomes compared to direct teaching, the study model will compare the first two measurements in both classes (A1 and B1). This will serve to see how are the two classes that we chose, so we will analyze the level of students in both classes. The first (A1) and the second (A2) measure in class A will then be compared to see if there are differences in learning outcomes. Comparing the first (B1) and the second (B2) measurement in class B to see if there are differences in learning outcomes is the third step that makes the study objective possible.

4. An application to a case study

The reason we chose to perform the interactive approach to class B was because it had a lower second-quarter arithmetic mean than class A.

The average grade of Grade A students for the second quarter was 7.5 and the test results (Test I) had this distribution:

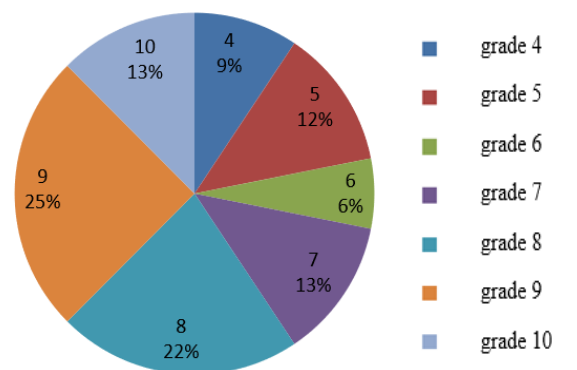


Figure 2. Results of Test I, Class A

The average grade of B grade students for the second quarter was 6.93 and the test results (Test I) had this distribution:

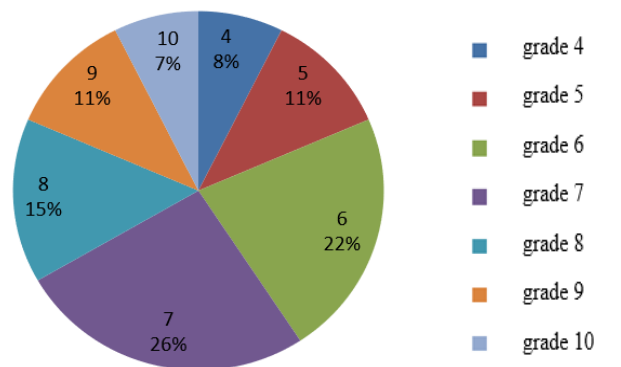


Figure 3. Results of Test I, class B

The results of students of two classes in phasis A1 and B1 are shown in the table below .

Table 1. Results of students of two classes in phasis A1 and B1

Number of students		Grade 4-6		Grade 7-8		Grade 9-10	
Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B
32 students	27 students	9 students	11 students	11 students	11 students	12 students	5 students
100%	100%	27%	41%	35%	41%	38%	18%

Students of class B has worked in and often in groups of 3-6 students. Meanwhile with students of class A we have continued class work with traditional method without intervention of type IM. The arguments treated were circle and geometric locations, so around 11 classes. During these hours we monitored student activity, clarified mistakes, motivated students to improve and occasionally reminded students the rules to be followed when working in pairs and in group work. After students have solved the exercises, the conclusions have been discussed, when the pairs or groups had the same tasks and not only confronted the answers and evaluated each other.

After finishing these classes we have realized Test II to see how the study variables has changed. The variables in this study are: *learning outcomes*, *interactive teaching*, and *direct teaching*.

Learning outcomes: is a dependent variable that will be observed through summary assessment or learning assessment to be performed to determine what has been learned during this time period. During the evaluation we will rely on a considerable amount of data included in these elements:

- Assessment of oral responses,
- Assess teamwork,
- Assessing activity during classroom debates,
- Student assessment of each other,
- Test for the developed chapter.

Interactive teaching is an independent variable. The types of interactive teaching used in this study were:

- Interactive teaching in pairs (students - students),
- Interactive group teaching (3 - 6 students),
- Interactive teaching with the whole class.

Direct teaching is an independent variable. Direct teaching methods include:

- Detailed teaching,
- Intensive teaching,
- Structured overview,
- Exercise and practice.

In class A we continued teaching normally without doing IM (interactive teaching), while with class B we did an intensive job where every hour the learning activity was: double work (student-learner) and group work with 3- 6 students. After Test II we obtained the following results for class A:

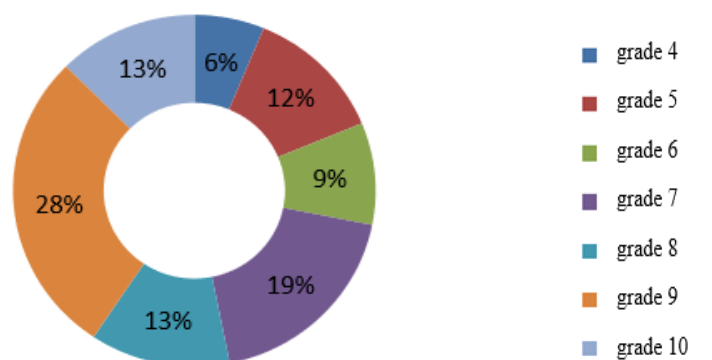


Figure 4. Results of test II , Class A

Comparison of two tests for class A is given in the figure below :

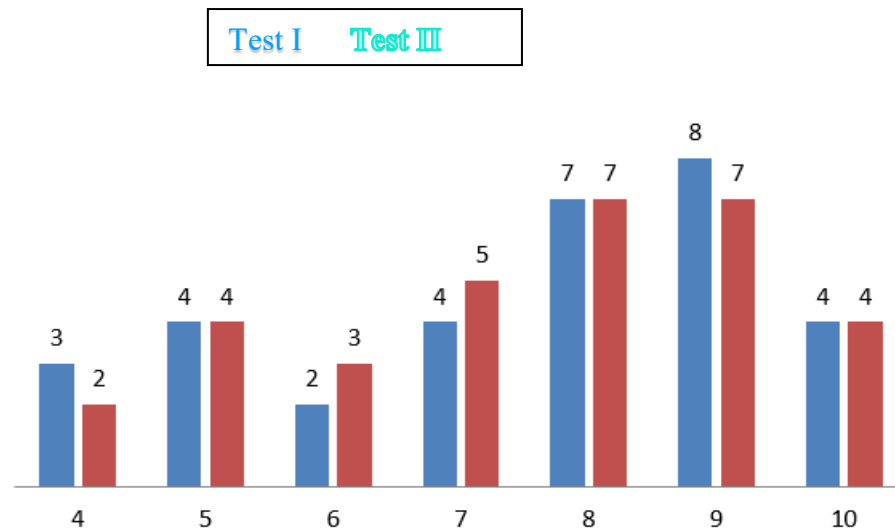


Figure 5. Comparison of grades for test I and II, in class A.
Results for class B where the intervention IM is done is :

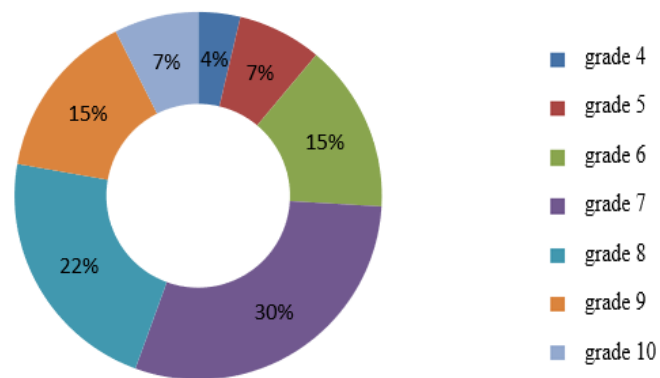


Figure 6. Results of Test II, class B.
Comparison of two tests for class B is given in the figure below:

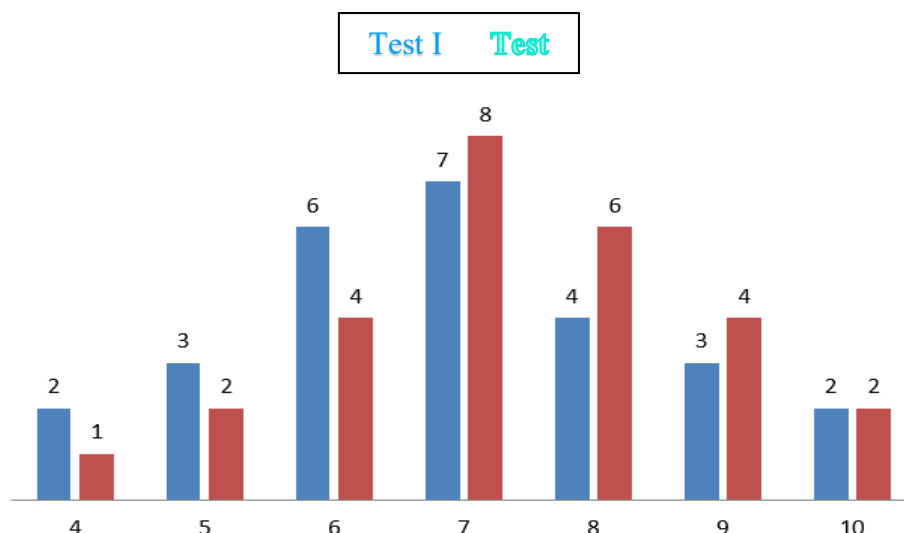


Figure 7. Comparison of grades for test I and test II in class B

The results of the students of the both classes A and B in the phase A2 and B2 is given in the tables below.

Table 2. The table of results in the classes A and B in Test II

Number of students		Grade 4-6		Grade 7-8		Grade 9-10	
Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B
32 students	27 students	9 students	11 students	12 students	14 students	11 students	6 students
100%	100%	27%	26 %	38%	52%	34%	22%

We can see that in the class A the number of the students that include the first category 4-6 has not changed, whereas in the class B we have a decrease of the results with 15%. In the second category 7-8, for the class A we have a increase of the results with 3%, whereas in the class B we have an increase of the results with 11%. In the third category 9-10, in the class A we have a decrease of the results with 4% and in the class B we have an increaseof the results with 4%.

From the analysis of Test I data, it was found that the two classes did not have statistically significant differences regarding the level of students (grades). Also, in class A that we did not interfere with the IM method, but two measurements were made, both during direct teaching, the grade level does not change, while in class B we see an increase in the average grade for Test II scores, from 6.93 to 7.33.

From this analysis we find that the method of interactive teaching has yielded good results. During the observation it was clear that the level of activation was increasing and increasing, the students thus promoting long-term learning and creative and critical thinking.

5. Conclusions

The direct method is a one-way approach to information transmission, a resource-oriented process, from teacher to student. This method is suitable for teachers and not for students, and even turns into convenience for the teacher.

Interactive teaching enables students to make qualitative changes in their classroom experience, expressed in greater classroom participation, freedom to engage in dialogue and thought exchange,

improve problem-solving skills, and improve their ability to build relationships, increased tolerance for change, increased enthusiasm for learning, increased self-esteem, and increased participation in their learning process.

The use of collaborative activities in pairs or with slightly larger groups allows students to work and

Interactive teaching is not simply about letting students form any kind of feeling they can from any experience, but to be valuable, there is a need for teacher interaction to interact and challenge students' thinking by exposing them to new ideas. Interactive teaching assesses students' prior ideas and aims at empowering students to become independent learners.

Today teaching must focus on learning that is based on the processing and use of thinking habits rather than on the possession of disjointed facts. Instead of acquiring knowledge, students are now required to build and create their own knowledge.

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DOES EXPORT ACTIVITY DRIVE GROWTH? A CASE STUDY ON PRODUCTIVITY AND PROFITABILITY IN THE GREEK MANUFACTURING

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Abstract

The present study investigates the “Export – Economic Performance” topic by trying to address the following important question: Does export performance influence their general economic performance, and if so, in what way? In order to respond to the aforementioned question, we’ve opted for a unique sample of 286 Greek industry firms and their activity in the 2005-2017 period, as Greece is a very appealing case study due to the recession. After extensive research of the literature, the most widely used financial and non-financial variables have been collected for each firm. The study confirms the link between export performance and overall economic performance. More specifically, the findings indicate that high export intensity might strengthen the productivity and profitability of firms, especially if they are young, large in size and they operate in traditional industries. Hence, we conclude that export performance and overall economic performance go together. The empirical results might be a useful tool for managers, economic policy makers and practitioners.

Keywords: export activity, economic performance, productivity, profitability, recession period

JEL classification

F14 Empirical Studies of Trade, F23 International Business, L25 Firm Performance: Size, Diversification and Scope, M21 Business Economics

Introduction

Export activity is being examined due to its key role in achieving sustainable growth of firms in the current environment of globalized markets. The crucial question that raises here is “whether the export activity further improves the economic performance of the export champions”. Relevant literature suggests that a crucial requirement for every firm that attempts to successfully enter foreign markets is presenting high economic performance (Diamantopoulos and

Schlegelmilch 1994; Park et al. 2010). So, economic performance is a factor that significantly influences the decision to export.

The present study aspires to cover a remarkable research gap in recent emerging literature (Leonidou et al. 2007; Sousa et al. 2010; Chen et al. 2016). Firstly, the lack of a comprehensive theoretical framework for determining export intensity or performance is a barrier against integrating empirical findings from different studies into a common knowledge base (Aulakh et al. 2000; Morgan et al. 2004). Subsequently, we investigate whether and to what extent export activity could strengthen overall firm performance in terms of productivity and profitability. This is an especially important issue in times of crisis where domestic markets are shrinking, and corporate profit margins are severely restricted. From this point of view, Greece is a very attractive case study as the local economy has lost one quarter of both productive wealth and jobs during the recent crisis. So, our study adds value to the relevant literature in the context of a small open crisis economy.

The rest of the paper is structured as follows. Part 2 presents the theoretical background, whereas Part 3 analyzes the empirical model and the data sample. In Part 4, the empirical analysis is being shown followed by some concluding remarks.

Theoretical background

Export performance is mentioned as one of the key success factors of the firms which operate in international markets. Shoham (1996) has generally defined export performance as the result of a firm's activity in export markets. Even though a growing body of literature has addressed the topic, still there is not a globally accepted conceptual and operational framework regarding export performance (Cavusgil and Zou 1994; Shoham 1998).

Scholars reveal many differences between exporters and non-exporters when examining firm's total performance (Wagner 2007, Wagner 2012a). Such differences can be found *inter alia* in productivity, profitability, wages and probability of surviving (Bernard et al. 1995). A number of studies suggest that only the already profitable companies can achieve an increase in exports (Lawless 2009; Bellone et al. 2010), and future exporters have most of the desirable characteristics several years before entering the foreign market (Bernard and Jensen 1999). Moreover, a large body of empirical evidence shows that businesses with low productivity do not necessarily achieve an increase in it when entering foreign markets (Greenaway and Kneller 2003; Greenaway et al. 2007; Delgado et al. 2002; Castellani 2002). In turn, some scholars haven't reached a clear conclusion on the possible contribution of exports to economic performance (Wagner 2007), whereas very few studies have been reported in the context of emerging economies (Raghunath and Rose 2016).

On one hand, several results show that exporters appear to have higher labor productivity and employability, and, in general, they perform better when compared to non-exporters (Gibson and Pavlou 2017). Moreover, they show economies of scale, lower production costs, sustainability (Basile 2001), whereas they are likely to be more resilient to external shocks (Bandick 2010; Varum and Rocha 2011) but, most importantly, they manage to limit their dependence on domestic markets (Lages 2004). Furthermore, export intensity (calculated as foreign sales to total sales) has a strong positive impact on the firm's profitability (Kongmanila and Takahashi 2009), especially on return on assets. A research conducted in the UK in the form of a survey indicates that exporting is positively connected to profitability (Kneller and Pisu 2010). Qian and Li (2013) showed that

internationalization on assets, equity and sales appear to have a positive impact on firms' profitability.

On the other hand, several researches reveal that exporters are less profitable than non-exporters (Helpman et al. 2004). Fixed costs which derive from a company's activity in foreign markets are one of the main causes of its failure, alongside the additional cost arising from the wages that eliminate the advantage generated from the productivity in export (Vogel and Wagner 2009). Also, Georgopoulos and Glaister (2017) claim that export trend does not necessarily lead to a higher economic performance, suggesting that exporters are likely to face serious competition challenges in international markets, whereas robust firms don't necessarily succeed in further increasing their performance after launching export activity (Isgut 2001).

It becomes obvious from the above that, for variables "profitability" and "productivity", it is not clear whether we should take into consideration the possible threshold of export intensity that determines how persistent a firm is in its exporting activity. This motivates us to examine further.

Data and Methodology

Our sample was created using micro-level data from Greek firms between the years 2005 and 2017. This period consists of two sub-periods, that is the expansion period (2005-2009) and the recession that started in late 2009, in the aftermath of the global financial crisis of 2007–2008.

Data was retrieved from ICAP's Greek database, which includes the business data and the financial statements (balance sheet, cash flows) from Greek firms operating in all sectors of economy. ICAP database is the most widely recognized directory for companies in the Greek market and constitutes a successful and reliable pool of information that contains all important companies of the entire economy. Resulting from the data pool above, an unbalanced unique Panel Dataset was created with 3718 observations in total (286 firms x 13 years = 3718 observations). In particular, we have randomly selected a unique sample of 286 manufacturing firms from 24 sectors. These sample firms exhibit the following features: 143 of them are exporters and 143 are non-exporters, 194 firms operate in traditional industries and 92 in Hi-Tech industries and 193 firms are located in urban areas while the other 93 in rural areas. Lastly, the processing of the aforementioned data was carried out using "EViews" statistical software.

After an extensive research of the literature available, the most widely used (thus, most relevant) financial and non-financial variables have been collected for each firm. Utilizing the framework of the Contingency theory we combine firm-specific characteristics with environmental factors in order to capture the firm's ability to comply with internal and external influences (Hultman et al. 2011). Many studies follow the contingency paradigm in which an exporter should develop a strategy based on both external and internal environmental factors that contribute to the firm's export performance in order to achieve superior export performance (Robertson and Chetty 2000; Yeoh and Jeong 1995; Cavusgil and Zou 1994). In order to answer our research question, we collected the following firm data:

- a) firm-specific characteristics, namely "Global Index" in terms of "Labor Productivity" and "ROE", "Age", "Total Assets", "Location", "Export Activity",
- b) industry-specific characteristics, namely "Sector" and
- c) one country-specific characteristic, that is "Crisis".

Each of the above (as defined more thoroughly in Table 1) can be used for the estimation of the employed model that we'll be discussing further below.

Table 1 Definitions of the indicators included in the analysis

#	Indicator Name	Definition
1	Global Index	A compound performance indicator calculated as $0.5 * ROE + 0.5 * \text{Labor Productivity}$ (natural logarithm of the change in GI for each year using 2005 as a fixed base-year)
2	Labor Productivity	Sales divided by the Total Number of Employees (Natural logarithm)
3	ROE	Net Earnings divided by Total Equity in percentage
4	Age	Difference between year of observation and firm's year of establishment
5	Total Assets	Total Assets (Natural logarithm)
6	Location	Indicates location type as a binary variable: 1=urban, 0=other
7	Sector	Indicates sector type according to the technological impact as a binary variable: 1=Hi-Tech, 0=Traditional
8	Crisis	Indicates the recession as a binary variable: 1=2010-2017 (memorandum time period), 0=2005-2009 (growth period)
9	Export Activity	Indicates exporting activity as a binary variable: 1=Exporters (Export Sales / Total Sales $\geq 50\%$), 0=Non-Exporters (Export Sales / Total Sales $< 50\%$)

Data Analysis Method

Data is analyzed using a Dynamic Model-Panel, the Generalized Method of Moments (GMM). GMM is selected as a method that estimates robustly the covariance matrices of the parameters while addressing potential endogeneity in the data (Garcia-Herrero, Gavila and Santabarbara 2009; Vieira & MacDonald 2016). A more dynamic specification of the GMM methodology is adopted by including a lagged dependent variable for each model (Fiordelisi and Molyneux 2010; Athanasoglou, Brissimis and Delis 2008) in order to rationalize the sample (Funke and Ruhwedel 2001). The one-step GMM estimator is employed, corrected for serial correlation and time variances in the disturbances by using the White period robust coefficient variance method. White's heteroskedastic-consistent standard errors allow us to obtain unbiased standard errors (White 1980).

The structure of the Model

Dependent variable. For the needs of our model, we introduce a compound performance indicator based on labor productivity and profitability due to their impact on companies' total economic performance (Tangen 2003; Ferrando et al. 2015; Gibson & Pavlou 2017). This decision to use a compound indicator is based on numerous researches that have presented a valid connection between productivity, profitability and export activity.

Regarding the variable of Labor Productivity (LP), it is measured by the natural logarithm of the sales divided to the total number of employees (Varum and Rocha 2011) since relatively low labor costs might boost export performance, especially in a labor-intensive economy (Liu and

Shu 2003). The important fluctuation of the variable in the Greek economy over time (Georgopoulos and Glaister 2017) justifies further its use as an independent variable in our model.

In addition, the firm's profitability is taken into account by using the Return of Equity (ROE) variable, which is calculated as the percentage of net earnings to total equity. Even though profitability is a performance aspect, it has not been empirically examined by scholars specialized in international trade (Mayer and Ottaviano 2007).

Thus, our dependent variable named "Global Index" (GLOBAL) assumes an equal contribution of ROE and Labor Productivity and is defined as (1):

$$GLOBAL = 0.5 * ROE + 0.5 * LP \quad (1)$$

In addition, a more dynamic approach has been adopted by using the natural logarithm of the change ($\Delta \log$) in Global Index for each year.

Explanatory variables. An explanatory variable named "EXPORT ACTIVITY" has been introduced. A number of studies approach exports as a dummy variable by denoting the value of 1 for exporters and 0 for non-exporters by means of a cut-off value (e.g. 10%, the ratio of export sales to total sales). Other studies claim that presenting export activity with a continuous variable is more valid. Last, there are numerous scholars that indicate exports by classifying them into groups based on export dynamism (Makris et al. 2016). In this study, we focused on utilizing as cut-off value the 50% of total sales, due to a) the vague exporting profile of Greek Firms, b) the fact that a small ratio of exports do not record a substantial export activity. Makris et al. (2016) after examining a group of Greek firms, identified that as the rate of cut-off value increased, the model's predictability became higher. Thus, we classified as exporters these firms with more than 50% of their total sales stemming from export activity (Export Activity = 1) while the rest are classified as non-exporters (Export Activity = 0). Additionally, we utilize the following control variables:

The Age-of-the-firm is frequently used in relative literature as an explanatory variable (Roberts and Tybout 1997). Many empirical studies (e.g., EFIGE 2010) on developed economies have shown that older firms are usually more efficient. In our study, we refer to Age (AGE) as the time period between the firm's founding year and the year of observation.

We evaluate the impact of a firm's Size on economic performance (Bernard and Jensen 1999), by employing the Total Assets (TAS) variable, in its natural logarithm. The latter is relevant to the literature while an alternative measure is the number of employees. The choice of the appropriate variable depends on whether the firm is capital-intensive or labor-intensive. As regards the Greek economy, the fact is that during the past decades Greek firms swapped unskilled labor for capital and transformed from labor to capital intensive (Georgopoulos and Glaister 2017).

In order to examine the environmental impact of a firm's physical location, we introduce the Location (LOC) variable, which, likewise, is treated as binary. It helps classify each firm to either "urban" or "other", depending on the firm's location. The use of location as an explanatory variable may justify the firms' export behavior since enterprises that are located close to transportation centers are more likely to succeed in exports (Zhao and Zou 2002).

The variable of Sector (SEC) is utilized as binary variable classifying firms in either "Hi-tech" or "Traditional" ones based on their technological impact. The former category (Hi-Tech) includes firms from the sectors of chemicals, pharmaceuticals, electronic equipment, electrical devices, machinery, metal industry, metal products, transportation, printing; all others have been classified as traditional. The aforementioned indicator is deemed crucial due to the argument that a healthy hi-tech business could be more productive and more efficient, therefore promoting growth in the company (OECD 2016).

Greek crisis has been the major exogenous factor in the country during the period under investigation. Exports seem to have been increased since 2008 as a result of the firms' strategy (even though below the OECD average) to become less dependent on domestic consumption. As such, we are attempting to evaluate the impact of Greek crisis on total economic performance by introducing a variable named CRISIS that is a binary variable, in which zero (0) stands for the growth period between 2005 and 2009, and (1) represents the memorandum period between 2010 and 2017 dominated by economic turmoil.

Lastly, this model takes into account not only the current values of the explanatory variables, but also the lagged values (1 year) of the dependent variable Global Index.

Thus, the equation – EQ1 (2) is estimated while the conceptual framework is depicted on Fig. 1:

$$Y_{\Delta \log GLOBAL} = c + \beta_1 AGE + \beta_2 \log TAS + \beta_3 LOC + \beta_4 SEC + \beta_5 CRISIS + \beta_6 EXPORT ACTIVITY + \beta_7 \Delta \log GLOBAL(-1) + \varepsilon \quad (2)$$

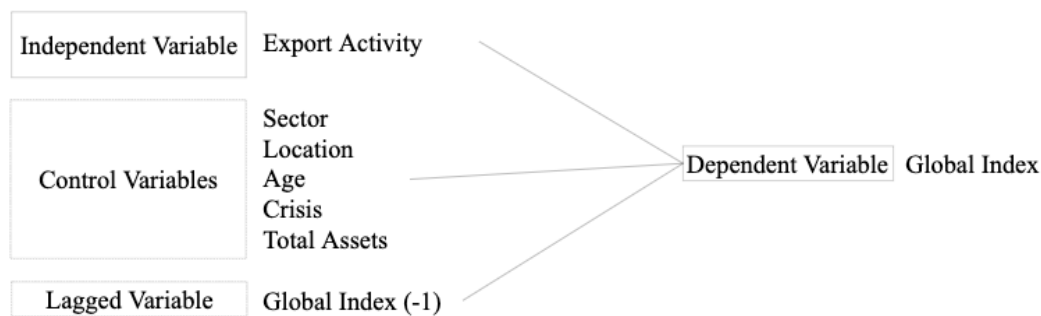


Fig. 1 Conceptual Framework of EQ1

Empirical Analysis

A covariance analysis of the Spearman rank-order test has been used in order to check any correlation between the explanatory variables. Table 3 verifies that our model doesn't suffer from multicollinearity issues as the correlation coefficients are very low mainly due to the fact that no Pearson coefficient is higher than 0.15.

Table 3 Spearman rank-order: Covariance Analysis of the independent variables ²⁷

Correlation	Age	Total Assets	Labor Productivity	ROE
Age	1.000000			
Total Assets	0.046862	1.000000		
Labor Productivity	0.155137	0.065631	1.000000	
ROE	0.028179	-0.014680	0.133366	1.000000

As far as the Model's findings are concerned (Table 4), we capture that the lagged dependent variable is strongly statistically significant (positive coefficient, 1% level), so, the use

²⁷ the dummies are excluded.

of the one-step GMM specification model is justified. Further, Export Activity has a strong performance impact (coefficient 0.0007, at 1% level). This finding fully supports the study assumption that exporters tend to perform better (in terms of productivity and profitability) than non-exporters and it is in line with previous studies that follow a similar methodology (Nikolaidis et al. 2010).

In addition, three of the control variables in our model (Age, Sector and Total Assets) play a significant role in Global Index (dependent variable). More precisely, younger firms as well as firms operating in traditional sectors present a better total performance than others (5% and 1% level correspondingly). This is probably indicative of the fact that younger firms might be more flexible to respond to challenging turbulent conditions. Additionally, the positive performance of traditional industries comes as no surprise since several studies have already attested the underwhelming presence of hi-tech companies in Greek industry (e.g., OECD 2016).

Last but not least, our findings display that firm size (in terms of number of Total Assets) enhances overall firm performance in terms of profitability and productivity (at 1%). In turn, the analysis identifies a statistically insignificant correlation between Location and Global performance Index. Additionally, it shows that Crisis exercises an insignificant influence on total firm performance that is a rather surprising outcome needed further investigation.

Table 4 Summarized results of the GMM estimator for EQ1. Index: *** at 1%; **at 5%; * at 10%

Variable	Coefficient	Std. Error	t-Statistic	Prob.
Age	-1.21E-05** 0.000359**	5.92E-06	-2.026142	0.0428
Total Assets	*	8.24E-05	4.361718	0.0000
Location	-0.000330 -	0.000280	-1.178806	0.2386
Sector	0000843***	0.000288	-2.926154	0.0035
Crisis	-0.000439 0.000747**	0.000432	-1.014709	0.3103
Export Activity	* 0.638619**	0.000262	2.853529	0.0044
Global Index (-1)	*	0.024588	25.97304	0.0000
C	-0.004493	0.001319	-3.405471	0.0007
R-squared	0.753483	Instrument rank		8
Adjusted R-squared	0.752898	Total panel observations		2958

Conclusions

This study examined the potential existence of a link between export orientation and overall firm performance, utilizing a firm-level dataset of the Greek industry over a period of 13 years (2005-2017) which includes the expansion (2005-2009) and the recession (2010-2017) periods. In this context, we responded to the main research question: Does export performance positively affect the firms' overall economic performance in terms of productivity and profitability? Our study utilized the one-step GMM specification and a high-level cut-off value of 50% which determines whether a firm can be addressed as «Exporter», or not. The most important findings showed us that firms with vigorous export activity might present higher overall performance in

terms of productivity and profitability, especially if they are young and operate in traditional sectors. These findings might also indicate a two-way relationship between export performance and overall firm performance, and consequently emphasize the possible correlation between performance issues and exogenous conditions.

The productivity gap between exporters and non-exporters indicates that policy-makers should take specific initiatives and measures in order to boost productivity and encourage internationalization of local firms. Also, given that firm-size was statistically significant in our model findings (in terms of total assets), policy makers should adopt different motivations and establish supporting tools specially designed for either SMEs or larger firms.

The crucial issue of direction of causality between export activity and firm-level productivity and profitability should be approached in the future. Moreover, there should also be a further exploration of the R&D factor in order to research the possibility of its possible impact on export performance and total economic performance. Another possible aspect in future research would be to identify export barriers by running a survey that targets export managers, ISO issues, managerial commitment etc. Last but not least, a multi-country study that examines economies similar to Greece (such as Portugal, Spain and Italy) should be encouraged.

Acknowledgments

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EUROPEAN MUSEUMS AND THEIR CONTEMPORARY SOCIAL ROLE. “THE CARING MUSEUM” IN ACTION: BEST PRACTICES FOR SENIOR VISITORS AND VISITORS WITH DEMENTIA”

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Abstract

The paper presents the anthropocentric-social role of museums in the 21st century and introduces the new type of the “caring museum”. In particular, it examines the caring museum’s essential role in welcoming and engaging senior visitors and visitors with dementia into contemporary museum environment. Elderly people and people with age-related neurodegenerative problems, such as dementia, should not feel neglected or marginalized from every day activities and life itself. The paper, based on the above assumption, offers an analysis of the best practices adopted by the european museum community, presents representative samples of inclusive activities for the elders in general and especially for people with dementia, whereas it concludes that the caring museum can provide a unique museum experience of integration, enjoyment and edutainment.

Key Words: Caring museum, senior visitors, visitors with dementia, inclusivity, edutainment.

Introduction

Museums are undoubtedly an important part of public life, engaged regularly to activities of social meaning and public value. Through their social services, museums bring together different people, develop relationships with various audiences and foster participatory practices. The adjectives “participatory”, “attractive”, “networked”, “emotional”, “therapeutic”, characterize to a great extent the new role of the contemporary museum. Museum’s role is socially reinforced, and part of its mission is to cultivate and implement practices of care and solidarity. In particularly, in some cases, the museum experience seems to acquire a “healing” dimension, making people feel useful and better about themselves, such as the elderly and people with special needs.

The paper presents the anthropocentric – social role of museums in the 21st century and introduces the new type of the “Caring Museum”. In particular, it examines the Caring Museum’s essential role in welcoming and engaging senior visitors and visitors with dementia into contemporary museum environment. Elderly people and people with age-related neurodegenerative problems, such as dementia, should not feel neglected or marginalized from everyday activities and life itself.

The paper, based on the above assumption, offers an analysis of the best practices adopted by the European museum community, presents representative samples of inclusive activities for the elders in general and especially for people with dementia, whereas it concludes that the Caring Museum can provide a unique museum experience of integration, enjoyment and edutainment.

Defining the profile of the Caring Museum

Over the years, in modern society, it has become necessary and indeed urgent for museums to redefine their missions, their goals, their functions and their strategies, so as to reflect and meet every visitor's expectations. No one can question the traditional role of museums in collecting objects and materials of cultural, religious and historical importance, preserving them, researching them, documenting and presenting them to the public for the purpose of education (Arinze, 1999:1). No one could deny that museums exhibit works of art and artefacts of cultural achievements that represent and revive human history and culture. However, museums are not supposed to be solely about learning. They are supposed to be about the visitor's enjoyment too. Thus, the perpetuation of anachronistic object-oriented perceptions and policies should be disputed as they exclude certain groups of visitors and treat them as mere consumers of cultural goods, and not essentially active participants in the creation and production of cultural work.

Museums have gradually evolved from ornamental collections into something greater, more diverse and complex; they have developed into increasingly dynamic actors contributing to positive societal development. The ongoing democratisation and their evolving social role has transformed museums from being institutions entirely or almost entirely dominated by a socio-economic elite to becoming fora and "cultural hubs"¹ for the local communities, agents of social inclusion, change and development. Within the current trend of a more extrovert approach, the modern museum promotes interaction between exhibits and audiences, adapts its practices according to prevailing social, political and cultural contexts, and fosters the creative civic engagement by encouraging visitors to participate in programs, events and activities, ensuring an enjoyable experience for all. The modern museum seeks to communicate with a diverse audience, not just with an "elite" consisting of intellectuals, artists and art lovers. By employing a more anthropocentric approach the modern museum reaches out to different types of audiences with a greater variety of needs and expectations, encourages them to become more responsive to the dynamics of a museum and engages them creatively in the museum environment.

However, despite being a growing segment of our population, people over 65 years old, as well as people diagnosed with reduced perception of their environment due to dementia, are still struggling to find their place as museum visitors. Acknowledging this situation, significant opportunities are now provided for them by a new museum type, the "Caring Museum", which endeavors to undertake an essential role in welcoming and engaging senior visitors into the museum environment. One of the main goals of the Caring Museum is the implementation of inclusive activities that would not only engage the elderly visitors, but also enhance the participation of those seniors afflicted with dementia.

As the world population is getting older and the average age of people in developed countries is constantly increasing, people with age-related neurodegenerative problems, such as dementia, shouldn't be overlooked and marginalized from everyday life (Belver, Ullán, Avila, Moreno & Hernández, 2017:1). Although aging is associated with negative connotations and situations, often

¹ #IMD2019 Museums as Cultural Hubs: The Future of Tradition, <https://icom.museum/en/news/imd2019-museums-as-cultural-hubs-the-future-of-tradition/>

portrayed as something “defective” and signifying decline, the fact that today's generations reach ages that few in the past managed to reach should be considered as a success of society, as a positive outcome and not as a threat (Robertson, 2015: 25 – 26).

Consequently, museums and other cultural organizations shouldn't be left unaffected by this phenomenon. Museums can help aged visitors to discover new ways of experiencing “care”, ways they had never imagined before and enable them to look at this stage of their lives with a different “eye”. They are institutions that through special activities, courses and workshops can promote innovative and effective programs for all subcategories of their adult audience (DaMilano, 2013: 41). The Caring museum rejects labels such as age or dementia, takes into consideration their needs and provides personalized experiences for all types of visitors, despite their potential, level of perception and abilities.

Since traditional museum exhibition practices are often of limited value to seniors, the Caring Museum expands its institutional role, changes its form and dynamics and implements personalized programs and activities that senior visitors can benefit from. These impressionistic experiences for aged visitors or visitors with dementia can contribute to both a wider social inclusion and the production of public knowledge about aging and its consequences (Robertson, 2015: 29-31). At the same time, they can eliminate the stigma, marginalization and negativity often encountered by older people (Fountain, 2015: 125). The Caring Museum can raise the issue of aging as a subject of exhibitions and activities; its approach may also include alternative ways in which a museum can engage with older people by addressing their needs and interests.

Senior people and people with dementia as museum visitors

According to the United Nations, senior age starts at 60, while Eurostat proposes the age of 65 (Nicholls, Pereira & Sani, 2013: 18). When it comes to national surveys, the retirement age is usually considered to range between 60 and 70. Often, in developing countries it may even be as low as 50 or 55 (Findsen & Formosa, 2011: 10). The definitions and approaches given by different disciplines (biology, sociology, demography, etc.) do not also converge. The most common, however, is defined to be the age of 65 (“Oldage”, 2018). Often, in literature, the stage from retirement to the end of a person's life is defined as being a “senior citizen”. However, certain gerontologists separate this stage into the so-called “third” and “fourth age”. In this case the “third age” refers to the time of life between gradual or full retirement until the onset of reduced mental and physical abilities. The “fourth age” implies an increasing need for care and declining health. (Nicholls et al., 2013: 19).

Although many seniors may seem healthy and active, there are various challenges that they face due to age, like some kind of functional disability, low income, retirement and consequently restricted social life and loneliness (Robertson, 2015: 33), loss of a spouse, isolation, depression (Smiraglia, 2016: 39-40) and social marginalization (Nicholls et al., 2013: 18-19). Museums must therefore take into account the health issues and particularities of these special groups when designing programs for them (Biro, 2015: 57).

Another issue concerning visitors with dementia is the common confusion between “dementia” and “Alzheimer”.² Dementia is not a specific disease, but a general term used to describe a set of

² Dementia vs. Alzheimer's Disease: What Is the Difference?

<https://www.alz.org/alzheimers-dementia/difference-between-dementia-and-alzheimer-s>

brain disorders. The most well-known disorder of this kind is Alzheimer's disease, which accounts for over half of all dementia cases (Rosenberg et al., 2009: 12). The first symptom of dementia is the gradual loss of memory and then the impairment of other cognitive functions, to the point where an individual is unable to perform essential daily activities if not accompanied or helped (Gellis, McClive-Reed & Brown 2009:29). Cognitive functions affected, other than memory, encompass verbal communication, the understanding of information, the perception of space and time, good judgment and attention. Dementia is degenerative, which means that brain cells deteriorate over time and therefore its symptoms get worse. It takes an average of 12 years between the onset of the first symptoms of dementia until the final stage. Doctors distinguish 3 stages of development, the first being milder (it begins with simple episodes of forgetfulness), the middle (it becomes harder to recall names and faces) and advanced stages in which the sufferer is completely dependent on others, unable to communicate with their surroundings and remember people and faces.³

The most common practices of cultural organizations for reaching out to senior visitors are speeches and lectures related to issues of their interest or activities encouraging their socialization and engagement (Nicholls et al., 2013: 20). For those visitors, the Caring Museum suggests volunteering programs – beneficial for elder people – in several museum departments (DaMilano, 2009: 10) or participating in creative and narrative-based workshops, artistic seminars and lectures (Smiraglia, 2016: 42). Elderly volunteers become important ambassadors of their museums, devoting their free time to undertaking tasks depending on their abilities, skills and interests (Laguna, 2009: 74). Assisting the museum staff in various other activities, like handling sites surveillance, welcoming visitors, giving information, performing office duties, gardening, helping in delivering educational programs (Power, 2015: 171), senior visitors feel useful and welcomed in the museum environment.

Additionally, nurturing the aesthetic and creative interests of senior visitors is of great importance, via art programs, lectures on various artistic forms, creative workshops and interactive courses of artistic expression such as drawing, painting, engraving, singing, dancing, collage (Smiraglia, 2016: 43) increase participants' confidence and self-esteem and promote social involvement and interaction (Nicholls et al., 2013: 21).

However, there are generally very few opportunities for visitors with dementia, not only to stay active in their community and participate in meaningful activities, but also to enjoy themselves (Rosenberg et al., 2009: 9). Usually they are condemned to an isolated life without enough social contacts and opportunities for creative expression (Shifrin, 2015: 207). Realizing the great potential for self-awareness, expression and empowerment through the arts, some museums developed programs for this audience. Museums can act as a conduit for social interaction, providing new ways of communication between people with dementia, their loved ones and their carers (Rhoads, 2009: 230). The ability to interact with other people in a safe and enjoyable environment can help them to socialize. Museums can serve as such a hub, where people can gather, share experiences and ideas, away from a typical therapeutic support group environment

³ Dementia and Alzheimer's: What Are the Differences?

<https://www.healthline.com/health/alzheimers-disease/difference-dementia-alzheimers#dementia>

and become creative, participating in programs, specially designed for people with memory problems (Rosenberg et al., 2009: 56).

Many museums globally, have been implementing practices, aiming at enhancing visitors' abilities to recall memories of past experiences, through the use of objects and storytelling (Fristrup & Grut, 2015: 281). The majority of them are designed for visitors in the early stages of dementia, not the most advanced (Lackoi, Patsou & Chatterjee, 2016: 16).

Museum activities applicable to people with dementia

Reminiscence: The method of reminiscence has existed since 1963 and is based on studies conducted by the American psychiatrist Robert Butler. Butler emphasized the importance for the elderly of remembering their previous experiences and recalling memories of their past (Borgström, 2013: 103). Museum activities are based on methods of revitalizing memories and motivating participants to describe and discuss them (Smiraglia, 2016: 42), using objects, such as photographs, connected to their background and previous experiences (Nicholls et al., 2013: 23). This method helps people with dementia to describe or express their past in words (Rhoads, 2009: 230). Usually, this technique is multi-sensory with the intention of creating an environment that looks, feels, smells, sounds and tastes like their childhood and adolescence (Nicholls et al. 2013: 23). Exhibits can trigger memories that a question could not. For example, for an elderly person to see a photograph depicting a school of his time may recall memories, which would not happen if they were asked, "How was the school like back then?" (Sharpe & Miller, 2015: 93 - 94). Museums can relate these objects to their own exhibits, organizing handling sessions of objects familiar to the participants (Nicholls et al., 2013: 23). Remembrance programs are actions that are based on methods of revitalizing memories by initiating one or some objects and motivating participants to describe and discuss them

Lending Boxes: Remembrance activities can also take place outside the museum, using mobile units (boxes or suitcases) with mixed materials (music, photos, documents and objects). Often, the public engaged in such activities may not have the ability to visit a museum. In these cases, many museums lend memory boxes or suitcases with chosen objects based on a theme (Nicholls et al., 2013: 23 - 24). These are easy to grasp and handle (Camic, Hulbert, & Kimmel, 2017: 2) and may stimulate memory and conversation ⁴ (lightweight, non-fragile documents, photos, toys, sound recordings, aromatic objects etc.) (Fountain, 2015: 101 - 103 and Smiraglia, 2016: 42 - 43).

TimeSlips Narrative Method: Developed in 1998 by Professor Anne Basting (1998) (Cerpelloni, 2019) this method is a participatory approach that promotes the expression and communication of people with dementia by focusing on creativity rather than memory recovery (Basting, 2013: 2 and Nocentini, Bertini & Vignoli, 2018: 18). Dementia can gradually decrease one's cognitive abilities, but leaves their emotional and creative abilities intact long after the onset of the condition. Although memory may be lost, imagination still exists and helps people enjoy what they see (Rosenberg et al., 2009: 68). Participants are invited to become "writers" of their imagination and create stories based on an image, photograph, painting or sculpture (Basting, 2013: 2 and

⁴ Direct contact with objects can cause recall (Camic, Hulbert, & Kimmel, 2017: 2).

Smiraglia, 2016: 43). Museum facilitators motivate participants to respond to images and speak using their imagination. After recording all the answers, facilitators read them as a story or a poem (Basting, 2013: 2). These stories reflect people's hopes, fears, desires, moods and dreams and offer an opportunity to understand who the people with dementia are and how they see the world. The TimeSlips storytelling method provides hope and improves the well-being of people with dementia, while helping them to improve their communication skills to express themselves creatively and connect more with their family and other participants (Smiraglia, 2016: 43 and "TimeSlips", 2019). It is a simple, low-cost, and effective approach that could easily be adopted by any museum (Basting, 2013: 2 and Cerpelloni, 2019).

Visual Thinking Strategy: This is a learning approach that focuses on what participants observe in artworks rather than on historical knowledge (Lamar & Luke, 2016: 210). The method was developed by Abigail Housen and Philip Yenawine as a program for primary school children, but soon found application in programs designed for adults (Landorf, 2006). Usually the programs are limited to small groups and take place during hours when the museum is closed to the general public, so that the environment is calm and welcoming (Lamar & Luke, 2016: 210).

European best practices in museum programs for elder visitors and visitors with dementia

The Lehmbruck Museum

The Lehmbruck Museum in Duisburg (Germany) is known for its excellent collection of contemporary international sculpture is considered to be a pioneer in designing programs for visitors with special needs ("TheMuseum", n.d. - "LehmbruckMuseum", nd). It was the first museum in Europe with a program focused exclusively on people with dementia ("Programs for people with dementia", nd). From 2012 to 2015 the museum collaborated with the Hamburg School of Medicine in the research program called "Developing a model of social participation of people with dementia in museums" (Kastner, 2015: 179) and explored the methodology in teaching the Arts to visitors with dementia ("Programs for people with dementia", nd). It has developed two different actions for people with memory problems, one related to sensory-focused guided tours on the acquisition of art and another called the "open studios", where participants create and produce artworks. Open workshops are organized for visitors in all stages of dementia and their caretakers.

The Den Gamle By (The Old Town)

Den Gamle By is a national outdoor museum of urban history and culture in Aarhus (Denmark), consisting of more than seventy-five historic buildings ("About Den Gamle By", n.d.). Since 2005, the museum has been experimenting with reminiscence sessions for people with Alzheimer's and other forms of dementia. The central idea was to create an environment that would trigger the memories of people with dementia through objects, sounds, images, smells and flavors (Lindberg, 2013: 95). In 2012, a new building, the House of Memory, was inaugurated specifically as a place to inspire reminiscences. It is a house with a kitchen, living room, dining room, bathroom and bedroom, furnished and decorated in 1950's style but with the possibility of chronological adjustment for future generations (Nicholls et al., 2013: 31; Fristrup & Grut, 2015: 281). It is a

holistic multi-sensory approach and the museum staff is trained to facilitate the procedure of activating all the senses of the visitors suffering from dementia.

Museo Marino Marini

The Marino Marini Museum is a small museum in Florence (Italy) dedicated to the famous Italian artist of the 20th century. Since 2012, the Department of Educational Programs made an effort to make the museum more accessible to the community as a whole, launching the “L'arte tra le mani” action for people with memory problems and their carers (“Accessibilità”, 2018). The museum uses the venues, exhibits and other art forms (like music or dance) as a stimulus to perform activities that respond to the needs and expectations of people with dementia and to help them find meaning in their lives, to be as active and happy as possible. Additionally, another educational program was created exclusively for people with dementia caretakers (Museo Marini Marino, 2017).

The Whitworth Art Gallery

The Whitworth Art Gallery based in Manchester (UK), generally an age-friendly city (“Age Friendly”, nd) designed the “Coffee, Cake & Culture” program for people with dementia and their carers, which focuses on stimulating visitors’ imagination, developing their creative skills, encouraging their oral expression and not placing an emphasis on retrieving memories (Gallagher & Winn, 2019). The program also includes other activities such as creating artifacts, craft making, dancing and listening to music. “Coffee, Cake & Culture” is an example of an interdisciplinary program that has been designed thanks to the collaboration of health and social care specialists with museums researchers (Ward & Winn, 2015: 351 - 359). In June 2017, the Museum launched the “Beyond Dementia” exhibition, which ran until January 2019 (“Beyond Dementia”, n.d.). The exhibition was created and curated by a group of dementia residents in the group “Fabulous Forgetful Friends”.⁵ As a result of this program, the museum published “A Handbook for Cultural Engagement with People with Dementia”.

Palazzo Strozzi

The Palazzo Strozzi Cultural Foundation in Florence (Italy) launched in 2011 the pilot program “A più voci” for people with memory problems and their carers. Since 2012 the program has been integrated into the educational programs list of the Palazzo, offering accessible activities for all. This interdisciplinary program can also be applied to other museums or cultural sites. Museum educators and doctors combined their ideas and skills to design a program, intended not as a treatment, but rather to allow people with memory impairments to become familiar with works of art and enjoy the experience (Balzani et al., 2015). The program, based on the TimeSlips method, aims to maintain the patient’s ability to use words and engage in conversations, to express emotions, to listen, to observe and to recover from mental health problems (Balzani et al., 2015). It also intends to introduce to carers (family or professionals) an alternative communication

⁵ “Fabulous, Forgetful Friends” is a project of Together Dementia Support CIC, a not-for-profit Community Interest Company offering support and therapeutic activities for people living with dementia, their carers and supporters in Manchester. It is a new peer support and influencing group, which aims to empower those living with dementia in Manchester. They want to show that people with dementia are making a positive contribution to society and can enjoy life.

approach. Finally, it wishes to change the social perception of this disease and destigmatize the patients. (Mannucci, 2014).

Stedelijk Museum & Van Abbe Museum

In 2013 two large Dutch museums, the Stedelijk Museum (Amsterdam) and the Van Abbe Museum (Eindhoven) collaborated to create the program "Unforgettable", which includes interactive guided tours for people with dementia and their caregivers ("Unforgettable Stedelijk Inclusive Programming", n.d.). The program, researched and evaluated by the University Medical Center of Amsterdam, is based on a method that encourages the thinking process, invigorates emotional reactions and stimulates other senses with music or aromas (Van DerValk, 2017). Each month the tour deals with different exhibits, so visitors can return to encounter different experiences each time. ("Unforgettable Stedelijk Inclusive Programming", n.d.). Twelve museums in the country, along with Stedelijk and VanAbbe, are currently participating in their own "Unforgettable" project for people with dementia (Van DerValk, 2017).

Butler Gallery & Irish Museum of Modern Art

Located in Kilkenny (Ireland) the Butler Gallery is one of the most vibrant art venues in the country making a major contribution to the promotion and dissemination of contemporary visual arts. Its educational programs aim to provide meaningful, innovative opportunities to people of different backgrounds, ages and abilities ("ButlerGallery", n.d.). Inspired by MoMA's "Meetme" program and wanting to make art accessible to dementia patients, the gallery designed in collaboration with the Irish Museum of Modern Art (IMMA) the program "The Azure Project" ("Azure at Butler Gallery"). This project sought to expand the implementation of MeetMe in Ireland through pilot special tours that introduce museums exhibits to visitors with dementia, their families and carers.

Conclusion

In this paper, we have discussed the term Caring Museum and presented a sample of successful Caring Museum practices from the european museum community. These practices do not only focus on trying to recall memories to elderly visitors and visitors with dementia, but primarily aim to develop their imagination and creativity, helping them to experience pleasant emotions, encouraging speech abilities and discussion and providing an enjoyable museum experience for both the patients and their caregivers.

What it comes out of the analysis is that the common denominator of all the programs presented in the last section of the paper, is the key words "cooperation". Cooperation is a key factor that ensures a successful Caring Museum program in the case of this particular audience. In particular the collaboration between health agencies, social care providers, researchers and museum professionals, in order to promote active participation rather than passive observation is of great importance. Additionally, since the activities are renewed based on the different exhibitions hosted each time by a museum, visitors are given the opportunity to repeat the program and experience different feelings. This approach of repeated visits allows museum staff to get to know the visitors better, while the latter begin to feel more familiar in the museum environment.

Concluding we would argue that the Caring Museum is a "collaborative" and "participatory" museum that understands the behaviors, needs and abilities of older audiences with memory

problems. Adapting to current social and cultural conditions, the Caring Museum presents a turn towards “the most humane”, the spirit of cultural democratization that has inspired museums' practices and policies in recent decades, creating an inclusive and participatory environment for all visitors, regardless of their age or their mental abilities.

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DECOMPOSING WAGE DISTRIBUTIONS IN PERFORMANCE PAYING JOBS: CHANGES DURING THE GREAT RECESSION

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Abstract

In this study we have analyzed the wage differential in the wage distributions between performance and non-performance pay job schemes in South Korea. We identify workers in the performance pay job schemes if their wage is either decided on the basis of an individual's output, or on the basis of a team output or on the basis of the company's overall performance. Workers who are paid an hourly wage belongs to non-performance pay scheme. Since our results have confirmed that there exists a significant wage differential between performance and non-performance pay jobs schemes, we have proceeded further in analyzing which are the factors that affect the following wage differential. We have also analyzed whether the recent economic crisis that hit the economies in 2007/08 has affected the wage distributions between these two groups in South Korea. In our analysis we have used the Korean Labour and Income Panel Survey (KLIPS) from 2003 till 2010. In the first step we have applied a reweighted Oaxaca-Blinder decomposition method which provides us with the detailed decomposition of the wage differential at the mean. In the second step, we have applied the decomposition method based on the Recentered Influence Function (RIF) regressions in order to investigate the source of change in wages at different points of the wage distribution by decomposing the changes at various wage quantiles. Taking into account the possibility of heterogeneous results between gender we have performed separate decompositions for both men and women.

Keywords: labour productivity, gender economics, wage structure, wage differentials, payment methods

1. Introduction

Undoubtedly, one of the central issues that has been attributed to economics concerns the role of incentives. In the labor and public economics, a significant amount of studies have been devoted to the analysis of the effects of choosing an optimal compensation scheme on the firm's profits and workers earnings (see Brown (1990), Brown (1992), Booth (1996) and Drago (1994)). Another strand of literature, although connected to the previous one, deals with the effects induced by the compensation schemes on the output productivity of its workers (see Paarsch (1997)). Nevertheless, as pointed out by Lazear (2000) firms will choose the compensation methods for

their workers based on the incentive effects these schemes elicit on workers and not on the fact that some scheme will be more profitable than the other. For instance, in the equilibrium firms can choose an hourly wage instead a piece rate if the benefits of paying an hourly wage to the workers overcome the costs in terms of reduced output produced that might be the result of insufficient supervision that the firm could not afford to implement.

We know from the microeconomic theory that under the assumption of competitive labour market, wages will equate to its marginal products while the equilibrium of demand and supply curves will define the wage structure. What we effectively observe in the labor market, seems to abstract from these predictions of the competitive labour market, where firms have a hard time to observe or measure the performance and ability of their workers in order to set the equilibrium wage. Baker (1988) has argued that monitoring individual performance in firms is a difficult and costly job for the principals, so many common features of organizational incentive systems that the firms adopt are difficult to explain with the traditional economic theory. Nevertheless, with a recent improvement in the technology, the cost of monitoring performance of individuals has been lowered causing a growing number of the performance pay schemes that have been contracted by the firms.

Lazear (2000) and Barth (2009) pointed out that performance pay schemes serve as a mechanism of screening and selecting workers into the firms which then leads to higher wage dispersion within the firm. Lemieux (2009) show that one quarter of the growth in wage inequality with almost all the wage inequality growth in the upper tail of the wage distribution in the period from 1980s until 1990s is due to increasing number of performance pay jobs and increasing returns to skills in those jobs. Heywood (2012) show that the wage inequality growth in the upper end of the earnings distribution is coupled with performance pay jobs but this holds only for whites and not for blacks. Inspecting the wage differential between whites and blacks, they have found that the racial wage discrimination disappears over the entire distribution for workers in fixed paid jobs after conditioning on the composition effect while for workers in performance pay jobs and after conditioning on the composition effect, the wage discrimination increases over the earnings distribution and reaches its maximum at the top end of the distribution.

In this article we study the difference in wage distributions between performance and non-performance pay jobs and we detect the factors which affect the wage differential between these two groups. Implicitly this study will address concerns of whether the wage differential between performance and non-performance pay jobs is increasing throughout the conditional wage distribution with the acceleration at the top of distribution (known as the glass ceiling effect) or whether the wage differential widens at the bottom of the distribution (known as the sticky floor effect). Although we have controlled for the set of regressors which represents personal and job related characteristics, our results revealed that the estimated wage differential between performance and non-performance pay jobs remained pronounced and statistically significant. An interesting part of our results concerns the heterogeneity of the wage differential across the various percentiles of the distribution.

Our estimation strategy consists of two steps. In the first step we estimate the Mincerian wage regression for each individual in both performance and non-performance pay jobs. In the second step we compute the wage differential between these two groups and we decompose the wage

difference on the composition and wage structure effect. In addition, the composition and wage structure effects are decomposed to each of its contributing factors. We also address the issue of whether the recent economic crisis that has happened in 2007/08 has produced any distributional effects that have had an impact on the wage distributions. For that matter we separated the computation and decomposition of wage differential on the periods before and after the crisis had occurred.

Firstly, we contribute to the literature with being the first at least to our knowledge to decompose the wage differential between performance and non-performance pay jobs across the entire wage distribution. The closest attempt to ours can be found in Barth (2009) although they have only estimated the performance pay premium at a few points in the wage distribution. The second contribution to the literature comes from our approach to provide the detailed decomposition of the wage differential across the entire wage distribution. To our knowledge there have not been such approaches to provide the detailed decomposition of the wage differential between performance and non-performance pay jobs.

The reminder of the paper is organized as follows. Section 2 illustrates the methodology and data. In section 3 we present the results. Section 4 concludes.

1. Methodology and Data

In this study we have used two types of decomposition methods. In the first step we have employed the Oaxaca-Blinder (OB) decomposition (see Oaxaca (1973) and Blinder (1973)) which is used to decompose changes or differences in the mean of an outcome variable. In the second step we have employed the Recentered Influence Function (RIF)-regression decomposition method which allowed us to investigate the source of change in wages at different points of the wage distribution by decomposing the changes at various wage quantiles (see Firpo et al. (2009)).

We have used the longitudinal data from the Korean Labour and Income Panel Study (KLIPS). KLIPS contains a sample of 5,000 urban households from 2003 till 2010. The dataset includes a wide array of categories such as the income-earning activities and consumption, education, employment characteristics and working hours. We concentrate only on employees who work at least 20 hours per week. In order to avoid data issues pertaining to retirement we limit the analysis to individuals between the ages of 15 and 65. We have identified workers in the (non)performance pay jobs using the following question: What kind of performance-based pay scheme does your employer apply to you? A scale of possible answers included i) the individual level, ii) the group level, iii) the company level and iv) no performance based pay. Using this question, we have constructed a binary indicator that equals one if an individual belong either to individual or group or company performance pay job scheme, while if an individual does not belong to any of these schemes then the variable equals zero. Our dependent variable, the logarithm of real hourly net wage is constructed from the reported weekly earnings and hours of work.

2. Results

3.1. Mean Wage Differential

In this section we present the results obtained from the Oaxaca-Blinder (OB) reweighted decomposition of the mean wage between workers in performance and non-performance paying jobs. Our empirical strategy for estimating OB reweighted decomposition of the wage differential

consists of reweighting the workers in non-performance paying jobs in such a way that their wage distribution is approximately similar to the wage distribution of workers in the performance paying jobs.

3.1.1. Oaxaca-Blinder Reweighted Decomposition for Men

In table 1 we illustrate the results of OB reweighted decomposition for a sub-sample of men. The results we have obtained show that the mean wage differential between workers in non-performance and performance paying jobs has been increasing (in the absolute terms) from -0.367 log points in the 2003/04 period to -0.516 log points in the 2007/08 period. In the 2009/10 period the estimated mean wage gap accounted for -0.437 log points or in other words, the mean wage differential has reduced by 0.079 log points between 2007/08 and 2009/10. The reason why we have observed the reduction in the mean wage differential between 2007/08 and 2009/10 comes from the fact that the wages of workers in non-performance paying jobs have grown while wages of workers in performance paying jobs have fallen in later period. A plausible explanation for observing this evidence comes from the fact that the recent economic crisis at the end of 2007 and at the beginning of 2008 have had a major impact on the economy of South Korea and more precise on their labour market. During the recession, the firms which were offering performance paying schemes reduced the wages of their workers while the wages of workers in non-performance paying jobs continue to grow.

We have found that the mean wage differential is accounted by a larger fraction with the composition effect in 2003/04 and 2005/06 while in 2007/08 and 2009/10 the total mean wage differential was accounted more by the pure wage structure effect. The following evidence points out that from the 2007/08 period the wage discrimination effect started to widen the wage gap more than the endowment effect. In the absolute terms, the pure total composition effect has increased from -0.209 log points in 2003/04 to -0.275 log points in 2005/06 but then in 2009/10 it has decreased to -0.194 log points. The pure wage structure effect has accounted for -0.148 log points in 2003/04 while in 2009/10 the wage structure effect rose in absolute terms to -0.211. The following results indicate that the wage discrimination in performance/non-performance paying jobs in South Korea has been increasing over time from 16 percent in 2003/04 to 23 percent in 2009/10.

We can notice that each significant coefficient for the composition effect is negative which means that each factor of the composition effect contributes to an increase in the mean wage gap due to some higher endowments of these factors among workers in the performance paying jobs. Factors which have been shown as the most important contributors to the composition effect are education, experience and tenure. Taken together, these factors which approximates the worker productivity, have contributed to around 60 % of an increase in the total pure composition effect. The most important factor which narrows the wage structure effect is demography. We have found a higher return to demography for workers in non-performance paying jobs in 2005/06 and 2007/08, while in 2003/04 and 2009/10 the return to demography was the main contributor for widening the wage structure effect. While in 2005/06 and 2007/08 the returns to demography were positive and they have contributed the most to the wage structure effect these effects were actually offset by a larger effect of the constant term which captured an unobserved factor that influenced the wage structure. One can notice that the returns to education were negative for each period of study which indicates that workers in the performance paying jobs have higher returns to education than workers in non-performance paying jobs

3.1.2. Oaxaca-Blinder Reweighted Decomposition for Women

We are now turning to the results in table 2 which illustrates the results of OB reweighted decomposition for a sub-sample of women. We can notice that the estimated mean wage differential for women has been increasing (in the absolute terms) from -0.417 log points in the 2003/04 period to -0.549 log points in the 2007/08 period. In 2009/10 the estimated mean wage gap accounted for -0.396 log points, which implies that the mean wage differential has been significantly reduced by 0.153 log points (or by 28 %) between 2007/08 and 2009/10. The evidence points out that the reduction in the mean wage differential which happened between 2007/08 and 2009/10 is almost entirely due to growing wages of workers in non-performance paying jobs and due to stagnating wages of workers in performance paying jobs. As we have already mentioned in the previous section, a reasonable explanation for this evidence comes from the fact that the recent economic crisis at the end of 2007 and at the beginning of 2008 had influenced the labour market in South Korea when the burden of recession is mostly attributed by workers in performance paying jobs.

In the absolute terms the pure composition effect has been increasing from -0.203 in 2003/04 to -0.334 in 2007/08 while in 2009/10 the pure composition effect has decreased to -0.271. In the absolute terms the pure composition effect has increased from 2003/04 to 2009/10 by 0.068 log points or 33.5. The results also indicate that the mean wage differential in 2003/04 and 2005/06 was almost equally splitted between the composition effect and wage structure effect, while in 2009/10 the pure composition effect has accounted around 70 percent of the mean wage differential. That is to say, from 2003/04 till 2009/10 the share of wage discrimination effect in the total mean wage differential has been decreasing while the endowment effect has been widening this gap. We can notice that the pure wage structure effect has accounted for -0.191 log points in 2003/04 while in 2009/10 the wage structure effect has decreased to -0.120 log points. This points out the wage discrimination in South Korea between performance and non-performance pay jobs has been decreasing from 2003/04 till 2009/10. However, the largest amount of the decrease in the wage discrimination effect between two adjacent periods has happened between 2007/08 and 2009/10 when the wage discrimination effect reduced by 33.7 %.

The results from the detailed decomposition points out that each factor of the composition effect that turns to be significant, contributes to an increase in the mean wage differential (since the sign of the coefficient is negative). The factors that stand out as the most significant contributors to the composition effect are education, experience, tenure and other factors. An interesting evidence concerns the growing share of education, experience and tenure in the total pure composition effect over time. For instance, the share of education, experience and tenure in the total pure composition effect was around 53 percent in the 2003/04 period, while in the 2009/10 period this share rose to around 78 percent. We can notice that the demographic factors represent the main contributing factors for decreasing the wage structure effect in 2003/04, 2007/08 and 2009/10 are demographic factors. On the contrary we have found that the demographic factors in 2005/06 were contributing to an increase in the wage structure effect. However, notice that these very large returns to the demographic factors were actually entirely or almost entirely offset by a larger effect of the constant term with the opposite sign.

3.2. Wage Differentials Across the Wage Distribution

In this section we present the results obtained from the detailed RIF-regression decomposition. The results presented are based on the regression coefficients and characteristics for workers in the non-performance paying jobs.

3.2.1. RIF-Regression Decomposition for Men

Figure 1 shows that the overall wage differential estimated for each period of study is negative at every quantile of the wage distribution. We can observe that these curves have a characteristic U-shape pattern which implies that the total wage differential is lower at the lower/top end of distribution and it is higher in the middle of distribution. However, we have found an exception for the 2009/10 period when the overall wage differential is almost uniformly distributed up to the 60th percentile and then the curve becomes positively sloped. This evidence implies that the overall wage differential in 2009/10 has stayed rather unchanged up to the 60th percentile, whereas the wage differential has decreased significantly at the upper end of distribution. We can notice that the overall wage differential was mainly driven by the composition effect. However, in 2009/10 the predominant driving force for the overall wage differential was overtaken by the wage structure effect. Nevertheless, one can observe that the composition effect curve is negatively sloped which implies that the composition effect has been increasing the wage differential with the greater extent as we move to the higher quantiles.

The results for the detailed decomposition of the composition effect show negative and significant contribution of almost all set of factors at the 10th, 50th and 90th percentile of the wage distribution. We can notice that the endowment effects attributed to the productivity characteristics (i.e. group of covariates on education, experience and tenure) have been increasing the wage differential. The detailed decomposition of the wage structure effect shows that the returns to education are in the most cases higher for worker in the performance paid jobs and thus they have contributed to an increase of the wage differential. We have found that the wage structure effect linked to demography has relatively the largest contribution to the wage structure effect.

3.2.2. RIF-Regression Decomposition for Women

The evidence we have found for women is quite similar to what we have found for men. We can notice that the overall wage differential estimated for each period of study is negative at every quantile of the wage distribution (see figure 2). The overall wage differential curves for each period (except for 2009/10) have a characteristic U-shape pattern which implies that the total wage differential is lower at the bottom/top of the distribution than in the middle of distribution. We can see that the composition effects are negative and the composition effect curves are negatively sloped which means that the composition effects have been increasing the wage differential over the entire wage distribution and moreover these effects were stronger as we move to higher quantiles. While the overall wage differential in the upper part of the distribution (from the median onwards) is mainly driven by the composition effect, the wage structure effect is a main driver of the overall wage differential in the lower part of the distribution (up to the median).

The detailed decomposition of the composition effect is negative for almost every factor at the 10th, 50th and 90th percentile of the wage distribution which implies that these factors have been broadening the wage differential. The composition effects linked to experience, tenure and

education are decreasing over the wage distribution which implies that these factors have been boosting the overall wage inequality, although these effects were cancelled by a stronger wage structure effect which have worked in the opposite direction. The interpretation of the wage structure effects attributed to each factor seems to be a quite ambiguous because of the heterogeneous pattern of these effects over the wage distribution.

3. Conclusion

Looking through the lens of firms profits and workers' earnings, it is certainly not a trivial task to design the optimal compensation scheme. The literature has taught us, that it is of crucial importance to analyze what are the incentives of agents when one wants to design the optimal compensation scheme. The well-known obstacle in the principle-agent models concerns the fact that workers' ability and productivity are not (perfectly) observable which then poses a question of how to design the optimal wage. Nevertheless, with the recent improvement in the technology, the quality of monitoring of workers have increased while the costs of monitoring have decreased. As a consequence, the intensity of jobs under the performance paying schemes have increased.

As we have seen, an increasing number of performance paying jobs together with increasing returns to skills in those jobs caused a growth in the wage inequalities. In the literature we have found arguments that the wage premium in the performance pay jobs is due to either higher effort or due to higher stress and risk that workers in these jobs endure. Other studies which have used the argument that the wage premium in the performance pay jobs could be due to self-selection of workers have failed in their attempts to explain the wage premium.

In this study we have analyzed the wage differential between performance and non-performance paying job schemes using the panel data from South Korea. Firstly, we have estimated the Mincerian wage regression for performance and non-performance pay job schemes and then in the next step we have computed and decomposed the wage gap between these two groups. The first set of results which we have obtained refer to the wage differential at the mean and these results are obtained using the reweighted Oaxaca-Blinder decomposition. The second set of results are obtained using the RIF-regressions which allow us to decompose the changes at various wage quantiles. We have found significant differences in wages between workers in performance and non-performance paying jobs even after we have controlled for a large set of personal and job characteristics. Moreover, we have found that this differential is quite heterogeneous across the wage distribution.

The mean wage differential for men has been increasing from 2003/04 to 2007/08 while from 2007/08 to 2009/10 the wage gap decreased as mean wages of non-performance paid workers continued to grow while wages of performance paid workers declined. The wage discrimination effect for men, started to widen from 2007/08 while in 2003/04 and 2005/06 a larger fraction of wage differential was accounted by the wage composition effect. The detailed decomposition of the composition effect for men, have shown negative coefficients on each group of regressors which indicated that the wage differential between performance and non-performance paid workers has been increasing due to larger endowments in these factors.

The mean wage differential for women have shown the same pattern as for men. The wage differential for women has been growing from 2003/04 until 2007/08 while in 2009/10 it has

decreased. We have found that the wage differential between 2007/08 and 2009/10 has decreased almost exclusively due to growing wages in non-performance pay jobs. The wage discrimination effect for women has been decreasing from 2003/04 until 2009/10 while at the same time the wage composition effect has been widening the wage gap in the following period. The detailed decomposition of the mean wage gap for women has pointed out that each group of variables we have considered in the Mincerian regression has been stretching out the wage gap.

In order to obtain a broader picture of the wage differential we have gone beyond the mean and accordingly we have analyzed the wage differential across the entire distribution. We have found that the overall wage differential for men is negative at each percentile of the wage distribution for all periods. The overall wage differential curve has a characteristic U-shape pattern except for 2009/10 when the wage differential did not change much from the 20th to 60th percentile of distribution while it did decrease noticeably in the top end of distribution. The evidence for men suggest that the composition effect has been the main contributor to the wage differential and the strength of the following effect has been increasing as we move at the higher quantiles.

We have also found that the wage differential for women have the U-shape pattern for each period of study. Across the entire distribution, the wage differential was negative which means that female workers employed in performance paying jobs were earning more than their counterparts in non-performance paying jobs. The composition effect for women was negative and the composition effect curve is negatively sloped which means that the composition effect contributed to an increase in the wage differential and that the strength of this effect has been increasing as we move in the upper part of the wage distribution. The wage structure effect was also negative, although the wage structure effect curve is increasing in the upper part of the distribution which implies that the returns to workers' characteristics have contributed to the reduction of the wage differential at the top of the wage distribution.

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Table 1: Performance/Non-Performance Pay Jobs Mean Wage Gap Decomposition for Men

	2003-2004				2005-2006				2007-2008				2009-2010			
	No rew		Rew		No rew		Rew		No rew		Rew		No rew		Rew	
<i>Log Wage Non-Performance</i>	9.104***	(0.010)	9.104***	(0.010)	9.191***	(0.010)	9.191***	(0.010)	9.213***	(0.010)	9.213***	(0.010)	9.284***	(0.021)	9.284***	(0.021)
<i>Log Wage Performance</i>	9.471***	(0.024)	9.471***	(0.024)	9.645***	(0.020)	9.645***	(0.020)	9.730***	(0.018)	9.730***	(0.018)	9.721***	(0.033)	9.721***	(0.033)
<i>Mean Differential</i>	-0.367***	(0.026)	-0.367***	(0.026)	-0.454***	(0.022)	-0.454***	(0.022)	-0.516***	(0.021)	-0.516***	(0.021)	-0.437***	(0.039)	-0.437***	(0.039)
<i>Composition Effects due to</i>																
Demography	-0.003	(0.009)	-0.000	(0.008)	-0.013	(0.010)	-0.017	(0.009)	-0.009	(0.011)	-0.004	(0.011)	-0.020	(0.010)	-0.022*	(0.009)
Education	-0.022***	(0.006)	-0.026***	(0.005)	-0.025***	(0.005)	-0.029***	(0.006)	-0.036***	(0.006)	-0.040***	(0.007)	-0.069***	(0.008)	-0.070***	(0.007)
Experience	-0.045***	(0.010)	-0.046***	(0.009)	-0.046***	(0.013)	-0.044***	(0.012)	-0.036*	(0.014)	-0.036*	(0.015)	-0.021	(0.012)	-0.023	(0.012)
Tenure	-0.038***	(0.006)	-0.040***	(0.004)	-0.062***	(0.007)	-0.064***	(0.005)	-0.071***	(0.007)	-0.005	(0.004)	-0.059***	(0.007)	-0.014***	(0.004)
Occupation	-0.033***	(0.006)	-0.034***	(0.004)	-0.047***	(0.006)	-0.032***	(0.004)	-0.063***	(0.006)	-0.036***	(0.004)	-0.034***	(0.004)	-0.033***	(0.004)
Industry	-0.014*	(0.006)	-0.007*	(0.003)	-0.019***	(0.005)	-0.007	(0.004)	-0.023***	(0.006)	0.003	(0.003)	-0.026***	(0.005)	-0.026***	(0.004)
Other	-0.055***	(0.007)	-0.057***	(0.005)	-0.086***	(0.008)	-0.083***	(0.007)	-0.100***	(0.008)	-0.023***	(0.004)	-0.009	(0.006)	-0.006**	(0.002)
<i>Total Composition Effect</i>	-0.209***	(0.018)	-0.209***	(0.011)	-0.297***	(0.017)	-0.275***	(0.012)	-0.338***	(0.017)	-0.140***	(0.011)	-0.237***	(0.015)	-0.194***	(0.010)
<i>Wage Structure Effects due to</i>																
Demography	-0.116	(0.760)	-0.696	(0.773)	1.542*	(0.727)	1.419	(0.727)	0.624	(0.662)	0.752	(0.661)	-0.948	(0.711)	-1.660*	(0.719)
Education	-0.018	(0.065)	-0.020	(0.070)	-0.020	(0.033)	-0.019	(0.034)	-0.087**	(0.029)	-0.082**	(0.029)	-0.030	(0.031)	-0.044	(0.032)
Experience	0.023	(0.039)	0.052	(0.041)	-0.059	(0.040)	-0.006	(0.041)	-0.010	(0.034)	0.001	(0.036)	0.042	(0.036)	0.039	(0.038)
Tenure	0.044	(0.033)	0.050	(0.033)	-0.000	(0.023)	-0.030	(0.023)	-0.018	(0.019)	-0.037	(0.020)	0.025	(0.021)	0.020	(0.021)
Occupation	-0.037	(0.055)	-0.074	(0.053)	0.144	(0.088)	0.136	(0.086)	0.063	(0.038)	0.045	(0.038)	0.022	(0.021)	0.027	(0.021)
Industry	0.028	(0.030)	0.025	(0.031)	-0.014	(0.033)	-0.028	(0.033)	0.014	(0.029)	0.007	(0.029)	0.058*	(0.024)	0.062*	(0.025)
Other	-0.019	(0.034)	-0.034	(0.034)	0.080*	(0.036)	0.073*	(0.036)	0.018	(0.033)	0.020	(0.034)	-0.005	(0.028)	-0.038	(0.029)
Constant	-0.063	(0.770)	0.547	(0.781)	-1.830*	(0.732)	-1.687*	(0.731)	-0.781	(0.668)	-0.875	(0.666)	0.636	(0.714)	1.382	(0.721)
<i>Total Wage Structure Effects</i>	-0.158***	(0.020)	-0.148***	(0.019)	-0.157***	(0.018)	-0.142***	(0.016)	-0.179***	(0.017)	-0.168***	(0.016)	-0.200***	(0.040)	-0.211***	(0.038)

Table 2: Performance/Non-Performance Jobs Mean Wage Gap Decomposition for Women

	2003-2004				2005-2006				2007-2008				2009-2010			
	No rew		Rew		No rew		Rew		No rew		Rew		No rew		Rew	
<i>Log Wage Non-Performance</i>	8.694***	(0.012)	8.694***	(0.012)	8.772***	(0.011)	8.772***	(0.011)	8.818***	(0.011)	8.818***	(0.011)	9.011***	(0.027)	9.011***	(0.027)
<i>Log Wage Performance</i>	9.111***	(0.031)	9.111***	(0.031)	9.237***	(0.030)	9.237***	(0.030)	9.367***	(0.030)	9.367***	(0.030)	9.407***	(0.065)	9.407***	(0.065)
<i>Mean Differential</i>	-0.417***	(0.033)	-0.417***	(0.033)	-0.466***	(0.033)	-0.466***	(0.033)	-0.549***	(0.032)	-0.549***	(0.032)	-0.396***	(0.070)	-0.396***	(0.070)
<i>Composition Effects due to</i>																
Demography	-0.012	(0.008)	-0.011	(0.006)	-0.011	(0.009)	-0.011	(0.007)	0.019	(0.015)	0.016	(0.012)	0.002	(0.011)	0.001	(0.009)
Education	-0.013	(0.009)	-0.028***	(0.006)	-0.044***	(0.010)	-0.064***	(0.008)	-0.069***	(0.011)	-0.076***	(0.009)	-0.080***	(0.013)	-0.087***	(0.009)
Experience	-0.016*	(0.007)	-0.020***	(0.006)	-0.022	(0.012)	-0.012	(0.010)	-0.046*	(0.021)	-0.041*	(0.018)	-0.027	(0.014)	-0.026**	(0.013)
Tenure	-0.057***	(0.011)	-0.061***	(0.007)	-0.096***	(0.015)	-0.016**	(0.006)	-0.097***	(0.013)	-0.107***	(0.009)	-0.098***	(0.013)	-0.099***	(0.008)
Occupation	-0.034**	(0.013)	-0.023***	(0.005)	-0.045***	(0.008)	-0.028***	(0.005)	-0.066***	(0.009)	-0.054***	(0.006)	-0.036***	(0.008)	-0.026***	(0.005)
Industry	-0.054***	(0.012)	-0.014**	(0.004)	-0.034***	(0.008)	-0.010**	(0.003)	-0.026**	(0.008)	-0.017***	(0.005)	-0.007	(0.007)	-0.003	(0.004)
Other	-0.041***	(0.009)	-0.046***	(0.007)	-0.047***	(0.007)	-0.037***	(0.006)	-0.066***	(0.008)	-0.054***	(0.007)	-0.062***	(0.010)	-0.030***	(0.005)
<i>Total Composition Effect</i>	-0.227***	(0.027)	-0.203***	(0.015)	-0.298***	(0.027)	-0.177***	(0.013)	-0.351***	(0.024)	-0.334***	(0.015)	-0.306***	(0.025)	-0.271***	(0.015)
<i>Wage Structure Effects due to</i>																
Demography	0.903	(1.067)	0.873	(1.066)	-0.347	(0.805)	-0.159	(0.803)	0.743	(0.905)	0.362	(0.895)	3.375***	(0.976)	2.800***	(0.975)
Education	0.024	(0.062)	0.049	(0.061)	-0.089*	(0.040)	-0.074*	(0.036)	-0.040	(0.051)	-0.044	(0.042)	-0.087	(0.045)	-0.054	(0.041)
Experience	0.116*	(0.054)	0.130*	(0.055)	0.020	(0.074)	0.032	(0.075)	-0.065	(0.096)	0.009	(0.097)	-0.132	(0.080)	-0.091	(0.081)
Tenure	-0.058	(0.071)	-0.037	(0.069)	-0.074	(0.045)	-0.106*	(0.044)	-0.073	(0.048)	-0.064	(0.045)	-0.011	(0.048)	-0.045	(0.046)
Occupation	0.073	(0.122)	0.077	(0.145)	-0.009	(0.080)	-0.032	(0.090)	-0.036	(0.102)	-0.041	(0.171)	0.026	(0.055)	-0.035	(0.064)
Industry	0.015	(0.047)	0.029	(0.050)	-0.023	(0.040)	-0.022	(0.044)	-0.009	(0.037)	-0.014	(0.090)	-0.011	(0.030)	-0.015	(0.041)
Other	-0.072	(0.058)	-0.074	(0.057)	-0.075	(0.049)	-0.043	(0.048)	-0.071	(0.056)	-0.049	(0.057)	-0.167**	(0.056)	-0.198***	(0.056)
Constant	-1.191	(1.128)	-1.238	(1.129)	0.430	(0.862)	0.235	(0.860)	-0.648	(0.951)	-0.340	(0.941)	-3.082**	(1.006)	-2.553*	(1.004)
<i>Total Wage Structure Effects</i>	-0.190***	(0.030)	-0.191***	(0.029)	-0.168***	(0.025)	-0.169***	(0.024)	-0.198***	(0.027)	-0.181***	(0.025)	-0.090	(0.071)	-0.120*	(0.070)

Figure 1. Decomposition of the Total Wage Differential: A Sub-sample of Men

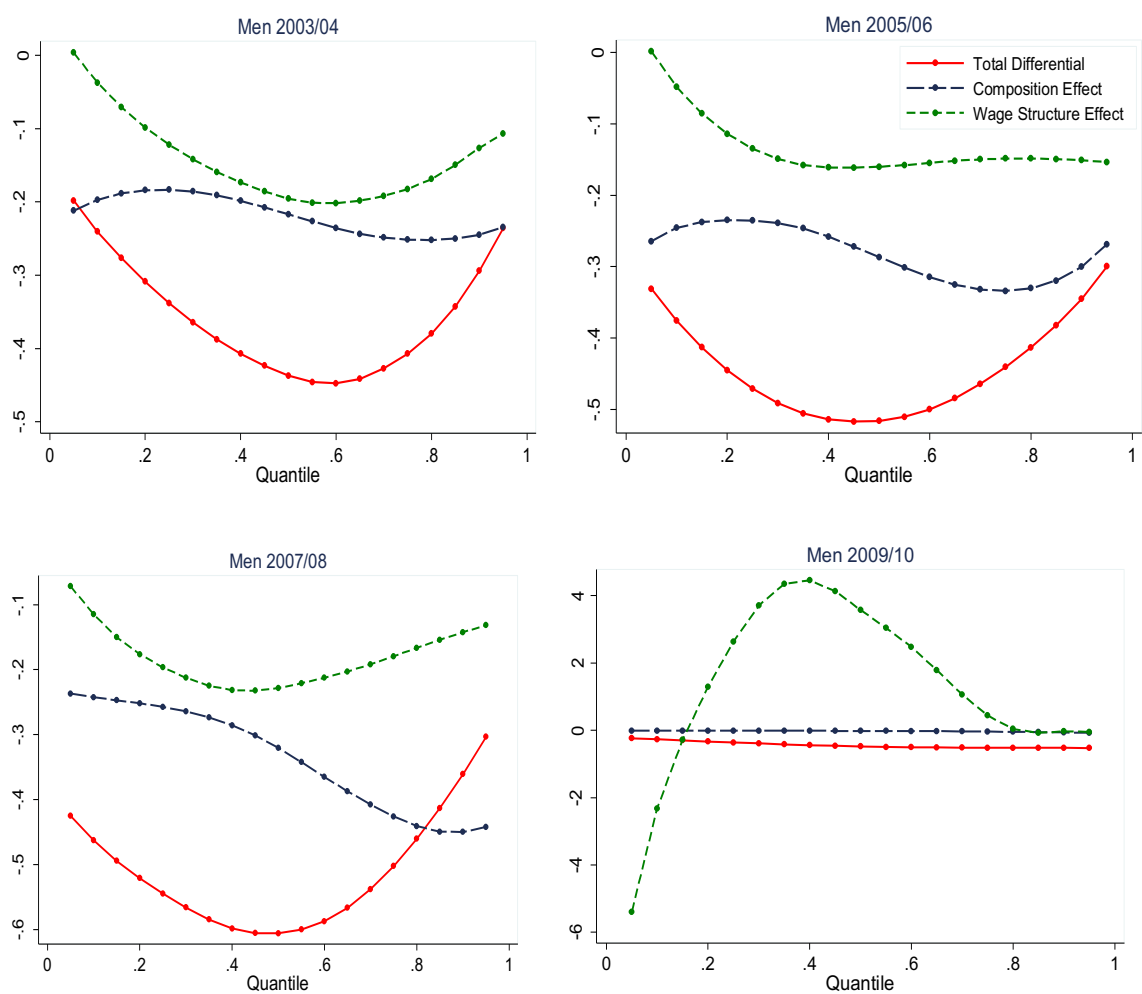
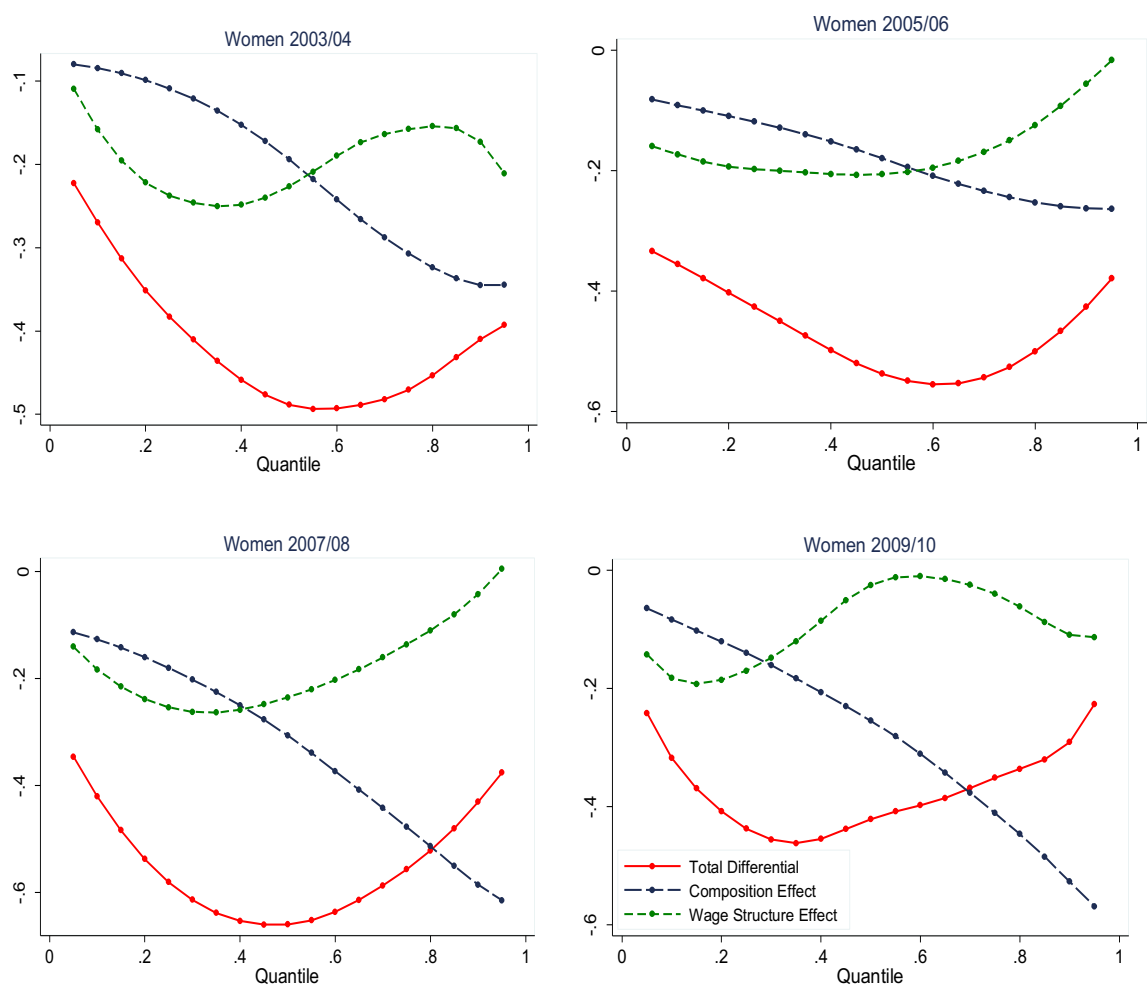


Figure 2. Decomposition of the Total Wage Differential: A Sub-sample of Women



HOW EMPLOYEE INVOLVEMENT AND JOB PERFORMANCE CAN AFFECT JOB SATISFACTION? (DISTRIBUTION INDUSTRY IN ALBANIA)

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Abstract

Even that in our country managers place too little emphasis on employee job satisfaction, numerous studies around the world have shown that satisfaction guides an important role on motivation and employee performance that is related directly with organization performance. Considering the employees as the object of the study, we have seen how work involvement and performance are related with job satisfaction. Large and successful companies are currently considering that having satisfied employees is the same as having a competitive competence in organization. Meanwhile it is widely known that job satisfaction is one of the most complex issues that managers have to face in this dynamic area where each employee may have different reasons that drive them to be satisfied or dissatisfied at their work. This study has taken into consideration only the distribution industry in Albania. The survey analysis is performed through the multiple regression model. We have operationalized the variables of involvement perception in four item, job performance in seven item and job satisfaction in nine item, measured in the questionnaire with five-point Likert scale. Employees involvement and their job performance are positively related with job satisfaction that guides the organization towards achieving its goals. In future we want to expand our survey in other industries and to take into consideration more factors that affect job satisfaction.

Keywords: Work involvement, Job Satisfaction, Employees performance, Distribution industry, Albania

1. Introduction

In numerous studies, the main concerns of companies are the employees' satisfaction in their job and in their life. A review on literature indicated that since job is a part of the life, job and life satisfaction are correlated (Tait, Padgett, & Baldwin, 1989) this relation is reciprocal based on Judge and Watanabe (1994). As the employers are more likely to influence on job satisfaction than in other life satisfaction, they tend to increase it. Satisfied people have greater dispositions to help the organization to achieve its goals, so the company tends to have satisfied employees focusing on job satisfaction. One other issue that rise the satisfaction in work based on (Lodhal and Kejner, 1965; Kahn, 1990; Pfeffer, 1994) is job involvement that provides the motivation to accept and perform the best job possible.

We considered the distribution industry, especially in the sales chain, because there are weekly and monthly targets specified that affect employee salaries and also there are always smaller changing

duties that required specific abilities. Based on Speh and Maltz (2002) the distribution industry has worked to attract and maintain quality employees but its frequently annual turnover rates exceed 100 percent. On the distribution industry that we have considerate, employees have to use latest technology, make decision that required analytics skills and as the most important duties, maintain effective relationship with customers. So in this circumstances, the human resource issue is the forest able future specially to growing and developing on front line workers (Hotek, 2002). We felt that this sector would be more interesting to understand how employees' percept their performance based on achieving the objective and how do they see involvement in the job even though there are often minor changes. Meanwhile, external factor contributes on a sale, work designing and planning can have influence too (Johlke and Iyer, 2013).

The study is organized in five major section. Section two review the theoretical background and presents the hypothesis. Section three describe data, variable operationalized, method used and empirical model. Section four has the statistical analyze and the result. We conclude the study with discussion, conclusions, further research recommendations and limitations.

2. Content details

A satisfied person impacts the individual health, so in the same way we can consider that the health of an organization can be affected by employees who are satisfied or dissatisfied. Normally the work environment, with a lot of factors can contribute to an individual's work motivation (Churchill, Ford, and Walker 1976; Joyce and Slocum 1984). Positive and favorable attitudes contribute to job satisfaction, as the negative and unfavorable attitudes towards the job, indicate job dissatisfaction (Armstrong, 2006). There has been numerous study to job satisfaction and some of the most common definitions to the concept are: Hoppock (1935) defined it as any combination of psychological, physiological and environmental circumstances that drives a person to believe that he is satisfied in his job. Vroom (1964) defines job satisfaction as affective orientations on the part of individuals toward work roles which they are presently occupying. Kaliski (2007) determines that job satisfaction is the key ingredient that leads to recognition, income, promotion, and the achievement of other goals that lead to a feeling of fulfillment. In this study we will refer to job satisfaction as it has considered by Spector (1997), then job satisfaction has to do with the way how people feel about their job. So in this context we will consider two factors that may affect job satisfaction, such as job involvement and job performance.

Job involvement is a concept that includes a lot of job characteristics that the authors in their studies have taken into consideration: consideration and participation (Smith and Brannick, 1990 Lance, 1991); differences such as internal motivation in individual perspective (Gardner, Dunham, Cummings and Pierce, 1989); autonomy, skill variety task identity and significance (Hackman and Oldham, 1980); a protestant work ethic (Brockner, Grover, and Blonder, 1988) ... Those characteristics like participation, learning, and autonomy increase the motivating potential of work (Hackman and Oldham 1980). When the workplace is a good potential to satisfy the psychological needs, then the employees become more involved and invest greater time and effort in organization's work (Kahn, 1990; Pfeffer, 1994). According to Locke (1976), a involved person in his work takes his job and career seriously, can be affected significantly by work experience and will be mentally preoccupied by work.

As some other factors the job involvement might benefit or harm the work (Drago, 1996; Ramsay, Scholarios, and Harley, 2000; Kalmi and Kauhenen, 2005). Based on (Argyris, 1964; Lawler, 1975) the involvement is the most appropriate criteria of adjustment of work even considering the feeling of satisfaction, for this reason the job involvement has attending an increasing research interest. Considering the literature one of our hypotheses is:

H1: Job involvement affect positively job satisfaction.

A series of studies on satisfaction point out that “happy worker is a productive worker”. The first attempt to see a relation between satisfaction and performance was considered since Hawthorne studies, at 1930. A lot of study in this field have found a significant relation between job performance and job satisfaction (S. P. Brown, Cron and Leigh, 1993; Darden, Hampton and Howell, 1989; MacKenzie, Podsakoff and Ahearne, 1998), for some other study there was no a significance (Behrman and Perreault, 1984; S. P. Brown and Peterson, 1994; Hampton, Dubinsky, and Skinner, 1986). While the dissatisfied employees are more likely to quit their jobs to be absent or to not be performed than satisfied employees (Hulin, Roznowski, and Hachiya, 1985; Kohler and Mathieu, 1993). Although various studies indicate the influence these variables have on each other, there still a debate weather satisfaction leads to performance or performance leads to satisfaction (Luthans, 1998). As Shore and Martin (1989) provides job satisfaction is related positively with job performance and also high result or performance in work brings satisfaction to individuals and self-efficacy (Sonnentag et al 2008). According to Van Scotter, Motowidlo and Cross (2000) persons who have high job performance have more career opportunities than people that have a low job performance. In the same conclusion goes (Bluen et al, 1990), according to him job satisfaction is related positively with the effort to achieve results. Another factor that can impact satisfaction are the rewards produced by performance (Naylor, Pritchard and Ilgen, 1980; Vroom, 1964). Based on this evidence, we posit:

H2: Job performance has a positive impact on job satisfaction.

3. Method and procedures

The sample consists of 105 employees that works in distribution industry referring 6 bigger company (based on the number of employee) located in Tirana. From 376 employees in those firms we have distributed 200 questionnaires accidentally way to the salespersons and sales managers, for 35 days only 113 were returned (56,5% response rate). There were 2 responses that we had excluded because they did not refer to our sample, one of them was completed from an engineer of a distribution company that wasn't our focus and the other response was from a person who has worked before as a sales management in this industry. Also we has excluded 6 questionnaires' from sales agent because of insufficient data. Considering the possibility of missing data, at the first step of collecting we decided that all answers should be completed electronically via google form, when all questions was required before submitted. The Statistical Package for Social Sciences (SPSS) version 20 was used to analyze the data. Almost 20% of respondents are at top managerial levels, 40% at lower managerial levels, and 40% consist of salespeople and sales agents. Most of the interviewees are male about 80% and the average experience of respondents in actual positions is 5-10 years. About 20% of the interviewers are with secondary education, 50% with bachelor education, 28% with master's degree and 1% doctorate.

Dependent variable

Job satisfaction is the dependent variable that we have measured based on (Brayfield and Rothe's 1951) on nine items with five-point scale. The nine items generate a Cronbach Alpha of 0.911 that is a good indicator for the construct according (Hair et al., 2006). The employees have been asked to measure from 1 (if they were strongly disagreeing) to 5 (if they were strongly agreeing) with those sentence (1) I fell fairly well-satisfied with my present job; (2) Most days I am enthusiastic about my work. (3) I find real enjoyment in my work. They have evaluated with reverse score the sentences; (4) I consider my job rather unpleasant; (5) I am often bored with my job; (6) Most of the time I have

to force myself to go to work; (7) I definitely dislike my work; (8) My job is pretty uninteresting and (9) I am disappointed that I ever took this job.

Independent Variable

Job performance is measured based on seven questions with five-point scale. We operationalized in seven items: (1) I average higher sales per check than most. (2) I am in the top 10% of the servers here. (3) I manage my work time better than most. (4) I know more about the menu items. (5) I know what my customers expect. (6) I am good at my job and (7) I get better tips than most of the others. The employee was asked to measure their performance compared to other employees based on their opinion following (Babin and Boles, 1996). The seven-item construct yielded a Cronbach Alpha of 0.882 (standardized Cronbach Alpha coefficients), follows in accordance with the recommended criteria (Nunnally, 1978) and (Hair et al., 2006) show that coefficients of 0.7 or more are considered adequate for social studies

Job involvement is the second independent variable that we have considered in this study that is measured in 4 items a) People seem to take pride in the organization. b) People put quite a lot of effort into what they do. c) A lot of people here seem to be just putting in their time and d) It's hard to get people to do any extra work. The operationalized is based on Brayfield and Rothe's (1951) and the construct yielded a Cronbach Alpha 0.694, above 0.6 in accordance with (Black and Porter, 1996) that explain as in exploratory research an alpha of 0.6 or higher considered adequate.

Empirical model

We analyze the data using multiple linear regression. Equation (*) shows the general form of a multiple regression model with k variable. The study will test if the independent variable has an effect on dependent variable. Based on Green (1991) we can use regression analyses in a sample with 100 subject or more Results

$$y = b + b_1x_1 + b_2x_2 + \dots + b_kx_k \quad (*)$$

Construct validity

To analyze the items that are used in the questionnaires we performed a factor analysis with varimax rotation (see appendix A). The two components accounted 55.2% of the variance and loadings are above the acceptable standard of 0.32 proposed by Tabachnick and Fidell (2007).

The results for Job Performance loaded reasonably high (.728, .791, .734, .727, .724, .746, .744). All the items that we have taken in consideration loaded in this factor and the same for the items that measured the Job involvement. Items measuring Job involvement loaded high (.701, .769, .704, .709)

4. Results

Our result (Table I), shows that most of the people that works in this industry are young, up to 90% are 20-39 years old where more than half of them are 30-39 years old. As the distribution industry has a dynamic environment is known that the workers in this industry has to use sophisticated technology, make decisions that may require analytical skills, and establish and maintain effective interpersonal relationships with customers and fellow workers (Ellinger, Ellinger and Keller, 2003). In this situation it is understandable that young and energetic individuals are better able to successfully achieve their objectives. Youngest people are noted to have fewer years of experience in the organization while the age of 30-39 is mainly noticeable to have 6-19 years of experience in the same organization and a considerable part of them has been promoted in positions during these years.

Table I: Age of workers and their experience in the company

The

Variables	Dependent variable – Job satisfaction		
	B	S.E.	Beta
Constant	1.811***	.474	
Job Involvement	.385***	.086	.398
Job performance	.272**	.090	.272
R Square	.209		
Adjusted R Square	.193		
F	13.474		

following table depicts the results related to our hypotheses, the result of the regressions.

Cross tabulation: Age and the experience on this company							
		Experience					Total
		0-2 year	2-5 year	6-9 year	10-19 year	Over 20 year	
Age	20-29 years old	23	14	3	0	0	40
	30-39 years old	6	14	13	21	1	55
	over 40 years old	0	1	1	7	1	10
Total		29	29	17	28	2	105

Table II:

Regression results

Hypothesis 1: Job involvement has a strong positive impact on job satisfaction. If the employers are involved in extra small work, put a lot of efforts into that and are taking pride in organization they can be more satisfaction in their job.

Hypothesis 2: Job performance has a significant and positive impact on job satisfaction.

The factor as experience, age, education and gender of the respondents has not shown any impact on job satisfaction as a control variable in this data. The R-square indicates that around 20.9% of the response variable variation is explained by the model. The constant is very significant in this model so many others factors that are not taken in consideration can contribute on the dependent variable.

5. Conclusion and discussion

The results of our study are in the same direction as a numerous literature suggest. The job involvement can lower the pressure of a highly dynamic environment when the requirements and the objective are often time-varying. The ability to understand customer requirements it's also a necessarily for those workers. In this case it is very important for the employee to feel involved in the organization that they work for. To feel like a part of the work and a part of achieving the objectives for the organization can leads them to feel more satisfied with the job.

In the distribution industry the majority of employees have clearly defined and measurable objectives. Environmental impact change is also reflected in changing objectives to be achieved by the employees, this is one of the reasons that employees in this industry are required to be energetic and mainly refer to younger ages. Normally, the successful fulfillment of obligations or objectives that translates as a good performance would also affect the sense of satisfaction. Being able to work by achieving or even exceeding the set goals and showing the abilities affects job satisfaction. Job satisfaction is a complex area that is in influence of many external factors so more variable (i.e., environment, rewards, the conduct of supervisors, etc) are needed to ensure that the captured effect can be attributed to the independent variables in the same extend.

Limitation: No study comes without limitation. This study is being realized with google forms that takes the risk that any question cannot be understood very well from the respondents. The sample that we have taken in consideration, it was small considering all the industry, we saw that this is a complexing and exploratory relation so we suggest that study in future can have bigger sample and can considering more industry. The respondents are sales agent, supervisor and sale manager in this study, would it be better if we create subsample that are more specified with the position to have a detailed impact in satisfaction. As in Albania it was the first attention to measure the Job satisfaction in distribution industry, we didn't have any other information before that we can consider, so in the future we suggest longitudinal studies to provide more insight into the evolution of such behaviour. Furthermore, understanding the relationship of job satisfaction with job performance more exploratory and comprehensive study has required because is difficult to understand which is the one that is most influences to the other. For the future research in this field we suggest longitudinal studies to provide more insight into the evolution of such behaviour and we suggest for this sector, achievements in fact as more adequate measured for the job performance.

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APENDIX A: FACTOR ANALYSIS WITH VARIMAX ROTATION

Items for dependent variable constructs	Factor*	
	F1	F2
a) I average higher sales per check than most.	.728	-.100
b) I am in the top 10% of the servers here.	.791	-.181
c) I manage my work time better than most.	.734	-.125
d) I know more about the menu items.	.727	-.143
e) I know what my customers expect.	.724	
f) I am good at my job.	.746	
g) I get better tips than most of the others.	.744	.156
a) People seem to take pride in the organization.		.701
b) People put quite a lot of effort into what they do.		.769
c) A lot of people here seem to be just putting in their time.	-.142	.704
d) It's hard to get people to do any extra work.		.709

*Underlying the dimension as two factor: F1- Job Performance and F2-Job Involvement

THE DETERMINANTS OF CONSUMER PRICE INDEX IN KOSOVO

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Abstract

Using Consumer Price Index, the health of the economy can be in control and the state can take necessary preventive measures otherwise not taken could lead to devastating effects in the form of high unemployment, bankruptcies and major financial losses. This study uses quarterly data of Kosovo from 2006 to 2018. Quarterly data is taken from Central Bank of Kosovo, Agency of Statistics of Kosovo and Ministry of Finance version which include Consumer Price Index, Money Supply, Gross Domestic Product, and Interest Rate. Data analysis will be carried out with the Statistical Packages for Social Sciences (SPSS). The data have been analyzed with multiple regressions method, using namely Pearson's correlations, Multicollinearity, One-Way ANOVAs, F-test, and T-tests. We found that there is strong relationship between consumer price index (CPI) and GDP. When the Gross Domestic Product (GDP) increases, it will also increase consumer price index as these two have linear relationship. Also there is strong correlation between money supply and consumer price index, which means that the mean of CPI increases when money supply increases. However, there is negative correlation between interest rate and CPI, when interest rate increases, CPI decreases.

Key words: Gross Domestic Product, Consumer Price Index, Money Supply, and Interest Rate.

INTRODUCTION

From the beginning of civilization, tribes, countries and nations have always been looking for ways to attain prosperity and growth so as to improve the standard of living for their own people. From the times of Caesar to leaders of today such as John F. Keneddy, things haven't changed much. To attain prosperity one of the most important things is to maintain a healthy economy. However there are many factors that threaten a healthy economy such as inflation, economic recessions and many other factors. Despite all these threats and inevitable slumps and declines in economy, an economy can be monitored and as such Consumer Price Index (CPI) is one of the most important economic indicators.

Using CPI, the health of the economy can be in check and the state can take necessary preventive measures otherwise not taken could lead to devastating effects in the form of high unemployment, bankruptcies and major financial losses. The CPI is a fixed-basket price index as it represents the price of a constant quantities basket of goods and services purchased by the average consumer. CPI is one of the most frequently used statistics for identifying periods of inflation or deflation. This is because large rises in CPI during a short period of time typically denote periods of inflation and large drops in CPI during a short period of time usually mark periods of deflation. It is compiled by the Department of Labor's Bureau of Labor Statistics. In order to get the final result for

the CPI, wide researches of the prices of the included in the consumer basket goods and services are made. Then they are entered into a special computer program that makes the calculations.

The importance of CPI is viewed in the fact that the estimations of other products, services and benefits are directly linked to the levels of the CPI. For example, if the CPI experiences an increase in its value, then the Social Securities benefits will rise as well. Other things that are directly linked to CPI include wages, lease agreements, union contracts, benefit statements and others. Severe problems to the overall economy can be caused if the prices of consumer goods and services are abruptly changed. Most people associate the concept of CPI with inflation. An increase in the value of the CPI means that an increase in inflation has been observed. When inflation increases the purchasing power of money is lost and people will change their spending habits as they meet their purchasing thresholds and producers will suffer and be forced to cut output. This can be readily tied to higher unemployment rates. The whole economy falls into a recession.

As a small open country, Kosovo extremely depends on some internal and external factor. This complex relationship causes difficulties for the decision maker on determining the economical decision, especially on monetary authority. Basically, government decision is influenced by four core problem in economic which are economic growth, inflation, unemployment, and cost and trade balance. Solving these economical problems, government does the fiscal and monetary policy. Monetary policy includes government's ways that deed by central bank—in order to influence money supply on economy. Inflation or Consumer Price is one of the problems that always be faced by every economic matters.

The requirement variable is needed on this research are macroeconomic variables in Kosovo. The independents are money supply, gross domestic product, interest rate and stock price. And the dependant is consumer price index. Therefore, it is needed to do research about the predicted variables that dominate the consumer price index. Then, find a linear regression model that will accurately estimate the consumer pricing index of Kosovo.

The objective of this paper is to find a linear regression model that will accurately estimate the consumer pricing index of Kosovo by using the following independent variables which are Money Supply, Gross Domestic Product, Interest Rates and Stock Prices.

The remaining of this paper is organized as follows: section 2 discusses the relevant literature reviews. The methodology that has been employed in order to accomplish this study is discussed in detail in the section 3. The next section discusses the analysis and findings while the last section concludes the paper.

METHODOLOGY

Model Specification

Based on the theory review in the previous section, we use the following model to capture the determinants of consumer price index in Kosovo:

$$\text{CPI} = \beta_0 + \beta_1 \text{M1} + \beta_2 \text{GDP} + \beta_3 \text{IR} + \varepsilon$$

The variables are defined as followed:

- i. Money supply (M1) is demand deposits, which are checking accounts. This is used as a measurement for economists trying to quantify the amount of money in circulation. The M1 is a very liquid measure of the money supply, as it contains cash and assets that can quickly be converted to currency.
- ii. Gross Domestic Product (GDP) is the income of individuals or nations after adjusting for inflation.
- iii. Consumer price index (CPI) is an index number measuring the average price of consumer goods and services purchased by households.
- iv. Interest rate (IR) is a fee paid on borrowed capital.

Data Source

This study uses quarterly data of Kosovo from 2006 to 2018. Quarterly data is taken from Central Bank of Kosovo, Agency of Statistics of Kosovo and Ministry of Finance version which include Consumer Price Index, Money Supply, Gross Domestic Product, and Interest Rate.

Data Analysis

Data analysis will be carried out with the Statistical Packages for Social Sciences (SPSS). The data will be analyzed with multiple regressions method, using namely Pearson's correlations, Multicollinearity, One-Way ANOVAs, F-test, and T-tests. Data will be interpreted and results will be presented in the form of graphs and tables.

RESULTS AND ANALYSIS

Model Estimation

We will present the result of data analysis using Multiple Regression Analysis. Multiple Regression analysis provides an equation that predicts raw score on a quantitative Y variable from raw scores on X_i variables, with $i = 1, 2, 3, \dots, n$. The best model is indicated by the highest Adjusted R^2 and the lowest standard errors. In this study, consumer price indexes (CPI) were predicted from the following variables: money supply (M1), gross domestic product (GDP), and interest rate (IR). The sample size n is 50.

Bivariate Correlation

In this part, we will observe the strength of the linear relationship between each independent variable and CPI.

Table 1: Correlations

		LCPI	LM1	LGDP	IR
Pearson Correlation	LCPI	1.000	.973	.983	-.521
	LM1	.973	1.000	.995	-.618
	LGDP	.983	.995	1.000	-.609
	IR	-.521	-.618	-.609	1.000
Sig. (1-tailed)	LSP	.591	.703	.683	-.611
	LCPI	.	.000	.000	.000
	LM1	.000	.	.000	.000
	LGDP	.000	.000	.	.000
N	IR	.000	.000	.000	.
	LSP	.000	.000	.000	.000
	LCPI	50	50	50	50
	LM1	50	50	50	50
	LGDP	50	50	50	50
	IR	50	50	50	50
	LSP	50	50	50	50

From Table 1, we found that all Pearson r values between independent variable, being more than 0.5 or less than -0.5. It means, there is a relatively positive or negative linear association between each independent variable.

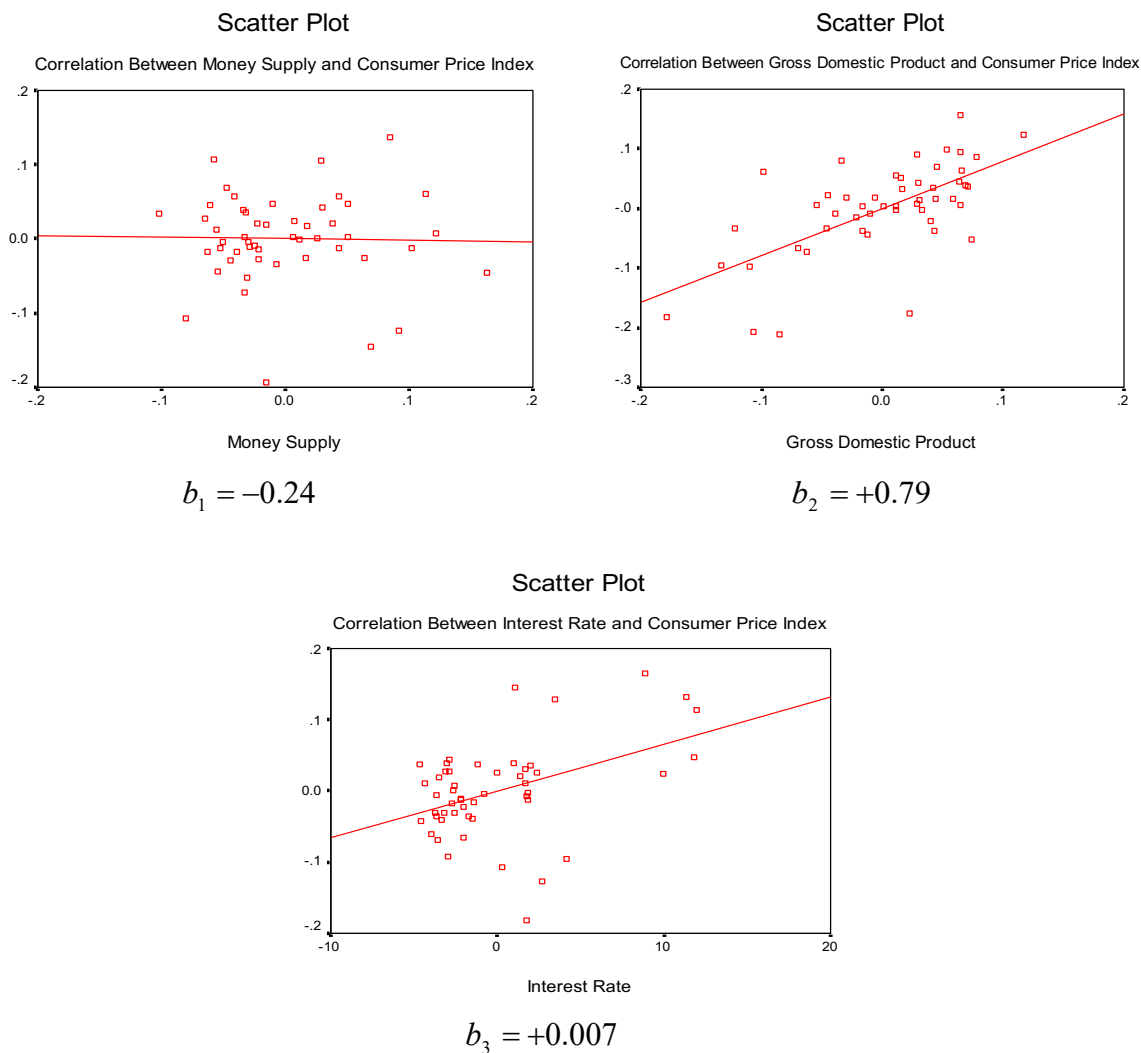


Figure 1: Scatter Plot of Correlation between Each Independent Variable and Consumer Price Index

Bivariate correlation between CPI and independent variables:

- From Table 1, the correlation coefficient between M1 and CPI is +0.973. We can conclude that there is a relatively strong linear association between M1 and CPI. From Figure 1, the regression coefficient between M1 and CPI is -0.24. It means CPI will decrease 0.24 units in every increase in 1 unit of M1.
- According to Table 1 and Figure 1, we summarize that the correlation coefficient between GDP and CPI is +0.983 and the regression coefficient between GDP and CPI is +0.79. Therefore, we can conclude that there is a relatively strong positive linear association between GDP and CPI. CPI will increase 0.79 units in every increase in 1 unit of GDP.
- According to Table 1, the correlation coefficient between IR and CPI is -0.521. We can conclude that there is a relatively linear association between IR and CPI. From Figure 1, the regression coefficient between IR and CPI is 0.007. It means CPI will increase 0.007 units in every increase in 1 unit of IR. The research by Mursito (n.d.) proved that relationship between spread of interest rate of Kosovo Bank Certificate and Consumer Price Index is relatively positive correlation.

The 1997 economic crisis in Kosovo is a situation describing reduction of economic indicators. Miskhin (1995) states that there are five factors directing to aggravate solving problems inflicting and endangering moral in financial market and finally they will cause to monetary crisis; they are

reduction of stock exchange, increase of interest rate, reduction of aggregate price, increase of bank uncertainty and panic. It means that economic crisis will impact to money market reflected to reduction of stock market then reflected to ... Stock Price Index. The result of this research prove that inflation, that the measurement uses Consumer Price Index, will decrease 1% in every increase of 0.838 % share price (Utami and Rahayu, 2003).

Standard Multiple Regression

In standard multiple regression, all independent variables were entered in one step. Zero-order, part, and partial correlations of each independent with CPI were requested in addition to the default statistics. We apply Stepwise Regression Procedure through backward selection in estimating the best model. This procedure suggests removing variable gradually to the model in order to get the best fit model. We therefore do 2 steps until obtaining the best one as followed.

1.1.1.First Step Regression

Table 2
Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.991(a)	.982	.980	.062260695	.982	600.403	4	45	.000	.530

a. Predictors: (Constant), IR, GDP, M1

b. Dependent Variable: CPI

Table 3
Coefficients (a)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95% Confidence Interval for B		Correlations			Co-linearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	-4.919	.257		-19.143	.000	-5.436	-4.401					
M1	-.024	.154	-.032	-.156	.877	-.334	.286	.973	-.023	-.003	.010	104.131
GDP	.791	.138	1.148	5.714	.000	.512	1.069	.983	.648	.116	.010	98.719

IR	.007	.002	.087	3.20 7	.00 2	.002	.011	.52 1	.431	.06 5	.557	1.79 6
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a. Dependent Variable: CPI

a. Adjusted R-square (R_A^2)

b. As stated by Table 2, the model can obtain 0.98 Adjusted R square. It means 98% of the variation in CPI is explained by the variation in M1, GDP, and IR. Thus, the value of R_A^2 in this model has showed a very high value.

c. Multicollinearity

According to Table 3, the Variance Inflationary Factor (VIF) of each independent variable is

$$VIF_{M_1} = 104.131$$

$$VIF_{GDP} = 98.719$$

$$VIF_{IR} = 1.796$$

Since VIF_{M_1} and VIF_{GDP} are larger than 5, it means that they are highly correlated with other independent variables. Thus, we must drop one or both of these variables from our model.

1.1.2. Second Step Regression

In this step, we test the regression model by removing M1 from the model and regressing only between CPI and GDP, and IR.

Table 4
Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df 1	df 2	Sig. F Change	
1	.991(a)	.982	.980	.061596919	.982	817.875	3	46	.000	.518

a. Predictors: (Constant), GDP, IR.

b. Dependent Variable: CPI

Table 5
Coefficients (a)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF

1 (Constant)	-4.927	.249		-19.800	.000	-5.428	-4.426					
IR	.007	.002	.087	3.254	.002	.003	.011	-.521	.433	.065	.558	1.792
GDP	.769	.020	1.117	38.443	.000	.729	.809	.983	.985	.769	.474	2.109

a. Dependent Variable: CPI

a. Adjusted R-square (R_A^2)

As stated by Table 4, the model can obtain 0.98 Adjusted R square. It means 98 % of the variation in CPI is explained by the variation in GDP, and IR. Thus, the value of R_A^2 in this model has showed a very high value.

b. Multicollinearity

According to Table 5, the Variance Inflationary Factor (VIF) of each independent variable is

$$VIF_{GDP} = 2.109$$

$$VIF_{IR} = 1.792$$

All of VIF score are not greater than 5. Hence, we can infer that there is no multicollinearity problem between GDP, and IR. This information implies that each of variables does not contribute redundant information to the model. Hence, this model fulfils the goodness of fit criteria.

Interpretation of Coefficient β_i

According to Table 5, we can summarize our model become:

$$CPI = -4.927 + 0.769GDP + 0.007IR$$

This model involves intercept (β_0) and slope (β_i) which have inference. We thus can infer the number of coefficients above:

i. $\beta_0 = -4.927$

This means that we estimate the average value of consumer price index will amount -4.927 when all independent variables equal to zero (assuming all $X_i = 0$ is within the range of observe value).

ii. $\beta_1 = 0.769$

Holding other variables held constant, one percent increases in Gross Domestic Product (GDP) will lead on average to about a 0.769 increase in the consumer price index (CPI). Positive sign of β_1 indicates positive relationship between Gross Domestic Product (GDP) and Consumer price Index (CPI).

iii. $\beta_2 = 0.007$

Positive sign of β_2 indicates positive relationship between Interest Rate (IR) and Consumer Price Index (CPI). Holding other variables held constant, one percent increase in Interest Rate (IR) tends to lead on average about a 0.007 increase in the Consumer Price Index.

95% Confident Interval for β

The output shows the independent variables coefficients in 95% confidence interval whereby GDP coefficient is 0.769 within 0.729 lower bound and 0.809 upper bound, IR coefficient is 0.007 within 0.003 lower bound and 0.011 upper bound,

Overall Significant Test

F-Test for overall significance of the model shows if there is a linear relationship between all of x variable considered together and y.

Test Statistic:

$$F = (SSR/k) / (SSE/n-k-1) \\ = MSR / MSE$$

Where F has numerator $D_1=k$ and denominator $D_2 = n-k-1$

Hypotheses:

- $H_0: \beta_1 = \beta_2 = \dots = \beta_k = 0$ (no linear relationship)
- H_a : at least one $\beta \neq 0$ (at least one independent variable affects y)

Thus, we apply to find F-Test to our problem by using SPSS Program;

ANOVA^d

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.155	1	9.155	1335.772	.000 ^a
	Residual	.329	48	.007		
	Total	9.484	49			
2	Regression	9.269	2	4.635	1014.511	.000 ^b
	Residual	.215	47	.005		
	Total	9.484	49			
3	Regression	9.310	3	3.103	817.876	.000 ^c
	Residual	.175	46	.004		
	Total	9.484	49			

a. Predictors: (Constant), Gross Domestic Product

b. Predictors: (Constant), Gross Domestic Product, Stock Price

c. Predictors: (Constant), Gross Domestic Product, Stock Price, Interest Rate

d. Dependent Variable: Consumer Price Index

$$H_0: \beta_1 = \beta_2 = \beta_3 = 0$$

H_a : one or more of population means is not equal to the others

$$\alpha = 0.05$$

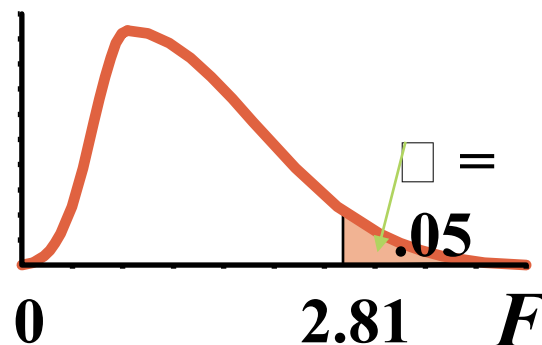
$$X_1 = 50, X_2 = 50, X_3 = 50$$

$$df_1 = 3, df_2 = 46$$

$$F_{0.05, 3, 46} = 2.81$$

Test Statistic: $F = MSR / MSE$

$$F = 3.103 / 0.004 = 817.876$$



Decision: Reject H_0 at $\alpha = 0.05$

Conclusion: There is evident that at least one independent affects dependent variable.

After we know the relationship of each variable, we can continue to examine whether there is a linear relationship between all independent variables considered together and consumer price index (CPI) as dependent variable. We employ F-testing procedure to see the significance of independent variables to dependent variable. If $F > F_{\alpha(k-1, n-k)}$ where $F_{\alpha(k-1, n-k)}$ is the critical value at the α level of significance, we can reject H_0 that is meant there is significant relationship between independent variables and dependent variable (Lawrence S. Meyers, Glenn Gamst, and A. j. Guarino, 2006). Based on this step, we can see that F-test statistic is 817.876. By 5% level of significance, 3 and 46 degrees of freedom, we can get critical value namely 2.81 from the F distribution table. Hence, we

can reject H_0 where give conclusion that the regression model does explain a significant portion of the variation in the supply of consumer price index (CPI).

Individual Significant Test

Once we get the best model, we can continue to examine whether there is a linear relationship between each of the independent variables and Consumer Price Index (CPI) as dependent variable. We apply t-Test approach. If $t > t_{\alpha/2; (n-k-1)}$ where $t_{\alpha/2; (n-k-1)}$ is the critical value at the α level of significance, we can reject H_0 that is meant there is significant relationship between one independent variable (X_i) to dependent variable (Gujarati, 2003).

Hypotheses theory:

$H_0: \beta_i = 0$ (no linear relationship)

$H_A: \beta_i \neq 0$ (linear relationship does exist between x_i and y)

Hypothesis for IR :

$H_0: \beta_1 = 0$

$H_A: \beta_1 \neq 0$

Hypothesis for LGDP :

$H_0: \beta_3 = 0$

$H_A: \beta_3 \neq 0$

We found the critical value $t_{(0.025;45)} = 2.0158$

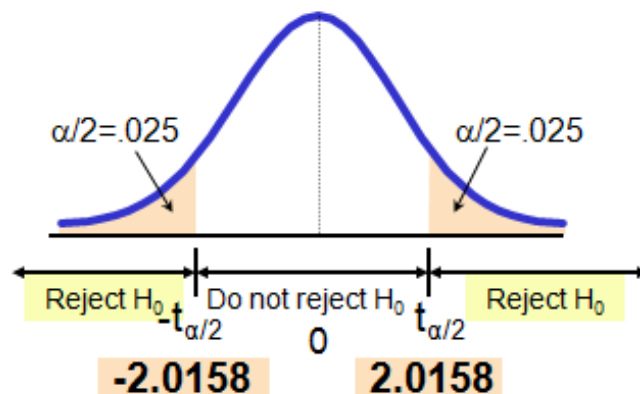


Table 5
Coefficients (a)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Partial	Tolerance	VIF
1 (Constant)	-4.927	.249		-19.800	.000	-5.428	-4.426					
IR	.007	.002	.087	3.254	.002	.003	.011	.521	.433	.065	.558	1.792
LGDP	.769	.020	1.117	38.443	.000	.729	.809	.983	.985	.769	.474	2.109

The output shows that the p-value for GDP and IR fall into the rejection area (p-values>.05).

Conclusion:

- i. For variable Interest Rate (IR) :
Reject H_0 , it means that there is an evidence that interest rate effect CPI at $\alpha=0.05$
- ii. For variable Gross Domestic Product (LGDP) :
Reject H_0 , it means that there is an evidence that GDP effect CPI at $\alpha=0.05$

CONCLUSION

We have employed multiple regression analysis method, which involved four variables which are expected to affecting Consumer Price Index (CPI). They are Money Supply (M1), Gross Domestic Product (GDP), and Interest Rate (IR). The data are selected from Kosovo international financial statistics. In the recent years Kosovo has been successfully controlling its money supply to get stability of economy. From the study, we found that there is strong relationship between consumer price index (CPI) and GDP. When the Gross Domestic Product (GDP) increases, it will also increase consumer price index as these two have linear relationship. Also there is strong correlation between money supply and consumer price index, which means that the mean of CPI increases when money supply increases. In addition to this, there is positive correlation between stock price and CPI, when stock price increase it tend to increase CPI. However, there is negative correlation between interest rate and CPI, when interest rate increases, CPI decreases. As for the overall model $CPI = -4.927 + 0.769GDP + 0.007IR$ our finding show that R-square is 98 percent, which means it is a good model to describe the relation to CPI.

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FIGHTING DOMESTIC VIOLENCE IN THE DISTRICT OF WEST BAČKA

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Abstract

Domestic violence is a form of violence, to a lesser or greater extent, universally present in all social systems, regardless of the specific legal system and the degree of development of society. In particular, states that are on the path of developing genuine democracy and building democratic institutions are seeking to answer the question of how to effectively counter this form of violence. Certainly, a prevention-based strategy is needed, which involves a multidisciplinary approach, cooperation of all segments of society, and building trust in the police and other competent state bodies, as well as establishing the necessary legal framework for the actions of the competent authorities. In the Republic of Serbia, domestic violence has been prescribed and sanctioned by law as a separate criminal offense, a specific strategy has been established and implemented, and a number of international legal acts have been ratified whose provisions have been implemented in the legal system of the Republic of Serbia. It is particularly significant that in 2016, the Law on the Prevention of Domestic Violence was adopted (in force since 2017), which is essentially of a preventive nature and aims at preventing domestic violence, providing protection and support to victims of violence. This paper deals with the effects of the application of this law, as well as the analysis of the effectiveness of other preventive measures, implemented in cooperation with citizens, in the criminal practice of the Sombor Police Department in combating domestic violence. The focus of the research, conditioned by the complexity of the case study, is directed to the question of whether the implementation of this law in practice achieved the basic goal that the legislator had in mind when enacting this legal act, namely the effective prevention of violence and the establishment of victim protection mechanisms.

Keywords: domestic violence, police, West Bačka District, prevention and repression.

INTRODUCTORY CONSIDERATIONS

Crime is a very negative but ubiquitous social phenomenon, and as a general social phenomenon, it is the subject of study of criminal law and other social sciences.

Regardless of the scientific aspects appropriate to particular scientific disciplines, scientific consideration of criminality, causes and manifestations is pursued for the sole purpose of finding ways and methods to effectively counteract delinquent behavior and reduce this negative phenomenon to socially acceptable frameworks. Of course, while appreciating the fact that crime is a social phenomenon that has a universal character in its being, but also features of a particular society expressed through certain motivations and causes, both those of an internal nature contained in the perpetrator's personality and those of an external, social character¹.

¹ For more information, see: Djordje Ignjatovic, *Criminology*, Belgrade, 2015, 131-145.

As a rule, the most serious forms of crime are those crimes that are committed by use of force or threat and as such constitute a specific criminological category of the crime of violence. All forms of criminality are, in a sense, an act of violence, but in the criminological literature a special typology of phenomena under this name is common. *Violence is a bold and reckless use of physical force, unlawfully compromising the integrity of man and other public goods and social values*².

Domestic violence is a special type of crime of violence, and in the criminal sense it is a form of execution, of statutory and sanctioned, criminal offenses.

This form of violence is universally present in all social systems and epochs, across cultures and civilizations. Domestic violence in a certain way has a long tradition that has been favored by patriarchal family relationships, the dependence of one family member on another, and other factors. However, at the end of the last century, this phenomenon was separated from the private sphere and became a social problem. In this way, victims of violence become the subject of special attention of society, and within that framework the object of criminal justice³.

Domestic violence was prescribed as a separate criminal offense and introduced into the legal system of the Republic of Serbia by amending the criminal legislation through the adoption and adoption of the Law on Amendments to the Criminal Code of the Republic of Serbia⁴. The statutory disposition of section 118A provided for the basic form of this offense as injuring or endangering the physical or social integrity of a family member by the use of force or threat. Three qualifying forms were also prescribed (if a weapon, dangerous weapon, etc. were used in the commission of the offense, or serious bodily harm was sustained, permanent and serious damage to the health of a family member, or the offense was committed against a minor, and as the most serious form if a death occurred family member) of this offense.

Article 194 of the Criminal Code of the Republic of Serbia⁵ prescribes domestic violence as an act of violence or threat to attack a life or body and as a brazen and reckless behavior that threatens the tranquility, physical integrity or mental state of a family member. It is of particular importance that this article of the Criminal Code also prescribes the sanctioning of violations of a measure of protection against domestic violence, determined by the court on the basis of the law governing family relations. Namely, the Family Law⁶ of the Republic of Serbia also regulates these issues to a certain extent, and in that sense, specific measures for protection against domestic violence are foreseen as well as the conditions under which these measures can be applied.

However, sanctions for violation of these measures are provided for in the criminal legislation of the Republic of Serbia⁷.

The multidisciplinary approach to solving this complex form of violence, through regulating this matter in multiple legal solutions, and prescribing domestic violence as a separate crime, are also the result of international obligations undertaken by the Republic of Serbia by ratification of several international instruments⁸. However, the implementation and implementation in practice of specific legal solutions are the result of a mature awareness of society as a whole about the need and necessity to sanction domestic violence and partnerships.

It is particularly significant that the Law on Prevention of Domestic Violence⁹ was adopted in the Republic of Serbia in 2016, and its implementation began on July 1, 2017. With this law, the

² Milo Bosković, *Criminology*, Novi Sad, 2007, 265.

³ Zoran Stojanovic, Obrad Peric, *Criminal Law, Special Part*, Belgrade 2007, 113-114.

⁴ Official Gazette of RS, no. 10/02.

⁵ Official Gazette of RS, no. 85/2005, 88/2005 - amended, 107/2005 - amended, 72/2009, 111/2009, 121/2012, 104/2013, 108/2014, 94/2016.

⁶ Official Gazette of RS, no. 18/2005, 72/2011 - dr. law and 6/2015.

⁷ Article 194, para. 5. of the Criminal Code

⁸ Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence (Istanbul Convention), signed in Istanbul on 11 May 2011. In October 2013, Serbia adopted the Law on Ratification of the Convention ("RS Official Gazette - International Treaties", No. 012/13)

⁹ Official Gazette of RS no. 94/2016.

proclaimed strategic¹⁰ approach in the regulation of domestic violence in the Republic of Serbia was given full meaning and significance.

LEGAL FRAMEWORK OF THE FAMILY PREVENTION LAW

Preparation and adoption of the Law on Prevention of Domestic Violence in a comprehensive manner regulates the issues of action by the competent state bodies and institutions in preventing domestic violence and providing protection and support to victims of violence.

Minors who commit domestic violence are exempted from the application of the law, since the substance of juvenile offenders and the criminal protection of minors in the Republic of Serbia is regulated by a separate law¹¹.

This law is basically, first and foremost, proactive, preventative. The basic purpose and intention of the legislator in enacting this legal act is to prevent violence from occurring.

State authorities and institutions appoint liaison officers to act in the prevention of violence, daily exchange information and information relevant to preventing violence, prosecuting perpetrators and supporting and protecting victims of violence¹².

A Coordination and Cooperation Group is established in the territory of each Basic Public Prosecutor's Office¹³ of general jurisdiction in the Republic of Serbia. The group is comprised of representatives of the Basic Public Prosecutor's Office, the District Police Directorate and the Center for Social Work, with the primary objective of effectively protecting victims of domestic violence.

Domestic violence is defined as an act of physical, sexual, psychological or economic violence, so alternative forms of violence are envisaged and physical violence is only one form of violent behavior.

A clear and comprehensive provision defines the victimology dimension of domestic violence and a precise circle of persons, potential victims. Thus, the act of violence can be taken against the person with whom the perpetrator is in the present or earlier marital or extra-marital or partnership relationship. According to the person with whom the blood relative is in a straight line, in a sibling to the second degree of kinship, or a relative by the ancestry to the second degree of kinship. Adoptive kinship of the adopter or the adopter, the breadwinner or the breadwinner, the widespread disposition provides that this offense may also be committed against another person with whom the offender lives or has lived in a joint household.

AUTHORITIES AND INSTITUTIONS

Police, public prosecutors, courts of general jurisdiction and misdemeanor courts and centers for social work are envisaged as competent authorities and institutions in preventing domestic violence and providing protection and support to victims of violence. In addition to the originally competent bodies and institutions whose obligations are precisely defined by law, other institutions, bodies for gender equality, and other legal and natural persons as well as associations are designated as competent in the prevention of domestic violence. Through the enumeration of all competent bodies, organizations and associations, the legal basis for cooperation between the Government sector and civil society, as well as all institutions and legally formed associations, which in a certain way

¹⁰ National Strategy for the Prevention and Suppression of Violence Against Women in the Family and in Partnership ("Official Gazette of the RS", No. 27/2011), National Strategy for Gender Equality for the Period 2016-2020 with Action Plan for the Period from 2016 to 2018 ("Official Gazette of RS", No. 4/2016). etc.

¹¹ Law on Juvenile Offenders and Criminal Legal Protection of Minors (Official Gazette of RS, No. 85/2005).

¹² Section 4 of the Domestic Violence Prevention Act.

¹³ Law on the Seats and Areas of Courts and Public Prosecutor's Offices (Official Gazette of the RS, No. 101/2013), Article 9 provides for 58 Basic Public Prosecutor's Offices.

have full or partial competence in family relations or in the upbringing, education and protection, was created. children and adolescents.

The police, the first in the line of the competent state bodies to act in the prevention of domestic violence and protection of victims of violence, was originally responsible for detecting and reporting crimes. Detecting, clarifying and proving criminal offenses, that is, detecting, finding and making available their perpetrators to the competent authorities, while providing adequate personal and material evidence, is the main task of the interior and other detection bodies, within their jurisdiction in the field of crime prevention¹⁴.

Criminalistic preventive and repressive activities are the activities of the law enforcement agencies before criminal proceedings are initiated. It consists of police measures and actions, starting with those that have strategic goals of developing positive relationships between police and citizens, in order to put into practice effective crime control and, on that basis, to identify security problems in society and the local community¹⁵.

Police officers carry out crime prevention in the light of crime as a science and through experience of good criminal practice, and a specific legal basis for preventive activities, especially criminal police originally competent to combat crime, is contained in Article 30, paragraph 3, item 1 of the Police Act¹⁶, which crime prevention and community safety enhancement envisaged as one of the police jobs.

The Law on Police is a legal act of an organizational and functional character governing the organization of the Ministry of Internal Affairs of the Republic of Serbia, but also the conduct of the police and the exercise of powers in police affairs. The explicit provision envisages the duty of the police to immediately take the necessary measures and actions, in cooperation with other competent authorities, to report or threaten domestic violence, in order to stop the violence that could result in serious bodily harm or loss of life¹⁷. Thus, the awareness of the necessity of opposing this form of violence, both in the Ministry of Internal Affairs and the police, was expressed when passing this legal act and before the Law on Prevention of Domestic Violence came into force.

Domestic violence prevention procedures as a general duty stipulate that everyone must report to the police or public prosecutor, without delay, domestic violence or imminent danger thereof, while state and other bodies and organizations and institutions have a duty to report, as well as the duty to recognize or threaten domestic violence as part of their regular duties. For responsible persons in organizations and institutions, the failure to perform this duty is envisaged as a misdemeanor liability for which appropriate sanctions are prescribed¹⁸.

PROCEDURE FOR THE PREVENTION OF DOMESTIC VIOLENCE

The process of preventing domestic violence starts from the moment when the competent police officer is notified of the violence or imminent danger of violence. Possible perpetrator as a rule it is brought to the Police Directorate where he or she may be detained for a maximum of 8 hours. During the proceedings, the detained person must be guaranteed rights for the detained persons in accordance with the Constitution¹⁹ and laws of the Republic of Serbia²⁰.

The competent police officer is obliged to carry out a risk assessment and if, on the basis of the information collected, the statements of the possible perpetrator and, if necessary, the information

¹⁴ Mico Boskovic, Bozidar Banovic, Criminalistic Methodology, Belgrade 2001, 13.

¹⁵ Branislav Simonović, Criminology, (Third Revised Edition), Kragujevac 2012, 114.

¹⁶ Official Gazette of RS, no. 6/2016, 24/2018 and 87/2018

¹⁷ Article 28 Police Act

¹⁸ Article 36, Paragraph 2 of the Law on Prevention of Domestic Violence.

¹⁹ Articles 33 and 34 of the Constitution of the Republic of Serbia (Official Gazette of the RS, No. 98/2006).

²⁰ Articles 8, 68 and 69 of the Code of Criminal Procedure, Official Gazette of RS, no. 72/2011, 101/2011, 121/2012, 32/2013, 45/2013, 55/2014 and 35/2019.

gathered at the Center for Social Work, he assesses the imminent danger of domestic violence, he pronounces one of two legally prescribed emergency measures.

In the risk assessment process, it is particularly important to gather the widest range of useful knowledge in operational work through the widest possible range of sources. The perpetrators of the crime may be reported as victims, victims, eyewitnesses, persons known to be aware of the incident, suspects, expert persons, etc²¹.

If the performed risk assessment establishes an imminent danger of domestic violence, the competent police officer, in the form of a special legal act of the order, shall pronounce to the perpetrator one of two legally prescribed emergency measures within 48 hours. Measuring the temporary removal of the perpetrator from the apartment or the temporary prohibition of the perpetrator from contacting and approaching the victim of the violence, both orders may be issued simultaneously²².

The Public Prosecutor, after being provided with the report, examines the information given and evaluates the risk assessment of the police officer. This oversight function of the public prosecutor arises from the statutory function of the public prosecutor to prosecute perpetrators of criminal offenses and to conduct pre-trial proceedings, as well as to undertake other measures and actions provided for by law²³. It is extremely important that the public prosecutor, as an independent state body with jurisdiction over the prosecution of perpetrators of criminal offenses, in the short term, execute control of the justification of an emergency measure issued by a police officer.

If the Public Prosecutor or the Deputy Public Prosecutor responsible for handling domestic violence cases establishes an imminent danger of domestic violence, he shall, within 24 hours, submit to the competent court a proposal to extend the emergency measure.

The court makes a decision, based on the facts and procedure of the police and the public prosecutor, in the form of a decision and extends the emergency measure for up to 60 days if it establishes an imminent threat of domestic violence or otherwise rejects the proposal as unfounded.

The High Court appreciates the validity and legality of the decision rendered, and an appeal against the decisions of the first instance court may be filed by the Basic Public Prosecutor and the person to whom the measure was pronounced.

Penal provisions are also important for the application of the law in practice and for the achievement of the goals concealed by the law. Namely, in the initiated proceedings²⁴ the judge of the misdemeanor may impose the appropriate sanctions, up to 60 days imprisonment, on the perpetrator who violated the urgent measure that was imposed or prolonged.

Through the implementation of the law, over time, one can see the true effects of the legal norm in regulating a particular social relationship, including the Law on the Prevention of Domestic Violence, especially in light of the criminal practice of the Ministry of Internal Affairs and the specific actions of competent police officers.

COMBATING FAMILY VIOLENCE IN CRIMINAL PRACTICE OF SOMBOR POLICE ADMINISTRATION²⁵

²¹ Milan Zarkovic, Criminal Tactics, Second, Revised Edition, Belgrade 2010, 103.

²² The Law on Prevention of Domestic Violence, in Article 17, paragraphs 4 5 and 6, prescribes the form of the order, as well as the procedure for its adoption, stipulates the obligation to inform the competent authorities and the victim of violence about the emergency measure pronounced.

²³ Article 43, Paragraph 2, Items 1-8, of the Code of Criminal Procedure

²⁴ Law on Misdemeanors (Official Gazette of the RS, No. 65/13, 13/16), Article 100, Paragraph 1, Article 102, Paragraph 1, Article 103, 246, and 249, and Article 308, Paragraph 1, Item 2.

²⁵ Decision 05.17.9 No: 235-95232 / 19 of the Ministry of Internal Affairs of the Republic of Serbia, SATIT-OATIT Novi Sad, Analytical Section for the Police Directorate in Sombor

Special police administrations within the Ministry of Internal Affairs of the Republic of Serbia narrow organizational units within the Police Directorate, which are organized on the territory of local self-governments, perform police and other internal affairs. and achieve local collaboration²⁶. Within the Police Directorate, special police stations are set up to carry out police and other tasks in individual municipalities²⁷.

Thus, the Sombor District Police Directorate, with the Police Stations in the municipalities of Apatin, Odzaci and Kula²⁸, is competent and legally responsible for conducting police and other tasks in the area of the West Bačka District.

The defined area of this research and consideration of criminal practice in the implementation of the Law on Prevention of Domestic Violence is the area of the Sombor Police Directorate, which covers the West Backa District. The West Backa District is located in the northwestern part of Backa. It covers 2.74% of the territory of the Republic of Serbia and 11.25% of the AP of Vojvodina. The area of the region is 2,420 km². The district comprises 37 settlements, 16 in the town of Sombor, 7 in the municipality of Kula, 5 in Apatin and 9 in the municipality of Odzaci. According to the 2002 census, there were 213,242 inhabitants in the district and a total of 188,087 according to the 2011 census. It is a multinational environment inhabited by Serbs, Hungarians, Yugoslavs, Croats, Montenegrins, Ruthenians, Ukrainians, Poles, Germans, Albanians, Turks, Czechs, Slovaks, Bunjevci, Sokci and Roma. It has three interstate border crossings Backi Breg towards Hungary and Bezdan-Danube and Bogojevo towards Croatia²⁹.

PROCEDURE FOR THE PREVENTION OF DOMESTIC VIOLENCE IN THE WEST BAČKA DISTRICT FROM 1 JUNE 2017 TO 31 JULY 2019.

As a rule, the reports of injured citizens personally interested are the dominant source of knowledge of an imminent danger or a committed crime, but in recent criminal practice, especially since the new law came into force, other categories of citizens, including those who do not have personal motivation for the crime, appear as sources of information.

The reports are thus directly or indirectly submitted to the police by the relatives of the victims, friends, but also by neighbors and other citizens who have certain knowledge about the possible crime.

Without a comprehensive scientific analysis, the causality of certain phenomena and manifestations and a scientifically grounded conclusion cannot be established, but such changes in the structure of the sources of knowledge are certainly, in a sense, an expression of the citizens' trust in the police and, in particular, an expression of confidence in professional treatment of domestic violence.

Table 1. - Risk assessment and emergency measures issued in the period June 1 2017 - December 31 2017

Measures pronounced	Risk assessments	Measure pronounced		Measures violated
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²⁶ section 25 of the Police Act

²⁷ section 26 of the Police Act

²⁸ <http://www.mup.gov.rs/>, 18. November 2019

²⁹ <http://www.zapadnobacki.okrug.gov.rs/zapadnobacki-upravni-okrug>

			Extension measure number	
Sombor PD	408	370	337	16

During the first six months of implementation of the law, competent police officers carried out a risk assessment 408 times, and adopted 370 emergency measures, of which 136 a measure of temporary removal of the offender from the apartment and 234 a measure temporarily prohibiting the perpetrator from contacting and approaching a victim of violence.

In all cases, the prosecutor agreed with the risk assessment of police officers, that is, deputy public prosecutors who handled specific cases, made a competent public prosecutorial decision confirming the correctness of the risk assessment of police officers. The Prosecution was not in conflict with the police, both with regard to decisions to make an emergency measure and when making police decisions that there was no immediate danger of domestic violence. There was no conflict of risk between the police and the prosecution during 2018 and the first seven months of 2019. During the analyzed two-year period, the prosecution submitted to the competent court a proposal to extend all emergency measures taken by police officers.

When it comes to the actions of the competent judicial authorities and the court of general jurisdiction in the first instance, it can be stated that in 2017, it is related to 370 proposals by the public prosecutor to extend the duration of any urgent measures, in 16 the court issued a decision extending the emergency measure.

Before the competent misdemeanor court, in the period of two years, 16 persons were prosecuted for violation of the imposed or prolonged emergency measure.

The competent court agreed with the largest number of proposals for extending the duration of emergency measures, so that it can be stated that the judicial control has established the legality and justification of the emergency measures taken.

Table 2 - Risk and Emergency Assessment in the West Bačka Administrative District as of 01.01.2018. until 31.12.2018.

Measures and risks	Risk assessments	Measure pronounced	Extension measure number	Measures violated	Types of dimensions					
					Temporary removal of the offender from the apartment			Temporary prohibition on the perpetrator from contacting and approaching the victim of violence		
					Measures pronounced	Broken measure	Prolonged measure	Measures pronounced	Broken measure	Prolonged measure
Sombor PD	753	822	600	81	274	30	188	548	51	412

In the West Backa district, in 2018, a 753 risk assessment was undertaken and a total of 822 orders were issued ordering emergency measures (274 evacuation and 548 prohibition of access and contact with victims). Exactly 600 solutions by which the competent courts have extended the duration of the emergency measures.

Table 3. - Risk Assessment and Emergency Measures in the West Bačka District from 01.01.2019.- 31.07.2019.

Measures and risks	Risk assessments	Measures pronounced	Extension measure number	Measures violated	Types of dimensions					
					Temporary removal of the offender from the apartment			Temporary prohibition on the perpetrator from contacting and approaching the victim of violence		
					Measures pronounced	Measures violated	Extension measure number	Measures pronounced	Measures violated	Extension measure number
Sombor PD	459	565	390	32	190	11	123	375	21	267

In the first seven months of the current year, the risk was assessed 459 times, was pronounced 565a measure, extended 390 and violated 32 emergency measures.

Also, in 2019 there are fewer violations compared to the previous period, so it can indirectly be concluded that there is a consistency in sanctioning violations of a measure that indirectly occurs as a general prevention of combating domestic violence.

Table 4- Structure of measures and actions to prevent domestic violence in the West Bačka District in the period from 01.06.2017. to 31.07.2019.

Measures and risks	Risk assessments	Measures pronounced	Extension measure number	Measures violated	Types of dimensions	
					Temporary removal of the offender from the apartment	Temporary removal of the offender from the apartment
Sombor PD	1620	1757	1327	129	600	1157

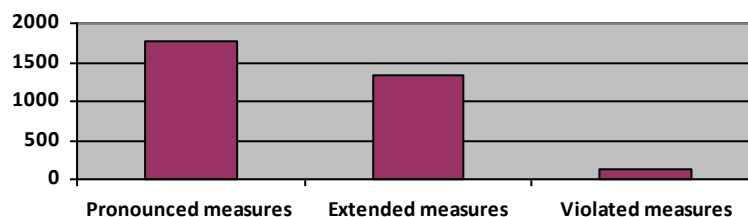


Chart 1-S
Measurement
from 01.06.2017. to 31.07.2019.

Emergency
Structure as

In the period from 01.06.2017. years to 31.07.2019. In total, 1620 risk assessments were carried out and 1757 measures were adopted, 600 measures of temporary removal of the perpetrator from the apartment and 1157 measures of temporary prohibition of the perpetrator to contact and approach the victim of violence.

By a court decision, 1357 emergency measures were extended to 1327, and 129 decisions were violated.

Certainly, prior to the adoption of the Law on Prevention of Domestic Violence, the Ministry of Internal Affairs and the Sombor Police Directorate, as an integral part of the Ministry of Internal Affairs of the Republic of Serbia, carried out several activities on a regular and continuous basis aimed at preventing domestic and other forms of crime, raising the level of security culture and restoring citizens' trust in the police. So significant is the project Community Police³⁰, implemented throughout the Republic of Serbia in cooperation with citizens, local government, governmental and non-governmental organizations, aimed at general crime prevention with an emphasis on combating juvenile delinquency and domestic violence.

All projects implemented by the Ministry of Internal Affairs and the Regional Police Directorate have as their primary objective the protection of citizens and their rights, restoring citizens' trust in the police and affirming the police as a true service to all citizens.

CONCLUDING REMARKS

In the Republic of Serbia domestic violence is legally prescribed and sanctioned as a specific illegal act. A specific strategy has been approved and is currently under force, a number of international legal acts have also been ratified, with their provisions being implemented into the legal system of the Republic of Serbia.

It is particularly important that in 2016 the Republic of Serbia promoted Act on prevention of domestic violence and has been implementing it since July 1st 2017. This legal act, with its proclaimed strategic approach, has brought the full meaning and significance to regulating domestic violence in the Republic of Serbia. By passing the legal provisions within the light of the prevention principles and the protection of the victims of violence, which all precisely define the competencies of the state authorities in prevention of violence and protection of victims, the entire legal system has been rounded up and a legal framework has been provided for the efficient actions of the state organs and institutions in charge.

When implementing the law in criminalistics practice, the police is the first in the line of the state authorities in charge that does the risk assessment and, in case of direct risk of domestic violence, proclaims one of the two emergency measures required by law. The measure that temporarily separates the violator from the apartment or (and) the measure that prohibits the violent party to contact the victim and to approach her/him.

Further procedure of the prevention of domestic violence requires the public attorney to perform their corrective and controlling function regarding the decisions made by the police officers in charge. In case the public attorney states direct risk of domestic violence, the deputy in charge of domestic violence files a proposal for the emergency measure to be prolonged. The first degree court prolongs the measure up to 60 days in case of the direct risk of violence, otherwise the proposal is dismissed as groundless. The final decision on the proposal is made by a Higher court with the right to appeal for both the parties, which provides the second degree decision. In more general terms, this means that the constitutional principle of the right to appeal is implemented to the state authorities' decisions.

The law proclaimed goals defined when passing the law which regard the general and specific way of organization and actions of the state authorities and institutions, efficiently prevent domestic violence and provide protection and support to domestic violence victims. The implementation of the law is achieved through emergent actions, specialization of the authorities in charge and their mutual cooperation and coordination.

Having in mind the fact that the police officers, while doing the risk assessment, in 1620 cases brought emergency measures that the public attorney agreed upon, while the court in charge

³⁰ Community policing strategy ("RS Official Gazette", No. 43/2013).

prolonged 1327 measures, we can conclude that a significant effect of prevention has been achieved. The factual state that was the basis for reaching for emergency measures, due to the direct risk of domestic violence, shows that the number of criminal acts would be even higher if the authorities in charge had not acted efficiently.

In the first two years the Law on preventing domestic violence has therefore significantly contributed to the prevention of domestic violence and has provided efficient protection and support to the victims of violence, which indirectly brought more professionalism in police officers' actions. The direct effect of the implementation of this law is the fact that peoples' trust in police and authorities in charge has been restored.

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CHURCH MEDIA IN SLOVAKIA: A SPIRITUAL SERVICE FOR BELIEVERS EVANGELIZATION OUTREACH AND DIALOGUE WITHIN – NOT ON THE AGENDA

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Abstract

The author presents the structure of Church media in Slovakia and the overview of her previous research projects on the church media. She states that Slovak church media are exclusively pastoral, wilfully resigning to the evangelization function. They act as public relations bodies of the bishop's conferences and as an extension of spiritual service of the church to the believers. Opening complex topics, covering opinion plurality and encouraging discussion, is regarded as harmful. But as the researches show, also the request of the believing audience for independent critical Church medium is disputable. The audience is – disregarding age – divided between the audience of the official church media and decent secular media. Between these two groups exists a relatively strong antagonism.

Introduction

The church media represent a unique segment of the means of mass communication. Several studies on the subject concluded that church media have a specific understanding of their role in the society and the definition of journalism per se. Previous researches into the subject include the likes of D. Arasa (2010) which focuses on the use of new media within the church environment; D. Contreras (1998) provides a more general account of church media focusing on their attitude on journalism; N. González Gaitano (2001) focuses on the key question of media evangelization, namely their potential to serve the fundamental goal of communicating the key message of the Church, i.e. to communicate God and salvation; R. Dluhý (2013) discusses the same with a special focus on television; I. Gazda (2010, 2012b, 2013) discusses the relation between the Church and new media as well as the operation of specific Vatican media. Within the Slovak environment, systematic scholarly research on the subject is conducted by the Department of Journalism at the Philosophical Faculty of the Catholic University in Ružomberok. I. Gazda (2009) discusses yet unexplored areas of the Christian media market; D. Jacečková (2013) provides an account of the mindset of the members of editorial boards of the church media; T. Rončáková (2009a, 2009b, 2010) provides a detailed analysis of the church media in terms of stylistics and genres, as well as their internal drivers and bases of argumentation.

Within the specific context of religion, the perception of specific media forms by specific audiences has been subject to several works such as that of Hužovičová and Rončáková (2012) which explored the perceptions of the *Katolícke noviny* (Catholic weekly newspaper) within families or Lysý's (2014) study of older listeners of *Rádio Lumen* and their attitudes to the broadcasts. The relationship of viewers to the Catholic television channel EWTN in the American cultural environment has also been examined by Dluhý (2014). Special focus has also been placed on strategic and pastoral challenges posed by the shifts in perceptions of media audiences. One of the most comprehensive researches on this topic was conducted by D. T. Maier, N. B. O'Neil and J. M. Harden Fritz (2014).

The aforementioned studies jointly conclude that the Church attempts to be perceived as being 'in', i.e. to be perceived as being able to keep up with the society and confront it with its message. One of the roles of the church media is to provide pastoral care for believers, i.e. to act as certain internal channel of communication. This aspect of the church media prevails in the Slovak environment.

Believers expect the church media to provide them with spiritual service as well as guidance and support in navigating the current social and political questions (Rončáková, 2010, pp. 236-239, 272-277).

In the next section the following two areas will be presented in the light of our research effort:

1. background of Slovak church media,
2. overview of the author's previous research projects on the church media.

Slovak church media

The roots of Slovak church media date back to the period of Habsburg monarchy within Austria-Hungarian Empire, during which two major Christian church print media were founded – *Katolícke noviny* (1849) and *Evanjelický posol spod Tatier* (1910).¹ Shortly after the disintegration of the monarchy, the theological and spiritual magazine *Duchovný pastier* was founded (1920). Today, a myriad of church print media is available on the market. In addition to the official church weekly newspaper of the Catholic and Lutheran church, there are many local diocese, district, parish and pastoral centre magazines², or magazines covering various topics – from questions related to the education of children, scientific theological questions, priestly formation, reflections on the Scriptural texts, to new forms of evangelization, monastic life, charity, sects, or arts, etc.³ Within the Catholic church, monastic orders also publish their own magazines (Jesuits and Redemptorists with highest circulations) and every priestly seminar has its own magazine (five in total).

The positioning of the following four Catholic and three non-Catholic periodicals extends beyond that of a strictly spiritual periodical.

Table 1: Nation-wide church periodicals

Title	Affinity	Periodicity	Founded	Circulation	Publisher
<i>Katolícke noviny</i> (Catholic News)	Catholic	weekly	1849	70,000	Spolok sv. Vojtecha (St. Adalbert Association, limited liability company) ⁴
<i>Slovo</i> (The Word)	Greek-Catholic	bi-weekly	1969	6,100	Greek-Catholic Bishopric Prešov
<i>Viera a život</i> (Faith and Life)	Catholic	bi-monthly	1991 ⁵	620	Society of Jesus (Jesuits)
<i>Nové horizonty</i> (New Horizons)	Catholic	quarterly	2007	1,000	Club of Friends of Ferko Skyčák

¹ According to the latest census of 2011, there are 66% Catholics in Slovakia (62% Roman, 4% Greek-Catholic), 6% Lutherans (Augsburg Confession) and 2% Calvinists. None of the remaining 10 Christian and 4 non-Christian churches exceeds 1% of total size of population. This is something one should bear in mind when examining the church media landscape in Slovakia (including cost and coverage implications).

² According to official figures, it is 137 in Catholic parishes (thereof 16 Greek-Catholic) (Source: www.dokostola.sk, webpage containing information on services schedule and basic information on parishes); in evangelical congregations, it was 73 (Source: www.ecav.sk, official webpage of the Evangelical Lutheran Church of Augsburg Confession in Slovakia). It should be noted that these figures are very volatile. From among the Catholic dioceses, two publish their magazine, out of which one is only published electronically; from the Evangelical districts, only one publishes a magazine, however, with a nation-wide scope (*Evanjelický východ*).

³ This category includes approximately 10 magazines for both biggest churches.

⁴ Saint Adalbert Association has a legal form of a civic association, however the publishing house is registered under an almost identical name (Spolok sv. Vojtecha – VOJTECH), which has the form of a limited liability company.

⁵ The origins of the magazine date back to 1972, when Jesuits founded a magazine called *Echoes of Spiritual Currents Review* in Canada, a predecessor of today's magazine *Viera a život*.

<i>Evanjelický posol spod Tatier</i> (Evangelical Courier from Tatras)	Lutheran	weekly	1910	- ⁶	Tranoscius (joint-stock company)
<i>Evanjelický východ</i> (Evangelical East)	Lutheran	monthly	1933	1 700	Eastern District of Evangelical Lutheran Church
<i>Dialóg</i> (Dialogue)	Christian	monthly	2008	400	Media Svatava publishing house (limited liability company)

Katolícke noviny, *Slovo*, *Evanjelický posol spod Tatier* and *Evanjelický východ* enjoy the official status of a church periodical. They present church news sections and various journalistic-style content covering church developments and general current affairs. Focusing on believers, they provide spiritual formation and cover the latest social and political developments. The most ‘progressive’ periodical from among the official church print media is *Evanjelický východ* published under the auspices of the Eastern District of the Slovak Evangelical Church of the Augsburg Confession (ECAV). In this context, the term ‘progressive’ means that the periodical does not avoid sensitive topics.

Viera a život and *Nové horizonty* may be regarded as partially specialized periodicals, but they also provide room for social and political commentaries or other content reflecting current affairs. *Viera a život* is published by Jesuits, while *Nové horizonty* is a project of the Club of Friends of Ferko Skyčák, a civic association which bears the name of a significant Slovak priest and intellectual active in the first half of the 20th century. Both periodicals target more demanding audience.

Dialóg magazine was founded by the Church of Brethren, but is also read and supported by members of other Christian denominations. Originally, this periodical had borne the subtitle ‘Christian monthly for polemic discussion’ but three years later, the editorial board decided to drop this subtitle. The reason for this step was – in the words of its founder, Bohumil Piatok – the fact that “it became increasingly clear to us that the church was not only unable to lead the dialogue, but it was not even willing to enter into a polemic discussion”⁷. The original intention of the magazine was to open a dialogue between various opinion streams within the church extending to the secular environment, and open controversial topics such as homosexuality, marriages after divorce, mixed marriages, registered partnerships, pre-marital sex, etc. The periodical has been continuously trying to open these questions.

The church print media are mainly distributed by means of subscription, partially also by points of sale inside Catholic churches and Christian bookstores, and quite exceptionally also through standard kiosks (*Katolícke noviny*, *Evanjelický posol*). This ensures a return close to zero for these two periodicals.

The publishers of church media have two different backgrounds: they are either independent from the official church structures (e.g. monastic orders or voluntary associations), or fully dependent on them. The latter is the case of periodicals published directly by church institutions (*Slovo*, *Evanjelický východ*) or by organizations which are directly controlled by church structures (Spolok sv. Vojtecha, Transoscius)⁸.

The activities of the church in electronic media have been rather limited due to financial constraints. In Slovakia, there are currently two church radios and one television broadcaster. In addition, the *Press Agency of the Slovak Bishops’ Conference* was established in 1993 and acts as official press

⁶ The publisher regards circulation data a business secret.

⁷ e-mail correspondence.

⁸ Spolok sv. Vojtecha (1870) defines itself in its articles as ‘an association of believing Catholic citizens’. Slovak Bishops’ Conference appoints the chairman, and one member of the board for each diocese and ‘exercises moral and teaching influence’. Originally, Transoscius (1895) had also been an association, transformed in 1991 to a joint-stock company. General Bishop of the Evangelical Lutheran Church is a member of the supervisory board. Both organizations are historically closely associated with the leaders of both churches and are, in effect, subordinated to them.

body of the Slovak Bishops' Conference to provide journalists with information and news service on the activities of the Slovak church.

Founded in 2008, *TV Lux*, the first Catholic television, originated from a misunderstanding between the Slovak church officials and a Czech Christian channel called *TV Noe*. The previously joint project had regarded itself as both Czech and Slovak. Following the dispute, the independent *TV Lux* was founded by three original owners: the Slovak Bishops' Conference (KBS), Civic Association LUX Communication and the Salesians of Don Bosco. In 2011, the first two owners formed an alliance to eliminate the influence of the third owner – which were the Salesians – and subsequently removed the director of *TV Lux* who had close ties to the Salesian community. As a result, Salesians withdrew from the project and today, *TV Lux*, s.r.o., is owned by KBS and LUX Communication with an ownership share of 60% and 40% each. After the withdrawal of Salesians, the original annual budget of one million diminished to 600,000 euro. The share of *TV Lux* in television market is now less than 1%, the channel is not part of any viewership surveys nor is it included in any people metre measurements.⁹ It focuses on spiritual service to believers and offers informational or formational content mostly in the form of discussions.¹⁰

Another major electronic medium is *Radio Lumen*. Founded in 1993, it currently covers 85% of the Slovak territory and is owned by 11 Slovak Catholic dioceses and Spolok sv. Vojtecha. With the long-term listenership share of under 3%, it is ranked 7th among the Slovak radio stations. The radio operates based on an annual budget of approximately one million euro, thereof one third is covered by church subsidies. The share of individual dioceses depends on the number of believers. Like *TV Lux*, *Radio Lumen*'s content is limited to a spiritual and information service for believers.

Finally, *Radio 7* is a product of TWR media civic association (Trans World Radio). It was founded immediately after the fall of communism in 1990 drawing on the tradition of the Monte Carlo-based TWR, which had been active in the former Czechoslovakia since 1970. *Radio 7* is a joint Czech and Slovak project and broadcasts via the internet from 2006, satellite and on short waves in three Slovak cities. It has a Protestant background and offers gospel musing, parenting, psychological, youth educational and spiritual advice.

Table 2: Electronic church media

Name	Affinity	Form	Established	Owner
<i>Televízia Lux</i> (<i>TV Lux</i>)	Catholic	television	2008	Bishops' conference, LUX Communication
<i>Rádio Lumen</i> (<i>Radio Lumen</i>)	Catholic	radio	1993	Catholic dioceses, Spolok sv. Vojtecha
<i>Rádio 7</i> (<i>Radio 7</i>)	Christian	radio	2006	TWR media (civic association)
<i>Tlačová kancelária KBS</i> (<i>Press Agency of the Slovak Bishops' Conference</i>)	Catholic	information agency	1993	Bishops' conference

Previous research projects on the church media in Slovakia

The previous works of the author have analyzed the coverage of presidential elections by Slovak Church media (2014b); the attitudes of readers of *Katolícke noviny* towards the publication's editorial approach to general social and political affairs (2014a); inherent features of media communication

⁹ People meter measurements were conducted privately and results were not disclosed.

¹⁰ For a more detailed examination of the budget, viewership/listenership of *TV Lux*, *Radio Lumen* and *Katolícke noviny* please refer to the section on marketing of the Catholic media in Slovakia, Rončáková 2011.

channel and media language code relative to religious messages in the media (2010, 2013); marketing in Catholic media (2011) and the relationship of young Slovak Catholic to the media (2015). In terms of methodology, different approaches were used for different areas of our research: focus groups, Delphi method, in-depth interviews, questionnaires, content analysis.

The answer to the research question, whether the religious messages are transportable by media (Rončáková, 2010, 2013), rests on the application of the method of quantitative content analysis (Barrie, 2000, p. 55-70), qualitative audience research methods based on *focus groups*¹¹ and the *Delphi* method¹². The focus groups were set up to include both experts and lay consumers. We created ten discussion groups in two Slovak towns, Nitra and Ružomberok, in February and March 2009. The *Delphi* technique was applied to seven discussion groups of experts. The discussions were conducted from May 2008 to May 2009 in Slovakia (Bratislava, Ružomberok, Nitra), but also in the Czech Republic (Prague) and Italy (Rome). Results are based on how the respondents perceived the coverage of religious content in church and secular media, what they found missing or disturbing, where they saw a potential for improvement, and what causes they could identify.

Confronted with the problem of marketing in Catholic media¹³ (Rončáková, 2011) we observed, that the situation in Slovakia in the field of marketing in Catholic media is of special importance due to a kind of general feeling that marketing in those media is of poor quality, insufficient, unmanaged, disregarded or neglected. The question of whether this is a prejudice or the reality we examined, focusing our research on the three most important Slovak Catholic media: *Katolícke noviny* weekly, *Rádio Lumen* and *TV LUX*. Data and information was obtained from qualitative structured interviews with competent professionals working in individual media and our own observations from inside these institutions. The interviews can be divided into official and unofficial. The latter were done mainly in *TV LUX*, where persons officially in charge refused to provide the requested information.¹⁴ In *Rádio Lumen* and *Katolícke noviny*, we have found helpful representatives who were ready to answer our questions, including the head of the radio and chief editor in the newspaper.

The Relationship of Young Slovak Catholics to the Media (Rončáková, 2015) was one part of our extensive research into public discourse on Church news and current affairs in Slovakia. The data used in this study was collected using the quantitative and quantitative method of questionnaires. The group of respondents was restricted to young (aged from 18 to 40)¹⁵ engaged Catholics who identified

¹¹ Focus groups represent a favorite qualitative research method. As pointed by B. Gunter (2000: 46), its proponents argue that this method has “higher ecological validity” than quantitative questionnaire or experiment-based methods. However, in our research, laypersons were given less room than experts since our main goal was to identify how the internal processes actually work and what are the causes behind them, rather than to gather information about the prevailing opinions of consumers. Thus, when setting up the focus groups, we focused on consumers representing that part of the *continuum*¹¹, which corresponded to an active audience prepared to critically reflect upon the issues raised, or even actively contribute to the respective media content (Hornig Priest, 1996, p. 109-113).

¹² The *Delphi* method belongs to a sociological research method employed as part of the preliminary analyses. According to M. Sorice (2007: 122), *Delphi* method was originally developed for technological and military purposes in the 1950s by Olaf Helmer and Norman Dalkey. Apart from the preliminary analyses – the originally planned area of application, this method was also used in other fields. As a result, several variants of this method have evolved. In general, this method is regarded as a tool, which can effectively contribute to finding solutions to complex problems. At the core of this method is the effort to initiate fruitful discussion within a group of experts, and, at the same time, eliminate potential interference among the individual members of the group (De Blasio, Gili, Hibberd, and Sorice, 2007, p. 122).

¹³ For the purpose hereof, by marketing we mean anything directed to increasing the demand for a given product with respect to both the media’s advertisers and the audience.

¹⁴ At the time of our research (2011), *TV LUX* undergone several changes of personnel related to an internal conflict between the three partners who run the station (Salesians of Don Bosco, Lux Communication Civic Association, and Slovak Bishops’ Conference). About a half of the employees was discharged, there was a change of both the company’s executive representative and director, and the company moved.

¹⁵ Our research has focused on the perceptions of young engaged Catholics from Slovakia, a group which we believe is worthy of study for a number of reasons. Firstly, the young age of this group is of interest, as both the process of opinion

themselves as such; indeed, this was the key condition for participation in the research. The chosen participants had also declared various specific forms of social or religious engagement which were addressed by targeted research questions. Two questions covered the respondents' relation to the media: one half-open question asked respondents which media outlets they are regarding as being influential or inspiring, and a closed question which asked respondents to evaluate their awareness of various media outlets on a scale from 1 to 10. The questionnaire was published online¹⁶ on 18 February 2014 and responses were collected until 25 March 2014. The questionnaire was disseminated in cooperation with institutions, whose memberships were likely to contain suitable participants for the study.¹⁷ We obtained 367 responses of which 339 met the criteria related to age and religious affiliation with the Catholic Church.

With respect to presidential elections held in March 2014 we focused on the question how was this specific social and political event covered by the church media, specifically how the church media approached the subject and whether they contributed to the decision-making of their audiences. (Rončáková, 2014b). The method of content analysis was used in addressing this research question – mostly qualitative with some quantitative patterns (such as measuring the timing and size of published material). Five media were subject to the research: *Katolícke noviny*, *TV Lux*, *Radio Lumen*, *Evanjelický posol spod Tatier* weekly and *Evanjelický východ* monthly. Thus, we arrived at 18 outputs analyzed from several perspectives (size, timing, candidates, authors, genres, expressed attitudes, topics and main points raised). Finally, we arrived at three key conclusions:

- Lack of interest of the church media in covering presidential elections;
- Caution of the church media in covering the elections;
- Lack of engagement and expression of attitudes in the church media outputs.

Subsequently, we raised the question how is the current situation (i.e. lack of focus on current social and political affairs by the church media) perceived by the media recipients (Rončáková, 2014a). This was performed through a questionnaire distributed to the readers of *Katolícke noviny*. This medium was selected because of its age and well established, stable and extensive audience. The questionnaire was distributed electronically¹⁸, by placing an advertisement in *Katolícke noviny* and local church periodicals, as well as through emails and social networks. As many as 102 responses were obtained and used as an input into our research.¹⁹

Each of the research methods used is qualitative in its nature, which means that the research procedure does not follow the traditional quantitative pattern: the formulation of hypotheses, verification of the

formation and the real life consequences of this formation can be studied in detail. Secondly, this group has a marked tendency to engage in various activities with a real impact on the public sphere, and therefore they have the potential to assume responsibility for future opinion leadership. Thirdly, their Catholic faith and specific lifestyle is reflected in the development of specific competence, a concept which is relevant for the subject matter of our research, the church and current affairs discourse.

¹⁶ Available at: bit.do/dotaznik.

¹⁷ These groups included the Association of Christian Youth Fellowship (ZKSM), the study and formation-orientated Ladislav Hanus Fellowship (SLH) including its offshoot Forum for Culture (F4C) based in East Slovakia, the Public Affairs Forum (FVO), the Catholic news journalists' association Network Slovakia, the Forum of Christian Institutions (FKI), the pastoral centre Quo Vadis in Bratislava, Christian-Democratic Youth of Slovakia (KDMS), 11 animator schools in Slovakia and Slovak scout groups.

¹⁸ Available at: bit.do/prezident.

¹⁹ It is not the intention of the author to treat this sample as representative of all readers of *Katolícke noviny*. If the entire pool (population) was to be defined like this, we would have to pursue a completely different strategy in collecting the research material, such as visiting rural and city parishes across Slovakia in person, which would dramatically increase the cost and effort related to this research. Therefore we only approached those readers of *Katolícke noviny* who were sufficiently engaged to provide their views on the questions raised. Thus, the population can be defined as "engaged readers of *Katolícke noviny*".

hypotheses, description of status, and confirmation / falsification of the hypotheses. Our approach follows a different pattern: perception and understanding, description of status, and formulation of hypotheses (De Blasio, Gili, Hibberd, and Sorice, 2007, p. 49). Therefore, a substantial difference can be observed between these two approaches: while the quantitative research leads to confirmation or falsification of the hypotheses, and, as a consequence, includes rather normative and self-confident conclusions, the qualitative research on the other hand arrives at the point where the quantitative research has begun, i. e. the formulation of the hypotheses. Thus, the conclusions of the qualitative research attempt to contribute to finding a solution to a given subject and they are formulated with much greater caution and responsiveness to new findings and impulses.

Conclusions

One of the long-standing questions on the church media continuously raised in professional circles in Slovakia is that of their pastoral vs. evangelization character. Should these media provide a spiritual service to the believers – or are they called to become tools for evangelization? Should they approach non-believers or partially identified audiences as well? What is their task and which task are they currently fulfilling? The answer to the last question is clear: Slovak church media are exclusively pastoral. Marginal evangelization attempts (such as in *Radio Lumen* in the late 1990s) have failed.

In addition, the Slovak church media do not do journalism in its original sense. They act as public relations bodies of the bishop's conferences and as an extension of spiritual service of the church to the believers. This approach is reflected in both the composition of their genres (non-journalistic material) and personal profiles of their employees (non-journalistic backgrounds).

Nevertheless, this is not to say that they are doing a bad job. On the contrary, they provide useful spiritual and informational service which is a legitimate aim of the publisher/media owner to audiences of sufficient size. At the same time, this means that in current Slovak church media market, there are no evangelization media, nor church media which would extend their coverage to general current affairs.

Slovak market appears to be too small for a successfully operating medium of this kind.²⁰ At the same time, competent decision-makers (i.e. church hierarchy) are not willing to subsidize such medium because the currently accepted doctrine is to use 'their own' media space to spread 'their own' messages. Thus, opening complex topics, covering opinion plurality and encouraging discussion is regarded as harmful.

The long-term demand for a more critical church medium can only be seen in a part of Slovak audience – these is mainly younger male audience with higher education. However, one cannot speak of a prevailing trend in the entire society. The research conducted on the population of young engaged Catholics in Slovakia points to an internal divide between the audience of the official church media and decent secular media, and also points to a relatively strong antagonism between the two groups. Thus, it appears that Slovak church media are currently settled into the role of providing spiritual service to the believers. Neither evangelization outreach, nor dialogue within the church is on the agenda. The church officials seem to have abandoned this area thus providing room for activities of laity. In terms of evangelization, the *Nahlas* magazine published by the charismatic movement Society at the Dome of Saint Martin seems to be the most popular among the smaller media projects. In terms of covering social and political affairs, web magazine *Conservative daily Postoj* including its subsection *Svet kresťanstva* (*Christendom*) has established itself as the most widely read medium and a lively forum for internal church debate. This divide between the 'official' and 'unofficial' Slovak church media seems to be perceived as 'operational' and satisfactory in the Slovak

²⁰ This is one of the lessons learned by the newly founded *Conservative daily Postoj* (founded in September 2015), published in the form of web portal and rather laboriously attempting to finance its activities through individual donations. This example is presented only to illustrate the situation because this is neither a church nor religious medium, although religious topics form a stable part of its content.

environment, however, the question is whether this setting is optimal and whether it is in accordance with the mission of the Church in the 21st century-society.

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SOCIAL PROBLEMS AS THEMES FOR CSR ACTIVITIES. WHICH TOPICS ARE MOST APPROPRIATE?

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Abstract

There are many social problems in many countries. In many cases, these social problems become massive causes supported by citizens and business communities, by directly impacting the wellbeing of the society we live in. During the last year we have seen on traditional media and social media, an increased level of awareness globally towards the climate change and the factors that create it. In many countries all over the world there are many other social causes that have great public awareness, as the ones related with cancer, children exploitation, women rights, human rights, etc. People are very sensitive to these social causes, while marketing practitioners and academics have found out that an environment sensitive to social problems needs to be considered in the business strategies and marketing strategies.

Companies are interested to identify the main social problems that have consumers' concern in a specific community, city and country that most probably is also firms' target market, in order to plan its Corporate Social Responsibility plan. Corporate Social Responsibility (CSR) is now a known concept in the business world. CSR refers to "the obligation of a firm beyond that required by law or economics, to pursue long term goals that are good for the society." (Robins and De Cenzo, 2001). How each company applies its CSR depends on many internal and external factors, such as the development of a holistic concept that involves all levels of stakeholders such as managers, employers, suppliers, NGOs, local government, etc. From the external perspective the success of a CSR depends on social, cultural, economic factors of the society where it applies. According to Wayne (2008), there is difference between CSR in developed countries and in developing countries. According to Berniak-Woźny (2011), CSR campaigns in developing countries are distinct from CSR in developed countries because of their expanding economies and the social and economic impact of the financial crises. The differences are reflected on the themes CSR is involved in developing and developed countries.

To identify the main social problems in a specific country (Albania) that may be a very good input for CSR strategy for year 2020, is the aim of this research. Through quantitative research among NGOs the author points out the themes used for CSR activities locally, in Albania.

Keywords: CSR, NGO, strategy, developing countries.

Introduction

There is an increasing interest of companies to be involved in CRS during the years. Among business professionals, corporate social responsibility is not an option anymore, now the question is not whether companies will engage in corporate social responsibility, but how they will create a real meaningful impact. Today consumers are more connected than ever before. Access to information through technology and connection makes them also more sophisticated. Aware of their capacity to influence social and environmental issues they are looking more closely at the collective impact of corporations. Reports from business professionals say that companies that fail to recognize CSR's power beyond the shopping aisle are taking a myopic view and that CSR is a great influencer of trust, affinity and loyalty. According to 2013 Cone Communications/ECHO Global CSR Study, "just 6% of consumers believe that the singular purpose of business is to make money for shareholders, while the clear majority expects companies to do more than pay a limited role in communities or simply

donate time and money.” Now social and environmental issues, are not seen just as a to do list of NGOs and activists, but consumers are expecting companies to do their part on or planet.

Literature Review

Corporate Social Responsibility (CSR); why do companies care so much on CSR?

Corporate Social Responsibility (CSR) is now a powerful word in the business world. CSR can build trust, make companies be good for the society and serve as a great differentiator in the market.

According to 2013 Cone Communications/ECHO Global CSR Study, there is a universal demand for change because consumers today recognize that the greatest opportunity for impact starts at the very core of the company; its operations. In 2013 study mentioned above, global consumers say that the number one way they want consumers to approach today’s most critical issues is to change the way they operate (30%), while 18% of global consumers call out new product and service development as the one approach companies should take to positively affect social and environmental issues. 2013 Cone Communications/ECHO Global CSR Study gives some very interesting data form the research made:

- 91% of global consumers are likely to switch brands to one associated with a good cause, given comparable price and quality;
- 96% of consumers say that when companies engage in CSR, they have a more positive image of the company;
- 94% of consumers say that when companies engage in CSR, would be more likely to trust that company;
- 93% of consumers say that when companies engage in CSR, would be more loyal to that company;

This data clearly show the importance of CSR engagement of companies to consumers, but the trend may tend to decrease over years if CSR activity is not authentic and transparent. According to ‘Brands and Social Activism: What do you stand up for?, The Key Insights from the 2017 Cone Communications CSR Study’, “65% of Americans say that when a company takes a stand on a social or environmental issue, they will do research to see if it is being authentic. 76% of Millennials will do research more than 10 percentage points than the average.” The same research also states that Americans are willing to reward or punish based on company value and actions: 87% would purchase a product because that company stood up for or advocated for an issue that they care about, while 76% would refuse to purchase a company’s product or services upon learning that it supported an issue contrary to their beliefs.

What is CSR?

CSR refers to “the obligation of a firm beyond that required by law or economics, to pursue long term goals that are good for the society.” (Robins and De Cenzo, 2001). Kotler and Lee (2005) use this definition on Corporate Social Responsibility (CSR): “A commitment to improve community wellbeing through discretionary business practices and contributions of corporate resources”. Carroll (1979), defines CSR as “The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time.” This definition is known as the “Four part definitional framework for CSR”. In 1991, Carroll represented the four-part definition in the form of a CSR pyramid. According to Carroll (2016), four strong drivers of CSR taking hold in the 1990 and continuing forward have solidified its primacy, are: globalization, institutionalization, reconciliation with profitability and academic proliferation. Primarily, via ‘business case’ reasoning, CSR has been more quickly adopted as beneficial practice both to companies and society.

How each company applies its CSR depends on many internal and external factors, such as the development of a holistic concept that involves all levels of stakeholders such as managers, employers, suppliers, NGOs, local government, etc. From the external perspective the success of a

CSR depends on social, cultural, economic factors of the society where it applies. According to Wayne (2008), there is difference between CSR in developed countries and in developing countries. Wayne studies separately CSR in developing countries by giving among others, the rational that “developing countries present a distinctive set of CSR agenda challenges which are collectively quite different to those faced in the developed world.” Wayne (2008). According to Wayne (2008), the drivers of CSR in developing countries are classified in internal drivers (political reform, socio-economic priorities, crisis response, cultural tradition, governance gaps, market access) and external drivers (international standardization, investment incentives, stakeholder activism, supply chain). Wayne (2008) concludes that in developing countries CSR is most commonly associated with philanthropy or charity, i.e. through corporate social investment in education, health, sports development, the environment, and other community services, making an economic contribution is often seen as the most important and effective way for business to make a social impact, i.e. through investment, job creation, taxes, and technology transfer, business often finds itself engaged in the provision of social services that would be seen as government’s responsibility in developed countries, for example, investment in infrastructure, schools, hospitals, and housing, and that the issues being prioritized under the CSR banner are often different in developing countries, for example, tackling HIV/AIDS, improving working conditions, provision of basic services, supply chain integrity, and poverty alleviation. Crane and Matten (2007a) discuss CSR in a European context using Carroll’s CSR Pyramid. They conclude that ‘all levels of CSR play a role in Europe, but they have different significance, and furthermore are interlinked in a somewhat different manner’. While, regarding the developing countries, Wayne (2008) points out that ‘economic responsibilities still get the most emphasis. However, philanthropy is given second highest priority, followed by legal and then ethical responsibilities.’

Why do companies care so much about CSR?

Academic research shows that CRS strategy implemented by companies, can be a competitive advantage for the company. Wiśniewska and Cegliński, (2017) discuss in their paper ‘CSR as a Source of Competitive Advantage: The Case Study of Polpharma Group’ that CSR can be a competitive advantage for the company.

In one hand, according to Wolak-Tuzimek (2013), consumers make conscious choices and often select a product or a service guided by trust in a business, its image and perception of the environment and on the other hand according to Militaru and Ionescu (2006) managers of companies today understand that CSR forms an indestructible part of their reputation. (Wiśniewska and Cegliński, 2017).

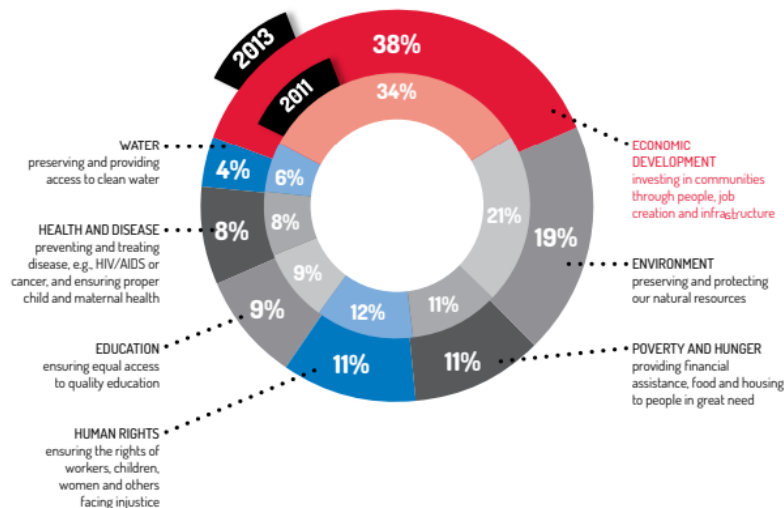
What issues are more important to consumers that can be themes for CSR activities of companies?

Wayne (2008) literature review on content theme in developing countries compared to developed countries is that while “most CSR articles in top management journals focus on ethical and environmental themes, most scholarly work on CSR in developing countries focuses on the social theme. In part, this reflects the fact that corporate social responsibility is the preferred term in the literature to describe the role of business in developing countries, as opposed to, say, business ethics, corporate citizenship, corporate sustainability, or stakeholder management. More than this, however, social issues are generally given more political, economic, and media emphasis in developing countries than environmental, ethical, or stakeholder issues (Schmidheiny, 2006). And there is also still a strong emphasis on the philanthropic tradition in developing countries, which is often focused on community development.” Wayne (2008). According to Berniak-Woźny (2010), CSR campaigns in developing countries are distinct from CSR in developed countries because of their expanding economies and the social and economic impact of the financial crises. The differences are reflected on the themes CSR is involved in developing and developed countries.

According to 2013 Cone Communications/ECHO Global CSR Study, the issues that consumers want companies to address are: economic development (investing in communities through people, job creation and infrastructure), environment (preserving and protecting our natural

resources), poverty and hunger (providing financial assistance, food and housing to people in great need), human rights (ensuring the rights of workers, children, women and others facing injustice), education (ensuring equal access to quality education), health and disease (preventing and treating disease, e.g. HIV/AIDS or cancer and ensuring proper child and maternal health), water (preserving and providing access to clean water).

The **ONE** issue consumers most want companies to address:



Source: 2013 Cone Communications/ECHO Global CSR Study

The Key Insights from the 2017 Cone Communications CSR Study, “Brands and Social Activism: What do you stand up for?”, 73% of Americans would stop purchasing from a company which shared a different perspective on these specific issues: domestic job growth, racial equality, women’s rights, cost of higher education, immigration, climate change, gun control, LGBTQ rights.

NGOs definitions.

An NGO is the acronym for ‘non-governmental organization’. According to the Cambridge Dictionary (2019) an NGO is defined as ‘‘an organization that tries to achieve social or political aims but it is not controlled by a government’’. Harvard Law School (2019) describes NGOs as ‘‘typically mission-driven advocacy or service organizations in the non-profit sector.’’ World Bank (1995) defines NGOs as ‘‘private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services or undertake community development’’. OECD (2018), in the document ‘‘Aid for Civil Society Organizations’’, defines NGOs as ‘‘any non-profit entity organized on a local, national or international level to pursue shared objectives and ideals, without significant government-controlled participation or representation. NGOs include foundations, co-operative societies, trade unions, and ad-hoc entities set up to collect funds for a specific purpose. NGO umbrella organizations and NGO networks are also included.’’

In the Albanian practice the terms NGO and CSO are used interchangeably. As we go through the Albanian law on Civil Society Organizations, we find two basic requirements for this type of organizations: to be non-state and to be non-profit.

Research methodology and results

Research Methodology

This research is based on secondary and primary sources and it has an exploratory nature. We used in-depth interview with experts of NGOs, who actually work in NGOs that operate in Albania. The interview was based in 30 questions that were further developed through the interviewing process with experts, in meetings that lasted 45-70 minutes. One of the aims of this research was to find out which topics are most appropriate for CSR activities of companies, from the NGOs perspective.

Choosing representatives for each type of NGO is an important aspect that may influence the answers. The definition of NGOs as per Albanian law is: "The term non-profit organization (NGO) means any organization whose activity is not to produce and market goods or services that meet individual needs. Referring to Law No. 8788, dated 07.05.2001 "On Non-Profit Organizations" of the Republic of Albania, the term "non-profit activity" means any economic or non-economic activity provided that the income or assets of the organizations, when any, are used only in order to achieve the goals set out in the organization's statute, NGOs operate independently of state bodies. The following are classified as non-profit organizations in Albania:

- Associations
- Foundations
- Centers

The mission of NGO creation is to carry out activities that contribute to the well-being of society. They support and develop the spiritual and humanitarian values of the public, care for health, raise cause and raise awareness of environmental issues, assist in natural and humanitarian disasters and disasters, promote the advancement of science and increase the quality of education, care for and respect for the environment, human rights, assist in strengthening democratic processes and any other development that is in the interest of society."

We conducted seven in-depth interviews with experts from NGOs that have the following characteristics:

Tab. Characteristics of NGOs in this study.

NAM E OF NGO	Type	Year of establis hment	Actual status (active/not- active)	National/ International	Mision of NGO
A	Associatio n	2010	Active	National	Empowering the role of women in all dimensions of social life.
B	Associatio n	2007	Active	National	Create awareness of the consumer about his rights.
C	Foundation	2018	Active	National	Empowering young people, raising awareness of environmental protection.
D	Center	2018	Not-active	National	Promotion of contemporary Albanian artists, regardless of their ethnicity.
E	Associatio n	2001	Active	National	Cultivating the universal values of Albanian society with a special emphasis on youth.
F	Associatio n	2001	Active	National	Supporting civil society and strengthening cross-sectoral cooperation in order to strengthen democratic institutions and develop the economy.

G	Association	2017	Active	National	Rehabilitation of individuals addicted to gambling.
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“Albania, a formerly closed, centrally planned state, is a developing country with a modern open-market economy.” (Albania – The World Factbook – Central Intelligence Agency, 2019)

Research Results

From seven in-depth interviews, we got the following results on different variables taken into consideration in this study.

Variable: Financial Resources

Name of NGO	Self-generated income (%)	Grants (%)	Donations (%)
A	20 - 30	0	70 – 80
B	0	30	70
C	0	0	100
D	-	-	-
E	30	0	70
F	50	20	30
G			

Topics considered as most appropriate for Albania:

The answers for this part of the research was conducted during December 2019. 26th November 2019 was the day when a terrible earthquake happened in Albania and as a result 51 people were dead and thousands were left without shelter. This specific condition, made NGOs interviewed for this research, focused primarily on suggesting as the main issue for the moment ‘helping families in need from the earthquake disaster’ in the form of financial donations or material help. Many companies in Albania were involved in donating to the Albanian government for handling this crises.

Other issues considered as most appropriate for CSR activities of companies from the NGOs respondents, are listed below:

- All activities that make people reflect on the importance of human values, as: trust in the social, political and commercial level. This can be activities related to education, trainings, roundtables, etc.
- Cleaning of the environment and all activities related to raising awareness of keeping the environment clean.
- Youth education on soft skills as communication skills, teamwork, etc.
- Activities that reinforce local democracy and help the society to have strong citizens.
- Activities that support social services that in many areas cannot be provided by local government. These social services can targeting marginalized groups, children, women and the elderly. For example, to provide a spaces in companies for children while their mothers are working, were they can assistance from teachers, medical care and food. Social services for psychological support of parents and children and social centers for teenagers.
- Activities related to addiction from gambling or other addictions.
- In some areas there is need to build schools, kindergartens, and also infrastructure for water supply and electricity supply.

Conclusions

As we can point out from literature review, Corporate Social Responsibility is important for companies and consumers alike. According to Wolak-Tuzimek (2013), consumers make conscious choices and often select a product or a service guided by trust in a business, its image and perception

of the environment and according to Militaru and Ionescu (2006) managers of companies today understand that CSR forms an indestructible part of their reputation.

How each company applies its CSR depends on many internal and external factors, such as the development of a holistic concept that involves all levels of stakeholders such as managers, employers, suppliers, NGOs, local government, etc. From the external perspective the success of a CSR depends on social, cultural, economic factors of the society where it applies. According to Wayne (2008), there is difference between CSR in developed countries and in developing countries. Wayne studies separately CSR in developing countries by giving among others, the rationale that “developing countries present a distinctive set of CSR agenda challenges which are collectively quite different to those faced in the developed world.” Wayne (2008) creates a clearer idea on the issues that are important to CSR activities in the developing countries and concludes that in developing countries CSR is most commonly associated with philanthropy or charity, i.e. through corporate social investment in education, health, sports development, the environment, and other community services, making an economic contribution is often seen as the most important and effective way for business to make a social impact, i.e. through investment, job creation, taxes, and technology transfer, business often finds itself engaged in the provision of social services that would be seen as government’s responsibility in developed countries, for example, investment in infrastructure, schools, hospitals, and housing, and that the issues being prioritized under the CSR banner are often different in developing countries, for example, tackling HIV/AIDS, improving working conditions, provision of basic services, supply chain integrity, and poverty alleviation.

Many of the elements mentioned above by Wayne (2008), are also mentioned from the NGOs interviewed in this research. Given to the specific case of the earthquake disaster in Albania in 2019, CSR engagement of companies were immediately diverted to this crisis. Wayne (2008) cites Crises Response as an internal driver in CSR drivers in developing countries by explaining that various kinds of crises associated with developing countries often have the effect of catalyzing CSR responses. These crises can be economic, social, environmental, health-related, or industrial. The internal driver of crises response is clearly found in the case of Albania’s earthquake disaster when companies donated millions of Euros for the case within a couple of days. Another element for the developing countries that is mentioned by Wayne (2008) is the internal driver Government Gap which may lead companies to CSR activities most commonly associated with philanthropy or charity, i.e. through corporate social investment in education, health, sports development, the environment, and other community services. This research findings show that NGOs suggest issues related to some of the topics mentioned by Wayne as services that cannot be provided by the Albanian government as: need to build schools, kindergartens, and also infrastructure for water supply and electricity supply, youth education, cleaning of the environment, activities that support social services that in many areas cannot be provided by local government. These social services can target marginalized groups, children, women and the elderly.

There are also other topics suggested by NGOs that can be appropriate for 2020 CSR strategy of companies in Albania, but that are not typical to developing countries, such as: all activities that make people reflect on the importance of human values, as: trust in the social, political and commercial level. This can be activities related to education, trainings, roundtables, etc.; activities related to addiction from gambling or other addictions.

Author suggests that a better view of this issue can be provided by data gathered directly to consumer and general public.

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**FOSTERING PRODUCTIVITY AND COMPETITIVENESS IN PROMOTING
ECONOMIC DEVELOPMENT IN THE EUROPEAN UNION CANDIDATE COUNTRIES:
THE CASE OF REPUBLIC OF NORTH MACEDONIA**

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Abstract

While business sector is widely seen as a promotor of economic progress in developing countries, the domestic companies in the European Union candidate countries are not sufficiently integrated into global value chains. This deprives them from beneficial opportunities and obstructs their productivity and competitiveness. Therefore, strategic partnering among domestic companies is seen as a prerequisite and should be strongly encouraged along the country's pathway to EU accession. The central goal of this paper is to highlight the economic challenges and possible remedies for the business sector in light of prospective EU membership. Several specific research questions are analysed: [1] the role of structural and business environment reforms in promoting companies' productivity and [2] the impact of EU accession on the external competitive pressures. At the same time, the research is focused on offering solutions for more specific problems that Macedonian business sector faces in the past years. However, their success will strongly depend on the progress in upgrading the institutional capacity of the country.

Key words: Productivity; Competitiveness; EU Accession.

BIG DATA AND DIGITAL TRANSFORMATION IN MARKETING: A LITERATURE REVIEW

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Abstract

Continuous technological advancement is forcing organisations to change traditional ways of operations. Nowadays, more data is generated than ever before, representing great opportunities but also struggles for marketers. The marketing industry and marketing as a business function need to disrupt themselves, leading into complete digital transformation. Understanding and adopting new technologies and data analytics approaches will enable them to identify needs of their customers and enhance and streamline their marketing programs. The main objective of this study is to provide a comprehensive review of published research in the area of the impact of Big Data on digital transformation of organisations in marketing. 175 documents were initially selected. After the screening, 56 peer reviewed articles from journals and conference proceedings, two book chapters, and one book, published between 2014 and 2019, were included in the literature review. Thanks to this work, researchers will be able to identify research gaps, assisting them to focus on areas that need more attention.

Keywords: Big Data, digital transformation, disruptive technologies, information governance, marketing

Introduction

Continuous technological advancement is forcing organisations to change their traditional way of operations, adjusting their processes, adopting new information systems and keeping their existing systems up to date. New technologies available result in almost endless amounts of generated and captured data. Organisations are drowning in this data pool while struggling to extract meaningful information and knowledge useful for decision making. The question they face is how to use and manage data in an effective and efficient manner to guarantee business continuity and improved competitive advantage. In the field of marketing, it is of paramount importance to offer the right product to the right customers in the right time. To achieve this, information needs be managed in a systemic manner and meaningful information is to be extracted from generated data.

Marketing is crucial in ensuring the growth and development of any business. In fact, it is acknowledged that marketing is enhancing the potential for a business entity to safeguard its bottom-line and competitive advantage. Marketing is a dynamic and ever-changing business function and activity whose role has undergone dramatic changes as a result of many contributing factors and triggers including crises/economic recessions, dying industries, rapid technological advances, inflation, as well as energy and material shortages. It is imperative that modern day marketing executives become increasingly market driven. This requires formalised ways of obtaining timely and accurate information pertaining to the marketplace, their products and customers, as well as the overall business environment (Bala and Verma 2018).

Digital transformation can be defined as ‘the use of new digital technologies (social media, mobile, analytics or embedded devices) to enable major business improvements, such as enhancing customer

experience, streamlining operations or creating new business models' (Vial 2019). Digital transformation redefines current and future business activities, requires certain applications and infrastructure, and needs a digital financial framework which are all challenges for organisations (Matt, Hess, and Benlian 2015). Digital transformation affects the way organisations handle information and disrupts their business models. It gives companies the choice of either grow by adapting to it or gradually disappear (Reis et al. 2018). This digital era brings with it new concepts and technologies, including the internet of things, Big Data, and others, requiring massive adaptation from companies to remain on the market. Singh and Hess (2017) observe that this concept has created the need for companies to incorporate the role of Chief Digital Officer (CDO), allowing them to have a role model to guide them and keep them up to date with the pace of the technology changes. According to Guo et al. (2019), companies also need to establish frameworks to continuously analyse how disruptive innovations/technologies might challenge or benefit them in three main areas: technological, market positioning, and external environment.

This literature review examines the impact of Big Data on digital transformation of marketing organisations including the challenges from the data and information management perspective. It is structured as follows: Section 2 contains the methodology and objective of this study, sections 3, 4, and 5 describe the current state of the research in the area of challenges for marketing in the digital era, Big Data as the trigger of digital transformation, and the data and information perspective of digital transformation. Section 6 presents conclusions of this study and in section 7, resources used in the literature review are listed.

Methodology

The method of literature review has been selected to identify the current state of research in the area of digital transformation of the marketing industry from the data and information perspective, with the accent on Big Data. Literature used to conduct this review was accessed by using various databases with scholarly peer-reviewed resources, mainly ScienceDirect, EBSCOhost, Emerald, and ProQuest, with additional scanning via Web of Science and Scopus. Initially, 175 documents were selected and screened. After studying them, 56 peer reviewed articles from journals and conference proceedings, two book chapters, and one book were included in the detailed literature review. They were published between years 2014 and 2020 (Figure 1). The process of sources selection and review was accomplished in September and October 2019.

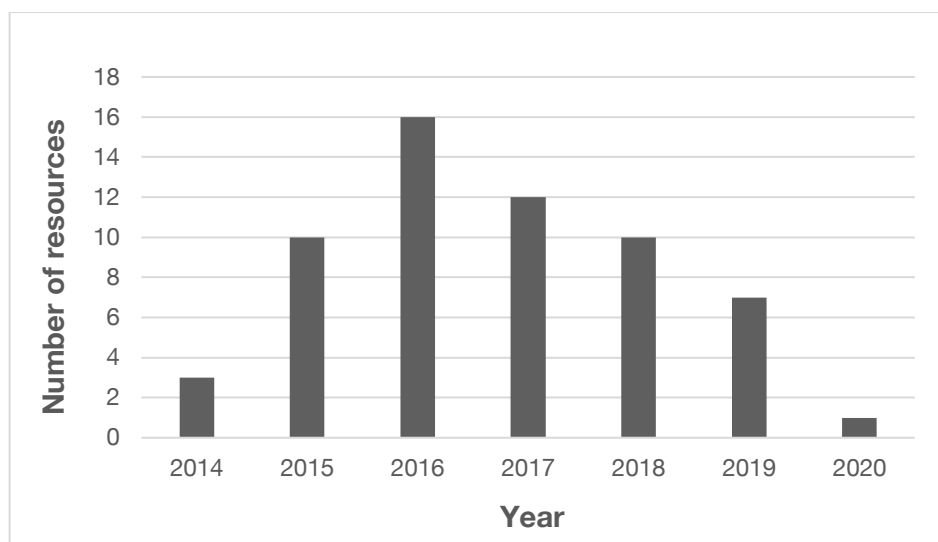


Figure 1 The occurrence of relevant resources per publication year (n=59)

The main objective of this study is to provide a comprehensive review of published research in the area of the impact of Big Data on digital transformation of organisations in marketing. Thanks to this work, researchers will be able to identify research gaps, assisting them to focus on areas that need more attention. This study presents partial findings of a bigger research focusing on reviewing the impact of all major disruptive technologies on the marketing industry and marketing as a business function.

Challenges for Marketing in the Digital Era Technologies, Techniques, and Approaches

Over the past decades, the marketing field has transformed through resource-conscious view and investment-orientated approach to become an integral part of the organisation (Kumar 2015). Nowadays, marketing is networked via social media based web, where customer engagement is the key for sustained profits (Kumar 2015). Marketing is, similar to other industries, going more and more digital. With digital transformation in place, plethora of digital marketing techniques are made available, aiming at providing value to customers (Opreana and Vinerean 2015). Customer retention success is higher with these digital technologies. Particularly, their use in social media has proven successful by businesses which failed on traditional marketing (Carah and Angus 2018). Digital disruption has shaken the marketing industry forcing organisations to revise their operating model (Quinn et al. 2016). As a result of disruptive technologies, the traditional marketing governance funnel will not work as there is a huge gap between businesses and customers. The use of latest technologies can increase the value of marketing and deliver more engaging experiences for tomorrow's consumers. Virtual reality (VR) and Augmented Reality (AR) together with other sensory enabling marketing techniques are amongst the latest technologies that are impacting consumer behaviour and buying habits (Petit, Velasco, and Spence 2019). Today's marketing governance model is more interactive and allows for and builds upon the interaction with customers (Lewnes and Keller 2019).

Kumar (2015) has identified the following triggers for today's integrative approach to marketing: a) Changes in media usage patterns; b) Focus on marketing efficiency and effectiveness; c) Firm value generated by engaging stakeholders of the firm. Marketing organisations are facing demographically diverse populations where customisation, experience, convenience, and social connections matter the most while customer expectations and needs are increasing at the same time (Kumar 2018). Technology has played a crucial part in the described transformation. According to Reddy and Reinartz (2017), digital transformation is affecting every aspect of our lives, not only the businesses leveraging new technology but also their customers, individuals, and the society itself. To be able to create value in more efficient and effective ways by using the latest technology, marketing organisations must disrupt themselves (Reddy and Reinartz 2017). It is not enough just to conduct digital optimisation of business processes, businesses need to disrupt their vision together with technology (Boulton 2017). Technology has emerged as an integrator of markets where geographical limitations are ever more blurred (Kumar 2018), offering deeper insights granted by data availability (Kumar 2015).

Consumers and Marketers Going Digital

Atshaya and Rungta (2016) describe the fundamental advantage of digital marketing as its capacity to reach numerous customers within the shortest time possible while also reducing the cost of marketing. In addition, it assists in maintenance of records pertaining to consumer behaviour including their likes and preferences, as well as response to different brands, services, and products; thereby ensuring that the company plans and creates its future marketing strategy on the basis of these observations (Kirsten 2017). The increased adoption of devices and digital technologies by consumers creates both challenges and opportunities for marketers. Communication is faster, messages spread

with minimal control over the channels and copy; word of mouth, and consumer generated content have become important for consumer decision making. Digital marketing and digital technologies and channels are also upsetting the balance of power. Producers and manufacturers do not have as much power as they had in the past. According to Laurie and Mortimer (2019), clients have more power over agencies and other entities due to their purchasing power. Digital marketing enables individuals to get services and goods directly from producers without going through retailers or intermediaries, in which case they have more expansive reach and range of choices. Search visibility represents a keystone of modern digital marketing, allowing company's products and services to be found when consumers search for information (Miklosik, Evans, et al. 2019).

Digital Transformation Journey

Leeflang et al. (2014) identified these prerequisites of marketing organisations successfully facing challenges regarding their digital transformation journey: 1) The organisation has the ability to generate and analyse deep insights; 2) Managing the business brand reputation and brand in a marketing environment where social media plays an important role; 3) Assessing the effectiveness of online marketing. A digital transformation strategy is used for pursuing different goals stemming from a business-centric perspective. This strategy is giving more focus on the changing of products, procedures, and business aspects as the result of new technologies (Matt, Hess, and Benlian 2015). They further state that digital transformation is the bridge between operational strategy and functional strategy. The scope of such digital transformation strategy is to comprehensively design digital activities at the interface with or completely inside of clients, including digital innovation as a major aspect of end-user products (Matt, Hess, and Benlian 2015).

Big Data Triggering the Digital Transformation More Data Collected

Big Data, while providing several attractive opportunities for business, also presents a number of challenges to the marketing industry (Trom and Cronje 2020). The volume of data is expanding rapidly with many data types (structured, untrusted and semi-structured) and data sources available (Cohn 2015). This high volume, fast-moving data is not matched with the traditional database structures. It also creates challenges such as privacy, management, security, and ethical issues in terms of monitoring and gathering private data of customers, which have to be addressed through information governance to gain the real value of Big Data (Mathes 2016). Marketing organisations have to develop effective data governance structure to improve data quality, security, accuracy, meaningfulness, value, etc. by minimising those challenges and risk as a foundation of the information management structure of the organisation (Cohn 2015). Data is considered an important asset and if the organisation fails to implement and maintain an effective governance structure, it has to face a huge loss in the context of its value (Trom and Cronje 2020). According to Mathes (2016), just having huge volume of data does not provide value or knowledge to the organisation. Organisation must implement an effective data governance structure to transform that raw data into knowledge obtain the competitive advantage of Big Data.

New technologies empower the organisation to collect more valid information and data from outside. The key is to guide people to interact with this information (Ashwell 2017). Lewnes and Keller (2019) also note that technology has changed everything, and it allows for new ways to create customer experiences, new mediums to connect with customers and other constituents, and trillions of data points to understand customer behaviour and the impact of marketing programs and activities. However, as they further note, technology is just the first step. To fully realise the potential of technology, it takes transformation across people, processes, and technology (Lewnes and Keller 2019). Artificial Intelligence (AI), Machine Learning (ML), Big Data (BD), blockchain (BC), the Internet of Things (IoT) etc. are most commonly identified as technologies triggering the digital

transformation (not only) in marketing. They contribute to the massive increase of data volumes obtained, naturally leading to information overload if not processed appropriately. Fortunately, these technologies also have abilities to help organisation manage information.

Data-Driven Organisations

By adopting Big Data, organisations can transform themselves into data-driven organisations, enabling them to innovate their marketing programs by collecting large amounts of data both structured and unstructured (Lee 2017). From the technological perspective, organisations are able to manage and organise Big Data properly with increasing their storage capacity, using new NoSQL as an alternative traditional database (Lee 2017). Big Data assists in extracting individual personalisation from a large amount of collected data (Montgomery 2015). She further notes that the growth of Big Data has introduced a wealth of opportunities for researchers, including new sources of data produced by the media industry, massively larger amounts of information, and a spectrum of analytical software applications (Montgomery 2015). As Alshura, Zabadi, and Abughazaleh (2018) note, possessing Big Data does not necessarily lead to bigger marketing, but the potential is huge: Big Data can be seen as raw materials, secret treasure, and vital assets of the firm. Big Data enhances the organisation productivity by improving business operations and increasing the efficiency of the industry by better pricing, improving feedback from customers, providing cost reductions, etc. (Lee 2017).

Data from Social Media

The nature and origin of marketing data has changed as the result of digitalisation and adoption of new technologies. According to Van Auken (2015), marketing analysis data has shifted from panel data, where consumers manually recorded their buying behaviours, to Big Data, offering real-time information. Similarly, the data that was previously collected through channels such as customer satisfaction surveys can now be automatically mined through social media platforms (Fan, Lau, and Zhao 2015). Consumers are leaving continuous traces in social media that can be analysed deeper by using text mining, user profiling and localisation, sentiment analysis, social sensing etc. (Amado et al. 2018). Martin and Murphy (2017) claim that the question is no longer whether consumers are willing to share their private data but how they react when their private data is widely accessible to marketers.

To make qualified decisions, marketers and marketing analysts still require the same information on many different aspects such as customers and their desires, competition, products, distribution channels, service providers, laws etc. but through mobile marketing and social media platforms, the knowledge is expanded by adding detailed personal information like geo-location, time, interests, sex etc. (Lukowski 2017). The attention of researchers focuses on finding ways to analyse this Big Data generated by social media to enhance decisions. The study by Culotta and Cutler (2016), for example, introduces a fully-automated method to monitor brand-related messages on Twitter. Another medium generating huge amounts of data is video. In the paper by Lu, Xiao, and Ding (2016) real-time in-store video data is processed to make recommendations for new garment purchases. Combining state-of-the-art computer vision techniques with marketing models of consumer preferences, the system automatically identifies shoppers' preferences based on their reactions and uses that information to make meaningful personalised recommendations (Lu, Xiao, and Ding 2016). Consumers are spending more time using online media instead of traditional media (Jobs, Aukers, and Gilfoil 2015) which allows marketers to source continual information out of an average consumer in a form of transactional data and unstructured, behavioural data (Erevelles, Fukawa, and Swayne 2016).

Extracting Knowledge from Data

The quantity of data requires the change in the standard analysis procedures which now need to include cloud computing, text mining, and machine learning, also usable for forecasting (Liu, Singh,

and Srinivasan 2016). Hence, Big Data is massively disrupting the traditional ways to make marketing decisions (Fan, Lau, and Zhao 2015) and simultaneously deepens the understanding of consumer behaviours (Van Auken 2015). Big Data is normally associated with the three Vs: volume, velocity, and variety. Furthermore, two additional Vs are added to emphasise the importance of collecting, analysing and extracting meaningful knowledge: veracity and value (Erevelles, Fukawa, and Swayne 2016). Because of the Big Data predictions, real-time responses can be embedded into marketing strategies (Van Auken 2015). The challenge for organisations is to use data for gaining sustainable competitive advantage as currently there is too much data and too little knowledge how to use it efficiently to gain benefits. Thus, it becomes clear that organisations must develop new capabilities and resources to exploit Big Data as it is affecting every area of marketing (Erevelles, Fukawa, and Swayne 2016). Analytical marketing tools utilising machine learning can assist in extracting meaningful information from large amounts of data (Miklosik, Kuchta, et al. 2019). Researchers agree that more research is needed to find novel ways to survive the Big Data revolution (Erevelles, Fukawa, and Swayne 2016) and learn the best practices to extract knowledge from unstructured data (Van Auken 2015).

According to Hossain et al. (2017), Big Data and analytics are very useful to get to know the values and needs of customers to develop a successful omnichannel marketing strategy. In Big Data, information is flowing across products, channels, customers, time and location. Therefore, buyers are showing an inclination to enjoy 'research shopping', for example, getting to information from one channel while buying from another (Verhoef, Kannan, and Inman 2015). This helps collect data from different channels and multiple touchpoints. Hair Jr, Harrison, and Risher (2018) also pointed out that technology innovation allows organisations to track customer's online touchpoints, which makes predicting future customer behaviour possible. Big Data analytic tools are used to remove the redundancies. According to Elgendy and Elragal (2014), before using the data, it goes through processes such as Extract, Load, Transform (ELT) and Extract, Transform, Load (ETL) tools which concentrate the data from outside sources, change the data to fit operational needs; load the data into the database. In this manner, the information is cleaned, recorded and transformed before being made available for online analyses and data mining (Elgendy and Elragal 2014).

Efficacy of Advertising

Hill (2014) found out that Big Data can be used to recommend content to TV audiences and help build personas of audiences. Real-time feedback data also makes TV advertisements targeting more precise, predicts the viewership of a TV program, and the buying behaviour of audiences. Barajas et al. (2016) develop new methods that separate the target selection component and the campaign effect of online display ads, analysing Big Data from two campaigns, each with 20 millions of users. Smith and Telang (2016) showed that Big Data can be used for creative decision making. Chintagunta, Hanssens, and Hauser (2016) pointed out marketing needs to embrace text, audio, and video data and process them with the assistance of ML, assisting with sales predictions based on the combination of ML and Big Data. Bradlow et al. (2017) confirmed that information technologies such as Big Data, Artificial Intelligence and data analytics are used to provide the rational customer experience and service system over the both offline and online domains.

Products and Purchasing Decision-Making

Another aspect where Big Data plays crucial role is new product launch, requiring large amounts of information from the customers. This data, if collected strategically through the combined efforts of Big Data analytics and market analyses from experts, result in knowledge that can be effectively used for more targeted marketing and advertising (Xu, Frankwick, and Ramirez 2016). Also, visualisation of market structures among products has been researched. Ringel and Skiera (2016) develop innovative mapping methods to help visualise complex market structures among more than 1,000

products, using big search data from a product- and price-comparison websites to derive consideration sets of consumers that reflect competition between products. Big Data and fuzzy support vector machines are used in the study by Huang and Luo (2016) to suggest a new method of understanding consumers' preferences for new complex products (e.g. digital cameras, computer tablets, etc.). By using Big Data and data analytics, marketers can target customers accurately, helping them offer personalised marketing solutions, reach customers easily, and get competitive advantages less expensively (Erevelles, Fukawa, and Swayne 2016). As Jacobs, Donkers, and Fok (2016) note, an accurate prediction of what a customer will purchase next is of paramount importance to successful online retailing and marketing. Big Data and its analysis with the use of two classes of models - Latent Dirichlet Allocation (LDA), and mixtures of Dirichlet-Multinomials (MDM) – are used in the prediction. LDA, normally used in text processing to identify “buckets of words”, is used here to identify, from the consumer’s perspective, sets of products that tend to be purchased together (Jacobs, Donkers, and Fok 2016).

Data and Information Perspective of Digital Transformation

Purcarea and Purcarea (2017) state that the availability of Big Data in marketing and the wealth of information has distracted peoples’ attention and thus, efficient information management becomes the key to success. Organisation of data is crucial to extract relevant knowledge, required to enhance business effectiveness (Omotayo 2015). Tomasz and Paula (2018) agree, pointing out that it is vitally important to figure out the customer’s expectations to gain competitiveness, which requires organisation quickly respond to rapid market changes. Effective information management is an essential factor for improving organisation cooperation, and the growth of cooperation provides an opportunity to organisation to identify and understand the customer’s preferences (Tomasz and Paula 2018). As Hair Jr, Harrison, and Risher (2018) note, the variety of data collected can be stored at low cost, thanks to many companies providing affordable data storage services. The amounts and variety of data contribute to the expanded possibility of data analysis, quality of which could be a determinant of the development of performance of companies or even the world economy (Hair Jr, Harrison, and Risher 2018).

Transformation to web 3.0 is resulting into networked data collection by many organisations, accessible to marketers (Jobs, Aukers, and Gilfoil 2015). A new ecosystem of marketing and advertising service firms is emerging, providing information processing services impacting marketing organisation spending patterns in shorter time intervals than ever seen in the history of modern marketing (Jobs, Aukers, and Gilfoil 2015). Massive amounts of data are collected and stored by organisations despite its certainty of usefulness (Amado et al. 2018) and the amount of available data is continuously increasing (Fan, Lau, and Zhao 2015). As the world becomes more digital, metrics-driven organisations must be able to keep up with data management. At the same time, organisations are required to become more customer-centric. They must be able to offer the right information in the right time through customer’s preferred channel. Ideally, organisations should become more agile and respond to changing consumer needs faster than ever before (Khanna 2018). Data is not falling into the right place automatically (Ducange, Pecori, and Mezzina 2018) thus, all collected data must be in a usable form to offer any value (Lukowski 2017). Data can only be valuable when it is set to offer useful knowledge to support decision-making (Amado et al. 2018). Hence, there is a need for sound data management strategies in place to ensure that master data, operational data, and analytics are aligned with business objectives (Khanna 2018).

The main issue is that organisations do not know how to manage data efficiently. According IBM, 80 percent of organisations’ data is unstructured (Khan and Vorley 2017). Other challenges include storing and centralising the data, the need for real-time analytics, the accuracy of the insights, and the privacy issues (Ducange, Pecori, and Mezzina 2018). Research made by Lukowski (2017) claims the knowledge management is strengthening marketing and recommends that organisations follow the example set by the ones that have realised the importance of knowledge management in marketing.

Some research is available on the topics of data categorisation and management in marketing. For example, Fan, Lau, and Zhao (2015) propose marketing mix framework using the 5P model (product, price, promotion, place, and people) to generate marketing decisions based on Big Data analytics. In their framework, they define data, methods, and application for each of these 5Ps. Nevertheless, there is a need for new methods to analyse new types of data and determine the best practices to make data-driven decisions that facilitate marketing operations (Wedel and Kannan 2016).

There is a need for policies and procedures to determine how to use data in marketing while respecting one's privacy (Martin and Murphy 2017). Applying information governance is recommended to set the rules for data and information usage. Defined by Gartner 'information governance is a collection of decision rights, processes, standards, and policies' (Earley 2016). Because of information governance organisations can guarantee compliance and better management of information security risks. Moreover, they can manage the total information life cycle while information governance is ensuring information accuracy, accessibility, integrity, and security. Information governance is ultimately controlling the cost as poor data quality increases the operational costs (Earley 2016).

Conclusion

The review of literature suggests that the exponential growth of available data is causing information overflow in the marketing industry. Businesses need to keep up with digital transformation and truly disrupt themselves by revising their vision and business strategies. Big Data offers a huge potential for marketing organisations but to gain the real value right management and analytics must be implemented. Information management and governance are increasingly important because the vast amount of data requiring best practices to control it. Findings of this study confirm that technology advancements are completely changing the marketing landscape. Digital marketing has become an important channel to collect consumer data to allow analytics-based predictions and advanced decision-making. The most noticeable advancements in this field have been the advent of digital marketing which includes mobile marketing, personalised advertising through web, analysis of Big Data to predict sales and consumer empowerment through digital channels. Some studies on certain applications of Big Data and extracting their value for making decisions on new products or advertising campaigns have been identified. There are many opportunities for researchers to examine more marketing applications, develop technologies, algorithms, frameworks and processes that can be used by marketers to extract information from Big Data and be able to really benefit from the vast opportunities that Big Data represent for the marketing industry.

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IMPLEMENTATION OF COMPENSATION POLICIES AND SYSTEMS IN ALBANIAN COMPANIES

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Abstract

Compensation is one of the largest expenses of doing business with a significant impact on both organizations and employees. This is even more evident in knowledge and professional sectors of the economy. (Bergmann & Scarpello, 2002). From an organizational viewpoint, pay is important because it often represents a significant portion of the organization's cash flow, attracts applicants, and motivates and retains employees (Heneman, 1985). From an employee perspective, pay is important as it provides important informational feedback, motivation, and satisfaction, enhances commitment, and prevents turnover (Lawler, 1971). Pay satisfaction is the key mediator between an organization's compensation policy and relevant outcomes. It is necessary to examine pay satisfaction in order to advance research regarding compensation policies and systems. The paper gives a thorough overview of the most important models of pay satisfaction, and then focuses on the appropriate models for use in the Albanian companies.

DEA VERSUS PROBIT MODEL IN PREDICTING BUSINESS BANKRUPTCY

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Abstract

The paper focuses on the prediction of bankruptcy in the selected industry using mathematical and statistical methods. The issue of financial health assessment and corporate bankruptcy prediction is a widely discussed topic across various industries in Slovakia and abroad. Although this issue is well discussed in the literature, it needs to be constantly reviewed according to the current needs of financial management and risk management. The aim of the paper was to create a model of bankruptcy prediction for the analyzed sample of enterprises using the Data Envelopment Analysis (DEA) and to verify the predictive ability of this model in comparison with the probit model. The research was carried out on a sample of companies operating in the field of heat management in Slovakia. For this sample of companies we have chosen appropriate financial indicators as determinants of bankruptcy. The indicators were selected using related empirical studies and a one-dimensional probit model. The classification accuracy of the assembled DEA model in comparison with the probit model was evaluated using error type I and error type II. The paper presents the early warning model based on the principles of the DEA method, which takes into account the specifics of the analyzed sample of Slovak companies.

Key words: Bankruptcy, Data Envelopment Analysis, Model, Prediction, Probit

Introduction

The prediction of financial distress is an important task for managers, shareholders, creditors, government, auditors, suppliers, employees and others. This is important in order to maintain the company's prosperity and competitiveness. Its importance has prompted the emergence of many models aimed at diagnosing financial health of a company and assessing the possibility of its filing for bankruptcy. Bankruptcy prediction models are used to provide a timely signal of significant bankruptcy risk and to identify companies that may face bankruptcy (Obradović et al. 2018). Building bankruptcy prediction models using financial indicators and a variety of methods such as multiple discrimination analysis (MDA), logistic regression (LR), probit analysis, artificial neural networks (ANN) and other methods is a frequently used approach in literature (Mihalovič 2016).

Following the widespread use of bankruptcy prediction models in Western economies, scientists are currently using bankruptcy models to assess enterprises in transition economies, such as Eastern or Central European countries. (Mihalovič 2016). The term transition economies came into being at the turn of the 1980s and 1990s, when these countries gradually abandoned the path of building socialism under the leadership of the Communist Party. They went through a transition phase - the transition of these countries from the state-driven to the market economy. In recent years, several predictive models have been created in Slovakia. Chrástínová (1998) and Gurčík (2002) developed models for companies active in agriculture using multidimensional discrimination analysis. Slovak Logit models were introduced by Hurtošová (2009) and Gulka (2016) (In: Ďurica 2018). Mihalovič (2016) predicted the bankruptcy of Slovak companies using multidimensional discrimination analysis and the logit model. Kováčová and Klieštík (2017) compiled a model of bankruptcy prediction of

Slovak companies using logit and probit model. Klieštík et al. (2019) developed prediction models to suit the conditions of Slovakia, as well as the conditions of other transition economies. His models are based on the principles of discrimination analysis, logistic regression, but also decision trees. In addition to models of logistic regression and probit model, some authors from Slovakia and abroad formulated models for bankruptcy prediction using the DEA method. Simak (1997) was the first to apply the DEA method to predict bankruptcy. This method has also been applied by other authors, namely Cielen, et al. (2004), Premachandra et al. (2009), Karimi and Sahlan (2014). Janová, Vavřina and Hampel (2012) pointed out that the DEA method is one of the most significant methods in the area of bankruptcy prediction of the recent years. Slovak authors made use of the DEA method too, for example Mendelová and Bieliková (2017), Roháčová and Král' (2015). They use the DEA method to calculate and analyze business efficiency.

In this paper we compiled the BCC DEA model and verified the results of this model using a specific probit model in Slovak heat supply companies. The aim of the paper was to find out whether the DEA model provides us with significant information about bankrupt companies, including information on the symptoms of bankruptcy.

The structure of the paper is as follows: the theoretical part of the paper explores the theoretical bases aimed at defining the term bankruptcy, causes of bankruptcy and symptoms of bankruptcy while focusing on the financial symptoms of bankruptcy. The probit model, its test statistics and the DEA model were described in the methodology section. Of the DEA models, the attention has been paid to the BCC DEA model due to its higher classification capability compared to the CCR DEA model. In the discussion and results section there are presented results of the models in question, including tests of their significance.

Theoretical background

According to Kováčová and Kubala (2018), there is no definition of bankruptcy in the current Slovak bankruptcy law. Bankruptcy and Restructuring Act no. 7/2005 Coll., as amended, defines the term insolvency, which is synonymous with the word bankruptcy. According to that law, a company becomes insolvent if it has more than one creditor and the value of its liabilities exceeds the value of its assets. A similar approach to this issue is presented by Ďurica and Husár (2008; In: Klieštíková 2018). According to these authors, in business practice the term bankruptcy is often used as a synonym for insolvency, whereby the term bankruptcy is more of an economic nature and reflects the economic position of a debtor who is unable to settle debts owed to creditors.

The main reasons for the failure of companies (these differ from country to country) include the social, economic and political environment of countries, their accounting standards and differences in their capital structures (Argenti 1976; Her and Choe 1999, Hassan et al. 2017). According to Thornhill and Amit (2003), business failure symptoms also depend on the age of companies. While in the early stage of business, the cause is a lack of management knowledge and skills, in the stage of maturity it is rather the inability to adapt to changing environmental conditions. Four types of failure processes have been observed: the failure process of unsuccessful start-ups, the failure process of ambitious growth companies, the failure process of dazzled growth companies, and the failure process of apathetic established companies. There are differences between these four business failure processes, especially as regards the causes and symptoms of bankruptcy (Ooghe, Prijcker 2008). Results of the research by Carter and Auker (2006) indicate that the most serious problems of bankrupt companies can be condensed into three categories: lack of knowledge, inaccessibility to debt, and economic climate. Trahms et al. (2013; In: Mihalovič 2015) probably contributed the most to the research into finding the causes of bankruptcy, as their method requires more comprehensive indicators of business performance decline. Scarlat and Delcea (2011) introduce a new term, bankruptcy syndrome, which they define as a set of related symptoms that characterize a situation that may lead to the onset of bankruptcy.

Many authors focus mainly on the financial symptoms of bankruptcy, which are expressed by financial indicators. These authors include e.g. Beaver (1966), Altman (1968), Altman et al. (1977), Geng, Bose and Chen (2014). They attribute the risk of bankruptcy to reduced profitability of the company. Ding, Song and Zen (2008) see the same problem. One of the most common problems when assessing the causes of bankruptcy is to find out whether bankruptcy is caused by financial or non-financial causes. In the current research on the financial causes of bankruptcy, various financial indicators were used, such as ROE, ROA, ROS, EBITDA (Hill et al. 2011). Deakin (1972), Joy and Toleffson (1975) based their works on Altman's work. Their studies dealt with bankruptcy prediction and took into account only financial data. According to Klieštík and Michalková (2018), the most important signals of financial difficulties can be obtained from the analysis of the company's financial indicators. According to these authors, financial distress-based accounting is still widely used among researchers and widely used as a selection criterion. Hajdu and Virág (2001) state, that financial indicators are a very important tool in detecting the financial problems of companies and can be applied when predicting bankruptcy. Despite the criticism that the financial indicators are past-oriented and cannot capture the company's future development and prospects, these indicators are well proven in models predicting financial distress and probability of bankruptcy.

Data and methodology

The research sample consisted of 343 heat supply companies. We obtained the database from financial statements of these companies for 2016 from the Slovak Analytical Agency CRIF - Slovak Credit Bureau, s.r.o. (CRIF 2018).

To identify bankrupt companies, we have chosen the DEA model, namely the BCC DEA model. As DEA models are sensitive to extreme values, we excluded 53 businesses from the input sample. We selected the following indicators: *LTL/A - long-term liabilities/assets*, *STL/A - short-term liabilities/assets*, *CF/A - cash flow/assets*, *EAT/A - earnings after tax/assets*, *WC/A - working capital/assets*, *CA/A - current assets/assets*, *EBIT/A - earnings before interest and tax/assets*, *EBIT/IE - earnings before interest and tax/interest expense*, *E/L - equity/liabilities*.

The BCC DEA model is similar to the CCR DEA model. It is derived from the mathematical programming much like the CCR DEA model. It was published by Banker, Charnes and Cooper in 1984. With the CCR model, it is assumed that each unit of input delivers the same unit of output, so we have constant returns to scale. The BCC model assumes variable returns to scale. For variable returns, we distinguish three areas: increasing incomes, decreasing incomes and constant incomes. The difference between the CCR model and the BCC model is in the addition of one constraint condition. In this model, the conical data envelope becomes convex, resulting in a higher number of units being marked efficient using the BCC model. To analyze the relative efficiency when considering variable returns to scale, it is sufficient to extend the dual CCR DEA models by the condition of the model's convexity (Kočíšová 2012):

$$\sum_{j=1}^n \lambda_j = 1.$$

The calculation method (two phases), as well as the interpretation of all the results of the modified model are identical to the CCR model. In the same way we obtain the target values for inputs and outputs for inefficient units. The companies under comparison are referred to as decision-making units (DMU). The BCC DEA primary model has the following form:

$$\begin{aligned} \text{Maximize} \quad & \theta(\text{DMU}_o) = \sum_{k=1}^s v_k y_{ko} + \mu, \\ \text{subject to} \quad & \sum_{k=1}^s v_k y_{kj} - \sum_{i=1}^m u_i x_{ij} + \mu \leq 0, \quad j=1,2,\dots,n, \\ & \sum_{i=1}^m u_i x_{io} = 1, \\ & v_k \geq \varepsilon, \quad k = 1, 2, \dots, s, \\ & u_i \geq \varepsilon, \quad i = 1, 2, \dots, m, \\ & \mu - \text{free}. \end{aligned}$$

From the primary model it is possible to formulate a dual input-oriented BCC model:

$$\begin{aligned}
 &\text{Minimize} && \theta_o - \varepsilon(\sum_{i=1}^m s_i^- + \sum_{k=1}^s s_k^+) \\
 &\text{subject to} && \sum_{j=1}^n x_{ij}\lambda_j + s_i^- = \theta_o x_{io}, \quad i = 1, 2, \dots, m, \\
 & && \sum_{j=1}^n y_{kj}\lambda_j - s_k^+ = y_{ko}, \quad k = 1, 2, \dots, s, \\
 & && \lambda_j = 1, \quad j = 1, 2, \dots, n. \\
 & && s_i^- \geq 0, s_k^+ \geq 0.
 \end{aligned}$$

The DMU is effective if the value of the objective function equals 1 and the value of all slacks $s_i^- = 0$, $s_k^+ = 0$ equals zero, otherwise it is ineffective. The BCC DEA model was solved using the DEA Frontier software, designed by prof. Zhu, active at Foisie Business School, Worcester Polytechnic Institute, USA.

In order to assess the probability of bankruptcy of the analyzed sample of companies, we chose the probit model. This model belongs to multivariate statistical models. Its essence is that it captures the relationship between the dependent variable Y and the independent variables X and uses the cumulative distribution function of the normal distribution. The probit model (in the case of a binary dependent variable) is a type of regression in which the dependent variable can only takes two values: $y_i = 1$ if the probability of bankruptcy occurs and $y_i = 0$ if the probability of bankruptcy does not occur. Furthermore, we can assume that the probability $y_i = 1$ is given by P_i and the probability $y_i = 0$ is given by $1 - P_i$.

Probability P_i is specified by probit transformation, i.e. probit model that looks as follows:

$$P_i = 1 - \phi(-\alpha - \beta x_i) = \phi(\alpha + \beta x_i)$$

where x_i are individual independent variables, α and β are estimated parameters. ϕ is the cumulative distribution function of the standard normal distribution, which is calculated as follows:

$$\phi(\alpha, \beta x_i) = \int_{-\infty}^{\alpha + \beta x_i} \frac{1}{\sqrt{2\pi}} \exp\left(-\frac{1}{2}x^2\right) dx$$

A cut-off limit, typically 0.5, can be used to evaluate the results of this model. If $P_i = 0.5$, the probability of a company's failure is equal to the probability that the company will not fail. The closer is the value P_i to 0, the lower is the probability of company's failure. The closer is the value of P_i to 1, the higher is the probability of company's failure (Araghi, Makvandi 2012).

As a binary dependent variable for the probit model we chose the position of the company from the point of view of its failure. We divided companies into those facing bankruptcy and not facing bankruptcy based on the value of their equity, net profit and working capital. In choosing these criteria we were inspired by Bod'a and Úradníček's research (2016), although we chose different third parameter - Bod'a and Úradníček used current ratio, we used working capital. Companies that achieved a negative value of at least 2 of the above parameters were classified as facing bankruptcy.

Based on the recommendations made by Sperandei (2014), we gradually tested all explanatory variables by building a one-dimensional probit model for each of them. Subsequently, we included in the multivariate probit model explanatory variables that in the one-dimensional model achieved p-value ≤ 0.25 , namely, WC/A, STL/A, EAT/A, EBIT/IE and E/L. We used Statistica 13.1 software to build the probit model.

The statistical significance of the individual explanatory variables in the probit model and the associated regression coefficients (β) were tested using the Wald test. This test is used to determine

whether an independent variable has a statistically significant effect on the dependent variable. If the p-value of the Wald test of the independent variable is less than the significance level of 0.05, then we reject the null hypothesis, which states that the regression coefficient is equal to 0 ($\beta = 0$). Therefore, we state that the independent variable contributes significantly to the model's predictive ability (Obradović et al. 2018).

The suitability of the probit model was evaluated by the Hosmer-Lemeshow Goodness of Fit Test. This test compares the actual and predicted variables to determine if there is a statistically significant difference between them. A low value of Chi-square test statistics testifies to the suitability of the model, and a low Chi-square model statistics indicates that the model is not suitable. The null hypothesis (H_0) says that there is no statistically significant difference between the actual and predicted values of the dependent variable. If the p-value of the Hosmer-Lemeshow test is higher than the significance level of 0.05, we do not reject the null hypothesis and state that the model is statistically significant and appropriate because there is no big difference between the actual and predicted values of the dependent variable (Obradović et al. 2018).

In the case of the probit model, we can formulate a similar measure targeting the overall agreement with data as is the coefficient of determination R^2 used in linear regression. The most commonly used modifications of the determination coefficient are the R^2 test by Cox and Snell and Nagelkerke's R^2 test. Cox and Snell have defined a modified R^2 that reaches a maximum value of 0.75 when perfectly matched with the model. Modification of this test was proposed by Nagelkerke, whose test achieves a value of 1 with a perfect prediction of data conformity. These tests provide information on how many % of variability of the dependent variable is expressed by the probit model (Obradović et al. 2018; Figlová 2006).

Verification of used probit model was performed using the matrix of changes and ROC curve (Kováčová, Kubala 2018, In: Adamko, Svabova 2016). The matrix of changes (Table 1) is a table of dependencies that compares the number of correct and incorrect classifications of companies using actual and predicted values (Kováčová, Kubala 2018). In this regard, 4 situations can occur:

- False positives (FP) - expresses how many companies not facing bankruptcy have been incorrectly classified as facing bankruptcy,
- False negatives (FN) - expresses how many companies facing bankruptcy have been incorrectly classified as not facing bankruptcy,
- True positives (TP) - expresses how many companies facing bankruptcy were correctly classified as facing bankruptcy,
- True negatives (TN) - expresses how many companies not facing bankruptcy have been correctly classified as not facing bankruptcy.

Table 1 Matrix of changes

		Predicted value	
		Yes	No
Observed value –	Yes	TP	FN
	No	FP	TN

Source: processed according to Klepáč, Hampel 2017

The ROC curve is a graphical method that shows the relationship between sensitivity and specificity. Sensitivity expresses the percentage of correctly classified bankruptcies, calculated as: $(TP / (TP + FN))$. Specificity expresses the percentage of correctly classified non-bankruptcies, calculated as $(TN / (FP + TN))$ (Klepáč, Hampel 2017). Sensitivity and specificity values are calculated for all possible cut-off limits - dividing values that determine the value when a company is prosperous or not prosperous. Area under the ROC curve (AUC) measures the model's overall

predictive power. It can take any value between 0 and 1. The closer is the AUC to 1, the better is the overall predictive ability (Park, Goo, Jo 2004).

To determine the classification ability more precisely, it is possible to calculate a type 1 error and type 2 error. A type 1 error occurs when a company facing bankruptcy is classified as not facing bankruptcy, calculated as: $(FN / (TP + FN))$. Type 2 error occurs when a company not facing bankruptcy is classified as facing bankruptcy, calculated as: $(FP / (FP + TN))$ (Kováčová, Klieštík 2017; Klepáč, Hampel 2017; Vavrek et al. 2019). The overall predictive ability of the model, which expresses the proportion of correctly classified entities to all entities, is calculated as follows: $((TP + TN) / (TP + FP + FN + TN))$ (Klepáč, Hampel 2017).

Results and discussion

We applied BCC DEA model to identify businesses which lie on financial distress frontier. Based on this goal it was necessary to invert inputs and outputs. Table 2 shows the results of BCC DEA model, which confirmed that 21 businesses from the analyzed sample lie on financial distress frontier. In the case of these companies objective function is equal to zero and the value of all slacks in optimal solution equal zero. Software marked one business which objective function equals zero, but slacks do not equal to this value. This situation is called pseudo bankruptcy.

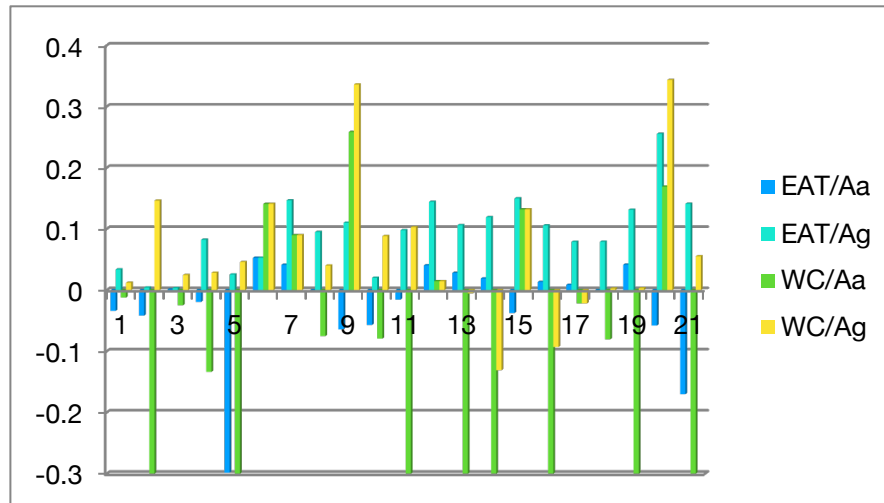
Table 2 Businesses on financial distress frontier

<i>Input – Oriented model</i>				
<i>BCC DEA model</i>				
<i>DMU No.</i>	<i>DMU Name</i>	<i>Bankruptcy</i>		
21	F21	1.00000	1.000	F21
23	F23	1.00000	1.000	F23
33	F33	1.00000	1.000	F33
41	F41	1.00000	1.000	F41
106	F106	1.00000	1.000	F106
107	F107	1.00000	1.000	F107
136	F136	1.00000	1.000	F136
137	F137	1.00000	1.000	F137
140	F140	1.00000	1.000	F140
165	F165	1.00000	1.000	F165
169	F169	1.00000	1.000	F169
173	F173	1.00000	1.000	F173
179	F179	1.00000	1.000	F179
212	F212	1.00000	1.000	F212
215	F215	1.00000	1.000	F215
221	F221	1.00000	1.000	F221
227	F227	1.00000	1.000	F227
231	F231	1.00000	1.000	F231
238	F238	1.00000	1.000	F238
261	F261	1.00000	1.000	F261
271	F271	1.00000	1.000	F271

Source: authors, processed in DEA Frontier (Zhu 2019)

The output values of the BBC DEA model were also the target values of input-output characteristics. Figure 1 shows the comparison of actual and target values of two significant output indicators, EAT/A and WC/A.

Figure 1 The comparison of actual and target values of indicators EAT/A, WC/A



Source: authors

In order to achieve the set goal, we compiled a probit model for the analyzed sample of companies. The probit model coefficients are estimated in Table 3. Based on this table, we can say that statistically significant independent variables in the probit model are EAT/A, WC/A and EBIT/IE. These variables significantly contribute to the predictive ability of the probit model, the explanatory variable EAT/A has the greatest impact on the dependent variable.

Table 3 Probit model coefficients

Parameter	Estimate	Standard error	Wald Stat.	Lower CL 95.0%	Upper CL 95.0%	P-value
Intercept	-0.7597	0.415533	3.34225	-1.5741	0.0548	0.067522
EAT/A	-24.9500	7.200128	12.00770	-39.0620	-10.8380	0.000530
WC/A	-3.2127	0.979400	10.76017	-5.1323	-1.2931	0.001037
EBIT/IE	-0.6537	0.260867	6.28030	-1.1650	-0.1425	0.012209
E/L	0.0392	0.063148	0.38502	-0.0846	0.1630	0.534928
STL/A	-0.2993	0.817170	0.13412	-1.9009	1.3024	0.714194

Source: authors, processed in Statistica

The p-value of the Hosmer-Lemeshow's Goodness of Fit Test is 0.978. We do not reject the null hypothesis and state that there is no big difference between the actual and predicted values of the dependent variable, the model is statistically significant and appropriate. The value of Schnell and Nagelkerke is 0.6202, which means that the model explains 62.02% of the variability of the dependent variable.

Based on the results presented in Table 4, the probit model correctly evaluated companies in 275 cases. On the other hand, the model incorrectly classified 15 companies. This implies that the overall classification ability of the probit model is 95%

Table 4 classification ability of the probit model

		Predicted value –		Percent correct
		Yes	No	
Observed value – bankruptcy	Yes	10	12	45.45
	No	3	265	98.88

Source: authors, processed in Statistica

A graphical representation of the predictive ability of a model using the ROC curve is shown in Figure 2. The more is the ROC curve convex and approaching the upper left corner, the better discrimination has the particular model (Gajowniczek, Zabkowski, Szupiluk 2014). The area under the ROC curve (AUC) reaches 0.9604, indicating good predictive ability of the model.

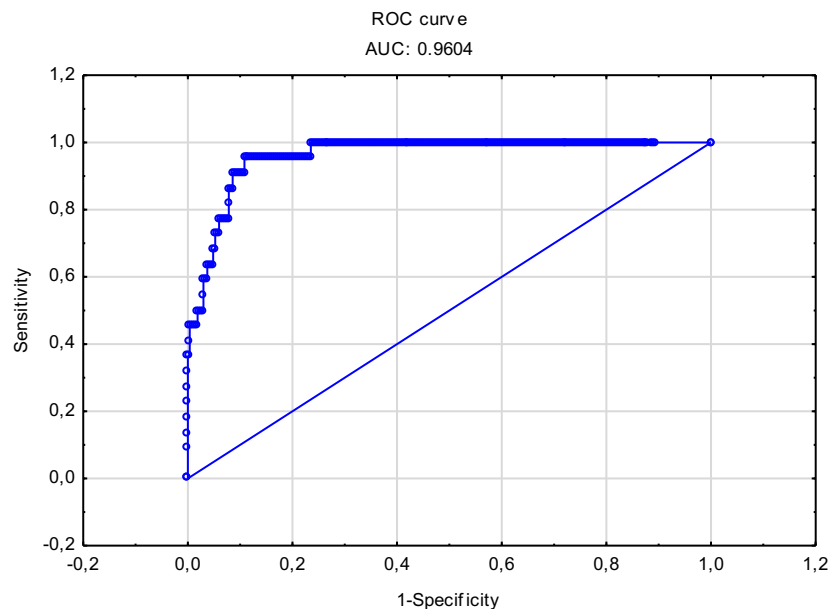


Figure 2 ROC curve – Probit model

Source: authors, processed in Statistica

The results of the estimation accuracy of the probit model and BCC DEA model are shown in Table 5 are very similar.

Table 5 Comparison of the estimation accuracy of probit model and BCC DEA model

Parameter	Probit	BCC DEA
Sensitivity (%)	45	41
Specificity (%)	99	96
Error type I (%)	55	59
Error type II (%)	1	4
Overall estimation accuracy (%)	95	91

Source: authors

The predictive ability for bankrupt companies (sensitivity) is higher in the case of the probit model. The specificity (predictive ability for non-bankrupt firms) is 99% for the probit model and 96% for the BCC DEA model. Type 1 error is lower in case of probit model and higher in case of BCC DEA model, but only by 4%. The overall predictive power of both models is above 90%.

Conclusion

In the BCC DEA model, we identified 21 businesses at the financial distress frontier, but only 9 businesses were actually threatened with bankruptcy. The BCC DEA model for bankruptcy prediction reached the predictive ability of 41%. In case of companies not threatened with bankruptcy, its predictive ability was 96%. DEA models have relatively lower classification ability in case of companies in financial distress. However, the models have a high predictive ability in the case of companies not facing bankruptcy. This can greatly influence the practical use of the DEA model. The low classification ability of the DEA model in predicting company's failure is also due to the fact that the DEA model and the financial distress frontier are based on extreme values. This frontier captures

only a small number of businesses. Therefore, a multi-step application of the DEA model is more appropriate. Based on our research, e.g. in the case of a 6-step approach to the DEA model, by gradually eliminating the companies, up to 74%-85% of the DEA model's rating ability can be achieved. If we compare these results with the results of some other authors, our model achieves approximately the same classification ability. Mendelová and Bielíková (2017) achieved 24% accuracy of the DEA model in identifying companies in financial distress and 96.7% accuracy in determining financially sound companies. For some authors, the classification ability of the DEA model was higher, for example, Premachandra et al. (2009) achieved 84.89% accuracy in the prediction of bankruptcy, Mendelová and Stachová (2016) 10-42.86% and Cílen et al. (2004) 74.4-75.7%. Despite the lower classification ability of the BCC DEA model, these models have great potential for predicting bankruptcy. It should be emphasized that the DEA model offers us target values of input and output characteristics and assigns companies their peer-units.

If we compare the results of the BCC DEA model with the results of the probit model, we can see that these results are similar. The probit model achieves a 4% higher sensitivity and 3% higher specificity compared to the BCC DEA model. The analysis of the findings pointed to a lower predictive ability of models for bankruptcies and a higher type 1 error. In connection with this, we will focus on the selection of explanatory variables from a wider range of financial and possibly non-financial indicators. We will also look at a more detailed selection of criteria for classifying companies as bankrupt and non-bankrupt.

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FACTORS INFLUENCING THE CREATION OF A POSITIVE CLIMATE IN SCIENCE LESSONS FROM THE PERSPECTIVE OF PUPILS

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Abstract

Recent knowledge of the human brain points to the important role of emotions in the processing new information in the brain. A positive teaching climate has an important impact on pupils' attitude to learning subjects. The object of our research was to verify, in our research adapted, a questionnaire for measuring the climate of science teaching. The focus of this paper is the statistical processing of the obtained data and subsequent interpretation of the results of the statistical analysis. Based on our research, factors with a positive and negative impact on the climate of science lessons have been identified. At the same time, it was found that neither sex nor age of pupils has a statistically significant effect on the perception of the climate of science teaching.

Key words: science subject, teaching climate, factor analysis, average score, factor effect

INTERACTIVE MODELS IN UNIVERSITY TEACHING: APPLICATION IN PHARMACY EDUCATION

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Abstract

The research deals with the constant seeking of academic staff to improve the quality of higher education. The issue in defining the most successful approach resides in monitoring and assessment and the ability to reach the highest levels of student participation and ownership of learning. The third generations of universities or the universities of tomorrow strongly vouch for a participant-centered environment (PCL) in all fields of education, making the approach cross-disciplinary. The issue has been explained upon the backdrop of the undergraduate education in pharmacy, as a domain where the concept of active and lifelong learning is crucial through interdisciplinarity, as a contemporary image of the pharmacist in the 21st century. A program that has been exemplified is the credit transfer system introduced in Macedonian Universities in the attempt to delve deeper into student constant participation and enable teaching staff constant monitoring. The drive for such a research is to talk about programs that work and to single them out in terms of functionality thus propose a proactive approach towards interactive teaching and learning. The finish line represents creating a classroom where both teaching staff and learners are mutual stakeholders, thus learning will represent an exchange.

Keywords: interactive models of teaching, PCL, undergraduate, pharmacy, lifelong learning, interdisciplinarity, credit transfer system

1. Introduction

Improving the quality of teaching in higher education is a current issue that can be researched from several aspects (Weimer 2003). Even with the introduction of the credit transfer system, characterized by a high level of student participation in the realization of the teaching (constant monitoring and a contemporary way of assessment), as well as significant improvements in the efficiency and quality of teaching, it seems as if the process of realization still has secondary meaning, at least from the aspect of interest for its advancement Oyler, D.R. *et al.* 2016).

Furthermore, there are many issues of a universal nature that are left open, including the universality of the teaching itself (Anderson 2000; Armstrong 1999). Additionally, the issue of the undergraduate pharmaceutical education is of great significance. The picture of the pharmacist of the 21st century consists of huge amount of knowledge, but also of personal skills, as communication, critical thinking, problem-solving, ability for team working and perception of lifelong learning. These goals could not be achieved only by traditional class lectures and it is necessary to employ active learning, in the undergraduate and in the lifelong learning (LLL) programs, as well (Anderson 2008; Petit *et al.* 2008). Through the introduction of interactive didactic models, it is expected from the students to be highly active, in combination with a continuous monitoring of their advancement (Baloche 1998; Vail 2002). The interactive models provide a way of working with students, yet at the same time they represent models for practical work. Active approach in learning is more demanding for the students, in the way that they have to accept responsibility for their learning (Gleason *et al.* 2011).

2. Aim of the paper

The aim of this paper is to present and discuss the interactive models in university teaching as the open systems that are constantly improving in the direction of suitability of the needs of the practice and of the students. Due to the universality of the basic didactic concept, one of the ideas is for them to become generators, i.e. self-explanatory examples for support of the interaction in the higher education through the development of a variety of profiles. The possibility of the application of these models in pharmaceutical education was also discussed.

3. Interaction as a didactic category

As a result of the increased volume of knowledge, the ever larger amount of information, as well as the changes in the technology of the working process, nowadays every single profession in the modern world is faced with the need for a different way of education. Teachers are faced with the challenge to “deliver” a bigger volume of knowledge in finite periods of time - semesters (Bennett *et al.* 1991; Careter *et al.* 1994). This is true as well for the profession of a pharmacist, especially for reasons that it requires developing a wide spectrum of knowledge, abilities, and skills (Pavlović-Breneselović *et al.* 2000). The normatively defined answer to the question regarding the characteristics of a successful pharmacist, is in fact a static one, because it defines the desired characteristics of a pharmacist, the necessary bank of knowledge, and the possession of many skills. The first requirement is self-consciousness, consciousness for the practice that is being realized, planning, analyzing, thinking, evaluating, and changing the practice accordingly (Muijs 2006). The education in this country is mainly based on one dominant educational method, in which the learning is understood as transmission of knowledge. The lectures, tutorials, observations, and presentations roughly seem to be the only work methods. The observation extends to pharmacy education, as well. In the literature, this teaching approach is described as “bulimic learning”, meaning that the students memorize information and forget most of them after the exam or other evaluation (Zorek 2010).

However, some research data demonstrates that the future pharmacists show different preferences towards the work methods that are used in the duration of their initial education, such as: group discussions, tutorials, practical exercises, work in small groups, problem-solving activities, etc. According to this research, “lectures are not counted even among the top ten most desirable methods of education” (Wolfe 1996).

Until now, in our practice the examples of using the interactive models in the education of future pharmacists were far more present as separate cases or as an application of individual interactive models, so that it cannot be referred to as using a wholesome strategy for interaction. The interactive teaching is realized through the application of different types of activities and interactive methods of

work, consisting of the following components: *preparation*, *realization*, and *support* (Tomevska-Ilievska 2015).

Interactive teaching means: “exchange (of experiences, knowledge, and needs on a horizontal and vertical level); connecting with one’s own experience and practical action (starting with experience, analysis of experience and practical actions, using and change of the practice); and cooperation and partnership (cooperative learning, a relationship based on equality, complementariness, competence, respect, and democratic procedure)” (Diamondstone 1980).

The educational actions depend on the context, how the individual interprets the immediate situation in which they act, as well as the broader context, or the social (cultural) context in which they live. The creation of the program for interactive teaching should be done as a team, and the members of the team should determine topics or ideas that will be realized in practice, and which will be acceptable for certain organizational needs and requirements. On the other hand, though, students too should have influence on the programs and topics that will be beneficial for their professional development (Wolfe 1993).

4. Implementation of interactive approach in teaching and learning

Hence, it is quite useful for a questionnaire of assessment to be done, in regards to the manner of conducting university teaching. It should be created in such a way that through it the participants can convey their different educational needs, attitudes, and ideas. The efficient program for interactive teaching also includes the process of mutual planning. In addition, the activities that are being performed in the duration of the teaching become even more efficient, so long as the students are included in the process of planning of aims and activities (Vail 2002). The teaching process, which the students have planned out as well, thus gains in significance and they then have higher motivation for accepting teaching.

An encouraging environment is yet another requirement for conducting efficient interactive teaching. In such an environment there exist proper cooperative relationships among the students, thus advancing the process of application of the learned material. On the other hand, implementation of new learning environment seems to be necessary, because today’s students are the generation familiar with Internet, mobile and interactive technologies (Blouin *et al.* 2009). This so called ‘internet generation’ or ‘millennial generation’ prefers to use these technologies to learn interactively, rather than to be passive listeners in the classroom (Prensky 2001; Oblinger 2005).

There is no such thing as efficient teaching without clearly defined goals. As long as the goals are more specified and clearer, and as long as the results from the teaching are well planned out, then the chances for greater achievements increase. The aims should be directed towards the knowledge that needs to be achieved, as well as the attitudes, skills, and application of the learned material in practice.

The teaching methods should always be compatible with the results planned. Research has shown that the different aims of the teaching lead to different degrees of change for students¹.

“Those aims that are connected with the process of acquisition of knowledge require the least of changes on the part of the students, while the application of the acquired knowledge in the process of work requires the most complex of changes” (Walsh 1997).

¹ The curricular movement insists that the aims of learning be classified according to the degree of complexity. The base is taken to be the behaviouristic taxonomy. In fact, the aim of learning is for the students to change their attitude in the following three areas: cognitive (change in the area of knowledge and intellectual abilities); psychomotor (change in the motor and manipulative preparation); and affective (changes in the area of beliefs and value systems).

Active learning should prepare future pharmacists to combine knowledge from different subjects in order to solve specific problems in practice (Blouin *et al.* 2009). The methods that are being used in teaching and the set aims also have a different degree of influence. Teaching certain content has the least influence on students, which further increases as the degree of inclusion in activity rises. The complex aims, such as those directed towards the spread of the learned material into the area of everyday work, represent a combination of active methods in which the participants observe, discuss, and practically “taste” so as to receive feedback.

Efficient interactive teaching includes the use of efficient activation techniques, such as: observation of practical activities; support in one’s work; discussions in small groups; material that is created for the students themselves; and demonstrations for providing ample opportunities for acquiring practical and real-life experiences (Aburahma *et al.* 2015).

Research has shown that *“the participants in the teaching process prefer a colleague-to-colleague relationship rather than an authoritarian relationship when giving instructions. Therefore, when developing efficient leadership, teachers should adapt to their experiential and professional level”* (Kreidler 1984). Teachers have to shift from experts who lecture to coaches who facilitate (Gleason *et al.* 2011).

Providing appropriate support and rewards, both internal as well as external, can improve the results of the teaching. However, it is necessary for the teacher who is planning the process of teaching to also plan specific rewards, regarding the nature of the student (Browne *et al.* 1987). They can be diplomas, additional time for applying the learned material, public announcements, or support of any other kind.

Evaluation is indeed an essential part of every efficient interactive classroom, and it should refer to the reaction of the students, learning, behavior, and results. Measuring the degree of satisfaction with the students, the evaluation of their knowledge, the self-evaluation and observations during the teaching and practice, can all serve as elements for evaluation. The results of the evaluation should be used in the direction of improving the teaching, coming to solutions much easier, conveying responsibility, and giving feedback to the students.

5. Conclusions and recommendations

Using contemporary ways of realization of the university education, in which the students are fully involved as equal partners, demonstrates a high level of their activity, which at the same time is positively reflected on the quality of the knowledge and their attendance in the teaching process, yet can provide a possible way for overcoming part of the issues that appear when studying according to the European credit transfer system – visualized as quite an efficient way of studying. The proactive way of work, through use of appropriate interactive models, has a positive influence on the lengthiness of the knowledge, the opportunity for their application and development of strong didactic competences. Pharmaceutical education is ideal for implementation of active learning approach, as pharmacy in whole is a discipline which requires high level of combined knowledge applied in solving real and complex problems.

If one uses these ideas as starting points, then it is inevitable to come to the conclusion that the proactive nature of teaching appears to be a significant factor for the improvement of the quality of knowledge and development of skills. Furthermore, this “educational scenario” largely takes place in the field of real-life practical work. So, the contemporary academic teaching should develop more and more in the direction of employing the proactive side in conditions of real-life practice.

The issue is then left open to how much and what kind of knowledge is needed for the future pharmacists, as well as where is the line between what is thought to be a productive need and what is really needed for those who will compete on the labor market in the future.

The authors of this article strongly believe in steps taken forward to advance the interactive models to be able to define first and foremost the steps taken towards interactive learning with equal stakeholders, and then assess the success rate of the actions taken. In the future, the practical application of the research is the idea of incorporating a more active and proactive teaching approach as a starting point (such as: working in small groups, panel discussions on given topics, constant quizzes or pharmaceutical case studies) with one student group and maintain an approach of frontal (classical) teaching in two or more subjects in pharmaceutical education. Knowledge intake would be tested quarterly or at the end of the semester and the results would be compared between the two groups. To add yet another dimension to the success rate tested, we would conduct student evaluations in order to understand their perception of the active manner of teaching and learning.

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TRANSLATION OF REALITIES IN LITERARY WORKS FROM RUSSIAN TO ENGLISH AND ALBANIAN LANGUAGE

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Abstract

Birth, growth and development of a language, is associated with the development of the society in which it is used. Every society creates its own culture and way of life that have differences between them and sometimes these differences can be essential. Differences are relate to specific objects, cultural factors and elements of everyday life, which are unique for certain societies. These unique features, in translation, are called "realities". Numerous studies have paid great attention to the translation of these realities from the source language to translation language by re-dimensioning the important role of these language units in the intercommunication and intercultural process among peoples. In the end, we can say that it is in the hand of the translator to choose what the best way to translate them. Translators should pay attention not to use long sentences during explanation as they may lost the sematic of the text. They have to take care about preserving the author style, and of course to find the best way to transmit the main meaning from the original to text to the readers of translation text, by putting himself in the position of the translation readers.

Keyword: translation methods; similarities linguistic units; non-similarities linguistic units, Cultural differences, Realities

1. Introduction

The fact that languages express a certain reality, that is, certain worldview of a social group of language speakers that have the source of different factors, constitutes for the translator an obstacle to overcome during the translation process. The meanings given, as well as the meanings gained and the way of using words within a sentence, are different in different languages. However, language units are often compatible. Linguistic units that are compatible are known as standard language unit. On the other hand, we can find non-standard linguistic units, so those non-matching language units. Translation of non-standard language units is the main problem for a translator and, at the same time, highlights the ability of his professionalism. The analysis of the translator way of achieving equivalence between two languages gives the opportunity to distinguish the linguistic transformations used by him. These are transformations, known as translation transformations, which allow us the right to speak about language relations between different languages.

2. Non-matching units

It means that lexical units in source language that do not have their matching units in target language during their translation are consider as non-matching units. Many other linguistics researchers also states this idea. According to the Zherebillo dictionary, these words are the linguistic units of a language that does not have a proper vocabulary in another language. (1) The national cultural semantics that follows in the literary works allows in some way that the readers of the translation learn about the culture of the nation from which literary work comes. The linguistic units, which expresses the national cultural semantics, are known by the researchers as realities. Many

studies have been conducted with the purpose to reveal the best ways on translating them. However, there is no agreement on a standard way of their translation, leaving open the discussion.

Researcher Reycker sees the realities as follow: In the field of view of the translator should be a special, close to terms, category of words denoting objects, processes and phenomena characteristic of the life and life of a country, but not distinguished by the scientific accuracy of the definition inherent in terms, that is, reality. (2)

Shveicer also states that the realities are national lexical units that define unique references and belong to a certain linguistic culture that does not correspond to the general linguistic culture. (3)

Vlahov sees the realities, as words that characterize characteristic objects for a people and do not exist in another culture. Realities have national historic color and are perceived only by the people they own. In translation, the translator is unable to find equivalent lexical units. (4)

In these terms, the realities are an effective tool of describing the cultural side and the ways of life in a society and the translation of the literary works, allows the translation readers to recognize the culture of others societies. Translating the semantics of realities requires from the translator to use translation transformation. However, which one?

3. Translation transformation used during translation of realities.

Shveicer, proposes as ways of translating the realities of the realities, transliteration; the calculation; descriptive translation. (5)

Researchers Bulgarian Bllahov S. and S. Florin, have propose a detailed scheme of translation methods that can be used by the translator during translation. I. Transcription; II. Translation - 1. Neologism: a) Calculation; b) Half calculation; c) Special; d) semantic neologisms; - 2. Similar translation: a) Similarity of gender and type; b) Functional analogy; c) Description, clarification, translation by language; - 3. Contextual translation (6)

In the book "Essential Features of English Translation in the Russian language and vice versa", published in 2001, a different designation is been given by researcher T.A.Kazakova. We propose the translation of the realities of the realities, accompanied by examples of the transmission of some of the realities:

3.1 Transcription / Transliteration

Russian language

Я думала: пойдёт авось;

Куда! и снова дело врозь. —

«Что ж, **матушка**? за чем же стало?

В Москву, на ярманку невест! (7)

Albanian language

Mendoja: këtë herë, o Zot,

Merr fund; po çfar! – Mundim i kot’.

– Ç’pret më, **matushka**, motra ime?

Ka Moska treg fejese, shko! (8)

EnglishLanguage

Himself! I thought: “He’s the one,”

But no! Not a bit of it, he’s gone.’ –

‘You must widen the net, **my dear**.

Moscow’s a better market-place! (9)

In the example above, we notice that the translators have use two different ways, to translate the linguistic unit of Russian language “матушка”. The Albanian Translator has considered this word

as realities. This is because the word represents the mother in Russian. Therefore, we can say that the author on the text added the cultural element. In this case, the Albanian translator choose to save this cultural element and to transmit it in Albanian language using transliteration method. In different way, the translation is in English language. It is transmit as “my dear”. Representing in this case someone who is dear to the speaker, but losing the cultural element that is present in the original text. Therefore, we can say that the translator should not always try to preserve the meaning, but he should pay attention even to cultural element in the text, as they are important for the reader of the transition to understand a part of culture of one nation.

The method of transliteration and transcription can be use by the translator to translate names of persons, which also can be realities, as they are not common in the translation language. For example:

<i>(Russian language)</i>	<i>(English language)</i>	<i>(Albanian language)</i>
Раскольников	Raskolnikov	Raskolnikov
Алена Ивановна	Alyona Ivanovna	Alena Ivanovna

Above we can see the translation of the characteristic names of Russian people. In both cases, the translator have used the transcription, so they preserve the way that the name are pronounced. In this case, the cultural element is preserve, and also the reader of the translation will no feel difficulties in reading the text.

3.2. Lexic - semantic modifications

3.2.1. Concretization / Expansion

Concretization can be used when the linguistic units in the original language has a bigger sematic volume as the unit used in translation.

<i>(Russian language)</i>	<i>(English language)</i>	<i>(Albanian language)</i>
Дворянин	gentleman	fisnik
мужчина	man	burrë

In the example above, the translator in both language have used the method of concretization. The first linguistic unit in Russian language contain a bigger semantic volume as it can express different sematic, regarding the way they are used in a sentence. The translator have translated them using word which are concretized. It means we cannot use them in different meanings in sentences.

3.2.2. Descriptive translation

The descriptive translation is used in those cases when in the translation language there are not a equivalent vocabulary word, which contain the same sematic as the original linguistic units. In this case, the translator will explain the meaning of original linguistic unit.

Russian language

- Что? Священника?.. Не надо... Где у вас лишний **целковый**?.. На мне нет грехов!.. Бог и без того должен простить... Сам знает, как я страдала!.. А не простит, так и не надо!..(10)

Albanian language

– Çfarë? Prifti?... Mos... A keni ndonjë **monedhë argjendi** shtesë?... Unë nuk kam mëkate!... Perëndia tashmë duhet të falë... Ai e di sa kam vuajtur!... Dhe në mos me faltë, e po mos ta bëjë!... (11)

English language

‘What, the priest? I don’t want him. You haven’t got a rouble to spare. I have no sins. God must forgive me without that. He knows how I have suffered... (12)

Russian language

Он взял, и они прошли мимо. Денег **двугривенный**. По платью и по виду они очень могли принять его за нищего, за настоящего собирателя грошей по улице, а подаче целого **двугривенного**, он, наверно, обязан был удару кнута, который их разжалобил.(13)

Albanian language

Ai e mori dhe i kaluan pranë. Janë **njëzet rubla**. Prej veshjes, dhe si dukej ata mund ta merrnin më shumë për një lypës, për një koleksionist të vërtetë të groshëve në rrugë, por për paraqitjen e një fature të tërë **njëzetrubëlshe**, ai duhet të ishte detyruar të godiste kamxhikun, me të cilin i keqtrajtonte.(14)

English language

He took it and they passed on. It was **a piece of twenty copecks**. From his dress and appearance they might well have taken him for a beggar asking alms in the streets, and the gift of the **twenty copecks** he doubtless owed to the blow, which made them feel sorry for him. (15)

In the Russian language, we see in the above example the linguistic unit “Целковый”. It expresses a Silver coin. It means there is only one word, which expresses this coin. In Albanian language and English, there is not such word. To transmit the main meaning of the original linguistic unit the translator should explain it, as short as they can. The translator in Albanian language did well and kept the main meaning. We can say that even English translator did well, because the value of that coin was worth as a Ruble. Of course, the readers will understand that but they will lose the cultural element expressed in the original unit. In the second example “двугривенный” the translator faces the same problem as in the prior example. The use of one word in the Russian language to expresses a money value may be not the same in different languages. The thing is that, the Russian use Rubles, the English use Pound and the Albanian use Lekë. In this case, it is impossible to have one word with the same semantic. The translator should explain them.

In all the cases, the translation is achieved. The main meaning is transmitted, but we have to agree that the cultural element has not been saved in any translation. This let us think: It is possible to transmit the main meaning without losing the cultural element. The answer is simple: Yes, it is! But it will disrupt the writer's style by prolonging the text in translation, perhaps as much as the translation could become tedious for the reader. The next point shows us that.

3.2.3. Translation through comments

Translating through comments is use by translator in those cases when no other method can help him to transmit to the readers the meaning of the original linguistic units.

(Russian language)

Квас

(Albanian language)

Kvas, është një pije të butë alkoolike e krijuar nga fermentimi i bukës së thekrës, me maja ose me mana.

(English language)

Kvass is a mildly alcoholic drink made from fermented rye bread, yeast or berries.

In the example above shows a lexical unit that in Russian language is a nomination of a traditional alcoholic Russian. This kind drink do not exist in England or countries who speak English language and it do not exist in Albanian language. What the translator should do when approaching

these linguistic units? The vocabulary will not help him. In this case, the translator should be very prepared in knowing not only the language of the text that he is translating but even the cultural elements and objects and traditional food. He will understand what Kvas is and will be able to explain it to the readers. As we see in the translation, one word is translated with comment. A very long comment. Of course the style of the author of the original text will be lost, second the cultural element expressed as in the original form will be also lost, but the main meaning and cultural element will be transmitted. This case shows us that the translator should be careful when using this method. The long sentences of comment can be a distraction for the translation readers and let them think of what bad translation it is. The recommendation is not to use often the translation through comment method, but to do it only when it is necessary.

4. Conclusion

After above examples, we can say that it is in the hand of the translator to choose what is the best way to translate the realities. He should pay attention to not be lost in long sentences of explanations, to take care about preserving the author style, and of course to find the best way to transmit the main meaning from the original to text to the readers of translation text by putting himself in the position of the translation readers.

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TRANSFERS OF PERSONAL DATA TO THIRD COUNTRIES IN COMPLIANCE WITH GDPR - IMPACT ON BUSINESS

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Abstract

One of the cases in which personal data may be transferred outside the European Union in connection with conducting business activity is the use of cloud services. Customers' personal data or their marketing profiles, as well as the entrepreneur's financial data are often stored in the cloud. In order to comply with the GDPR, it is first necessary to determine whether the entrepreneur's activity may involve the transfer of personal data to a third country, i.e. crossborder data processing. If so, the conditions for the lawfulness of exporting personal data outside the European Union require verification. The GDPR strictly regulates the transfer of personal data to third countries or international organizations, establishing additional conditions to the general conditions for data processing. The basic difficulty encountered by the entrepreneur who is the controller of personal data in this situation is the need to inform the persons whose data he plans to export about such an intention. This also applies to data exports made by processors and their subcontractors. In any case, the controller or processor should apply solutions that will allow data subjects to have - when the transfer takes place - enforceable and effective rights with regard to the processing of their data in the EU, so that they will still be able to exercise their fundamental rights, including the right to be forgotten. This article presents the legal basis for exporting personal data outside the European Union, the rights of personal data subjects, obligations related to the registration of the transfer of personal data, the competence of the leading national supervisory authority in the matter of personal data protection, also in the case of entrepreneurs affiliated to international holdings.

Key words

GDPR, personal data, data transfer to third countries, rights of the data subject, principles for data transfer outside the EU

Personal data in business activity

In the era of globalization, business can be run from anywhere in the world, direct it to customers located all over the globe and subject to various legal regimes, with the help of employees residing in different countries. Many international concerns conduct particular areas of their activity, such as accounting or IT services, as part of shared service centers, located, for example, in Asia. The internet and digitization of goods and services has transformed the global economy and the transfer of data, including personal data, across borders. Exchange of personal data is part of the daily operations of European companies of all sizes, across all sectors. Importantly, we are also faced with means of processing personal data completely unknown in the 1990s, such as with the use of cloud computing technology *id est* so-called Big Data. The real game changer is the connection between Big Data and Artificial Intelligence (AI). Big Data is the fuel powering the emerging AI innovation wave, driven by breakthroughs in machine learning and deep learning technologies. Without massive datasets to train neural networks, the current generation of AI systems and applications would not exist^[1].

There is no doubt that the flow of personal data related to business activity is a necessary condition for the development of international trade and international cooperation. It is a truism to say that personal data has become a new currency. The European data market has increased by over 50% from 2014, when we started tracking its value, to 2018 (from €47B to €72B in the EU28), a remarkable increase by any estimate^[2]. Speed of transmission and processing of information, including personal data, can determine a competitive advantage. Having marketing profiles of hundreds of thousands of consumers purchased on stock exchanges can significantly increase profits from online sales. Cross-border business is most often associated with two-way personal data transfers to other countries. The increasing amount of personal data that "cross" borders (are sent abroad or stored on servers located abroad) has caused new challenges in the field of personal data protection that the General Data Protection Regulation (GDPR)^[3] is trying to face.

Awareness of rights guaranteed to data subjects by the GDPR is more and more increasing. A study conducted in March 2019 at the request of the European Commission (EC) showed that almost two thirds (65%) respondents have heard of the right to access their data, while 61% have heard of the right to correct their data if it is wrong. At least half of all respondents have heard about the right to object to receiving direct marketing (59%), the right to have their data deleted and forgotten (57%) and the right to move their data from one provider to another (50%). Just over four in ten (41%) have heard about the right to have a say when decisions are automated. In most cases more than one in ten respondents have already exercised these rights. Almost one quarter (24%) have exercised their right to object to receiving direct marketing. Almost one in five (18%) have exercised their right to access their data, while 16% have exercised their right to correct their data if it is wrong. Just over one in ten (13%) have exercised their right to have their data deleted and to be forgotten, and the same proportion (13%) have exercised their right to move data from one provider to another. Finally, 8% have exercised their right to have a say when decisions are automated^[4].

Business companies are data controllers or data processors in the meaning of data protection law. The diversity of legal regulations on the protection of personal data between the Member States of the European Union (EU) and the European Economic Area (EEA) and the largest global economies, such as the USA and China, is significant. Cross-border transfers of personal data outside the EEA may therefore increase the risk that data subjects will not be able to exercise their rights to the protection of personal data, in particular to protect against unlawful use or disclosure. At the same time, national supervisory authorities in matters of personal data protection may find that they are unable to process a complaint or conduct proceedings regarding activities that take place outside their home country.

Legal basis for the transfer of personal data

GDPR is the legal basis for the transfer of personal data from the EEA to third countries. It has been used since 25 May 2018. It is important not only for EU Member States, but for the member states of the EEA.

The EU has adopted one of the most stringent personal data protection standards in the world. They are based on a personal data protection model independent of the industry in which the data controller operates. The convergent model with the European one was adopted by some countries, such as Japan, the United Arab Emirates and Singapore. In contrast, the US example should be given, which uses a sectoral approach combining regulations and self-regulation in specific areas of the economy and social life that are considered as exposed to the risk of personal data breaches^[5]. EU law also applies to third-country nationals as long as the data processing meets the conditions of Article 2 of GDPR specifying the material scope of application and Article 3 of the GDPR, regarding the territorial scope of application^[6].

The principles of personal data protection result not only from the EU law. It derives from the right to privacy, defined as the right to be left alone^[7]. The right to privacy has a negative and positive dimension. Negative means a prohibition on taking actions and adopting regulations that would regulate the sphere of privacy in a way devoid of legal justification. In a positive aspect, the public

authority is required to take actions that are intended to protect the individual against unreasonable violations of his private sphere.

The Universal Declaration of Human Rights^[8] contains provisions to protect privacy (Article 12). The EU, by virtue of the accession agreement of 5 April 1958, acceded to the European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR)^[9], which in Article 8 provides for respect for private and family life^[10]. Protection of private life is also regulated in Article 17 of the International Covenant on Civil and Political Rights^[11].

The issue of the relationship between the right to privacy and the right to the protection of personal data goes beyond the scope of this article. It should be simplified, however, that the right to the protection of personal data has been separated from the right to privacy, and it should also be signaled that the distinction between these two rights is relevant from the point of view of the scope of the guarantee granted to the individual in relation to public authorities. A formal discussion on the separation of the right to protection of personal data started in the USA in the 1950s, because it began to be noticed that the process of collecting personal data, without any additional safeguards, raises a number of new threats^[12].

When it comes to EU law, the principles of personal data protection arise not only from secondary law, but above all from its primary law. It is necessary to mention here Article 7 and 8 of the EU Charter of Fundamental Rights (CFR)^[13]. The first of these states that everyone has the right to respect for his or her private and family life, home and communications. Article 8 CFR strictly concerns the protection of personal data. Everyone has the right to the protection of personal data concerning him or her. Such data must be processed fairly for specified purposes and on the basis of the consent of the person concerned or some other legitimate basis laid down by law. Everyone has the right of access to data which has been collected concerning him or her, and the right to have it rectified. Compliance with these rules shall be subject to control by an independent authority.

The basis for issuing the GDPR is Article 16 clause 1 of **the Treaty on the Functioning of the European Union**^[14]. The solution adopted by the EU legislator aims to ensure the fullest possible protection of the rights of data subjects, especially in cyberspace. This protection, so that the rights under Articles 7 and 8 CFR, should be provided irrespective of the location of the controller or the processor or the location of the technical means used for processing the data.

The purpose of the GDPR is to lay down provisions on the protection of individuals with regard to the processing of personal data and provisions on the free flow of personal data. The rules and regulations regarding the protection of natural persons in connection with the processing of their personal data may not, and regardless of the citizenship or place of residence of such persons, conflict with their fundamental rights and freedoms, in particular the right to the protection of personal data. The right to the protection of personal data is not absolute. Consequently, they must be seen through the prism of its social function and weighed against other fundamental rights, applying the principle of proportionality. It should be emphasized that the provisions of the GDPR, as secondary law, should be interpreted in accordance with the case law of the Court of Justice of the European Union (CJEU) in the light of the fundamental rights and freedoms set out in primary law^[15].

When personal data is transferred to a third country

There may often be a situation where personal data is transferred abroad in business activities. Data transfer to third countries is common, especially within capital groups, which include entities established in both EU Member States and in third countries, using common global IT systems and databases. Within such groups, typical activities are, for example, transferring data, also by placing in a common database to which other group members have access. The purpose of data transfer can be to assess the risk of relations with contractors and clients of group members, giving clients uniform within the group order codes, entrusting one member of the corporate group to perform specific activities for the other entities belonging to the group, using global recruitment systems and employee assessments, etc. An example is data processing on servers belonging to controller or processor located in a third country, such as:

- use of business e-mail accounts whose servers are located in a third country,

- use of social media (e.g. for the promotion of goods or business operations) if the servers on which they are located are in a third country,
- purchases on the internet (e.g. purchase of office supplies, equipment used for the company's operations) if the seller's servers are located in a third country.

Further situations in which personal data may be transferred to third countries in the course of business operations are as follows:

- transfer via IT system of business company (i.e. data controller or processor), between his organizational units as departments or shared service centers, if the recipient unit is located in a third country, e.g. intranet transfer of data between the HR department and the accounting department of the same company,
- disclosure of data via an intranet by a business company (controller or processor) located in one of the EEA Member States to other companies belonging to the capital group with it, but located in a third country,
- data transfer between separate data controllers or between a data controller and processor - if the exporter is established in an EEA Member State and the importer in a third country,
- sharing data (disclosure of data) between a business company and public authority located in third country,
- use of cloud computing services, including services based on the Privacy Shield Agreement between EU and USA^[16]. The EU and the USA have the largest bilateral trade and investment relationship and enjoy the most integrated economic relationship in the world. Total US investment in the EU is three times higher than in all of Asia^[17].

Third country

The GDPR does not define the term of a third country. As an act of the EU's secondary law, binds its member states, namely: Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Greece, Spain, the Netherlands, Ireland, Lithuania, Luxembourg, Latvia, Malta, Germany, Poland, Portugal, Romania, Slovakia, Slovenia, Sweden, Hungary, Italy and (still, at least until 31 January 2020) the United Kingdom of Great Britain and Northern Ireland. These countries cannot be considered as third countries in the meaning of the GDPR.

The GDPR is a legal act with EEA relevance. It is an international agreement, establish in 1992, which enables the extension of the EU's single market to non-EU member parties. The EEA includes the EU Member States and three European Free Trade Association (EFTA) states^[18]: Iceland, Liechtenstein and Norway. These countries cannot be considered as third countries in the meaning of the GDPR. The third country is Switzerland, because Switzerland is a member of EFTA but has not joined the EEA.

In summary, the term "third country" means a country other than a Member State of the EU and Norway, Iceland and Liechtenstein. If the United Kingdom of Great Britain and Northern Ireland leaves the EU, it will be treated as a third country in the meaning of the GDPR, unless it becomes the EEA member. The processing of personal data within the EEA is defined by the term of "cross-border processing" as defined in Article 4 point 23 of the GDPR, and not the term "data transfer". Cross-border processing means either:

- a) processing of personal data which takes place in the context of the activities of establishments in more than one Member State of a controller or processor in the Union where the controller or processor is established in more than one Member State; or
- b) processing of personal data which takes place in the context of the activities of a single establishment of a controller or processor in the Union but which substantially affects or is likely to substantially affect data subjects in more than one Member State.

The term "third country" should not be confused with the term "third party" as defined in Article 4 point 10 of the GDPR and means a natural or legal person, public authority, agency or body other than the data subject, controller, processor and persons who, under the direct authority of the controller or processor, are authorised to process personal data. The third party is a cumulative category of entities that cannot derive their right to access to personal data from the fact that personal

data relate to this particular person (data subject), from the decision about the purposes and methods of data processing (data controller), from the fact of acting on behalf or authorized by the data controller (processor and authorized person)^[19].

Data exporter, data importer, data recipient

The GDPR does not use the term "data exporter", it occurs in everyday language. An entity transferring personal data to a third country or entity which discloses personal data to another entity located in a third country may be a data exporter. A data controller or processor may be a data exporter.

A data importer is a recipient of data - an entity, which processes the personal data exported to it, even if only by reading it. According to the content of Article 4 point 9 of the GDPR, "recipient" means a natural or legal person, public authority, agency or another body, to which the personal data are disclosed, whether a third party or not. However, public authorities which may receive personal data in the framework of a particular inquiry in accordance with the EU or Member State law shall not be regarded as recipients; the processing of those data by those public authorities shall be in compliance with the applicable data protection rules according to the purposes of the processing. Legal basis of the disclosure of personal data is not relevant for the status of data recipient. The term of a "recipient" should be read in appropriate relationships to the terms of "controller", "processor" and "third party". The notion of recipient is relevant to a number of provisions of the GDPR. The EU legislator refers to the notion of recipient or to the category of recipients in several places, including in Articles 44-49, laying down the rules for the transmission of data, including to recipients in a third country. Used in the Article 4 point 9 the concept of a natural person, legal person, public body, entity or other entity should be interpreted taking into account the definitions introduced into the national legal order by other legal acts^[20].

Analyzing the definition in the Article 4 point 9 of the GDPR, possible interpretation discrepancies are of great importance for the application of its provisions. They arise in connection with the term personal data "are disclosed" to someone with different, seemingly different designations of meaning from a similar term used in the definition of processing from the Article 4 point 2 of the GDPR, in conjunction with the definition of the concept of a third party, in its negative part. This leads to ambiguities as to which entities should be classified in the category of data recipients. There are no particular doubts about the cases of entities external to the controller and remaining outside his control. On the other hand, the qualifications of entities involved in processing, and acting on behalf or with the authorization of the controller, within its structure or dependent on it will be disputable^[21].

The disclosure of personal data referred to in the Article 4 point 9 of the GDPR has a broader meaning than the scope of the application of the GDPR. In practice, the disclosure of personal data understood as enabling access to the content of personal data may not lead to the fact that - in accordance with the Article 2 of the GDPR - the entity to which the data were disclosed will be subject to the provisions of the GDPR regarding the processing of such data. Moreover, it cannot be ruled out that the only operation carried out on personal data will be to become acquainted with such data and further data processing will not take place at all. However, this does not change the qualification of such an entity as a data recipient^[22].

a third party entity can certainly also be a recipient of data if data are disclosed to him. The recipient of the data can also be a parallel controller to whom the data is shared. As regards processing entities and persons acting on behalf of the controller, two possible directions of interpretation of the GDPR may be indicated:

- 1) the first, according to which the recipient of the data is any entity that is beyond the control of the controller to whom the data is disclosed, in particular entities other than those listed in the Article of the 29 GDPR, i.e. processor and any person acting under the authority of the controller or of the processor, who has access to personal data. With this interpretation of the provision, neither the processor nor the entity acting on behalf of the controller would be the recipient of the data;

2) the second, according to which the subjective scope of the concept of the recipient covers also entities operating under the control of the controller. In this case, it is necessary to adopt two further options, i.e. to qualify as recipients of data all entities to which the controller enables the processing of data, including those acting on his behalf and on his behalf, or to accept that the recipient of the data are only entities operating outside the controller's structure, and therefore also a processor. When adopting such an interpretation, the recipient of the data would not be a particularly authorized person operating within the controller's structure, e.g. his employee^[23].

It should be assumed that the recipient in the light of the Article 4 point 9 of the GDPR is any entity to which data is disclosed - both a third party and a processor. The scope of the analyzed concept does not cover subsidiaries in the legal sense. The adoption of the concept in which the recipient of the data is also a person functioning in the controller's structure leads to a significant impediment to the fulfillment of obligations by the controller, while not strengthening the rights of data subjects. Providing the data subject with knowledge of the data flow within the controller's structure could also violate the principle of proportionality, due to the sensitivity of this type of information, without justification in the form of an increase in the level of personal data protection. For this reason, one should opt for the concept of recognizing the processor as the recipient, but not other entities acting on behalf of the controller, on his behalf and at his command within the organizational structure^[24].

Transfer of data to a third country *versus* data processing

The GDPR does not contain a definition of a legal "data transfer". A specific feature of data transfer within the meaning of the Articles 44-49 of the GDPR is that the recognition of an operation as a transfer of data to third countries is determined by the mere transfer of data outside the EEA or the disclosure of data to a non-EEA entity. The definition of "processing" in the Article 4 point 2 of the GDPR provides that "processing" means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction. The GDPR does not differentiate the requirements for data transfer according to the scope of processing in a third country after their transfer. The rules on the admissibility of data transfers outside the EEA apply irrespective of whether the transferred data will be actively used or only stored. Transfer of data to third countries includes both sharing of data within the meaning of Article 4 point 2 of the GDPR, as well as data processing that is not sharing it, including data processing on servers belonging to the data controller, but located in a third country.

Personal data on the website

The CJEU he said in a judgment in case of Bodil Lindqvist, that there is no data transfer to a third country within the meaning of the Article 25 of the Directive 95/46 [*currently Article 44 of the GDPR - author's footnote*] where: an individual in a Member State loads personal data onto an internet page, this internet page is stored with his hosting provider which is established in that State or in another Member State, thereby making those data accessible to anyone who connects to the internet, including people in a third country^[25].

General principle for data transfer to a third country

General principle for data transfer to a third country is prohibition of violating the level of protection of natural persons guaranteed by the GDPR. Any transfer of personal data which are undergoing processing or are intended for processing after transfer to a third country shall take place only if, subject to the other provisions of the GDPR, the conditions laid down in it are complied with by the controller and processor, including for onward transfers of personal data from the third country to another third country. The conditions for accepting data export are additional to the general conditions for accepting personal data processing. The rules on the admissibility of data transfers outside the EEA apply irrespective of whether the transferred data will be actively used in a third country or solely stored.

Obligation to apply all GDPR provisions when transferring data to third countries

Basic restrictions regarding the legal status prior to the GDPR regarding the data processing of personal data by controllers, processors as well as their subcontractors from third countries, results from the Article 13 section 1 point f and the Article 14 paragraph 1 point f of the GDPR. This is the obligation to inform about the fact that the controller intends to transfer personal data to a third country.

Basics for lawful transfer of personal data to third countries

Transfers of personal data to third countries may take place in one of three modes:

1. transfer on the basis of a decision establishing the appropriate level of protection (Article 45 of the GDPR),
2. transfers subject to appropriate safeguards (Articles 46–47 of the GDPR),
3. exceptional transfer in special situations (Article 49 of the GDPR).

Transfers on the basis of an adequacy EC decision

In accordance with the Article 45 of the GDPR the EC may decide that certain countries provide an adequate level of protection. These are: Andorra, Argentina, Canada (only commercial organisations), Faroe Islands, Guernsey, Israel, Isle of Man, Jersey, Japan, New Zealand, Switzerland, Uruguay and USA (if the recipient belongs to the Privacy Shield)^[26]. Adequacy talks are ongoing with South Korea^[27].

The specifications specified in the Article 45 item 2 of the GDPR, the criteria for assessing the degree of protection provided by a third country were made by the Article 29 Working Party in working documents: from 26.6.1997 setting out the initial principles for assessing the adequacy of protection for the purposes of transferring personal data to third countries and from 24.7.1998 on the transfer of personal data to third countries pursuant to art. 25 and 26 of Directive 95/46/EC. The Article 29 Working Party indicates in these documents as the basic conditions for adequate protection the EU principles for the protection of personal data:

1. the purpose limitation principle,
2. the data quality and proportionality principle,
3. the transparency principle,
4. the security principle,
5. the rights of access, rectification and opposition,
6. restrictions on onward transfers,
7. procedural and enforcement mechanisms.

In these working documents, the Article 29 Working Party also indicated as complementary principles:

1. the obligation to apply enhanced measures to safeguard the correctness of data processing and the rights of data subjects in the case of processing sensitive data; stated the explicit consent of the data subject as an example of such measures,
2. the requirement to provide the data subject with the right to object to the transfer and subsequent data processing for the purpose of direct marketing,
3. the obligation to provide the data subject with the right to information on aspects taken into account in the process of making automated individual decisions and the requirement to implement measures to safeguard the legitimate interests of the data subject.

Transfers subject to appropriate safeguards

In the absence of a decision pursuant to the Article 45 point 3 of the GDPR, a controller or a processor may transfer personal data to a third country only if the controller or processor has provided appropriate safeguards, and on condition that enforceable data subject rights and effective legal remedies for data subjects are available. The appropriate safeguards may be provided: without requiring any specific authorisation from a supervisory authority or with the authorisation from the competent supervisory authority.

Appropriate safeguards without any specific authorisation

Data transfer provided without any specific authorisation from a supervisory authority is based on:

- a) a legally binding and enforceable instrument between public authorities or bodies (e.g. administrative agreement of an EEA Member State authority and a non-EEA country authority),
- b) binding corporate rules - internal agreements in a capital group (enterprise group)^[28],
- c) standard data protection clauses adopted by the Commission,
- d) standard data protection clauses adopted by a supervisory authority and approved by the Commission,
- e) approved code of conduct combined with enforceable obligations of a non-EEA recipient of data for „appropriate safeguards”,
- f) approved certification mechanism combined with enforceable non-EEA data recipient obligations for "appropriate safeguards".

Appropriate safeguards with the authorisation

The appropriate safeguards for the data transfer may be provided by:

- a) contractual clauses between the controller or processor and the controller, processor or the recipient of the personal data in the third country; or
- b) provisions to be inserted into administrative arrangements between public authorities or bodies which include enforceable and effective data subject rights.

Derogations for specific situations

In the absence of an adequacy decision pursuant to the Article 45 point 3 of the GDPR, or appropriate safeguards pursuant to the Article 46 of the GDPR, a transfer or a set of transfers of personal data to a third country shall take place only on one of the following conditions:

- a) the data subject has explicitly consented to the proposed transfer, after having been informed of the possible risks of such transfers for the data subject due to the absence of an adequacy decision and appropriate safeguards,
- b) the transfer is necessary for the performance of a contract between the data subject and the controller or the implementation of pre-contractual measures taken at the data subject's request,
- c) the transfer is necessary for the conclusion or performance of a contract concluded in the interest of the data subject between the controller and another natural or legal person,
- d) the transfer is necessary for important reasons of public interest,
- e) the transfer is necessary for the establishment, exercise or defence of legal claims,
- f) the transfer is necessary in order to protect the vital interests of the data subject or of other persons, where the data subject is physically or legally incapable of giving consent,
- g) transfer from a public register on conditions of normal access to it.

A truly unique data transfer

A truly unique data transfer can take place when there are no other legal grounds for the cross-border transfer of personal data (Article 49 section 1 paragraph 2 of the GDPR). The conditions for such a transfer are as follows:

- data transfer cannot be repetitive; it can happen several times, but each time it must result from a new event, rather difficult to predict,
- data transfer should concern a limited number of people; question, above how many people the number is limited,
- data transfer should be necessary due to the legitimate interests of the data controller,
- interests, rights and freedoms of the person to whom the data are transferred cannot prevail,
- controller thoroughly assessed the situation and provided adequate safeguards for the protection of personal data, informed the supervisory authority, informed the data subject.

If the truly exceptional transfer was made by a business company, it must document this transfer in the register of personal data processing activities. If there is no obligation to keep a record

of data processing activities, it is recommended to at least document the transfer itself and consider developing a record of data processing activities^[29].

Reverse data transfer

It should be decided whether the effect of entrusting the processing of data by a third-country controller to a processor in the EU or transferring data to a branch of that controller in the EU territory will result in the application of the EU provisions to return data to their controller. If so, this would mean making the reverse transfer of data to their controller conditional on adequate protection of this data in a third country, moreover, the European provisions would remain applicable also after the data were returned to the controller.

The purpose of the rules on data transfers to third countries is to oblige European data controllers to make the transfer of data to a third country subject to adequate protection of the transferred data also after the transfer. The interpretation that the forwarding of data to a processor in the EU or to an controller's branch in its territory to carry out the operations ordered to them would apply the provisions of the Member State to the return of data. These rules would also remain relevant after the return of data, it would in practice stop such international cooperation with EU entities, as it would expose controllers from third countries to serious legal, economic and reputational risks.

Prohibition of judicial self-help

According to the Article 48 of the GDPR, there is a prohibition of transferring (disclosing) personal data at the request of courts or administrative bodies located outside of the EU other than through the mechanism of mutual legal assistance agreements, concluded under international law.

Conclusions

In business activity, especially conducted by international corporations, personal data may be transferred to third countries. Data transfer to third countries is limited, but possible. Conditions and rules specific to the transfer of personal data to third countries do not exclude the application of the general principles for the processing of personal data laid down in the GDPR, e.g. information obligation regarding the intention to data transfer or on the rights of data subjects.

The demand for protection of personal data is not limited to Europe. Consumers around the world increasingly cherish and value their privacy. As a result - business was forced to comply with the regulations regarding the lawful processing of personal data. Companies recognise that strong privacy protections give them a competitive advantage as confidence in their services increases. Many, especially those with global reach, are aligning their privacy policies with the GDPR, both because they want to do business in the EU, and because they see it as a model to follow^[30].

The most important conclusion that appears after analyzing the legal status governing the transfer of personal data to third countries is that the territorial scope of the GDPR is much broader than indicated in its Article 3, which may lead to global harmonization of the law on personal data. It remains to be asked about the effective enforcement of data subjects' rights that or of the right to compensation may be infringed in the courts of third countries^[31].

^[1] See more Lilian Mitrou, *Data Protection, Artificial Intelligence and Cognitive Services - Is the General Data Protection Regulation (GDPR) Artificial Intelligence-Proof?*, pp. 16-18.

^[2] See *Data as the Engine of Europe's digital future. The European Data Market Monitoring Tool Report* from 12 June 2019, available on http://datalandscape.eu/sites/default/files/report/EDM_D2.5_Second_Report_on_Policy_Conclusions_final_13.06.2019.pdf, p. 11.

^[3] Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), **OJ L 119, 4.5.2016, p. 1–88.**

^[4] See *Special Eurobarometer 487a. Report. The General Data Protection Regulation*, p. 23, available on <https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/86886>.

- ^[5] See C.J. Bennet, *Regulating Privacy: Data Protection and Public Policy in Europe and the United States*, New York 1992, p. 45 and seq; C.J. Bennet, Ch.D. Raab, *The Adequacy of Privacy: The European Union Data Protection Directive and the North American Response*, The Information Society 1997, vol. 13, No. 3; Ch.D. Raab, *Regulating the Computer: comparing policy instruments in Europe and the United States*, European Journal of Political Research 1988, vol. 16, No. 5; Ch.D. Raab, *Different Processes, One Result: The Convergence of Data Protection Policy in Europe and the United States*, Governance 1988, vol. 1, No. 4.
- ^[6] See more Sylwia Kotecka-Kral, *Territorial scope of application of the general data protection regulation* Conference proceedings: Geographic Information Systems Conference and Exhibition "GIS Odyssey ...", 2018, pp. 285-293, available on <http://www.gis.us.edu.pl/index.php/past-gis-conferences/251-gis-odyssey-2018/877-territorial-scope-of-application-of-the-general-data-protection-regulation>.
- ^[7] See Samuel D. Warren and Louis D. Brandeis, *The Right to Privacy*, Harvard Law Review 1890.
- ^[8] Was adopted by the United Nations General Assembly at its third session on 10 December 1948 as Resolution 217.
- ^[9] Drafted in 1950 by the Council of Europe. Entered into force on 3 September 1953. All Council of Europe member states (47) are party to the Convention (currently it is a condition of membership in the Council of Europe).
- ^[10] The EU has been obliged to take this step in art. 6 clause The Lisbon Treaty adopted in 2009 and aims to bring coherence to the human rights protection system in Europe.
- ^[11] A multilateral treaty adopted by the United Nations General Assembly. Resolution 2200A (XXI) on 16 December 1966, and in force from 23 March 1976 in accordance with Article 49 of the covenant. As of September 2019, the Covenant has 173 parties and six more signatories without ratification.
- ^[12] See more Agnieszka Grzelak, *Ochrona danych osobowych we współpracy państw członkowskich UE w zwalczaniu przestępczości*, Warsaw 2015, pp. 57-65 and literature cited there, including English (available in Polish).
- ^[13] **OJ C 326, 26.10.2012, p. 391.**
- ^[14] **OJ C 326, 26.10.2012, pp. 47–390.**
- ^[15] See Dominik Lubasz, *Commentary on the Article 1 of the GDPR* (in:) Edyta Bielak-Jomaa (ed.), Dominik Lubasz (ed.), *RODO. Ogólne rozporządzenie o ochronie danych. Komentarz*, Warsaw 2018 (available in Polish) and the CJEU case law cited therein: Bodil Lindqvist (case C-101/01) from 6.11.2003; Österreichischer Rundfunk and al (joined cases: C-465/00, C-138/01 and C-139/01) from 20.05.2003; Productores de Música de España (Promusicae) v. Telefónica de España SAU (case C-275/06) from 29.01.2008; Google Spain SL and Google Inc. v. Agencia Española de Protección de Datos (AEPD) and Mario Costeja González (case C-131/12) from 13.05.2014; Weltimmo s.r.o. v. Nemzeti Adatvédelmi és Információszabadság Hatóság (case C-230/14) from 1.10.2015.
- ^[16] The key, due to the importance for transatlantic trade, was Commission Decision 2000/520/EC (OJ L 215, 25 August 2000, pp. 7-47), which was one of the legal grounds for the admissibility of transferring personal data from the EU to the USA (it was not the only possible basis - data exporters could and can also use **binding corporate rules**, standard contractual clauses and other instruments). However, the CJEU in its landmark judgment of 6 October 2015 in the Maximilian Schrems v. Data Protection Commissioner case (C-362/14) annulled Commission Decision 2000/520/EC. On 12 July 2016 the European Commission adopted a decision on the appropriate protection of personal data (EU-US Privacy Shield; Commission Implementing Decision (EU) 2016/1250 of 12 July 2016 pursuant to Directive 95/46/EC of the European Parliament and of the Council on the adequacy of the protection provided by the EU-U.S. Privacy Shield (notified under document C(2016) 4176), **OJ L 207, 1 August 2016, pp. 1–112**). To find out if an US-based company is participating in the Privacy Shield program, you can check the list of entities at <https://www.privacyshield.gov/welcome>.
- ^[17] See more on <https://ec.europa.eu/trade/policy/countries-and-regions/countries/united-states/>.
- ^[18] Currently, only four countries are members of EFTA: Norway, Switzerland, Liechtenstein and Iceland.
- ^[19] See Paweł Litwiński, Paweł Barta, Maciej Kawecki, *Commentary on the Article 4 of the GDPR* (in:) Paweł Litwiński (ed.), *Rozporządzenie UE w sprawie ochrony osób fizycznych w związku z przetwarzaniem danych osobowych i swobodnym przepływem takich danych. Komentarz*, Warsaw 2018, pp. 227-228 (available in Polish).
- ^[20] See *Commentary on the Article 4 point 9 of the GDPR* (in:) Edyta Bielak-Jomaa (ed.), Dominik Lubasz (ed.), *RODO...*
- ^[21] See *ibid*.
- ^[22] See Paweł Litwiński, Paweł Barta, Maciej Kawecki, *Commentary on the Article 4 of the GDPR* (in:) Paweł Litwiński (ed.), *Rozporządzenie UE...*
- ^[23] See *Commentary on the Article 4 point 9 of the GDPR* (in:) Edyta Bielak-Jomaa (ed.), Dominik Lubasz (ed.), *RODO...*
- ^[24] See *ibid*.
- ^[25] Judgment of the CJEU of 6 November 2003, case C-101/01.
- ^[26] See more Julian Wagner, *The transfer of personal data to third countries under the GDPR: when does a recipient country provide an adequate level of protection?*, International Data Privacy Law, 2018, Vol. 8, No. 4, pp. 318-337.
- ^[27] See https://ec.europa.eu/info/law/law-topic/data-protection/international-dimension-data-protection/adequacy-decisions_en.
- ^[28] See Joanna Kulesza, *Transboundary data protection and international business compliance*, International Data Privacy Law, 2014, Vol. 4, No. 4, pp. 299-303.

^[29] See Maciej Gawroński (in:) Maciej Gawroński (ed.), *RODO. Przewodnik ze wzorami*, Warsaw 2018, p. 153 (available in Polish).

^[30] On the impact of EU privacy regulation on data recipients on the example of India see Aaditya Mattoo, Joshua P. Meltzer, *International Data Flows and Privacy - The Conflict and Its Resolution*, Journal of International Economic Law, 2018, 21, pp. 777-779.

^[31] See Benjamin Greeze, *The extra-territorial enforcement of the GDPR: a genuine issue and the quest for alternatives*, International Data Privacy Law, 2019, Vol. 9, No. 2, pp. 120-122.