



CURRENT ISSUES IN ECONOMIC  
AND MANAGEMENT SCIENCES  
(International Conference for Doctoral Students)  
November 10-12, 2011  
Riga, University of Latvia

International Conference for Doctoral Students

## Current Issues in Economic and Management Sciences

# PROGRAMME

Organised by Faculty of Economics and Management, University of Latvia  
in cooperation with Latvian European Community Studies Association

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EIROPAS REĢIONĀLĀS  
ATTĪSTĪBAS FONDS



EIROPAS SAVIENĪBA

**November 10-12, 2011**  
**Riga, University of Latvia**



**LATVIJAS  
UNIVERSITĀTE**  
ANNO 1919 UNIVERSITY OF LATVIA

**EVF**

**Ekonomikas  
un vadības fakultāte**

The aim of the conference is to discuss new trends in economics and management, to provide a forum for debate on current research related to the conference themes and to examine issues of common interest. The conference serves to promote communication and awareness among young researchers in economics and management. The conference programme includes opening plenary session, parallel sessions, poster sessions and concluding plenary session. Competition for the best poster/presentation is arranged and winner/winners will be awarded at the concluding plenary session. The best articles are recommended for publication in scientific journal **International Journal of Trade and Global Markets (IJTGM)** ISSN (Online): 1742-755X – ISSN (Print): 1742-7541 [www.inderscience.com/ijtgm](http://www.inderscience.com/ijtgm) or **International Journal of Economic Policy in Emerging Economies (IJEPEE)** ISSN (Online): 1752-0460 – ISSN (Print): 1752-0452 [www.inderscience.com/ijepee](http://www.inderscience.com/ijepee); **Journal for Labour and Social Affairs in Eastern Europe (SEER)** ISSN 1435-2869: <http://www.nomos-shop.de/productview.aspx?product=10355>. All abstracts are reviewed by two reviewers and papers included in the conference proceedings are double blind reviewed. Conference language is English.

Keynote speakers at the conference are:

- **Ismena Revina, Inesa Vorončuka.** The Doctoral Studies in the Faculty of Economic and Management, University of Latvia
- **Arild Saether** (*Agder University, Norway*). A 350 Years Commemoration – The Beginning of Modern Political Economy
- **Edgars Brēķis, Ismena Revina, Arild Saether.** The Outcome of the Financial Crisis 2008: the Case of Latvia
- **Marcel Vaschauner, Marco J. Menichetti, Bastian Teichgreeber** (*University of Liechtenstein, Liechtenstein*). Is Volatility Rising Like a Phoenix? Characteristics of Volatility as an Asset Class for the German Market
- **Johannes Ruhm, Pascal Gantenbein, Marco J. Menichetti** (*University of Liechtenstein, Liechtenstein*). Market Price Reactions of Analyst Revisions and Determining Factors on the German Stock Market

The work of the conference will be organised in the parallel sessions:

1. **International Relations and Economic Growth**  
*Session chairs: Ērika Šumilo, Jānis Priede, Rasa Daugėlienė*
2. **Finances**  
*Session chairs: Elvīra Zelgalve, Ramona Rupeika-Apoga, Marco J. Menichetti, Svetlana Saksonova, Irina Solovjova, Kristina Levišauskaitė*
3. **Accounting**  
*Session chairs: Dagnija Daņēviča, Inga Būmane, Irina Dyakonova*
4. **Modeling and Quantitative Methods**  
*Session chairs: Ismena Revina, Edgars Brēķis, Arild Saether*
5. **Company management and Performance**  
*Session chairs: Kārlis Purmalis, Roberts Škapars, Jean David Avenel, Andris Deniņš, Baiba Šavriņa, Eugenijus Chlivickas*
6. **Personnel Management**  
*Session chairs: Inesa Vorončuka, Juris Krūmiņš, Howards R. Balanoff, Uldis Rozevskis, Juris Prikulis, Roswitha King*
7. **Marketing**  
*Session chairs: Biruta Sloka, Valērijs Praude, Ligita Šimanskiene*
8. **Regional Development**  
*Session chairs: Inga Vilka, Andris Sarnovičs, Gundars Kaupins*
9. **Environment and Tourism**  
*Session chairs: Juris Benders, Inna Romānova, Bruno Sergi*
10. **European Union Issues**  
*Session chairs: Ainārs Šneideris-Nābels, Jānis Vaivads, Gunnar Prause*

# Programme of the Conference

## Thursday, November 10, 2011

18.00 Registration for the conference Raiņa bulv. 19, lobby

19.00 Welcome Cocktail hosted by **Indriķis Muižnieks**, Vice Rector of University of Latvia Raiņa bulv. 19, café “Amica”

## Friday, November 11, 2011

8.30 – 10.00 Registration for the conference; Coffee, Raiņa bulv. 19, 2<sup>nd</sup> floor, lobby

10.00 – 12.00 Plenary Session, Raiņa bulv. 19, Small Aula

12.00 – 14.00 Lunch

14.00 – 15.30 Work in Parallel Sections (Aspazijas bulv. 5)

15.30 – 16.00 Coffee Break

16.00 – 18.00 Work in Parallel Sections (Aspazijas bulv. 5)

19.00 Reception

## Saturday, November 12, 2011

10.00 – 11.30 Plenary Session: Raiņa bulv. 19, Small Aula

Best poster/doctoral student presentation award announced

Chairs of sections inform on results

Conference conclusions and future prospects

11.30 – 14.00 Final coffee break and informal discussions on conference topics

More information on conference webpage: <http://www.evff.lu.lv/doctconf2011/>

# Detailed Programme of the Conference

## Thursday, November 10, 2011

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10.00 – 12.00 Plenary Session, Raiņa bulv. 19, Small Aula

*Session chairs: **Ismena Revina, Inesa Vorončuka**, Directors of Doctoral Study Programs, Faculty of Economics and Management, University of Latvia*

**Conference opening: Mārcis Auziņš, Rector of University of Latvia**

### Presentations

- **Juris Krūmiņš** (*Chairperson of Doctoral Thesis Defence Committee in Management and Demography, University of Latvia*). Greetings for conference participants
- **Ismena Revina, Inesa Vorončuka**. The Doctoral Studies in the Faculty of Economic and Management, University of Latvia
- **Arild Saether** (*Agder University, Norway*). A 350 Years Commemoration – The Beginning of Modern Political Economy
- **Edgars Brēķis, Ismena Revina, Arild Saether**. The Outcome of the Financial Crisis 2008: the Case of Latvia
- **Marcel Vaschauner, Marco J. Menichetti, Bastian Teichgreeber** (*University of Liechtenstein, Liechtenstein*). Is Volatility Rising Like a Phoenix? Characteristics of Volatility as an Asset Class for the German Market

**12.00 – 14.00 Lunch Raiņa bulv. 19, café “Amica”**

**14.00 – 15.30 and 16.00 – 18.00 Parallel Sessions (*Aspazijas bulv. 5*)**

## **1. International Relations and Economic Growth** (*Aspazijas bulv. 5, room 308*)

*Session chairs: Ērika Šumilo, Jānis Priede, Rasa Daugēlienė*

- **Qeis Kamran.** Complexity of Negotiation and Negotiation of Complexity. Getting to Trust...
- **Laine Fogh Knudsen.** Diversity of ADR Schemes: Does It Mean Diversity of ADR Effectiveness?
- **Olegs Krasnopjorovs.** Measuring the Sources of Economic Growth with Non-Parametric Methods: The Case of Baltic States
- **Inese Brante.** Income Inequality and Economic Growth in Latvia over the Last Decade
- **Dagnija Lāce–Ate, Ilze Vilka.** State Export Promotion Policy in the Context of the Growth of Economy

## **2A. Finances (Session A)** (*Aspazijas bulv. 5, room 305*)

*Session chairs: Elvīra Zelgalve, Ramona Rupeika-Apoga, Marco J. Menichetti*

- **Henrique Schneider.** Does China have an Interest-Rate Strategy?
- **Irina Bērzkalne.** Capital Structure Change and Features During Economic Recession
- **George Allen.** The Economical Nature, Principles and Structure Building the Budget Classification in Consolidation Period
- **Vija Mičūne.** Determinants of Credit and Deposit Interest Rates in Latvia: Perspective of Factor Analysis
- **Rūta Kesnere.** The Proposals for Using Fiscal Stimuli to Promote Latvia's National Competitiveness
- **Baiba Zvirbule.** Labour Tax Changes Effect on Social Processes in Latvia
- **Mariya Lebedeva.** Investment Decision-Making and Dynamic Environment of Emerging Markets
- **Ksenija Ijevleva.** Banks' Credit Politics: Challenges and Solutions

## **2B. Finances (Session B)** (*Aspazijas bulv. 5, room 121*)

*Session chairs: Svetlana Saksonova, Irina Solovjova, Kristina Levišauskaitė*

- **Reimar Pfalz-Liebert.** Risks and Risk-Management in Financing Residential Real Estates
- **Rita Freimane.** Sustainable Real Effective Exchange Rate in Latvia
- **Tatjana Parfjonova.** The Performance of Baltic Equity Funds
- **Ilmārs Puriņš, Toms Reiziņš, Ģirts Brasliņš, Nataļja Svitlika.** Improvement possibilities of the credit granting practices in the commercial banks
- **Andrejs Strateičuks, Diāna Fadejeva, Valters Kaže.** Excise Tax Policy for Alcohol and Cigarettes in Latvia, Its Impact on State Revenues and the Laffer Curve
- **Gatis Kristaps.** Application of State Aid Rules to Major Transport Infrastructure Projects in Latvia

## **3. Accounting** (*Aspazijas bulv. 5, room 302*)

*Session chairs: Dagnija Daņēviča, Inga Būmane, Irina Dyakonova*

- **Gabriele Hahne.** Quality in Audits and Extern Quality Control
- **James Daya Samuel.** Abstract on the Influence of International Accounting Standards on Small and Medium Sized Enterprises (SME)
- **Maria Tissen.** Origination of Due Diligence and Scope of Its Application
- **Lilija Ābika, Ilze Ābolīna.** Factors Hindering Artists' Economic Activities in Latvia
- **Emīls Pūlmanis.** Risk Assessment in the Project Initialization Process as Part of the Cost – Benefit Analysis

#### **4. Modeling and Quantitative Methods** (*Aspazijas bulv. 5, room 322*)

*Session chairs: Ismena Revina, Edgars Brēķis, Arild Sæther*

- **Michael Toedt.** The Influence of Media Channel and Frequency on the Booking Behavior of Hotel Guests
- **Florian Philipp.** The Capital Asset Pricing Model (CAPM) versus Internal Rate of Return (IRR): A Testing Concept for Infrastructure Assets
- **Zane Cunska.** Multistatus life tables for modelling higher education: methodological issues
- **Laura Lismente.** Demand and Its Elasticity Impact Factor Analysis
- **Silvija Bruņa.** Application of Project Management Models – an Improvement to the Project Management Process
- **Rita Zhuka.** Using Logistic Regression Models to Predicting Probability of Insolvency of Enterprises
- **Ilze Balode.** Estimation of the Latvian Households Almost Ideal Demand System of Commodities
- **Ieva Braukša.** Use of Cluster Analysis in Exploring Economic Indicator Differences among Municipalities in Latvia

#### **5A. Company Management and Performance (Session A)** (*Aspazijas bulv. 5, room 423*)

*Session chairs: Kārlis Pūrmalis, Roberts Škapars, Jean David Avenel*

- **Claudia van der Vorst.** Strategic Decision Making at Small and Mid-Size Companies Using the Example of Information Technology Acquisition
- **Alexander Stelzer.** Critical Factors of Supply Chain Management and Strategies in the Food Industries – Development of a Decision Support System for Strategic Management of Agricultural Raw Material Culture
- **Oliver Scheffert.** Contemporary Ergonomics and Business
- **Markus R. Süß.** M&A Performance Assessment and Effects of Corporate Culture – Implications for a Cultural Due Diligence
- **Klaus Venus.** Supply Chain Management Maturity and the Impact on Performance of Firms
- **Ludwig Gold.** Strategy Implementation Factors – A Literature Review
- **Jens Wingefeld.** Conception of Passive Investment Management Tools

## **5B. Company Management and Performance (Session B)** (*Aspazijas bulv. 5, room 424*)

*Session chairs: Andris Deniņš, Baiba Šavriņa, Eugenijus Chlivickas*

- **Meinhard Friedl.** Impact of electronically substitution on postal operations – Austrian and US market
- **Hans-Peter Oehl.** Firm Vulnerability during Different Life Cycle Stages
- **Marcel J. Schön.** The influence of organizational culture on the risk Management Implementation Process
- **Markus Spriestersbach.** Decision Making in Business between the Poles of Morality and Economic Constraint
- **Tatjana Kulikova.** Management Tools for Trade Enterprise: Basic Features and Development Possibilities
- **Ilona Dubra.** Key Factors Affecting Development of the Enterprise Innovation Capacity
- **Ināra Kantāne, Ilona Ozoliņa.** Effective Business Communication Influence on Company Management
- **Sarmīte Mickevica, Aldis Erglis.** Data Mining Implementation Principles in Customer Relationship Management Systems
- **Kaspars Mucenieks.** Business Reorganization Methods

## **6A. Personnel Management (A session)** (*Aspazijas bulv. 5, room 320*)

*Session chairs: Inesa Vorončuka, Juris Krūmiņš, Howards R. Balanoff*

- **Andreas Michael Giesa.** Measuring Team Performance under the Determine of Behavior a Result of a Pre-Test Survey
- **Norman Jablonski.** Motivation in the Austrian Banking Sector with Regards to the Two Factor Theory by Frederick Herzberg
- **Hans-Jürgen Brenninger.** Employee Satisfaction: Not Fortune, but Approach: Development of Theoretical Framework
- **Jaroslav Godyn.** The Influence of Intellectual Capital to Stock Market Performance in Baltic Countries During Financial Crisis
- **Katri Vintiša.** Employee Performance Management in Public Sector: How to Manage People after Crisis?
- **Sergejs Stacenko.** The Concept of the Social Dialogue and Social Partnership: Focus on the EU
- **Boldizsár Tóth.** Developing an Employee Satisfaction Survey for the Hungarian SME Sector: Critical Analysis of the Existing Instruments
- **Irina Lando.** Application if Non – Conventional Methods of Training for Personnel Training for Adaption to New Economic Conditions

## **6B. Personnel Management (B session)** (*Aspazijas bulv. 5, room 324*)

*Session chairs: Uldis Rozevskis, Juris Prikulis, Roswitha King*

- **Katharina Buttenberg.** Adopting Customer Satisfaction Surveys to Measure Employee Satisfaction
- **Santa Feifere.** Human Capital and Labour Quality Measurement Problems in Latvia
- **Maria Simonova.** Factors Determining the Level of Motivation among Civil Servants to Develop their Human Capital
- **Laura Kersule.** Employers Company Image – Supporting Factor for Employees Motivation
- **Natalja Dubkova.** Changes in Mortality and Morbidity from Infectious Diseases during Transition in the Three Baltic Countries: Comparative Study
- **Agita Kalviņa.** Change Management Issues of Recent Restructuring and Efficiency Measures in Public Administration of Latvia

## **7. Marketing** (*Aspazijas bulv. 5, room 519*)

*Session chairs: Biruta Sloka, Valērijs Praude, Ligita Šimanskiene*

- **Jochen Katz.** Trust Marketing for High-Risk Products: A Cross Industry Marketing Framework Validation
- **Knut Linke.** The Twitter Milieu. A review of the social network service Twitter with the milieu theory from Pierre Bourdieu
- **Karina Adonjeva.** A Conceptual Analysis of Brand Loyalty Dimensions
- **Ilmārs Puriņš, Didzis Rūtiņis.** Corporate Identity Framework and Dimensions of the Latvian Commercial Banks
- **Dmitrijs Gizdevans, Renate Vidruska.** Marketing Communications with Internet Users
- **Anžela Veselova.** Quality Expenses and Possibilities for their Reduction

## **8. Regional Development** (*Aspazijas bulv. 5, room 300*)

*Session chairs: Inga Vilka, Andris Sarnovičs, Gundars Kaupins*

- **Larisa Naumova.** Efficient Indicator for Assessment of Public Outsourcing: Issues and Prospects
- **Romans Putans.** National Strategic Planning in EU Countries
- **Agate Zaķe.** Women as Leaders of Local Governments – Situation before and after Administrative Territorial Reform in Latvia
- **Jelena Lonska.** Comparative Analysis of Territory Development Evaluation Indices in Latvia
- **Rita Ozoliņa.** Poverty and Material Deprivation in Different Types of Households by Regions of Latvia
- **Günter Salchner.** Management of Regional Governance
- **Lauma Sīka.** Creativity and Innovation – A Catalyst for Change in Public Governance



## **9. Environment and Tourism** (*Aspazijas bulv. 5, room 306*)

*Session chairs: Juris Benders, Inna Romānova, Bruno Sergi*

- **Aija van der Steina.** Evaluation of Destination Marketing Effectiveness in Main Inbound Tourism Markets of Latvia
- **Alda Ozola.** Local Environmental Governance and Public Participation: Environmental Angle of the Leader Programme in Latvia
- **Eriks Lingeberzins.** Business Models and Management of Contemporary International Tourism Enterprises
- **Zanda Krūkle.** Municipality Functions and Role in Acoustically Congenial Life Environment Provision
- **Ilja Teterko.** Future of Electrical Energy what is Generated by Using the Renewable Energy Sources in Latvia
- **Ilze Pruse.** Carbon Credit Trading's Impact on Sustainable Development

## **10. European Union Issues** (*Aspazijas bulv. 5, room 518*)

*Session chairs: Ainārs Šneideris-Nābels, Jānis Vaivads, Gunnar Prause*

- **Helene Eller.** Volunteers within an Organizational Context – One Term is not Enough
- **Ilze Buligina.** Implications for Public Administration within EU Research Policy – Study of Ethical Aspects in the Governance of EU 7<sup>th</sup> Framework Technological Projects
- **Meinhard Friedl.** Impact of Electronically substitution on postal operations – Austrian and US market
- **Jānis Aprāns.** Interactions between EU Funds During 2007 – 2013 Period: The Results and Recommendations
- **Antra Line.** Trade Union Leaders' Assessment of Latvian Trade Unions' Strategic Management Issues
- **Alekss Tiltiņš.** The Evolution of Military Keynesianism and Its Use in the Defense Policy of a State
- **Ilze Gude.** The Legislative Initiative: EU Practice and Experience of NGOs in Latvia

15.30 – 16.00 Coffee Break

19.00 Reception

**Saturday, November 12, 2011**

10.00 – 11.30 Plenary Session: Raiņa bulv. 19, Small Aula

*Session chairs: **Ismena Revina, Inesa Vorončuka**, Directors of Doctoral Study Programs, Faculty of Economics and Management, University of Latvia*

**Presentations**

- **Johannes Ruhm, Pascal Gantenbein, Marco J. Menichetti** (*University of Liechtenstein, Liechtenstein*). Market Price Reactions of Analyst Revisions and Determining Factors on the German Stock Market

Best poster/doctoral student presentation award announced

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## Conference Programme Committee

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*Inesa Vorončuka*, University of Latvia (co-chair)  
*Jean David Avenel*, University Paris XII (France)  
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