



---

# ARICBE/ARICPAS 2019 CAMBRIDGE, UK

---

**Conference Proceedings**



## Conference Committee Members

The conference organizers would like to express their gratitude for the contribution made by following committee members for the conference in various academic roles:

*Prof. Lynn Martin (U.K)*  
*Dr. Edward Bace (U.K)*  
*Dr. Bruno Roque Cignacco (U.K)*  
*Dr. Mariya H. N (U.K)*  
*Dr. Marcus Goncalves (U.S.A)*  
*Prof. Michael Del Rossi (U.S.A)*  
*Prof. Naim M. Ajlouni (Turkey)*  
*Prof. Osman Adiguzel (Turkey)*  
*Prof. Ali Mohammad Akour (Oman)*  
*Prof. Christi Spulbar (Romania)*  
*Dr. Xuesen Zhang (China)*  
*Dr. Ronald Kovach (U.S.A)*  
*Dr. Olav Eikland (Ukrain)*  
*Prof. Nassr Saleh M. Ahmad (Qatar)*  
*Dr. Ilona Baryiska (Poland)*  
*Dr. Adam Tityaltug (Turkey)*  
*Hon. Bernard Takyi (Ghana) Conference Chair*

## Copyright © 2019 ARICON Private Limited, U.K

*All rights reserved. No part of this book may be reproduced in any form or by any electronic or mechanical means, including information storage and retrieval systems, without permission in writing from the publisher, except by reviewers, who may quote brief passages in a review.*

**ISBN 978-1-789728330**

Permitted fair dealing under the Copyright, Designs and Patents Act 1988, or in accordance with the terms of a license issued by the Copyright Licensing Agency in respect of photocopying and/or reprographic reproduction is excepted.

Any application for permission for other use of copyright material including permission to reproduce extracts in other published works must be made to the publishers and in the event of such permission being granted full acknowledgement of author, publisher and source must be given.

## Disclaimer

Whilst every effort has been made to ensure that the information contained in this publication is correct, neither the editors and contributors nor ARICON U.K accept any responsibility for any errors or omissions, quality, accuracy and currency of the information, nor any consequences that may result. ARICON takes no responsibility for the accuracy of URLs of external websites given in this publication nor for the accuracy or relevance of their content. The opinions, advices and information contained in this publication do not necessarily reflect the views or policies of the ARICON.

Applied Research International Conferences (ARICON) is a registered company in the Company House England & Wales, U.K. Company Registration Number 11991021.



## Contents

Human Resource Development Practices in School Education and Development by Dr. Geeta Satish Raut.....	4
The Banking Sector in Morocco: Is it a Growth Sector by Hind Houssa .....	14
Crisis Communication in the Creative Industry by Veronika Szabóová & Lucia Spálová ...	24
Antimicrobial Activity of Newly Synthesized Derivatives of Tartaric Acid Against the Multidrug Resistant Soil Strains of <i>Pseudomonas</i> and <i>Stenotrophomonas</i> by Aram R. Mikaelyan <sup>a</sup> , Nona L. Asatryan <sup>a</sup> , Samvel A. Bagdasaryan <sup>b</sup> and Bella G. Babayan .....	37
Advancing the Working Rights of Persons with Disabilities; A Case Study of Governments' Interventions, Disabilities' Common Fund & Affirmative Action Policies by Thomas Yeboah Frimpong & Charles Winfred Otoo .....	38
Entrepreneurial Management; A tool for eradicating Youth Unemployment and Extreme Poverty in Decentralized Regimes in Rural Communities of Sub-Saharan Africa by Collins Asante (Hon) & Bernard Takyi (Hon).....	39
Results of Pseudo-analysis Theory & Representation of the Pseudo-Linear Operators Class by Dhurata Valera & Elmi Shabani .....	39
Does Service Quality ensure customer Satisfaction in Mr. Bigg's, Nigeria? By Md. Uzir Hossain Uzir1*; Danjuma Tali Nimfa2; Ibrahim Toro Lawal 3, Abu Bakar Abdul Hamid4, Ahmad Shaharudin Abdul Latiff5, Sazali Abd. Wahab6 .....	40
Islamic Microfinance institutions and their financial Sustainability in Pakistan; an Empirical approach by Muhammad Naveed Aslam .....	41
Innovations and Firm-level Efficiency: A Comparative Analysis between China and India by Dr. Mohammad Monirul Islam, Dr. Farha Fatema .....	41
Prediction of cell growth dynamics during bioremediation of lead under substrate uninhibited and inhibited conditions by Moumita Bose, Siddhartha Datta, Pinaki Bhattacharya .....	42
Spot-Futures Price Relations under Heterogeneous Market Mechanisms: New Evidence from Bayesian VAR by Natthinee Thampanya .....	43

Real Time Adaptive Traffic System: An Algorithm for Green Path Clearance of Emergency Vehicles by Nevil Vekariya & Prayushi Faldu ..... 44

Communication and Building Positive Relationships within Project Teams in Non-Governmental Organizations by Paulina Major, Seweryn Spalek .....44

Economic Consequences and overall implications of BJP rule in India during 2014-2019 by Dr. S. K. Sharma ..... 45

## **Human Resource Management Practices in School Education and Development**

Dr. Geeta Satish Raut  
Principal, Gayatri College of Education,  
Savitribai Phule Pune University,  
Maharashtra, India.  
[geetaraut2000@gmail.com](mailto:geetaraut2000@gmail.com)

### **Abstract**

Humans are an organization's greatest asset. Human and the potential they possess drive an organization. In order to maximize organizational effectiveness, human potential, individuals' capabilities, time and talents- must be managed. The need of implementing Human Resources Management (H.R.M.) in school is increasingly growing. HRM could be implemented to attain positive teachers and students outcomes.

According to AMO theory of performance, (A) ability, (M) motivation and (O) opportunity helps in enhancing the quality of school. An Action Research was carried out on twenty teachers of self financed High School in Ahmednagar district in India. Primary objective was implementing HRM practices to improve the achievements of the students. Researcher used interview and survey method to collect the data. HRM practices like positive relations, communication and motivation, continuous attention on student's progress, opportunities and good learning environment were implemented. It is concluded that these practices and the trust among management, principal, teachers and parents helps enhancing the quality of education. These are essential elements in school development process.

Keywords: School, assets, HRM, AMO, communication

### **Introduction**

*"Our progress as a nation can be no swifter than our progress in education. The human mind is our fundamental resource"- John F. Kennedy (Ex- President of US).*

Human Resource Management (HRM) is the strategic and coherent approach to the management. Humans are an organization's greatest assets. Human and the potential they possess drive an organization. This approach improves the organizational efficiency, work culture and human relationship. In order to maximize organizational effectiveness, human potential, individual capabilities, time and talent must be managed. The focus of HRM is on people management in organization. It is a tool to develop human capital and manage people at work

properly. It deals with managing human resource at workplace and focuses on development of knowledge and skills. HRM has the potential of increasing teacher's competence and abilities.

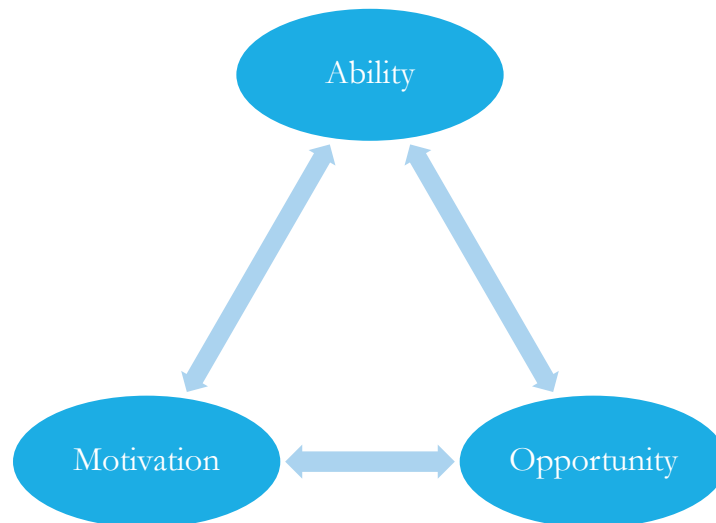
### Background

Nowadays HRM has been acknowledged as a key factor in school performance. Majority schools are benefiting from HRM because teacher as "human being" plays important role in students academic progress. It is necessary to implement HRM practices in schools to achieve good results. Only single factor does not meet teacher's needs. So for yielding higher outcome from students HRM practices implementation is essential in schools. A recent study shows that "a high quality and well motivated teaching staff and supportive professional culture are essential factors in building excellence" (World Bank 1994).

### Supported Theory

The approach is supported by "Behavioral Theories", specifically - "AMO Behavioral Management Theory of Performance" (Appelbaum et al 2000), which states that employee's performance is a function of their Abilities, Motivation and Opportunities [AMO] they are offered.

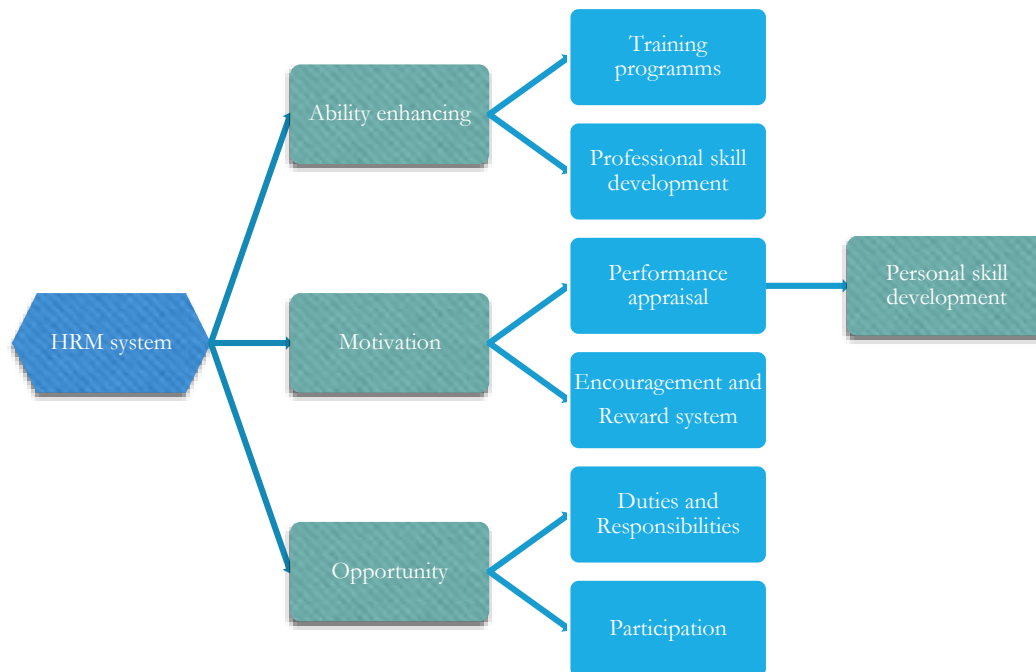
**Fig. no. 1**



### HRM Practices in School

In school, HRM system should contain number of practices that are targeted at developing and rewarding teachers in such a way that it results in optimal performance of teachers and school (Runhaar and Runhaar 2012).

**Fig. no. 2 HRM system and Practices**



Researcher carried out following HRM practices like - positive relations, communication, Motivation, ability development like training programmes, continuous attention in student's progress, Opportunity and good learning environment.

### Positive Relations

In school system, the Principal as an administrator influences teachers to achieve the goals and objectives of the school. So management, principal, teachers and supporting workers should have positive, supporting and co-operational relations in the institution. HRM philosophy and trust must come from the top and accepted by people at all levels. The goal of the school is to enhance the teaching and learning process. The main duty of the Principal is to keep good relations and influence the behavior of the teachers to achieve the goal of the school.

### Communication

Communication helps to spread knowledge and information among people. Effective communication increases productivity and motivate people to do work more efficiently. Proper communication techniques can boost employee's moral to create a positive work atmosphere. It helps to facilitate the process of sharing information, knowledge and also helps to develop good relations with others.

So, effective school principal should have good communication link with teachers and students, which helps in sharing the knowledge and getting feedbacks about teaching and learning process going on in the school. Management also should have good communication link with all the



employees. Effective communication can connect a school principal to teachers and students that is crucial to meet school goals (Richard, 2008).

### **Motivation**

Motivation is a psychological concept that comes from inside the individual. Moral is always connected with motivation. "**Maslow's Need Hierarchy Theory**" was developed by **Abraham H. Maslow** in 1908-1970. He was a behavioral scientist contributed to the field of "**Motivational**" studies and group Dynamics. There is no learning or success without motivation. It leads to increased efforts and energy, enhance cognitive processing, determine what consequence are reinforcing which lead to improved performance. The performance of an employee is an outcome of A-Ability, K-Knowledge and M-Motivation. According to "Need Hierarchy Theory" physiological safety, social and self-realization are the individual's needs for realising his own potentialities, opportunity and continuous development of individual's skills and power. Motivation helps developing teacher and the potential of the student. The goal of school is to enhance the progress of students by providing knowledge and skills.

School principal must motivate all teaching and non-teaching staff for doing efficient work. He must know academic content, different methods and pedagogical techniques. That should be discussed with teachers to strengthen teaching skills. It should be used for youth development and to achieve school goals of raising student performance.

### **Performance Appraisal**

Performance appraisal is the judgment of an employee's performance in a job. It is type of merit rating about work done in the institution. It is the systematic evaluation of the individual with respect to his performance on the job and his potential for development. It aims at improving the performance, motivating to do better and recommend the training if necessary. Performance appraisal done periodically in the organization helps in maintaining quality of education.

### **Ability Enhancing Practices**

In recent years the concept of HRM is used in different ways with various practices like training and development. AMO theory emphasizes on ability development of an employee. It aims at increasing the knowledge, skills and abilities of teachers and staff. Selection of competent and motivated people from outside the school is also important. Human Resource Development (HRD) is a process in which staffs of any firm are encouraged to build up technical, behavioral knowledge, skills and abilities. (Singh 2015).

In school, students learn at different rates and in different ways. Every student's ability is different, so training programme should accommodate these individual differences in order to facilitate each student's style and rate of learning. The success of any training efforts will depend on the knowledge and teaching skills. HRM system should comprise ability-enhancing practices aimed at increasing the knowledge, skills and abilities of teachers.

### **Training & Development Practices**

An organization which undertakes human resource development (HRD) has to establish a system for training of its employees. It is an instrument of developing the employees by increasing their skills and their behaviour. Training concerned with skill formation refers to all the procedures that lead to overall personal development. The major outcome of training is learning new skills and knowledge that helps them to improve their performance.

According to "Flippo", "*Training is an act of increasing the knowledge and skills of an employee for doing a particular job.*" The core work of school is learning and teaching and the mission from beginning to end is about students. So HRM should provide such training programmes, which will satisfy teacher's needs. In teachers training, teachers must be trained with different teaching methods, pedagogical techniques and teaching skills for student's better performance. In training programmes Lecture method, Seminar, Workshops and group discussions can be added. Such HRM practices can create a high-quality and committed teacher workforce. This training and development process helps individual to gain, apply knowledge, skills and attitudes effectively in school. Effective schools can achieve its goal of preparing high quality students with quality teacher's workforce.

### **Opportunity**

Opportunity factors include the physical environment and available resources in school. So organization should provide an opportunity for the staff to prepare themselves for the higher assignments and to reach their maximum capabilities. Training method is teachers practice in the classroom. Due to variety of methods, experienced teacher can create effective learning and provides learner centered education. In quality schools, teachers allocate a significant amount of classroom time and students are actively engaged in planned learning activity.

### **Continuous Attention of Students' Progress**

To maintain quality in school, student's progress over the essential objectives is measured frequently. The test results are used to improve individual student's behaviour and performance; weaker students' particular subjects are paid more attention to do overall improvement. Good learning environment helps in achieving learning goal effectively.

Researcher carried out an Action Research on twenty teachers of self-financed High-school in Ahmednagar district's Rahuri Taluka in India. Primary objective was implementing HRM practices to improve the achievements of the students. The quality of education includes the quality of curriculum, the functional competencies of teacher, the learning resources, teaching learning environment, assessment, and appraisal and monitoring of classroom process and practices. It was found that for quality control and quality maintenance, the teacher has to face number of problems in the areas of discipline, management, content in different subjects, the learning problems of students, etc. The teacher at all stages is supposed to undertake research experimentation in order to improve the quality of instructions in the classroom. So this Action Research was carried out.

### **Concept of Action Research**

The concept of action research has been used in education since 1926. It is a type of applied research. However, it was applied for the first time for solving the problems in the field of education by "**Stephen M. Corey**". According to him "*Action Research is a process for studying problems by practitioners, scientifically, to take decision for improving their current practices*".

It places emphasis on a problem here and now in a local setting. Its sample size is small, findings are to be evaluated in terms of local applicability and limited to that particular problem. The process goes on till the problem is solved.

Significant efforts have been made by the management for improving school efficiency and teacher-effectiveness. For capacity building of teachers, a number of in-service training programmes like seminars, workshops, ability enhancing practices, developing communication skills, personality development programmes, SWOT analysis have been organized from time to time.

The study carried out on self-financed High-school teachers and students in following ways.

### **Objective of the Study**

1. To study the concept and application of HRM practices in school education.
2. To evaluate the teaching faculty.
3. To find out the effect of HRM practices on faculty and students achievement in school.

### **Research Question**

Is there any relation between HRM practices and academic performance?

### **Methodology**

#### **Survey and Interview Methods**

Researcher used survey and interview method to collect the data from private school faculty to see the effectiveness of HRM practices. As a sample, twenty teachers were taken randomly.

### **Procedure**

The present study is based on survey data and direct collection of information in relation to the objectives of the study. Questionnaire was administered, personally on the sample teachers. Questionnaires questions were given in four sets based on HRM practices related to main four performance factors. On random sampling method basis data was collected. The collected data was analyzed with the help of scoring key.

### **Tool of the Study**

Self-constructed questionnaire was administered on the randomly selected sample teachers. It was divided in four sets and has twenty items, which were based on HRM practices related to performance.

### **Analysis & Interpretation of the Data**

After the data was collected and classified it has been analyzed by using appropriate techniques. The descriptive data regarding the quality enhancing factors and academic performance is presented below.

**Result of The Test**

Results and graphical presentation of the test is given below.

**Table 1: Results of the Test**

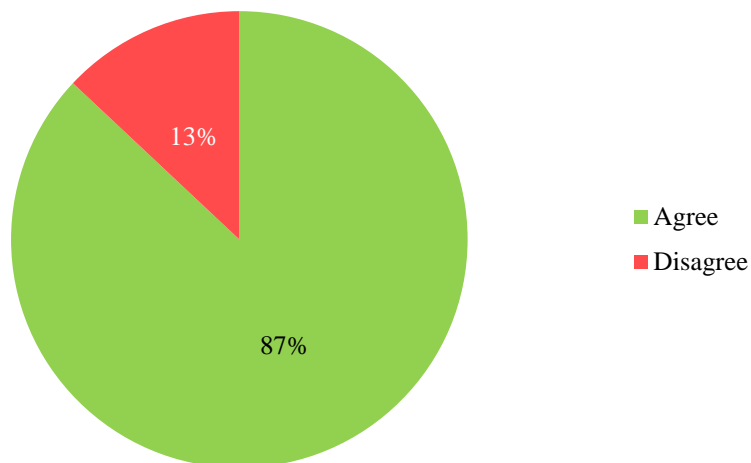
Variables	Marks Obtained	
	Agree	Disagree
Performance Appraisal	174	26
Training & Development (Ability)	196	4
Opportunity	152	48
Motivation	158	42

**Quality of Enhancing Factor**

**1. Performance Appraisal**

**Graph No. 1**

**Performance Appraisal**

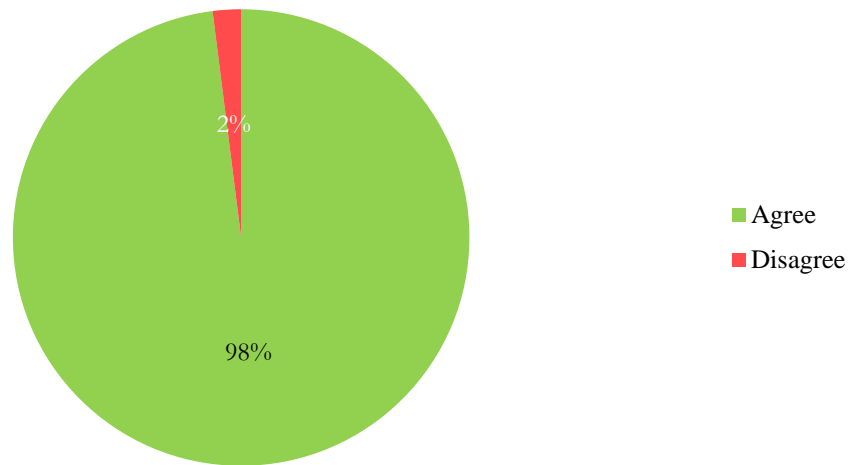


HRM practices plays vital role in enhancing the quality of school education. According to this study and responses, 87% agreed that HRM practice of performance appraisal is helpful.

## 2. Training & Development (Ability-based)

### Graph No. 2

#### Training & Development (Ability)

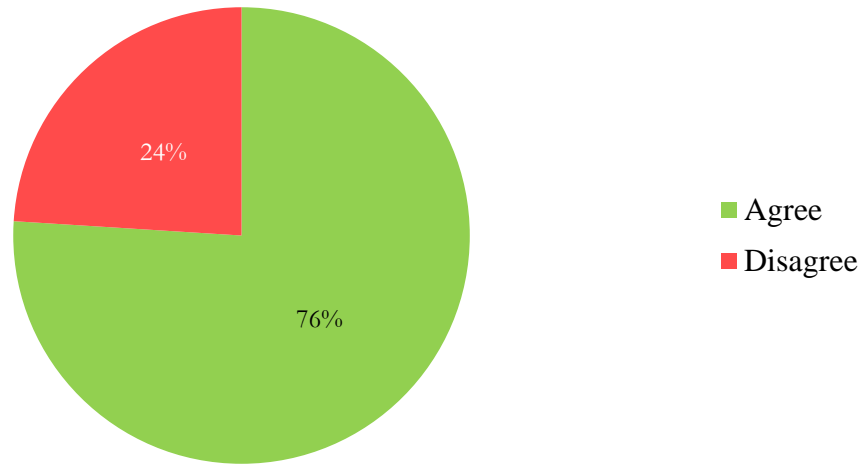


In the above graph 98% responses are agreed that training programmes are helpful.

### 3. Opportunity

Graph No. 3

Opportunity

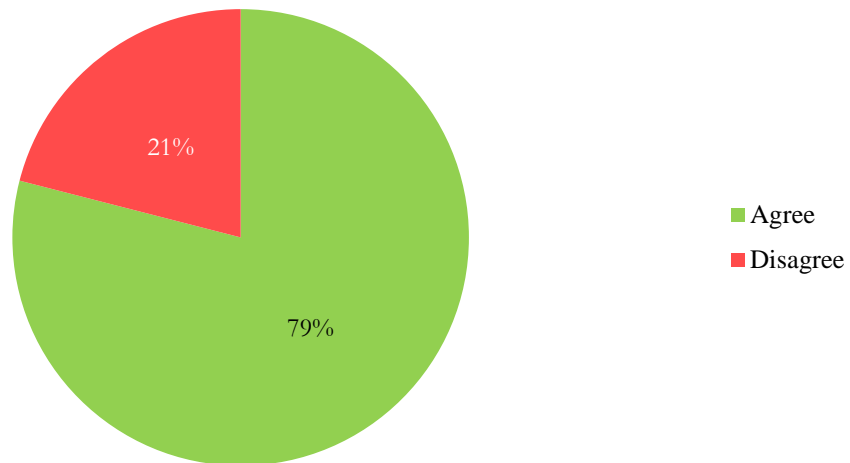


In the above graph 76% respondents agreed for role of opportunity in developing teachers abilities.

### 4. Motivation

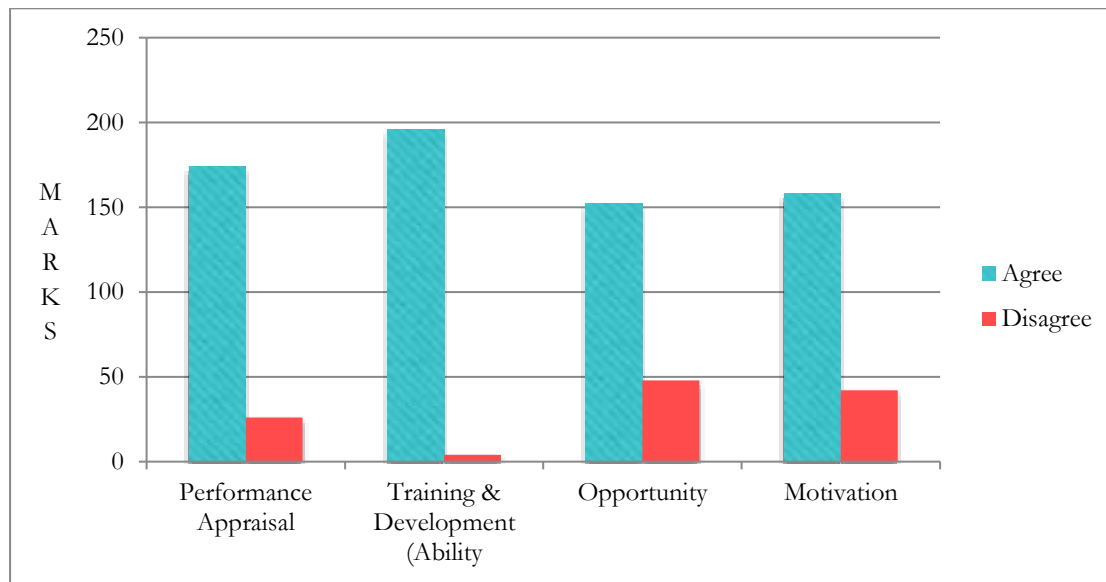
Graph No. 4

Motivation



As per above graph 79% respondents agreed that motivation plays an important role in quality enhancement.

**Graph No. 5:** Comparison of Factors Enhancing Quality of School Education



### Findings of the Study

After the application of HRM practices and evaluation of the teaching faculty in school education, it was found that,

1. The most effective factor contributing to the improvement in quality education is teachers training with ability enhancement practices.
2. Teacher's abilities, motivation, communication, opportunity and Academic performance are significantly correlated with quality education in schools.

### Conclusion

On the basis of the feedbacks received from the participants and the results, it is concluded that HRM practices with action research is an effective tool for enhancing the quality of school education. Proper human resource management in educational institute acts as an essential factor for the educational success and school development process.

### REFERENCES

ACTION RESEARCH AND INNOVATIVE PRACTICES (2005). AN IGNOU - MHRD GOVT. OF INDIA PROJECT, NEW DELHI.

HUMAN RESOURCE MANAGEMENT, STUDY MATERIAL, TILAK MAHARASHTRA UNIVERSITY, PUNE.

JOSHI, SHRINIWAS, V. (2008). HUMAN RESOURCE MANAGEMENT AND ORGANIZATIONAL BEHAVIOUR, VIDYA PRAKASHAN, NAGPUR.

WWW.WHATISHUMANRESOURCE.COM

## The Banking Sector in Morocco: Is it a Growth Sector?

Hind Houssa<sup>1</sup>

<sup>1</sup> *PhD student in Economics*

University Ibn Tofail, FSJES, Kénitra, Morocco.

[hind.houssa@gmail.com](mailto:hind.houssa@gmail.com)

**ABSTRACT:** The Moroccan banking sector is one of the most developed sectors in Africa. It is ranked 4th in Africa in terms of revenue. It is a driving force in the development of the country's economy and prosperity. The latter has become in a short period a modern and efficient growth-creating sector.

Indeed, Morocco is one of the top five banking markets in Africa, with South Africa, Nigeria, Egypt and Angola accounting for 68% of the total revenues of the sector in Africa. Continent wide and their share of revenue growth in 2017 is 60%. This shows that the African banking market is fragmented, according to the report that compares it to the situation in other areas of the world, such as North America, Latin America, the Middle East and emerging Asia, where the top five regions, at the level of these zones, represent more than 90% of the sector's revenues.

**KEYWORDS:** Economic growth, banking economy, banking, banking market.

### INTRODUCTION

The banking sector is an important pillar in the economy. He plays a leading role in the creation of wealth. The bank plays a vital role in this structure by collecting deposits and redistributing them in the form of credits.

In a still risk-ridden environment, the Moroccan banking sector, favored by the diversification of its international activities, is today subject to fluctuations and often abrupt changes. These changes impact its mission of resource allocation which weighs down its mission.

The question is 'Does the Moroccan banking economy finance economic growth'?



## **1- BANK AND ECONOMIC GROWTH IN THE LITERATURE**

The relationship between the banking economy and economic growth does not remain topical, either in the economic literature or in the debates of economists. Like Schumpeter (1911), this relationship was approached by another economist to visualize the contribution of the banking economy to economic growth. These contributions are a great surplus to the economy since, in all studies, a positive link is emerging between the banking and economic spheres.

Schumpeter's economic thought (1911) in his theory of economic evolution underlines the role of technological innovation in the economy. Schumpeter (1911) supports his theory by stating that banks encourage technological innovation by financing entrepreneurs, which is beneficial for economic growth through the development of industrialization. It shows that the stimulation of innovation is largely achieved through the intermediation of bank loans. This financing of innovation and technology, by the banks, encourages the acceleration of economic growth. The contribution of Schumpeter's theory lies in its placement of the financial system, the banking system more precisely, at the center of the economic development process.

Keynes (1930), In *The Currency Treaty* highlights the role of the banking sector in financing growth. He suggests that bank credit is the path in which production moves. The role of the banker for him is to provide the means of transport to ensure the transportation and use of the productive forces necessary for economic growth. For Keynesians, financial development is the result of changes in supply and demand in the real sector.

Gurley and Shaw (1960) state that Keynesians sometimes neglect economic development in financial aspects. Gurley and Shaw (1960) analyze the role of financial intermediation in the economy. They define the bank as monetary financial intermediary. For them, the main activity of the bank is the intermediation between the agents with need of financing and the agents in lack of financing. This operation incurs remuneration for the bank which is the interest rate. These last assimilate the financial development to the division of labor and the techniques of transfer of the savings in investment. In their analysis, Gurley and Shaw (1960) weave a link

between the real and the economic spheres allowing establishing, at the same time, a centralization of the savings and a competition between the financial intermediaries which generates an optimal allocation of savings to investment.

Cameron (1972)<sup>1</sup> shows that the most important institutional innovation in the process of economic development is the emergence of the banking system: The banking system is one of those many institutions that affect the economy and affect its performance for the better or for the worst. Cameron (1972) argues that the banking economy makes it possible both to create money, to collect savings and to ensure a better allocation of resources, which has a positive effect on economic growth.

For McKinnon (1973) and Shaw (1973) who develop the thesis of financial liberalization, financial repression discourages savings and investment, which hampers economic growth. McKinnon (1973) and Shaw (1973) considered financial liberalization as a driver of economic acceleration. They point out that in an economic structure, the absence of a financial system blocks economic development.

In the same vein, Levine's theory (1996) reinterprets Schumpeter's (1911) idea by emphasizing the importance of innovation through the accumulation of capital. He bases the existence of a positive relationship between bank financing and economic growth. Levine argues his progress by the central and specific role played by the bank in the allocation and channeling of savings to more productive uses, protection against risks and mobilization of savings.

As a result, the bank is becoming a necessary institution for the production of value. It plays a vital role in financing the economy. It is also responsible for reducing the risks inherent in the uncertainty of the future. It is a financial and monetary intermediary that ensures the transformation of sight deposits and term deposits into bank loans to the economy. It is therefore the bank that finances the economic growth of a nation.

## **2- INDICATORS OF BANKING SECTOR AND ECONOMIC GROWTH IN MOROCCO:**

---

<sup>1</sup> Banking and Economic Development : Some Lessons of History” [1972)

Since independence, Morocco has pursued a series of structural and cyclical reforms to enable its economy to evolve and, also, to consolidate its micro and macroeconomic balances without compromising the resilience of the Moroccan economy.

The Moroccan economic model is characterized by its openness to the international market. This opening was accompanied by an improvement in the situation in Morocco: global indicators of solvency and external liquidity strengthened, as witnessed by the control of inflation, the maintenance of a current account surplus, the weight of external indebtedness and the net increase in external assets<sup>2</sup>.

Morocco is positioning itself as economic leader of the countries of the Arab world. Its economy is in a phase of consistent growth that will allow it to outperform the financial crises of the future. This transition has allowed Morocco to increase its overall wealth. This increase in wealth is illustrated by the rebound in Morocco's economic growth.

The banking sector contributes to the financing of the growth economy with a banking asset representing 1.2 times the 2015 GDP, the accompaniment of the sectoral and regional policies led by Morocco, the support of SMEs in their growth and the creation of jobs<sup>3</sup>.

To better understand the results of changes and structural changes in the Moroccan economy, we focus on indicators of economic growth and banking Morocco:

## ***2.1- Growth economic in morocco 2007-2017***

The Moroccan economy has a sound macroeconomic framework, capable of constituting an effective lever for achieving the structural objectives. During the last two decades, the Moroccan economy has been marked by significant structural changes, which have been manifested by changes in pace, and a new level of growth seems to be reached<sup>4</sup>.

Over the 2007-2017 period, economic growth averaged 4.25% per year, compared to the average rate of 4.1% between 1996-2006. This weak upward trend of economic growth in Morocco

---

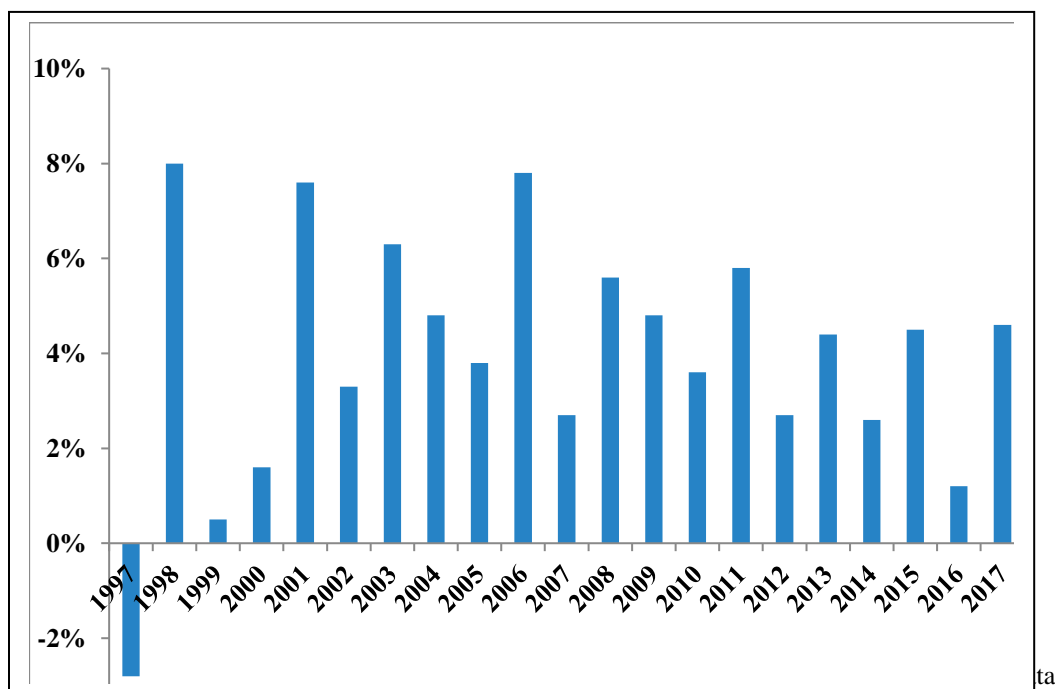
<sup>2</sup> Tableau de bord des indicateurs macro-économiques, ministère de finance et de l'économie, édition mai 2015, p-6

<sup>3</sup> <http://aujourd'hui.ma/economie/etude-evolution-mitigee-du-secteur-bancaire>, visité le 12/05/2018

<sup>4</sup> Selon les dernières statistiques du Haut-Commissariat au Plan (HCP), le PIB au Maroc s'est établi à 872,8 milliards de dirhams en 2013, soit 104,4 milliards de dollars, classant l'économie marocaine au 6<sup>e</sup> rang en Afrique, derrière le Nigeria, l'Afrique du sud, l'Algérie, l'Égypte et l'Angola.

between the two periods, 0.15%, is explained by the fallout from the 2008-2009 financial crisis on Morocco and, also, by the decline in agricultural activity and deterioration. the balance of foreign trade in 2016.

**Figure 1 economic growth in Morocco 1997-2017**



According to figure 1, that the period studied, 2007-2017, fluctuated in the rate of economic growth. This period was marked by the crisis of subimes of 2008 which degraded the economic activity among the partners and resulting, then, a deterioration of the economic growth of Morocco.

Morocco has relapsed in 2016 with a growth rate of 1.2%. This decline is explained by the sharp drop in agricultural activity, 12.8% instead of an increase of 11.9% in 2015, and the moderate increase in non-agricultural activities. Ahmed Lahlimi<sup>5</sup> recalled that agriculture remains the main contributor to the growth of the national economy and the improvement of the standard of living of the population. He explains that the average growth rate of agriculture has increased

<sup>5</sup> Patron du [Haut-Commissariat au Plan](#)

remarkably during this decade, from 3% between 2000 and 2007 to 7.3% between 2008 and 2017<sup>6</sup>.

## 2.2- GROWTH OF GROSS DOMESTIC PRODUCT IN MOROCCO 2007-2017

The level of growth of the Gross Domestic Product has fallen with the international crisis but remains at an appreciable level. Morocco is classified as a developing country and adhering to a capitalist economy<sup>7</sup>. Morocco remains as the sixth largest economy across the continent is dominated by Nigeria, ahead of South Africa and Egypt<sup>8</sup>.

Over the 2007-2017 periods, GDP growth averaged 3.9% per annum, compared with the rate of 4.7% recorded on average between 1996-2006. This decline in Morocco's GDP growth is due to global economic conditions, rising oil prices and poor agricultural campaigns.

Figure 2 GDP growth Morocco 1997-2017

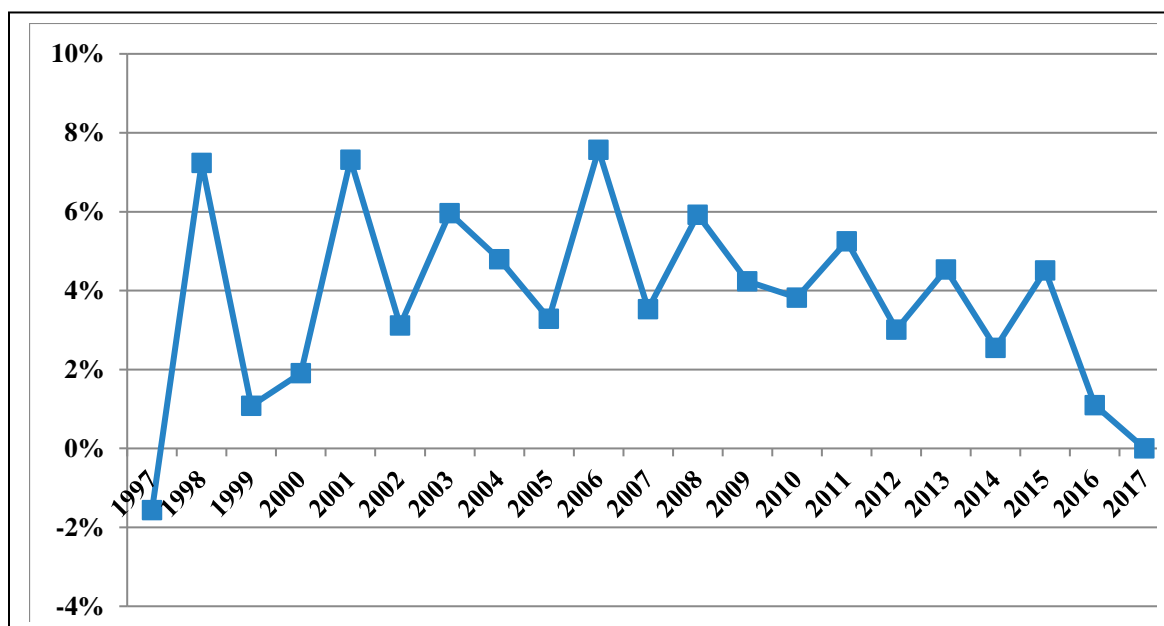


Figure 2 illustrates GDP growth over the period 1997-2017. It is reported that Morocco's GDP is divided between agriculture, industry and services. The decline in the contribution of the

<sup>6</sup><http://aujourd'hui.ma/economie/situation-de-leconomie-nationale-en-2017-et-perspectives-de-2018-lagriculture-reste-le-premier-contributeur-a-la-croissance>, visité le 10-05-2018

<sup>7</sup> La banque mondiale

<sup>8</sup> <https://lematin.ma/journal/2017/le-pib-du-maroc-franchira-la-barre-des-120-milliards-de-dollars-cette-annee/279871.html>, visité le 13-05-2018

<sup>9</sup> <http://perspective.usherbrooke.ca/bilan/servlet/BMTendanceStatPays?codeTheme=2&codeStat=NY.GDP.MKTP.KD.ZG&codePays=MAR&optionsPeriodes=Aucune&codeTheme2=2&codeStat2=NY.GDP.MKTP.KD.ZG&codePays2=MAR&optionsDetPeriodes=avecNomP&forceAxe=0>, visité le 13-05-2018

agricultural sector partly explains the reduction in the volatility of overall economic growth. Overall GDP increased by 4.6% on average, between 2003 and 2013, and by 5% excluding the years 2005 and 2007 bad agricultural seasons<sup>10</sup>.

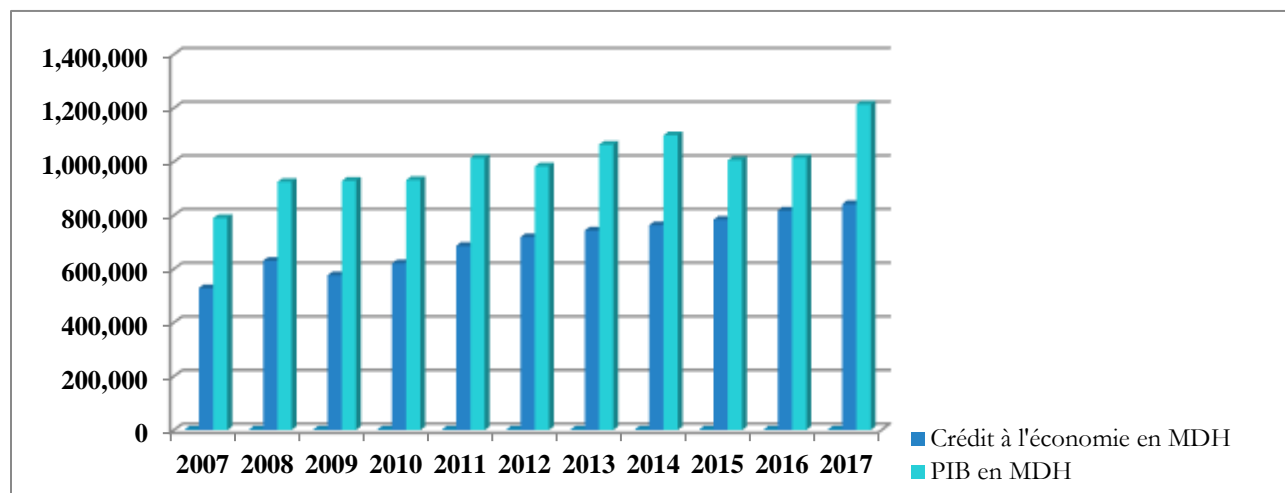
The years 2016 and 2017 have seen a sharp drop in economic growth and this is reflected in the weather hazards that influence Morocco's record cereal production, a severe drought in 2016, which reduces agricultural production, which still accounts for nearly 15% of Moroccan GDP<sup>11</sup>.

### 3- CREDIT REPORTS IN MOROCCO ECONOMY GDP 2007-2017

The banking sector plays a major role in the Moroccan economy. It contributes to the financing and support of the restructuring of sectoral and regional policies adopted by Morocco. It also has a major role in supporting SMEs and creating jobs.

Bank credit to the national economy has had a rising trend over the 2007-2017 periods. They went from 529 to 842 billion dirhams during the period studied. According to the GPBM, one-third of business loans were granted to SMEs, which represent around 92% of the national economic fabric<sup>12</sup>.

Figure 3 Credit-economy in GDP in Morocco 2007-2017



Source : Graph developed by the author from data from the World Bank and BAM

<sup>10</sup> L'état de l'économie marocaine : un potentiel de développement réel mais contraint *Fouzi Mourji et Hicham Masmoudi* ? P 913

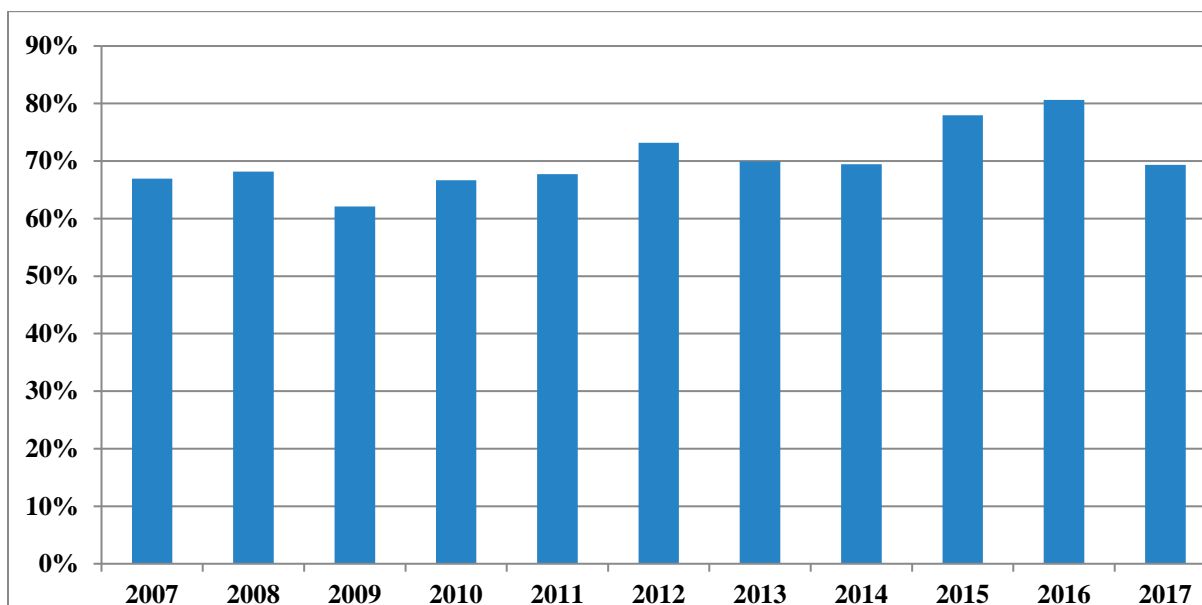
<sup>11</sup> <http://www.banquemondiales.org/fr/country/morocco/overview>, visité le 13-05-2018

<sup>12</sup> <https://lnt.ma/le-secteur-bancaire-contribue-fortement-au-developpement-economique-du-maroc/>, visité le 14-05-2018

Now we see that the banking sector provides most of the financing of the economy by draining a significant part of the savings of economic agents. The credit to the economy evolve in line with the gross domestic product from a favorable macroeconomic environment.

The evolution of domestic demand and strong investment growth was supported by favorable financing conditions, both in terms of interest rates than the volumes granted by banks<sup>13</sup>.

**Figure 4 Credit to the economy in Morocco reported GDP 2007-2017**



Source : Graph developed by the author from data from the World Bank and BAM

The analysis of the ratio of credit to the economy as a percentage of GDP over the period 2007-2017 shows that, on average, loans to the economy finance more than 70.7% of national GDP. Indeed, the ratio of bank credit to the economy on gross domestic product (GDP) is an indicator reflecting the positive link between the creation of wealth and the banking economy.

Finally, we touch here the heart of analysis of our article. No one can deny the enormous role played by the Moroccan banking system in financing the economy, influencing economic growth and ensuring capital accumulation.

---

<sup>13</sup> Le secteur bancaire au Maroc : un modèle de développement réussi, Attijari Intermediation, p 10.

The results validate the hypothesis that the banks accompany the creation of the wealth of the nation which then generates economic growth.

## **CONCLUSION**

The banking sector plays a major role in the Moroccan economy. It contributes to financing and supporting the restructuring of sectoral and regional policies adopted by Morocco.

Contribute to the financing of growth with a banking asset 1.2 times the 2015 GDP, to support sectoral and regional policies, to support SMEs in their growth and creation.

We touch here at the heart of our article. Colossal that plays the Moroccan banking system to finance the economy, the influence of economic growth and the insurance of the accumulation of capital.

The results validate the assumption stipulated by the banks accompany the creation of the wealth of the nation which engages, thereafter, the economic growth.

## **REFERENCES**

MAMANE BOUKARI, (2015). LA THÉORIE DE LA LIBÉRALISATION FINANCIÈRE FACE AUX ENJEUX DU FINANCEMENT DU DÉVELOPPEMENT EN AFRIQUE SUBSAHARIENNE, P 18.

BANKING AND ECONOMIC DEVELOPMENT, (1972) : SOME LESSONS OF HISTORY, P-8.

BANKING AND ECONOMIC DEVELOPMENT, (1972) : SOME LESSONS OF HISTORY, P-6

TABLEAU DE BORD DES INDICATEURS MACRO-ÉCONOMIQUES, (2105), MINISTÈRE DE FINANCE ET DE L'ÉCONOMIE, ÉDITION MAI, P-6

[HTTP://AUJOURDHUI.MA/ECONOMIE/ETUDE-EVOLUTION-MITIGEE-DU-SECTEUR-BANCAIRE](http://AUJOURDHUI.MA/ECONOMIE/ETUDE-EVOLUTION-MITIGEE-DU-SECTEUR-BANCAIRE), VISITÉ LE 12/05/2018

[HTTP://AUJOURDHUI.MA/ECONOMIE/SITUATION-DE-LECONOMIE-NATIONALE-EN-2017-ET-PERSPECTIVES-DE-2018-LAGRICULTURE-RESTE-LE-PREMIER-CONTRIBUTEUR-A-LA-CROISSANCE](http://AUJOURDHUI.MA/ECONOMIE/SITUATION-DE-LECONOMIE-NATIONALE-EN-2017-ET-PERSPECTIVES-DE-2018-LAGRICULTURE-RESTE-LE-PREMIER-CONTRIBUTEUR-A-LA-CROISSANCE), VISITÉ LE 10-05-2018



[HTTPS://LEMATIN.MA/JOURNAL/2017/LE-PIB-DU-MAROC-FRANCHIRA-LA-BARRE-DES-120-MILLIARDS-DE-DOLLARS-CETTE-ANNEE/279871.HTML](https://lematin.ma/journal/2017/le-pib-du-maroc-franchira-la-barre-des-120-milliards-de-dollars-cette-annee/279871.html), VISITÉ LE 13-05-2018

[HTTP://PERSPECTIVE.USHERBROOKE.CA/BILAN/SERVLET/BMTENDANCESTATPAY S?CODETHEME=2&CODESTAT=NY.GDP.MKTP.KD.ZG&CODEPAYS=MAR&OPTIONS PERIODES=AUCUNE&CODETHEME2=2&CODESTAT2=NY.GDP.MKTP.KD.ZG&CODE PAYS2=MAR&OPTIONSDETPERIODES=AVECNOMP&FORCEAXE=ON](http://perspective.usherbrooke.ca/bilan/servlet/bmtendancestatpays?codetheme=2&codestat=NY.GDP.MKTP.KD.ZG&codepays=MAR&optionsperiodes=AUCUNE&codetheme2=2&codestat2=NY.GDP.MKTP.KD.ZG&codepays2=MAR&optionsdetperiodes=AVECNOMP&forceaxe=ON), VISITÉ LE 13-05-2018

(9) FOUZI MOURJI ET HICHAM MASMOUDI , L'ÉTAT DE L'ÉCONOMIE MAROCAINE UN POTENTIEL DE DÉVELOPPEMENT RÉEL MAIS CONTRAINT? P 913.

[HTTP://WWW.BANQUEMONDIALE.ORG/FR/COUNTRY/MOROCCO/OVERVIEW](http://www.banquemondiale.org/fr/country/morocco/overview), VISITÉ LE 13-05 2018

[HTTPS://LNT.MA/LE-SECTEUR-BANCAIRE-CONTRIBUE-FORTEMENT-AU-DEVELOPPEMENT-ECONOMIQUE-DU-MAROC/](https://lnt.ma/le-secteur-bancaire-contribue-fortement-au-developpement-economique-du-maroc/), VISITÉ LE 14-05-2018

ATTIJARI INTERMÉDIATION, (2018). LE SECTEUR BANCAIRE AU MAROC: UN MODÈLE DE DÉVELOPPEMENT RÉUSSI, P 10.

## **KRÍZOVÁ KOMUNIKÁCIA V KREATÍVNOM PRIEMYSLE** **Crisis communication in the creative industries**

**Assoc. Prof. Mgr. Lucia Spálová, PhD.**

Department of Mass Media Communication and Advertisement, Faculty of Arts, Constantine the Philosopher University in Nitra (Slovakia)  
lspalova@ukf.sk

**Mgr. Veronika Szabóová**

Department of Mass Media Communication and Advertisement, Faculty of Arts, Constantine the Philosopher University in Nitra (Slovakia)  
veronika.szaboova@ukf.sk

### **Abstract**

This paper focuses on crisis communication as part of the PR procedures in the creative industries, specifically in the advertising agencies, and the ways to optimize the communication processes in crisis management. The aim of the survey, which forms the body of this paper, was to map out the signs and hallmarks of crisis communication in the creative industries. A significant part of our work consists of the interpretation of results, which are used to frame the crisis communication theories as accurately as possible in the surveyed segment and effectively avoid the company management (and literature) generalizations.

### **Keywords:**

Creative industries. Crisis. Crisis communication. Advertising agency.

## Introduction

Crisis communication as one of the key activities in public relations is a relatively broad issue and it has been analyzed by numerous authors such as Coombs (2015), Heath and O'Hair (2010), and Czech authors such as Vymětal (2009) in his publication *Crisis Communication and Risk Communication*, Chalupa (2012) who in his monograph generally focuses on effective crisis communication beneficial for all PR managers, or Bednář (2012) who focuses exclusively on crisis communication with the media – the so-called crisis media communication. Having studied dozens of scholarly publications, scientific articles and studies, we conclude that these sources indeed describe and define the theoretical patterns and contexts relating to crisis communication, i.e. they define crisis communication as a concept, divide it into categories, define its objectives, principles and rules for it to be effective, and specify when it is effective. The scientific and expert sources classify also the different strategies, models and theories of crisis communication and describe its processes, focusing on the period before the crisis, and crisis planning. However, we have to conclude that the authors demonstrate the principles of crisis communication primarily by using the examples of crisis management from the companies in the business sector – especially pharmaceutical, chemical, mining, financial and food – and political marketing and/or activities and communication of political stakeholders (politicians, departments/ministries, political parties, etc.) (Chalupa, 2012, pp. 26-28; Coombs - Holladay, 2010, p. 18), and crisis communication is always automatically linked with “crisis media communication”, thus envisaging the media coverage of the company/entity crisis, and for this reason the defined policies and procedures include the advice on how to communicate with the media especially through a competent press secretary, which is, for example, summarized in the statement “...when forming the crisis scenario, the spokesperson should be assisted by competent persons from various corporate departments that have the a greater insight into the risks directly related to their job descriptions” (Fearne – Banks, 2017, p. 301). It follows that the presence of a spokesperson in the company is a necessity. Another statement implies the following: “The main components of the plan include the previously prepared press releases, determining the problematic issues that may be raised by the journalists as well as the formulation of the most appropriate answers to them.” (Anthonissen, 2008, pp. 41-42) or “Crisis communication focuses on solving the media problem” (Bednář, 2012, p. 52).

However, are these recommendations and procedures also relevant, useful and applicable to the companies in the creative industries, which include advertising agencies, marketing agencies, PR agencies, etc.? Our paper also attempts to answer this question. We were searching for monographs, articles and papers in the scientific journals and databases that explicitly address crisis communication in the creative industries and/or advertising agencies, but we did not find any satisfactory results. After entering the keyword “crisis communication in advertising agency” into the Google search interface, we received 40,800,000 results and opened the links on the first two pages only to discover that the articles were not dealing with crisis communication in the advertising agencies but rather with crisis communication of particular brands, or crisis communication in general. Two paid links were followed by 10 organic search results, the ninth of which directed us to a statement by Chris Moerdyk, a marketing analyst and former head of strategic planning and public relations for BMW South Africa, who has

worked in various departments of creative and client service advertising agencies for 16 years: *"While I have a great respect for advertising agencies, they are not equipped in the field of crisis communication and they lack the necessary skills or experience. To find an advertising agency that can deal with a crisis and conduct crisis communication is as naive as to think that fingers and toes are one and the same thing"* (Moerdyk, 2017). He also claims that crisis communication is very specific in the case of advertising agencies. This statement reinforces our position, namely that crisis communication in the creative industries is different from crisis communication in corporate management, which was, however, used to establish the crisis communication theory.

## **1 Basic definitions of crisis communications and crisis**

Due to the apparent closeness to the study program of Marketing communication and Advertising, we consider it important to explicitly define and delimit crisis communication in the marketing communication theory. Since the objective of crisis communication is to communicate in favor of the affected companies, institutions, advertising agencies, etc. in the event of an emergency, i.e. to protect the reputation of the agency, eliminate the damage to its reputation and restore the status in which it can thrive and fully meet the client's requirements, it is more than clear which marketing communication tool it belongs to. Does it belong to advertising, direct marketing, personal selling, public relations or sales support? The answer is PR – the principle of which is *"to build a standing relationship with the various members of the corporate public through positive publicity, create a positive company image, defend against negative information about the company and organize various events"* (Kotler - Armstrong, 2004, p. 667). According to Hesková and Štrachon (2009), PR as a tool of marketing communication can be divided into several activities: *creation of corporate identity* (corporate identity consists of philosophy, culture, personality and design), *lobbying* (enforcement of something with an attempt to influence someone through argumentation; lobbying is an effort to persuade the legislators about the interests of individual organizations and pressure groups), *information about products* (attempt to establish a positive relation of both regular and potential customers to the company), *social communication*, focused on social responsibility and sustainable development, *sponsorship* and *support for changes in the company* (focused and targeted promotion of innovative processes through communication) and *crisis communication*, which is under consideration in our work, i.e. the solution of problems under time pressure. This type of communication belongs to negative publicity and it can significantly affect the public confidence in the company.

Based on our prior knowledge, we can define two main objectives of crisis communication: first, to eliminate the damage caused as a result of the situation, and second, to act preemptively, which includes a variety of activities ranging from traditional PR activities, such as the protection of reputation of a company, brand or person, effort to build trust, promotion of responsible behavior and quenching the information thirst of the media and the general public, to media monitoring, polling and anticipation of problematic issues. Our opinion is backed by the arguments found in professional literature, which states that the aim of crisis communication is to provide correct, timely, reliable, full and convincing information. It is also important to provide information at the right time and place. Compliance with the above results in a timely and professional preparation of the bodies and elements of crisis management to provide the necessary actions and limit uncertainty, contribute to the desired behavior, prevent panic and strengthen the faith in the future in general population (Bednarik, 2011). In addition, the aim is also to prevent or mitigate negative publicity, which could damage the reputation and integrity of legal or natural

persons that were labeled as the originators or causes of the incident (Antušák, 2009). The above can also be summarized in the following abbreviated formula: effective communication = prevention + action (Chalupa, 2012).

## 2 Research problem, objective and questions

Before stating the research problem, objective and question, we need to define the term "creative industries" because we will be using it to a significant extent. According to the Ministry of Culture of the Slovak Republic, the term "creative industries" means those parts of the economy that create economic value based on the individual contribution of creative or artistic talents. This sector is based on the appreciation of intellectual property, which may include creative industries such as architecture, design, film, music, but also the creation of computer games and advertising (Franková, 2016). The whole area of creative industries is divided (see Table 1) into the cultural and creative sector.

**Table 1 Sectors of creative industries**

<b>CREATIVE INDUSTRIES</b>			
<b>a) CULTURAL SECTOR</b>			
Areas	Sectors	Subsectors	<i>Characteristic</i>
<b>Key sectors of art</b>	visual art	crafts, painting, sculpture, photography	<ul style="list-style-type: none"> <li>• non-industrial activities</li> <li>• prototypes and potentially copyright works as outputs</li> </ul>
	artistic performances	theater, dance, circus, festivals	
	cultural heritage	museums, libraries, archaeological sites, archives	
<b>Area 1: Cultural industries</b>	film and video		<ul style="list-style-type: none"> <li>• industry activities aimed at mass reproduction</li> <li>• outputs are based on the use of copyrighted content</li> </ul>
	TV and radio broadcasting services		
	video games		
	music	music publishing market, live musical performances	
	books and magazines	publishing houses, magazines and print	

<b>b) CREATIVE SECTOR</b>			
Areas	Sectors	Subsectors	<i>Characteristic</i>
<b>Area 2:</b> <i>Creative industries and activities</i>	design	fashion design, graphic, interior and industrial design	<ul style="list-style-type: none"> <li>• activities are not necessarily industrial in nature and may include prototyping</li> <li>• outputs are based on the use of objects of intellectual property rights (e.g. copyright works, designs, trademarks)</li> <li>• use of creative skills and creative professionals from the area of arts is essential to the performance in non-arts sectors</li> </ul>
	architecture		
	<b>Commercial</b>		
<b>Area 3:</b> <i>Related industries</i>	production of PCs, MP3 players, mobile phone industry etc.		<ul style="list-style-type: none"> <li>• This category is broad and cannot be defined with clear-cut criteria.</li> <li>• It includes many other economic sectors that depend on the previous areas.</li> </ul>

Source: own processing according to the Economy of Culture in Europe, 2006.

In 2013 a feasibility study "Report on the status and potential of creative industries in Slovakia" was published, which claims that the advertising industries in Slovakia consist of two basic components of the market cycle – communication market and media market. The first area includes standard communication agencies, which mainly deal with the creation of creative advertising ideas and their implementation, PR agencies, agencies dedicated to promotion and event marketing and production companies. The second area consists of media agencies whose principal activity is the purchase of the media market. These structures of the advertising industry have emerged in several phases since 1989. While the original "advertising" agencies were almost exclusively integrated and covered the full cycle of creation, production and placement of advertising, later developments gave rise to the segmentation of individual activities thanks to the rapid growth of the market. The current trend is to return to a moderate degree of integration, especially in the communication agencies, which is due to both the decreasing turnover and efforts to better target the multi-genre campaigns (Lipnická et al., 2013).

Based on the above outcomes, the research problem, i.e. the problem that needs a solution, revolves around the nature of crisis communication in the advertising agencies, which are an integral part of creative industries. Our motivation is to contribute to the optimization of communication processes in crisis management in the creative sector, which belongs to creative industries. *The aim of the 1st phase of our research, i.e. the research whose partial results are presented in this paper, is to define the characteristics of crisis communication in the creative industries.* We work with two research questions:

- 1. How is crisis characterized by the people working in the creative industries?*
- 2. Can the primary features of crisis communication be identified in advertising agencies?*

### 3 Characteristics of the research set and research methods

The 1st phase of research in the forthcoming dissertation, whose aim is to identify the character and nature of crisis communication in the context of creative industries, was carried out on a sample set compiled through deliberate selection; i.e. we defined the selection criteria relevant to our research and respondents who are actively working in the creative industries. The requests to take part in our research were sent to 44 individuals who meet this criterion and work in the relevant positions in the 11 member agencies (Apple Pie Advertising, Effectivity, Elite Solutions, s.r.o., Istropolitana Oglivy, JANDL, marketing a reklama, s. r. o., MullenLowe GGK, MADE BY VACULIK, MUW SAATCHI & SAATCHI, Respect APP, TRIAD Advertising, Wiktor Leo Burnett, s.r.o. and Zaraguzka) of the Club of Advertising agencies of Slovakia (KRAS), a representative organization whose members include the most successful and productive advertising agencies on the Slovak market. The main mission of the Club is to increase the level of Slovak advertising and marketing communication in a way that it becomes an integral part of the market economy through constant contributions. Since 1993, KRAS has been a full member of EACA – European Association of Communication Agencies based in Brussels. We approached 4 individuals in every member agency – one person in the leading position and three other employees, and our selection was carried out randomly from the database of personal profiles on LinkedIn. The return rate of the questionnaire, which was created by means of an online tool hosted by Google, was 47.7%, i.e. the experiences, opinions and insights were shared by 21 people employed in the creative industries, with 62% of them in a management position in the said agencies.

We used a mixed strategy, simultaneous combinations, namely the QUAL+quan scheme (according to Hendl, 2005). The data were collected through qualitative questioning; the questionnaire reflecting the aims and objectives of basic research contained 27 questions and it was topically divided into 6 sections, including the questions about the respondent and the agency (4 items), a section dedicated to the definition of crisis (11), staffing of crisis communication (5), material (6) and administrative support (1) and 2 items on possible future cooperation. The questions were formulated in a way to capture the character and map out the status of crisis management in an advertising agency with the aim to collect rich and saturated data.

### 4 Interpretation of results from the first year

#### 4.1 Crisis in the creative industries

As outlined above, the questionnaire was divided into several thematic sections such as those related to the very concept of crisis and crisis communication in the context of creative industries, i.e. in the specific agencies where the respondents are employed. In the question: *"Please describe what the term 'crisis' refers to in your agency" When are you dealing with a crisis?"*, the respondents gave answers of different nature and length. To collect qualitative data, we conducted an analysis by applying some editing techniques, namely the approach known as "grounded theory", which consists of finding and uncovering the specific substantive theory that in some way relates to the defined population, environment and period (Hendl, 2005); in the case of our research, it is the environment of creative industries and professionally active people in this segment. First of all, we defined the concepts, categories (see Table 2) and propositions that formulate the generalized relationships between the

categories and concepts, and the entire analytical part of our work was focused on identifying the central category of the examined material in the process of comprehensive theoretical encoding (Hendl, 2005).

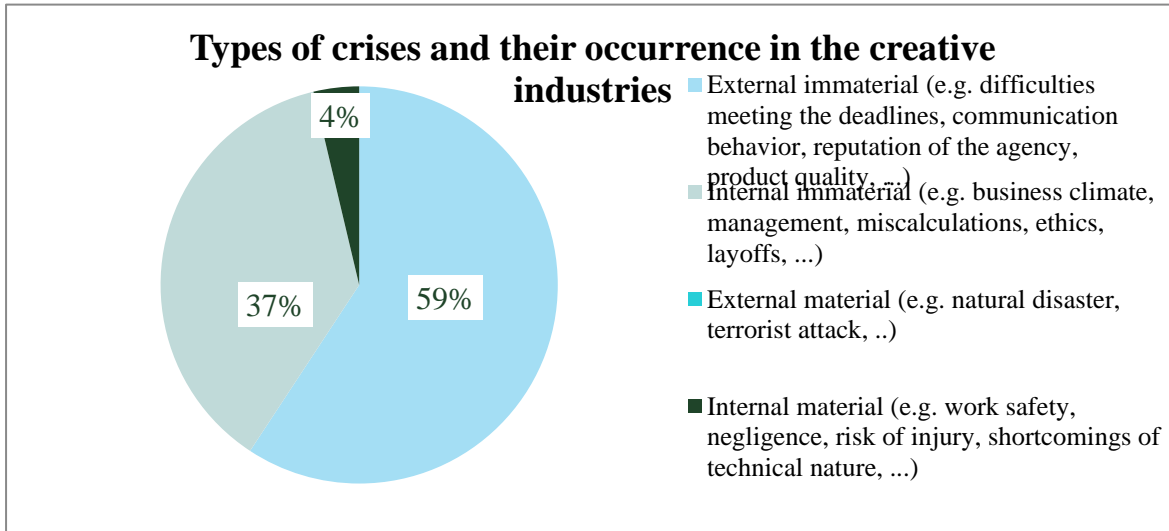
Tab. 2 Concepts and frequency of each category

<b>CONCEPT:</b> <i>LACK</i>	<b>CATEGORIES</b>			
	<b>lack of time</b>	<b>financial crisis</b>	<b>lack of human resources</b>	<b>lack of projects/tasks</b>
	4x	5x	2x	2x
<b>CONCEPT:</b> <i>THREATS</i>	<b>CATEGORIES</b>			
	<b>loss of customers</b>	<b>loss of reputation/risk to reputation</b>		<b>mistake/error</b>
	1x	5x		4x
<b>CONCEPT:</b> <i>RESPONSE</i>	<b>CATEGORIES</b>			
	<b>Reaction of the public</b>		<b>Reaction of the agency</b>	
	3x		1x	

Source: own processing

By using open encoding, we assigned the respondents' answers to the respective categories, and as can be seen in Tab. 2, the descriptions of a crisis in advertising agencies were dominated by "lack", most often because the statements of the respondents contained explanations in connection with "a crisis in their agency", for example *"When the projects and resulting work exceeds the number of employees and there's nobody to do it", ... "for me this primarily means the lack of work for our employees and/or our work not being paid", "lack of functioning projects, lack of clients, financial crisis"* or a very brief answer *"ASAP"* etc. A crisis in the creative industry is therefore most often associated with the concept of "lack", followed by "threats" – this concept includes the categories that represent the source and consequence of crisis, but from a broader perspective the former can overlap with the latter, i.e. a loss of customers can be both the source and consequence of a crisis, i.e. a consequence of the crisis, which was triggered by some mishap. This category can be identified in the following statements: *"any threat to the reputation of a brand" ... "when an unforeseen situation takes place in the course of the campaign that may result in a negative reputation or have an impact on business."* In addition to the concept of "lack" and "threat", some statements were also dealing with the "response" of the general public (customer) and the agency itself, e.g. *"when the customers respond poorly to the product or price; when there's a lot of 'hate' of the company, its communication..."*. We note that the respondents making up the research file, i.e. employees working in the creative industries and people authorized and competent to answer the questions in our research, explain the word "crisis" mainly in the context of its source, and the course of the crisis and its solutions and consequences are backgrounded in their understanding of this concept. For a better understanding of the concept of "crisis" in the creative industries, the questionnaire also included multiple-choice questions that helped us identify the most frequently occurring types of crises in the

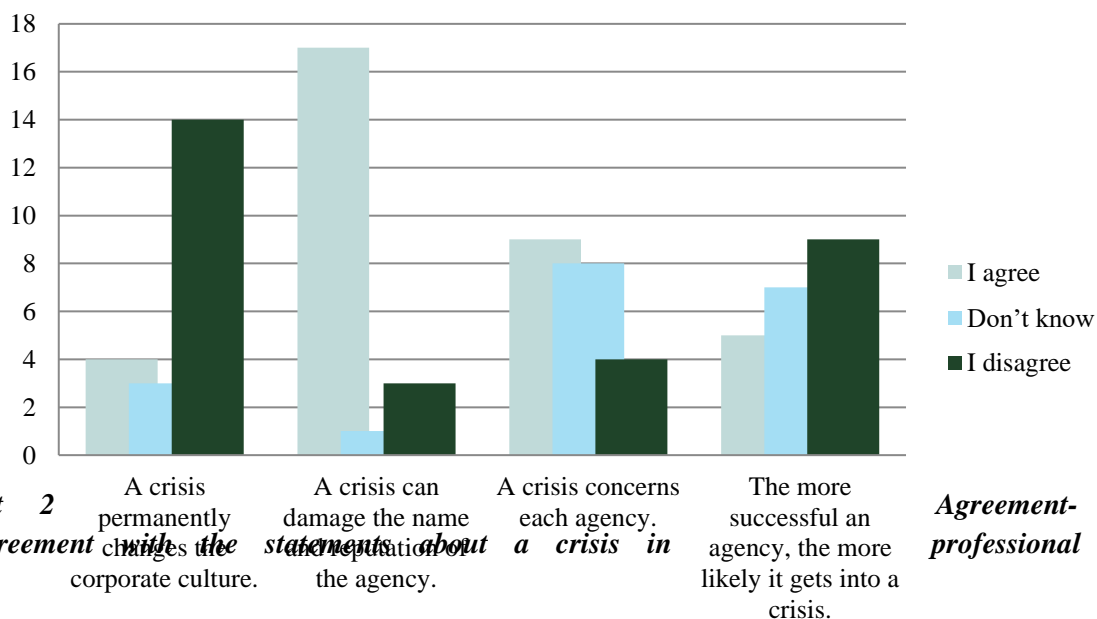
advertising agencies (see Chart 1), i.e. immaterial external crises, such as the reputation of the agencies, non-compliance with the deadlines and product quality.



**Chart 1** Types of crises and their occurrence in the creative industries

Source: own processing

The questionnaire also included the questions with statements from professional literature. We were curious to see whether the people working in the creative sector agree with these statements. It turned out that 80% of the respondents agree with the statement that a crisis could damage the good name and reputation of an agency, but their answers were not as clear concerning the other statements (see Chart 2).



**Chart 2** disagreement with the statements about a crisis in



*literature*

Source: own processing

The statement *"When a situation you refer to as a 'crisis' erupts in your agency, it is addressed systematically using the instruments of crisis management (crisis communication planning, crisis manual, etc.)."* sparked the biggest disagreement, with 52% of the respondents claiming the exact opposite, namely that if a crisis breaks out, it is addressed rather intuitively without relying on the theory or manuals. This very finding has inspired us further in our dissertation – we want to verify the effectiveness of crisis management in the agencies where the crises are addressed intuitively without applying or relying on the instruments of crisis prevention and the tools for crisis communication, and also describe how such intuitive approaches work.

**SUMMARY**

**Answer to Research Question 1** - *How is crisis characterized by the people working in the creative industries?*

The definition of a crisis in the creative industries is the result of a grounded analysis of statements, views and experiences of the people active in this segment. According to the answers of the competent stakeholders, a crisis in an advertising agency is a situation, which is most often associated with: *a) lack* - lack of time, money, quality human resources and projects to bring the agency money, *b) threats*, which are understood either as the source or consequence of the crisis and *c) response*, which is negative and affects the agency from the outside.

**4. 2 Crisis communication in the context of advertising agencies**

According to our survey, 57% of the respondents encountered the concept of “crisis communication” in their agencies, and it is interesting to note that positive answers were mainly provided by the respondents who also stated that they belong to the agency management (75% of the above 57% hold senior positions). But what do they mean by crisis communication? We tried to find an answer to this question by asking the respondents to describe crisis communication in the creative industries in their own words. The data were analyzed in the same manner as in the question about crisis, see Tab. 3.

Tab. 3 Concepts and frequency of each category in the statements on crisis communication

<b>CONCEPT: METHOD (HOW?)</b>	CATEGORIES		
	<b>Explanation/statement</b>	<b>Apology/acknowledgment of error</b>	
	7x	2x	
	Examples of statements		
	.. "Reversal of this social interaction - intelligible <i>client opinion, explanation, apology</i> "		
.. "sometimes the industry has to be <b>told what we wanted to achieve</b> by the (for example) controversial campaign. "			
<b>CONCEPT: INTENTION (WHY)</b>	CATEGORIES		
	<b>Protection of the reputation/public image</b>	<b>Information saturation of the public</b>	<b>Problem solution</b>
	7x	6x	3x
	Examples of statements		
	... "A way to respond on behalf of the brand with <b>negative publicity and smearing</b> so that the brand image <b>suffers as little damage as possible</b> "		
	"I think the point is how the creative agency communicates to handle the situations that have the <b>potential to damage its reputation.</b> "		
... " <b>public communication</b> of the solution to a particular problem in the company. "			
<b>CONCEPT: TIMING (WHEN?)</b>	CATEGORIES		
	<b>Situation type</b>	<b>Response promptness</b>	
	7x	3x	
	Examples of statements		
	"Communicating unpleasant and adverse events to the public - <b>poor results, significant errors, failures in the implementation of creative outputs/campaigns</b> or other activities, and/or internal crisis communication with a particular team in the company."		
	" <b>Immediate response</b> with admittance of errors/mistakes and a sincere effort to solve the problem..."		
Solve the problems <b>ASAP</b> , mostly online, and respond adequately."			

Source: own processing

Based on the content analysis of individual statements and opinions of the respondents, we can define the understanding of crisis communication in the creative industries: the respondents directly employed in the creative sector mostly described the intention, method and timing of this type of communication in their responses. Therefore, we conclude that the respondents did not state a definition, which would be a direct and comprehensive response to the question "What is crisis communication?",

but rather focused selectively on the individual areas – content, reason for such communication and specific situations requiring this type of communication. The statements mostly contained the communication intention and the descriptions of situations in which the crisis communication is used, which can be seen in the statements in Tab. 3. It should be noted that the various statements did not fall into a single category, but they touched two or three different concepts we defined prior to the analysis, for example, the statement *"this communication requires a prompt and down-to-earth response to certain facts so as to reverse the potential damage to the reputation of the brand"* was assigned to the category "Response promptness" because of the use of *"prompt and down-to-earth"* and the category "Reputation/public image protection" because of the end part of the statement *"reverse the potential damage to the reputation of the brand"*.

In addition, following the definitions of crisis communication presented by the respondents, we focused on mapping the specific situations in which this term is used and/or encountered in the agency by the respondents or other persons around them. This item and the related responses allow us to describe the crisis communication using the examples directly from the creative sector, i.e. beyond the theories and definitions, which have been defined above. We can be more explicit and practically explain this concept in the observed segment in a more accurate and relevant way. Based on the data, we conclude that crisis communication in the creative industries is especially implemented online, that is, on the social media of relevant brands/clients. The reason for this shift of communication space is well formulated in one of the responses: *"...it mostly happens on social media, as these have become a strong PR channel with immediate response"*. This statement contributes the other statements of the respondent: *"when someone writes a negative comment, status or review of our client on Facebook and it spreads organically and new comments snowball with an increasing impact on the people, our task is to respond quickly and sincerely to get the situation under control, inform the people and repair the reputation of the brand as much as possible"*.

In this thematic section, our questionnaire also included the items inspired by the authors of professional publications to be able to generally compare these statements on crisis communication with the statements of the people from the creative industries who represented our research file. After summarizing the data collected, we note that the respondents considered crisis communications to be rational, non-affective, influenced primarily by emotions, and therefore agree with the opinions presented in the literature, and also identify with the statement that it is systematic and deliberate communication, which requires planning. This very moment, however, is in contrast with the responses concerning the solutions to the crisis – in theory, 95% of the respondents consider crisis communications to be systematic and planned, but in practice, more than half (58 %) carry it out intuitively. By using the statements from professional sources, we wanted to see which elements are considered to be an essential prerequisite for successful crisis communication. It has been demonstrated that the crucial ones include composure, rational approach to the issue, and understanding of the problem as a technical challenge rather than emotional commitment.

## SUMMARY

**Answer to Research Question 2** - *Can the primary features of crisis communication be identified in advertising agencies?* Based on the results of content data analysis, which showcases the nature of crisis communication in the creative industries, we claim that the move to the online context is the most significant characteristic of

communication in this segment – this is where the crises appear most frequently in the creative sector, and at the same time, this is where they are proactively approached by the authorized persons responsible for the digital platforms – in particular social networks – to stabilize the situation and deal with it.

## **CONCLUSION**

This contribution presents the first phase of an ongoing research – the survey, its aims, research questions and methods used in the course of the investigation, and most importantly, the interpretation of results and definition of theories. Our aim was to verify whether the recommendations and practices introduced by the authors of expert literature on crisis communication in the business sector and politics are relevant, useful and applicable in the creative industries, which include advertising agencies, marketing agencies, PR agencies etc. We first reviewed the available monographs, articles and papers published in the scientific journals and databases that explicitly address crisis communication in the creative industries and/or advertising agencies, but we did not find any satisfactory results. We found Chris Moerdyk's (an expert in crisis communication) statement saying that in the case of advertising agencies, crisis communication is very specific. At this stage, we reinforced our assumptions that crisis communication in the creative industries is different from crisis communication in the corporate environment, which was, however, used to establish the crisis communication theory. Based on the research questions, we prepared the questionnaire form with questions designed to map out this area of concern. Although the analyzed data showed some degree of disparity, perhaps the most striking difference was the relationship between theory and practice: expert literature says that crisis communication should be systematic and conducted by trained staff/communications team relying on the manuals, scenarios etc., however, the actual situation in the advertising agencies suggests otherwise: crisis communication is intuitive and there is no standalone department or position with a sole responsibility for crisis communication. It is provided for internally, on a case-to-case basis, and by untrained employees. During our research, we also concentrated on the staffing issues in connection with crisis communication, and although this area is not presented in this contribution, we take the liberty to claim that crisis communication staffing in the companies from the creative sector, which includes the advertising agencies, does not have a rigid and clearly identifiable structure, and the theory of crisis management in the companies cannot be fully applied to it. In an advertising agency, the care for crisis communication is not strictly assigned to a certain job position (the function of a speaker/spokesperson is rare) or department. The responsibility for the tasks and actions relating to crisis management and crisis communication is most often vested in the different individuals who are elected on a case-to-case basis, the people running the company and people working at the PR Department.

*Acknowledgments: This paper was created within the project APVV-18-0257: Incubator of Multimedia Digital Production: Reciprocal Transfer of Science, Art and Creative Industries*

## **Bibliography**

**Anthonissen, F. P.** 2008. *Crisis Communication: practical PR Strategies for Reputation Management & Company Survival*. London: Kogan Page Publishers, 2008. ISBN: 978-0-7494-5400-5.

**Antušák, E.** 2009. *Krizový management (Crisis management). Hrozby, krize, příležitosti (Threats, crises and opportunities.)*. Prague: WoltersKluwer ČR, 2009. 396 p. ISBN 978-80-7357-488-8.

**Bednárík, J.** 2011. *Krizový management (Crisis management)*. Trnava: University of St. Cyril and Methodius in Trnava, Faculty of Mass Media Communication. ISBN 978-80-8105-240-8.

**Bednář, V.** 2012. *Krizová komunikace s médii (Crisis Communication with the Media)*. Prague: Grada Publishing a.s., 2012. 192 p. ISBN 978-80-247-3780-5.

**Coombs, W. T.** 2015. *Ongoing crisis communication: planning, managing, and responding*. 4. vyd. Los Angeles: SAGE Publishing Thousand Oaks, CA, 2015. ISBN 978-1-4522-6136-2.

**Coombs, W.T. – Holladay, S.J.** 2010. *The Handbook of Crisis Communication*. Hoboken: Wiley – Blackwell, 2010. ISBN 978-1-4051-9441-9.

**Fearn-Banks, K.** 2017. *Crisis communications: a casebook approach*. 5. vyd. New York: Routledge, Taylor & Francis group, 2017. ISBN 978- 1-138-92373-7.

**Franková, M.** 2016. Kreativný priemysel (Creative Industries) In *Ministerstvo kultúry Slovenskej republiky* [online], 2016 [cit. 8/20/2019]. Available at: <<http://www.culture.gov.sk/posobnost-ministerstva/kreativny-priemysel-165.html>>.

**Heath, R. - O'Hair, D.** 2009. *Handbook of Risk and Crisis Communication*. London: Routledge, 2009. ISBN 9780805857771.

**Hendl, J.** 2005. *Kvalitativní výzkum : základní metody a aplikace (Qualitative Research: Basic Methods and Applications)*. Prague: Portál, 2005, 408 s. ISBN 80-7367-040-2.

**Hesková, M. – Štarchoň, P.** 2009. *Marketingová komunikace a moderní trendy v marketingu (Marketing Communication and Modern Trends in Marketing)*. Prague: Oeconomica, 2009. 180 p. ISBN 978-80-245-1520-5.

**Chalupa, R.** 2012. *Efektivní krizová komunikace pro všechny manažery a PR specialisty (Effective Crisis Communication for All Managers and PR Specialists)*. Prague: Grada Publishing a.s., 2012. 176 p. ISBN 978-80-247-4234-2.

**Kotler, P. – Armstrong, G.** 2004. *Marketing*. Prague: Grada Publishing a.s., 2004. 855 p. ISBN 978-80-247-0513-2.

**Lipnická, P. et al.** 2013. Správa o stave a potenciáli kreatívneho priemyslu na Slovensku (Report on the Status and Potential of Creative Industries in Slovakia). [online], 2013 [cit. 8/20/2019]. Available at: <<http://www.culture.gov.sk/posobnost-ministerstva/kreativny-priemysel-165.html>>.

**Moerdyk, Ch.** 2017. Crisis communications is a very specialised business In *bizcommunity.com* [online], 2017 [cit. 8/20/2019]. Available at: <<https://www.bizcommunity.com/Article/196/18/163597.html>>.

**The Economy of Culture in Europe** In *Study prepared for the European Commission* [online], 2006 [cit. 7/11/2019]. Available at: <[https://ec.europa.eu/assets/eac/culture/library/studies/cultural-economy\\_en.pdf](https://ec.europa.eu/assets/eac/culture/library/studies/cultural-economy_en.pdf)>.

**Vymětal, Š.** 2009. *Krizová komunikace a komunikace rizika (Crisis Communication and Communication of Risks)*. Prague: Grada Publishing a.s., 2009. 176 p. ISBN 978-80-247-2510-9.

## **Antimicrobial Activity of Newly Synthesized Derivatives of Tartaric Acid Against the Multidrug Resistant Soil Strains of *Pseudomonas* and *Stenotrophomonas***

Aram R. Mikaelyan<sup>a</sup>, Nona L. Asatryan<sup>a</sup>, Samvel A. Bagdasaryan<sup>b</sup> and **Bella G. Babayan<sup>a,b</sup>**  
[bbg.15.04@mail.ru](mailto:bbg.15.04@mail.ru)

<sup>a</sup> Laboratory of Agrarian Chemical Creation And The Quality Control, Faculty of Chemical Technologies And Environmental Engineering, National Polytechnic University of Armenia (NPUA), <https://polytech.am/en/general-2/>, Republic of Armenia

<sup>b</sup> Laboratory of Ecological Safety, Scientific & Production Center (SPC) “Armbiotechnology”, National Academy of Sciences (NAS) Republic of Armenia (RA), <http://armbiotech.am/arm/indexeng.html>, Republic of Armenia

The multidrug resistance of native and clinical strains of microorganisms is a very actual medical and ecological problem<sup>1</sup>. *Stenotrophomonas* and *Pseudomonas* are common, drug resistant and highly adaptive opportunistic pathogens of human, animals and plants<sup>2</sup>. One direction of combating against them is the usage of new ecologically safe antibacterial agents with enlarged functional efficiency, which might be elaborated by chemical modification of natural antimicrobial compound. Tartaric acid (TA) and tartrates are natural antimicrobial substances, which are being broadly used in food industry (E 334-337, 354)<sup>3</sup>. In current paper it was researched the antimicrobial activity of synthesized in our laboratory new derivatives – benzyl imide, cyclohexyl imide, and amino salts of benzyl and cyclohexyl amines of TA on different strains of native soil *Pseudomonas* and *Stenotrophomonas* from The National Microbe Collection of SPC “Armbiotechnology” NAS RA<sup>4</sup>. As the results of experiments on 36 strains of 7 species, it was found out that these substances are effective non selective inhibitors of growth for the majority of research strains. Besides, benzyl and cyclohexyl mono amino salts of TA (figure 1) are biodegradable by some soil strains, such as like the test culture of soil non-pathogenic *P. aeruginosa* 5249. Thus, all the elaborated compounds can be recommended for further research of their activity as an effective alternative against the multidrug resistant microorganisms. This paper is an output of the science projects, which were supported by RA MES State Committee of Science, in the frames of the research project № 15Ap\_2e016.

## **Advancing the Working Rights of Persons with Disabilities; A Case Study of Governments' Interventions, Disabilities' Common Fund & Affirmative Action Policies**

Thomas Yeboah Frimpong  
Charles Winfred Otoo  
[thomasyfr9@yahoo.com](mailto:thomasyfr9@yahoo.com)  
HELP Disables- Ghana

The Convention on the Rights of Persons with Disabilities (PWDs) enjoins member states of the United Nations to promote, protect, and ensure the full enjoyment of human rights by people with disabilities and ensure that they enjoy full equality under the law. The Convention has served as the major catalyst in the global movement from viewing PWDs as objects of charity and social protection towards viewing them as full and equal members of society, with human rights. It is also the only UN human rights instrument with an explicit sustainable development dimension. The Convention was the first human rights treaty of the twenty-first century. The United Nations Conference on Trade & Development 2017 report on "Disadvantaged Groupings" sees empowerment of PWDs as a great social Intervention with the propensity of democratizing real wealth. It is the surest bet to curb the menace of unemployment and endemic poverty among PWDs. To sustain this approach calls for Targeted Policy Direction, mass-based Advocacy, Deliberate Interventionism and Sustainable Funding Source for PWDs. This approach must focus on promoting Self-employment or entrepreneurship among PWDs, promoting Intrapreneurship for PWDs, capacity building on rights and privileges of PWDs etc. Similarly, Governments and State Led Agencies in charge of driving the course of PWDs can introduce the quota system in public sector employment and political appointments for PWDs. In the same way, Reliefs Funds and Common Funds for Persons with Disabilities can be introduced to cater for needs of PWDs. This must be backed by the required whatever necessary legislations. All Geopolitical and Socio-economic groupings like UNO, AU, ECOWAS COMESA, SADC, EU etc. must provide the necessary political will towards operationalizing the various treaties on the rights and privileges of Persons with Disabilities. According to the World Health Organization 2015 report on the danger faced by Persons with Disabilities, greater percentage of the world population stands the risk of suffering from one form of disability or the other. Estimate, one billion people, or 15% of the world's population, experience some form of disability, and disability prevalence is higher for developing countries. This figure is expected to increase further and rightly so should be the bold steps towards safeguarding and advancing the working rights of PWDs. The 17 SDGs equally must have each goal addressing the key needs of PWDs. Once the Chief Employer in every economy is the Government of the day, the responsibilities lie squarely at the doorstep of the Government. This research work is geared towards establishing the gaps in advancing the working rights of PWDS and the possible measures to ameliorate the situation.

**Keywords:** Convention on the Rights of Persons with Disabilities, international human rights treaty, UN human rights instrument, explicit sustainable development dimension

## **Entrepreneurial Management; A tool for eradicating Youth Unemployment and Extreme Poverty in Decentralized Regimes in Rural Communities of Sub-Saharan Africa**

Collins Asante (Hon)

Bernard Takyi (Hon)

[collinsas09@yahoo.com](mailto:collinsas09@yahoo.com)

[bernardtakyi@yahoo.com](mailto:bernardtakyi@yahoo.com)

National Association of Local Authorities of Ghana (NALAG)

According to the International Labour Organization (ILO), young people in rural communities are three times more likely to be unemployed. It posits that about 70% of the global labour force within the rural communities have no access to formal sector employment. Self-Employment/Entrepreneurship which is an alternative to traditional formal employment pathways is least recognized in most rural settings. Indigenous Entrepreneurship which is a home-grown job creation and self-employment avenue is considered the most sustainable and surest guarantee for improving the bizarre youth unemployment and endemic rural poverty situation. This entails using appropriate local skills and technology to solving the very basic social challenges. Countries like Rwanda, Ghana, Mauritius and Botswana are living testimonies to this. The United Nations Conference on Trade & Development 2018 (UNCTAD) report on rural unemployment sees indigenous entrepreneurship as a panacea to the canker of rural unemployment and endemic poverty. To sustain this approach calls for Targeted Policy Direction & Advocacy, Trade Growth & Business Development, Mentorship and Sustainable Funding Source for Indigenous Entrepreneurship. This approach must focus on Youth Entrepreneurship, Women Entrepreneurship and promoting Intrapreneurship for Persons Living with Disabilities. These are the main actors affected by the ropes of unemployment and rural poverty & joblessness. Whilst Governments sign onto International Trade Pacts like African Free Trade Continental Agreement (AFCTA), conscious efforts must be made to build and scale up the capacities of Indigenous Entrepreneurs in key sectors like Agribusiness, Climate Change Management, Education, Health, Security and Transportation. Concessions in terms of quota purchase can be allocated to inspire budding youth and women entrepreneurs in the above key sectors. The greater focus should go into agribusiness since any nations that produces what it eats has the capacity to diversify into any other sector. This research work is geared towards enhancing rural employment and poverty reduction through indigenous entrepreneurship. The focus is on Youth, Women and Disability-led Entrepreneurship. The Research intends to evaluate how indigenous entrepreneurship can economically improve decentralized political regimes through revenue mobilization, royalty/tax enhancement, and job & wealth creation

Keywords: International Labour Organization, young people in rural communities, global labour force, Self-Employment/Entrepreneurship,

## **Results of Pseudo-analysis Theory & Representation of the Pseudo-Linear Operators Class**

Dhurata Valera, Elmi Shabani

[dhurata\\_valera@hotmail.com](mailto:dhurata_valera@hotmail.com)

University of Elbasan "Aleksandër Xhuvani", Albania



This paper presents some results in the application of Pseudo-Analysis Theory and Integral Theory based on the Pseudo-Additive Measure Theory. Some details about the properties of Bi-Pseudo-Integrals are given. The study of Bi-Pseudo-Integrals is based on several classifications and SemiRings according to 3 different classes. In this paper, we treat Bi-Pseudo-Integral as representative of a class of Pseudo-Linear Operators (PLO). Also, noting that Pseudo-Delta Functions and Pseudo-Delta arrays in Nonlinear Analysis play the same role as Delta-Functions and Delta-varget in Linear Analysis, Bi-Pseudo-Integral is treated as representative of a class of Pseudo-Linear Operators. The Bellman Operator (BO) can extend over the whole of the SemiRings of Classes 1, 3, being represented by Bi-Pseudo-Integrals of Classes 1 and 3 respectively. It is shown, that the path of representation of a PLO in the form of a BO requires operator interactions according to certain steps and conditions. Representation of a Pseudo-Linear Operator in the form of a Bellman Operator, occurs in many areas.

### **Does Service Quality ensure customer Satisfaction in Mr. Bigg's, Nigeria?**

Md. Uzir Hossain Uzir1\*; Danjuma Tali Nimfa2; Ibrahim Toro Lawal 3, Abu Bakar Abdul Hamid4,  
Ahmad Shaharudin Abdul Latiff5, Sazali Abd. Wahab6  
[mduzir.phd\\_mkt18@grad.putrabs.edu.my](mailto:mduzir.phd_mkt18@grad.putrabs.edu.my)  
[hossainuzir@gmail.com](mailto:hossainuzir@gmail.com)  
Putra Business School, Universiti Malaysia, Malaysia

'Outside eating' and 'quick meal' is a popular practice in Nigeria and Mr. Bigg's is one of the first chain of fast food restaurants in Nigeria. With huge experience Mr. Biggs is serving its customers. Over the period of time customer eating habit has been changed, their perceived value (CPV) has shifted, new food items have been introduced and technology has created an effect. The study examines how service quality (SQ) ensures customer satisfaction in Mr. Bigg's. There is no conspicuous study in Nigeria that works on this issue. The study focused on customer satisfaction (CS) of Mr. Bigg's through its service quality. Previous studies showed that the pressure of modern lifestyles has a negative effect on health and may cause high stress levels and solicit for relaxing and excursion. Quick meal can contribute to reduce monotony. The questionnaire was adopted from the study of Giritlioglu et al., (2014) with some required adjustments. The study collected data from 219 respondents from Abuja, Jos, Bauchi, Lagos and others with a structured questionnaire having 46 questions (41 statements and 5 demographic information). Data was collected through questionnaire at convenient sampling technique (non-probability). Collected data were checked and analyzed using SPSS and CB-SEM (AMOS) respectively. Exploratory data analysis included missing value treatment, data normality test, homoscedasticity checking, linearity test, autocorrelation checking and collinearity. Measurement model and structural model were tested using AMOS and found model fit. The findings revealed that SQ has as impact on CS significantly. CPV partially mediated the relationship between SQ and CS. The study adopted two theories EDT (expectation disconfirmation theory) and SERVQUAL Model. The findings supported are those of previous studies and the theoretical assumptions of theories. The findings might provide some insights for Mr. Bigg's and other fast food restaurants in developing countries. Mr. Bigg's may be recommended to focus on customer satisfaction by responding to some loopholes in its service quality. New fast business may be suggested to develop and establish service base businesses. Finding the relationship between fast food service quality and customer satisfaction while customer perceived value partially mediates this relationship is the significance of the study. Small number of respondents and to not cover all branches of the Mr. Bigg's is one of limitation of this study. Price of food, advertisement, social media effect may be

considered in future research.

## **Islamic Microfinance institutions and their financial Sustainability in Pakistan; an Empirical approach**

Muhammad Naveed Aslam  
[m.naveedi@yahoo.com](mailto:m.naveedi@yahoo.com)

Pakistan with 98 % Muslim population, is considered to be the most suitable and dynamic market for Islamic microfinance. People are more interested in Shariah based financing but IMF still capture only 0.5 % of the market. Due to world trend towards Islamic banking, State Bank of Pakistan (SBP) not only interested in commercial Islamic banking but also in microfinance but still behind in it. NRSP Microfinance Bank Ltd. is the first microfinance bank, have started Islamic financing in Pakistan and considered to be the first Islamic microfinance bank in Asia. Microfinance sector has high cost of financing and problem of sustainability always hurt to institutions. Islamic microfinance in Pakistan is facing a serious problem of sustainability because it has high cost than conventional. Therefore, Islamic microfinance banks can face a serious problem of sustainability. When the MFI is able to cover its current, growing and expansion cost then MFI is said to be financially sustainable. Financial sustainability is a tangible parameter and can be monitor and measure through a continually set of indicators (Susan Johnson, 2006). Financial sustainability can be classified into four stages, starting from the first stage when MFI's totally dependent on grants for running its operations to the final stage when MFIs fully finance from its own resources mobilized from the clients and funds raised from the financial institutions at commercial rates. This paper will provide the basic guidelines and standards to sustainable Islamic microfinance institutions for further promotions and positioned in market, keeping in view the practice of microfinance banking industry by adopting empirical approach.

Key words: Microfinance, Sustainability, Poverty alleviation.

## **Innovations and Firm-level Efficiency: A Comparative Analysis between China and India**

Dr. Mohammad Monirul Islam, Dr. Farha Fatema  
[mmislam@du.ac.bd](mailto:mmislam@du.ac.bd)  
[mmislamhust@yahoo.com](mailto:mmislamhust@yahoo.com)  
University of Dhaka, Bangladesh

This study examines the innovation-efficiency linkage for Indian and Chinese manufacturing and service firms. We applied stochastic production and cost frontier approach to determine the output and cost efficiency of the firms surveyed in World Bank enterprise surveys. We then used both unconditional and conditional propensity score matching (PSM) estimation technique to examine the effects of innovation as well as R&D on output and cost efficiency of the firms surveyed. The study results suggest that innovation-efficiency linkage varies between countries and sectors. Innovations significantly raise output and cost efficiency of Indian manufacturing firms whereas innovations in Chinese manufacturing firms are cost-oriented and negatively affect output efficiency. For the service firms of both countries,

innovations are significantly positively linked with output and cost efficiency. The study also suggests that R&D acts as crucial moderator for innovation-efficiency linkage for Chinese manufacturing firms not for Indian firms, and the interaction effects of innovations are not substantially higher in magnitude than their individual effects. Finally, conditional PSM results suggest for knowledge spillover for effective innovations of Indian firms whereas R&D is a must for substantial innovation-efficiency linkage in Chinese firms.

## Prediction of cell growth dynamics during bioremediation of lead under substrate uninhibited and inhibited conditions

Moumita Bose, Siddhartha Datta, Pinaki Bhattacharya

[moumita405@gmail.com](mailto:moumita405@gmail.com)

Department of Chemical Engineering, Jadavpur University, India

Recent advances in bioprocess engineering have opened up a new avenue to clean up environmental contaminants with an ecofriendly approach popularly known as bioremediation process. Successful application of this technique necessitates quantitative information on predicting cell concentration-time history, a prerequisite condition for bioreactor design. In the present investigation an attempt has been made to predict cell growth dynamics of a lead resistant bacterium *Acinetobacter* sp 158 both in absence and presence of substrate inhibition. A lead resistant bacterium was isolated from battery industry waste mud. The chemotaxonomy of the isolated cell reveals the genus and species to be *Acinetobacter* sp 158. The concentration of biomass was estimated using dry cell measurement method while concentration of lead was monitored by atomic absorption spectrophotometer. Simulated solutions of lead nitrate in aqueous medium were used as the source of bivalent lead. Experiments on cell growth dynamics were conducted under batch mode operation using well plugged 100 ml conical flasks placed on a rotary shaker under controlled condition. All experiments were carried out under aseptic condition.

Experimental data on cell concentration – time histories show the distinct presence of lag phase followed by an exponential growth phase indicating the validity of Monods substrate uninhibited model equation within the concentration range (0.05-0.25 kg lead/m<sup>3</sup>). A theoretical analysis with the help of experimental data confirms the validity of Monods equation in this situation with maximum specific cell growth rate 0.024 hr<sup>-1</sup> and substrate saturation constant 0.02 kg/m<sup>3</sup>. The cell growth dynamics in this regime has been computed to be:

$$\mu = \left[ \frac{0.024C_A}{0.02 + C_A} \right] \text{ hr}^{-1} \quad (1)$$

Further experiments beyond 0.25kg lead/m<sup>3</sup> and upto 0.43 kg lead/m<sup>3</sup> show a rapid fall in the specific cell growth rate indicating pronounced effect of substrate inhibition. This regime has been quantitatively explained by Haldane equation as follows:

$$\mu = \frac{0.024C_A}{0.02 + C_A + (C_A^2)/1.153} \text{ hr}^{-1} \quad (2)$$

A generalized model equation including two biological switches with pre-set boundary conditions is, therefore, suggested for the entire lead concentration range under investigation. The proposed model equation (validated with experimental data) is presented below,

$$r_c = \frac{dc_c}{dt} = C C_{avg} \left( \sigma \left[ \frac{0.024C_A}{0.02 + C_A} \right] + \delta \frac{0.024C_A}{0.02 + C_A + (C_A^2)/1.153} \right) \text{ (kg cell produced)/(hr.m}^3 \text{)} \quad (3)$$

With imposed conditions,

$\sigma=1$  and  $\delta=0$  CA  $\leq$  0.25kg/m<sup>3</sup>  
 $\sigma=0$  and  $\delta=1$  CA  $>$  0.25kg/m<sup>3</sup>

Key words: Cell growth dynamics; Substrate inhibition; Generalized model equation.

## **Spot-Futures Price Relations under Heterogeneous Market Mechanisms: New Evidence from Bayesian VAR**

Natthinee Thampanya  
[natthineet@nu.ac.th](mailto:natthineet@nu.ac.th)  
[natthinee.th@gmail.com](mailto:natthinee.th@gmail.com)  
Naresuan University, Thailand

The cash-futures association is directly related to the existence of arbitrage opportunities and market efficiency. If the efficient market hypothesis (EMH) holds, inefficiencies of exploitable index futures pricing should not exist. Due to the availability of data and the maturity of the markets, there are a limited number of studies examining emerging derivatives market in Asia. In this study, Thailand is used for the case of study to investigate whether the existence of market imperfections affects the application of the theories. We analyse the daily price movements over the last thirteen years since Thailand Futures Exchange (TFEX) launched SET50 Index Futures as the first product in 2006. Methodologically, we use Bayesian Vector Autoregressions (Bayesian VAR) model to test the relationship between spot and futures returns. This allows us to avoid the imprecise model problem from using standard VAR. We find that there are bivariate relations between spot and futures markets for all contango periods. Although there exist associations between them in backwardation periods, the strength of this association is much weaker. Estimates of cause-effect are provided with Granger causality tests to indicate the direction of temporal causality. The results are consistent with what is found from the Bayesian VAR that the relationship between spot and futures returns in contango period is stronger than in backwardation. Furthermore, causality running from futures returns to sport returns has been found in backwardation period. On the other hand, there are significant causal effects from spot returns to futures returns in contango. Remarkably, it has no bidirectional causation in every case. After various robustness checks, the evidence supports a stronger linkage between spot and futures markets in contango. Conceptually, the idea of an intertemporal arbitrage in periods of contango, with investors buying in the spot market and selling in futures markets, and the impossibility of an inter-temporal arbitrage from futures to spot markets during periods of backwardation, is economically appealing to rationalise the strength/weakness of price linkages. Finally, our results also suggest that Thai futures market has become more efficient, as the arbitrage opportunities between the cash and the futures market have become less frequent. Contrary to previous studies, the basic finding of this study is that there is no clear domination of the futures market. The implication for this is that researchers and practitioners who attempt to examine the roles of spot and futures returns should incorporate market quality and liquidity into consideration.

## **Real Time Adaptive Traffic System: An Algorithm for Green Path Clearance of Emergency Vehicles**

Nevil Vekariya,  
Prayushi Faldu  
[nevilvekariya12@gmail.com](mailto:nevilvekariya12@gmail.com)  
[teamhoneybee11@gmail.com](mailto:teamhoneybee11@gmail.com)  
Pandit Deendayal Petroleum University

In the present world, traffic congestion has reached an alarming level and become of one biggest issue worldwide. This has direct implications on other emergency services like ambulance, fire brigade and has increased their waiting time. Earlier we have proposed “Real-Time Adaptive Traffic Control System” which replaces the current static clearance time with dynamic clearance time based on the current traffic density. Here we further propose an extension to the system with global synchronization of traffic signals for emergency vehicles such that waiting time of emergency vehicles is reduced to zero. The proposed algorithm ensures a green path from source to destination by identifying all the traffic signals in the path and modulating the clearance time at a junction such that emergency vehicle will always experience an empty road along with maximal optimization of clearance time for normal vehicles. The proposed algorithm has been theoretically tested with many test cases based on real-time scenarios.

## **Communication and Building Positive Relationships within Project Teams in Non-Governmental Organizations**

Paulina Major, Seweryn Spalek  
[spalek@polsl.pl](mailto:spalek@polsl.pl)  
Silesian University of Technology, Poland

Non-government organizations (NGOs) are associated with the 3rd sector apart from the public administration (1st) and private (2nd) sectors. It is remarkable that the work on project team management related to the first and second sectors do not meet the specific requirements of the 3rd sector. The main issue relates to the voluntary based workforce which is designated to projects run by NGOs. Therefore, the motivation and engagement of volunteers is of different nature than in the business type projects and needs to be addressed separately. We argue that creation of efficient NGO project team should be based on building positive interpersonal relationships and transparent information flow. Furthermore, the quality of relationships within NGO project team members affects the level of cooperation, trust and therefore influences on the final result of the project. It is important to underline that the NGOs team members are very often of significant range of personalities, causing additional issues. On the other hand, volunteers try to achieve the common goal outlined by the organization which is a basis for building interpersonal relationships. It is crucial to maintain the balance between positive team work, relationships and individual-pursuit of the intended purpose. The authors conducted a case study research in the selected NGO project team in Poland. The scope of study was to understand the role of communication and building positive relationships in NGO project team. The main goal of the research was to answer the following questions: (1) what factors and behaviors affect the positive relationships within NGO project team? and (2) to what extent the direct and indirect communication influence the efficiency of the information flow? The results of the study allow to better understand the specific challenges the selected

NGO project team was facing. Thus, they add the new knowledge to the issues on effective communication and building positive relationships in NGOs project teams. Moreover, the case study outcomes set the guidelines for further on in-depth studies of quantitative nature.

## **Economic Consequences and overall implications of BJP rule in India during 2014-2019**

Dr. S. K. Sharma, Retired Associate Professor of Economics  
[surendra194@gmail.com](mailto:surendra194@gmail.com)

Mahatma Jyotiba Phule Rohilkhand University, Bareilly, India  
DRA Government PG College, Bisauli, Budaun, Uttar Pradesh, India

Not all popular governments that are duly elected prove to be good for the economy. The present Modi Government in India is no exception to this. This government which was formed in 2014 was formed in the background of tall election campaign promises of employment generation of 20 million per annum, removal of black money from the economy, end of rampant corruption, streamlining of procedures for investments both private and foreign in the economy, and among others promotion of infra-structural facilities to the farmers. They introduced the GST (Goods and Services Tax) which is called “one nation, one tax and one trade” in July 2017 was actually the brainchild of the UPA government as envisaged in the budget speech of Finance Minister P. Chidambaram of 2006-07 intended to be introduced from 2010. The BJP which had earlier opposed the GST adopted it without proper thought thereby making very complicated procedures of registration, return filing, and irrational four tier structure of tax rates (5%, 12%, 18% and 28%) of 1211 items. Perhaps, the oil and petrol were not included into the GST as there was deliberate attempt by the government to deprive the common people the benefits of declining international oil prices. The price of petrol and diesel is much higher than what the UPA government gave to people during 2009-2014. With the intent to check black money, Modi gave a most severe blow to the economy by announcing demonetization of currency of higher denominations viz. Re 500 and Re 1000 in November 2017. The total sum of money consisting of these two higher denominations was around 80% of the value of currency in the economy. Thereafter, injection of Re 500 and Re 2000 was much slower to take care of the vacuum. Naturally, India where a large section is unorganized and which is devoid of banking sector, the nation suffered most. Millions of youths in unorganized and manufacturing sector were thrown out of jobs. One estimate of National Sample Survey Office’s Periodic Labour Force Survey (PLFS) states that around 5 million people lost their jobs during 2016-18; youths being the worst hit, and job crisis began to worsen. Unemployment was at 45 year high of 6.1% in 2017-18 which was the reflection of adverse impact of demonetization. Compared to this, during UPA Government 2009 to 2014, the GDP was in the range 5.4% to 5.9% in spite of the global recession of 2008. Yet, the agriculture sector during 2013-14 grew more than 4.7%. Balance of payments had improved drastically as current account deficit came down from US \$88.2 billion in 2012-13 to US \$32.4 billion in 2013-14. There was record high food production of 264.4 million metric tons and oil seeds 32.4 metric tons. India had second fastest growing services the CAGR at 9% just below China 10.9% during 2001-12. Such feat has not been achieved by the Modi government. The so-called digitization without a proper planning to integrate the common people in opening of accounts has come as a stumbling block in inclusive development. headligns of the election campaign of the BJP.

Keywords: GST (Goods and Services Tax), UPA (United Progressive Alliance), EVM (Electronic Voting Machine), NSS (National Sample Survey), PLFS (Periodic Labour Force Survey), NPA (Non-Performing

Assets), BJP (Bhartiya Janata Party), GDP (Gross Domestic Product), CAGR (Cumulative Annual Growth rate), FCRA (Foreign Contribution Regulation Act).

## **Crisis Communication in the Creative Industry**

Veronika Szabóová, Lucia Spálová

[veronszaboova.tailor@gmail.com](mailto:veronszaboova.tailor@gmail.com)

[wewe.szaboova@gmail.com](mailto:wewe.szaboova@gmail.com)

Constantine the Philosopher University in Nitra, Slovakia

The paper focuses on crisis communication, as part of PR, in creative industries, specifically in advertising agencies with an affinity for optimizing communication processes in crisis management. The aim of the survey, which also forms the gro of this paper, is to define the signs of crisis communication in the creative industry. A significant part of the work consists of the interpretation of the results, on the basis of which we frame theories of crisis communication, not generally in the image of company management (as literature), but as accurately as possible with respect to the surveyed segment.

Keywords: Communication, advertising agency, crisis management.