

Conference Report
3rd Academy of International Business Central and Eastern
Europe Chapter (AIB-CEE) Conference
Boosting competitiveness of Central Europe through digital economy
September 29th-1st October, 2016
University of Economics in Prague, Prague, Czech Republic

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1. Conference organisers

The 3rd Academy of International Business Central and Eastern Europe Chapter (AIB-CEE) Annual Conference “**Boosting competitiveness of Central Europe through digital economy**” took place between 29th September and 1st October 2016 at the University of Economics in Prague, Czech Republic. The conference focused on issues such as new forms of businesses, role of digital economy in Central Europe, digital entrepreneurship and possible impacts of digital economy on competitiveness and economic growth in Central Europe as well as on other key aspects of current trends in international business.

The Academy of International Business Central and Eastern Europe (AIB-CEE) Chapter and the Faculty of International Relations, University of Economics in Prague joined efforts to organize this third international conference. The program had two parts and was intertwined with an annual event which the Faculty of International Relations organizes each year in cooperation with World Economic Forum, Czech Management Association and CMC Graduate school of Business. Meeting in Prague was an occasion to foster a debate on issues and trends that the World Economic Forum report covers.

The University of Economics in Prague

The University of Economics, Prague (VŠE) is the biggest public university of economics in the Czech Republic. The university was celebrating its 60th anniversary in 2013. VŠE has six faculties offering applicants a broad spectrum of study fields and branches in bachelor's, master's and doctoral degree study programs. Five faculties are located in the center of Prague – the Faculty of Finance and Accounting, the Faculty of International Relations, the Faculty of Business Administration, the Faculty of Informatics and Statistics and the Faculty of Economics. The Faculty of Management is located in the town of Jindřichův Hradec. Studies at VŠE meet the requirements of the European Credit Transfer and Accumulation System (ECTS).

Currently, there are almost 20,000 students at VŠE. The number of applicants considerably exceeds the university's capacity every year, thus entrance is competitive. VŠE offers bachelor's degree study branches in Czech, English, and Russian; master's degree study branches are offered in Czech and English. Since 2007, there has been a Center for Disabled Students at VŠE.

Academy of International Business

The **Academy of International Business** (AIB) is the leading global community of scholars established for the creation and dissemination of knowledge about international business and policy issues. The AIB transcends the boundaries of single academic disciplines and managerial functions to enhance business education and practice. The objectives of the Academy of International Business, as set forth in its constitution, are to foster education and advance professional standards in the field of International Business.

The AIB was founded in 1959 and unites 3085 members in 88 different countries around the world. Members include scholars from leading global academic institutions, as well consultants, researchers, government and NGO representatives. The Academy also has 18 chapters established around the world to facilitate networking, as well as the facilitation and exchange of knowledge at a more local level.

The **AIB-CEE Chapter** was founded in 2013. During the 2013 Annual Meeting of the Academy of International Business in Istanbul (Turkey) on 3-6 July 2013, its Executive Board approved the petition to establish the Central and Eastern European Chapter (AIB-CEE). The new Chapter Board is composed of scholars from Slovenia, Estonia, Hungary and Poland. The Chapter establishment project has received the support of such organisations as CEEMAN, Corvinus University of Budapest (Hungary), University of Ljubljana (Slovenia), University of Tartu (Estonia) or the Poznań University of Economics (Poland). The Chapter covers 19 countries from the CEE region.

The overarching purpose of AIB-CEE is to foster cooperation amongst scholars and specialists from Central and Eastern Europe in regard to conducting joint research, disseminating research outcomes and improving international business education standards, mainly through the organisation of regional conferences, seminars and initiation of international research projects. AIB-CEE is in fact one of the youngest chapters in AIB community. However, the region can boast a long tradition in global business and IB teaching. A rapidly changing institutional, social and economic environment offers an excellent "research lab" for IB scholars. In order to leverage this potential, the AIB-CEE chapter has organised 4 important events during its first two years of activity:

- 1st kick-off event of AIB-CEE was the seminar „*Challenges for International Business and Teaching in the CEE region - Towards an Integrative Perspective*” which took place on 24 January 2014 at the Poznań University of Economics (Poland). The seminar gathered nearly 100 scholars and business representatives from altogether 10 countries. The purpose of the event was to involve top CEE scholars and managers in a common discussion to elaborate on a shared perspective of key challenges in IB scholarship related to the CEE region, in order to outline a research program for future projects.

- 1st AIB-CEE annual conference “*Competitiveness of the CEE Region in Global Economy*”, took place on October 9–11, 2014 at the Corvinus University of Budapest in Hungary. The conference gathered 85 scholars and business representatives from altogether 22 countries. The aim of the conference was to provide a platform and opportunity for discussing International Business and Competitiveness research findings on Central and Eastern European business and management practices, firms, industries and countries.
- 2nd AIB-CEE Seminar took place on January 9–10, 2015 hosted by the Centre of International Relations, Faculty of Social Sciences; University of Ljubljana, Slovenia. The topic “*Recognising the changing character of the CEE region: towards an updated agenda of business, IB research and teaching*” attracted truly international group. Over 50 registered participants of 14 different nationalities from 9 different countries gathered in Ljubljana. IB scholars and practitioners from the region discussed recent research findings of international business projects conducted within the region or in relation to the region, exchanged on the key challenges and innovations in IB teaching. Not least, the conference was an opportunity to meet innovative multinational enterprises from the CEE region. The 2nd AIB-CEE Chapter Conference undoubtedly helped participants to rediscover rich tradition, diversity and new changes in the region and motivated them for more intensive cooperation in IB teaching and research.
- The AIB-CEE Chapter Panel: “*Challenges for International Business in Central and Eastern Europe*” during AIB 2015 Annual Meeting in Bengaluru, in India, which took place on June 27-30, 2015.
- 2nd AIB-CEE annual conference took place on September 17-19, 2015 at SGH Warsaw School of Economics in Poland. The conference theme “*International Business and Research in the CEE Region. Why Is It Worth Doing?*” has been chosen in order to draw more attention to doing business and research in Central and Eastern Europe and to promote collaboration among businesspeople, scholars and specialists, which is in line with a general idea of establishment of the Central and Eastern European Chapter of the Academy of International Business. The conference gathered more than 90 scholars and business representatives from altogether 14 countries.
- The AIB-CEE Chapter Panel: “*Research, Collaboration and Innovation in Emerging Markets: Forecast of research agenda for the CEE*” during AIB 2016 Annual Meeting in New Orleans, USA, which took place on June 27-30, 2016.

2. Opening plenary session

The 3rd AIB-CEE conference followed the above mentioned Chapter’s activities. It was opened by Prof. Josef Taušer, Dean of the Faculty of International Relations, University of Economics in Prague, Czech Republic. The welcome speeches were also given by Prof. Sarianna Lundan, AIB Executive Board Representative and Dr. Łukasz Puślecki, AIB-CEE Chapter Chair.

The conference theme “*Boosting competitiveness of Central Europe through digital economy*” has been chosen because of the rising importance of the digitalization of economies. This phenomena has become a crucial driver of global economy in recent years. More and more volumes of trade and services are flowing electronically using modern technologies what helps saving costs, improves responding demands faster than ever before, helps identifying customers needs and increases quality of products.

The Keynote Speakers mentioned below were invited to have presentations during plenary sessions:

- **Josef Taušer** – Dean of the Faculty of International Relations, University of Economics in Prague, Czech Republic
- **Věra Jourová** - Commissioner for Justice, Consumers and Gender Equality in the European Commission led by J.C. Juncker.
- **Sarianna Lundan** - Chair in International Management and Governance at the University of Bremen in Germany.
- **Silja Baller** – Practice Lead for Competitiveness and Innovation with the Forum’s Global Competitiveness and Risks Team
- **Yih-Jeou Wang** – Head of International Co-operation at the Agency for Digitisation within the Danish Ministry of Finance
- **Tomáš Prouza** - State Secretary for European Affairs at the Czech Prime Minister’s Office
- **Martina F. Ferracane** - Policy Analyst at European Centre for International Political Economy (ECIPE)
- **Jan Drahokoupil** - senior researcher on multinational corporations at the European Trade Union Institute
- **Pavel Kysilka** - founder and chairman of the Managing board of 6DAcademy, president of the festival Smetana Litomyšl, Chairman of the Supervisory Board of the Czech Export Bank, Deputy Chairman of the Supervisory Board of the Czech-Moravian Guarantee and Development Bank, a member of the boards at University of Economics, Prague, Masaryk University in Brno, Leos Janacek Foundation, Bohemian Heritage Fund and supervisory boards of Good Angel and Aspen Institute.
- **Łukasz Puślecki** - Chair of Academy of International Business Central and Eastern Europe Chapter (AIB-CEE),

3. Tracks

The conference papers and presentations were divided into 10 tracks:

1. *Competitiveness of the CEE Region, its Countries, Industries and Firms*

Track Chair: Erzsébet Czákó, Corvinus University of Budapest, Hungary

2. *Disruptive business models and foreign expansion*

Track Chair: Piotr Trąpczyński, Poznań University of Economics

3. *Specifics of Financial Management in CEE Countries*

Track Chair: Josef Taušer, University of Economics in Prague, Czech Republic

4. *Internationalization of SMEs and born globals*

Track Chair: Tiia Vissak, University of Tartu, Estonia

5. *IB Teaching and Research in the CEE Region*

Track Chair: Mirosław Jarosiński, SGH Warsaw School of Economics, Poland

6. *Developments in FDI and trade in CEE*

Track chair: Andreja Jaklič, University of Ljubljana, Slovenia

7. *New Forms of International Marketing in the CEE region. How they can be captured?*

Track Chair: Petr Král, University of Economics, Prague

8. *MNEs, their Subsidiaries and Value Chains in the CEE Region*

Track Chair: Jana Vlčková, University of Economics, Prague

9. *International HRM and Cross-Cultural Management*

Track Chair: József Poór, Szent István University-Hungary-J.Selye University-Slovakia

10. *Corporate Governance*

Track Chair: Michał Zdziarski, Warsaw University, Poland

Participants:

Number of participants of Thursday's plenary sessions: 164 (WEF Conference)

Number of participants of the Friday's and Saturday's sessions: 82

Presented papers: 44

Panels: 5

Special Sessions: Networking Session, Successful CEE firms and the challenges of the digital era

4. Panels and Sessions:

1) Successful CEE firms and the challenges of the digital age

In the last years we have seen an increasing interest in fast growing and internationalizing firms from emerging markets, particularly from Asia and Latin America. With the exception of Russia successful firms from Central and Eastern Europe have not appeared in the public and academic debate so far. However, there are many successful firms operating in and out of the region which would deserve more attention. Entrepreneurial drive, innovativeness, flexibility, and lower costs are differential advantages that characterize many of these local champions/heroes. While the ITC sector is one of the "star industries" in CEE, with internationally successful firms throughout the whole region, in many countries these champions operate in more traditional sectors such as consumer, retail, and industrial markets. This group of firms will probably face the biggest challenges in adapting to and positioning itself in the digital age. The aim of this panel was to discuss the competitiveness of CEE firms, particularly of domestic firms, and how digitalization is affecting their future.

Chair: Arnold Schuh, Vienna University of Economics and Business

Panelists:

- Mirosław Jarosinski, SGH Warsaw School of Economics
- Michał Kratochvil, CEO of BudgetBakers

- Philip Staehelin, Managing Partner Czech Republic, Roland Berger
- Miklós Stocker, Corvinus University of Budapest
- Lloyd Waldo, Community Manager, StartupYard Prague

2) EIBA Panel - Clusters in the era of digitalization

The debate on clusters in the era of digitalization was linked to such terms like competitive advantage, innovation, internationalisation and location. These issues have been of great interest for the EIBA community for many years whose scholars have already published contributions in this field.

Panelists:

- Barbara Jankowska, Poznań University of Economics and Business – Panel Chair
- John Cantwell, Rutgers Business School
- Lucia Piscitello, Politecnico di Milano
- Philippe Gugler, University of Fribourg

2) AIB-CEE Chapter Development Session - Academia, Institutions and Business (AIB) – Research, Collaboration and Innovation

The aim of this session was to focus on the development of the AIB-CEE Chapter in the nearest future taking into account: past and future events, AIB-CEE Membership, relation with AIB and other institutions, cooperation with business, communication tools and AIB-CEE publications. During this session the results of AIB Chapter Leadership Workshop organised during AIB 2016 Annual Meeting in New Orleans was presented.

AIB-CEE Development Session Participants:

AIB-CEE Executive Board:

- Łukasz Puślecki, Chair of AIB-CEE Chapter, Poznan University of Economics, Poland
- Andreja Jaklič, Vice-Chair for Advancement of Membership, University of Ljubljana, Slovenia
- Tiia Vissak, Vice-Chair for Events, University of Tartu, Estonia
- József Poór, Vice-Chair for Talent Development, Szent Istvan University, Hungary
- Erzsébet Czakó, Vice-Chair for Program 2014, Corvinus University of Budapest, Hungary
- Michał Staszaków, Vice-Chair for Finance, Poznan University of Economics, Poland
- Piotr Trąpczyński, Vice-Chair for Communication, Poznan University of Economics, Poland
- Mirosław Jarosiński, Vice-Chair for Program 2015, Warsaw School of Economics, Poland
- Josef Taušer - Vice-Chair for Program 2016 - University of Economics, Prague, Czech Republic

AIB-CEE Future Conference Program Chairs:

- Matevž Raškovič - Vice-Chair for Program 2017, University of Ljubljana, Slovenia
- Krzysztof Wach - Vice-Chair for Program 2018, Cracow University of Economics, Poland

Head of Organizing Committee:

- Jarolim Antal - University of Economics, Prague, Czech Republic

AIB Executive Board Representative:

- Sarianna Lundan - Vice-President Program-Elect (2017 AIB Annual Meeting in Dubai Program Chair)

AIB Former Executive Board Representative:

- Patricia McDougall-Covin - Vice President-Program, Academy of International Business (2012-2014)

Keynote speakers of this session:

- Arnold Schuh – Director of Competence Center for Emerging Markets and CEE, Vienna University of Economics and Business
- Philippe Gugler – President of EIBA
- Áron Perényi - Department of Leadership and Management, Swinburne Business School, Australia – organiser of CEE Business Forum

4) CEE and China: The Belt and Road Initiative - From Initiative to Reality

The Belt and Road Initiative (or “One Belt, One Road”), an important development strategy, was first introduced by Chinese President Xi Jinping in 2013. The aim of the strategy is to enhance regional connectivity and to promote economic, political, cultural and other forms of cooperation among countries along the proposed Belt and Road routes (the Silk Road Economic Belt and 21st Century Maritime Silk Road).

Chair: Zuzana Stuchlikova, University of Economics in Prague

Panelists:

- Qi Yang, Shandong University of Finance and Economics
- Wenqian Jiang, Shandong University of Finance and Economics
- Wu Di, Shandong University of Finance and Economics
- Xiaoxiao Wang, Shandong University of Finance and Economics
- Yang Li, Shandong University of Finance and Economics

4) Internationalization of firms from the CEE region: does it refute, confirm, or just enrich existing theory?

The main goal of this session was getting the answer what is specific about CEE-based firms' internationalisation (outward and inward), in terms of internationalisation strategies and business models?

Chair: Piotr Trąpczyński, Poznań University of Economics and Business

Panelists:

- Jorma Larimo, University of Vaasa
- Tiia Vissak, University of Tartu
- Barbara Jankowska, Poznań University of Economics and Business

5) Editors' Session - Research agenda for the CEE – Challenges and Opportunities

The aim of the Editors' Session was to discuss challenges and opportunities for the research agenda for the CEE taking into account the future topics in international business research with focus on CEE, with specific attention to research question, topics, methods, approaches, potential of comparative studies and research methodologies.

Chair: Łukasz Puślecki, Poznań University of Economics and Business

Editors' Session Participants:

- Desislava Dikova - Journal of East-West Business

- Mirosław Jarosiński - Journal of Management and Financial Sciences (JMFS)
- Jorma Larimo – Baltic Journal of Management
- Andrei Panibratov – International Journal of Emerging Markets (IJoEM)
- Thomas Steger – Journal of East European Management Studies (JEEMS)
- Krzysztof Wach - Entrepreneurial Business and Economics Review (EBER)

6) Networking Session

Encouraged by good feedback from last year research networking session was organised as enhancing research collaboration in AIB-CEE region and comparative studies which in particular is among key goals of AIB-CEE Chapter. Some of the participants were sharing their research ideas, potential cooperation in the research and in future publications.

5. Best Paper Award Ceremony

Acknowledgement for the Outstanding Papers

Altogether **44 papers** were accepted for the 3rd AIB-CEE Chapter conference. The sessions provided a great opportunity to have thought provoking and inspiring discussions on the presented papers. The AIB-CEE Chapter 2016 Track Chairs nominated following outstanding papers:

TRACK 1:

Iris Kolesa and Andreja Jaklic: *Interorganizational Network Management for Successful Business Internationalization*

Mihael Louis Troil, Michal Zdziarski and J. Markham Collins: *Competitiveness, Technology Licensing, and Ease of Paying Taxes: A 30-Country Study*

Magdolna Sass and Eric Rugraff: *Indigenous Technological Development Through Subcontracting Linkages from Multinationals: Evidence from the Hungarian Pharmaceutical and Biopharmaceutical Industry*

TRACK 2:

Agnieszka Głodowska, Bożena Pera, Krzysztof Wach: *International Environment and its Influence on the Entrepreneurial Internationalisation in the Firm: The Case of Polish Businesses*

TRACK 4:

Patricia McDougall-Covin, Andrea Kiss and Stephanie Fernhaber, *Slack, innovation and export intensity: Implications for SME (BEST CONFERENCE PAPER)*

TRACK 8:

Nataša Vrh, *What Drives the Difference in Domestic Value Added of EU Exports?*

6. Next AIB-CEE Chapter Events

Academy of International Business Central and Eastern Europe Chapter (AIB-CEE) is planning following events in 2017 and 2018:

- 3rd AIB-CEE Winter Seminar - *location and topic to be announced soon*
- 4th AIB-CEE Annual Conference in **September 2017** organised by University of Ljubljana (Slovenia) and AIB-CEE Chapter, **Ohrid, Macedonia**
- 5th AIB-CEE Annual Conference in **September 2018** organised by Cracow University of Economics (Poland), CEEMAN and AIB-CEE Chapter, **Cracow, Poland.**

For more details please visit AIB-CEE Chapter website: http://ue.poznan.pl/AIB_CEE/ and 3rd AIB-CEE Chapter Conference website: <http://prague.aib-cee-conference.com/>