

FROM THE EDITOR

Dear reader,

The second issue of the tenth year of our journal offers six new interesting topics in the field of economics and business, provided by the authors from Slovenia, Montenegro, Turkey, India, and Bosnia and Herzegovina. Since our journal is now available at Directory of Open Access Journals (DOAJ), contributors from different part of the World are showing interest for publishing their research. A new member of the International Advisory Board, Francisco J. Delgado, Associate professor (Faculty of Economics and Business, Oviedo, Spain), joined our team and we expect many other renowned academics to do it.

The first paper **OUTSOURCING OF R&D AND INNOVATION ACTIVITIES IN SMEs: EVIDENCE FROM SLOVENIA** was selected as one of the best papers presented at the Second International Scientific Conference entitled "Challenges and perspectives of integration in countries of South-Eastern Europe", held in Tuzla in December 2011. The authors, Barbara Bradač Hojnik and Miroslav Rebernik, presented their research in this field conducted on the small and medium-sized companies in Slovenia.

Elvira Pupović tried to measure how corruption influences foreign direct investments in Montenegro. She presented results of her research, based on the data from the Transparency International Report, World Bank and National Bank, in the paper **CORRUPTION'S EFFECT ON FOREIGN DIRECT INVESTMENT – THE CASE OF MONTENEGRO**, offering interesting findings related to this very important economic issue.

In the paper **APPLICATION OF OLI-PARADIGM OF GERMAN FDI INFLOWS IN TURKEY**, Erkan Ilgün and Kasim Tatić presented results of the survey conducted in order to find out market entry strategies, technology transfer, human capital transfer, and benefits of decisions made by German investors in the Turkish market. The results of this research can be useful for understanding the relationship between FDI and its determinants.

Amra Abadžić, Bahrija Umihanić, and Mirela Čebić are the authors of the paper **ANALYSIS OF METHODOLOGY AND MODELS OF STRATEGIC PLANNING OF LOCAL DEVELOPMENT IN BOSNIA AND HERZEGOVINA**, where they explored possibilities of improvement of efficiency and effectiveness of local communities using the models of strategic planning. They showed the methodology for integrated planning of local development usable for the local communities in Bosnia and Herzegovina.

The fifth paper, **THE USAGE OF DERIVATIVES IN FINANCIAL RISK MANAGEMENT BY COMPANIES IN BOSNIA AND HERZEGOVINA**, explores the level of usage of derivatives for financial risk management of companies in Bosnia and Herzegovina. The authors, Emira Kozarević, Izudin Kešetović, Meldina Kokorović Jukan, and Beriz Čivić, provided recommendations to domestic companies for the improvement of their financial risk management techniques, especially for hedging the risks by derivatives.

The last paper, DIRECT AND INDIRECT EFFECT OF BRAND CREDIBILITY, BRAND COMMITMENT AND LOYALTY INTENTIONS ON BRAND EQUITY, is oriented to the analysis of different aspects of brand equity. The authors, Veeva Mathew, Sam Thomas, and Joseph I Injodey, used statistical techniques to test the mediating role of brand commitment and loyalty intentions, in the formation of brand equity.

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