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FROM THE EDITOR

Dear reader,

It is a great pleasure to introduce the second issue of the journal in 2020. For this issue, we selected six new interesting topics in the field of economics and business, provided by the authors from Canada, Nigeria, Indonesia, Taiwan, and Bosnia and Herzegovina.

The first paper, COOPERATIVE R&D WITH DIFFERENTIATED PRODUCTS IN VERTICALLY RELATED INDUSTRIES, is written by Parisa Pourkarimi and Gamal Atallah. This paper aimed to study the impact of cooperative R&D on innovation, welfare, and profitability in vertically related industries where products are differentiated, with horizontal and vertical spillovers. A two-industry framework was considered, where upstream firms produce a homogeneous intermediate good and sell it to downstream firms which produce differentiated products. The results indicated that although vertical spillovers increase R&D, horizontal spillovers may increase or decrease it. It was concluded that the impact of horizontal spillovers on R&D depends on the cooperative structure, horizontal and vertical spillovers, and product substitutability.

The following paper, DIGITAL LITERACY AND ERP TECHNOLOGY ADOPTION IN BOSNIA AND HERZEGOVINA, is written by Ensar Mekić, Adis Maksić, and Belmin Hadžimusić. The aim of this paper was to explore the relationship between digital literacy and ERP technology adoption in Bosnia and Herzegovina, as well as the mediating effects of business innovativeness within that relationship. The results indicated that effects of digital literacy on actual system use are significant and positive, and that business innovativeness partially mediates the relationship.

In the next paper, DIVERSITY MANAGEMENT AND PERFORMANCE: EVIDENCE FROM NIGERIAN MULTINATIONAL COMPANIES, the authors, Samuel Olufemi Omoyele and Jayeola Olabisi, wanted to understand the relationship between diversity management and the performance of Nigerian multinational companies. The results revealed a significant and positive relationship between diversity management and the performance of Nigerian multinational companies. The study concluded that diversity management motivates employees to put in their best to achieve a high level of productivity, which leads to improved profitability due to employees' innovativeness.

The following paper, by Cheng-Wen Lee, Andrian Dolfriandra Huruta, Ramdani Putri Setyaningrum, and Gatot Sasongko, titled REVISITING KEYNES' INVESTMENT AND SAVING MODEL IN INDONESIA, is focused on the Keynes' investment and saving model in Indonesia from 1981 to 2018. This study found no short-run causal relationship between investment and saving in Indonesia from 1981 to 2018. However, in the long-run, saving affected investment. Further, saving was highly related to investment. These findings indicate that the IS curve did not hold in the short-run but only held in the long-run. Therefore, the results obtained indicated that the model empirically supports the long-run Keynes' investment and saving model. Consequently, the Indonesian government needs to consider saving as a policy instrument to increase investment in the long-run.

The next paper, FINANCIAL CONTROLLING STATUS AND POTENTIAL IN MEDIUM-SIZED ENTERPRISES OF TUZLA CANTON, BOSNIA AND HERZEGOVINA, is written by Emira Kozarević and Amir Mujezinović. The paper is focused on financial controlling in the role of improving business performances of medium-sized enterprises in the Tuzla Canton, Bosnia and Herzegovina, active in manufacturing, trade, transport and storage, construction, etc. The conducted research points to the basic conclusion that the function (department) of financial controlling in modern organization of medium-sized enterprise is needed and has a positive effect. The authors therefore confirmed the hypothesis that financial controlling, if properly implemented in practice at the level of medium-sized enterprise, gives efficient results.

The last paper, ANALYSIS OF HOUSEHOLD SAVING FACTORS IN BOSNIA AND HERZEGOVINA - APPLICATION OF ARDL METHODOLOGY, is written by Irma Đidelića. This paper is focused on the analysis of one of the components of private saving and its factors, and that is the household saving. The analysis was conducted on household saving in Bosnia and Herzegovina, viewed as the sum of saving and time deposits. The aim of this research was to determine which factors favoured the positive trends of household saving in Bosnia and Herzegovina in the period 2000q1-2016q3. The results obtained indicated that macroeconomic factors have an impact on household saving in Bosnia and Herzegovina.

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