Welcome to the fourth issue of Forum Scientiae Oeconomia: a peer-refereed academic journal. The theme of the current issue is “Surviving & Thriving in a Complex Business Environment” by focusing on the potential challenges arising for all types of businesses in such a complex, dynamic environment. The scope includes a range of issues and operations related to the Business and Management discipline. This issue is dedicated to various challenges in the operating dynamics faced by real businesses across the globe. We are also excited that the journal has attracted papers from a variety of developed and emerging countries such as Japan, Nigeria, Latvia and so on. This issue contains seven outstanding articles contributing to the knowledge of the challenges which businesses across the globe face, while offering practical knowledge of how to survive and thrive in a dynamic environment.

The first paper “The Latvian audit services market: current issues and challenges” addresses the existing issues and challenges for audit market services in the context of Latvia, particularly after the EU audit reforms. By deploying different strategies and methods, it is evident that, with a higher level of market concentration, audit firms are not fully transparent. In light of the evidence, a set of recommendations is provided to meet the challenge of low transparency and higher concentration.

The second paper “Credit risk management and financial performance among deposit money banks in Nigeria: A case study of Zenith Bank Plc” examines the credit risk and performances of banks in Nigeria operating in a precarious, unpredictable and unstable financial environment. Whilst vast amounts of literature have proposed various techniques to measure credit risk, in the case of deposit money banks in Nigeria, the focus is on the loan or advances (LAD) risk and loan loss provision (LLP) by measuring performance through the return on equity (ROE) with total assets (TAS) as the controlled variable. The statistical results confirmed that loan loss provision does not exert a significant impact on profitability.

The third paper, “Evaluation of the export potential of Latvia with EU countries categorised by groups of goods” focuses on the export potential of Latvia with EU countries, broken down by groups of goods, to examine the overall economic potential and development of the region. Slow export growth negatively affects the trade balance. The mixed methods utilised confirmed that groups of goods from Latvia with trade potential for export to the EU countries have been identified.

The fourth paper “Evaluation of the economic indicators of a company-prosumer using photovoltaics” evaluates the economic parameters of the company-prosumer, focusing on a selected administrative building which consumes both electricity from the grid and self-produced electricity. The methodological section focuses on data sources and parameters for the model of a company-prosumer and a description of the economic indicators used in the evaluation. It evaluates technical and economic parameters by examining the relationship between the amount
of electricity produced by the photovoltaic power plant and selected natural conditions of the locality. Subsequently, particular economic indicators for the selected company-prosumer using two scenarios with different electricity price tariff regimes are presented. Based on the results, the economic indicators of the particular photovoltaic projects, and simultaneously the payback period, are highly sensitive to the price of electricity purchased from the grid and to the particular purchase price tariffs.

The fifth paper “Verification of the smile curve in the food industry in Japan – a consideration using the B-to-B rate and operating income margin” investigates the correlation between the industrial organisation and the profitability of the food industry in Japan. The profitability of each upstream, midstream, and downstream industry was measured using the concept of the smile curve. A quantitative analysis was performed using the B-to-B rate and operating income margins of 32 industrial classifications. The results indicate that the profitability of midstream industries is lower than that of downstream food industries.

The sixth paper “Cooperation between knowledge-based institutions and business: Empirical studies and network theories” analyses the connection between business and science to evaluate the foundations for the modern knowledge-based economy, relying on innovations and competitiveness in technically and scientifically advanced branches. The article outlines the theoretical perspective for studies on the effects of this cooperation. The special characteristics of the “start-up world” mean that the most suitable theoretical approach as a base for properly constructing empirical studies is the network theory in general, and the social capital perspective in particular. The subject of “hard” forms of cooperation between science institutions and business (start-ups in particular) requires more insight into the network approach to entrepreneurship. The article presents an overview of the literature concentrating on studies analysing the cooperation between knowledge-based entities (universities) and business in practice, as well as presenting an example of such a case study in detail.

The last paper “Age management in an organization. An employee over 50 – an opportunity or a limitation for companies” evaluates the relationship between age management and the management of generations while focusing on age management as an essential factor of an organisation’s development rather than a limitation thereof. It searches for the answers to effective age management at workplaces by critically reviewing the literature at hand. The paper’s practical implications include the opportunity for organisations to use the stages of implementation of age management presented therein while expanding the knowledge in terms of age management (in essence, stereotypes related to older people as employees and the benefits of implementing age management in an organisation). The organisations acquire loyal, experienced and mature employees through an effective approach to age management.

I would like to take this opportunity to thank all the people who created and contributed to this volume of the journal. The list includes all current Scientific Board members, technical team, reviewers and researchers.

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