



# Competitive Regions 21



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# Project Objectives

- Reduction of economic and social disparities between regions in Slovakia
- Detailed analysis of competitive advantages and disadvantages of districts (RBEI & SWOT)
- Strategies for increasing competitiveness of districts of the SR

# Reasons to Support the Project

- Regional disparities = long-term problem of SVK
- Regional disparities (and particular elements causing them) were not comprehensively examined
- Regions do not have visions for development of local business environment
- Lack of complex information about conditions for business in regions
- Lack of detailed information on factors causing lagging of regions complicates the aim of increasing effectiveness and addressability of the central government expenditures

# Basic Overview

- Project inspired by international rankings (WEF, IMD)
- BAS developed own mathematic model to assess regions
- 106 indicators, of which:
  - 47 from the survey among entrepreneurs (5000 respondents)
  - 59 from statistical databases
- Data used to calculate values of **Regional business environment index** and **its pillars**
- Analyses, comparative tables, regions' profiles and recommendations based on these data

# Regional Business Environment Index

- SUBINDEX I: ECONOMIC ACTIVITY

- 1st pillar: Economic environment (21 indicators; e.g. population density, employment)
- 2nd pillar: Economic output (12 indicators; e.g. construction output, ee productivity)

- SUBINDEX II: PUBLIC ADMINISTRATION AND LEGISLATION

- 3rd pillar: Legislation (12 indicators; e.g. local and other taxes)
- 4th pillar: Public administration (11 indicators; e.g. efficiency of local authorities, e-communication)

- SUBINDEX III: TECHNOLOGY AND INFRASTRUCTURE

- 5th pillar: Infrastructure (9 indicators; e.g. availability of banks, density of motorway)
- 6th pillar: Technology (8 indicators; e.g. FDI inflow, technology level)

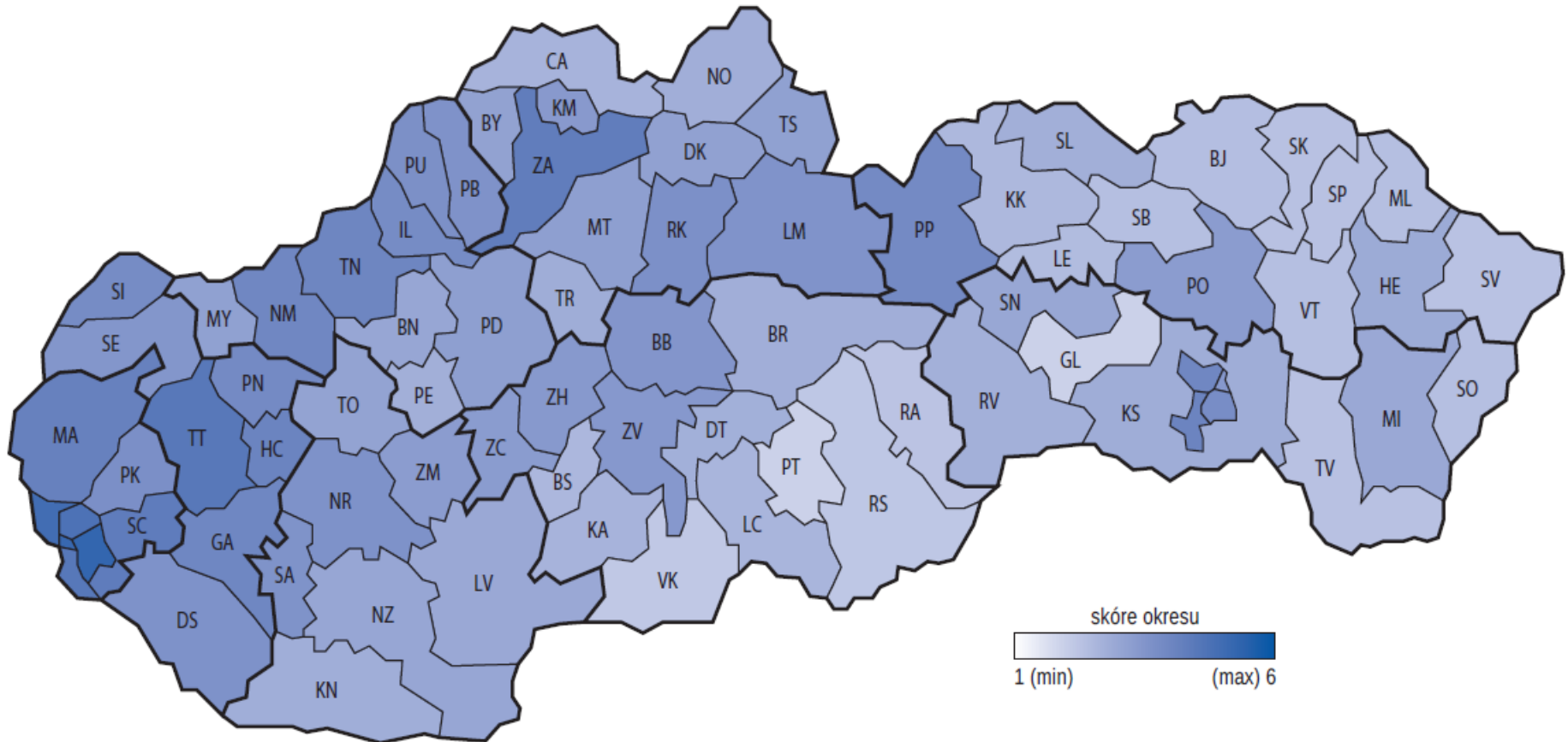
- SUBINDEX IV: EDUCATION AND HUMAN RESOURCES

- 7th pillar: Human resources (20 indicators; e.g. population growth, job vacancies)
- 8th pillar: Education (13 indicators; e.g. school examination results, secondary enrolment)

# Project Activities

1. Data collection
2. Survey of regional business environment barriers
3. Analysis of economic activity (in regions)
4. Analysis of public administration and legislation
5. Analysis of technology and infrastructure
6. Analysis of education and human resources
7. Analysis of employers/investments/structure of business sector
8. Final SWOT, RBEI, recommendations for regions
9. Publication & Intelligent web and electronic visualization of results

# RBEI Visualization



# RBEI Visualization





# Project Outcomes

- **Publication**

  - General findings – which regions are more/less competitive

  - Profiles for each region with top competitive advantages/disadvantages

  - In-depth analysis of barriers and recommendations for each region

  - Rankings of regions by indicators (data tables)

- **Maps to visualize results of RBEI and its sub indexes**

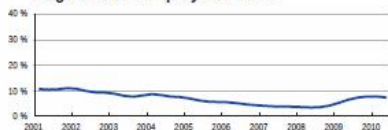
- **Interactive web page** (possibility to make own comparisons)

## General information

Abbreviation	PN
Population	64,207
Area	381 km <sup>2</sup>
Population density	169 hab / km <sup>2</sup>
Number of workers	27,986 (43.5 %)
Unemployment rate	7.3 %

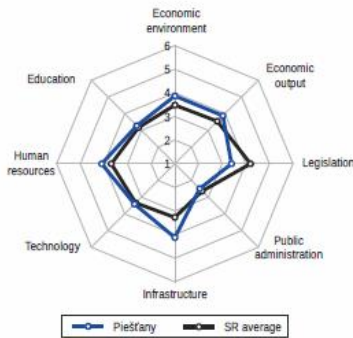


## Registered unemployment rate

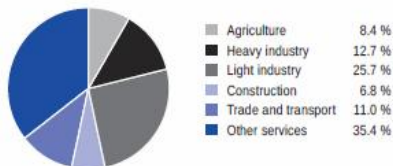


## Regional Business Environment Index (RBEI)

	Rank (1-79)	Score (1-6)	SR
<b>RBEI</b>	<b>16</b>	<b>3.68</b>	<b>3.43</b>
<b>Subindex I: Economic activity</b>	<b>10</b>	<b>3.86</b>	<b>3.51</b>
1st pillar: Economic environment	8	3.86	3.48
2nd pillar: Economic output	15	3.86	3.53
<b>Subindex II: Public administration and legislation</b>	<b>77</b>	<b>2.88</b>	<b>3.32</b>
3rd pillar: Legislation	77	3.39	4.19
4th pillar: Public administration	67	2.48	2.63
<b>Subindex III: Technology and infrastructure</b>	<b>18</b>	<b>3.77</b>	<b>3.30</b>
5th pillar: Infrastructure	8	4.11	3.26
6th pillar: Technology	31	3.41	3.34
<b>Subindex IV: Education and human resources</b>	<b>16</b>	<b>3.79</b>	<b>3.43</b>
7th pillar: Human resources	15	4.08	3.68
8th pillar: Education	22	3.27	3.16



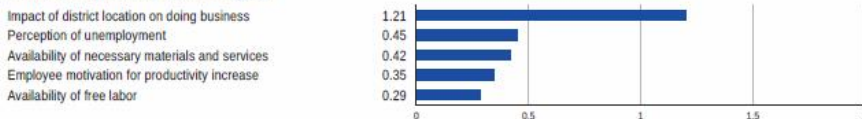
## Structure of the business sector



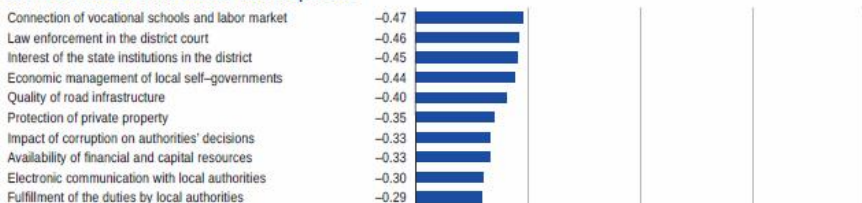
## Top 5 employers

Company name	Number of employees
Slovenské liečebné kúpele Piešťany, a.s.	1,240
FMC – dialyzačné služby, s.r.o.	474
Bodet & Horst mattress ticking, k.s.	430
SEMIKRON, s.r.o.	402
Trnavská vodárenská spoločnosť, a.s.	332

## Main competitive advantages



## Main barriers to business development



## RBEI Indicators

Subindex I: Economic activity		
	Rank	Score
<b>1st pillar: Economic environment</b>	<b>8</b>	<b>3.86</b>
1.01 Population density	19	3.22
1.02 Urbanization	20	4.60
1.03 Impact of district location on doing business*	7	4.74
1.04 Impact of natural conditions on doing business*	20	4.73
1.05 Area of agricultural land	13	5.27
1.06 Current business conditions*	11	3.10
1.07 Change of business conditions in recent years*	11	2.68
1.08 Barriers to improving business conditions*	19	2.61
1.09 Impact of the minimum wage on doing business*	42	2.84
1.10 Impact of the informal economy on doing business*	59	2.50
1.11 Level of competitiveness: In services*	33	3.70
1.12 Level of competitiveness: In industry*	41	3.48
1.13 Reliability of business partners*	14	3.94
1.14 Availability of financial and capital resources*	50	2.79
1.15 Availability of necessary materials and services*	10	4.72
1.16 Development potential of the district*	22	3.32
1.17 Potential for tourism development*	17	4.39
1.18 Economically active population	7	4.79
1.19 Social benefit claims	17	4.18
1.20 Share of foreign companies	9	4.79
1.21 Share of international companies	4	5.81
<b>2nd pillar: Economic output</b>	<b>15</b>	<b>3.86</b>
2.01 Construction output	9	4.23
2.02 Construction of apartments	9	4.49
2.03 Produced added value	45	3.30
2.04 Employee productivity	61	2.73
2.05 Level of industry development	24	4.43
2.06 Environmental friendliness of production	20	4.81
2.07 Air pollution	20	4.84
2.08 Tourism activity	6	5.67
2.09 Tourism attractiveness	5	3.84
2.10 Profitability and productivity of businesses*	9	3.97
2.11 Level of corruption among private businesses*	55	2.84
2.12 Development potential of businesses*	21	3.93
<b>Subindex II: Public administration and legislation</b>	<b>77</b>	<b>3.39</b>
<b>3rd pillar: Legislation</b>	<b>77</b>	<b>3.39</b>
3.01 Barriers to business development*	16	3.39
3.02 Perception of local taxes*	64	2.67
3.03 Business development prospects*	67	2.48
3.04 Non-construction land tax	76	4.50
3.05 Building site tax	63	5.01
3.06 Housing tax and tax on ancillary facilities	74	2.86
3.07 Agricultural and irrigation tax	79	1.31
3.08 Industrial property tax	77	2.25
3.09 Taxes on buildings for other business	77	3.30
3.10 Apartment and non-residential property tax	76	2.82
3.11 Motor vehicle tax	62	3.10
3.12 Charges for municipal waste	29	5.11
<b>4th pillar: Public administration</b>	<b>67</b>	<b>2.48</b>
4.01 Fulfillment of the tasks by local authorities*	64	2.66
4.02 Bureaucracy and delays in the offices*	10	2.82
4.03 Availability of public information*	42	3.11
4.04 Electronic communication with local authorities*	61	2.51
4.05 Law enforcement in the district court*	63	2.03
4.06 Impact of corruption on authorities' decisions*	69	2.63
4.07 Protection of private property*	65	2.55
4.08 Interest of the state institutions in the district*	59	2.00
4.09 Impact of authorities' activities on doing business*	53	2.56
4.10 Economic management of local self-governments*	76	2.36
4.11 Impact of trade unions on doing business*	18	2.85

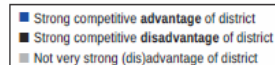
## Subindex III: Technology and infrastructure

	Rank	Score
<b>5th pillar: Infrastructure</b>	<b>8</b>	<b>4.11</b>
5.01 Availability of banks	18	3.22
5.02 Availability of post offices	24	3.67
5.03 Capacity of medical facilities	33	3.81
5.04 Quality of road infrastructure*	41	2.21
5.05 Density of motorways	3	5.80
5.06 Density of 1st class roads	57	2.03
5.07 Density of 2nd class roads	6	4.22
5.08 Density of 3rd class roads	57	3.72
5.09 Utilization of roads	9	5.96
<b>6th pillar: Technology</b>	<b>31</b>	<b>3.41</b>
6.01 Inflow of foreign direct investments	28	2.86
6.02 Technology level*	19	3.97
6.03 Ability of businesses to use latest technologies*	16	4.64
6.04 Usage of Internet services by businesses*	6	5.69
6.05 Information on the supply of goods and services*	27	4.66
6.06 Usage of personal motor vehicles	74	2.05
6.07 Usage of trucks	49	2.87
6.08 Usage of technical motor vehicles	55	2.37

## Subindex IV: Education and human resources

	Rank	Score
<b>7th pillar: Human resources</b>	<b>15</b>	<b>4.08</b>
7.01 Life expectancy	4	4.84
7.02 Natural population growth	41	3.97
7.03 Ageing Index	74	2.09
7.04 Registered unemployment rate	14	3.88
7.05 Perception of unemployment*	16	3.72
7.06 Share of long-term jobseekers	18	5.03
7.07 Age structure of jobseekers	13	4.39
7.08 Availability of free labor*	13	4.37
7.09 Labor market dynamics	15	5.02
7.10 Job vacancies in services	65	2.78
7.11 Job vacancies in industry	44	3.47
7.12 Unskilled job vacancies	47	3.08
7.13 Migration of skilled labor*	19	2.97
7.14 Net migration	18	4.16
7.15 Average monthly wage	24	4.44
7.16 Wage expectations of jobseekers*	50	2.97
7.17 Discipline and diligence of employees*	68	4.03
7.18 Duration of sick leave	24	3.47
7.19 Employee motivation for productivity increase*	4	5.04
7.20 Fairness in employee selection*	24	4.08

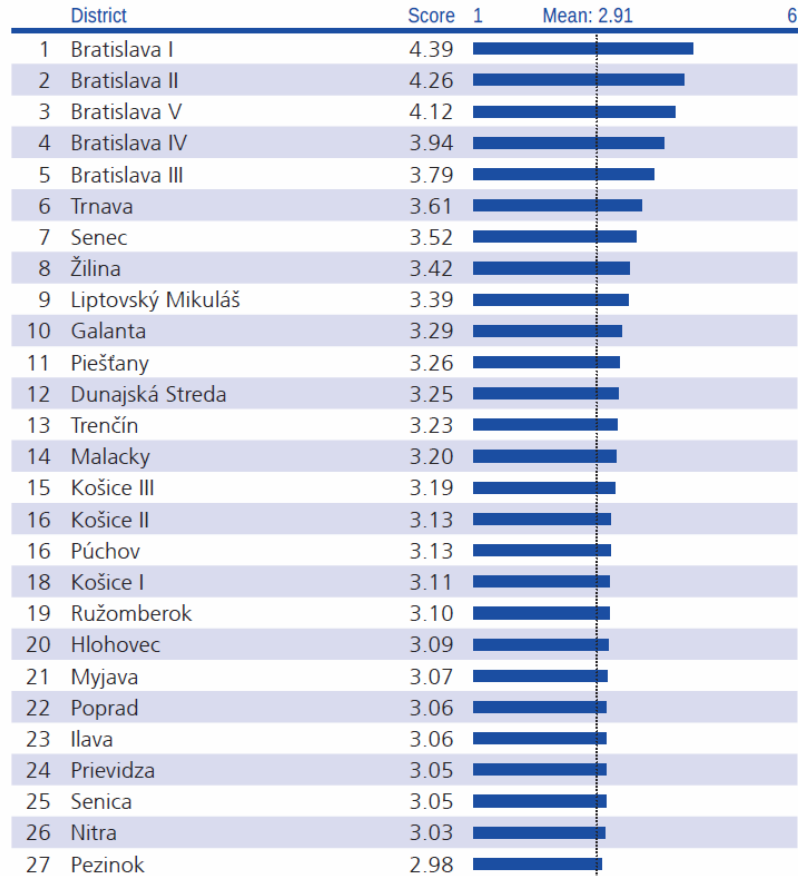
	Rank	Score
<b>8th pillar: Education</b>	<b>22</b>	<b>3.27</b>
8.01 Level of education*	26	3.80
8.02 Knowledge of foreign languages*	11	3.26
8.03 School leaving examination results – Slovak language	31	3.31
8.04 School leaving examination results – Mathematics	52	2.70
8.05 Number of secondary school students	24	4.26
8.06 Scores achieved in Monitor 9 test – Slovak language	22	3.27
8.07 Scores achieved in Monitor 9 test – Mathematics	24	3.95
8.08 Number of primary school pupils	68	3.76
8.09 Connection of vocational schools and labor market*	69	2.22
8.10 Qualification of jobseekers*	40	2.97
8.11 Availability of highly skilled labor	33	3.01
8.12 Availability of skilled labor	21	3.20
8.13 Availability of unskilled labor	12	4.52



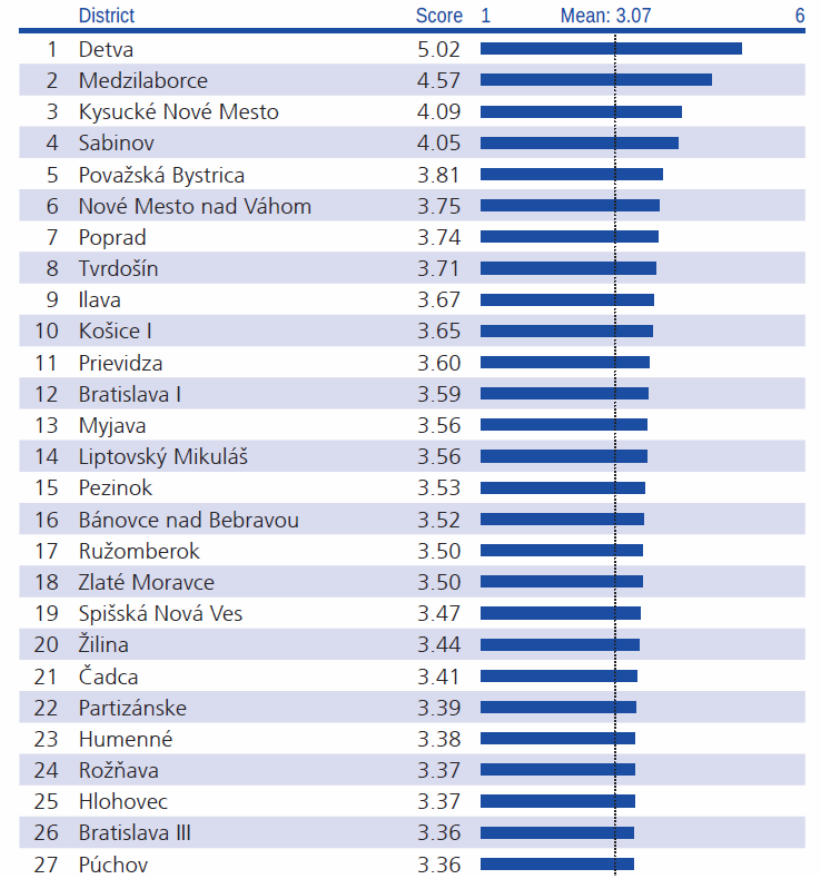
\* Data based on the Survey of entrepreneurs' and municipality representatives' opinions.

# Data Tables

## 8.02 Knowledge of foreign languages\*

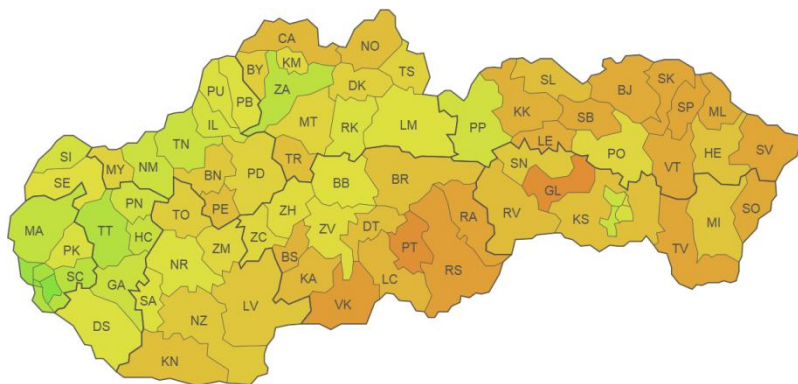


## 8.03 School leaving examination results – Slovak language

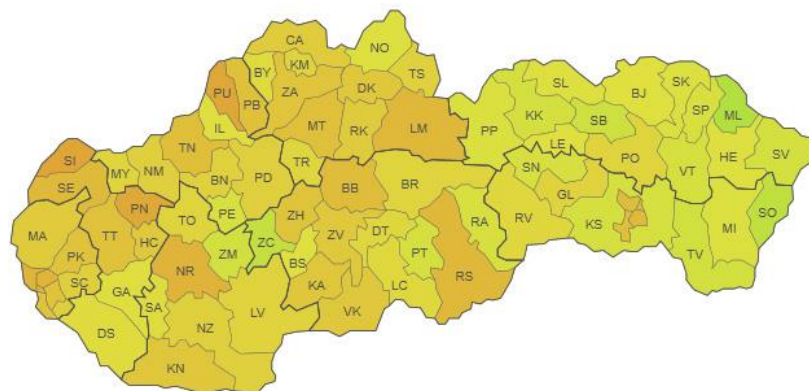


- Interactive web page
- Contains all data processed during the project
- Weight of parameters to assess the regions can be adjusted to get customized results according to user preferences (maps / rankings)
- Unique tool for all target groups

*RBEI Overall Results Map*



*Public Administration Quality Map*



# Target Groups

- LOCAL GOVERNMENT  
(Development strategies formulation)
- CENTRAL GOVERNEMENT  
(More precise targeting of regional development tools)
- ENTREPRENEURS & INVESTORS  
(Info about quality of business environment in regions)
- WIDE PUBLIC  
(Increased pressure on local and central officials to develop regions)



# Thank you for your attention



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