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A recurring challenge in the selection of analytical manuscripts for publication is the authors' frequent inability to clearly articulate the novelty of their approach, methodology, or research findings within the conclusions and/or abstract. A common, yet trivial, issue arises when authors merely assert the successful and efficient applicability of their research without providing detailed argumentation. Furthermore, recent trends indicate a shift where original research is merely summarized by a review of various authors' work, followed by very abstract conclusions, rather than a clear presentation of the new insights. In this issue of the IE we could pick out the following sections of publications:

1. **Digital Transformation:** This section features papers by Mirjana Radović-Marković and Mushfig Guliyev et al., alongside a contribution from Tomas Pečiulis et al. on the impact of cryptocurrencies.
2. **Financial Management:** This theme encompasses research on the financial aspects of education (Goran Karanovic et al.), as well as broader business and household management (Inung Sumitro et al., Eglė Kazlauskienė et al., and Logman Abdullayev et al.).
3. I**nnovative Work Effectiveness:** This area is explored through studies by Sharmila Devi Ramachandaran et al., and Marwan et al.

Featured Research: Digital Transformation in Diverse Economies. Mirjana Radović-Marković's paper (Serbia) offers a comprehensive analysis of digital transformation across countries of varying sizes. It particularly highlights the differential impact of new technologies on digital entrepreneurship, evolving work modalities, and educational systems. The research also meticulously examines the intricate connection between creative destruction, emerging technologies, and digital entrepreneurship. Structured using the IMRaD format, the article provides a relevant and timely examination of digital challenges across critical sectors. It presents a comparative analysis of innovation statistics (Global Innovation Index) and digital entrepreneurship (Digital Entrepreneurship Index), complemented by an in-depth review of skills development and competency-based education in the Baltic states and the Balkan countries. The findings from this reviewed article underscore various impacts of Artificial Intelligence (AI) in Lithuania and other nations, proposing potential strategies to enhance productivity and educational outcomes, especially for economies competing with larger counterparts. In the context of creative destruction, AI, new work paradigms, and knowledge generation, China and Japan, as leading innovative and digitally entrepreneurial nations, are selected to illustrate their interdependencies. The paper concludes that collaboration between public and private sectors is a universally adopted strategy, irrespective of country size, for fostering innovation and supporting digital entrepreneurship. The research is substantiated by current references from reputable scientific journals, particularly in its discussion of education and skills development in STEM fields, which are crucial for cultivating an innovation-driven workforce. The findings further emphasize the potentially divergent growth dynamics among countries with lower GDP levels and differing degrees of digital skill proficiency. Consequently, policymakers are strongly advised to take proactive measures to mitigate these risks. A concerted shift towards rapid improvements in productivity growth and substantial investment in education and skills development are identified as critical interventions to reduce these disparities.

Econometric Assessment of Government Initiatives on Innovation and Growth. The study of Mushfig Guliyev et al. (Azerbaijan) rigorously assesses the utility of econometric methods for analyzing the impact of government initiatives on innovation development, entrepreneurship, and economic growth. The research specifically investigates the influence of government support on innovation strategies, start-ups, entrepreneurship, and broader economic growth across diverse countries, including the United States, key European Union members (Switzerland, the Netherlands, Germany, Denmark, France), Japan, South Korea, India, and China, while accounting for their unique regional and cultural specificities. The methodological approach relies on the analysis of data from official sources, such as government websites, as well as reports and analytical materials from international publications. Utilizing econometric methods, notably regression and correlation analysis, the study confirms that an increase in GDP per capita positively correlates with an increase in the innovation index. Conversely, it demonstrates that research and development (R&D) expenditure exhibits a statistically insignificant relationship with the innovation index, thereby illustrating the practical benefits of employing econometric tools for such evaluations. The study showcases the high effectiveness of specific government programs, including the Small Business Innovation Research and Small Business Technology Transfer programs in the US, Horizon Europe in the European Union, and the Creative Economy Initiative in South Korea. Furthermore, it identifies that India's Startup India and China's Made in China 2025 Programmes significantly contributed to establishing favorable regulatory environments and providing tax incentives, both of which positively impacted the development of entrepreneurship and innovation in those nations. Based on these findings, the paper offers recommendations for utilizing econometric methods to enhance the assessment of government support for innovation and entrepreneurship, alongside suggestions for improving financial support for start-ups, strengthening educational programs for entrepreneurs, promoting cross-sectoral cooperation, and optimizing the regulatory environment. This research sets a new precedent by providing a rigorous, econometric analysis of how government open data initiatives influence innovation, entrepreneurship, and economic growth.

The models for cryptocurrency volatility. Tomas Pečiulis et al. from Lithuania conducted a rigorous investigation into the forecasting performance of advanced GARCH-family models for cryptocurrency volatility during periods of extreme market conditions. The study aimed to determine whether volatility in major digital assets is primarily endogenous and asset-specific, and to identify which modeling approaches offer superior predictive accuracy across different volatility regimes. Employing a "Leave-One-Crisis-Out" (LOCO) cross-validation framework, the researchers evaluated five GARCH-type models—GARCH, EGARCH, GJR-GARCH, CS-GARCH, and MS-GARCH—across three prominent cryptocurrencies: Bitcoin (BTC), Ethereum (ETH), and Binance Coin (BNB). High-volatility episodes were identified using realized volatility thresholds exceeding the 90th percentile, with hyperparameters optimized via grid search. The analysis utilized daily data spanning from August 2017 to June 2025, focusing exclusively on threshold-based filtering after empirical evidence indicated limited alignment between crypto volatility and traditional financial stress indicators like the VIX. The findings reveal that cryptocurrency volatility is largely endogenous and decoupled from traditional market stress, thereby supporting the "crypto exceptionalism" hypothesis. Volatility patterns are highly asset-specific, reflecting the distinct roles and market structures of each cryptocurrency. Notably, regime-switching (MS-GARCH) and component (CS-GARCH) models consistently outperformed traditional specifications in forecasting accuracy, particularly for BTC and ETH. However, convergence issues encountered with MS-GARCH for BNB underscore the necessity for model-specific diagnostics and asset-tailored approaches. This study distinguishes itself as the first to apply a LOCO-based stress-testing framework to evaluate GARCH-family models under extreme cryptocurrency market conditions. It significantly contributes to the existing literature by demonstrating the limitations of traditional financial stress indicators in crypto volatility modeling, highlighting the heterogeneous nature of digital asset dynamics, and offering a robust methodology for volatility forecasting in high-risk, rapidly evolving markets during periods of extreme duress.

Moral Hazard in Student Financial Support. Goran Karanovic et al. (Croatia, Greece) investigates the phenomenon of moral hazard among university students, specifically within the context of financial subsidies and other support schemes provided for higher education. The research emphasizes the dynamics of the financier-student relationship and how moral hazard may emerge. The primary objective is to identify and understand the contributing factors to moral hazard among students, considering both government subsidies and parental contributions. To achieve this, the authors conducted a survey among business and administration students at the University of Rijeka. The emergence of moral hazard and the impact of its influencing factors were analyzed using the Structural Equation Modeling-Partial Least Square (SEM-PLS) method. This study aims to bridge a gap in the existing literature by thoroughly examining the presence of moral hazard in higher education financing and exploring its causative factors. Explanatory analyses suggest that financial asymmetry and financial attitudes negatively influence the occurrence of moral hazard, while financial behavior was not found to be statistically significant. Additionally, the results indicate that moral hazard is influenced by a multitude of contextual economic and behavioral factors. A key limitation of the findings, highlighting the inherent complexity and multifaceted nature of the moral hazard construct, is their limited explanatory power. Furthermore, the survey's exclusive focus on economics and business administration students, rather than including students from other disciplines, could have impacted the generalizability of the results to the overall student population. There are relatively few studies addressing the occurrence of moral hazard in higher education financing within European countries. The welfare state model and the widespread subsidization of higher education, along with support schemes for student expenses, are deeply ingrained in the societal consciousness of most European nations, leading to infrequent questioning of undesirable phenomena like moral hazard. Consequently, this study represents a pioneering attempt to explore moral hazard in higher education financing using the PLS-SEM methodology, simultaneously developing constructs that influence its occurrence.

Sharing Economy, Financial Empowerment, and Welfare. Inung Sumitro et al. ((Indonesia) explores how Sharing Economy platforms in Indonesia, such as Gojek, Tokopedia, and P2P Lending, can enhance the welfare of low-income communities. It investigates the mediating role of Self-Transformational Expectation in the relationship between Financial Empowerment, Social Connectedness, and improved welfare. Employing a quantitative research approach and utilizing the Warp-PLS statistical tool, the study analyzes the interrelationships among these variables. The findings indicate that Financial Empowerment significantly contributes to individual well-being. Furthermore, Social Connectedness and Self-Transformational Expectation play crucial roles in reinforcing positive welfare outcomes. The research concludes that integrating financial literacy, digital financial access, and inclusive financial systems is vital for sustainable economic and social development. This study offers a novel perspective by positioning Self-Transformational Expectation as a key mediating variable between the financial and social dimensions of empowerment. It provides actionable insights for policymakers, platform providers, and social institutions, guiding the design of interventions that foster financial inclusion, strengthen community support, and build long-term economic resilience.

Financial Services Consumption and Economic Growth in Baltic States. Eglė Kazlauskienė et al. (Lithuania) assesses the scope and dynamics of financial services consumed from credit institutions and their role in economic growth, focusing on Lithuania, Latvia, and Estonia. Based on established theoretical frameworks and empirical analysis, the study meticulously examines the role, evolution, and extent of financial services utilized by individuals and households from diverse theoretical perspectives. Findings indicate that in Lithuania and Latvia, the most significant increases in GDP are associated with the number of individuals using the internet for internet banking. In contrast, in Estonia, the most significant driver of GDP growth is household lending for house purchases. The study interprets regression analyses, linking GDP in Lithuania, Latvia, and Estonia to indicators of financial services consumed by individuals and households, specifically focusing on loans, financial leasing, payment card usage, internet banking, and deposits.

Financial Security in Business Management Amidst Economic Challenges. Logman Abdullayev et al. (Azerbaijan) aims to provide a comprehensive disclosure of the concept of financial security within business management, specifically in the context of prevailing economic challenges, with a particular focus on enterprises in Azerbaijan. The research methodology involved expert interviews (n=12), a sectoral analysis of Azerbaijani enterprises, and the utilization of secondary data from Statista and Eurostat to assess financial security threats and the impact of emerging technologies like blockchain, AI, fintech, and biometrics across various industries. The study considered the essence, operational directions, key objects, and principal subjects of financial security in business management. It established that the main objects of financial security are an enterprise's financial resources and assets, while the subjects include enterprise management, investors, state regulatory authorities, and other relevant stakeholders. An assessment of innovative financial security management technologies, such as blockchain, artificial intelligence, financial technologies, and biometric technologies, demonstrated their significant potential to enhance the transparency of financial transactions, mitigate fraud risks, and improve the efficiency of resource management. The study also identified the primary threats to the financial security of enterprises in Azerbaijan, including oil price fluctuations, political instability, corruption, administrative barriers, import dependence, low levels of innovation and technology adoption, changes in tax legislation, a low-skilled labor force, and insufficient digitalization of economic processes.

The Effectiveness of Hybrid Work Models in HRM. Sharmila Devi Ramachandaran et al. (Malaysia, Thailand, India) explores the effectiveness of hybrid work models within Human Resource Management (HRM) practices, drawing on the perceptions of HRM experts. Designed to provide a clear understanding of the application of hybrid work systems in HRM, the research adopted a qualitative approach guided by phenomenological inquiry. The findings establish five core elements for successfully integrating a hybrid work model into HRM practices: expanding the talent pool and increasing diversity and inclusion; boosting employee productivity; enhancing technological capabilities; achieving cost savings; and improving employee work-life balance. This paper offers unique empirical evidence from HR experts, particularly within the private sector, regarding their experiences with and the effectiveness of assimilating the hybrid work model into their HRM practices. Its value lies in its novel examination of the hybrid work model from the perspectives of private-sector HRM specialists, a viewpoint not thoroughly explored previously. By identifying these five essential components—a broader talent pool, enhanced productivity, technological advancement, cost efficiencies, and improved work-life balance—the study provides fresh insights into how hybrid work can be successfully incorporated into HRM practices.

Entrepreneurial Orientation, Knowledge Management, Human Capital, and Business Performance in MSEs. Marwan et al. (Indonesia) aims to investigate the relationships among entrepreneurial orientation, knowledge management, human capital, innovative work behavior, and business performance in Micro and Small Enterprises (MSEs). Specifically, it seeks to determine the impact of entrepreneurial orientation, knowledge management, and human capital on both innovative work behavior and business performance, as well as the direct influence of innovative work behavior on business performance. Following SEM/PLS guidelines for sample size determination based on the number of indicators (20), the study required a sample size between 100 and 200. Recognizing the substantial number of MSEs, a more representative sample of 160 individuals was selected randomly, and data was collected via questionnaires distributed through Google Forms. The obtained data were then processed using the Partial Least Squares (PLS) method. The research results indicate that entrepreneurial orientation has a positive and significant effect on both Innovative Work

Behavior and business performance in MSEs. Similarly, knowledge management positively and significantly impacts innovative work behavior, and innovative work behavior, in turn, positively and significantly influences business performance. However, the study found no significant direct effect of human capital on either innovative work behavior or business performance, nor did knowledge management have a substantial direct impact on business performance. Furthermore, the research reveals that innovative work behavior can mediate the relationship between entrepreneurial orientation and knowledge management on business performance, but it does not mediate the relationship between human capital and business performance. This study offers a novel perspective by attempting to elucidate the role of human resource aspects in micro and small businesses. It concludes that entrepreneurs in this sector should continuously strive to strengthen entrepreneurial orientation and knowledge management to foster increased innovation in work behavior and ultimately enhance business performance.

Consumer Evaluation of Sustainable Energy Factors in Developed and Developing Countries. Rafał Nagaj et al. (Poland, Bulgaria) investigated how energy consumers in both developing and developed countries evaluate economic, social, and environmental factors related to sustainable energy consumption decisions. Their objective was to compare these two country groups regarding the impact of these factors on consumer choices. To achieve this, the authors utilized data from a survey conducted in five countries, representing both developing and developed economies. Hierarchical modeling was then employed to assess consumer preferences concerning sustainable energy consumption.

The analysis of the results indicates that economic, social, and environmental factors play a significant role in shaping consumer decisions on sustainable energy consumption, though their relative importance varies with the country's level of development. Income and energy prices are identified as important factors in both developed and developing nations, but they exert a more crucial influence in developed contexts. Social factors are perceived as more significant in developing countries. Environmental factors are considered crucial in both developing and developed countries, yet their acceptance was notably higher and more uniform in developed economies. This study offers a multidimensional framework for understanding sustainable energy consumption patterns. Furthermore, it uniquely assesses preferences not only for a single group of countries but also highlights the distinct differences in consumer preferences regarding energy supply between developing and developed countries. The paper provides empirical evidence supporting the theory that energy and fuel poverty should be treated as separate phenomena when analyzing developed versus developing nations.

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