Business Barometer of Vojvodina Economy

Evaluation of business activities and expectations of enterprises in the AP Vojvodina
Positive expectations regarding future developments of all observed business categories

Economy of the AP Vojvodina as a whole:
Overview of the quarterly Business Barometer coefficients – Expectations of future developments

Current business activities
Business activities with foreign clients in the last 6 months
Number of employees within last year
Selling prices of products / services in the last 6 months
Business Barometer of Vojvodina Economy

Evaluation of business activities and expectations of enterprises in the AP Vojvodina – December 2021
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Research goal and methodology

Vojvodina Development Agency conducts quarterly research Evaluation of Business Climate in Vojvodina, by implementing an instrument called Business Barometer of Vojvodina Economy. Research has been conducted from 2010. The 46th round of research has been conducted in December 2021.

The database of enterprises used to form the sample has been provided by the Chamber of Commerce of Vojvodina and Vojvodina Development Agency. This instrument enables collecting reliable information on how enterprises estimate the current market situation and future market trends and opportunities.

The enterprises are emailed a short, closed-ended questionnaire about their opinion on the current business performance, as well as on developments in trade with foreign clients, employment and the selling prices of their products and services. Further questions are asked about expectations regarding future developments in these areas during next six months or a year.

The questionnaire offers three possible responses: the situation is good, remains unchanged or bad, in other words, it is expected to improve, there will be no changes or a decline is expected. These responses are then recorded in the Business Barometer as “−1” if they are negative, “0” if they are neutral and “1” if positive.

In addition to this standard set of questions, the questionnaire also contains an additional group of questions that deals with another topic of importance in each research with the aim of reviewing the situation in the economy and improving the quality of services of the Vojvodina Development Agency.

The received responses are used solely for statistical analysis and application of specially created tool that results in a number of Business Barometer coefficients (BBV coefficients) which serve as a basis for creating an image of the business climate and expectations in individual sectors and in the economy of the AP Vojvodina as a whole.

When individual sectors are observed, responses are weighed based on the number of employees in the surveyed enterprises. In this way, responses from large enterprises have stronger impact on the final values of Business Barometer coefficients. When calculating the values of Business Barometer coefficients at an aggregate level, the impact of each sector is proportional in relation to its share in the creation of the GVA of enterprises in the AP Vojvodina. The aforementioned methods help to avoid overestimation of the impact of the sectors with a high number of employees, and at the same time, with a small share in the creation of the added value in the economy.

Business Barometer coefficient can fluctuate in the range from “−100” (in the case of all negative responses) to “+100” (in the case of exclusively positive responses). A zero value questionnaires means that positive responses have the same significance as the negative ones.

1 Vojvodina Development Agency conducts research since December 2017. Instrument called Business Barometer of Vojvodina Economy which was created in 2010 by The Centre for Strategic Economic Studies “Vojvodina CESS” in cooperation with the Vienna Institute for International Economic Studies (WIIW). The initial database of enterprises used to form the sample has been provided by the Chamber of Commerce of Vojvodina.
The 46th round of research Evaluation of Business Climate in Vojvodina started in December 2021, by sending out electronic questionnaires to e-mail addresses of 1,520 enterprises operating in the AP Vojvodina. Analysis is based on 234 responses. The largest number of responses came from enterprises doing business in the Manufacturing sector (45.7%). The surveyed enterprises in this sector employ 8,125 people, which accounts for 5.5% of the total number of employees in Manufacturing sector in the AP Vojvodina according to the Statistical Office of the Republic of Serbia (results for 2020). Regarding the share size in distribution of received responses, sectors which come next are Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles (15.4%) and Construction (10.3%). The respondents from the sector Wholesale and Retail, Repair of Motor Vehicles and Motorcycles employ 2,479 people which accounts for 2.7% of the total number of employees in this sector in the AP Vojvodina. The respondents from the Construction sector employ 1,038 people which is 4.0% of the total number of employees in this sector in the AP Vojvodina.

Chart 1 Distribution of received responses by sectors, %

Chart 2 represents the distribution of received responses according to the size of enterprises. The sector of small and medium enterprises participated in 66.6% of total number of responses.

Chart 2 Distribution of received responses according to the size of enterprises, %

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2 Registered employment, by municipalities and cities/towns, 2020, Statistical Office of the Republic of Serbia
Chart 3 represents the share of sectors in the creation of the GVA of enterprises according to the data for 2020.

**Chart 3** The share of sectors in the creation of the GVA of enterprises in the AP Vojvodina in 2020, %

- Manufacturing (43.9)
- Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles (16.6)
- Agriculture, Forestry and Fishery (7.1)
- Construction (6.6)
- Information and Communication (5.2)
- Professional, Scientific, Technical Activities and Innovation (3.6)
- Other sectors (17.0)

Source: Statistical Office of the Republic of Serbia, Enterprises in the Republic of Serbia, by size, 2020
Quantitative analysis of research data

Quantitative analysis of the obtained data presents distribution of the received responses and serves as an addendum to the report on the obtained coefficients of Business Barometer of the economy of the AP Vojvodina.

The analysis includes responses of 234 enterprises operating in all sectors of activities. The questionnaire consists of five sets of questions. For groups of questions regarding business activity, cooperation with foreign clients, employment and selling prices, the respondents assess the current situation and express their expectations for the upcoming period. The fifth group of questions in the 46th survey referred to the competitiveness of enterprises with a focus on the process of standardization and certification.

Business activity. The majority of the respondents assess their current business as satisfactory (52.6%). In terms of business in the next six months, 53.8% of respondents do not expect significant changes in their business, 32.1% of respondents expect improvement in their business, while 14.1% expect that the business activity of their enterprises will decline.

<table>
<thead>
<tr>
<th>How would you evaluate your current business activity?</th>
<th>Do you expect your business activity in the next six months to be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good</td>
<td>Better</td>
</tr>
<tr>
<td>29.9%</td>
<td>32.1%</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Unchanged</td>
</tr>
<tr>
<td>52.6%</td>
<td>53.8%</td>
</tr>
<tr>
<td>Bad</td>
<td>Worse</td>
</tr>
<tr>
<td>17.5%</td>
<td>14.1%</td>
</tr>
</tbody>
</table>

Cooperation with foreign clients. Out of the total number of respondents, 59.4% does business with foreign clients. Cooperation with foreign clients remained unchanged in the largest number of respondents in the previous six months (48.2%). There has been increase in the volume of cooperation with foreign clients in 28.1% of enterprises, while 23.7% of enterprises experienced decreased volume of cooperation. In the next six months, 59.0% of respondents expect that the scope of cooperation with foreign clients will remain unchanged. The increase in business with foreign clients is expected by 30.9% of respondents, while 10.1% of respondents expect a decrease in the volume of cooperation.

<table>
<thead>
<tr>
<th>In the past 6 months, cooperation with foreign clients has:</th>
<th>Do you expect the cooperation with foreign clients in the next 6 months to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>Increase</td>
</tr>
<tr>
<td>28.1%</td>
<td>30.9%</td>
</tr>
<tr>
<td>Remained unchanged</td>
<td>Remain unchanged</td>
</tr>
<tr>
<td>48.2%</td>
<td>59.0%</td>
</tr>
<tr>
<td>Decreased</td>
<td>Decrease</td>
</tr>
<tr>
<td>23.7%</td>
<td>10.1%</td>
</tr>
</tbody>
</table>

Employment. In the previous year, the surveyed enterprises employed 13,569 people. In that period, the number of employees in most enterprises remained unchanged (58.1%), while the number of enterprises in which the number of employees increased (24.4%) was higher than the number of those that recorded a decrease (17.5%). In terms of expectations, most respondents do not expect significant changes in the number of employees in the next year (60.3%), an increase is expected by 25.2%, while 14.5% of enterprises expect a decrease in the number of employees.
Selling prices. Regarding fluctuation of the selling prices in the past six months, they have increased in more than half of the enterprises (56.8%). The selling prices remained unchanged in 38.9% of enterprises, while according to 4.3% of respondents they decreased. The expectations of enterprises in the next six months are similar, considering that the largest number of respondents expects an increase in the selling prices (61.5%), 35.5% expect that selling prices will remain unchanged, and a decrease in the selling prices is expected by 3.0% of respondents.

Competitiveness of enterprises- standardization and certification. Standardization and certification of products/services are a very important factor in the competitiveness of enterprises, especially in foreign markets. This is confirmed by the results of this research, in which the largest number of respondents points out that the standardization of business quality (18.4%) would contribute the most to the improvement of their current business. In second place are the improvement of the technical and technological basis of business and knowledge of management and employees (17.5%).

Chart 4 Factors that would contribute the most to the improvement of the enterprises's business in the current phase

Consideration of various aspects of business in order to improve business results becomes a necessity in modern business conditions and the fight against competitors in the market. According to the respondents, the technical and technological basis and equipment for work are the most important aspects of business that need to be improved (44.9%). In second place is the placement of goods/services (38.9%), while in third place is their quality (34.2%).

<table>
<thead>
<tr>
<th>Has the number of employees in your enterprise in the past year:</th>
<th>Do you expect the number of employees in your enterprise in the next 12 months to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>24.4%</td>
</tr>
<tr>
<td>Remained unchanged</td>
<td>58.1%</td>
</tr>
<tr>
<td>Decreased</td>
<td>17.5%</td>
</tr>
<tr>
<td>Increase</td>
<td>25.2%</td>
</tr>
<tr>
<td>Remain unchanged</td>
<td>60.3%</td>
</tr>
<tr>
<td>Decrease</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Have the selling prices of your products/services in the past 6 months:</th>
<th>Do you expect the selling prices of your products/services in the next 6 months to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>56.8%</td>
</tr>
<tr>
<td>Remained unchanged</td>
<td>38.9%</td>
</tr>
<tr>
<td>Decreased</td>
<td>4.3%</td>
</tr>
<tr>
<td>Increase</td>
<td>61.5%</td>
</tr>
<tr>
<td>Remain unchanged</td>
<td>35.5%</td>
</tr>
<tr>
<td>Decrease</td>
<td>3.0%</td>
</tr>
</tbody>
</table>
**Chart 5** Aspects of business that need to be improved in order to improve the business results of the enterprises

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical and technological aspect, resources and equipment for work</td>
<td>44.9%</td>
</tr>
<tr>
<td>Placement of goods/services</td>
<td>38.9%</td>
</tr>
<tr>
<td>Quality of products/services</td>
<td>34.2%</td>
</tr>
<tr>
<td>Qualifications of employees</td>
<td>29.5%</td>
</tr>
<tr>
<td>Relations with business partners</td>
<td>20.9%</td>
</tr>
<tr>
<td>Information Technology</td>
<td>16.7%</td>
</tr>
<tr>
<td>Administration and accounting</td>
<td>3.8%</td>
</tr>
<tr>
<td>Other</td>
<td>15.4%</td>
</tr>
</tbody>
</table>

*Due to the possibility of multiple choice answers, the total number of answers exceeds 100%

When it comes to the process of standardization and certification, the largest number of respondents (36.3%) point out that these processes are of great importance for maintaining and improving the quality of their business. Standardization and certification are irrelevant for 12.0% of respondents.

Standardization of products/services is necessary for the business needs of the majority of the surveyed enterprises (50.4%). These enterprises mainly operate in the Manufacturing sector (51.8%), the sector of Professional, Scientific, Technical Activities and Innovation (12.7%), as well as in the Construction sector (11.0%).

**Chart 6** Assessment of the importance of the standardization and certification process for the maintenance and/or improvement of business quality

- Great importance: 36.3%
- Medium importance: 15.8%
- Low importance: 35.9%
- It doesn't matter: 12.0%

**Chart 7** Necessity of standardization of products/services for the needs of the enterprise’s business

- Yes: 50.4%
- No: 24.4%
- Maybe, I’m not sure: 25.2%
- No, but we think about it: 22.7%

71.8% of respondents apply standards in their business, and half of these enterprises operate in the Manufacturing sector (50.6%). Enterprises operating in the sector of Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles apply standards in busi-
ness in 13.7% of cases, while in the group of enterprises operating in the Construction sector and Professional, Scientific, Technical activities and Innovation apply standards 10.7% of enterprises.

After the implementation of the standard, 51.8% of the surveyed enterprises started the certification of products and services. 16.1% of enterprises are considering the certification of their products/services, while 32.1% believe that the certification process is unnecessary.

Support measures/programs intended for standardization and certification of products/services were used by 10.7% of respondents and they mostly used support programs implemented by the Development Agency of Serbia in cooperation with accredited regional development agencies, as well as programs jointly implemented by the Ministry of Economy and Development Fund of Republic Serbia.

**Chart 8** Application of standards (domestic, European or international) in the respondents’ enterprises

**Chart 9** Certification of products/services after the implementation of standards in respondents’ enterprises

Of the total number of respondents who apply standards in their business, 13.1% of respondents had difficulties in the process of introducing standards and during certification. According to their assessment, the biggest problems they faced in the process of standardization/certification were the high costs of standard implementation (68.2%), employee engagement (54.6%) and harmonization of the current way of doing business with the requirements of the standard (45.5%).

Of the enterprises that do not apply standards in their business (28.2%), 12.1% plan to implement the standards in the coming period, while 45.5% of respondents are still thinking about it. They see high costs of standard implementation (39.4%) and lack of skilled labor (34.8%) as the biggest obstacles in the process of introducing standards.
**Chart 10** The biggest obstacles during the introduction of standards in business

- High costs of standard implementation: 68.2%
- Engagement of employees: 54.6%
- Harmonization of the current way of doing business with the requirements of the standard: 45.5%
- Lack of skilled labor: 40.9%
- The speed of introduction of standards: 27.3%
- Lack of professional consultants and consulting enterprises: 21.5%
- Lack of accredited certification bodies for the required standard and/or area: 18.8%
- Other: 4.5%

*Due to the possibility of multiple choice answers, the total number of answers exceeds 100%.

According to the respondents, the type of assistance most useful for the introduction of standards in business is non-refundable financial support intended for standardization and/or certification of products/services (51.7%).

**Chart 11** The type of assistance that, according to the respondents, would be most useful for introducing standards in their business

- Grants for standardization and certification of products/services: 51.7%
- Co-financing the costs of standardization and/or (re)certification of products/services: 12.8%
- Specialized training for employees: 11.1%
- Advisory services: 10.7%
- Loans with favorable interest rates: 9.8%
- Other: 3.9%

Respondents see the biggest advantage of introducing standards in their business in improved business control (54.7%), increased productivity of enterprises (37.2%), as well as creating opportunities to conquer new markets and/or increase the share of existing ones (33.3%).

**Chart 12** The biggest advantage of introducing standards in business

- Improved business control: 54.7%
- Increased enterprise productivity: 37.2%
- Creating opportunities to conquer new markets and increase share in the existing market: 33.3%
- Achieving the desired level of quality of products/services: 30.3%
- Reducing business costs: 25.6%
- Gaining and/or strengthening business trust (improving the company’s brand): 21.8%
- Possibility of participating and compete in tenders: 20.5%
- Safe and healthy work environment: 13.2%

*Due to the possibility of multiple choice answers, the total number of answers exceeds 100%.
Main findings

Business climate in the AP Vojvodina, results of RAV Business Barometer, December 2021:

Favourable climate in sectors: Manufacturing, Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles, Agriculture, Forestry and Fishery, Construction, Professional, Scientific, Technical Activities and Innovation. The only sector with an unfavorable business climate is the sector of Information and Communication.

In December 2021, Vojvodina Development Agency conducted the forty-sixth survey of business climate in the AP Vojvodina. Respondents’ opinions on the current business in December 2021 were compared with their expectations of different aspects of their business expressed in the June 2021 survey.

The most positive current business climate is observed in the sector of Manufacturing (BBV coefficient 39.9), while the most optimistic expectations are observed in Construction sector (BBV coefficient 27.7).

In the next six-month period, surveyed enterprises in the AP Vojvodina have positive expectations regarding their overall business performance (BBV coefficient 11.6), as well as increase in selling prices and scope of cooperation with foreign clients (BBV coefficient 49.5 and 16.2, respectively). Besides that, respondents have positive expectations regarding an increase in the number of employees in the following year (BBV coefficient 10.1).

The following findings represent a detailed explanation of the results obtained at the level of the entire economy, as well as for each sector of activity.

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3 In June issue, respondents expressed their expectations for the following six-month period, therefore, their evaluations of business from December 2021 were compared with the expectations from June 2021. There is an exception regarding the number of employees, which refers to a period of one year. In this case, the situation in December 2021 was compared to the expectations from December 2020.
1. The aggregate image of the economy of the AP Vojvodina

The overall business performance in the AP Vojvodina has been evaluated by respondents with a positive BBV coefficient of 24.5. By comparing such evaluation with respondents’ expectations from six months ago (BBV coefficient 43.1), it can be concluded that the respondents’ expectations have not been fully realized.

Cooperation with foreign clients in the past six months was positively assessed by a BBV coefficient of 7.5. The achieved volume of cooperation is at a lower level than expected, since the expectations of the respondents from six months ago were assessed with a BBV coefficient of 16.7.

The selling prices of products and services were rated with a positive BBV coefficient of 45.4. By comparing such evaluation with respondents’ expectations from six months ago (BBV coefficient 19.9), it can be concluded that the increase in selling prices exceeded their expectations.

Respondents estimated that the number of employees in their enterprises has increased during the previous year, which is described with a BBV coefficient of 7.7. By comparing this estimation with expectations from December 2020 (BBV coefficient 36.0), it can be concluded that they have not been fully accomplished. The number of employed persons is the only category of research that covers a period of one year.
Overview of the quarterly Business Barometer coefficients

Chart 13 Evaluation of the current business - Economy of the AP Vojvodina as a whole: Overview of the quarterly Business Barometer coefficients

The respondents' expectations at the level of the economy of Vojvodina have been evaluated with a positive BBV coefficient in all surveyed categories. In the next six-month period, the highest coefficient is recorded in the category of selling prices of products and services (BBV coefficient 49.5). In the same period, respondents expect improvement in overall business performance (BBV coefficient 11.6) as well as growth in the scope of cooperation with foreign clients (BBV coefficient 16.2). Also, in the following year, respondents expect an increase in the number of employees in their enterprises (BBV coefficient 10.1).

Chart 14 Expectations of future developments - Economy of the AP Vojvodina as a whole: Overview of the quarterly Business Barometer coefficients
2. Manufacturing

Respondents from the Manufacturing sector positively evaluate their current business with BBV coefficient of 39.9. By comparing such evaluation with respondents’ expectations from six months ago (BBV coefficient 36.9), it can be concluded that achieved level of business activity is almost fully in line with their expectations.

Cooperation with foreign clients in the past six months was positively assessed by a BBV coefficient of 17.8. The achieved volume of cooperation is completely in line with the expectations of the respondents from six months ago (BBV coefficient 18.7).

The respondents estimated that in the previous six months there was increase in the selling prices of their products and services, which is described by a BBV coefficient of 59.2. By comparing this estimation with the respondents’ expectations from six months ago, it can be concluded that realized increase of the selling prices exceeded their expectations (BBV coefficient 13.8).

In the previous year, there has been an increase in the number of employees in respondents’ enterprises, which is assessed with a BBV coefficient of 0.6. This assessment is not in line with the expectations of enterprises from December 2020, when respondents expected a significant increase in the number of employees (BBV coefficient 40.2).
When the expectations of respondents operating in the Manufacturing sector are observed in the next six months, it can be concluded that they expect growth in selling prices of their products and services (BBV coefficient 57.2), growth in cooperation with foreign clients (BBV coefficient 23.7), as well as the improvement of overall business (BBV coefficient 12.3). In the next year, respondents expect a slight increase in the number of employees at the level of their enterprises (BBV coefficient 1.5)

**Chart 15 Evaluation of the current business**- Manufacturing: Overview of the quarterly Business Barometer coefficients

**Chart 16 Expectations of future developments**- Manufacturing: Overview of the quarterly Business Barometer coefficients
Respondents from the sector Wholesale and Retail, Repairs of Motor Vehicles and Motorcycles evaluated their current business with BBV coefficient of 14.1. By comparing current evaluation with expectations from June 2021 (BBV coefficient 68.6), it can be concluded that realized business of the enterprises in the observed sector is not at the expected level.

In the previous six months, enterprises have been evaluating the cooperation with foreign clients with a BBV coefficient of 2.9. The achieved volume of cooperation is completely in line with the expectations of the respondents from six months ago (BBV coefficient 2.4).

The selling prices of products and services were assessed with a BBV coefficient of 53.7, which indicates respondents’ attitude that there has been an increase in selling prices in the past six months. By comparing such evaluation with expectations from six months ago (BBV coefficient 23.9), it can be concluded that realized increase in selling prices exceeded respondents’ expectations.

Respondents estimated that in the previous year there was an increase in the number of employees in their enterprises, which was estimated by the highest BBV coefficient of 59.6. This assessment is fully in line with the expectations of enterprises from December 2020 (BBV coefficient 62.5).
Respondents from the Wholesale and Retail, Repairs of Motor Vehicles and Motorcycles sector in the following six months expect an increase in selling prices (BBV coefficient 57.2), improvement of overall business performance (BBV coefficient 25.7) and growth in a scope of cooperation with foreign clients (BBV coefficient 19.8). Respondents expect an increase in the number of employees at the level of their enterprises in the next year, which was estimated by BBV of 54.1.
4. Agriculture, Forestry and Fishery

Respondents from the Agriculture, Forestry and Fishery sector assess their current business performance with a BBV coefficient of 35.7. Comparing this estimation with expectations from six months ago (BBV coefficient 57.2), it can be concluded that realized business activity is not at the expected level.

Cooperation with foreign clients in the past six months has been assessed positively with a BBV coefficient of 12.9. The achieved volume of cooperation is at a lower level than expected, since the expectations of the respondents from six months ago were assessed with a BBV coefficient of 32.4.

Respondents estimate the movement of selling prices of their products and services by BBV coefficient of 44.5, which indicates that in the previous six months there was an increase in selling prices. The achieved growth of selling prices is at a higher level than expected, since the expectations of the respondents from June 2021 are described by the BBV coefficient of 26.5.

In the previous year, the number of employees in respondents’ enterprises increased (BBV coefficient 16.9). By comparing such assessment with respondents’ expectations from December 2020 (BBV coefficient 2.0), it can be concluded that expectations have been exceeded.
In the next six months, respondents operating in the Agriculture, Forestry and Fishery sector expect an increase in selling prices (BBV coefficient 40.2), improvement in overall business activity (BBV coefficient 10.2), as well as an increase in cooperation with foreign clients (BBV coefficient 6.4). Expectations are also positive for the only category that refers to a period of one year, which is number of employees and is described with a BBV coefficient of 3.6.

**Chart 20 Expectations of future developments** - Agriculture, Forestry and Fishery: Overview of the quarterly Business Barometer coefficients
5. Construction

Respondents from the Construction sector assess their overall business with a positive BBV coefficient of 22.4. By comparing the assessment of current situation with expectations from six months ago (BBV coefficient 39.0), it is concluded that the realized business volume is at a lower level than expected.

Respondents assessed cooperation with foreign clients in the previous six months negatively, with a BBV coefficient of -10.5. If the above assessment is compared with the expectations from June 2021 (BBV coefficient -3.7), it can be concluded that the decline in business volume is greater than expected.

The selling prices of products and services were assessed with a high BBV coefficient of 82.6, which indicates that there has been an increase in the past six months. Comparing that assessment with the expectations of enterprises from June 2021 (BBV coefficient 80.3), it can be concluded that the expectations are fully met.

In the previous year, the number of employees in respondents’ enterprises increased, which was assessed by a BBV coefficient of 13.7. When such assessment of current situation is compared with the expectations from December 2020 (BBV coefficient 79.9), it can be concluded that the growth in the number of employees is at a lower level than expected.
Expectations of respondents from the Construction sector are assessed with a positive BBV coefficient in all observed categories of research. In the next six months, respondents expect an increase in the level of selling prices, which is described by a high coefficient of 84.6. Also, respondents in the next six months expect an improvement in overall business activity (BBV coefficient 27.7), as well as an increase in the volume of cooperation with foreign clients (BBV coefficient 27.6). Respondents expect an increase in the number of employees in the next year, which was estimated by BBV coefficient of 43.1.

Chart 22 Expectations of future developments - Construction: Overview of the quarterly Business Barometer coefficients

Expectations related to business activities in the next 6 months
Expectations related to business activities with foreign clients in the next 6 months
Expectations related to the number of employees in the forthcoming year
Expectations related to selling prices in the next 6 months
### 6. Professional, Scientific, Technical Activities and Innovation

<table>
<thead>
<tr>
<th>BUSINESS BAROMETER COEFFICIENT FOR CURRENT BUSINESS EVALUATION *</th>
<th>BUSINESS BAROMETER COEFFICIENT FOR EVALUATION OF FUTURE DEVELOPMENT **</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT BUSINESS</td>
<td>EXPECTED BUSINESS</td>
</tr>
<tr>
<td>DOING BUSINESS WITH FOREIGN CLIENTS</td>
<td>DOING BUSINESS WITH FOREIGN CLIENTS</td>
</tr>
<tr>
<td>NUMBER OF EMPLOYEES</td>
<td>NUMBER OF EMPLOYEES</td>
</tr>
<tr>
<td>SELLING PRICES</td>
<td>SELLING PRICES</td>
</tr>
</tbody>
</table>

* The change in Business Barometer coefficients in comparison to evaluations of the current situation from September 2021
** The change in Business Barometer coefficients in comparison to expectations from September 2021

Respondents from the sector of Professional, Scientific, Technical Activities and Innovation evaluate their current business with BBV coefficient of 19.4. By comparing such assessment with the expectations from June 2021 (BBV coefficient 25.8), it is concluded that realized business activity is at a slightly lower level than expected.

In the previous six months, the cooperation with foreign clients is assessed by enterprises with a negative BBV coefficient of -30.1. When the above assessment is compared with the expectations from six months ago (BBV coefficient 24.8), it can be concluded that the expectations of enterprises about the growth of the volume of cooperation with foreign clients have not been met.

The selling prices of products and services were evaluated with a positive BBV coefficient of 21.1. Comparing the above assessment with the expectations of respondents from six months ago (BBV coefficient 43.9), it can be concluded that the achieved growth in selling prices is lower than expected.

In the previous year, the number of employees in respondents’ enterprises increased, which is evaluated with a BBV coefficient of 5.8. When the stated assessment is compared with the negative expectations of enterprises from June 2021 (BBV coefficient -6.8), it is concluded that their expectations were exceeded.
When respondents’ expectations from the sector of Professional, Scientific, Technical Activities and Innovation are observed for the next six months, it can be concluded that respondents expect an increase in the level of selling prices (BBV coefficient 52.4), an increase of the overall business activity (BBV coefficient 18.2), as well as an increase in the scope of cooperation with foreign clients (BBV coefficient 16.0). The only negative assessment was recorded in terms of the number of employees in the enterprises of the respondents, who expect that there will be a decline in the next year (BBV coefficient -6.3).
7. Information and Communication

Respondents from the Information and Communication sector evaluate their overall business with a negative BBV coefficient of -14.3. Comparing the above assessment with the expectations from six months ago, it can be concluded that the assessment of the current business climate is not in line with the expectations of enterprises (BBV coefficient 52.8).

Cooperation with foreign clients in the previous six months is assessed with a BBV coefficient of 3.2. By comparing such estimation with respondents’ expectations from June 2021 (BBV coefficient 22.5), it can be concluded that, although positive, achieved scope of cooperation with foreign clients is not at the expected level.

Respondents estimated that in the previous six months there was a decline in selling prices of their products and services, which is described by a negative BBV coefficient of -4.8. When the above assessment is compared with the expectations of enterprises from six months ago (BBV coefficient 24.7), it can be concluded that the expectations about the growth of selling prices have not been met.

In the enterprises of respondents from the Information and Communication sector, the number of employees increased in the previous year (BBV coefficient 14.3). This assessment, although positive, is not fully in line with expectations from December 2020, when respondents expected a significant increase in the number of employees (BBV coefficient 59.6).
Respondents from the Information and Communication sector expect a decline in the overall business of their enterprises in the next six months (BBV coefficient -30.2), as well as a decline in the volume of cooperation with foreign clients (BBV coefficient -6.3). Also, in the next year, entrepreneurs expect a decline in the number of employees at the level of their enterprises (BBV coefficient -17.5). The only positive assessment was recorded in terms of selling price movements in the next six months, which is described by a positive BBV coefficient of 55.6.

**Chart 26 Expectations of future developments** - Information and Communication: Overview of the quarterly Business Barometer coefficients
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