



AKTION Austria – Czech Republic

Final Report on the Project 90p2

On the Phenomen of Zombie Firms: Evidence from the Czech Republic and Austria

In cooperation between Mendel University in Brno and University of Innsbruck

Time frame of the project: July 1, 2021 – December 31, 2021

Participants of the project:

Mendel University in Brno

Faculty of Regional Development and International Studies, Department of Regional and Business Economics, Zemědělská 1, 61300 Brno, Czech Republic

- doc. Ing. Ivana Blažková, Ph.D.
- doc. Ing. Gabriela Chmelíková, Ph.D.
- ing. Martina Zelená, Ph.D.

Universität Innsbruck

Fakultät für Betriebswirtschaft, Institut für Banken und Finanzen, Innrain 52, 6020 Innsbruck, Österreich

- Univ.-Prof. Dr. Jochen Lawrenz

The aim of the project and planned activities:

The research activity of the project participants was focused on issue of zombie firms to reveal possible differences of these unproductive companies within different economies. The aim of the project was also to establish and support cooperation between Austria and the Czech Republic in order to develop further joint research activities. The planned activities were 2 meetings of the project partners (one meeting at Mendel University in Brno and one meeting at the University of Innsbruck) and a manuscript submitted to a scientific journal indexed in Scopus/Web of Science database.

The results of the project:

a. Mobility

In September 2021 (September 13, 2021 – September 16, 2021), the meeting of the project partners took place in Austria at the University of Innsbruck. The participants of the meeting were doc. Ing. Ivana Blažková, Ph.D., doc. Ing. Gabriela Chmelíková, Ph.D. and Univ.-Prof. Dr. Jochen Lawrenz. The doctoral student ing. Martina Zelená, Ph.D. could not attend due to other duties in the Czech Republic. During the meeting, project participants were personally

introduced and started the discussion on the scientific article. The possible areas of interest within the given project topic were identified and the available data were discussed. The result of the meeting was the specification of the article aim and methodology and also the planned cooperation within further research.

Another meeting was planned in Brno, but because of the worsening situation due to the Covid-19 pandemic in the autumn of 2021, it was not possible to realize this personal meeting.

b. Manuscript of a scientific article

On November 24, 2021, the manuscript "Zombie firms during and after crisis" was sent to the scientific journal "Journal of Risk and Financial Management". The review process took place until December 21, 2021, when the positive decision was sent regarding the manuscript. However, due to the fact that the funds obtained by Mendel University in Brno to finance the project had to be returned to the account of Ministry of Education, Youth and Sports of the Czech Republic, it was not possible to pay the publication costs. Therefore, the article has not been published yet and the money to cover the publication costs has been returned. Due to the fact that the journal is willing to wait with the publication, we (the project partners) agreed to submit a new application for the AKTION project in another call, i.e. in April 2022, in which we would continue in our cooperation and we would again request funding for the publication costs of this article.

The article deals with the phenomenon of zombie firms. This phenomenon is gaining attention of economics across different countries of the world, whereas the increased interest is particularly evident after periods of economic crises. In our study we focus on the development of zombie firms in the period before and after the 2008 crisis within two different economies to provide insight into how different conditions and the overall economic context affect the fact that companies are more prone to becoming zombie firms. The results suggest an influence of post-crisis monetary policy on companies and possible link between low interest rates and a growing share of zombies.

c. Cooperation

This Aktion project enabled to start a new cooperation in research between two departments, to find common research interests and share possible data sources. Despite a short duration of this project and limited resources, we consider the project to be beneficial because it has opened up further opportunities for research cooperation

d. Project budget

Project budget statement is attached. 10 420,00 CZK was used to cover travel expenses (train tickets) of doc. Ing. Ivana Blažková, Ph.D. and doc. Ing. Gabriela Chmelíková, Ph.D. during the trip to Innsbruck in September 2021. The funds planned for article publications costs were not used and had to be returned, as described above.

.....
prof. Ing. Danuše Nerudová, Ph.D.
rektorka MENDELU