


National support and legislative change in the business environment of V4 countries: Business sectors view

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ABSTRACT

Research background: The business environment in the countries of Central Europe is in turbulent times due to the presence of crisis phenomena and its related consequences. Support for business entities at the national level in the form of legislative changes plays an important role in the growth of the business environment of each country. Countries are trying to approach measures taking into account the specifics of each individual business sector.

Purpose of the article: The purpose of the article is to compare the subjective attitudes of the business entity owners on the perception of support at the national level and their legislative changes with respect to the industry in which they do business. The subjects of the assessment are following business sectors: production, trade, services, and construction.

Methods: Data collection was performed in December 2022 and January 2023 using a questionnaire. The test sample of respondents consisted of 1090 enterprises operating in the business environment of the Visegrad Group countries. Statistical hypotheses were evaluated using parametric methods. The purpose of the verification was to determine the effect of factors such as business environment and the country of operation of the business entity on selected statements regarding legal risk.

Findings & Value added: The business sector and the country of business are significant factors that effect the assessment of national support and legislative changes. Enterprises operating in the service sector do agree to a greater extent that the business environment is over-regulated. Enterprises operating in the service and manufacturing sectors are the least likely to agree that the conditions for doing business in their country have improved over the past five years. Enterprises in trade and construction do not perceive the negative impact of frequent legislative changes on the business as much as enterprises in manufacturing and services. Slovak and Czech entrepreneurs perceive the negative impact of frequent legislative changes and lower support from national institutions during crisis phenomena significantly more than Hungarian and Polish entrepreneurs. Czech entrepreneurs perceive that the business environment is over-regulated the most intensively among the V4 countries.

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INTRODUCTION

The period of recent years has been characterized by adjectives like turbulent, unpredictable, extraordinary, demanding, etc. for the business environment in all European Union countries. According to the authors Chłodnicka & Zimon (2020); Wang et al. (2020), 2020 was the year of an unprecedented recession, in which practically all major world economies, with the exception of China, plunged to the greatest extent since the end of World War II. The year 2021 was supposed to be the year of the restoration of economic growth at the level of 2019 according to the prediction of that time. Grondys et al. (2021); Belas et al. (2020) agreed that it was had been estimated even for the V4 countries that this goal would have been reached by the end of 2021, at the latest in the first months of 2022. However, the fulfilment of this goal was significantly affected by the new wave of the pandemic, more precisely - the impact of measures to mitigate it, which negatively affected business in almost all areas. In 2021, compared to 2020, two more new factors were added: rising inflation and disruption of customer-supplier relationships to an unseen extent for a market economy (Laitinen, 2021). Cepel et al. (2020) state that the effects of the pandemic are still felt today without exception in all European Union countries. The governments of individual countries responded to restrictions and obstacles in business by providing assistance to the business sector (Patel & Tsionas, 2021). Virglerova et al. (2020a) stated that the same approach was adopted by the governments in the V4 countries by gradually adopting measures to compensate for the losses resulting from the closure of production and services. The pandemic gradually receded, and only within that period of time, it will be known how individual economies managed their course. Hassel, Cedergren (2021); Harith & Samujh (2020) came to the conclusion that ultimately unfavourable business conditions were also reflected in the slowing down of the effort to reach the gross domestic product per capita at the average level in the European Union, which is an indicator of equalizing the standard of living with more developed countries. The conditions for doing business in 2022 were not significantly more positive than in 2021. Likewise, the rise of energy prices and the level of inflation did not make doing business easier. Even the return to the original quality of customer-supplier relationships in 2022 proceeded slowly and gradually (Masar et al., 2022).

According to several authors, Kotaskova et al. (2020); Slusarczyk & Grondys (2019) the business environment in the V4 countries is regulated by a large amount of legislation that is constantly subject to change. Based on data from available surveys and analyses (Virglerova et al., 2020b; Dvorský et al., 2020b; Olah et al., 2019; Gorzeń-Mitka, 2016; Popp et al., 2018), which have been carried out in recent years, among the biggest obstacles in doing business for small and medium-sized enterprises (hereinafter referred to as "SMEs") is also the instability and ambiguity of laws. Virglerova et al. (2020b) mention frequent changes in laws, rapid and not tho-

roughly thought-out approving of laws, which subsequently require the amendment of the provisions in question. Along with the absence of a practical perspective, these are the facts that make the legislative framework in the V4 countries unclear and intricate for entrepreneurs.

The originality of the contribution: A case study on the assessment of legislative changes affecting the business environment in the V4 countries from the SME owners' and managers' point of view, not yet provided by other authors to such a level and extent. Findings from the case study are that the regulatory framework for business in the V4 countries is quite broad and the laws that affect business change too often. It is necessary to look for new ways and approaches for owners and managers of SMEs for more effective management of legislative changes affecting their business.

The structure of the article: In the introduction, the authors outline the broad issue of legal risks and national support in crisis situations; define the exclusivity of a scientific article. In the review of theoretical background, methods such as synthesis, analysis, deduction, and critical literary research are applied in order to summarize the current state of the problem in the wider context of the V4 countries. The following section is dedicated to a clearly formulated aim, research methodology, statistical hypotheses and methods for their evaluation, legal risk claims, and the structure of respondents. The results of empirical research and their subsequent comparison with scientific studies from the studied region are the subject of discussion. In the conclusion, the authors define the key findings, characterize the limitations of the research and applied methods, and suggest future research activities of the research team.

THEORETICAL BACKGROUND

The legal regulation regarding business in Slovakia is quite broad. There are currently approximately three hundred and fifty laws and lower legal regulations (i.e. regulations, decrees, measures, etc.) with impacts on the business environment (Belas et al., 2020). The legal regulation concerns not only the founding of the enterprise itself but also other areas that are connected with business and which bring a lot of regulatory burden for business entities (Psarska et al., 2019). According to Belanov (2020), the most important laws affecting most entrepreneurs (not only SMEs) in Slovakia include the Commercial Code, Commercial Register Act, Trades Act, Value Added Tax Act, Tax Administration Act, Accounting Act, Code work, the Income Tax Act, the Act on the Use of Electronic Cash Registers, the Health Insurance Act and the Social Insurance Act. The following conclusions emerge from a comprehensive analysis of the legislative process of important laws affecting business between 2017 and 2021 in Slovakia according to the Slovak Business Agency, SBA (2022):

- 25 important laws affecting business were changed 308 times, that is, on average, the wording of the mentioned laws changes almost 62 times per calen-

dar year. In terms of days, this means that approximately every 6 days, one of the laws affecting business changes, which represents an unreasonable burden on business entities, related to monitoring and implementing these changes into business processes. The highest number of amendments was caused by the COVID-19 pandemic primarily in 2020, but the number of amendments was not negligible in the other monitored years either.

- vacatio legis of all analysed amendments to laws was 112 days on average, which can be considered a reasonably long time for preparation. The short vacatio legis were mainly caused by the approval of laws in connection with the COVID-19 pandemic, in these cases it was usually a vacatio legis of 1 to 3 days.
- 347 laws entered into force, which amended 25 important laws affecting the business environment. In addition, changes in the laws (in the case of the ineffectiveness of some provisions) were made by three other rulings and one resolution of the Constitutional Court.
- shortened legislative process, or the abbreviated interdepartmental comment procedure took place mostly on an isolated basis, it was primarily about amendments related to the COVID-19 pandemic.

According to the authors Belanova, (2020); Virglerova et al., (2020), the impact of the amendments on the business environment in Slovakia can be both negative (e.g. an increase in the income tax rate) and positive (e.g. a reduction of the originally proposed wage benefits and their gradual increase), or neutral in relation to the business environment (of which the most were identified). In general, it can be concluded that the most ill-conceived interventions into the legislation in the National Council of the Slovak Republic (NCSR) were interventions that have the character of political marketing and were done by members of parliament and through the committees of the NCSR. The results of the SBA (2023) analysis show that the regulatory framework for business is quite broad and the laws affecting business change too often, while entrepreneurs often do not have sufficient capacity to follow legislative changes. In conclusion, it can be stated that the legislation in Slovakia is becoming more and more comprehensive and it can be assumed that it is also more complicated. The increase is 12.67%.

For SMEs, the political stability and political orientation of the country in which the enterprise operates are of great importance (Dickson & Weaver, 2008). Political factors determine legal conditions and regulate the business environment (Kliestik et al., 2018). The ability to manage the legal risks of business allows enterprises to better achieve their goals, which ensures long-term viability (Ferreira de Araújo Lima et al., 2020). Therefore, SMEs are encouraged to include the legal risks of doing business in their strategic plans.

Legal risks of business are a factor that SMEs cannot ignore when doing business in the postmodern era. If legal risks are properly managed in an SME, then the SME will easily achieve good financial results and avoid additional costs such as fines and punitive damages that will eventually reduce the profitability and endanger the business (Deligonul, 2020). Reverte (2015) claims that SMEs can achieve sustainability and stability in business if they accept the presence of legal aspects.

Pereira et al. (2015) stated that there are relationships and linkages between the legal aspects of SMEs in the V4 countries and Ukraine. SMEs in the V4 countries and Ukraine are inherently exposed to the legal risks of doing business because SMEs are considered a key element of the business environment. For this reason, a direct business effect can be seen when the management of legal risks is assumed to fail. The management of legal risks of SMEs in the Czech Republic and in the V4 countries facilitates the process of using loans and other credit sources from financial institutions and European communities, thereby creating a healthy business environment (Bondareva & Zatrochová, 2014).

Frequent legislative changes in the business environment usually affect SMEs depending on how quickly SMEs are able to implement them (Karpak & Topcu, 2010). Bagley (2008) also points to the fact that if SMEs do not consider and manage legal risks, then the performance of SMEs would be perceived negatively. In general, SMEs have always been exposed to constant demands for new products and services, and therefore the legal risks for SMEs in these countries are significant.

Ruchkina et al. (2017) point to the fact that frequent legislative changes in the government's fiscal policy and other institutions in Russia do not sufficiently support SMEs. The authors point out that the current dynamics of business growth in Russia are slow.

SMEs in the Czech Republic, but also in other V4 countries (e.g. Poland; Wysokinska, 2017) are also usually confronted with legislative changes. Legislative changes are often initiated by institutions in order to balance the interests of regulatory authorities in SMEs. These changes may include capital requirements, environmental monitoring and control, and tax compliance. Pasnicu (2018) in a study on supporting SMEs in creating jobs stated that SMEs often face legislative changes by the government and other control bodies in the EU. They should be perceived positively, as space for the growth and development of SMEs in the business environment. This is based on their numerous contributions to the economic development of their activities and the promotion of entrepreneurship, better regulation, access to finance, and access to markets and internationalization. In research by Grau & Reig (2020), the authors found that even though SMEs are undergoing changes due to changes in legislation, they still have the ability to adapt better than large enterprises. When examining legislative changes, SMEs are able to secure the business so that

these changes do not harm their sustainability in terms of profitability, operations, and investments.

SMEs usually operate with a strong presence of competition in the given business sector, which also requires a great ability to comply with legal standards, regulations, and decrees of the relevant legal system. Acceptance and perception of the legal aspects of business also help SMEs in business and prevent business failure (Petković et al., 2016).

The link between legal risk and SME entrepreneurship has been the subject of research, but there remains a significant research gap in assessing the relationship between them. Understanding the essence of business in the context of legal aspects helps SMEs in the Czech Republic and in the V4 countries to adequately develop an interest in innovation and increase the performance of enterprises. In extensive research, Virglerova et al. (2020,a) found that understanding the legal aspects of business usually keeps SMEs in the Czech Republic and V4 countries in a business environment. Another result that the authors stated is that the perception of legal aspects strengthens the ability of SMEs to cope with the administrative burden in the specific business environment. The positive consequences of SMEs are manifested in the increased activity of SMEs.

Cepel et al. (2018) state that the political-legal environment creates a legislative and supporting framework for business activities, regulates international trade relations, tax and levy policy, anti-monopoly policy, stability of the legal environment, the effectiveness of the judicial system, the enforceability of legislation, the administrative burden on businesses, etc.

Lisowska (2016) claims that the role of institutions to support the business environment in the development of SMEs in Poland is small in the current conditions. The reason is, on the one hand, the small interest of SMEs in the support offered by these institutions and, on the other hand, the fact that the services offered often do not correspond to the needs of businesses.

Bekaert et al. (2014) states that the business environment is influenced by a wide range of conditions in the area of legislation. In this context, Ferreira de Araújo Lima and the team (2020) point to the fact that the business environment in the SME segment in the Czech Republic and in the V4 countries requires strict compliance with the conditions in the field of legislation in relation to competition (in terms of products and services). Knowing and complying with the conditions in the field of business legislation is a monumental challenge for SMEs in the given countries. It is important that governments in individual countries create an optimal legal environment for business.

AIM, DATA COLLECTION AND USED STATISTICAL METHODS

The aim of the article is to compare the subjective attitudes of business entity owners on the perception of sup-

port at the national level and their legislative changes with respect to the industry in which they do business.

Data collection was carried out in four countries of Central Europe (countries of the Visegrad Group – V4): Slovak Republic, Czech Republic, Poland, and Hungary. The method of inquiry in the form of an online questionnaire was used for data collection. The questionnaire was created as a result of several meetings of researchers and partner Universities from selected V4 countries, which ensured the collection itself. During two months (December 2022/January 2023), it was possible to collect 1,090 questionnaires using the CAWI (Computer Assisted Web Interviewing) method. Only the enterprise owner or the top manager of an enterprise could complete the questionnaire. The subject of the analysis was the segment of small and medium-sized enterprises. Among the main data collection criteria were: i. at least 50% of all enterprises must be micro-enterprises; ii. The questionnaire can be completed by the owner or top manager of the enterprise; iii. all groups of respondents must be relatively represented according to demographic characteristics compared to the relative number of enterprises in the business environment at the national level. An external agency ensured data collection in each research country at the same time and in an identical manner.

A total of 1,090 (97.7%) enterprises filled out the questionnaire correctly. The rest of the questionnaires (n = 26/2.3%) were excluded from the survey because the respondents did not give their consent to the publication of their attitudes for scientific purposes. The analysis of the sample set size confirmed that the sample set of enterprises exceeds by 1.5 times the minimum number of respondents in the business area of the V4 countries. The questionnaire consists of several separate parts. In the beginning, the demographic characteristics of the enterprise were determined, such as the type of enterprise, the size of the enterprise, the legal form of the enterprise, the country of business, the location of the business, the period of operation, and the sector of business in the business environment. Subsequently, demographic characteristics of the owner/top manager, such as gender, age, educational attainment, and correlation between educational attainment and the business sector were also the subject. The questionnaire also contained statements about factors such as business risks (market, financial, operational), the sustainability of the business in the business environment, and others. The questionnaire contained a control question to determine the continuity of the respondents' answers. The questionnaire was created in order to determine the subjective perception of individual factors by the owner/top manager of the enterprise. The subject of the evaluation is not objective data obtained from publicly available sources. The questionnaire was protected from automatic computer filling. The owner/top manager had to respond to the selected statements with one of five options (5-point Likert scale): 1 – completely agree; 2 – I agree; 3 – neither agree nor disagree; 4 – disagree; 5 – completely disagree. The

subject of the evaluation is the following claims regarding national support and legislative changes:

- NSLCH1: Conditions for doing business in my country have improved in the last five years,
- NSLCH2: Institutions supporting the business environment of our country helped the SME segment during crisis events (e.g. COVID-19; Russia-Ukraine conflict).
- NSLCH3: Business is affected by frequent legislative changes, but it has no negative impact on our (my) business.
- NSLCH4: I do not consider the business environment to be 'over-regulated'.

To evaluate the aim of the article, the following statistical hypotheses were defined:

- H1: The country of operation of the enterprise has a statistically significant effect on the subjective attitudes of national support and legislative changes by owners/top managers of enterprises.
- H2: The business sector has a statistically significant effect on the subjective attitudes of national support and legislative changes by enterprise owners/top managers at the national level.

Several statistical methods were used to evaluate the formulated research hypotheses. First of all, the assumption of reliability and validity of the selected statements and the relationship to the factor was verified. In the second step, the basic descriptive characteristics of the location and variability of statistical features (NSLCH1,..., NSLCH4) were calculated. In the third step, a parametric approach was used in the form of ANOVA (Analysis of Variance) with F-test. In the fourth step, the assumptions for the application of the parametric approach were verified - normality, homoscedasticity, etc. Regression analysis was used to determine the effect of the country of business and the business sector on the evaluation of

selected claims for national support and legislative changes at the national level. The last step was the grouping of business sectors into groups with comparable results. The statistical software IBM SPSS Statistics vs. 28 was used to evaluate the research hypotheses.

The structure of the sample set of respondents (n = 1,090) is the subject of Table 1.

EMPHYRICAL RESULTS

The author introduces research results that should be obtained using sophisticated statistical methods, then interprets them in an economic manner, while comparing them with sources listed in the theoretical part or justifying the excellence of his/her own results. This part should cover a comparison of results with other international results.

The results of the verification of the assumptions for the implementation of the parametric approach to the evaluation of the quantitative research confirmed the normal distribution of the respondents' answers in each variable (NSLCH1, ..., NSLCH4). Also, the results of the assumption of homoscedasticity were confirmed by the possibility of applying parametric ANOVA (Analysis of Variance). The following table (see Table 1) contains the results of verification of the reliability and validity of the statements regarding the factor.

The results confirmed (see Table 2) that the relationships between the selected statements (NSLCH1,..., NSLCH4) are strong and form a separate NSLCH factor for each V4 country. Table 3 presents the results of the descriptive characteristics of selected statements (NSLCH1,..., NSLCH4) by business sector.

Table 4 presents the results of the statistical verification of the effect of the country of business on selected claims regarding national support and legislative changes. The empirical results (see Table 4) show that the p-values of the F-ratio are lower than the level of signifi-

Table 1: Demographics characteristics of enterprises

Type of E.	DCH3		Type of E.	DCH2		DCH0		DCH4	
	n	%		n	%	n	%	N	%
1	151	13.85%	1	589	54,0 %	301	27,61 %	239	21,93 %
2	235	21.56%	2	405	37,2 %	362	33,21 %	263	24,13 %
3	139	12.75%	3	70	6,4 %	162	14,86 %	223	20,46 %
4	60	5.50%	4	26	2,4 %	265	24,31 %	365	33,49 %
5	34	3.12%	Type of E.	DCH1		DCH5		DCH6	
6	87	7.98%		n	%	n	%	N	%
7	339	31.10%		1	704	64,59 %	983	90,18 %	427
8	45	4.13%	2	264	24,22 %	107	9,82 %	663	60,83 %
			3	122	11,19 %				

Note: DCH0: 1 Poland, 2 - Czech Republic, 3 - Slovak Republic, 4 - Hungary; DCH1: 1 - Microenterprises (less than or equal to nine employees), 2 - Small enterprise (between ten to 49 employees), 3 - Medium enterprise (between 50 to 249 employees); DCH2: 1 - Sole trader, 2 - Limited liability company, 3 - Joint-stock company, 4 - Another form of business; DCH3: 1 - Manufacturing, 2 - Retailing, 3 - Construction, 4 - Transportation, 5 - Agriculture, 6 - Tourism, 7 - Services, 8 - Another area; DCH4: 1 - Less than or equal to 3 years, 2 - More than 3 and less than or equal to 5 years, 3 - More than 5 and less than or equal to 10 years, 4 - More than 10 years; DCH5: 1 - domestic market - national business environment, 2 - foreign market - international business environment; DCH6: 1 - capital, 2 - others city.

Source: own research

Table 2: Analysis of reliability and validity of questionnaire's statements

Items	FL	Items	FL	Items	FL	Items	FL
Czech Republic NLSCH: CR = 0.902; AVE = 0.672; CA = 0.867							
NSLCH1	0.739	NSLCH2	0.729	NSLCH3	0.720	NSLCH4	0.704
Slovak Republic NLSCH: CR = 0.915; AVE = 0.681; CA = 0.887							
NSLCH1	0.758	NSLCH2	0.765	NSLCH3	0.755	NSLCH4	0.735
Poland NLSCH: CR = 0.891; AVE = 0.689; CA = 0.854							
NSLCH1	0.756	NSLCH2	0.701	NSLCH3	0.771	NSLCH4	0.723
Hungary NLSCH: CR = 0.911; AVE = 0.694; CA = 0.888							
NSLCH1	0.723	NSLCH2	0.711	NSLCH3	0.751	NSLCH4	0.755

Note: FL – Factor loading; AVE – Average Variance; CR – Composite Reliability; CA – Cronbach's Alpha. Minimal values: FL = 0.7; AVE = 0.5; CR = 0; CA = 0.7.
Source: own research

Table 3: Descriptive statistics of variables according to the country and business sector

DCHO	N	M	SD	SE	DCHO	n	M	SD	SE		
NSLCH1	1	301	2.94	1.464	0.084	NSLCH2	1	301	2.75	1.307	0.075
	2	362	3.20	1.051	0.055		2	362	3.11	1.072	0.056
	3	162	3.28	1.372	0.108		3	162	2.97	1.321	0.104
	4	265	2.58	1.323	0.081		4	265	2.74	1.265	0.078
NSLCH3	1	301	2.76	1.278	0.074	NSLCH4	1	301	2.90	1.276	0.074
	2	362	3.19	0.976	0.051		2	362	3.14	0.961	0.050
	3	162	3.15	1.298	0.102		3	162	2.83	1.202	0.094
	4	265	2.75	1.339	0.082		4	265	2.79	1.282	0.079
NSLCH1	1	151	3.1	1.286	0.105	NSLCH2	1	151	2.87	1.215	0.099
	2	235	2.86	1.326	0.087		2	235	2.88	1.274	0.083
	3	139	2.81	1.268	0.108		3	139	2.84	1.199	0.102
	4	60	2.75	1.422	0.184		4	60	2.70	1.266	0.163
	5	34	2.91	1.240	0.213		5	34	2.94	1.278	0.219
	6	87	2.98	1.478	0.158		6	87	3.10	1.390	0.149
	7	339	3.12	1.259	0.068		7	339	3.5	1.140	0.062
NSLCH3	1	151	2.87	1.196	0.097	NSLCH4	1	151	2.91	1.183	0.096
	2	235	2.84	1.226	0.080		2	235	2.80	1.153	0.075
	3	139	2.72	1.192	0.101		3	139	2.88	1.143	0.097
	4	60	2.55	1.241	0.160		4	60	2.55	1.141	0.147
	5	34	2.91	1.264	0.217		5	34	2.74	1.189	0.204
	6	87	3.2	1.347	0.144		6	87	3.15	1.308	0.140
	7	339	2.96	1.202	0.065		7	339	3.3	1.129	0.061

Note: DCHO – country; DCH3 – business sector; n – number of respondents; M – Mean; SD – Standard Deviation; SE – Standard Error.
Source: own research

cance ($\alpha = 0.05$). Null hypotheses about the same evaluation of respondents on NSLCH indicators were not confirmed. The country of business factor is a statistically significant factor that determines the attitudes of respondents in Central European countries.

Hypothesis H1 was confirmed.

Table 5 defines common characteristics and different features in the perception of NSLCH between the selected countries using analysis - Post hoc multiple compari-

sons. The empirical results (see Table 5) show that the country of business has a statistically significant effect on the evaluation of NLSCH by enterprise owners/top managers. There are statistically significant differences between the selected countries in the assessment of NLSCH indicators, except for the assessment of NLSCH1 between CR and SR; NLSCH2 between PL and CR; NLSCH4 between SR and HU.

Table 6 presents the results of the statistical verification of the impact of the business sector on selected claims

Table 4: Analysis of Variance between groups according to the country territory

DCHO		SS	Df	MS	F	Sig.
NSLCH1	BG	73.613	3	24.538	14.745	0.000
	WG	1807.276	1086	1.664		
	Total	1880.889	1089			
NSLCH2	BG	48.083	3	16.028	11.028	0.000
	WG	1578.299	1086	1.453		
	Total	1626.382	1089			
NSLCH3	BG	29.893	3	9.964	6.635	0.000
	WG	1631.006	1086	1.502		
	Total	1660.899	1089			
NSLCH4	BG	22.201	3	7.400	5.403	0.001
	WG	1487.385	1086	1.370		
	Total	1509.586	1089			

Note: BG – Between Groups; SS – Sum of Squares; df. – Degree of Freedom; WG – Within Groups; MS – Mean Square; Sig. – Significance. Source: own research

Table 5: Comparison of perception of NLSCH indicators between groups – country territory

NSLCH1		MD	SE	Sig.	NSLCH3		MD	SE	Sig.
1	2	-0.256*	0.101	0.042	1	2	-0.360*	0.096	0.003
	3	-0.344*	0.126	0.039		3	-0.222*	0.119	0.022
	4	0.355*	0.109	0.114		4	0.304	0.103	0.120
2	3	-0.088	0.122	0.815	2	3	0.139	0.116	0.129
	4	0.611*	0.104	0.000		4	0.364*	0.099	0.004
3	4	-0.699*	0.129	0.000	3	4	0.226*	0.122	0.033
NSLCH2		MD	SE	Sig.	NSLCH4		MD	SE	Sig.
1	2	-0.426*	0.094	0.000	1	2	-0.344*	0.091	0.087
	3	-0.390*	0.117	0.012		3	0.070*	0.114	0.044
	4	0.009	0.102	0.751		4	0.111*	0.099	0.036
2	3	0.436*	0.094	0.009	2	3	0.205*	0.111	0.056
	4	0.436*	0.097	0.000		4	0.346*	0.095	0.004
3	4	0.400*	0.120	0.012	3	4	0.041*	0.117	0.019

Note: MD – Mean Difference; SE – Standard Error; * Level of significance (α) = 0.05; 1 – Poland; 2 – Czech Republic; 3 – Slovak Republic; 4 – Hungary. Source: own research

Table 6: Analysis of Variance between groups according to the business sectors

DCH3		SS	df	MS	F	Sig.
NSLCH1	BG	32.426	7	4.632	2.711	0.009
	WG	1848.463	1082	1.708		
	Total	1880.889	1089			
NSLCH2	BG	20.198	7	4.885	3.292	0.006
	WG	1606.183	1082	1.484		
	Total	1626.382	1089			
NSLCH3	BG	37.536	7	5.362	3.574	0.001
	WG	1623.363	1082	1.500		
	Total	1660.899	1089			
NSLCH4	BG	40.405	7	5.772	4.251	0.000
	WG	1469.181	1082	1.358		
	Total	1509.586	1089			

Note: BG – Between Groups; SS – Sum of Squares; df. – Degree of Freedom; WG – Within Groups; MS – Mean Square; Sig. – Significance. Source: own research

Table 7: Comparison of perception of NLSCH indicators between groups – country territory-1

NSLCH1					NSLCH3				
		MD	SE	Sig.		MD	SE	Sig.	
1	2	0.149*	0.076	0.011	1	2	0.036*	0.078	0.002
	3	0.207*	0.084	0.009		3	0.155*	0.074	0.022
	7	-0.108*	0.088	0.008		7	0.087	0.104	0.119
2	3	0.058*	0.089	0.004	2	3	0.119	0.081	0.097
	7	-0.257*	0.091	0.015		7	-0.123*	0.074	0.025
3	7	-0.315	0.092	0.072	3	7	-0.242*	0.083	0.026
NSLCH2					NSLCH4				
		MD	SE	Sig.		MD	SE	Sig.	
1	2	-0.039	0.097	0.247	1	2	0.110*	0.092	0.009
	3	0.026	0.113	0.582		3	0.029*	0.087	0.002
	7	0.168*	0.096	0.041		7	0.364*	0.078	0.008
2	3	0.065*	0.070	0.024	2	3	-0.081*	0.095	0.012
	7	0.206*	0.086	0.025		7	0.254*	0.089	0.043
3	7	-0.205*	0.083	0.002	3	7	-0.148*	0.087	0.009

Note: MD – Mean Difference; SE – Standard Error; * Level of significance (α) = 0.05; 1 – Manufacturing; 2 – Retailing; 3 – Construction; 7 – Services.
Source: own research

for national support and legislative changes.

The empirical results (see Table 6) show that the p-values of F-ratio are lower than α (NSLCH1: Sig. = 0.009; NSLCH2: = 0.006; NSLCH3: Sig. = 0.001; NSLCH4: Sig. = 0.000). Null hypotheses about the same evaluation of respondents on NSLCH indicators were not confirmed. The business sector factor is a statistically significant factor that determines the attitudes of respondents in Central European countries.

Hypothesis H2 was confirmed.

Table 7 defines common characteristics and different features in the perception of NSLCH between selected business sectors using analysis - Post hoc multiple comparisons. The empirical results (see table 7) show that the country of business has a statistically significant effect on the evaluation of NLSCH (NLSCH1, ..., NLSCH4) by owners/top managers of the enterprise. There are statistically significant differences between business sectors in the assessment of NLSCH indicators, except for the assessment of NLSCH1 between Construction and Services; NLSCH2 between Manufacturing and Retailing; Manufacturing and Construction; NLSCH4 between Retailing and Construction.

DISCUSSION

The results of the analyses declare interesting findings that can be used as a basis for amendments to the legislative framework and for increased support for the development of the business environment in the V4 countries. The stated results are also close to the elaborated conclusions of various authors, e.g. Belas et al, (2020); Virglerova et al, (2020 a, b); Kotaskova et al, (2020); Olah et al, (2019 a, b); Popp et al, (2018); Gorzeń-Mitka (2016), who conducted similar research on the issue of national support or legislative changes to the business environment in the V4 countries.

Slovak entrepreneurs (M = 3.28) least agree with the statement that the conditions for doing business in my country have improved over the last five years (NSCHL). On the contrary, enterprises in Hungary agree with the statement to the greatest extent (M = 2.58). There are the biggest differences in the perception of this statement between Slovak and Hungarian entrepreneurs. No significant differences were found between Slovak and Czech (M = 3.20) entrepreneurs in the evaluation of NSCHL. Entrepreneurs in the service and manufacturing business sectors are least likely to agree that business conditions in my country have improved over the past five years.

Hungarian (M = 0.274) and Polish (M = 2.75) entrepreneurs rate the most positive statement that their national institutions for supporting the business environment help the SME segment during crisis events (e.g. covid-19; Russian-Ukrainian conflict; NSLCH2). There are no significant differences in evaluation between Hungarian and Polish entrepreneurs. On the other hand, Czech entrepreneurs (M = 3.11) to the greatest extent disagree with the statement that their institutions to support the business environment helped the SME segment during crisis events. Service entrepreneurs (M = 3.50) perceived the worst support from national institutions during crisis events. Business sectors production (M = 2.87); trade (M = 2.88) and construction (M = 2.84) evaluated NSLCH2 comparably.

Slovak (M = 3.15) and Czech (M = 3.19) entrepreneurs consider that their business is affected by frequent legislative changes which have a negative impact on their business (NSLCH3). However, the country of business is a significant factor in comparison with Hungarian (M = 2.75) and Polish (M = 2.76) entrepreneurs, who evaluate the negative impact of frequent legislative changes on their business to a lesser extent. Enterprises in the business sector of trade and construction do not perceive the negative impact of frequent legislative changes on business as much as compared to entrepreneurs operating in the business sectors of production and services. The

most intense negative impact on business by frequent legislative changes is present in the service sector ($M = 2.96$).

The claim that the business environment is "over-regulated" (NSLCH4) is the least identified by Hungarian entrepreneurs ($M = 2.74$). On the other hand, Czech entrepreneurs mostly agree with the NSLCH4 statement ($M = 3.14$). The country of business factor is an important factor that determines the assessment that the business environment is overregulated. Entrepreneurs in the service business sector are considered to be the most overregulated business environment ($M = 3.30$). Enterprises in the manufacturing and construction industry do not perceive the overregulated business environment as much as compared to entrepreneurs operating in the service sector.

CONCLUSION

The aim of the article was to compare the subjective attitudes of the owners of business entities on the perception of support at the national level and their legislative changes with regard to the industry in which they do business.

The main findings presented in the article can be summarized as follows. There are significant differences in attitude between owners and top managers on the assessment of the level of national support and perception of legislative changes by business location (V4 countries) and business sector. Czech and Slovak entrepreneurs to a greater extent do not perceive support from national institutions in crisis situations compared to Hungarian and Polish entrepreneurs. Identical differences between entrepreneurs according to the country of business are in the attitude towards frequent legislative changes and their negative impact on business. Czech entrepreneurs consider the business environment to be the most overregulated. Slovak entrepreneurs perceive the improvement of the business environment in the last 5 years in the least extent. Entrepreneurs operating in the service business sector have the largest negative assessment of indicators of national support and legislative changes. The business sector is a significant factor.

The presented empirical results are interesting primarily for the business sector itself. Owners and top managers are key persons responsible for business entities in small and medium-sized enterprises. Empirical findings can be used in different directions: i. comparison of their positions on selected statements in the addressed issue with

other enterprises respect to the business sector and the country of operation; ii. awareness and re-evaluation of their positions in comparison with other enterprises; iii. if necessary, after reading the article, the entrepreneur can identify new legal risks in the enterprise and propose preventive measures for their possible elimination. The results are also interesting for business support organizations at the national level in selected research countries with the aim to better set up support with regard to the business sector. Non-profit organizations operating in the field of education and business risk management can use the results to prepare case studies in educational courses, seminars, and workshops.

Empirical research has certain specific characteristics that are somewhat limiting. The subject of the research was the subjective attitudes of owners/top managers, which are also determined by the period of data collection. The scientific article did not analyse the objective and secondary data of the given issue. Despite the effort to reach a representative sample of respondents from the business environment of the V4 countries, it would be appropriate to repeat the data collection and define common and different features. Another characteristics of the mentioned research is its location - 4 countries in Central Europe. Statistical evaluation of scientific questions and hypotheses was carried out using the parametric approach. Considering the nature of the research, it would be necessary to evaluate and present the results by applying non-parametric tests. The character of the SME sector and the attitudes of the owners are very variable in the context of the crisis situations occurring in the economy, which also affects the empirical results.

The results presented in the study of the demographic characteristics of enterprises, such as the location of the enterprise and the business sector, look interesting. However, there are other characteristics of enterprises, such as the legal form of business, the type of enterprise with regard to its size, the time of operation in the business environment, the location of the enterprise (the capital city vs. other cities) that can be interesting not only for the enterprises themselves. The research team also plans to publish results from other areas that were the subject of the questionnaire itself - socially responsible business, business risks (market, financial, legal, operational risk), the level of digitalization of the enterprise, and the sustainability of the enterprise in the business environment.

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