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BOOK REVIEW

**INSURANCE AND ENTREPRENEURSHIP: A  
THEORETICAL AND EMPIRICAL ANALYSIS OF  
INTERDEPENDENCE**

Professor Vladimir Njegomir's book comprehensively and thoroughly addresses the issue of the interdependence between insurance and entrepreneurship. This issue is analysed both theoretically and empirically, which is a ground-breaking achievement both on a local and global scale. The author's findings support the established theoretical hypothesis that insurance has a positive influence on entrepreneurship. Moreover, the book contains an analysis of the reciprocal influence of entrepreneurship on insurance, and their mutual influence on economic growth.

This book is the result of long-term research in the field of insurance, and is based on Njegomir's previous research projects and publications.

Professor Njegomir's book has received positive appraisals from its reviewers, renowned scholars in the field of insurance such as: Professor Wolfgang Rohrbach (European Academy of Sciences), Emeritus Professor Boris Marović, and Professor Zdravko Petrović. According to reviewers, the book's findings represent an original scientific contribu-

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tion on the part of the author: the issue of the interdependence between insurance and entrepreneurship is explained in a logical, simple and professional language, and in a systematized and informative manner. The theoretical framework and practical applicability of topics, combined with the author's professional expertise and empirical research, signify the theoretical and practical value of the book. This publication can be recommended as a valuable source to insurance professionals, entrepreneurs, government officials, graduate and postgraduate students and all those with a need or desire to study insurance, entrepreneurship and their interdependence and development.

The book contains a vast array of sources, encompassing more than 396 items, 30 graphs and 51 tables. The book is 302 pages long, divided into seven chapters, and also includes a preface, conclusion, bibliography, and author's biography, written in standard line spacing and font.

The first chapter lays out the research problem to be investigated using theoretical and empirical analysis. The author first gives an overview of previous research in insurance and entrepreneurship and asserts the need to analyse the interdependency between the two.

The second chapter examines the importance and limitations of insurance and insurance markets. The author provides a detailed analysis of the historical context and development of insurance. He begins by discussing the history of insurance to explain the present functions and laws of insurance, as well as the relationship between entrepreneurship, uncertainty and insurance. Njegomir identifies and analyses the insurance market mechanisms and global insurance market participants and trends. The chapter contains a detailed examination of the insurance market in the ex-Yugoslav region, as the empirical research is focused on this region, specifically on Serbia.

The third chapter presents an analysis of the phenomenological aspects of entrepreneurship. After a thorough examination of the insurance history, its role and limitations in an economy and its functions and market participants, the author focuses on entrepreneurship. The chapter defines the concept of entrepreneurship and examines the stages of development and legislation related to entrepreneurship in developed and developing countries, with a focus on Serbia.

The fourth chapter deals exclusively with analysing the interdependence between risk management, insurance and entrepreneurship. The author discusses the interconnectedness of risk and economic growth in general, explaining risk factors, event probability and the damage intensity of undesirable events. He also discusses risk aversion and risk management needs for individuals, entrepreneurs and society as a whole, emphasizing the burden of risk for entrepreneurs and the importance of risk management. The chapter also includes an analysis of the risk management process in entrepreneurship, the methods used in this process, risk factors in entrepreneurship and private insurance needs.

The fifth chapter deals with the interdependence between the second most important role of insurance and entrepreneurship. The author discusses the potential interdependence between insurance company investments and financing business ventures, analysing the financial systems structure and the position of insurance companies within it, the role of insurance companies as financial mediators and the features of their investment portfolios. The chapter includes separate analyses of both life insurance and non-life insurance investment portfolios.

Two empirical studies of the interdependence between insurance and entrepreneurship were carried out. The sixth chapter focuses on the first study, which was performed based on the secondary data obtained. The impact of several independent variables on entrepreneurship development was analysed, using the following variables: premium per entrepreneur, liability insurance coverage per entrepreneur, technical reserves, GDP rate, domestic bank loans, Human Capital Index and start-up costs. The results were obtained by applying regression analysis.

The seventh chapter focuses on the second, additional study of the interdependence between insurance and entrepreneurship. This study is based on the data obtained from a survey done on a sample of 460 entrepreneurs. The survey consisted of 12 questions. This chapter includes the participants' answers and discussion, presented textually and graphically. The data was interpreted by applying analysis of variance, Spearman's rank correlation coefficient and correlation and regression analysis.

Due to its scope and subject, this book is a valuable resource for insurance professionals, entrepreneurs, insurance company strategic managers, insurance mediators and agents and government representatives. It also makes for a useful reference book for undergraduate and graduate students, as well as anyone interested in the development and interdependence between insurance and entrepreneurship.

#### EXCERPT FROM THE REVIEW

“The book is divided into two parts: the first part includes a theoretical analysis of insurance, entrepreneurship and their interdependence, while the second part focuses on the empirical studies of the interdependence between insurance and entrepreneurship. This publication is recommended as a valuable source to insurance professionals, entrepreneurs, government officials, graduate and postgraduate students and all those who need or want to study insurance, entrepreneurship and their interdependence and development. “

*Professor Wolfgang Rohrbach, European Academy of Sciences*

“This book is the result of long-term research in the field of insurance, and is based on Professor Njegomir’s previous research projects and publications. It is written in logical, accessible and professional language, and in a systematized and informative manner. The theoretical framework and practical applicability of the topics, combined with the author’s professional expertise and empirical research ensure the book’s theoretical and practical value. “

*Emeritus Professor Boris Marović, University of Novi Sad*

“This book represents an original scientific contribution on the part of the author. Professor Vladimir Njegomir’s book comprehensively and thoroughly deals with the issue of the interdependence between insurance and entrepreneurship. This issue is analysed both theoretically and empirically, which adds to the book’s unique value. It is a pleasure to recommend this book to different readerships – scholars, professionals and the public. “

*Professor Zdravko Petrović, Union University*

#### ABOUT THE AUTHOR

Professor Vladimir Njegomir is one of the most prolific scholars of the younger generations in the field of insurance, risk management and reinsurance. He holds two PhD degrees: one in Structural Finance (alternative risk transfer insurance and reinsurance), and the other in Interdependence between Insurance and Entrepreneurship. He was named the best student of the 2001 class at the University of Novi Sad. He was awarded by the National Bank of Serbia for his scientific research.

Vladimir Njegomir spent his first professional years employed in two finance software companies headquartered in London. Afterwards, he worked as a consultant in the Department for Strategic Planning, Corporate Management and Business Analysis for the Dunav Osiguranje insurance company. Today he is employed as a Full Professor, a Vice-Dean for Scientific Research and a Vice-Dean for Publishing at the Faculty of Law and Business Studies in Novi Sad.

He has published 14 books as an author and co-author, as well as more than 150 articles. His articles deal with a wide range of topics in the field of accounting and finance, in particular risk management, insurance and reinsurance, specific risk analyses, risk realization tendencies caused by factors such as climate change and economic growth,

risk and capital management and their interdependence, regulatory, accounting and financial aspects of insurance business, assets and liabilities interdependence management in insurance companies, current states and trends in liberalization, market structure, globalization and many other aspects of risk management, insurance and reinsurance. His work has been published repeatedly in eminent scientific journals, such as *The Geneva Papers on Risk and Insurance - Issues and Practice*, *Transformations in Business & Economics*, *Economic Thought and Practice*, *Economic Research*, among others.

Professor Njegomir is the Editor-in-chief of the *Civitas* journal and a member of the Editorial Board of the *Svet Osiguranja* Journal, the Serbian Association of Economists, the Novi Sad Association of Economists and the Balkans Scientific Association of Agrarian Economists.