

Conference Proceedings

DOKBAT

**14th Annual International Bata Conference
for Ph.D. Students and Young Researchers**



International Bata Conference

**Tomas Bata University in Zlín
Faculty of Management and Economics
Mostní 5139 – Zlín, 760 01
Czech Republic**

ENTERPRISE PERFORMANCE ANALYSIS OF THE SLOVAK HEALTH SPA SECTOR BY APPLYING SELECTED MODERN FINANCIAL METHODS

Veronika Čabinová, Erika Omuferová, Dana Kisel'áková, Beáta Šofranková

Abstract

Nowadays, the analysis and management of enterprise performance is getting more and more attention than in the past due to the constantly changing global business environment bringing new, modern approaches to solve the issue in question. The main aim of this paper is to evaluate the financial performance of the health spa sector in Slovakia over the years 2012 – 2016 with use of selected modern financial methods. Based on the results, relatively identical values were achieved within the application of both modern methods (EVA in € and RONA in %). When evaluating the performance of Slovak spa sector as a whole, the best results were achieved in year 2015 and, on the contrary, year 2012 was identified as the worst-performing one. In this regard, a positive continuous performance growth was recorded over the period of 2012 – 2015, but this optimistic trend was influenced negatively by a sharp drop in net profit in the following year 2016. According to the results of EVA and RONA application, the best-performing enterprises within the analysed spa sector were Spa Bojnice, Spa Lúčky, Spa Dudince and Spa Štós. Contrary, the worst-performing enterprises over the years 2012 – 2016 were Spa Brusno, Spa Sliach, Horezza and Spa Číž. To conclude, some recommendations for improving the current financial performance of the selected group of spa enterprises in Slovakia were formulated.

Keywords: enterprise performance, modern methods of evaluation, health spa enterprises, EVA, RONA

1 INTRODUCTION

Spa tourism is getting more and more attention as people started to prefer healthy lifestyle, taking care of their mind, body and spirit. Due to rich abundance of healing resources on the relatively small territory, Slovakia is one of the major and the most interesting spa countries in Europe. In addition, spa tourism is one of the economy sectors with high growth potential and the main product line of tourism in Slovakia. For this reason, we focused especially on the evaluation of health spa sector in Slovakia and identification of the best and the worst-performing enterprises in the case of application of both modern financial methods.

2 ENTERPRISE PERFORMANCE AND METHODS OF ITS MEASUREMENT

Currently, when measuring and evaluating the enterprise performance is highly up-to-date, companies are forced to use always new methods, metrics and indicators. Reaching and maximization of profit as the major business goal has not been considered as a top business goal for a long time. Contrary, enterprise development activities should support the growth of enterprise performance within the financial as well as non-financial perspectives. As reported by author Šalaga (2016), there are many management styles supporting the above-mentioned enterprise development growth, but at first the performance should be quantified correctly, then compared in the individual time periods and finally increased with use of specific selected tools and methods.

2.1 Definition of the performance

According to Wagner (2009), performance can be defined generally as a characteristic describing the process by which the observed subject realizes the activity on the basis of similarity to the recommended way of performing this activity. Suchánek (2013) likens this term to the production capacity of the enterprise in terms of achieving the performance as the on-going production process result. Souček (2010) acknowledges performance as the enterprise ability to produce a certain amount of goods and services over the given period, whereas an enterprise striving for the highest long-term performance should achieve the performance at least twice as high as the average value of the analysed industry.

Business performance and its growth is one of the main objectives of company's financial management. In this context, enterprises should constantly monitor, evaluate and increase their level of performance (Pavelková, Knápková, 2009). Durkáčová (2010) states that the organization is considered to be well-performing only if it achieves the performance objectives pre-defined in its strategy. According to Niznikova, Feranecova, Sabolova, Staskova (2015), the enterprise performance represents one of the crucial factors for responsible company governance, especially from the perspective of valuation in the current competitive environment. For this reason, all enterprises have to dispose of a set of financial and non-financial indicators that can characterize its performance as accurately as possible. As reported by Dluhošová (2007), the definition of business performance is generally understood as the ability of a company to utilize invested capital. In this context, Wagner (2011) adds that the development of economic environment also reflects the development of all performance measurement system components, including the most visible part of this process – performance measures and their methods.

2.2 Traditional vs. modern performance measurement methods

The most important criterion of measuring the performance of business entity is certainly the monitoring its financial performance. However, quantification of performance is not easy task as the shareholders, managers, employees, customers and other stakeholders often perceive it differently (Šulák, Vacík, 2005; Stýlo, 2008). In general, measuring and increasing the enterprise performance is represented as its ability to achieve objectives in an optimal way (Grell, Hyránek, 2012). There are many different classifications of the enterprise performance indicators in the literature. The following figure (Fig. 1) presents basic classification of the enterprise performance indicators.

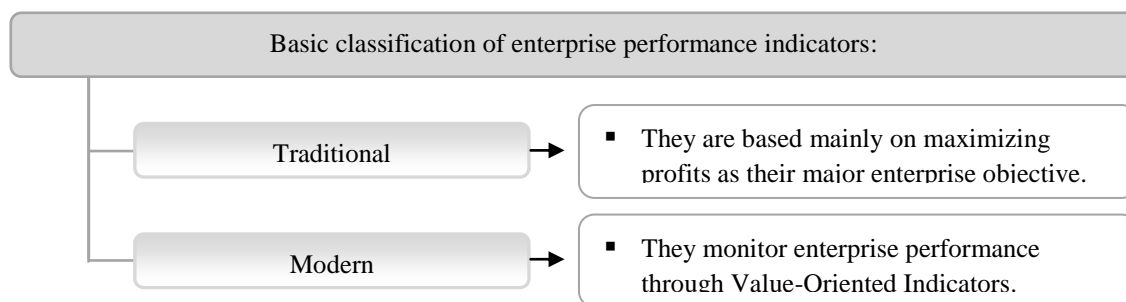


Figure 1 – Basic classification of the enterprise performance indicators. Source: own processing according to Kabát et al., 2013.

The traditional performance measurement indicators still represent the significant part of financial analysis. However, there have been many significant changes in the past, not only in the performance measurement approaches, but also in the methods and instruments applied for

their evaluation (Šofranková, Kiseľáková, Horváthová, 2017). As stated by author Svobodová (2015), the traditional approaches indicate the level of company's management only from a managerial point of view, which do not take into account the risks accrued to owners by investing their funds. Závorská (2012) adds that despite of the popularity of new modern indicators, financial indicators remain irreplaceable as they truly reflect the past, give a retrospective view of the company's competitive position and can predict its short-term development. Kislingerová et al. (2011) summarized the following underlying weaknesses of the financial indicators that are used as the enterprise evaluation systems: they are confusing, unreliable and not transparent with the historical background; there is a possibility of its undesired modification by the management; they are not appropriate for predicting the future development and creation of the business strategy because they are linked to a short-term objectives and do not cover strategically significant sections.

In this regard, authors Šofranková, Kiseľáková, Horváthová (2017) emphasize that above mentioned traditional financial indicators have a low informative value in the analysis and evaluation of reporting the enterprise financial performance in terms of tactical and strategic management decisions. Contrary, approaches that quantify the key performance indicators are becoming more and more popular in order to analyse and improve the enterprise performance (Šofranková, Horváthová, Kiseľáková, 2016). Authors Zemánková, Kruntorádová, Boušková (2010) add that the financial analysis indicators do not take into account risks and income requirements of investors. It has been proved that the financial analysis indicators are insignificantly correlated with the development of companies' shareholder value, as they are based on accounting statements and do not take into account the economic point of view. According to Maříková and Mařík (2005), the above mentioned failings are covered by the selected modern performance indicators, which should have the closest possible link to the value of shares that can be demonstrated by statistical calculations; allow for using as much information and data provided by accounting as possible, including indicators based on the accounting data; overcome objections against accounting indicators affecting financial efficiency, it is necessary to include risk calculation and take into account the extent of the committed capital. In this regard, Pavelková and Knápková (2009) add that these new indicators should allow a clear identification of their links to the all management levels and they should also support company's value management.

The new financial management is based on the shareholder value management concept, which is focused on the modified financial indicators enabling the successful and better identification of activities that can increase the long-term value for shareholders as well as the overall company's value (Dluhošová, 2007). As reported by Kiseľáková, Horváthová, Šofranková (2016), actual trends of the performance evaluation are leading to use of the non-financial indicators. Attention is focused on creating the performance measurement indicators that include not only financial inputs but also non-financial inputs accepting the individual company sections and strategy.

At present, one of the most popular financial performance measurement indicators reflecting the value creation process are undoubtedly the Economic Value Added (EVA) and the Return on Net Assets (RONA). The following subchapters are devoted to their brief characteristic.

2.3 Economic Value Added (EVA)

Actually, the principle of EVA methodology is not new. In 1896, the concept of residual profit was the subject of Alfred Marshall's study (Pavelková, Knápková, 2009). The EVA indicator is based on the economic principle of the residual revenue, through which companies in order to create value added must ensure higher returns on capital than costs themselves (Hamilton, Rahman, Lee, 2009). Nowadays, there are several calculations for this indicator (equity, entity

and APV method). In this paper, we applied the equity approach and the equation for calculating the EVA indicator is following (Neumaierová, Neumaier, 2002):

$$\text{EVA}_{\text{equity}} = (\text{ROE} - r_e) \cdot E$$

where:

ROE – return on equity,

r_e – cost of equity,

E – equity.

When calculating the EVA indicator, it is important to identify correctly the alternative rate of equity (r_e) value. From various ways of quantifying them, the Capital Asset Pricing Model (CAPM) should be emphasized. As reported by Damodaran (2004), the final cost of equity is quantified by the CAPM as follows:

$$r_e = r_f + \beta \cdot \text{ERP} + \text{CRP}$$

where:

r_f – risk free rate of return,

β – beta coefficient,

ERP – equity risk premium,

CRP – country risk premium.

As stated by Nelson (2015), the achieved value of the EVA indicator should be positive. It means that the company actually produces economic profit and creates value for its owners even after paying salaries to employees, paying interest to demanders and shares to shareholders. Otherwise, the cost of the capital invested is higher than its returns and the wealth of shareholders is reducing.

2.4 Return on Net Assets (RONA)

Another value indicator measuring the percentage of the return on invested capital is the RONA indicator that provides information concerning the enterprise efficiency, the ability to generate revenue from available resources and managerial capabilities to manage enterprise costs (Hussey, 2014). According to Mulačová, Mulač et al. (2013), the RONA quantifies company's performance in %, not in € as the EVA. Generally, deviations between the RONA and WACC (Weighted average cost of capital) ratios are observed, whereas the desired relation is $\text{RONA} > \text{WACC}$. The RONA value is quantified on the basis of equation:

$$\text{RONA} = \text{NOPAT} / \text{NA}$$

where:

NOPAT – net operating profit after taxes,

NA – net assets.

The WACC represents the cost of the total invested long-term capital. The level of the WACC indicator depends according to Vochozka (2012) mainly on the way of using own resources equity and secondarily at resources. The construction of this indicator is following:

$$\text{WACC} = r_d \cdot (1 - d) \cdot D / K + r_e \cdot E / K$$

where:

r_d – cost on debt capital,

K – paid total capital,

d – tax rate,

re – cost of equity,

D – paid debt capital,

E – paid equity.

3 DATA AND METHODOLOGY

In this paper, we addressed the financial performance evaluation of the health spa sector in Slovakia over the years 2012 – 2016 with use of selected modern financial methods (the EVA and the RONA). The other purpose of this paper was to identify the best and the worst-performing enterprises in the case of application of both modern methods.

The research sample consisted of the 28 Slovak health spa enterprises with the official permission from the Ministry of Health of the Slovak Republic to operate the natural health spas and spa medical institutions in Slovakia.

The financial statements of the analysed spa enterprises' sample were drawn from a publicly available internet portal managed by the company DataSpot, Ltd. The level of "rf" indicator was determined on the basis of the rate of return on risk-free assets (10-year government bonds), whereas the values were drawn from the official website of the National Bank of Slovakia (NBS, 2018). The height of "re" indicator was determined on the basis of CAPM and risk premium values were obtained from the official websites of prof. Damodaran (Damodaran, 2018). All data obtained were processed in Microsoft Excel.

4 RESULTS AND DISCUSSION

At first, based on the financial statement data over the period of 2012 – 2016, we evaluated the performance of the health spa enterprises by applying the EVA indicator.

As the EVA reached the value of € –446,483 on average in 2012, this year can be considered as the worst-performing one within the whole period analysed. The average value of the ROE ranged only around 0.33 %, whereas the "re" indicator recorded its highest level at all (6.11 %). The net profit achieved by all spa enterprises was only € 25,635 on average, which subsequently resulted in insufficient values of the profitability indicators and primarily caused the achievement of such a high negative values of the EVA. Overall, the most progressive positive trend in the EVA development was recorded in the following year 2013, when the average value added loss decreased by € 256,024. This positive development was the result of significant decrease of the "re" indicator by 1.60 % compared to 2012 and another reason was also an increase in ROE to an average value of 2.15 %. Despite these positive changes and significant net profit growth of € 148,152 on average, analysed enterprises were not able to generate value added for shareholders. However, a positive change occurred in the following years and performance of enterprises started to get the appropriate development trend.

Re-decreasing the "re" indicator to the value of 2.27 % and increasing the ROE by 0.24 % on average in 2014 caused the improving financial performance development of the Slovak health spa sector in the following year 2015. Thus, it was considered as the best-performing year within the whole period analysed. In 2015, the EVA reached the highest (and the only positive) average value of € 29,171. This positive development ensured that the desired relation "ROE > re" was respected, so enterprises were able to generate added value for their shareholders. The most significant decline within the "re" components was recorded in the case of "rf" indicator that dropped by 1.19 % compared to the previous period. A more pronounced average increase in total costs (by 12.98 %) than total revenues (by 7.03 %) was the main reason for the reduction of net profit in 2016, which subsequently influenced the creation of negative ROE. Despite the continuing decline in "re" indicator and an increase in enterprises' equity, the financial

performance of the analysed medical spa sector was getting worse and the positive trend since 2012 has been significantly disrupted.

Over the years 2012 – 2016, the average level of EVA was € -185,487. The relation "ROE > re" was not respected in most of the analysed years, which is a sign of non-performing sector. The average financial performance development of the Slovak spa enterprises quantified on the basis of the EVA indicator is shown in the following figure (Fig. 2).

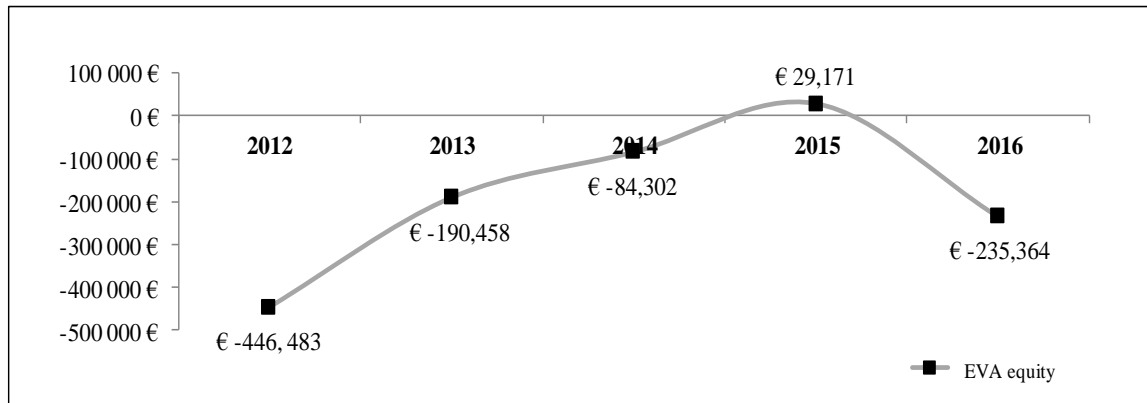


Figure 2 – The performance development of the health spa enterprises calculated on the EVA model application. Source: own processing based on the financial statements of analysed enterprises.

The positive EVA was reached at least in one year by 18 spa enterprises during the whole period analysed, 12 enterprises were able to generate value added for shareholders at least in two years, 9 enterprises at least in three years, 4 enterprises achieved the positive EVA at least in 4 years over the analysed period and only 1 enterprise was able to generate added value for shareholders in every single year (€ 87,568 on average). However, if we have analysed more closely the development of the number of performing and non-performing enterprises evaluated by EVA model in individual years, there has been recorded a positive trend in terms of decreasing number of enterprises with negative EVA values (see Fig. 3).

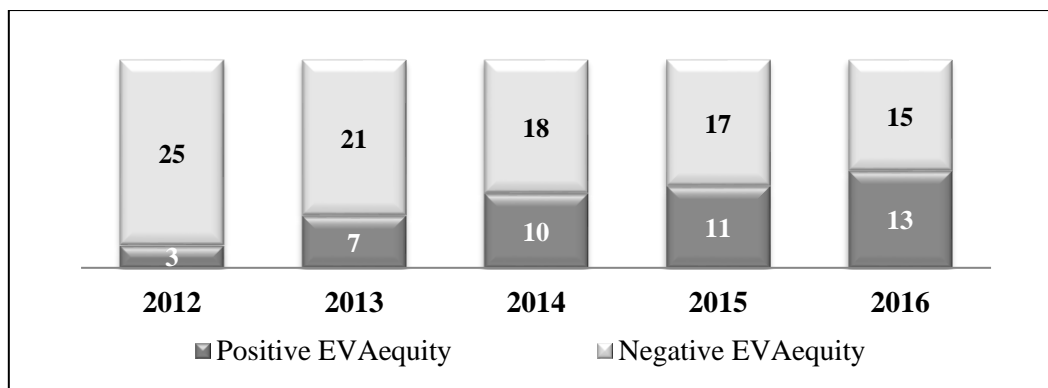


Figure 3 – Comparison of the number of performing and non-performing health spa enterprises based on the EVA model application. Source: own processing based on the financial statements of analysed enterprises.

Based on the results of EVA model application, we consider the best-performing enterprises Spa Bojnice, Spa Dudince and Spa Lúčky (EVA of these enterprises reached the average value of € 436,638 over the analysed years). Contrary, the worst-performing enterprises were Spa Brusno, Spa Sliáč and Horezza. In this case, the desired relation "ROE > re" was not respected in any of the years analysed.

The following analysis is focused on financial performance evaluation of the health spa sector in Slovakia over the years 2012 – 2016 by use of the RONA. Its essence is the same as the EVA with one simple difference: RONA is a relative ratio indicator that measures enterprise performance not in €, but in %.

The most noticeable difference (4.52 %) between the RONA and WACC was recorded in the first analysed year 2012, when the RONA of enterprises operating in the Slovak health spa sector reached the average level of 1.13 %. The intense rise in the NOPAT by 106.61 % as well as an increase in the NA value of € 314,597 in the following year 2013 caused the RONA growth by an index of 1.9963. Contrary, the WACC dropped by 1.37 % mainly due to declining "re" value. This change caused a desired reduction in the difference between the RONA and WACC, even more than twice compared to the previous year. The positive development trend of both indicators continued in 2014 as well. The average NOPAT reached the value of € 249,421 and the NA ranged around € 10,144,670. For this reason, the RONA increased by 0.21% compared to previous year 2013.

In 2015, the RONA re-increased and reached its maximum value of 2.55 %. This positive result was mainly influenced by the average NOPAT growth of € 15,121. In the same year, the level of NA also increased by an index of 1.0236. However, due to more noticeable NOPAT increase by 3.61 %, enterprises operating in the Slovak medical spa sector achieved again higher profitability compared to previous years and the value of WACC continued in declining up to the level of 2.22 %. In 2015, the desired relation "RONA > WACC" was respected for the first time (and only in this year during the whole period analysed) and medical spa enterprises were able to create value added to owners. This positive development trend of all indicators was disrupted in the last analysed year 2016. The decline in net profit of the enterprises by 92.31 % compared to previous year 2015 caused the decline in RONA by 2.35 % only to the level of 0.19 %. This sharp drop in the NOPAT, despite the re-reduction of "re" indicator by an index of 0.8289, did not ensure to maintain the desired relation "RONA > WACC" recorded in the previous year.

In this regard, much more important is to quantify the difference between the profitability measured by the RONA and the WACC indicator. Over the years 2012 – 2016, the RONA ranged around 1.72 % on average, whereas the WACC reached the level of 3.45 %. Therefore, the desired relation "RONA > WACC" was not respected in most of the analysed years. The average performance development of the Slovak spa sector quantified on the basis of the RONA and WACC comparison is presented in the following figure (Fig. 4).

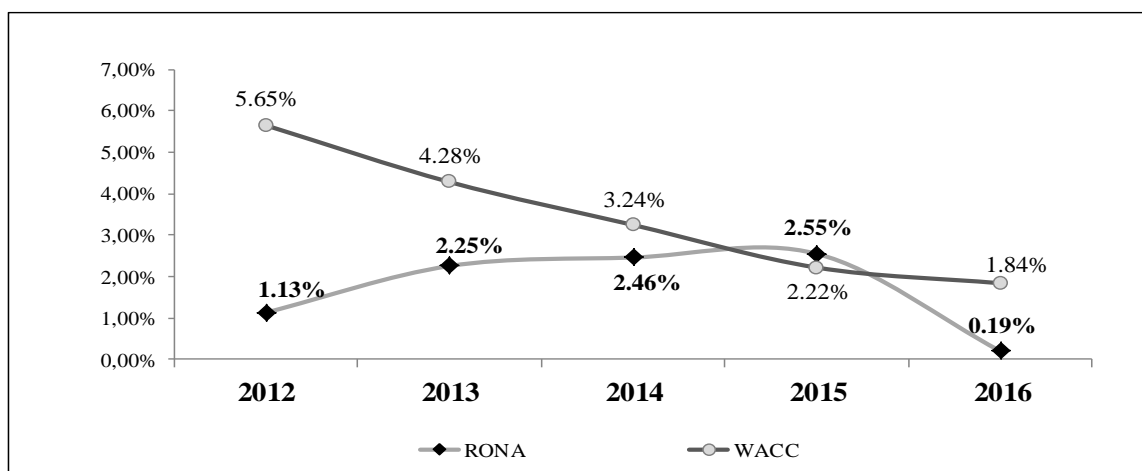


Figure 4 – The performance development of the health spa enterprises based on the RONA model application. Source: own processing based on the financial statements of analysed enterprises.

It is worthy to note that during the whole period analysed the desired relation "RONA > WACC" was kept in the case of 16 spa enterprises (at least in one year), 12 enterprises were able to generate value for shareholders at least in two years, 7 enterprises at least in three years, in the case of 2 spa enterprises the RONA exceeded the WACC at least in 4 years and only 1 enterprise was able to maintain this desirable status in each analysed year. However, if we have concentrated on the number of performing and non-performing enterprises development evaluated on the basis of the RONA (see Fig. 5), the positive progress was also recorded in terms of increasing number of enterprises with the positive difference between the RONA and WACC values.

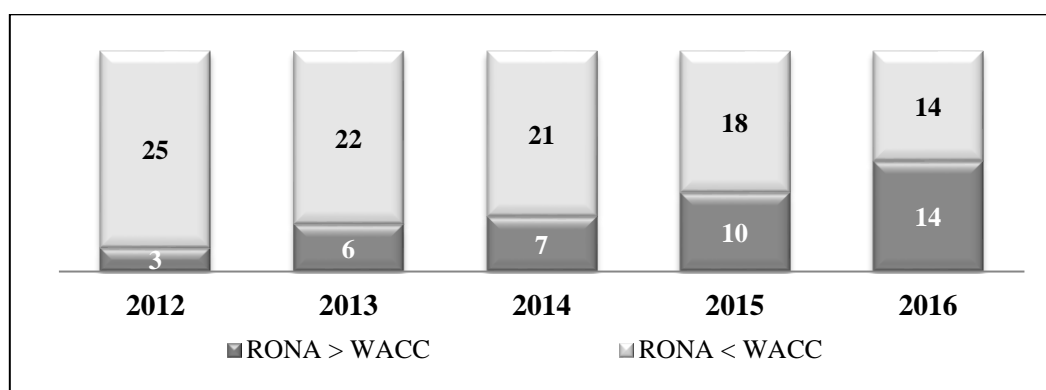


Figure 5 – Comparison of the number of performing and non-performing health spa enterprises based on the RONA model application. Source: own processing based on the financial statements of analysed enterprises.

In this regard, Spa Bojnice, Spa Lúčky and Spa Štós were identified as the best-performing medical spa enterprises by comparing the financial situation of enterprises based on the RONA and WACC values. On the contrary, the worst-performing enterprises over the years 2012 – 2016 were Spa Brusno, Spa Sliach and Spa Číž.

The following table (Tab. 1) presents the average resulting order of the Slovak medical spa enterprises that was compiled by the application of selected modern methods evaluating the financial performance during the analysed period of 2012 – 2016.

Table 1 The average resulting order of the spa enterprises compiled by the application of EVA and RONA model. Source: own processing based on the financial statements of analysed enterprises.

Enterprise	EVA	RONA	Enterprise	EVA	RONA
<i>SE01</i>	4.	7.	<i>SE15</i>	20.	26.
<i>SE02</i>	26.	20.	<i>SE16</i>	24.	11.
<i>SE03</i>	1.	3	<i>SE17</i>	6.	9.
<i>SE04</i>	28.	28.	<i>SE18</i>	15.	12.
<i>SE05</i>	2.	8.	<i>SE19</i>	11.	14.
<i>SE06</i>	7.	10.	<i>SE20</i>	12.	2.
<i>SE07</i>	3.	5.	<i>SE21</i>	17.	1.
<i>SE08</i>	18.	16.	<i>SE22</i>	22.	22.
<i>SE09</i>	13.	15.	<i>SE23</i>	5.	4.
<i>SE10</i>	27.	27.	<i>SE24</i>	8.	13.
<i>SE11</i>	9.	6.	<i>SE25</i>	16.	24.
<i>SE12</i>	25.	18.	<i>SE26</i>	10.	19.
<i>SE13</i>	23.	21.	<i>SE27</i>	19.	23.
<i>SE14</i>	14.	17.	<i>SE28</i>	21.	25.

Based on the results, it is obvious that spa enterprises SE04 (Spa Brusno), SE10 (Spa Sliach), SE22 (Spa Dudince) reached the same position using the both modern performance evaluation

methods – the EVA and the RONA. As we have already mentioned, the calculation of these methods is based on a bit different input data and indicators reflecting subsequently the different business performance assessment. Despite the fact that most enterprises did not reach identical performance position assessed by mentioned models, we have to emphasize the identical recognition of the best and worst-performing spa enterprise evaluated on the basis of the EVA and RONA model application.

Over the analysed period of 2012 – 2016, the worst-performing spa enterprise SE04 (Spa Brusno) was not able to generate added value for shareholders at all. In addition, the average EVA ranged around € -2,177,293 and the RONA did not exceed the value of WACC, which was higher by 24.06 % on average. On the other hand, SE03 (Spa Bojnice) reached the highest average positive EVA (€ 958,469) and the RONA exceeded the value of WACC by 3.41 % on average. Therefore, it was identified as the best-performing health spa enterprise within the selected sector. In this case, Spa Bojnice ranked 3rd in the case of RONA model application, however, this result was markedly influenced by distorted values causing the better position of SE21 (Spa Pieniny Resort) and SE20 (Spa Kováčová).

The issue of EVA calculating and its application in practice is the subject of many empirical studies. For example, Součková (2016) compared EVA and value added in industry sectors in the Czech Republic. The study results showed that the EVA equity is the most often applied method. The modified model of the financial planning based on the linking of the data to the EVA was built-up by Marková, Sedliačiková and Gurová (2016). Authors consider this model as the modern way of measuring enterprise performance and budgeting in the Slovak conditions. One of the possible methods of calculating the EVA indicator for Slovak companies in the conditions of valid accounting legislation in Slovakia were presented also in research study by Šalaga, Bartošová, Kicová (2015). Svobodová (2015) analysed the use of selected sophisticated modern financial performance indicators such as EVA, MVA and BSC in trading companies operating in the Czech Republic. The author also pointed to the inadequate use of these sophisticated tools that would help companies manage and monitor their performance more effectively. The RONA model application as a key tool for assessing the achieved level of enterprise performance was also the subject of many research papers (in different section and ways), mostly in foreign countries (Liu, An, Shen, 2015; Wang, Lin, 2012; Pei, 2012). The analysis of the correlation between the enterprise performance and the ownership structure were performed by the authors Xu, Zhang, Tang (2007), who used the above-mentioned RONA indicator to assess the enterprise performance. Assessing the enterprise performance on the basis of the RONA indicator and monitoring the relationship between the degree of internationalization and the enterprise performance was the object of Ma's (2015) research study. Micoanski, Palavecini (2017) also focused on assessing the profitability of enterprises by applying RONA indicator.

In accordance with the above mentioned empirical studies we also consider the EVA and the RONA as a key tools for assessing and managing the enterprise performance.

5 CONCLUSION

Natural health spas in the Slovak Republic are a significant phenomenon of the national economy development due to the rich representation of natural healing resources throughout the country. The main aim of this paper is to evaluate the financial performance of the health spa sector in Slovakia over the years 2012 – 2016 with use of selected modern financial methods (the EVA and the RONA). The other purpose was to identify the best and the worst-performing enterprises in the case of application of both modern methods.

Based on the results, the positive EVA was reached at least in one year by 18 spa enterprises during the whole period analysed. However, the desired relation "ROE > re" was not respected in most of the analysed years, which is a sign of non-performing sector. Overall, the EVA reached the level of € -185,487 on average. Positive values of mentioned indicator were recorded only in year 2015, which is considered to be the best-performing one. However, the positive development of the EVA since 2012 was significantly disrupted in year 2016. This trend was mainly affected by the decline in net profit by 92.31 %, which despite of continuing decline in "re" indicator negatively influenced the creation of value added for shareholders.

The level of RONA ranged around 1.72 % on average, whereas the WACC reached the average level of 3.45 %. For this reason, the desired relation "RONA > WACC" was not respected in most of the analysed years. Overall, only 16 spa enterprises were able to create value added for their shareholders and keep the mentioned relation at least in one year during the whole period analysed. A continuous increase in the RONA and a drop in the WACC since 2012 have led to a desirable approximation of these indicators and analysed spa sector was considered to be well-performing in 2015. A sharp drop in the NOPAT in 2016, despite of re-reduction of "re" indicator by an index of 0.8289, did not ensure to maintain the desired relation "RONA > WACC" and the positive performance development of the Slovak medical spa sector was significantly disrupted.

Based on the results, relatively identical values were achieved within the application of both modern methods (EVA in € and RONA in %). When evaluating the performance of Slovak spa sector as a whole, the best results were achieved in year 2015 and, on the contrary, year 2012 was identified as the worst-performing one. The financial performance trend of enterprises was also the same; a positive continuous performance growth was recorded over the period of 2012 – 2015, but this optimistic trend was influenced negatively by a sharp drop in net profit in the following year 2016. However, it is important to point out the declining number of enterprises reaching the negative EVA or enterprises complying the relation "RONA > WACC". According to the results of EVA and RONA model application, the best-performing enterprises within the analysed spa sector were Spa Bojnice, Spa Lúčky, Spa Dudince and Spa Štós. Contrary, the worst-performing enterprises over the years 2012 – 2016 were Spa Brusno, Spa Sliáč, Horezza and Spa Číž.

The causes of declining performance in most Slovak spa enterprises can be found in several areas, not just in the financial one. However, the enterprises are able to influence their performance mainly by own business activity, therefore it is very important to focus on achieving a profit in a sufficient amount to improve the overall financial performance. One of the ways how to reach this goal can also be investment into tourist infrastructure, accommodation, catering, sport or cultural facilities.

Due to the selected methodology for calculating both modern financial methods, we also recommend applying other models and approaches to financial performance evaluation of the health spa sector in Slovakia. It will be the subject of our further research interest.

Acknowledgements

This paper is one of outputs of project VEGA 1/0791/16 "Modern approaches to improving enterprise performance and competitiveness using the innovative model - Enterprise Performance Model to streamline Management Decision-Making Processes.

References

- Damodaran, A. (2004a). Valuation the Big Picture. [online]. Available at: <http://pages.stern.nyu.edu/~adamodar/>
- Damodaran, A. (2018b). [online]. Available at: <http://pages.stern.nyu.edu/~adamodar/>
- Dluhošová, D. (2007). Nové přístupy k měření výkonnosti podniku. In: Ekonomická revue. s. 21-39, ISSN 1212-3951.
- Durkáčová, M. (2010). Prístupy k hodnoteniu výkonnosti podniku a jeho procesov v kontexte ekonomického vývoja. In: 13th International Scientific Conference Trends and Innovative Approaches in Business Processes 2010.
- Grell, M., Hyránek E. (2012). Maticové modely na meranie výkonnosti produkčných systémov. 1. vyd. Bratislava: Ekonóm. ISBN 978-80-225-3901-2.
- Hamilton, J., Rahman, S., Lee, A. C. (2009). EVA: Does Size Matter? In: Review of Pacific Basin Financial Markets and Policies. Vol. 12, No. 2, p. 267-287. <https://doi.org/10.1142/S0219091509001629>
- Hussey, R. (2014). MBA Accounting. New York: Palgrave Macmillan. ISBN 978-0-230-30337-9. <https://doi.org/10.1007/978-1-137-40435-0>
- Kabát, L. et al. (2013). Hodnotenie podniku a analýza jeho finančného zdravia. Bratislava: Iura Edition. ISBN 978-80-8078-608-3.
- Kiseliáková, D., Horváthová, J., Šofranková, B. (2016). Controlling rizík podnikania v modeloch ovplyvňujúcich výkonnosť a prognózovanie rizík v EÚ. Prešov: Prešovská univerzita v Prešove. ISBN 978-80-555-1561-8.
- Kislingerová, E. et al. (2011). Nová ekonomika: Nové příležitosti? Praha: C. H. Beck. ISBN 978-80-7400-403-2.
- Liu, L., An, N., Shen, Y. (2015). Research on the Relationship between Ex-financial Performance and IPO Under-pricing in China GEM. In: 4th International Conference on Social Sciences and Society. Vol. 72, p. 264-274. ISSN 2160-1070.
- Ma, P. (2015). Empirical Analysis of the Relationship between Internationalization and Firm Performance. In: The 5th International Conference on Information, Communication and Education Application (ICEA 2015). Vol. 85, p. 224-229. ISSN 2160-1070.
- Miecoanski, F., Palavecini, A. (2017). Profitability and Bussiness Sustainability of Banks that negotiating shares at Bm & Fbovespa. In: Revista De Gestao Financas E Contabilidade. Vol. 7, No. 3, p. 76-85. ISSN 2238-5320.
- Marková, V., Sedliačiková, M., Gurová, D. H. (2016). The Model of Financial Budgeting and Planning for Micro and Small Enterprises. In: Globalization and Its Socio-Economic Consequences, 16th International Scientific Conference Proceedings. p. 1305-1312
- Maříková, P., Mařík, M. (2005). Moderní metody hodnocení výkonnosti a oceňování podniku. 2. vyd. Praha: EKOPRESS. ISBN 978-80-86119-61-0.
- Mihalíková, E., Hrabovská, Z. (2012). Finančná analýza organizácie. Košice: UPJŠ v Košiciach. ISBN: 978-80-7097-939-6.
- Mulačová, V., P. Mulač et al. (2013). Obchodní podnikání ve 21. století. Praha: Grada Publishing, a. s. ISBN 978-80-247-4780-4.

- Národná banka Slovenska. (2018). [online]. Dostupné z: <https://www.nbs.sk/sk/statisticke-udaje/financne-trhy/urokove-sadzby/dlhodobe-urokove-sadzby>
- Nelson, S. L. (2015). *Quick Books 2015 All-in-One For Dummies*. Hoboken, NJ: John Wiley & Sons, Inc. ISBN 978-1-118-92017-6.
- Neumaierová, I., Neumaier, I. (2002). *Výkonnost a tržní hodnota firmy*. Praha: Grada Publishing, a. s. ISBN 80-247-0125-1.
- Nížniková, Z., Feranecová, A., Sabolová, M., Stašková, S. (2015). Enterprise Valuation by Using EVA Method in Slovakia. In: *Era of Science Diplomacy: Implications for Economics, Business, Management and Related Disciplines*, Bratislava, s. 654-660.
- Pavelková, D., Knápková, A. (2009). *Výkonnost podniku z pohledu finančního manažera*. 2., aktualiz. a dopln. vyd. Praha: Linde. ISBN 978-80-86131-85-6.
- Pei, H. (2012). Process Scan of Enterprise Performance Evaluation. In: *Proceeding of the 2012 International Conference on Management Innovation and Public Policy (ICMIPP 2012)*. Vol. 1, No. 6, p. 1237-1241. ISBN 978-1-61896-012-2.
- Souček, Z. (2010). *Firma 21. století: (Předstihněme nejlepší!!!)*. Praha: Professional Publishing. 2. vyd. ISBN 978-80-7431-007-2.
- Součková, M. (2016). Using Value Added in Sustainability Measurement. In: *Innovation Management and Education Excellence Vision 2020: From Regional Development Sustainability to Global Economic Growth*, 27th International Business Information Management Association Conference. s. 2727-2738.
- Stýblo, J. (2008). Výkonnost' firiem. In: *Moderní řízení*, Roč. 43, č. 11, s. 25. ISSN 0026-8720.
- Suchánek, P. a kol. (2013). *Vliv kvality na výkonnost a konkurenceschopnost podniku*. Brno: Masarykova univerzita. ISBN 978-80-210-6627-4. <https://doi.org/10.5817/CZ.MUNI.M210-6627-2013>
- Svobodová, L. (2015). Moderní ukazatele finanční výkonnosti obchodní společnosti. In: *Ekonomika a management : vědecký časopis Fakulty podnikohospodářské Vysoké školy ekonomické v Praze*. Č. 2, s. 1-16. ISSN 1802-8934.
- Šalaga, J., Bartošová, V., Kicová, E. (2015). Economic Value Added as a Measurement Tool of Financial Performance: Book Series: *Procedia Economics and Finance*. In: *4th World Conference on Business, Economics and Management (WCBEM 2015)*. Roč. 26, s. 484-489.
- Šalaga, J. (2016). Implementation of Economic Value Added in Conditions of Globalization. In: *Globalization and Its Socio-Economic Consequences*, 16th International Scientific Conference Proceedings. s. 1934-1939.
- Šofranková, B., Kisel'áková, D., Horváthová, J. (2017). Actual questions of risk management in models affecting enterprise performance. In: *Ekonomický časopis*. Vol. 65, No. 7, p. 644-667. ISSN 0013-3035.
- Šofranková, B., Horváthová, J., Kisel'áková, D. (2016). Key performance indicators of food companies and their analysis and application in enterprise performance model. In: *Political sciences, law, finance, economics and tourism: 3rd International multidisciplinary scientific conference Social sciences & arts SGEM 2016: Conference Proceedings*, p. 387-394, Sofia: STEF92 Technology, ISBN 978-619-7105-74-2.
- Šulák, M., Vacík, E. (2005). *Měření výkonnosti firem*. Praha: Eupress. ISBN 80-86754-33-2.

- Vochozka, M. (2012). *Metody komplexního hodnocení podniku*. Praha: Grada Publishing, a.s. ISBN 978-80-247-7462-6.
- Wagner, J. (2009a). *Měření výkonnosti: Jak měřit, vyhodnocovat a využívat informace o podnikové výkonnosti*. Praha: Grada Publishing, a. s. ISBN 978-80-247-2924-4.
- Wagner, J. (2011b). *Měření výkonnosti – vývojové tendence 2. poloviny 20. století*. In: *Politická ekonomie*. Roč. 15, č. 6, s. 775-793. ISSN 0032–3233.
- Wang, L., Lin, Q. (2012). *Study of Influencing Factors on Companies' Equity Financing Preferences – Case Study of the Manufacturing Sector in Electronics Industry*. In: *Proceedings of China Private Economy Innovation International Forum 2012*. p. 243-247. ISBN 978-0-9845209-9-2.
- Xu, J., Zhang, B., Tang, Y. (2007). *Comparative research on the ownership structure and corporate performance of state-owned listed enterprises and private listed enterprises*. In: *Proceedings of 2007 International Conference on Management Science & Engineering*. Vol. 1, No. 3. ISBN 978-7-5603-2278-0.
- Závorská, Z. (2012). *Manažment kapitálovej štruktúry pri financovaní rozvoja podniku ako nástroj zvyšovania finančnej výkonnosti*. Prešov: PU v Prešove. ISBN 978-80-555-0553-4.
- Zemánková, L., Kruntorádová, M., Boušková, S. (2010). *Použití ukazatele EVA v konkrétním podniku*. In *Trendy Ekonomiky a Managementu*. Roč. 4, č. 7, s. 67-80, ISSN 1802-8527.

Contact information

Mgr. Veronika Čabinová
University of Presov in Presov, Faculty of Management
Konštantínova 16, 080 01 Prešov
veronika.cabinova@smail.unipo.sk
ORCID: 0000-0003-4367-3590

Mgr. Erika Onuferová
University of Presov in Presov, Faculty of Management
Konštantínova 16, 080 01 Prešov
erika.onuferova@smail.unipo.sk
ORCID: 0000-0001-8529-8843

doc. Ing. Dana Kiseláková, PhD.
University of Presov in Presov, Faculty of Management
Konštantínova 16, 080 01 Prešov
dana.kiselakova@unipo.sk
ORCID: 0000-0001-5662-5809

Ing. Beáta Šofranková, PhD.
University of Presov in Presov, Faculty of Management
Konštantínova 16, 080 01 Prešov
beata.sofrankova@unipo.sk
ORCID: 0000-0001-9766-0467

DOI ID: <https://www.doi.org/10.7441/dokbat.2018.02>

