

## CREATIVE IDEAS FOR STABILITY AND GROWTH IN AN ACADEMY FOR DECADES PAST OF TRADITIONS

It is early November. D. A. Tsenov Academy of Economics celebrates its patron's holiday as it does every year. However that was a special year of festivities since they marked the school's 75<sup>th</sup> birthday. The outstanding anniversary was highlighted by numerous events and culminated in the International Jubilee Scientific Conference that was held under the heading "Economy and Management in the 21<sup>st</sup> Century – Decisions for Stability and Growth".

The remarkable anniversary and the representative scientific forum attracted unprecedented number of local and foreign participants. Nearly 450 science researchers, lecturers, PhD students, students, and real-life practitioners participated in that scientific event and more than 360 conference papers were presented. The conference participants came from 16 countries around the world – Albania, Bulgaria, Georgia, Greece, India, Kazakhstan, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, the USA, Serbia, and Ukraine.

Bulgarian participants came from the following institutions: University of National and World Economy, University of Economics, Varna, Sofia University, New Bulgarian University, Technical University, Sofia, Burgas Free university, School of Insurance and Finances, University of Veliko Tarnovo, Agricultural University, Plovdiv, University Of Chemical Technology And Metallurgy, etc.

The conference started out by a plenary session, which consisted of three major conference papers.

*Prof. Atanas Damyanov, DSc (Tsenov Academy)* presented his paper titled National and International Assumptions. The first part of the conference paper clarifies basic notions and ideas. Then analysis explores the transformations of the *economic* (theoretical cross-section, the convergence between the natural capitalist economic system and the artificial socialist system, the mono directional economic integration, economic gravity, and the global economic equilibrium), the *political* (political regimes – democracy, the allowed and banned revolutions, multiculturalism, the hazardous two-faced manifestation of power by submitting both to the EU and NATO), the *social* (public protest as a result of generational contradictions, income structure, the fears of the middle class about its future) morphogenetic fields. Those transformations are looked upon a specific angle which involves referential approach as well. The conclusion highlights national assumptions regarding transition to a market economy at home.

*Mr. Rumen Simeonov's (the Deputy Governor of the Bulgarian National Bank)* paper Crisis and Challenges for the Stability of Financial Systems: Current Answers and Possible Future Solutions was next. The conference paper is about the financial system during times of global crisis and focuses on the risks caused

by the globalization and integration of the global and European banking and financial systems; it discusses the resource limitations in certain countries and the necessity of an overall optimization of regulatory framework and the relations with market participants that play a role in the identification of risk. The conclusion represents the condition of Bulgarian banking system and BNB's role in that process, the capacity to maintain the higher regulatory capital requirements, the conservative weighing of credit risk, the accumulation and maintenance of considerable buffers to ease eventual shocks, etc.

*Prof. Lyuben Kirev's paper (Tsenov Academy), Knowledge as an Economic Category*, focuses on the transition to the economy of knowledge and the transformation of knowledge itself into a major product and resource of the new economy. The paper analyzes the value of knowledge, its ambivalent existential character, being a public and private good, its "ageing" and gradation. The paper also dwells on the peculiarities of knowledge compared to traditional goods and production factors, the specific way of alienation, the preservation of usefulness in the process of usage, self-growth in the consumption process, personalization of knowledge, new structure of ownership relations in the realm of knowledge, changes in the ways and mechanisms of accumulation.

The rest of the conference papers have been allocated into four separate sections.

### **Finance, Economics, Insurance and Social Security**

The achievement of economic stability and the creation of conditions for long-term and sustainable growth require the detailed research of periodically recurrent economic crises. Today scientists' and researchers' attention is focalized on the financial crisis of 2007, which originated in the USA and promptly spread throughout the world.

*Professor Yu. Pasichnik's (Ukraine) conference paper* provokes special interest in the above sense, where analysis starts with the origin of global financial crises in general and narrows to the peculiarities, the ways financial crises develop, and the opportunities for overcoming contemporary crisis. In their conference papers *Prof. G. Sillaste (Russia), Assoc. Prof. Hr. Mavrov (UE), Assoc. Prof. St. Stefanov (Tsenov Academy), Assoc. Prof. Jh. Vatev (Tsenov Academy), Al. Ganchev, PhD (Tsenov Academy), and An. Georgiev, PhD student (Tsenov Academy)* discuss the various aspects of crisis' manifestation. They analyze in detail possible risks for the countries, which have adopted the regulatory mechanism of the currency board, the social risks for the public, the effects of the Basel Committee's banking regulations, the influence of the major macroeconomic processes in Bulgaria, the development of investment funds at home, etc.

Along with the crisis' effects, much attention is paid to the measures necessary to effectively fight negative impact as well as the ways for successful post crisis development of the economy. The participants in the scientific forum

recommend a complex mix of measures, which logically point mainly to the banking sector and the activities of financial institutions. *Prof. N. Nikolova (UNWE)* suggests that diversification of banking products may actually serve as important means of economic revival. She emphasizes the considerable potential of banks' effective involvement in the factoring market. *Assoc. Prof. R. Dimitrova (NBU)* highlights another aspect of anti-crisis measures and negative consequences. She recommends maintaining a quality loan portfolio by using scoring systems and financial analysis, defining limits concerning certain groups of borrowers, loan insurance, etc. as reliable tools for ensuring stability of commercial banks. *Assoc. Prof. V. Milinov (Tsenov Academy)* stresses on the regulation of banks' financial operations and more specifically, those that involve risky mortgage loans.

Studies of foreign experience and the application of the best global practices is a valuable means of proper decision-making in order to overcome crisis. *Assoc. Prof. S. Trifonova (UNWE)* suggests a package of measures used by the Central Bank of China for crisis management, and *Prof. B. Luciv (Ukraine)* shares Ukraine's experience regarding commercial banks' potential for achieving dynamic growth and establishing market relations.

*Assoc. Prof. B. Bozhinov (Tsenov Academy)*, *Assist. Prof. N. Georgiev (Tsenov Academy)*, *Assoc. Prof. M. Vidolova (Sofia University)*, *Gr. Sariyski, PhD (Sofia University)*, *Assist. Prof. M. Stolinchev (Sofia University)* discuss the necessity of timely and adequate actions to overcome crisis as well as a number of theoretical ideas and practical examples for improvement of the banking system.

The crisis issue unavoidably affects the budget sector as well. *Assoc. Prof. St. Simeonov (Tsenov Academy)* and *Pl. Parushev, PhD student (Tsenov Academy)* analyze budget policies at home during the times before the crisis and suggest directions for applying a successful anti-crisis policy for the time-being.

Crisis affects negatively both revenue collection and the effective spending of accumulated resources. Such conditions cause the formation of negative budget balance as well as accumulation of budget deficit and national debt respectively, which destabilize the country's finances. *An. Radulova, PhD (Tsenov Academy)* and *Assist. Prof. P. Angelov (Tsenov Academy)* discuss the above issues. *Assoc. Prof. Vi. Vladimirov (UE)* argues that despite debt's negative impact a number of arguments exist that demonstrate it can actually be useful within certain boundaries. The author recommends the application of debt financing provided that long-term stability of public finances is preserved.

*Prof. M. Hristov (VUZF)* shares his view on the necessity of significant changes in taxation, which specifically concern the budget revenue sector. According to that view changes need to point to the expansion of direct taxation, the amplification of the extent of decentralized taxation, improved application of graduated taxation, etc. *N. Blagoeva, PhD (AU)* adds to the above views by arguing that expenses for adherence to tax laws need to be reduced in order to

prevent taxpayers' failure to pay taxes. *I. Beev, PhD (UNWE)* is in search for a generalized conceptual approach to define a bundle of criteria for designing an optimal tax system.

*Assoc. Prof. A. Zahariev (Tsenov Academy)* reviews the condition of fiscal decentralization in Bulgaria through the prism of municipal councils. By analyzing the survey results on the issue, he is able to prove his hypothesis that despite positive regulatory changes the fiscal status of municipalities has actually deteriorated. *L. Naydenov, PhD (UE)* has reached to a similar conclusion by conducting a research of municipal debt as of mid 2011.

By following the deductive approach further analysis concentrates on the financial status and issues affecting separate micro units. *Chief Assist. Prof. St. Baklicharov (University of Veliko Tarnovo)* views bank loans as a major external source of financing small and medium-sized businesses and stresses on the need of proactive governmental support for both business and the banks that service it. *Assoc. Prof. V. Nenkov (Tsenov Academy)* draws attention to the advantages and disadvantages of several particular approaches for scoring companies' financial achievements and recommends their complex application in order to avoid liquidation during times of crisis. *E. Kalchev, PhD (NBU)* reviews issues of accounting profit and its significance regarding financial scoring of the company's activity.

Another set of conference papers points to the topic of EU's financial support, which is aimed to reduce the differences between the separate member-countries and the achievement of economic and social growth. Following the above train of thoughts *Assoc. Prof. R. Lilova (Tsenov Academy)* examines the status and the issues, which involve the assimilation of European funds. The author provides an in-depth analysis of the Union's budget and then focuses her attention on Bulgaria where she delves into the reasons for the low level of funds assimilation and continues to suggest some possible perspectives that the country should take advantage of. Despite all the problems EU's financial support is a valuable source for the countries with economies in transition. *Assist. Prof. M. Radosavlevik and Assist. Prof. Z. Temelkov's (Macedonia)* conference paper researches the major aspects of applying European financial assistance in the Republic of Macedonia.

*Prof. M. Zveryakov (Ukraine) and Assoc. Prof. T. Todorov's (Tsenov Academy)* conference papers discuss crisis from a macroeconomic point of view. By diagnosing its symptoms in Ukraine and in Bulgaria respectively, the authors reach similar conclusions about the necessity of enhancing the role of endogenous factors and the active participation of the state to shape the post crisis economy. *Assoc. Professor R. Fotov and D. Lazarov (Macedonia)* theoretically review the opportunities of Macedonian economy based on the models of the new growth theory in this respect. The building of the new economic model is inherently related to the economy's condition during the pre-crisis time period and even a bit further back in time, when certain countries chose the road of economic transition. Those

issues are a subject of research in *Assoc. Prof. Iv. Petrov (Tsenov Academy)*, *Assoc. Prof. R. Lazarov (Tsenov Academy)*, and *Prof. V. Stoyanov's* conference papers. The first two authors dwell on the issue through the prism of the dominating models of economic reform – evolutionary and rapid (shock), and analyze the outcomes from the fundamental trends due to that transition for the separate countries. *Prof. Stoyanov* makes an attempt of “extrapolation” of the 21<sup>st</sup> century economic development and stipulates that the working scenario, which is going to take the economy to a new horizon is the “median (noble) way of development”, which combines the role of the market with the role of the state. *Assoc. Prof. Y. Vasilev (Tsenov Academy)* adds that the new economic model requires special attention with respect to knowledge and underlines the need that every country should develop a strategy of its own to be able to manage it. *Assoc. Prof. M. Andreeva (Tsenov Academy)* continues that thread of thoughts by exposing innovation's potential and its role for both cyclical development and the achievement of economic growth. According to *Assoc. Prof. L. Yotova (UNWE)* the successful realization of the model of sustained development requires an adequate incorporation of the measures for overcoming inequality and the fight against poverty.

Those issues are a reason for a certain concern in Bulgarian economy, and have provoked the interest of many participants. Based on macroeconomic analysis *Assoc. Prof. A. Marinov (Academy of the Ministry of Interior)* analyzes the trends of development of our economy and suggests particular measures for maintaining national economic security; by associating two of Europe 2020's strategic goals *Assoc. Prof. Iv. Varbanov (Tsenov Academy)* studies the possibilities of transition from poverty to growth by guaranteeing employment; *Assoc. Prof. L. Nestorov (Tsenov Academy)* reviews the changes in the structure of the economy and its sectors by focusing on farming, and *Chief Assist. Prof. Pl. Patarchanov (SU)* shares his view on the benefit of stimulating economic activities from the tertiary sector in the mountainous regions. *Assoc. Prof. Kr. Kunev (Tsenov Academy)* draws our attention to the status of natural monopolies by focusing on the issues in the energy sector. *St. Raleva, PhD (UNWE)* analyses structural characteristics of the inflation process at home and appropates B. Balasha and P. Samuelson's model in Bulgaria. *Chief Assist. Prof. P. T. Todorova (Tsenov Academy)*, *Chief Assist. Prof. M. Vrachovska (University of Veliko Tarnovo)* and *Assist. Prof. P. Georgieva (Tsenov Academy)* present the specifics of the state's macroeconomic policy through the expenses for net public goods, public-private partnership and government-managed entrepreneurship. *Assoc. Prof. P. Penchev (University of Veliko Tarnovo)*, *Assoc. Prof. N. Georgiev (Tsenov Academy)*, *Assoc. Prof. P. Shishmanova (Tsenov Academy)*, *Chief Assist. Prof. E. Tsoneva (Tsenov Academy)*, and *M. Nikolova, PhD (Tsenov Academy)* substantiate the determinant role of the human factor in the economy and bring out the issues that are related to the deteriorating domestic demographic situation including several problematic social groups on the labor

market and recommend a package of tools for enhancing human capital. *Chief Assist. Prof. T. Asenov (Tsenov Academy) and Assist. Prof. E. Petkova (Tsenov Academy)* research the economy's external sector focusing on Bulgaria's integration in international commerce and the impact of direct foreign investment (DFI).

The fundamental economic issues and the ways for solution are reflected in economic theories, and theory itself is tested in real-life economic environment. Those are the issues that are a subject of research by prominent Bulgarian professors and scientific researchers. Without mentioning any particular school of science *Prof. Z. Mladenova (UE)* expresses her dissatisfaction by the "anemic" reaction of Bulgarian economic science regarding "the end of Transition" at home and by the passive acceptance (although unspoken) of the official European Commission's evaluation of Bulgaria as a functioning market economy. She concludes that "economists' task is to analyze the actual economy, the economy such as it is, and avoid accepting what is desired to be real or hide behind political evaluations". *Prof. P. Mihaylov (UE)* subjects to critical analysis the neoclassical paradigm that marked Bulgaria's transition and comes to the conclusion that the model is wrong because it leads to an increased differentiation and alienation between people. The need for alternatives in this aspect is supported by *Prof. Sn. Naydenova (Tsenov Academy)*. By developing the idea of "reasonable sufficiency" the author does not merely look for a way out from the crisis but also the affirmation of civilization values based on justice, solidarity, welfare, and freedom. *Chief Assist. Prof. R. Chonova (Tsenov Academy)* appeals for the creation of a social model, which is based on not merely economic but involves social principles as well.

Along with the above participants *Prof. S. Silvestrov (Russia), Prof. V. Cherenkov and Assoc. Prof. N. Cherenkova (Russia), Assoc. Prof. K. Licheva (Tsenov Academy), E. Smotrova (Russia)* and others took part in the forum with interesting presentations about the reverse dependence between natural resources and sustained growth, innovative approaches in English teaching, the New Age movement, etc.

A well-developed and effectively functioning insurance sector is a significant prerequisite for sustained development. *Assoc. Prof. V. Vasilev's (Tsenov Academy)* conference paper is about the major benefits that the above sector brings, i.e. creating security and formation of long-term investment resource. *L. Krastev, PhD (Tsenov Academy)* reveals the advantages of public insurance companies in the conditions of an explicitly competitive market. The mechanism for successful adaptation of the insurance company to those conditions is analyzed by *Assoc. Prof. N. Rashkov (Macedonia)*. *Assoc. Prof. R. Erusalimov (Tsenov Academy) and Chief Assist. Prof. K. Chipriyanova's (Tsenov Academy)* conference papers contain specific issues from insurance practice – the influence of the gender risk factor and the new moments in evaluating the technical reserves of general insurance.



Stability and growth may be researched in a social aspect. *Assoc. Prof. D. Vrachovski (Tsenov Academy)* stresses on two major factors in his conference paper: Bulgaria's demographic development and the macroeconomic environment, which are positioned at the entrance and the exit of the system for social security. *Prof. Y. Hristoskov (VUZF)* discusses the relationship between the policy of social security and the stages of the economic cycle. By applying an empirical test for that dependence in OECD and CEE countries the author demonstrates that social policy ought to assess by all means changes that are related to the stages of the economic cycle.

One form of that policy is social assistance. *Chief Assist. Prof. N. Ninov's (Tsenov Academy)* conference paper is about that policy where he points out the necessity of interrelating social help with poverty line. The topic is continued by *I. Panagoret, PhD (Romania)* by analyzing Europe 2020 strategy and its key goals and *Chief Assist. Prof. V. Georgieva's (Tsenov Academy)* conference paper, which analyzes the perspectives for social rapprochement of the EU member-countries, reaches the conclusion that due to the significant economic differences between the countries that process is quite complicated.

Another element of the social security system is pension compensation. *Hr. Blagoycheva, PhD (UE)* and *Assist. Prof. Tsv. Nenkova (Tsenov Academy)* state in their conference papers that pension compensation forms income for certain social groups, which helps reducing poverty and social isolation. This mandates the creation of highly effective conditions for the pension system. Adequate legal framework and the respective governmental regulations play an important role in this respect. *Assoc. Prof. Iv. Daneva (NBU)*, *Assoc. Prof. Pl. Yordanov (Tsenov Academy)*, and *Chief Assist. Prof. T. Ilieva (Tsenov Academy)* pay attention to the above issues in their reports. In order to achieve improved effectiveness of governmental participation in pension compensation, the authors focus on the necessity of corrections in the existing supervision models and regulatory systems and suggest innovative approaches for development such as: gradual transition to risk-based supervision in the pension industry, introduction of a savings component in public pension compensation, initiation of multi funds with various risk profile. *S. Panteleeva, PhD (Tsenov Academy)* points out that if the pension system function effectively, insurance activity management should be able to proceed pro-actively alongside governmental intervention. *St. Kirov, PhD (UE)* singles out private pension funds' international investments as a tool that diversifies their portfolio, which does not merely leads to a reduction of income fluctuations but is actually able to achieve growth.

### **Accounting, Control, Audit, Statistics and Mathematics**

Division of labor and the increase of manufactured products in ancient societies have enforced the necessity of economic activity accounting. *Assoc. Professor M. Dochev's (Tsenov Academy)* conference paper starts with the

various stages of development of economic activity and accounting respectively. The author goes on by characterizing the contemporary situation in the field and associates its future development with the computerization of the accounting processes and the constant growth of demand for accounting information. *Assoc. Prof. Al. Kostadinovski and Assist. Prof. Bl. Yovanova (Macedonia), Assoc. Prof. L. Espergenova (Kazakhstan) and P. Petrova, PhD (University of Veliko Tarnovo)* reveal that accounting, through its inherent informational and controlling functions does not simply generate results but gives the opportunity for interpretation, which transforms into managerial decision-making, thus indirectly creating the needed environment for stability and growth in the enterprise.

A look into the fundamentals of accounting reveals the presence of various models which characterize the enterprise's financial performance. *Assoc. Prof. G. Batashki (Tsenov Academy)* underlines that choosing a suitable model is an important tool, which ensures a clear and accurate presentation of the financial status of a certain economic unit. *B. Bozhilov, PhD (Tsenov Academy)* focuses on those models' expenditure section and underlines the need for a timely accounting, management, and control over expenses as well as the elimination of the subjective factors that affect expenses volume. *Iv. Andreev, PhD (Tsenov Academy)* discusses the issues that arise when capital tax becomes a subject of accounting. *Assoc. Professor R. Simeonova (Tsenov Academy)* takes into consideration the importance of price deviation when calculating the elements of financial reports. She reviews several evaluation approaches that depend on definite conditions.

There is another set of conference papers that analyze the specifics of accounting's various financial instruments used by businesses. *Assoc. Prof. At. Atanasov (Tsenov Academy)* makes a detailed review of the approaches and the bases for acknowledgement and write-offs of business's financial instruments. *Assist. Prof. T. Todorov (Tsenov Academy)* discusses the peculiarities in base financial instruments accounting, which are traded on the stock exchange. *Chief Assist. Prof. Tsv. Tsvetkov (Tsenov Academy)* generalizes the issues of debt instruments accounting. *Assist. Prof. S. Ilieva (UE) and V. Dekov, PhD student (Tsenov Academy)* differentiate the organizational stages of current corporate accounting for collective investment to facilitate future investors and provide better security for their investment.

When enterprise's performance deteriorates badly it is possible to file for bankruptcy followed by liquidation. *Prof. M. Dimitrov (Tsenov Academy)* familiarizes the audience with the above procedures. He subjects them to a bi-aspectual analysis: legal procedure and accounting practice, and reveals the differences between the two, the reasons for their occurrence, legislative regulation and the particular accounting procedures in their realization. *Assist. Prof. K. Velchev (UE)* researches a similar issue – the crisis in development of economic business entities.

The issues which are related to personnel development are contained in the context of the above problems. *Assoc. Professor G. Ivanova (Tsenov*



*Academy*) is interested in the organization of accounting and documenting expenses for training and how those reflect upon enterprises' financial results. *M. Musov, PhD (UNWE)* reviews binding employee compensation systems with the strategic (not short-term) goals of the corporation. By performing comparative analysis with some European countries *R. Krasteva, PhD (Tsenov Academy)* presents the peculiarities and worthiness of the untypical for Bulgaria occupation of the managerial accountant.

*D. Imalova, PhD (Tsenov Academy), T. Kaneva, PhD (Tsenov Academy), K. Yonovski, PhD (Tsenov Academy), Chief Assist. Prof. R. Petrova (University of Veliko Tarnovo), V. Vechev, PhD (Tsenov Academy), Assist. Prof. G. Chipriyanova (Tsenov Academy)* research the problems and perspectives of corporate accounting in various economic branches. A subject of their attention are public sector enterprises, construction businesses, banks, healthcare institutions, scrap dealers. *R. Mihaylova, PhD (Tsenov Academy), Sl. Stoyanova, PhD (University of Shumen), Chief Assist. Prof. D. Krumova (Tsenov Academy) and participants from Kazakhstan, Assoc. Prof. M. Tyutyunikova, Assoc. Prof. S. Barisheva, and Assoc. Prof. A. Akparova* contribute to the expansion of the scope and development of accounting and its more detailed presentation both domestically and internationally.

Accounting information is essential for the well-managed economic entity. Making the right managerial decisions supposes a quality financial-economic analysis. *R. Ivanova, PhD (UNWE)* shares her views on the necessity to improve its methodology in a global environment. *Assoc. Prof. M. Timchev (UNWE)* supports the above views and recommends the implementation of alternative analytical methods, which when put together form an integrated system of indicators to identify the trend of the company's economic results. *Assoc. Prof. M. Gergova (Tsenov Academy) and L. Todorov, PhD (UNWE)* make similar suggestions, which contain innovative approaches and algorithms that aim at increasing business's effectiveness. The problem of effective and competitive development is a topic in *Assoc. Prof. K. Mitov (Tsenov Academy) and Assoc. Prof. R. Koleva's et al (Tsenov Academy)* conference papers, which deal with the analysis of long-term tangible assets in farming enterprises and the effectiveness of resource potential in industrial enterprises. *Assoc. Prof. M. Mihaylov's (Tsenov Academy)* conference paper is about the necessity of adequate choice of a technological model and a respective algorithm for analysis of the company's profit. *Chief Assist. Prof. Kr. Kulchev (Tsenov Academy)* talks about the problems of distribution and its basic components as a significant competitive advantage for the company.

The successful realization of the company's goals demands exercising control of business activities. The various responsibilities, which may be required due to the controlling activity are a subject of *P. Stoykova's, PhD (Tsenov Academy) conference paper*. *Z. Petkova, PhD (Tsenov Academy)* researches customs' controlling activity and their role as a barrier against the influx of faked

merchandise on EU's territory. *Assoc. Prof. G. Ivanov (Tsenov Academy)* discusses the issue of effectiveness of internal management and control systems in higher education schools and their ability to guarantee effective management. This topic is expanded in *Chief Assist. Prof. G. Kondev's et al (UCTM)* paper by describing one of the models of self-evaluation in Bulgarian higher education schools and the possible consequences and challenges before the management.

*Assoc. Prof. Em. Tananeev (Tsenov Academy)* took part in the conference with a vision about motivation as a counter-measure to tax racketeering; *E. Georgieva, PhD (AU)* presented analysis of the fundamentals of financial analysis in farming and *Assist. Prof. D. Yankov (AU)* offered a particular financial-accounting analysis of liquid indicators in the agrarian enterprise.

The dynamic environment where economic subjects operate and the necessity of actual information about enterprises' activity requires implementation of auditing procedures. *Assoc. Prof. G. Nikolov (VUZF) and M. Antov's, PhD (Tsenov Academy)* research is dedicated to the peculiarities of several kinds of audit. *Assoc. Prof. Nikolov's* conference paper contains critical analysis of the adopted definitions about audit and its scope in Bulgarian legislature. The author attempts to suggest a better definition. As far as internal audit is concerned, *Dr Antov* underlines that the main motive for its application is the rise of the organization's value.

*Assoc. Prof. Kr. Krumov (Tsenov Academy)* represents risk as inevitable when performing auditing. By arguing that errors are made by a certain subject and harm has to be endured by another he justifies the necessity of involvement of the subjects that endure the harm in defining audit risk. *S. Kostova, PhD (Tsenov Academy)* goes further by exposing the importance of diagnostic review of the independent financial audit and its contribution for defending the interest of the separate micro units and society as a whole. This is the reason why *N. Tsvetkova, PhD (Tsenov Academy)* defines independent financial audit as a significant priority in students' education.

The rest of the conference papers in this field represent: Albania's experience in auditing and the changes due to the transformational processes as presented by *Al. Zheku, PhD (Albania)*; *Assoc. Prof. O. Traykovska and E. Miteva (Macedonia)* discuss the application of international standards for financial accounting and economic growth; *G. Abuselidze, PhD (Georgia)* talks about budget revenue and optimal tax burden.

The statistical examination on major macroeconomic problems reveals some important trends in Bulgarian economy. By solving various statistical models *Assoc. Prof. L. Ivanov (Tsenov Academy)* establishes the presence of a trend in the unemployment/employment dynamics, a powerful seasonable component and inertia in their development, which supposes the application of a certain approach in their regulation. *Assoc. Prof. Pl. Petkov's (Tsenov Academy)* elaboration points to defining the effectiveness of the process of synchronizing vacant jobs with job seekers and comes to the conclusion that matching is more

efficient in less densely populated regions. *Kr. Slaveva, PhD (Tsenov Academy)* evaluates the influence of foreign trade on the GDP and growth by researching the export multiplier and comparing the marginal import-export tendency.

Households' consumption is directly connected to the above variables. *St. Tsanova, PhD and Tsv. Tsanova's, PhD student (Tsenov Academy)* analysis reveal that for the 2000-2009 time period households have increased the portion of their income they have spent on consumer goods. Savings have marked certain growth but the average tendency to save has decreased. The savings issue within the context of the life cycle theory is present in *Assist. Prof. D. Damyanov's (UNWE) conference paper. Chief Assist. Prof. M. Shopova (Tsenov Academy)* narrows the focus of the above research papers to the structure of power consumption by households.

*Assoc. Prof. P. Angelova (Tsenov Academy)* brings out the major social-economic characteristics of Bulgarian farming based on "Survey of Bulgarian Farming Enterprises' 2010".

### **Management, marketing, international economy and information business**

The managerial functions of every system represent the capacity of each structural unit to manage and to be managed. Creating a favorable environment for realizing a normal managerial process presupposes overcoming the appearance of uncontrolled rumors. These are the issues addressed by *Prof. K. Kamenov (Tsenov Academy)* as he explains their appearance with the significant difference between the moral and legal norms. According to the author, the negative effects can be eliminated by: changes in the social atmosphere, transparency in the actions of the authorities, eliminating the small compromises, etc.

In their paper *Assoc. Prof. An. Asenov and PhD student V. Ivanov (Tsenov Academy)* present a base model for improving the management of business processes which can lead to the improving the management of a business organization. The paper presented by *Assoc. Prof. E. Stoyanov (CEA)* aims at analyzing the real possibility and degree of influence which the systems of management control gain over the improvement of the organization. The capacity of the public administration to increase its efficiency by adopting some approaches and methods of management from the business organization is discussed by *Assoc. Prof. B. Borisov (Tsenov Academy)*.

The functioning of an organization is related to the appearance of risk situations, conflicts and crises. *Assist. Prof. E. Parashkevova (Tsenov Academy)* views the risk factors threatening the realization of the company aims and the methods of their successful management. Some contemporary aspects of reputational risk and the reasons that lead to it are researched in the paper presented by *Assoc. Prof. R. Gabrovski (Tsenov Academy)*. One of the best

practices for resolving conflicts and crises in the organization, mainly towards providing efficient communication with the internal and external public, according to *Assoc. Prof. M. Bakardzieva (Tsenov Academy)*, is the public relations.

The specific aspects of management in some European countries are discussed by the foreign participants in the conference. *Prof. St. Kowal (Poland)* discusses company management through the prism of the transformation of Poland's economy as he places the emphasis on the problems of public management and the management in the private sector. The necessity of modernization of the Russian economy based on the modern technologies and innovations are in the center of the paper presented by *Prof. N. Strelalova and S. Borozdin, PhD (Russia)*. The experience of Serbia regarding the application of quality management systems that aim at improving the business is presented by *Prof. V. Maystorovich and Prof. V. Marinkovich (Serbia)*. In their paper *Prof. Ion Cucui et al. (Romania)* narrow the object of research to the management in education. More particularly, they discuss the management of universities as a prerequisite for the correspondence between higher education and the demand of the Romanian labor market. The research topic presented by *Prof. M. Petrescu et al. (Romania)* is analogous as they review the possibilities for quality management of the Romanian academic institutions.

In the conditions of new, based on knowledge economy, the role of man in the management process inevitably increases. In his paper *Assist. Prof. B. Gjorgiev (Macedonia)* aims at forecasting the planning and development of the workforce in the new type of economy. Some of the aspects of evaluating the efficiency of the system of strategic management of the human resources in the organization are revealed in the paper presented by *Chief Assist. Prof. B. Slavyanska, PhD (BFU)*. Sharing the opinion that the workers' engagement has a causative relation with the results at the work place, *Assoc. Prof. E. Stanimirov (UE)* explains the necessity of it being regularly researched. In response to this necessity he presents the results of the research carried out in two Bulgarian companies with one management board. Another study, conducted by *Chief Assist. Prof. E. Nikolov, PhD (Tsenov Academy)*, systematizes the problems of company training of personnel in Bulgaria. The focus of attention of the paper presented by *Chief Assist. Prof. Chr. Hadjiev, PhD (NBU)* is the main requirement in the process of formulating the team aims. He places the accent on the self-governing work teams. Insisting on the notion that customers are parts of the production resource, *Chief Assist. Prof. J. Jorgova (BFU)* suggests particular approaches for their management, which could facilitate the decision-making process.

In another paper, *Prof. Cucui et al. (Romania)* acknowledge the social responsibility of companies as a way to achieve competitive growth. The general problems and advantages of social responsibility of the business and its interpretation in Bulgaria are outlined by *Assoc. Prof. P. Midova (Tsenov Academy)*. In her research, *head. Assist. Prof. P. Dankova (UE)* argues in favor

of the existence of bilateral relation between the effect of the degree of social responsibility on the human factor in the organization and respectively its contribution towards the realization of this responsibility. The role of standardization in this respect is researched by *Assoc. Prof. St. Tsvyatkova (Tsenov Academy)*.

Having in mind the new economic challenges and the increasing role of international relations, *Assoc. Prof. V. Kuriliak (Ukraine)* explains the necessity of separating the intercultural management from the international one – both as a university subject and scientific field. As part of the new understanding of the role of management *Prof. P. Jevtic (Serbia)* shares his vision of the necessity of management of the environment aiming at avoiding further destruction of the planet and improving people's prosperity. In this respect, *Chief Assist. Prof. N. Georgieva (Tsenov Academy)* discusses the problem of eco-efficiency and the development of standard methodology for its evaluation. According to *Chief Assist. Prof. Hr. Sirashki (Tsenov Academy)*, in this process of harmonizing the ecological relations between the society and the nature, an important role is played by the inciting actions of the managers towards the employees.

Along with the discussed issues, it is interesting to note the papers concerning the determinants of organizational culture, the necessity of managerial consultancy of the business, the alternative forms of popularization of the best practices in management, the challenges in implementing eCRM in company management, etc., outlined in the papers presented by *Chief Assist. Prof. I. Lubenova, PhD (Tsenov Academy)*, *Chief Assist. Prof. K. Tsoneva, PhD and S. Kurkchieva, (ShU)*, *Assoc. Prof. E. Zahariev (Tsenov Academy)*, *Chief Assist. Prof. D. Velichkova and Assoc. Prof. D. Milcheva (UCTM)*, *Prof. D. Popescu et al. (Romania)*, *Assoc. Prof. J. Polowczyk (Poland)*, *Prof. J. Suresh and B. Rani (India)*, etc.

The success of a business depends on important factors such as the activities and forms of mass communication, which aim at informing and encouraging the flow of goods and services from the producer to the consumer. These ideas are developed in the paper presented by *Prof. L. Mihajlovic (Serbia)*. In this respect *Assoc. Prof. V. Minkov (Tsenov Academy)* discusses the appearance and development of some new aspects in the integration of the communication systems of the company. *T. Manasterska (Poland)* makes a further attempt to identify the determining factors and issues in applying global marketing programs and the arising consequences. As a means of effective communication with the consumers *Assoc. Prof. P. Goranova (Tsenov Academy)* points out the global and local commercial campaigns.

The main priority in the marketing management of today's business, according to *Assoc. Prof. T. Netseva-Porcheva (UNWE)*, is the strategic price formation. Of equal importance is also the significance of the non-economic component of consumer behavior. Understanding the emotions as a means of improving the offered marketing strategies is what *Assoc. Prof. N. Dimova (NBU)*



focuses on. A similar notion is expressed by *Chief Assist. Prof. M. Smokova (Tsenov Academy)*, who, through empirical research, reaches the conclusion that those who develop promotional offers must take into account not only the economic but also the affective stimuli for the consumers.

*Chief Assist. Prof. V. Grigorova (Tsenov Academy)* presents the particular results of researching the state of measuring and evaluating the marketing results in the advertising sector. On the other hand, the paper presented by *Assist. Prof. T. Marijanova et al. (Macedonia)* explains how the marketing strategy can contribute to the development of small and medium-scale companies.

The successful management of the organization is related to the adequate planning of its activity. In this respect, *Assist. Prof. E. Lazarova (Tsenov Academy)* discusses the role of planning as a tool for revealing the innovative capacity of companies and developing strategies for future development. The challenges that regional planning faces are the object of research in the paper presented by *Assoc. Prof. M. Bogdanova (Tsenov Academy)*. She summarizes the achievements and outlines the major determinants of Bulgaria's territorial planning until 2020.

The same period and in compliance with the EU strategy "Europe 2020" respectively Bulgaria's engagements in this direction is comprised in the papers presented by *Assoc. Prof. M. Bozhinova and PhD student K. Radulov (Tsenov Academy)*, *Chief Assist. Prof. N. Veselinova (Tsenov Academy)*, *Assist. Prof. E. Todorov (Tsenov Academy)*. They discuss respectively the European legislation and the Bulgarian reality regarding the improvement of the energy efficiency of buildings, the opportunities for improving the competitiveness of biofuels production and the opening of "green" work positions in the Bulgarian economy.

Throughout the last decades the mutual commitment between countries becomes more and more tangible, which causes certain economic processes taking place in a certain country to affect the development of other countries. These issues, and more specifically the state and trends in foreign trade as a channel for transferring economic effects, are dwelt upon in details in the paper presented by *Assoc. Prof. G. Zaharieva (Tsenov Academy)*. Furthermore, *Assoc. Prof. Trajkovska and E. Kacarski (Macedonia)* pose the question of the necessity and gains of facilitating the trade between separate countries. The results of this research focused on the correlative dependency between the export and GDP per capita in Macedonia are shown by *Assist. Prof. K. Kabuleva et al. (Macedonia)* in their paper.

An important factor for economic development is FDI (foreign direct investment), which requires adequate measures for attracting and increasing it. The paper presented by *Prof. M. Matlievska et al. (Macedonia)* discusses the practice in Macedonia in creating such legislation that stimulates FDI. More particularly, *Chief Assist. Prof. S. Momchev and Iv. Angelov (Tsenov Academy)* distinguish FDI in terms of the motive for realization and the effect on the recipient, which serves as the basis for determining the degree of their appropriation.



As part of the global space, the Bulgarian economy is also influenced by the discussed processes. In this respect we should note the papers presented by *Prof. Sofjanova (Macedonia)* and *Chief Assist. Prof. K. Sarkisyan (Tsenov Academy)*, *Chief Assist. Prof. G. Stefanova (Tsenov Academy)*, *Assist. Prof. N. Yordanov (Tsenov Academy)*. They share the results of their research concerning the effect of foreign economic factors on the economic activity in Bulgaria, the state and trends of the inter- and intra-industrial trade of Bulgaria with the EU countries, the relative advantages of our country in the trade with agricultural products, etc. By means of empirical research *Assoc. Prof. T. Gorcheva (Tsenov Academy)* represents the degree of internationalization of the tourist business in our country and of Bulgaria as a “business destination,” arguing for the thesis that despite their mutual interrelation, these two processes are relatively independent.

Some interesting ideas concerning the relations in the international strategic alliances, the effect of the international standards on corporate social responsibility, etc. are developed by *Prof. G. Chernichenko and Prof. T. Orehova (Ukraine)*, *Prof. J. Anderson and Assoc. Prof. Y. Yotov (USA)*, *Assoc. Prof. T. Hatzigayos (Greece)*, *Chief Assist. Prof. Z. Lubenov (Tsenov Academy)*, *Assist. Prof. E. Nikolova et al. (Macedonia)*.

The sustainable development and the achievement of economic growth are closely linked with the application of ICT. In this respect, *Assoc. Prof. L. Kraev (Tsenov Academy)* shares some ideas and approaches concerning the automated processing of business information whose aim is to facilitate managerial decisions. In order for a maximum effect to be achieved, *Assoc. Prof. R. Kirilov (UNWE)* pays attention to the evaluation of the economic efficiency in the process of making decisions about investing in ICT. In this respect, *Assoc. Prof. V. Popov (Tsenov Academy)* argues for the advantages of choosing the software model as a service (SaaS), i.e. moving the data-processing activities outside the company, over the software model as a product. An analogous problem can be detected in the paper presented by *Assoc. Prof. M. Tashkova (Tsenov Academy)*, who proves that outsourcing is an effective tool for managing the company's ICT.

In search for new methods for improving company performance through effective application of ICT, the conference participants suggest new technological solutions. The paper presented by *Assoc. Prof. R. Varbanov (Tsenov Academy)* dwells upon the new tools in the field of ICT and their implementing in the activity of a new company type (Enterprise 2.0). As a model of modern business strategy affecting all aspects of company activity, *Assoc. Prof. V. Kraeva (Tsenov Academy) and Assoc. Prof. P. Emilova* discuss the capacity of electronic systems to manage the relationship with clients (e-CRM). The necessity of their implementation and the possible operation problems of such systems in the Bulgarian financial institutions are the issues discussed by *Chief Assist. Prof. N. Marinova (Tsenov Academy)*. The model of system of electronic healthcare in our country and the problems accompanying its

realization are discussed in the paper presented by *Assoc. Prof. Kr. Shishmanov (Tsenov Academy)*. Some directions for the development of the information system in municipalities are suggested in the paper presented by *Chief Assist. Prof. P. Dachev (Tsenov Academy)*.

The realization of such innovative ideas requires adequate provision of personnel. In his paper *Assoc. Prof. B. Traykov (Tsenov Academy)* presents an analysis of the degree of computer literacy in our country, the availability of highly-qualified IT specialists in the economy, as well as the new requirements for their training. At the same time, *Prof. T. Mishova and Assoc. Prof. S. Portarescu (Moldova)* discuss ICT as a means of improving business education in Moldova and its adaptation to the requirements of the new economic environment. *Senior Lecturer P. Todorov and Senior Lecturer V. Dikov (Tsenov Academy)* build on this view by proving the advantage of combining electronic learning with conventional methods of training.

The capacity of ICT with an emphasis on various aspects of their development are researched in the papers presented by *Prof. D. Chistov et al. (Russia)*, *Prof. Milovanovic (Serbia)*, *Assoc. Prof. L. Constantinescu (Romania)*, *Chief Assist. Prof. M. Dakova (Tsenov Academy)*, *Assist. Prof. K. Bashev (Tsenov Academy)*, etc.

Other issues related to the role of the institutions in the economic development, the evolution of the cooperation models and forms, the evaluation of the public policies in municipalities and administering local revenues, are discussed in the papers presented by *Prof. M. Senfelde and A. Vitola (Latvia)*, *Prof. J. Doychinova (UNWE)*, *Chief Assist. Prof. Kr. Angelova (Tsenov Academy)*, *assist Prof. K. Strahilova (UNWE)*.

### **Economic sectors**

Developing an effective structure of the economic sectors, which conforms to the requirements of the market and the capacity of the particular economy is a key challenge for every country.

A large number of papers in this section are dedicated to the development of the industrial sector. An important feature in the activity of the industrial company is the development and realization of company projects, which is accompanied by a number of risks. The necessity and the practice in the risk management of company projects are discussed in the paper presented by *Prof. Iv. Georgiev (UNWE)*. He argues for the need of similar management by researching the approaches in choosing a risk that must be managed, and points out the concrete phases in the process.

In his paper *Assoc. Prof. N. Shterev (UNWE)* analyzes the aspects of the crisis on the industrial markets and on this basis gives concrete advice on the formation of new policies and strategies of market behavior for the different companies. The idea is that the competitiveness must be increased, which,

according to *Assist. Prof. V. Milusheva (UNWE)*, must be appropriately acknowledged through applying the corresponding indicators and markers. An important direction in this respect, as *Chief Assist. Prof. D. Blagoev (UNWE)* points out, is the evaluation of companies' innovativeness based primarily on the index of innovation. In her search for alternative solutions for improving company activity, *Assoc. Prof. T. Philipova (Tsenov Academy)* suggests adopting reengineering through the management of intangible assets.

The achievement of high competitiveness is linked closely to the personnel's motivation in the company. On the basis of summarized conclusions and evaluations of the state of work motivation in the large industrial organizations in our country, *Prof. J. Iliev (UNWE)* analyzes some key issues of motivation policy and the mechanisms for its realization. This is the subject of the papers presented by *Assoc. Prof. P. Kanev (Tsenov Academy)*, *Assoc. Prof. V. Hristova (Tsenov Academy)*, *Chief Assist. Prof. Z. Ivanova, PhD (Tsenov Academy)*, *Chief Assist. Prof. St. Koleva, PhD (UNWE)*, *Chief Assist. Prof. I. Panteleeva (Tsenov Academy)*, who discuss various means of increasing the personnel motivation. What should be taken into account is the implementation of flexible forms of employment leading towards an efficient application of the practice of annual individual plans for personnel development, for managing the talents in the organization, etc.

The participants in the conference are seriously interested in the problems of the agrarian sector. This can be explained with the Bulgarian traditions in the agrarian production, its natural resources, as well as the new market-oriented agricultural policy of the EU.

The major parameters of this policy are presented in the papers of *Assoc. Prof. V. Blazeva (Tsenov Academy)* and *Iv. Radeva (Bulgarian National Audit Office)*. They dwell upon issues related to the reforms in the Common agricultural policy of the EU, the efficiency of appropriation of the agricultural funds, the future trends for developing and interpreting these processes in Bulgaria. The particular problems of the agrarian sector in our country in the context of the economic crisis are discussed by *Assoc. Prof. M. Nikolova (Tsenov Academy)*. His thoughts about the views of some western European specialists on the rurality and the connection with the Bulgarian reality shares *Assoc. Prof. V. Boyadziev (SU)*.

The successful realization of the above mentioned policy is heavily dependent on the rural regions. They are the object of increased attention as more than half of the population in the EU lives in such regions. Discussing them should begin with defining the term "rural region" and its application in the EU and in our country (*Assoc. Prof. Al. Miteva, UNWE*) and continue with researching the importance of the social capital for the development of rural regions (*Assoc. Prof. M. Stanimirova* and *Chief Assist. Prof. T. Georgieva, PhD, UE*) as the emphasis is placed on the formation and specific aspects of local initiative groups (LIG) in them (*Chief Assist. Prof. Z. Stoyanova, PhD, UNWE*).

The aims of the LIG and the activities on DRRP (Development of Rural Regions Program) in their geographic aspect are discussed by *Chief Assist. Prof. K. Stoychev, PhD (SU)*.

The creation of local partnerships is a means of stimulating the economic development of the rural regions through using the capacity of the local resources. This problem, and in particular the labor resources, is addressed in the papers presented by *Assist. Prof. Hr. Harizanova, PhD (UNWE)*, *Chief Assist. Prof. R. Nenova (Tsenov Academy)* and *Chief Assist. Prof. D. Grozeva (Tsenov Academy)*. They make an attempt to create a social profile of the Bulgarian agriculture producer, to detect the existence of spatial differences in the allocation of agricultural workers and the dominating age groups in the sector and to point out alternative employment as an opportunity for improving the quality of life in the rural regions.

Some general statements related to the activity of the agrarian companies and the issues of particular agricultural productions as a whole are addressed by *Assoc. Prof. G. Gerganov (TAE)*, *Assoc. Prof. Al. Alexiev (AU)*, *Chief Assist. Prof. L. Doncheva (Tsenov Academy)*, *Chief Assist. Prof. D. Atanasov (AU)* and *Chief Assist. Prof. O. Hubenov (Tsenov Academy)*, *PhD student R. Uzunova (AU)*. In his paper *Assoc. Prof. Gerganov* analyzes the changes that must be taken into account by the registered agricultural producers in 2011, while *Chief Assist. Prof. Doncheva* makes an analytical evaluation of the agrotechnical activities carried out with the aim to increase their efficiency. The rest of the papers, on the basis of analysis of the state and trends in pig breeding, milk-cattle breeding and goat breeding, dwell upon the usefulness of their products, hence the necessity of maintaining and increasing their production capacity.

Another segment of the economy, which has a serious impact on its development as a whole, forming a large share of the employment and currency revenues of the country, is tourism. The prerequisites for its development in Ukraine and the problems that it is accompanied by are discussed by *Assoc. Prof. G. Zayachovskaya (Ukraine)*. Bearing in mind its increased role in agriculture, *Chief Assist. Prof. A. Pencheva (UNWE)* analyzes the applicability of projects in tourism. Aiming at more complete meeting of the consumers' demands, besides the traditional type of tourism much more types are being developed in the world today. In this respect, *Prof. H. Haradze (Georgia)* discusses the development of spa tourism in Georgia, while *Prof. Korganashvili (Georgia)* researches the cooperation between Georgia and Bulgaria in the development of tourist industry. The conditions for ecological tourism in our country are discussed in details in the paper presented by *Assoc. Prof. T. Lichev (Tsenov Academy)*. As a potential option for differentiating the tourist product and with a view of multi-profile advantages of the consumers, *Assoc. Prof. P. Ivanova (Tsenov Academy)* researches the development of creative tourism.

The successful realization of the above mentioned forms is directly related to the new trends in the development of the hotel businesses. The research

conducted by *Assist. Prof. L. Ilieva (Tsenov Academy)* is dedicated to the place and role of the hotel chains as a prerequisite for improving tourist services. Another important factor in this respect is the development of the entertainment industry whose transformations are researched in the paper presented by *Chief Assist. Prof. I. Emilova (Tsenov Academy)*. Last but not least, the normal development of tourist industry depends on the formation of adequate language competences by the prospective specialists in the industry. This is discussed by *senior lecturer V. Stateva and senior lecturer I. Ivanova (Tsenov Academy)*.

The observed changes in retail business within the last eleven years and the prospective trends in this industry are analyzed by *Chief Assist. Prof. V. Perkov (Tsenov Academy)*. These changes, as well as the changes in the environment, according to *Assoc. Prof. S. Petrova (Tsenov Academy)*, require making flexible decisions concerning the management of the range of services in the retail business and the efficient approaches for its development. The key factor in the management of goods flows, according to *Assoc. Prof. Y. Koraliev (Tsenov Academy)*, is harmonizing the distribution chains by focusing on the processes (i.e. the type of activities). The realization of the aims of the business enterprise, claims *Assoc. Prof. St. Alexandrov (Tsenov Academy)*, depends on the training of specialists with higher economic education.

In his paper, *chief. Assist. Prof. B. Petkov (UNWE)* researches the trend of financialization that starts at the beginning of the current century and its consequences for the economic development. In the meantime, *Assoc. Prof. Sv. Ilyichovski (Tsenov Academy)* explains the necessity for researching the factors of efficient asset management through financial tools that reflect on the companies' values.

In the context of the analysis of the industrial structure of the economy, conference participants review issues related to industry restructuring and the evaluation of the investments as the emphasis falls on wine production in Bulgaria (*Assoc. Prof. A. Deneva, Assist. Prof. Z. Ivanova, Chief Assist. Prof. D. Kierchev, Tsenov Academy*); the index of quality of life and the markers for personnel in healthcare (*Prof. Ciburiene, Lithuania; Chief Assist. Prof. An. Marcheva, Tsenov Academy*); the methods of production, the existing organization and the directions of improving the activities in shoe-making workshops (*Chief Assist. Prof. N. Karev, UCTM*); the development of transport and the issues relating to logistics in the state railways (*Assoc. Prof. T. Chernyavskaya, Ukraine; Assoc. Prof. S. Blagoeva, UE*), as well as the management of economic safety of the railway transport in Kazakhstan (*Prof. N. Nikiforova and Assoc. Prof. Govoruhina, Kazakhstan*); the specific characteristics of building and construction works (*Assoc. Prof. M. Chiprianov and Assist. Prof. G. Chiprianova, Tsenov Academy*), the stimuli in the production of energy by wind generators (*Chief Assist. Prof. Ts. Spasovski, Tsenov Academy*) etc.

The principal notions related to the appearance and development of outsourcing as a business strategy are presented by *Assoc. Prof. L. Varamezov*

and PhD student Y. Stanev (Tsenov Academy). The application of outsourcing in realizing the strategy of mass customization with a view of realizing not only the short-term but also the long-term aims of the organization is discussed by Prof. Ml. Velev and Chief Assist. Prof. A. Tsvetanova (TU).

Other problems related to the development of social activities in the system of WPC (Worker Producers Co-operatives), the financing of social activities fighting domestic violence against women, the development of a political brand, analyzing the risk of oil spill on the surface of water basins, etc., were discussed by Prof. Iv. Kanchev (UNWE), Prof. B. Baykov (Tsenov Academy), Assoc. Prof. A. Miteva (UNWE), Assoc. Prof. St. Chaushev (UCTM), Assist. Prof. D. Vergiev (UCTM), Assoc. Prof. S. Naydenov (Tsenov Academy), Assist. Prof. Pl. Kanev (Tsenov Academy).

In the name of succession and for new generations of academic staff was organized a special section care for students and PhD students. In their works they present interesting themes, related to different economic processes, structures and concrete branches of economy. A number of specific financial issues for the capital market, banking and fiscal policy as well as managerial problems and information business development, the role of competition and significance of tourism areas were discussed.

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In conclusion, we can summarize that the large number and the high activities of participants in the conference is an evidence for the actuality of the discussed problems and at the same time is an expression of the Tsenov Academy of Economics ambition to continue to be a modern higher educational school to follow the economic dynamics course, to create and to be a tribune of new ideas, to train new type of staff , who transform not only itself but also the life environment.

Assoc. Prof. Penka Shishmanova, PhD