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## Articles

### The Virtual Communities

Assoc. Prof. Dinko Dinkov, Ph.D.

In the contemporary highly globalized world, the contents of the whole variety of connections and dependences do not fit into the long-established notions on structuring and organizing international communication. The present situation bears the signs of a change having occurred in the qualitative characteristics of the autonomous social organisms and their interrelationships. The new dimensions of social relationships are set by the new means for creation of benefits, by the new benefits, by the new risks and threats. We are talking about an information economy, different from the industrial manufacturing that dominated in the past. The relative share of services in the gross product has increased. Undreamed of in the modern times, magnificently presented in Charlie Chaplin's silent movie, new technologies are entering everyday life, everyone's lifestyle. The development of genetic engineering and biotechnologies portends possibilities to meddle with the mystery of life. In this postmodern world, the role of human communities with new sets of principles is starting to make its mark. Their interactions with traditional structural units give new dimensions to the relationships we continue to call international through force of habit.

**Key words:** postmodern world, netocracy, Davos culture, new security architecture, virtual world identities.

**JEL:** F02, F59.

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### Aspects of the Integration of CRM Systems with Social Network Sites

Assoc. Prof. Dimiter G. Velev, Ph.D.

The article presents different aspects of the evolution of customer relationship management systems (CRM) with regard to the integration with modern social network sites. The nature of the traditional CRM systems and observed problems are explained. The transition to Social CRM systems (SCRM) is justified. Different aspects of the requirements for the implementation of such SCRM systems and currently unsolved problems are given.

**Key words:** Customer Relationship Management (CRM), Social CRM (SCRM), social network site, online media business.

**JEL:** C6, C63, C8, C81, D8.

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### Application of Actuarial Models for Loss Assessment Due to Natural Disasters on a Municipality Level

Assoc. Prof. Plamena Zlateva, Ph.D.

The application of actuarial models for the assessment of potential losses due to the occurrence of natural disasters on a municipality level is proposed. The specific peculiarities of the individual risk model and the collective risk model are presented. Formulae for the estimating the mathematical expectation and dispersion of the total losses in the two models are given.

**Key words:** actuarial models, individual risk model, collective risk model, natural disasters, total losses.

**JEL:** C02, G22, H56.

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The Invisible Hands of Inter-industry Links  
Chief Assist. Prof. Georgi Kiranchev, Ph.D.

The article examines the question of measuring the influence of processes that run outside a firm on such firm's results by employing the means of the input-output method. To that end, the economic system has been divided into two non-intersecting subsystems called "firm" and "rest of economy." Three groups of influences on the firm's results, which are "invisible" if the input-output method is not used, have been differentiated and a formalization of the measurement of direct and indirect effects has been given.

In particular, the following groups of effects have been differentiated:

Effects along the line of inter-industry links due to alterations of end-user demand of products of the "rest of economy";

Effects along the line of the reverse, induced impact of firm's manufacturing program on its own results by means of the system of inter-industry links;

Effects from the inter-dependence of end-user demand for products of the firm and of the rest of economy.

The conditions have been pointed out under which a given formalization is appropriate and useful for a more thorough analysis of the links between the firm and the rest of economy and which a given firm must fulfil in order to be able to efficiently use the input-output method.

Emphasis has been placed on the non-productive and unjustified overrating of firm's marketing activity on its results. The matter of quantification of the direct and indirect effects of processes running outside and independently from the firm and firm's management decisions on the firm has been examined and formalized precisely in order to safeguard the firm's management from such overrating.

**Key words:** marketing, "input-output" method, direct impact, indirect impact, multipliers matrix.

**JEL:** M31.

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The Patents of Inventions as an Indicator of the Technical Development of the Chemistry and Metallurgy Field in Bulgaria During the Period 2001-2010  
Chief Assist. Prof. Rumyana Georgieva, Ph.D.

The present paper is dedicated to exploring the state and revealing the development trends in the technological area of chemistry and metallurgy using patent-based indicators. The multi-aspect analysis of the Bulgarian and foreign patent activity in Bulgaria in the period 2001-2010 shows the various opportunities and the expedient usage of patent statistics as an economic indicator when analyzing technological development in different areas, institutional sectors and countries. Based on the results obtained and calculations done, respective conclusions have been drawn and forecasts have been made.

This study could be a useful tool for information supply of management decisions directed to monitoring of technical progress and to the scientific, technological and innovation development of Bulgaria in the area of chemistry and metallurgy.

**Key words:** technological development, patents, inventions, chemistry, metallurgy.

**JEL:** O30; O31; O33; O34; O57.

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Positioning and Importance of Internal Communications in the Bulgarian Organizations  
Assist.Prof. Tatyana Kicheva

The ability to manage people is an art and requires personal dedication. Not everyone, however, is a good specialist and manager born and not every manager is a good communicator. Do Bulgarian organizations understand this? Organizations today are complex and often international and multi-cultural. It is therefore crucial that the processes of communication with employees, partners and shareholders should proceed smoothly and efficiently and in accordance with specific legislation. Internal communication should be conducted in accordance with the policies of human resources management, the management company and the strategic marketing and business objectives. And they all work, respecting the laws of the country in which they are, as well as those of internal trade law and international charters of human rights.

One of the few organizations that conducts research on internal communications in the Bulgarian organizations is Apeiron Communication – a consulting firm in the field of communication. According to its latest survey in 2010 in the Bulgarian organizations employees are informed primarily by their colleagues. From 50 % (in 2008) to 35 % (in 2010) has decreased the proportion of workers who indicate direct communication as the main communication channel in the company where they work. The crisis has significantly reduced briefings between employees and their direct managers.

**Key words:** internal communicator, communications, department of internal communications, specialist “Internal Communications”, efficient management.

**JEL:** L29, M19,O15.

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Factors Influencing Truck Transport Operation and Development  
Miroslav Monov

This article is an attempt for a brief study of a part of the important factors influencing the development of truck transport. It summarizes their main contributions and the positive impacts they exert through their activity on truck carriage.

The important role of contemporary economic and social processes of the said factors and their level of positive or negative impact have been highlighted.

A web of concepts, including basic industry, transport demand, impact factors, etc. has been defined.

**Key words:** truck transport, wholesale, industry, agriculture, retail, branches of industry, impact factors.

**JEL:** L92.

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An Estimation of the Bulgarian Equity Market Integration within the Euro Area Equity Markets  
Borislav Stoyanov

The adoption of the euro in 1999 brought about the intensification of equity market integration as part of the comprehensive process of financial integration.

The objective of this article is to present an estimation of the Bulgarian equity market integration within the Euro area equity markets in the context of a future EMU membership of Bulgaria.

The article reveals the essence of the concept *equity market integration* in a pure theoretical aspect as well as in the context of the Bulgarian equity market integration within the Euro area equity markets. The reflection of the process on Bulgaria's portfolio investment inflow and outflow is described. The main methodological approaches are introduced briefly. A methodic justification is provided on the choice of the applied methods of estimating the Bulgarian equity market integration with the Euro area equity markets. The estimation is carried out in line with the two research hypotheses defined in advance.

**Key words:** financial integration, capital market, equity market, European monetary union.

**JEL:** F36, G15.

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### On Corporate Hedging – Theory and Empirical Evidence

Miroslava Mahlebashieva, Ph.D. Student

This paper analyses the main theoretical rationales for corporate hedging with derivatives, as well as the empirical evidence found in the literature. In the presence of capital market imperfections, corporate risk management can increase the firm's value by reducing costs associated with taxation, asymmetric information, agency conflicts and financial distress. Each of these factors constitutes a premise of a different theory on hedging. Empirical tests of these theories are largely mixed and do not prove undubiously the validity of any of the risk management reasoning's. Probably the strongest empirical support is found for the *agency costs theory*, and the *underinvestment problem* in particular, as well as for the *financial distress costs theory*. Overall, the argument of taxation as a rationale for hedging is not confirmed by the empirical literature. Another stream of empirical studies examines the direct impact of hedging on the firm's value. Most of the authors provide evidence of

the existence of *hedging-premium* (the *added firm value* attributable to hedging). Finally, the empirical tests are focused mainly on the price risks, ignoring the volume (or quantitative) risks, spurred by weather fluctuations, which may also cause operational cash flow instability.

**Key words:** corporate hedging, risk management, derivatives.

**JEL:** G32, G39.

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### Review

Financial Accounting as a Source of Financial Analyses of the Facility Companies  
Assoc. Prof. Marin Galabov, Ph.D.

The article focuses on how the financial accounting (statutory accounting knowledge) appears to be a source of information that can be used in carrying out financial analyses of facility companies i.e companies offering and realizing facility management. In addition, there is made a brief description of this relatively new business for our country.

The facility management generally speaking is a maintenance that facility companies render by buildings and equipment in manufacturing and service enterprises, in companies of the heavy and light industry, utility companies, commercial and business centers, banking, tourism, transport and communications, the public sector – government offices, hospitals and orphanages, schools and universities, libraries, theaters, barracks and prisons, stadiums and parks.

**Key words:** facility management, facility company, financial accounting, financial statements, individual chart of accounts.

**JEL:** M21, M41.

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Current trends on the market for mergers and acquisitions in Bulgaria  
Nikolay Dimitrov

During the global financial and economic crises the foreign direct investments in local companies are becoming more and more important for the recovery of the countries with open economies. The crises didn't miss the region of Central and Eastern Europe causing material impact on the mergers and acquisitions markets in these countries. The structural changes in the economies and the modified foreign investors' attitude determine the actuality and the significance of the analyzed subject.

There are several directions in which the current condition of the Bulgarian mergers and acquisitions market is analyzed. The first is the increased attractiveness of the whole region of Central and Eastern Europe from the viewpoint of the foreign investors. A comparative study is made concerning the macroeconomic indicators of these countries compared to the countries in EMU, USA and BRIC (Brazil, Russia, India, China).

The study examines the dynamics on the Bulgarian market for mergers and acquisitions in historical context, while analyzing the trends in the different sectors, the number and value of the deals. There is a detailed survey of the latest trends and deals on the market as of 2010 concluding that the main factors, impacting the activity of mergers and acquisitions are the lack of liquidity, the necessity of selling assets and the price expectations of the different parties in a deal.

The final analysis is on the reasons for the attractiveness of Bulgaria as investment destination for business combinations and the potential sectors that are expected to generate significant deals in terms of number and value.

**Key words:** mergers, acquisitions, non organic growth, private equity funds.

**JEL:** G24, G34.

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The Assumption of a Going Concern in Preparing Financial Statements. Theoretical and Methodological Contradictions in the Context of the Representative Measurement Theories.  
Assit. Prof. Konstantin Velchev

Financial statements require measuring and metrification of economic processes and facts for the previous accounting period, unlike the process of financial data reporting, which require declaration of measured data for previous periods against future events anticipated. These two opposing requirements, dictated by the concept of time perceived as linear bring in a collision in the theoretic understanding and application methods related to the concept of a 'going concern'. The main focus of the hereby article is put on the contradictions and the interpretation of the assumption, from the point of view of different representative theories of measurement. The current paper provides a summary of the critical scientific and practical studies of the author on the nature of the 'going concern' assumption and its impact on measurements, metrification and data reporting in financial statements.

**Key words:** going concern, measurements, estimates, statement, future.

**JEL:** G32, G33, K35.

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