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**Sector-Industrial Crisis Instability
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The presented study reveals the main sectoral and industrial sources of crisis tension in Bulgaria in 2009 and of weak or moderate, but unstable growth in the period until 2016. They are codified on the basis of the specific expression of a selected set of criteria. For this purpose, a combined indicator-logic approach is applied, with an emphasis on indicators related to some leading and coincidental indicators of the crisis and cyclicity in the economy. Corresponding emerging crisis (in)stability is identified on the basis of three concrete indicators (criteria) – the time (year) of occurrence, the depth and duration of the registered decline/growth in production in the individual economic spheres and sectors. Statistical data on an annual basis for the rate of change of GDP by economic sectors and groups, for the size by sectors of the expenses incurred for acquisition of tangible fixed assets, etc. are used. As a result of the analysis, these leading

spheres and branches are emerging which are the epicenter of the crisis, and the subsequent relatively low rates of economic growth. In order to stabilize their development in the near future, a set of basic measures and policies, on which the government's efforts can focus, are systematized.

Key words: crisis indicators, GDP dynamics, production and investments by economic sectors and industries, main directions of economic policies.

JEL: E22, E23, E32, E61.

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The paper studies the nature of enterprises in creative industries as their primary structural links. It develops the specifics of the business with intellectual property by structuring business relationships between representatives of small and medium businesses and business concentrations on the principles of: project structure and horizontal and vertical structural grids. It clarifies the aspectual variety of creative enterprises through their analysis as representatives of small and medium businesses and types, and representatives of large businesses – trans-national corporations and conglomerate structures. It studies the enterprises' business behavior models employed in the process of manufactur-

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ing the creative product such as: the chain worth model; the consumer usability model; the network usability model. It analyzes the business growth models regarding the promotion of the product and its market implementation such as: the partial modification model; the market window model; the image transfer model; the external environment monetarization model.

Key words: economy of knowledge, creative sector, creative industries, innovational industries, intellectual property, market, product, business models, business with intellectual property, enterprises.

JEL: A20, M21, O3, P42.

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Dating and Forecasting Bulgaria's Business Cycle Ivan Todorov, Aleksandar Aleksandrov 31

The goal of this article is to date Bulgaria's business cycle and create a model for forecasting it. The objects of the article are the determinants of Bulgaria's business cycle phases from the first quarter of 2000 to the second quarter of 2016. The subject of the study is the influence of the interest spread, oil prices, building permits, the stock market index Sofix, the confidence in industrial sector and the GDP of the euro area countries on business cycle phases. The methodology logistic regression of time series has been used. All variables have a significant impact on business cycle phases and the direction of impact corresponds to theoretical expectations.

Key words: Bulgaria, business cycle, dating, forecasting, logistic regression.

JEL: E32.

Upravljenie na resursi i razhodi Management of Resources and Costs

Metodicheski aspekti na administrativnoto obsluzhvane v publichnia sector Katia Kirilova 43

Methodological Aspects of Administrative Service in the Public Sector

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The article examines the theoretical and practical issues of administrative services in the public sector. In the focus is the role of the work processes for quality administrative service. It presents the modelling of several processes related to the practical training of the students. The author their principles, the main participants, the resources and documents used, as well as the actions of the participants. The paper suggests a reengineering of one of the processes to improve the efficiency of the administration and facilitate the users of the service. In this connection additional actions of the participants requiring the respective information support are included. An analysis of the current software applications that are used in the processes is performed. A new conceptual model for informational provision of administrative services for analysed working processes in the public sector has been proposed.

Key words: Administrative service, public organizations, information technologies.

JEL: H83, L86.

Vazmozhnosti za izvarshvane na internet monitoring v publichni organizatsii

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Opportunities for Implementing Internet Monitoring in Public Organizations

Plamen Milev 58

The article discusses the theoretical and practical issues of online monitoring for public sector purposes. It clarifies the place of online monitoring for the purposes of public sector organizations in the overall monitoring these organizations carry out. The article examines and analyzes existing software solutions for online monitoring, that can be applied to public organizations. Their features and advantages are described. On this basis, the article proposes a concept to improve the online monitoring of public sector organizations in some specific technological aspects, particularly in the

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analysis and visualization of media content by region, using a predefined keyword dictionary for the purpose of monitoring. The article presents a specific model of data for the implementation of the concept and dashboards, that graphically illustrate its advantages.

Key words: online monitoring, public organizations, information technologies.

JEL: C8, L86.

Pazarnata dinamika na fondovite borsi ot Yugoiztochna Evropa – efektivnost i sinhroniziranost

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Market Dynamics of Stock Exchanges of South East Europe – Efficiency and Harmonization

Ani Stoykova 70

In this paper the market efficiency and harmonization of the stock markets of South East Europe (SEE) is examined, applying an AR (p) model. This study aims to answer whatever there is a difference between the stock market performance of the developed and developing SEE capital markets, using daily returns of the indices. The period under examination is from January 2005 to November 2015. Taking into account the impact of financial crisis of 2008, this period is divided into three sub-periods – pre -crisis, crisis and post-crisis. The empirical results show that the SEE capital markets are characterized with harmonized and identical market dynamics during the precrisis and postcrisis period with positive market trends. On the other hand, during the global financial crisis 2008 the examined markets are not homogenous and integrated, when the separation in the group is determined of the degree of the development of the markets. What is more, the results reveal that the SEE capital markets are not market efficient. Finally, the political, economic and social reasons for the market dynamics of the SEE capital markets are presented.

Key words: Efficient Market Hypothesis, market efficiency, financial crisis, capital markets, autoregression analysis, market harmonization.

JEL: C32, G01, G14, G15.

Evropeyski sayuz

European Union

Finansovi korektsii po proekti safinansirani ot ESIF

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Financial Corrections for Projects co-financed by the European Structural and Investment Funds

Savina Mihaylova-Goleminova 88

The present article aims to review the legal regime regulating irregularities and financial corrections under projects co-financed by the European Structural and Investment Funds and recent case law of the Supreme Administrative Court in this field.

Key words: ESIF, irregularities, financial corrections.

JEL: H61.

Marketing

Marketing

Spetsifika i delovi standarti na obshtuvane pri bizneskomunikatsiata

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Specifics and Business Standards of Conversation in Business Communication

Stoyanka Mitseva 95

The article presents the specifics and current requirements in business conversation, part of which is business communication. The author focuses on the peculiarities of business communication from the perspective of business discourse and its specifics, more particularly, the similarities and differences between communication as a social act and business communication as a specific business conversation in the business field. The factors for effective business communication are indicated, as well as the most commonly made mistakes in business speech conversation, the language and discourse specifics of business styles, etc.

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The article has a pragmatic purpose and it is a synthesized answer of a number of questions that communicators in the indicated field face, with the author's useful theoretical conclusions from the implementation/non-implementation of the business etiquette and the standards of business conversation.

Key words: business communication, business discourse, specifics, business field, effective communication, business ethics, business etiquette.

JEL: M37, Z13.

Otnosno podhodate na direktniya marketing

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Direct Marketing and its Associated Approaches

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The specific nature of direct marketing and the approaches for its implementation are becoming an increasingly prevailing subject of heated and varied discussions. In the current conditions of remarkable dynamics in the marketing environment and global competition, when individual customers increasingly seek to differentiate themselves from the majority and emphasize their uniqueness, direct marketing, as a doctrine and as a range of resources, is precisely the tool that provides opportunities for an individual approach. This article aims to present the distinctiveness and the key features of direct marketing, as well as the directions for its implementation. The approaches of customisation, of long-lasting relationships and of customer loyalty, both as independently significant concepts and as connected elements of the unified process of direct marketing application, are being analysed. The implementation process of these approaches is traced in the context of the relationship between the company and the user as an important feature of direct marketing.

Key words: direct marketing, customisation, long-lasting relationships, customer loyalty.

JEL: M31.

Informatika

Informatics

Vazmozhnosti i opasnosti ot vnedriavaneto na resheniia v Internet na obektite

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Opportunities and Threats from Implementing Internet of Things

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The present paper offers an extract of the results from the university research project named "Creation of platforms for the research of Internet of Things application approaches". It researches the application areas of Internet of Things (IoT), the main factors and players in it. The process of the creation of a platform for IoT research and education is described. Opportunities for the application of educational processes with IoT – "smart education" – are presented. The environment and methodology, where students and lecturers can experiment and develop skills and techniques are described. An assessment of the development and the tendencies during the last few years is also made. The threats in IoT are also reviewed and the expected development, including economic benefits, in the future of this new technological realm, is given.

Key words: Internet of things, education, smart objects, economic development, cyberthreats.

JEL: F63, I20, I25, L63, L86, O30.

Ikonomicheski teorii

Economical Theories

Predskazuemost na mezhdunarodnite kapitalovi pazari v kratkosrochen plan – efekt na inertsityata

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Short-term Predictability on the International Capital Markets – Momentum Effect

Bozhidar Nedev 121

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This paper systematizes the research achievements, related to the short-term return predictability of stocks or the so-called momentum effect as identified by Jegadeesh and Titman (1993). It turned out to be one of the strongest evidences against the Efficient Market Hypothesis. Despite its popularity in the investment and academic community momentum effect does not disappear. Momentum investment strategies continue to be profitable except in times of high market volatility. Momentum effect is also profitable on the most of the international stock markets. It is difficult to develop a rational explanation of the presence of momentum effect according to the academic community. That is why, researchers turn to behavioural finance. Although these models do not reveal an unambiguous answer for the driver of the phenomenon, they succeed in interpreting it more comprehensively than conventional economic theory.

Key words: momentum effect, behavioural finance, rational economic theory, stock exchanges, investment strategies.

JEL: G11; G12; G14; G15; G17; G41.

Transmisionen mehanizam pri otsenka na vlianieto na prekite chuzhdestranni investicii i vatreshnite investicii varhu ikonomicheskia rastezh v Balgaria za perioda 1999-2015 g.

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Transmission Mechanism Assessing the Effect of Foreign Direct Investments and Domestic Investments on the Economic Growth in Bulgaria for the 1999-2015 Period

Anika Petkova 136

The problem whether foreign direct investments have crowding-in or crowding-out effect is quite arguable because the effects of FDI remain different in each country. The relationship between domestic and foreign investments depends on the stage of economic development. Measurement of the relation between gross fixed capital formation and FDI and also their joint or separate effect on the economic growth rate is achieved through descriptive or either by constructing appropriate

econometric models. Often the relation “FDI – domestic investment – economic growth” is carried through transmission mechanism in face of the import of investment goods. Concerning effects of FDI and domestic investments on economic growth it could be argued that in the long-run their joint impact has positive influence on growth.

Key words: foreign direct investments, domestic investments, economic growth, transmission mechanism, import of investment goods.

JEL: E22, F14, F41.

Predizvikatelstva pred inovatsiite v bankovata sigurnost

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The Challenges to innovations in Bank Security

Petya Biolcheva 144

The opportunities that Industry 4.0 provides come into the banking sector with great power, especially in banking security. Information technologies, telecommunications, security systems and monitoring merge into an integrated security system. It is still impossible to say exactly what bank security will look like in the future. It is important to keep in mind that the integrated security system will be able to self-organize; the processes in it will be automated according to the identified need. Despite the high degree of perfection of banking security, people will remain a significant part of the Industry 4.0 world – as managers who will use their intellect to set all processes and procedures in advance. For Industry 4.0, banks need to introduce a variety of innovations to help achieve the required level of security that responds to dynamic changes in the banking environment. The object of research in this paper are the commercial banks operating in Bulgaria. The implicit innovations that banks have to put in place to meet the requirements of European legislation as well as those of a selective nature have been defined. The state of banks in relation to the introduced innovations has been revealed.

Key words: innovation, security, banks, Industry 4.0, directive PSD2

JEL: G21, G32, O22, G28.