

## **REFEREE REPORT**

by Prof. Andrey Zahariev, PhD

Subject: Dissertation on "**Financial Management of Human Resources in Foreign Trade Representative Offices: Problems and Solutions**", developed by part-time doctoral student Ralitsa Hristova-Marinova with Scientific Adviser Assoc. Prof. Aneliya Radulova, PhD

The reason for writing this Referee Report is Order No. 1037/02.12.2021 of the Rector of Economic Academy "D. A. Tsenov", Decisions of the Faculty of Finance No. 4 of 30.11.2021, Decisions of the Department Council of the Department of Finance and Credit No. 9/26.11.2021 and Decisions of the first meeting of the Scientific Jury of 07.12.2021.

### **1. General presentation**

The dissertation presented for evaluation is developed in a volume of 183 standard pages, of which 150 pages are main text. Structurally, it contains an introduction, three chapters, a conclusion, a bibliography of 62 items, and applications in the volume of 19 pages. In support of the main text presented, 11 tables and 51 figures are included. Within the doctoral period, three scientific publications were written and printed – one study, one article and one scientific report. The author has participated in three scientific conferences and presented and debated on the topic of the dissertation. A declaration of authenticity and originality is attached.

### **2. Scientific framework**

The author of the research defines **as object** the financial management of human resources. The **subject** of the study is focused on the problems and solutions for financial management of human resources in foreign trade representative offices and Bulgarian company branches in neighboring Romania.

*The research thesis* that is put forward for proof in the dissertation is formulated by Dr. Marinova, as follows: *by identifying the problems, status, regulatory framework and trends in the labour market can be offered workable solutions for staffing and financial management of human resources in foreign trade representative offices and Bulgarian subsidiaries in Romania in view of the leading indicators of our northern neighbour for convergence within the EU and market absorption.*

The **objective** of the study is *to study the problems and propose solutions for staffing and financial management of human resources in foreign trade representative offices and Bulgarian company branches in neighbouring Romania, as a country with advanced indicators of convergence and market absorption.*

The following are defined as specific tasks set in the study:

**First:** To make a critical review of the theoretical foundations and financial aspects of international human resource mobility.

**Second:** To develop and structure the methodological foundations of the analysis of the establishment and expansion of Bulgarian foreign trade representative offices and company branches in Romania, based on factor analysis of human resources and the specifics of labour legislation.

**Third:** To conduct an empirical-applied study among Bulgarian foreign trade representative offices and company branches in Romania in order to establish the current state of practices for financial management of human resources in support of

maximizing shareholder wealth.

Based on this, three **working hypotheses** are derived:

**First Hypothesis:** International mobility of human resources is both a basic form of human capital creation and rational action on migration for higher wages, more successful careers or force majeure.

**Second Hypothesis:** The successful expansion and realization of the business models for the development of the Bulgarian foreign trade representative offices and company branches in Romania is based on precise analysis and knowledge of the absolute and relative advantages of both economies and the positives of labour engagement according the Bulgarian or Romanian labour legislation.

**Third Hypothesis:** The development of a network of Bulgarian company branches in Romania requires a precise analysis of the accumulated experience, difficulties and specifics of making the most cost-effective decisions for international expansion.

### **3. Content of the dissertation**

In terms of content, the dissertation is structured in three main chapters. Chapter One "Theoretical Foundations and Financial Aspects of International Human Resource Mobility" contains two separate paragraphs. The first paragraph argues on the financial motives for the international mobility of human resources on the example of Bulgaria and Romania. A theoretical review of research in the field of international mobility of human resources is done in their financial aspects empirical-applied analysis of the challenges to the financial motivation of human resources for international mobility to ensure the functioning of Bulgarian foreign trade representative offices in Romania. The second paragraph assesses the state and

potential of the labor market in Romania as a basis for attracting foreign direct investment.

Chapter Two is entitled "Human Resources as a Factor for Successful Expansion of Bulgarian Foreign Trade Representative Offices and Company Branches in Romania" and also includes two separate paragraphs. The first paragraph examines human resources as a key factor in building cross-border business chains following the example of Bulgaria and Romania. A detailed analysis of the legal basis for employment contracting has been made, according to the legal framework of Romanian labor law. In the second paragraph, a detailed analysis of time series of data reflecting trends in regional indicators and occupations in the Romanian labour market as a basis for decision-making for foreign direct investment and the establishment of foreign trade missions was carried out.

The final Chapter Three is entitled "Study of the Practices for Financial Management of Human Resources for Building a Network of Bulgarian Company Branches in Romania" is structured in six separate parts. In the Paragraph One, the focus is on structuring a survey and refining groups of surveyed Bulgarian companies in Romania. Paragraph Two assesses the business profile of the respondent companies. Paragraph Three systematizes the data from the analysis and evaluation of the practices for remuneration and evaluation of the staff in the Bulgarian company branches in Romania. The results and conclusions of the study of the processes of selection and training of human resources are presented in the Paragraph Four. Paragraph Five examines attitudes about motivation techniques and staff turnover parameters. The results of the comprehensive assessment of the respondent companies on the financial management of human resources in the COVID-19 environment among the Bulgarian company branches in Romania are presented in Paragraph Six.

The conclusion presents the main results of the dissertation. Key summaries are provided and guidelines for future research on the topic are formulated. Attachments and a list of cited literature (according to APA style) are presented with the study.

#### **4. Evaluation of the Author's Abstracts and scientific contributions**

The Author's Abstracts is compiled according to the requirements. The scientific contributions are formulated correctly and correspond to the achievements in the dissertation.

#### **5. Referee Report conclusion**

The presented dissertation for the educational and scientific degree "Doctor" has the required by the Regulations for the development of the academic staff in Economic Academy "D. A. Tsenov" quantitative and qualitative characteristics. The dissertation contains scientific and applied scientific results, which represent an original contribution to science. The dissertation clearly demonstrates that the candidate has in-depth theoretical knowledge and skills for independent scientific and practical research. All this gives grounds to recommend that the scientific jury unanimously award the educational and scientific degree "Doctor" to Ralitsa Hristova-Marinova in the doctoral program "Finance, Money Circulation, Credit and Insurance" (Finance).

Referee Report prepared by: .....

/Prof. Andrey Zahariev, PhD/