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FIFTH QUARTERLY REPORT

**UNIVERSITY OF DELAWARE - BULGARIA
MANAGEMENT TRAINING AND ECONOMICS EDUCATION PROGRAM
GRANT NO. EUR-0029-G-00-1044-00**

Period of Coverage: July 1 - September 30, 1992

October 30, 1992

Fifth Quarterly Report
University of Delaware - Bulgaria Management Training and Economics
Education Program
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I. Executive Overview: The fifth quarter of the project saw the University of Delaware management, economics, and English language teams conclude their programs in Varna (and Gabrovo for the management team), and move them back to the main cities of Sofia and Plovdiv. The economics team continued its graduate-level program in economics in Sofia, while the management team prepared to set up their operations in Plovdiv. Both received support from the English language team. A significant effort was initiated to develop a "national focus" for the overall program through intensive coordination with numerous government ministries to determine their training needs. At the same time, the University of Delaware team put together an impressive set of presentations for the renowned, annual Plovdiv International Technical Fair. Finally, some major enhancements were made in program management structure, including the designation of an overall Project Manager.

II. Program Management Changes: Effective July 1, 1992, Stanley G. Shumway assumed the newly created position of Project Manager and continued as part of the management team faculty. Sandra A. McCollum replaced Shumway as the project's In-Country Coordinator. Her previous position of Academic Coordinator was deleted as a result of Jeanette L. Miller, who is in Bulgaria for the long term, assuming the position of English Language Program Director, vice Dr Scott G. Stevens, the Director of the English Language Institute at the University of Delaware. In addition, Ruslan (Ross) Abadzhiev was appointed to be the Associate In-Country Coordinator, being replaced as the Sofia Resource Center Director by Alexander Markov, previously the Associate Director of the Resource Center.

III. National Focus Initiatives

A. During the fifth quarter, the University of Delaware-Bulgaria Coalition (UDBC) administrators and faculty directed considerable effort toward contacting ministries and institutions in Sofia in response to a recommendation from Dr Leslie Koltai, head of the evaluation group which observed our program in late June. Although the program has been very successful in meeting its target audience of trainers, such as teachers, managers, and entrepreneurs, it has been less successful in attracting leaders in government and public administration.

B. One reason for this lack of success has been the transitional state of the government institutions themselves since Bulgarians elected their first noncommunist government in 47 years in October 1991. For months following the elections, government officials in every ministry were being replaced or reassigned.

Ministers who had pledged to support our program in the fall of 1992, such as the former Ministers of Education, were replaced by new appointees. Although we were successful in teaching economics courses at the Ministry of Agriculture last fall, other ministries were in a state of reorganization and indecision. As a result, we had less than optimal success in offering educational assistance programs to trainees from higher levels of government.

C. Now that the political reshuffling has subsided and newly appointed ministers are engaged in critical public policy issues that will effect the democratization of Bulgaria, it was decided that renewing efforts to contact staff within the ministries would be an important priority in the fifth quarter. Subsequently, during July and August, letters of introduction and an informative summary of the first year of the University of Delaware educational programs were delivered or sent to ministries and agencies in Sofia. English language team member, Spaska Tcherveniyashka, made two trips from Varna to Sofia to make initial contacts and deliver the materials to the following ministries or agencies:

1. Agency for Privatization
2. Ministry of Industry
3. Ministry of Agriculture
4. Ministry of Finance
5. Bulgarian National Bank
6. Ministry of Health
7. Ministry of Labor and Social Welfare
8. Ministry of Trade
9. Ministry of Education
10. Ministry of Foreign Affairs
11. Institute of Economics, Bulgarian Academy of Science
12. Federation of Scientific and Technical Organizations
13. National Management Center

D. In September, when In-Country Coordinator McCollum returned from the US, follow-up meetings were held as summarized below:

1. Agency for Privatization: McCollum and economics program faculty members, Dr Jeff Miller and Dr Janet Hunt-McCool,

met with the Head of Licensing at the Agency, Dr Z. I. Nenov, to discuss UD participation in training as many as 2,000 business appraisers, who are needed to assist the agency in carrying out its charter from the Council of Ministers to privatize large state-owned businesses. McCollum and Project Manager Shumway then held three negotiating meetings to begin Phase One of this important training project in November 1992.

2. Ministry of Industry: Thirty staff members applied and were placed in the Sofia economics and English language courses. The Deputy Minister has also requested some designated courses.

3. Ministry of Finance: Mr Kalapishev has requested content-based English for financial specialists courses to be taught within the ministry.

4. Bulgarian National Bank: More than 30 bank employees applied to attend the Sofia economics and English language courses in the fifth quarter. The training director has requested on-site English courses for mid- to upper-level managers.

5. Ministry of Health: McCollum, Miller, and Hunt-McCool met with the Deputy Minister of Health, Hristian Griva, and his Secretary. They requested management training for hospital administrators, particularly in the basics of finance, purchasing, accounting, and decision-making. The hospitals are in a financial crisis and their managers are inexperienced. Hunt-McCool proposed a study on maternal-child health by region and to deliver seminars to select ministry personnel.

6. Ministry of Labor and Social Welfare: McCollum, Miller, and Hunt-McCool met with Stoimen Velev, Head of International Relations, and he communicated his ministry's concern with the rising unemployment rate and possible political repercussions. He requested lectures or courses to include social policy issues, particularly social security, pension plans, and unemployment insurance. He also requested designated content-based English classes for his staff.

7. Ministry of Trade: The Secretary of Deputy Minister Kiril Velev and Head of Department Mr Toshev met with McCollum, Shumway, and Tcherveniyashka to discuss possible cooperation. This ministry has excellent facilities which are currently used to train foreign service personnel. Mr Toshev requested assistance in developing curricula for training foreign diplomats. His request will be passed on to the Foreign Service Institute in Washington, DC. He is also interested in setting up some specialized courses.

8. Ministry of Education: This ministry has not responded yet to our attempts to arrange meetings.

9. Ministry of Foreign Affairs: Deputy Minister of Foreign Affairs, Valentin Dobrev, has requested lectures in the following areas: stabilization policies; economic growth; international trade and economic policies; and politics, economics, and government.

10. Institute of Economics, Bulgarian Academy of Science: A large number of Institute faculty and researchers attended Sofia economics and English language classes during the fifth quarter. The Institute also provided classroom space for UDBC classes.

11. Federation of Scientific and Technical Organizations: Nedko Ionkov, managing board member, spoke with McCollum and Tcherveniyashka about a proposal for retraining federation members in small business management and macroeconomics.

12. National Management Center: Directors from this private business, with 11 educational affiliates and sites in main Bulgarian cities, met with McCollum twice and Shumway once to request cooperation in curricula development and joint training programs.

13. Center for Administration: Alexander Markov and McCollum met with Kalinka Staikova concerning possible UD advisement assistance in developing curricula to train public administrators. This center was formed by the Council of Ministers to train civil servants in Bulgarian universities. Several follow-up meetings are planned.

IV. Management Training Program

A. Overview: The management team concluded its summer work in Varna and Gabrovo during July and August and put the finishing touches on preparations for Year Two of the grant, which would see more activities in Plovdiv. The management faculty had met at the end of June with the USAID Evaluation Team, Dr Leslie Koltai and Ms Claudine Wolas, to discuss program objectives and focus, and incorporated their advice and recommendations into the second year's activities and plans.

B. Program Planning and Preparation

1. Preparation for Year Two of the Grant

a. Much of the planning and preparation activity for Year Two of the grant took place in Delaware, as the main site of the management training program was to shift from Varna and Gabrovo to Plovdiv. Details of faculty travel to Bulgaria for Year Two were completed and course preparations continued. The Plovdiv program is designed to continue to provide intensive training in all the basic functions of business to practicing managers and entrepreneurs in all types of business enterprises, and to continue

to provide assistance and advice to business faculty. This latter effort would take the form of their participation in our business courses (to learn about our teaching methods and style by example) as well as consultation with individual and faculty groups on matters of faculty and curriculum and course development. Our objective has been to ensure that the results of our efforts remain with individuals, programs, and institutions after the grant ends.

b. Before his return to the US, Professor John Kmetz traveled to Plovdiv to confer with representatives from the Technical University and the city to conclude preparations for the management program's move there to begin courses in early October.

2. **MBA Fellowship:** During this quarter, the Department of Business Administration, in consultation with the management faculty team, selected the Bulgarian recipient of a full-time fellowship in the Master of Business Administration (MBA) program at the University of Delaware. She is Ms Kalinka Momchilova, a graduate of the Varna Technical University. Ms Momchilova had taken a number of the courses offered by the University of Delaware in Varna, was a member of the Bulgarian Spring International Business Institute (SIBI) group which visited the US in the spring of 1992, and had previously performed volunteer work in our Plovdiv and Varna offices. Prior to coming to Delaware, she was employed as the foreign trade manager in a private firm in Varna. Her interest is in entrepreneurship and she will work on improving training for Bulgarian entrepreneurs with Professors Michael Pohlen and John Kmetz, both of whom have spent time in Bulgaria and served as Management Training Program Directors.

C. **Management Course Offerings:** See Appendices A and B for the schedules and descriptions of the management courses offered in Varna and Gabrovo respectively during this period.

1. **Varna:**

a. During the fifth quarter, courses in Human Resources Management (Kmetz), Production and Operations Management (Gehrlein), and Basics of New Business Planning (Olchvary) were all either completed or taught in Varna. A new course, Export Marketing for New Businesses, was also introduced by Thomas Brown. A major part of this course was the development of an export plan by each student in the course, with advisement by Brown. The plans covered a wide variety of topics, including the possible export of wine, food, ballet, medical prostheses, and special tours. Most of the students were from area businesses or were developing their own business ventures. A small portion were faculty from the Varna University of Economics.

b. Also in Varna, two special courses were taught for employees of the Grand Hotel Varna, residential site for all the Delaware representatives during the summer. Kmetz offered a

course on Human Resources Management, and Brown offered a section of Export Marketing for New Businesses, in which the students worked on projects to develop special tour packages for foreign visitors to Bulgaria.

2. **Gabrovo:** Courses in Production and Operations Management (Gehrlein), Management Techniques and Methods (Kmetz), Total Quality Management (Pohlen), and Export Marketing for New Businesses (Brown) were all either completed or taught in Gabrovo during the quarter. Most of the students in these courses were faculty from the Gabrovo Technical University, but there were a number of local entrepreneurs and firms represented as well. A unique feature of Kmetz's course was the use of a business simulation exercise in which small teams of participants developed and presented goals and plans for a company and then reacted to various situations as the simulation developed. For many, the use of in-class group discussions in this fashion was a new experience.

3. **Course Evaluations:** Once again, the post-training questionnaires showed strong satisfaction with the management team's course offerings. A summary of the responses to some of the key questions follows (note that the previously used questionnaire has been revised somewhat):

a. Gabrovo - Unfortunately, these questionnaires were lost in transit and are not available.

b. Varna

(1) #1 -- The quality of instruction was excellent.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
60%	38%	1%	0%	1%

(2) #3 - The content of this course is relevant to my needs.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
45%	41%	9%	4%	1%

(3) #6 - The instructors seem to be well-versed in the topic as it relates to the country.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
57%	32%	11%	0%	0%

(4) #13 - I would recommend this course to other interested parties.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
67%	28%	2%	1%	1%

D. **Activities Outside the Classroom:** The management team continued to make many contacts with Bulgarians in business, higher education, and government during this quarter. Some notable specific contacts were:

1. **Visits of Professor Howard Garland, Chair of the University of Delaware's Department of Business Administration:**

a. Professor Garland met with Dr Stephan Armenski, Rector of the Gabrovo Technical University, to discuss general program goals and issues in curriculum design. He also met with the Head of the Management Faculty and several of his faculty members to discuss a management curriculum which had been proposed earlier by Kmetz and which they are developing. He also made a brief presentation to the students in Gehrlein's course.

b. Garland also met on several occasions with academicians from the Varna University of Economics and the Varna Technical University, where he was asked to comment on US practices in university administration, especially in the relationship between US faculty and the administration. He was also asked about curriculum design and to comment on management curricula under development by faculty groups at these institutions.

c. Garland also met with Stoyan Stoyanov, a representative of a new organization called the National Management Center, which was privately established to provide executive-level education for practicing managers in Bulgaria.

2. **Visits of Tom Brown:** As part of his course in Export Marketing for New Businesses, Brown visited with a number of his students at their places of work and met with and discussed export marketing issues with members of those firms. Ten such visits took place over the period of his course. The interaction was very useful to the students and gave Brown and the management team useful insights into problems encountered by Bulgarian businesses.

3. **Coordination with the Peace Corps:** Professors Kmetz and Pohlen met with the Peace Corps personnel stationed in Gabrovo on several occasions to provide them whatever assistance possible and facilitate the beginning of their activities. Peace Corps personnel participated in the courses offered by Professors Kmetz, Pohlen, and William Gehrlein in Gabrovo, and Paul Olchvary in Varna, in order to allow them to meet the participants and gain

insights into the problems they face. Texts for the courses and some teaching notes were given to the Peace Corps personnel for their use. Introductions to administrators of the Technical University in Plovdiv were also made and should prove mutually useful for facilitating Peace Corps activities (translators, classrooms, etc.) as well as aiding the University (seminars, advice, consultation, etc.).

E. Management Program Goals for the Sixth Quarter:

1. Conduct scheduled course offerings in marketing, management, finance, and exporting in Plovdiv.

2. Offer assistance to the Technical University in Plovdiv on matters of curriculum and faculty development. Sessions are scheduled for each University of Delaware faculty member with appropriate Bulgarian faculty members and groups.

3. Conduct regular office hours at the Resource Center in Plovdiv for practicing managers, to include those taking our courses as well as others, and to continue to extend such outreach activities to visits to local business and other organizations.

4. Continue to develop translated course materials for use in Bulgaria by our own personnel and others.

5. Continue to work with Peace Corps personnel to enhance our sustainability beyond the grant. This includes our making course material, as mentioned in Goal #4 above, available to them.

6. Finalize planning for the seventh and eighth quarters.

7. Develop programs of national focus in conjunction with the economics and English language teams. An example of this is a program in support of the privatization effort in Bulgaria, notably providing training in some fundamentals of asset and market evaluation.

V. Economics Education Program

A. Overview: During this quarter, the economics team continued teaching its summer courses in Varna until the end of August, at which time the program was moved back to Sofia for the new academic year. The program resumed in Sofia in mid-September, with an expanded set of courses and increased advising.

B. Economics Instructional Program

1. **Faculty:** The economics team faculty this quarter consisted of University of Delaware faculty members David Black,

Evangelos Falaris, Kenneth Koford, and Jeffrey Miller; Dr Janet Hunt-McCool, formerly senior economist for Fu Associates, Inc, and a recent associate professor of economics at the University of Georgia; Raymond Smith, an advanced graduate student in economics at Ohio State University; and Stephan Petranov, formerly an associate professor in the Institute of Economics of the Bulgarian Academy of Sciences and a recent recipient of a Master of Arts degree in Economics from the University of Delaware under a Hamilton Fellowship.

2. Status of the Advanced Economics Program:

a. The first phase of the advanced economics program was completed during this quarter. This program, which consists of 10 courses, is modeled on the masters of economics program at the University of Delaware. The program started with about 20 students in Varna in June. By the end of August, some of the original 20 students had dropped out, partly for geographical reasons and partly for work reasons. Of the group that started in June, 13 students continued the program in Sofia. New students are also being added to the program, using the Intermediate Microeconomics course as an entry path into the program. We expect that about five or six students will be added, even though they cannot be financially supported and will not be able to complete the advanced program before the grant's currently scheduled end in May 1993.

b. The performance in the four advanced classes taught during the summer was beyond expectations. It is clear now that any questions regarding the ability of the students to do advanced work have been favorably answered. However, testing for new entrants has revealed how shallow the pool of capable applicants is. Almost all of the successful students during the summer had taken previous lower level courses in the program during the first year. Because of the level of resource expenditures on the advanced course program, it will be difficult for a new pool of potential entrants to be trained for the advanced program, if it is continued into a potential third year of the grant.

3. Course Offerings: See Appendices C and D for full descriptions and schedules of the economics courses offered in Varna and Sofia respectively this quarter.

a. Overall, the courses went very well in Varna after the startup problems that we encountered with enrollment early in the summer. There was one advanced course in each field, taught in English and at essentially the same level as a graduate course in economics would be taught at the University of Delaware. With Ray Smith available to grade problem sets and run review sessions, we were able to provide an intensive pair of classes for the advanced students and still have time for advising. Having lunch with the students daily also gave us a much better

understanding of their perspectives, as well as some insight into Bulgarian life in general.

b. We also taught less-advanced, interpreted courses in Varna to students who were mostly from local businesses or academia. One result of these courses was that we received numerous invitations to visit firms in Varna, and had long and detailed discussions with the students and the firms about the specific facts of the Bulgarian economy. Thus, these courses were invaluable in giving us a real-world appreciation for the Bulgarian economy, something that is necessary to do a good job of teaching in Bulgaria.

c. The classes in Sofia began in mid-September and were organized to provide a combination of advanced economics courses for the advanced students continuing from Varna, along with specialized economics courses for economists in government and academia. Combining these two groups in one classroom should provide advantages of bringing in students with specialized knowledge (for example, in labor economics or money and banking), along with our advanced students who should excel at economic theory.

4. **Course Evaluations:** The post-training survey results administered for completed courses in Varna once again showed that the economics education program was on track in teaching the right courses and teaching them well. A summary of responses to some of the key questions follows:

(1) #1 - The quality of instruction was excellent.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
56%	34%	8%	1%	0%

(2) #3 - The content of this course is relevant to my needs.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
39%	44%	12%	4%	1%

(3) #6 - The instructors seem to be well-versed in the topic as it relates to the country.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
29%	58%	8%	4%	0%

(4) #13 - I would recommend this course to other interested parties.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
57%	33%	5%	1%	1%

C. Activities Outside the Classroom: The faculty members were very active in advising their students and officials from local firms and universities, as well as other agencies.

1. Advising in Varna (July and August)

a. July 24 and August 3 - Director Ovcharov, Chief Engineer Stomatov, and Interpreter Valentina, of Biomash, a large machine shop and maker of food-processing equipment, with Koford and Smith (24th), and Koford and Brown (3rd). The firm is having sales troubles, so we discussed marketing and product quality. Export marketing is new to them, and they are trying to learn.

b. July 28 - Angel Mirtchev, Head of Business School, Varna Technical University, and Stoyan V. Stoyanov, of National Management Center, with Koford and Howard Garland, Chair of the University of Delaware's Department of Business Administration. Stoyanov is the local representative of a for-profit business teaching operation that has many individual classes around the country, but no real program. Mirtchev discussed the need for courses in operations management and marketing for his faculty.

c. July 28 and 31 - Director Filip Markovski and Chief Engineer Georgi Mugre of Flotski Arsenal Ship Repair Yard, Varna, with Koford and Miller. This is the main naval repair base for the Bulgarian Navy. We discussed the arsenal's history and its current situation of having to change, under duress, from purely naval to commercial work. We also discussed the competition between the Flotski Arsenal and the Odessos Repair Yard, also in Varna. A tour of the machine shops and drydocks indicated quality equipment and work. Two former Soviet submarines and one frigate were stranded in the yard for lack of payment. During the second meeting, we discussed how to write repair contracts and how their marketing efforts were going. We failed to communicate our views on proper costing of contracts, and feel that they were engaging in average-cost pricing when their high sunk costs called for lower, marginal-cost pricing.

d. July 29 - Yvona Yakanova, Associate Professor, Department of Economics, Varna Economics University, with Koford and Miller. Yakanova described the current situation at the Economics University and the fluid plans for merging with the

Technical University. She described the use and value of diplomas in Bulgarian universities.

e. August 6 - Paul Swanson, Associate Professor of Finance, University of Cincinnati, with Koford and Miller. The University of Cincinnati is interested in expanding their contacts in Bulgaria. We discussed possible future cooperation.

f. August 7 - Emma Gileva of Radio Varna with Koford. This was a radio interview on the current economic conditions in Varna.

g. August 8 - Tzvetan Markov, Director of Devnya Power Station, with Koford and Miller. We toured summer vacation homes built by the power station and discussed the firm's social welfare system.

h. August 11 - Angel Mirtchev, Head of Business School, Varna Technical University, with Koford and Miller. Mirtchev described his connections with Ukraine. There may be a connection between the Technical University and Ukrainian institutions for at least Ukrainian MBA students, and perhaps advanced administrators. The Technical University is rather hostile toward the growth of business teaching. More technical management courses might be desirable, however.

i. August 12 - Atenas Kosturkov, President of Komfort, a Varna construction company, with Brown, Kalinka Momchilova, and Koford. Kosturkov discussed the sorts of paints used in construction, quality problems, and painting techniques.

j. August 12 - Dennis Vanderlip, US Peace Corps in Varna, with Koford. We discussed the Peace Corps mission in Varna, including their assistance to small businesses.

k. August 16-17 - Chief Engineer Radcho Stoev of the SIM Machine-Building Plant in Gabrovo, with Koford. We discussed the plant's products, which include most of the large-scale machine tools made in Bulgaria. Exports were large in prior years, but production is now mostly stopped. The equipment seemed to be modern and efficient, but service and marketing appeared weak.

l. August 18 - Director Tsvetan Markov and Plant Engineer Stanko Georgiev of Electric Power Station TETS in Devnya, with Koford and Miller. The overall economic situation of the power plant and the Devnya complex was discussed. The plant is now legally independent, but it is physically connected with a soda-ash plant, a PVC plant, and a sugar-refining plant, for which it provides process steam and electricity. The firm is not being paid for its output basically because the Russians, their former clients, are not paying for soda-ash. Therefore, the firm is not

paying for its inputs, including fuel shipped from Russia! A tour of the plant revealed 11 boilers, several of them fairly new, with others being refurbished. Private firms are bidding for repair contracts and are currently doing some renovations.

m. August 20 - Mrs Chobanyaneva, Head of the Katedra of Economics, Organization and Management, Varna Technical University, and five department members, including Fani Uzunova, Assistant Professor, Economics, with Koford. We discussed the Delaware program and learned about the Technical University's interests and economics teaching. A visit to the library revealed very few Western books in economics or English.

n. August 21 - Petar Dimitrov, Vice-Rector of the Varna Economics University, with Koford and Miller. We discussed the University of Delaware program and future prospects. The possibility of awarding our advanced students with the new proposed Magister in Economics diploma was discussed. Contacts with Ukraine were also discussed as a possibility, since Dimitrov had spent part of the summer in that new nation and talked about the growth of courses in management there.

o. August 21 - Varta Karagozian, Assistant Professor, Sociology, Varna Economics University, with Koford. We discussed sociological issues of the transition, including the issue of whether the old Party "nomenklatura" may be "milking" state enterprises to add revenues to private firms that they have set up?

p. August 24 - Nikolai Bozhilov, President of Unimasters Logistics, an affiliate of Sea-Land, and Ivan Tabakov, President, Union for Private Enterprise, with Koford. Unimasters arranges container shipments of imports and exports to the West and also to Ukraine and Russia, and are currently shipping by truck to Thessalonika in Greece. Exports of clothing to the US and Canada are growing fast. They said the Commonwealth of Independent States (CIS) market looks good, despite problems, such as corruption in Odessa, which is dealt with by their Ukrainian partner. They said there is little knowledge of international standards for documents, bills of lading, etc., among Bulgarian firms and port authorities.

q. August 26 - Professor Kovachev, Head of Katedra of General Economic Theory (formerly Political Economy), and Yvona Yakanova, Docent in the same Katedra, with Koford and Miller. Kovachev described his department and its plans to change to teaching about the market economy. He proposed a spring conference on the transition process, in which it was agreed some of the University of Delaware faculty members could participate. We described our long-term objective of turning over advanced teaching in our program to Bulgarian universities as our students finish the program and obtain teaching positions. We came to a tentative agreement that he would let some of our students teach in the

spring at Varna if they were ready. We will compare our ideas on a Magister program with him this fall, and will discuss the format of the spring conference in October.

r. August 31 - Various administrators at the Varna Free University, including the Vice Rector, the Dekan of Economics, and Assistant Professor Dimitur Kanev, with Koford. We discussed the Free University's many problems, especially their potential closure because of political attacks on them. A visit to the library showed it was very weak in Western books, and the Varna Economics University is basically closed to their faculty and students. We also discussed their Western approach and courses.

2. Advising in Sofia (September)

a. George Manliev of the Technical University gave Miller copies of articles published earlier in "Economica," and arranged for an interview with a reporter to promote the University of Delaware program.

b. Miller discussed the curriculum at Sofia University with Ruman Avramov of the Agency for Economic Cooperation and Development.

c. Miller attended a faculty meeting and a meeting of the faculty board at Sofia University.

d. Miller discussed the status of the translation of David Colander's book with the editor.

e. Miller met with Alexai Danchev and Alexander Dimitrov of the Institute of Economics and discussed the relationship of the University of Delaware graduate-level economics program to the Institute of Economics.

D. Economics Program Goals for the Sixth Quarter:

1. Complete the second semester of courses for the advanced program.

2. Offer a Money and Banking course and a Development Economics course, both of which will include students from outside the advanced program.

3. Work closely with the management and English language teams to develop programs of national focus.

4. Finalize planning for the spring semester.

VI. English Language Program (ELP)

A. Overview: During the fifth quarter, the English language program (ELP) completed its summer program in Varna, and then moved the University of Delaware program back to the cities of Sofia and Plovdiv. ELP team members provided programmatic support in the following areas: English language instruction; Bulgarian-English-Bulgarian translation and interpretation, both in the classroom and in meetings; operation of the Sofia Resource Center: testing, screening, and placement of program participants; database management; preparation of certificates earned by participants; clerical support; new faculty orientation; local purchasing and payroll; and logistics (travel arrangements, housing, etc).

B. Personnel Changes: New assignments for Sandra McCollum, Jeanette Miller, Ross Abadzhiev, and Alexander Markov are discussed in Paragraph II above. In addition, a new American ELP faculty member, Baerbel Schumacher, joined the project in September, working in the Sofia program as Associate Director of the English Language Program, and providing a continuing American "presence" in the Sofia Resource Center. Spaska Tchervenyashka was promoted to full-time status, as Assistant Coordinator of the Sofia Resource Center, interpreter, and English language faculty member. Tchervenyashka played a vital role in the restart of the Sofia program by making initial contacts with Bulgarian government ministries, from which a significant number of new program participants would emerge.

C. English Language Program Goals for the Fifth Quarter: There were eight essential goals of the English language program for the fifth quarter of the grant project, as outlined below:

1. Maintain the ongoing logistical support for the University of Delaware programs in Varna, Sofia, and Plovdiv.
2. Complete the second cycle of Business English, Economics English, and Customer Service English courses in Varna.
3. Offer support courses for the graduate-level economics students in Sofia in the fall.
4. Offer several sections of Business English to carefully selected students in Sofia in the fall.
5. Set up a larger English language program in Plovdiv, recruiting students carefully from the education and business communities.
6. Develop a Banking English curriculum and pilot it in Plovdiv.
7. Work with teacher trainers and teachers from the Peace Corps and USIS to train teachers, distribute materials, and develop curricula.

8. Maintain and expand the Sofia Resource Center.

D. Implementation of the ELP Goals

1. **Goal #1 - Maintain the ongoing logistical support for the University of Delaware programs in Varna, Sofia, and Plovdiv.**

a. The ELP team provided logistical support for both Sofia and Plovdiv course start-ups. With careful scheduling and timely redeployment of faculty, the ELP team handled the winding down of the operation in Varna, while ensuring normal Plovdiv and Sofia start-ups.

(1) The effort involved in closing the Varna office included packing equipment and books and dispatching them to Plovdiv and Sofia; settling contractual and financial arrangements with the Varna University of Economics, the Orbita Restaurant, and the Grand Hotel Varna; and arranging for course certificates to be made by a calligrapher and handed out through the host University's administrative office.

(2) The ELP team contracted excellent faculty housing in Plovdiv, despite cost and availability complications arising from the Plovdiv Technical Fair activities at the end of September and beginning of October.

(3) The Varna-based ELP team was also heavily engaged in providing support for the Sofia Resource Center staff during the hectic fall start-up period, including providing expert guidance, financial supervision, and transfer of faculty members to assist in fall placement testing, negotiations, and office tasks.

b. Abadzhiev acted as the in-country treasurer during July and August, accounting for and reporting all program disbursements to Delaware. In September, he worked together with Markov on the streamlining of the project's bookkeeping system to allow efficient tracing of program expenses in two locations and ensure a smooth transition to the computerized financial management system being designed by Shumway. Starting in October, McCollum and Abadzhiev will apply this system in-country, which will greatly facilitate the project's financial management and bookkeeping processes.

c. At the end of the quarter, the Plovdiv ELP team was in final negotiations to secure the lease of four fully-furnished apartments, with a total of seven bedrooms, to house resident and visiting faculty, thus ensuring a major reduction in housing costs, without compromising on comfort. This housing arrangement is expected to be superior to the accommodations at the Trimontium Hotel, and will be used as a model for the spring 1993 program in Sofia.

d. The level of support provided by the Plovdiv Technical University administration has seriously declined compared to the third quarter. Nevertheless, working through our earlier established contacts and relying on the dedicated efforts of Spas Videv, now acting as our Plovdiv office Administrative Assistant, Plovdiv-based faculty have managed to ensure the availability of essential logistical and clerical support. This includes reliable and contractually backed-up access to copier and fax machines, use of an adequate office with telephone and desktop computer, and satisfactory classroom space to allow normal instruction to be carried out until the end of 1992. To ensure office coverage, Tania Peeva was appointed to be the Secretary of our Plovdiv office.

e. The availability of consumable office supplies in Plovdiv has been assisted by donations from individuals and firms whose employees have been placed in UDBC courses, following a well-targeted, door-to-door enrollment campaign executed by Spas Videv prior to the ELP team's arrival for testing and screening of applicants. As a further result of Videv's efforts, office auxiliary services, including expert computer software assistance, are readily available in Plovdiv.

f. Once again this quarter, the ELP team had responsibility for all database management tasks, including student placement data, certificate information, and demographic statistics reported to USAID and the Koltai evaluators. (See the Fourth Quarterly Report for a detailed discussion of program database management.)

2. Goal #2 - Complete the second cycle of Business English, Economics English, and Customer Service English courses in Varna.

a. The Varna English language instruction program continued during July and August at the Varna University of Economics. Nine, four-week English courses were offered in Economics English, Business English, Customer Service English, and Advanced English for Academic Studies. This second session of language instruction allowed previous participants to continue learning English at a higher level and new students to enter the program in midsummer. Approximately 140 students participated in English courses during the second summer session.

b. Interpretation support:

(1) ELP faculty members Vanya Ivanova, Abadzhiev, and Tchervenyashka provided interpretation support in the classroom and during formal presentations and informal meetings. Ivanova and Abadzhiev also compiled a "marketing glossary" to accompany Professor Tom Brown's management lecture notes. They also provided ongoing translation support for the

management and economics faculties in student testing and evaluation.

(2) In response to a UDBC ad in a local paper, eight people applied for temporary interpreting jobs and were given auditions. The applicants were requested to interpret a 15-minute presentation by John Kmetz, and were given lecture notes, terminology glossaries, and consultations by Ivanova prior to interpreting. Ivanova, Abadzhiev, and Jeanette Miller evaluated their performances in terms of interpreting skills, voice and speed techniques, content background, and overall presence and style. As a result, Vladimir Atanasov, Lyudmil Ikonov, and Anna Vladeva, as well as Plovdiv interpreter Mariana Grancharova, were hired to interpret the economics and management courses. All outside interpreters were supervised on the job and performance feedback and advisement were provided on a regular basis by Ivanova in her role as the Director for Interpretation.

c. The Varna English language courses and instructors are detailed in Appendix E to this report.

d. Participant Feedback (ELP Evaluation): The English language program administers its own class evaluation questionnaire to all English language course participants. This provides feedback both to the individual instructors and to the ELP Director. The ELP courses continued to receive high marks, as noted in the evaluation questions highlighted here.

(1) Item #2: Do you believe that your English class helped you to improve your communication skills?

Yes: 84% No: 5% Don't know: 9%

(2) Item #3: Do you believe that your Business English class helped you to improve your knowledge of business culture?

Yes: 71% No: 11% Don't know: 14%

(3) Item #6: Are you satisfied with the quality and effort of your English teachers in this program?

Yes: 96% No: 0% Don't know: 3%

In handwritten comments on the Varna ELP course evaluations, a number of participants praised the English language program itself, but suggested that the four-week course modules were too short. This suggestion was taken into account in planning the Sofia and Plovdiv fall programs, which have six- and eight-week English language courses, respectively.

e. Participant Feedback (Koltai Evaluation): All course participants also completed the revised Koltai Group evaluation form. The overwhelmingly positive responses to four key questions from the Varna English language course participants are tabulated below:

(1) #1 - The quality of instruction was excellent.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
57%	41%	1%	0%	0%

(2) #3 - The content of this course is relevant to my needs.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
39%	55%	2%	1%	1%

(3) #6 - The instructors seem to be well-versed in the topic as it relates to the country.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
44%	39%	14%	1%	0%

(4) #13 - I would recommend this course to other interested parties.

STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
63%	32%	4%	0%	0%

The results of this evaluation show very high participant satisfaction with the quality of English language instruction, with 98% positive responses. Similarly, 94% agreed that the English courses were relevant, and 95% of participants would recommend the course to others. A respectable 83% of respondents agreed that the instructors were well-versed in the topic as it relates to Bulgaria. Negative responses comprised 1% or less of responses.

f. From June 23 till August 21, the Varna Summer '92 UDBC program maintained a Media Room, having the same functions as the Sofia Resource Center Media Room, but smaller in capacity. The Media Room mainly served students in the program, but the general public was also allowed free access. Publicity materials were posted inside and outside the Varna University of Economics

building. Among the materials offered were off-the-shelf videotapes from the "Economics USA" series, taped lectures in economics and management by UD professors, feature films of the American Film Series, English as a foreign language (EFL) and Test of English as a Foreign Language (TOEFL) audiotapes, course materials, and interactive computer games. The following visitor traffic was recorded:

Days of operation	44
Total number of visitors	290
Daily average traffic	6.6
Computer users	27
TOEFL materials users	12
EFL materials users	27
Feature film viewers	180

3. Goal #3 - Offer support courses to the graduate-level economics students in Sofia in the fall.

a. The English language program restarted its operations in Sofia on September 5th, when 320 applicants were tested for English language proficiency and, for a smaller group, for background in economics. The results of this testing were used to screen applicants for entry into the advanced economics program or into the "no economics prerequisite" economics courses, and into the supporting Economics English courses. Priority placement preference was given to program target groups, including Bulgarian ministry officials, Bulgarian National Bank staff, and university faculty.

b. Four, six-week courses in Economics English were started in Sofia on September 21st. In addition, Schumacher continued the Advanced English for Academic Studies course, previously taught in Varna by Jeanette Miller, in support of the graduate-level economics students. Anticipating that many of the students will be publishing internationally, the course emphasized the Western-style organization of writing, elements of research, and critical thinking, and offered advisement to students on a one-on-one basis in support of their economics course assignments. See Appendix F for a full list of English courses begun in Sofia during this quarter.

4. Goal #4 - Offer several sections of Business English to carefully selected students in Sofia in the fall. Plans were finalized this quarter to offer five sections of Business English in Sofia during the next quarter. (See Goal #5 below for a discussion of the projected student composition in Sofia.)

5. Goal #5 - Set up a larger English language program in Plovdiv, recruiting students carefully from the education and business communities. While courses in the Plovdiv program will be started during the sixth quarter of the program, following

conclusion of the Plovdiv International Technical Fair, the essential start-up activities took place during the fifth quarter and are reported here.

a. The ELP team registered 291 applicants to the Plovdiv program in September, and placed them into various management and English language courses. Applicants who registered for English language support classes also took the Michigan Test of English Language Proficiency.

b. The English language program in Plovdiv will consist of seven, eight-week sections of Business English, and one section of Banking English (see Goal #6 for a fuller discussion of this new course). In addition to UDBC full-time ELP faculty members Miller, Ivanová, and Abadzhiev, two Bulgarian faculty, Krassimira Sharkova and Sashko Pavlov, were recruited to teach in the Plovdiv English program.

c. The following preliminary data shows the types of students to be enrolled in the fall programs in Plovdiv and Sofia:

<u>STUDENT TYPE</u>	<u>PLOVDIV</u>	<u>SOFIA</u>
Faculty	79/27%	50/16%
Students	78/27%	56/17%
Government officials	3/ 1%	89/28%
Business community	76/26%	32/10%
Journalists/media	2/ 1%	02/ 1%
Staff	32/11%	36/11%
Unemployed	18/ 6%	28/ 9%
No data available	6/ 2%	28/ 9%
Totals	294	321

This preliminary data, used in the screening and placement process, shows the responses of key target groups for the programs in each city. Plovdiv applicants are concentrated in the education and business community target groups, 80% of all applicants. In Sofia, where recruitment also focused on the Bulgarian government, ministry officials comprise the largest portion (28%) of the applicants. Education and business community groups comprise an additional 43% of all Sofia applicants. Furthermore, applicants to the Sofia program were screened such that the target groups of government officials, faculty, and business managers were placed into courses on a first-priority basis.

6. Goal #6 - Develop a Banking English curriculum and pilot it in Plovdiv.

a. In response to a specific request from the Plovdiv banking community training center, BankService, ELP faculty member Ivanova designed a 20-hour Banking English course targeted at public relations and loan officers. Applicants have been

screened to establish their initial level of English language proficiency. Beginner-level students will be offered a four-week course in General English first, using UD texts and audio/video aids.

b. The Banking English course, which will be taught during the sixth quarter by course designer Ivanova and additional ELP faculty, aims at enhancing communication in both the oral and written media. The course content focuses on officer-client interaction, essential banking vocabulary, and typical structure usage, by building speaking, listening, reading, and basic writing skills, and developing an awareness of stylistic register, attitudinal connotation, and customer service convention. Students will achieve language competency through individual learning methods, group work on case studies, role-playing, and contextualised language practice.

7. Goal #7 - Work with teacher trainers and teachers from the Peace Corps and USIS to train teachers, distribute materials, and develop materials.

a. The Varna ELP presented a teacher training workshop, entitled "Techniques for Teaching Customer Service English," in July. The workshop drew interested faculty from the Varna Institute of Economics Business School, Varna Naval Academy, Varna Technical University, and Varna English Language School. ELP faculty members Abadzhiev, Ivanova, Tcherveniyashka, Miller, Georgieva, and McCollum presented a multimedia approach to teaching language appropriateness skills and anticipating customer expectations.

b. The ELP staff continued to participate in the Bulgarian and American Teachers of English (BATE) organization. BATE, now one year old and a legal entity in Bulgaria, was founded with the help of former ELP Director Scott Stevens. The ELP staff made contributions to the first edition of the BATE publication, The Bate Newsletter, distributed in September.

c. The ELP staff has scheduled a series of fall teacher training workshops throughout Bulgaria. A proposed workshop in Varna on October 24 was scheduled in cooperation with Fulbright Professor Paul Landesman. Additional workshops on November 14 and 28 were scheduled for Plovdiv and Sofia, respectively.

d. The ELP also made contributions of materials to Bulgarian English language teachers and students, especially the Varna Institute of Economics Department of West European Languages, which received a collection of 20 business English texts to add to its library. This department has agreed to make the collection available to all Varna English language teachers.

8. Goal #8 - Maintain and expand the Sofia Resource Center.

a. The Resource Center (RC) continued to play a vital role in Sofia as a source of up-to-date information and materials in the fields of management, economics, and English language learning and teaching. In July and August, newly appointed Resource Center Coordinator Alexander Markov managed the RC with assistance from secretaries Ekaterina Nikolova, Marta Moneva, and Vanya Theodorova. In August, Marta Moneva resigned from her position to continue her education in Germany. After returning from Varna in September, Spaska Tcherveniyashka was appointed to be the Resource Center Associate Coordinator.

b. Media Room

(1) Although many Sofia residents take their vacations out of town during the summer, media room patronage was still quite significant, as shown by the following demographic statistics for the fifth quarter:

Total visitors	410
Days open	54
Daily average	7.6
Regular visitors	10
Males	199
Females	211
Students	328
Researchers	18
Teachers	18
Business Managers	12
Others	34

(2) Despite having to lend equipment and materials (one video station, two laptop computers, and video- and audiotapes) to the Varna program, the Media Room maintained its service to the public.

(a) During the fifth quarter, the EFL audio materials were again widely used, especially the TOEFL test tapes and books.

(b) The computer-based catalog of Reading Room holdings was also frequently used by students, researchers, and academic writers.

c. Reading Room

(1) The Reading Room continued to be an important reference and study center for many Bulgarians, as the following figures for the fifth quarter show:

Total Visitors	726
New readers registered for this period	128
Copies of materials used	1,100
Regular visitors	598
Males	80
Females	48
Students	520
Researchers	61
Business Managers	28
University Professors	34
Teachers	24
Others	59

d. American Film Series: The American Film Series continued its popular Friday afternoon showings in the Media Room. Some relatively new films, including "Thelma and Louise," "Little Man Tate," "The Long Walk Home," and "Witness for the Prosecution" were shown to audiences of 10-17 people.

e. Resource Center Services to the Public and Faculty and Logistics Support

(1) One of the most important tasks of the RC staff during the summer was to maintain public interest in the RC and UDBC programs, during a period when there were no courses being offered in Sofia and some of the faculty were on vacation.

(2) The RC staff answered daily requests from visitors concerning UDBC activities and communicated proposals to the working faculty in Varna.

(3) A problem developed in August when the Reading Room librarian, Katya Zhekova, was scheduled to go on vacation and the library administration would not permit her to be replaced. As a result, despite RC staff protestations, the Reading Room was temporarily closed. The problem was eventually resolved following many discussions between Municipal Library Director Mr Kraev and RC Director Markov, and several letters from Project Manager Shumway.

(4) Because of the "crisis" created by the temporary closing of the Reading Room, Markov held several other meetings with Kraev, the Library Director. The meetings were held to clarify the positions of the two parties regarding future collaboration. These talks were continued in September by Abadzhiev and Jeanette Miller, with results expected during the next quarter.

(5) The RC staff successfully maintained telephone and fax communications with the University of Delaware, the program in Varna, and, later, the office in Plovdiv. All incoming faxes from the University of Delaware were received and

filed in the RC and then retransmitted to Varna or Plovdiv as appropriate. Conversely, all outgoing faxes from Varna and Plovdiv were sent to Sofia and then retransmitted to their ultimate destinations. This system was implemented to ensure a central file of all incoming and outgoing faxes, and because fax service in and out of Sofia was more reliable than that for Varna or Plovdiv.

(6) During August and September, the RC staff prepared for the start of the new semester in Sofia. Markov had numerous meetings with officials of Sofia University, the Technical University of Sofia, the Municipal Library, the University for National and World Economics, the National Management Center, the "Grazhdanin" Society, the Bulgarian-Danish College, the Center for Public Administration, the Cyril and Methodius National Library, and Finsoft Company to explore possibilities for obtaining the use of classrooms for the UDBC fall courses. Unfortunately, due to the increasing demand and competition for space in Sofia, the UDBC has had to make do with less classroom space than in previous quarters. The academic institutions below provided valuable assistance to the program by providing classrooms and lecture halls.

(a) The Bulgarian-Danish College provided two classrooms for English language courses.

(b) The Institute of Economics of the Bulgarian Academy of Science provided a large lecture hall for economics courses and a small room for Economics English classes.

(c) The Technical University of Sofia provided a large lecture hall for economics courses.

(7) In September, Markov was given additional responsibilities in the areas of managing financial records, making payrolls, and disbursing advanced economics student stipends and accommodations reimbursements.

(8) Three University of Delaware shipments, totaling 33 boxes, were received and released during the fifth quarter. Delays in receiving shipments have increased. For example, the shipment sent on February 28th reached Bulgaria on July 2d. Markov worked on increasing the efficiency of releasing shipments from customs. Unfortunately, due to the war in the former Yugoslavia and the fact that all shipments arrive by truck from Vienna, delays are expected to continue.

(9) The RC staff also negotiated several agreements for the lease of the apartment of Professor Jeffrey Miller and his family, and a large house in Knyazhevo, where Sofia faculty members now live, having vacated Sofia University's spacious Knyazhevo residence during the previous quarter. Miller's family was also assisted in gaining enrollment for his son into the

French Language School, as well as finding a basketball coach for him.

E. English Language Program Goals for the Sixth Quarter

1. Maintain the ongoing logistical support for the University of Delaware programs in Sofia and Plovdiv.

2. Complete the cycle of Economics English courses and begin a new cycle of Business English courses in Sofia.

3. Complete the cycle of Business English courses in Plovdiv.

4. Continue to refine the curriculum design for the pilot course in Banking English and offer it.

5. Work with Bulgarian teachers, teacher trainers, and representatives from the Peace Corps and USIS to train teachers, distribute materials, and develop curricula.

6. Maintain and expand the Sofia Resource Center.

VII. Other Significant Activities - Plovdiv International Technical Fair

A. University of Delaware faculty played a significant role in the Fall 1992 Plovdiv Fair, which was held from September 28-October 4 in Plovdiv. In the United States Pavilion, the English language and management faculty set up a University of Delaware information booth, which was grouped with the Peace Corps, Citizens Democracy Corps, Central and East European Law Initiative, and International Executive Service Corps organizations, under the heading "US Business Initiative Community in Bulgaria."

B. At the University of Delaware booth, UDBC staff and faculty greeted visitors and passed out information packets describing the Bulgaria project and the Sofia Resource Center facilities. Visitors to the booth could also watch selected videos related to small and medium-sized business issues. Management and English faculty were available from 9-6 daily to answer questions and greet the public. US Ambassador Kenneth Hill visited all the booths and was pleased with the efforts of the University of Delaware and other US assistance programs to contribute to the success of the Fair.

C. UDBC Project Manager Shumway made two presentations, entitled "Keys to Personnel Management" and "Obtaining Bank Credit in Bulgaria," at the Fair's US Business Initiative Conference. This conference was organized by the American Embassy and the Foreign Commercial Service and was well-attended by hundreds of representatives of Bulgarian and international firms. The seminar

culminated in a live, world-net satellite hookup from Washington DC to Bulgaria, during which conference participants could ask questions of experts in the US concerning business development in Bulgaria.

APPENDIX A

MANAGEMENT COURSES OFFERED IN VARNA DURING THE FIFTH QUARTER

SCHEDULE

1. **Production and Operations Management** (Gehrlein); June 22, 24, 29, July 1, 6, 8; 1:00-4:00; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; about 30 students
2. **Human Resources Management** (Kmetz); June 25, 26, July 2, 3, 9, 10; 5:30-8:30; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; about 70 students
3. **Human Resources Management** (Kmetz); July 15; 2:00-9:00; Grand Hotel Varna; in English, with consecutive interpretation into Bulgarian; about 27 students
4. **Export Marketing for New Businesses** (Brown); July 27-August 14; 5:00-8:00, Monday and Wednesday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; about 30 students
5. **Export Marketing for New Businesses** (Brown); July 27-August 14; six, two-hour sessions at varied times; Grand Hotel Varna; in English, with consecutive interpretation into Bulgarian; about 10 students
6. **Basics of New Business Planning** (Olchvary); August 10-26; 5:00-7:30, Monday and Wednesday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; about 36 students
7. **Basics of New Business Planning** (Olchvary); August 11-27; 5:00-7:30, Tuesday and Thursday; Varna University of Economics; in English only; about 30 students

MANAGEMENT COURSE DESCRIPTIONS

1. **Production and Operations Management** - This is a course on fundamentals of production for manufacturing and service organizations. The course covers basic questions of forecasting, scheduling, process design, and inventory management.
2. **Human Resources Management (HRM)** - This course is a survey of US and other Western methods for managing human resources in organizations. The course is intended for practicing Bulgarian managers or advanced students of management, personnel administrators, and administrators from labor organizations. The primary objective of the course is to give participants the

information needed to evaluate their own HRM practices, and assist them in changing and modifying these practices as desired.

3. Export Marketing for New Businesses - Using a lecture and workshop format, this course applies the basic principles of marketing and entrepreneurship to the current Bulgarian business conditions.

4. Basics of New Business Planning (BNBP) - This course consists of interactive lectures and small-group activities designed to take the student through the process of developing a business plan. The class is divided into 8- to 10-person business planning teams, which decide the type of business to pursue and then develop the business plan necessary to start that business. The course is not theoretical--it deals with genuine business opportunities in Bulgaria.

APPENDIX B

MANAGEMENT COURSES OFFERED IN GABROVO DURING THE FIFTH QUARTER

SCHEDULE

- 1. Management Techniques and Methods (Kmetz);** June 22, 23, 24, 29, 30, July 1, 6, 7, 8; 1:00-4:00; Gabrovo Technical University; in English, with consecutive interpretation into Bulgarian; about 25 students
- 2. Total Quality Management (Pohlen);** June 22-26, 29-July 2; 4:30-6:15; Gabrovo Technical University; in English, with consecutive interpretation into Bulgarian; about 25 students
- 3. Production and Operations Management (Gehrlein);** July 13-29; 1:00-4:00; Gabrovo Technical University; in English, with consecutive interpretation into Bulgarian; about 25 students
- 4. Export Marketing for New Businesses (Brown);** July 20-24; Monday-Friday, 9:00-12:00; Gabrovo Technical University; in English, with consecutive interpretation into Bulgarian; about 30 students

MANAGEMENT COURSE DESCRIPTIONS

- 1. Management Techniques and Methods -** This is a training-of-trainers course teaching basic management techniques and processes, including planning, organizing, controlling, budgeting, and other related topics. The course also covers instruction in the use of simulation methods, based on a paper-and-pencil simulation text, so that trainers and faculty may use the same method in their organizations.
- 2. Total Quality Management -** This course covers the basic concepts of total quality management (TQM), an overview of manufacturing strategy, fundamentals of statistical quality control, designing for quality, implementing a total quality program, and the role of management enhancement teams.
- 3. Production and Operations Management -** This is a course on fundamentals of production for manufacturing and service organizations. The course covers basic questions of forecasting, scheduling, process design, and inventory management.
- 4. Export Marketing for New Businesses -** Using a lecture and workshop format, this course applies the basic principles of marketing and entrepreneurship to the current Bulgarian business conditions.

APPENDIX C

ECONOMICS COURSES OFFERED IN VARNA DURING THE FIFTH QUARTER

SCHEDULE

1. **Advanced Microeconomics (Black)**; June 2-July 12; 10:45-12:15, Monday, Tuesday, Wednesday, and Thursday; Varna University of Economics; in English only; 25 students (Note: This is the equivalent of a master's-level microeconomics course in the US.)
2. **Intermediate Microeconomics (Black)**; June 2-July 12; 9:00-10:30, Monday, Tuesday, Wednesday, and Thursday; Varna University of Economics; in English only; 9 students (Note: This is the equivalent of an undergraduate intermediate microeconomics course in the US.)
3. **Advanced International Trade and Finance (Falaris)**; June 2-July 12; 9:00-10:30, Monday, Tuesday, Wednesday, and Thursday; Varna University of Economics; in English only; 25 students
4. **Intermediate International Trade and Finance (Falaris)**; June 2-July 12; 10:45-12:15, Monday, Tuesday, Wednesday, and Thursday; Varna University of Economics; in English only; 9 students
5. **Principles of Microeconomics (Smith)** - July 6-17; 10:30-12:00, Monday-Friday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; 16 students
6. **Principles of Macroeconomics (Smith)** - July 20-August 3; 10:30-12:00, Monday-Friday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; 16 students
7. **Advanced Macroeconomics (Miller)** - July 20-August 28; 9:00-10:30, Monday-Thursday; Varna University of Economics; in English only; 23 students
8. **Money and Banking (Miller)** - August 3-28; 10:45-12:15, Monday-Thursday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; 20 students
9. **Intermediate Macroeconomics (Smith)** - August 4-28; 10:30-12:00, Monday-Friday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; 12 students
10. **Intermediate Industrial Organization (Koford)** - July 20-August 28; 9:00-10:30, Monday-Friday; Varna University of Economics; in English, with consecutive interpretation into Bulgarian; 16 students

11. **Advanced Industrial Organization (Koford)** - July 20-August 28; 10:45-12:15, Monday-Thursday; Varna University of Economics; in English only; 23 students

ECONOMICS COURSE DESCRIPTIONS

1. **Advanced and Intermediate Microeconomics (Black)** - These courses cover numerous topics, including: review of basic economic concepts, supply and demand, choice and demand, market demand and elasticity, general equilibrium and efficiency of markets, production and supply, pricing and output under perfect competition, and pricing and output decisions under monopoly. Nicholson's advanced and intermediate microeconomics textbooks are used respectively.

2. **Advanced and Intermediate International Trade and Finance (Falaris)** - These courses emphasize international trade issues, following the standard equilibrium approach. The major topics covered are theory of international trade, factor mobility, commercial trade policy, the foreign exchange market, and open economy macroeconomics. The textbook is Lindert's International Economics, 9th edition, 1991.

3. **Principles of Microeconomics (Smith)** - This is the standard principles of microeconomics course, covering supply and demand, consumer choice, production cost, the decision of the competitive firm, and monopoly. The Lipsey, Steiner, and Purvis textbook is used.

4. **Principles of Macroeconomics (Smith)** - This is the standard principles of macroeconomics course, covering the operation of the aggregate economy and government macroeconomic policy. Topics covered include national income accounting, equilibrium level of output, the consumption function, fiscal and monetary policy, quantity theory of money, and inflation. The Lipsey, Steiner, and Purvis textbook is used.

5. **Advanced Macroeconomics (Miller)** - This is the first graduate course in macroeconomics. It covers the Riparian approach to modeling and an understanding of the deeper principles, as well as the New Classical and New Keynesian approaches. It uses the IS-LM model as a basis, but also adds rational expectations. The course covers equilibrium output with different forms of expectation, adjustment of the economy to shocks, and government policy with rational expectations. The textbooks used are by McCollum and Scarth. A paper assignment asks students to alter one of the models analyzed in class so that it applies more directly to the Bulgarian economy.

6. **Money and Banking (Miller)** - This course combines the standard, high-level US money and banking textbook by Mishkin, with Professor

Miller's insights into the Bulgarian monetary system. It covers transaction demand for money, principles of a banking system, credit risk, credit crises, and regulation of banking to prevent panic situations.

7. **Intermediate Macroeconomics (Smith)** - This is a standard intermediate macroeconomics course, covering equilibrium level of output according to the IS-LM model, government fiscal and monetary policy, monetary theory, reasons for unemployment, and inflation.

8. **Advanced and Intermediate Industrial Organization (Koford)** - These are applied courses in the nature of industrial competition, mixing economic theory with actual examples from the US and Bulgaria. Covered are competition in markets with small numbers of firms, product differentiation, game theory, optimal strategic pricing moves against a competitor, barriers to entry, advertising, and information. The textbook is Carlton and Paloff's Industrial Organization.

APPENDIX D

ECONOMICS COURSES OFFERED IN SOFIA DURING THE FIFTH QUARTER

SCHEDULE

1. **Money and Banking (Miller)**; September 21-October 21; 2:00-3:30, Monday and Wednesday; Technical University; in English only; about 50 students
2. **Intermediate Microeconomics (Hunt-McCool)**; September 22-December 17; 2:00-3:30, Tuesday and Thursday; Institute of Economics; in English only; about 35 students
3. **Information and Firm Structure (Miller)**; September 21-December 11; 6:15-7:45, Monday and Wednesday; Institute of Economics (Monday) and Technical University (Wednesday); in English only; about 30 students
4. **Labor Economics (Hunt-McCool)**; September 22-December 11; 3:30-5:00, Tuesday and Thursday; Institute of Economics; in English only; about 30 students
5. **Econometrics (Petranov)**; September 22-December 11; 6:15-7:45, Tuesday and Thursday; Institute of Economics; in Bulgarian; about 40 students

ECONOMICS COURSE DESCRIPTIONS

1. **Money and Banking (Miller)** - This course describes different elements of the monetary and financial system, including commercial and central bank activities. Also analyzed are the problems of designing a financial system which takes the savings of individuals and passes this money to business firms for investment purposes. The text is Mishkin's The Economics of Money and Banking. (Note that this course was previously called **Economics of the Monetary and Financial System**.)
2. **Intermediate Microeconomics (Hunt-McCool)** - This is a standard intermediate microeconomics course, but taught at a relatively advanced level. It covers numerous topics, including: review of basic economic concepts, supply and demand, choice and demand, market demand and elasticity, general equilibrium and efficiency of markets, production and supply, pricing and output under perfect competition, and pricing and output decisions under monopoly.
3. **Information and Firm Structure (Miller)** - This course investigates the impact of cost information on the behavior of individuals and markets. Topics include decision-making under risk and uncertainty, insurance, consumer-employer search behavior,

product liability, industrial safety, futures markets, and problems of contract enforcement.

4. **Labor Economics (Hunt-McCool)** - This course covers an analysis and application of economic models relating to such labor market topics as sex and race discrimination, determination of wages and fringe benefits, labor unions, individual and firm investments in education and training, geographical mobility, labor supply (including welfare programs), and professional sports. The topics are applied to real situations in Bulgaria.

5. **Econometrics (Petranov)** - This is an innovative applied econometrics course, which covers the use of statistical methods, especially multiple regression, to quantify economic models, including situations when the assumptions of classical statistics do not hold. Berndt's The Practice of Econometrics is the textbook for the course, and is supplemented by econometric software, including data sets.

APPENDIX E

**ENGLISH LANGUAGE COURSES OFFERED IN VARNA
DURING THE FIFTH QUARTER**

July and August, 1992

(NOTE: Each English language courses met for 18 hours from July 20-August 14 in the Varna University of Economics.)

<u>COURSE</u>	<u>INSTRUCTOR</u>
Business English 1	Krassimira Dimcheva
Business English 2	Krassimira Dimcheva
Business English 3	Spaska Tcherveniyashka
Business English 4	Spaska Tcherveniyashka
Business English 5	Ross Abadzhiev
Economics English	Vanya Ivanova
Customer Service English	Slavcho Kotzev
Customer Service English	Jeanette Miller
Advanced English for Academic Studies	Jeanette Miller

APPENDIX F

ENGLISH LANGUAGE COURSES OFFERED IN SOFIA DURING THE FIFTH QUARTER

September 1992

(Note: Location of classes is: * = Danish-Bulgarian College at Balkancar; ** = Institute of Economics of the Bulgarian Academy of Science. All courses run from September 21-October 30, for a total of 27 hours per course.)

<u>COURSE</u>	<u>INSTRUCTOR</u>
Economics English (High Beginner)*	Spaska Tcherveniyashka
Economics English (Low Intermediate)*	Spaska Tcherveniyashka
Economics English (Intermediate)*	Spaska Tcherveniyashka
Economics English (High Intermediate)**	Baerbel Schumacher
General English*	Keneward Hill
Advanced English for Academic Studies**	Baerbel Schumacher