

REVIEW

on: the dissertation on the topic „Cultural differences and human capital development in transnational companies“,

presented by doctoral student: Martin Atanasov Zafirov, PhD student in self-study, applying for the award of educational and scientific degree „Doctor“ in the professional field 3.7. Administration and management, scientific specialty „Social management“

with supervisor: Assoc. Prof. Dr. Dimitar Panayotov

reviewer: Prof. Dr. Boyan Lyubomirov Durankev, Higher School of Insurance and Finance, professional field 3.8 „Economics“, scientific specialty „Planning“ 05.02.17 and scientific specialty „Marketing“ 05.02.26

Grounds for submitting the review: Order № 3-PK-128 of 24.03.2021 of the Rector of New Bulgarian University for participation in the composition of a scientific jury, as well as a decision of the scientific jury of 31.03.2021, with which I am obliged to submit a review.

I will share that I am partially relieved to write a review by the fact that I was an internal reviewer of the dissertation project, so I am aware of the improvements needed.

In the performance of my duties, I present the following findings and conclusions, essentially trying to follow the recommended opinion structure.

1 Information about the doctoral student

Martin Atanasov Zafirov holds a Bachelor's degree in Quality Management from the Technical University of Sofia (2000–2004). After that he received a master's degree with a specialization in „Software Technologies on the Internet“ at the New Bulgarian University - Sofia (2005-2007).

Fluent in English, Polish, Russian at a high level; he also speaks Italian and French.

He has more than 20 years of experience in various industries and cultures in the Persian Gulf and in Bulgaria, and currently holds the position of Senior Analyst for IT Strategies and Quality at the Abu Dhabi National Oil Company (ADNOC) in Abu Dhabi, United Arab Emirates (UAE), where he is responsible for business-oriented staff development strategies in the IT department. He was previously a regional quality manager at Audi Volkswagen Middle East, based in Dubai, UAE, and a subsidiary of Audi AG Germany of Volkswagen AG.

As a strategic management consultant in the Dubai office of Audi AG Germany, he has worked with general distributors of Audi and Volkswagen in all Gulf countries. His responsibilities consisted of providing excellent after-sales service in the company's dealer network, managing regional divisions, as well as providing improvement in the performance of

human resources in all service centers. He supervised the development of human capital and the operation of the quality management system, conducting trainings in order to increase customer satisfaction and loyalty and achieve opportunities to repeat business with customers.

The Dubai government has trusted him to be an evaluator for the prestigious „Dubai Quality Award (Model EFQM)“. His efforts have been rewarded with the Mohammed Bin Rashid Al Maktoum Business Award of the Dubai Chamber of Commerce and Industry, which is a great recognition for excellent business performance.

In addition to his professional qualification, it should be noted that he holds more than 20 certificates, including: Certificate in Professional Project Management (PMP), Certificate in Business Software Analyzer (CSBA), Certificate in Audit Manager and Certificate in Professional Knowledge in SCRUM, as well as specializations in the USA, Europe, Asia and Australia.

All these facts testify to a solid, authoritative and competent career in modern business, and in a multicultural environment, which has created significant practical and theoretical accumulations, analyzes and generalizations, allowing to boldly and responsibly proceed to write a dissertation in this academic sphere. It is precisely these qualities that have allowed him to present himself convincingly as a doctoral student in self-study in the doctoral program „Administration and Management“, professional field: 3.7 Administration and Management.

2 General characteristic of the dissertation

The title of the dissertation - „Cultural differences and human capital development in multinational companies“ fully corresponds to the content. At the same time, I find this title extremely relevant, original and innovative.

The dissertation has a volume of 325 pages, of which 273 pages are main text. The bibliography contains 164 sources, of which - 164 literary sources (59 in Bulgarian and 98 in a foreign language) and 7 Internet sources.

The structure is composed in a classical way: introduction, three chapters, conclusion, list of cited literature.

The object of study is human capital and the processes of transformation into human capital for multinational companies in the Gulf countries.

The subject of the study is human capital management in transnational companies, changes in approaches, management strategies and policies, taking into account the specifics of existing cultural differences and their impact on human capital development, skills, competencies and leadership.

The aim of the dissertation is to prove the existence and the need to take into account the cultural differences in the human capital of multinational companies and the application of adequate models for its management.

On this basis, both the research tasks and the limitations (frameworks) of the study itself are correctly formulated, and in some cases a comparative analysis is performed between the countries of the Persian Gulf and Bulgaria.

I fully approve of the use of both interdisciplinary analysis and synthesis and a systematic approach as a basis for the study itself. It is through them that it is possible to cover the whole palette of complex relationships in transnational organizations, all equally functioning on the basis of profit, but operating in different cultural environments (political, regulatory, ideological, moral, etc.) in the context of 'real globalization' (in some places strongly deviating from the neoliberal ideology of 'full globalization'). I will emphasize here that the doctoral student did not fall in love with the fashionable socio-economic romanticism of the „harmony of different cultures“ and the same approach to „human capital“ in different countries (and the idealization of this „capital“ sleeps the fact that employees are seen as a cheap resource used to exploit).

It is through the application of a systematic approach that the main hypothesis in the dissertation is formulated: that human capital is the basis for the development of transnational companies, which is why it is necessary to study existing cultural differences and align the process of human capital management with these objectively existing differences. In addition, seven working hypotheses are derived, which specify the main hypothesis.

The structure of the dissertation is built in the classic three parts.

The first chapter is entitled „Human capital in multinational companies - concepts and research relations“. As can be expected, in the beginning the doctoral student differentiated the essence of the terms „human resource“, „human factor“ and „human capital“, and on this basis the dividing line between them was drawn. The evolution of concepts in both theory and management practice is correctly shown. I find a very productive approach, which examines the transition from „human resources“ to „human factors“ for the successful development and functioning of a company's economic system.

In this part, an attempt is made to formulate a definition of human capital, which reads: „Human capital is characterized as an intangible asset for organizations, which is a set of knowledge, skills, experience, training and qualifications of individuals in an organization. It is characterized by the constant and growing need for investment, activities and activities for its resumption, as well as quantitative and qualitative enrichment. In return for the investments

made (financial and time), human capital operates with higher productivity, which also reflects on the welfare (profit) of the organization“. Basically, I accept this definition as relatively accurate, and I will partially comment on it with a question.

It is further demonstrated that the achievement of effective management of the human factor in each company is related to taking into account the specific features of the hired workforce, including by taking into account cultural differences. It is in this context that the issue of effective governance of transnational companies is on the agenda. It is very impressive that the traditional and modern management models, applied and tested in the conditions of cultural differences for multinational companies, are thoroughly examined.

I find this part of the first chapter particularly valuable, in which the cultural differences of human capital (resource) in transnational companies are accurately assessed, including in relation to the differences in national cultures. For me, as a reviewer, this is an additional contribution to the dissertation. It has further addressed the issues of moral leadership and cross-cultural business ethics, „cultural“ intelligence and ethical competence in an original way.

The second chapter is entitled „Theoretical and applied framework of scientific research“. It includes four paragraphs. At the very beginning, a detailed analysis of the already conducted research on human capital management in transnational-type organizations was performed. This research has led to the creation of a specific field of research on the phenomenon of „global leadership“.

In a logical way we come to an overview of the established methods and approaches, which study the process of human capital management through the prism of cross-cultural management within transnational companies. I also find this part of the second chapter to be particularly in-depth, both theoretically and practically. I will not mention the many good analyzes and syntheses that the doctoral student makes here, but I will note that I accept them without remarks. They are also valuable at a high scientific level.

And as expected, the methodology and methods of scientific research are presented at the end of this chapter of the dissertation. I accept the chosen approaches and research methods as precisely formulated and properly structured. What was possible was explored; the questionnaires themselves are selective and in-depth. Some are intended for the management of the companies (63 questions), the others - for the employees (22 questions). The results are accurately processed with SPSS. Not only that, the questionnaires were later garnished with in-depth interviews that shaped the picture of cross-cultural management in multinational corporations in the Persian Gulf.

The third chapter is entitled „Approbation of the research model“ and as a volume is the

most significant (pp. 151-274). But not only the volume is the largest; I would add that the interpretation of the research results illustrates the highest level of academic professionalism, so necessary in complex and innovative academic research. To the good qualities of the dissertation will add the impeccable statistical processing of the data, and the beautiful layout of the graphs and charts, and the scientific language used (including modern terms). Some of the working hypotheses are fully confirmed, others - only partially, a small part remains in doubt¹.

I will add an additional benefit from the dissertation research, namely the results of a comparative analysis of the cultural environment between Bulgaria and the Gulf countries, which proves that there are similarities between the Bulgarian cultural environment and that in the Arab world, but also that there are serious local specifics that affect the business environment, both direct and indirect.

The ten summaries in the form of conclusions presented at the end of the third chapter are also valuable.

The conclusion sets out the main postulates of the dissertation, as well as future scientific research that is possible in this area.

To all the positives I would add the excellent connection between the three parts. They do not stand one after the other, but are connected in a clear logical sequence through the personal attitude of the doctoral student. The language is dynamic, clear and scientific, with the doctoral student using concepts from different sciences. The articulation with the different terms is in most cases correct. Our and foreign scientific literature has been studied in good faith. In terms of quantity and quality, the literature used is completely sufficient.

3 Evaluation of scientific and applied contributions

I synthesize the required contributions up to seven because there is no Chinese wall between theoretical contributions (scientific contributions) and contributions to practice (practical-applied contributions):

1. An in-depth study of the specialized scientific literature has been carried out, assessing and summarizing the theoretical statements related to the specifics of transnational corporations, the evolution of thinking in relation to the relationship: „human resources - human capital“ and various concepts for their

¹ For example, „Corporate culture in Gulf multinational companies allows employees to communicate with senior management in organizations.“ But bottom-up and top-down communication can be seamless, but it can be seamless. in terms of credibility, especially in a corporate culture that is characterized by distance from power.

development and management; The theoretical foundations of cross-cultural differences are also studied, which, with proper reflection and management, become a significant competitive advantage in the functioning of these corporations.

2. Interdisciplinary approaches for analysis, research and definition of the studied phenomena are applied, as the broadest methodology for deriving indicators, components and characteristics of human capital and cultural differences, as well as a substantiated, adequate model for their management and application, included in the theoretical framework of the study.
3. Through an independent evaluation of various methodological and methodological research tools, an adequate information and methodological basis of the research has been selected, as well as its corresponding adapted methodology. An author's methodology and research tools have been developed, combining the quantitative and qualitative methods of the triangulation principle - a combination of different methods (questionnaires 1 and 2, expert interview), but also offering materials, criteria or parameters for evaluation of activities („Cultural Intelligence Map“) - directly ascertaining attitudes, skills available or qualities displayed in circumstances close to the real conditions of the Gulf transnational companies surveyed.
4. A toolkit has been selected and applied, which can play the role of a matrix for cognitive management, in which a process of joint perception and compromise between the three forms of cultural knowledge is carried out: general-specific-cross-cultural technology, giving guidelines for constantly evolving HR function, the „architecture“ of learning, the integrated knowledge and specific skills needed to manage human capital and cultural differences in multinational companies.
5. Recommendations have been developed and proposed for possible management strategies and policies to be used in Gulf multinational corporations in order to overcome some of the proven problems..
6. In addition, comparative cross-cultural analyzes have been carried out, which indicate similarities and differences (based on the study, the author's observation and the findings), and which have not been studied so far, assessing their impact on human capital behavior and development based on current practices used in the surveyed corporations.

7. Specific guidelines for improving human capital management are provided, taking into account the specifics of cultural differences in transnational companies in the studied region. These recommendations are aimed at changing the attitude of companies towards short-term results; strengthening communication in companies; adequate perception of the role of the „manager“; the perception and observance of the unwritten rules.

Through this synthesis of contributions, I allow myself to essentially confirm the contributions sought by the doctoral student.

4 Evaluation of the dissertation publications

The number of publications is more than twice as much as the usual approved one - 7 issues, made in the period 2017-2020. All of them are personal work of the doctoral student, through which he presents and checks different parts of the dissertation research. Two of them are abroad; the others are also publications in authoritative publications or scientific conferences.

5 Evaluation of the abstract

The abstract accurately reflects very accurately all aspects of the dissertation.

6 Critical remarks, recommendations and questions

I do not hide that I am very impressed by the breadth of the theory and practice of intercultural differences and in particular - the development of human capital in transnational companies, and the depth of reasoning, as well as the sophisticated (fine) presentation of their own opinion on various issues.

I have no specific remarks and recommendations that would completely change my positive opinion about the dissertation. In this case, I allow myself to reflect (through questions) on some of the data and facts that could possibly improve future research of the doctoral student:

1. It is written that „human capital is characterized as an intangible asset for organizations, which is a set of knowledge, skills, experience, training and qualifications of individuals in an organization.“ But if indeed human capital is an intangible asset for a particular organization, it is at the same time a financial liability from the point of view of the owner of the capital in the primary distribution of value added (salaries - profits). This is the main reason, I suppose, for domestic and transnational companies to lobby and promote the practice of „profits are ours

and don't touch them, but the costs of education and health care of the workforce to be borne by society.“ Doesn't this mean that profit-based organizations in theory see the workforce as „human capital“, but in practice transfer the costs and investments of human development to society, focusing mainly on the „welfare (profit) of the organization“?

2. The Western paradigm, the Western perspective, Western economies, etc. are mentioned in many places. as elements of „good practice“ (although in some places the non-Western style of cultural interaction is positively assessed). However, whether the West is the model for the socio-economic development of the world?!

I reiterate that these are not questions that I want the defense to answer, but they are worth thinking about in perspective.

Conclusion

The dissertation meets the high requirements for combining theory, practical research and the resulting conclusions. It contains scientific, scientific-applied and applied results, which represent an original contribution and meet the requirements of the Law for development of the academic staff in the Republic of Bulgaria (ZRASRB) and the Regulations for application of ZRASRB in New Bulgarian University. The dissertation shows that the doctoral student Martin Atanasov Zafirov has a high degree of academic knowledge and professional skills, demonstrating qualities and abilities for independent research.

Due to the above, I give my positive assessment of the academic research presented by the above-reviewed dissertation, abstract, results achieved and contributions sought, and I consider that the dissertation is of sufficient quality and useful to obtain an educational and scientific degree „Doctor“. by professional field 3.7. Administration and management, scientific specialty „Social Management“ by Martin Atanasov Zafirov.

The dissertation honors both the doctoral student and the supervisor and the teaching department, as well as the New Bulgarian University as a whole. It will certainly be useful for students, teachers and researchers trained or teaching in the field of social management, as well as the management of national and transnational companies.

I will allow myself to recommend to Mr. Martin Zafirov to continue his academic career.

At the last meeting of the Scientific Jury I will vote uncompromisingly with „Yes“!

April 25, 2021

Reviewer:



(Prof. Dr. Boyan Lyubomirov Durankev)