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A MODEL FOR SELECTION OF A MANAGEMENT TEAM TO ENSURE THE SUSTAINABILITY AND DEVELOPMENT OF THE BUSINESS ORGANIZATIONS

Inna Gryshova¹, Mariana Petrova², Milena Tepavicharova³, Aleksey Diachenko⁴, Tatiana Gutsul⁵

^{1,4} Jiangsu Normal University, 101 Shanghai Rd, Tongshan Qu, Xuzhou Shi, 221100, Jiangsu Sheng, China

² St. Cyril and St. Methodius University of Veliko Tarnovo, 5000 T.Tarnovski 2 Street, Veliko Tarnovo, Bulgaria

³ Higher School of Security and Economics, 13 Kuklensko Shose Blvd., 4004 Plovdiv, Bulgaria

⁵ National University of Life and Environmental Sciences of Ukraine, Ukraine

E-mails: ¹16020180146@jsnu.edu.cn, ²m.petrova@ts.uni-vt.bg, ³m.ivanova_zlatanova@abv.bg

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Abstract. The managers, through their professional qualifications, personal qualities, norms of behavior and acquired experience, ensure the achievement of the targets and strategies set in the economic organizations. In this respect, the guarantee of their sustainability and development is only possible through building an effective system of selection of the management staff. In the context of the systematic approach, it is of paramount importance to develop a model for selecting a management team to ensure the sustainability and development of the businesses. The justification of the factors, as well as their action and interaction to achieve the sustainability and development of the economic organizations, is of high value for the implementation of a system for selection, training and professional development of the management team. In this regard, the research on organizations which have achieved positive financial and economic results can help to clarify the strength of the interrelation between the varying factors in the selection of a management team. The purpose of the actual article is to explore and model the main factors for selecting a management team, which have a direct or indirect impact on the sustainability and development of the business organizations in Bulgaria.

Keywords: Management team, sustainability, development, economic organization, Bulgaria

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1. Introduction

The creation of a skilled management team is essential to achieving the goals of the business organizations. It is the basic platform in building the general administration of the companies.

The scientific achievements, which explore the place and role of the management factor in the economic organizations, show significant results in the comprehension and structuring of this subject (Petrova et al., 2018); (Dyachenko et al., 2018); (Koval et al., 2018); (Zahars & Stivrenieks, 2018); (Tumalavičius et al., 2017); (Bogomolov et al., 2018). The recognition of the management team as a valuable asset and, accordingly, the holder of a competitive advantage for each business organization, is the mainstay of these scientific achievements. The managers, through their professional qualifications, personal qualities, norms of behavior and experience, ensure the achievement of the goals and strategies.

An important feature is also stimulation of the organization's innovativeness (Pukala, 2016). Domestic and foreign researchers (Labunska et al., 2017); (Dyachenko et al., 2018); (Odinokova et al., 2018); (Sushchenko & Trunina, 2016); (Mentel et al., 2016); (Uteubayev, 2015) noted that in the innovation economy, the efficiency evaluation based on multiple criteria is a more complicated option, but on the other hand, this evaluation gives more insight into the real state. In this sense, the guarantee of the sustainability and development of the business organizations is only possible by building an effective system of selection of the management personnel. In the context of the systematic approach, it is of paramount importance to develop a model for selecting a management team to ensure the sustainability and development of the business organizations.

Also modern managers should take into account trends in objective processes of the XXI century, for example, digitalization, open innovation etc. According these trends “companies should not only be for the sake of personal gain, but also the common good of development, respect the inventions of their competitors and raise the level of innovation culture of their employees” (Strizhkova, 2019). In such conditions huge role have managers with their skills and other factors that give the ability to see the trends of modern times and adjust their companies to new changing conditions like the world top-companies (IBM, Tesla Motors, Apple and other).

Currently, the selection and development of the management staff can be seen as a complex system of interrelationships and dependencies among various factors. They have a direct or indirect impact on the sustainability and development of the companies. The development of models of the factors for selection of the management team allows for the realization and application in practice of multiple approaches and mechanisms. The justification of the factors, as well as their action and interaction for the achievement of sustainability and development of the business organizations, is of highest importance for the development of a system for selection, training and professional development of the management team. In this regard, the study of organizations, which have achieved good financial and economic results, can help to clarify the strength of the interrelation between the different factors in the selection of a management team.

The purpose of the actual article is to explore and model the main factors for selecting a management team which have a direct or indirect impact on the sustainability and development of the business organizations in Bulgaria.

To achieve this goal, the following tasks are developed and solved:

- Presentation of the basic requirements for selecting a management team in the context of their nature, economic content, composition, structure and significance in the conditions of an increasing competition and dynamically developing socio-economic environment;
- Revealing of the specifics for selecting a management team and developing a system of factors for their assessment in different in size, status and legal structure businesses;

- Analysis and evaluation of the current socio-economic conditions for revealing the tendencies for selection and development of the managerial staff, by developing a statistical and mathematical model of the main factors which are particularly important for achieving the sustainability and development of the economic organizations.

The article is structured into two main sections. The first includes an analysis of the factors for selection of a management team, by exploring their interrelations and attitudes towards sustainability and development. The second section presents a model of the factors which are particularly important for the achievement of the sustainability and development of the companies.

2. Material and method

The effectiveness of its management plays an important role for the proper functioning of each economic organization, which directly affects its final economic results. Those provide information on the overall outcome of the skillful management work and the effective use of the human resources. In this regard, the realization of profit is considered to be and in fact is a basic value indicator, expressing the degree of efficiency of the management in the economic organizations.

The research on and analysis of the management teams in the companies which made profit, can reveal the real opportunities for sustainability and development of the businesses. In this sense, the profit is considered as a function of properly taken managerial decisions regarding the administration of the production process and the realization of the production. This is the reason why, in the present study, the profit is considered as the main indicator which takes into account the efficiency of management, ensuring the sustainability and development of the economic organizations. Another important element that should be taken into account, is to ensure its long-term stable development and building innovation (Pukala et al., 2018; Kuzmin et al. 2019).

To investigate the factors for the selection of management teams, 97 different in size and sector of activity companies in Bulgaria were researched. (Fig.1). Selection of these organizations is based on their high economic performance, i.e. realized profit for the period under review. The characteristic features and the conditions under which the production activities of these economic organizations are carried out provide an objective picture of the state and opportunities for the development of the managers in the different economic sectors of the country. The recording of their characteristics is a key point in developing a model for selecting a management team to ensure sustainability and development of the business organizations.

By economic sectors	<ul style="list-style-type: none"> • Industrial sector - 28 • Services sector - 36 • Agricultural sector - 33
By territory	<ul style="list-style-type: none"> • Plovdiv Region - 37 • Stara Zagora Region - 23 • Pazardzhik Region - 12 • Haskovo Region - 11 • Kardzhali Region - 8 • Smolyan Region - 6
By size	<ul style="list-style-type: none"> • Up to 50 people hired labor - 40 • Up to 150 people hired labor - 38 • Up to 500 people hired labor - 11 • Above 500 people hired labor - 8
According to their legal-organizational form	<ul style="list-style-type: none"> • Sole Traders (ST) - 30 • Sole Proprietors Limited Liability Companies (Ltd) - 33 • Limited Liability Companies (LLC) - 34

Fig.1. Classification of the target companies according to various criteria

Source: developed by the authors

The action and interaction of the key management selection factors influencing the sustainability and development of the business organizations is explored using Pearson's correlation analysis. It allows for calculation and analyses of the correlation coefficients of the following factors:

- Number, structure and professional experience of the employees - revealing the age and gender structure, as well as the work experience of the managerial staff;
- Educational and professional-qualification profile - examines the level of education and qualification of the managers in the economic organizations;
- Employee efficiency - revealing the labor productivity and its impact on the positive economic performance;
- Remuneration and material incentives of labor - representing the level of basic and additional remuneration, in compliance with the Labor Code and the internal regulations in the represented business organizations.

The factors studied are tailored to the specific features of the management staff (Tables 1). Under management staff, we consider all managers from different levels of administration who have the power to take and implement management decisions without them necessarily being coordinated with managers from other levels.

To achieve a greater depth of the research, the business organizations are also considered by types of their legal form in Bulgaria. The first group includes business organizations - Sole Traders (ST). These are predominantly small-sized organizations where the bulk of the production is aimed at the local markets. In the second and third groups are the capital companies. These include Sole Proprietors Limited Liability Companies (Ltd.) and Limited Liability Companies (LLC). In these businesses, the key factors for achieving positive economic performance are the vocational education, the qualifications and the experience in the specific sphere.

In order to build the model of the main factors influencing the efficiency in the selection of the management team, the technique of the Path-coefficient analysis is applied. This method combines the possibilities of the correlation, regression and structural analysis, which makes it one of the most appropriate methods of studying

interconnections. The Path analysis examines not only the direct but also the indirect links between the factors for selection of the management staff and the achievement of sustainability and development of the economic organizations. In this way, the factors having the most impact are evaluated, and the ones with insignificant influence are eliminated.

Table 1. Factors for selection of managerial teams

Factors for Selection of Managerial Teams			
Number, structure and professional experience of the employed	Educational and professional-qualification profile	Employee efficiency	Remuneration and material incentives
<p>1. <i>Number of total employees in the company;</i> a/ incl. management staff; 2. <i>Age structure of the management personnel</i> a/ from 15 to 35 years; b/ 36 to 55 years; c/ over 56 years. 3. <i>Gender</i> a/ Men; b/ Women. 4. <i>Work experience</i> a/ up to 15 years; b/ from 16 to 35 years; c/ over 36 years.</p>	<p>1. <i>Education</i> a/ secondary general educational level; b/ secondary special education; c/ Higher Education - BA degree; d/ Higher Education - MA degree. 2. <i>Work experience in the specialty</i> a/ up to 15 years; b/ from 16 to 35 years; c/ over 36 years. 3. <i>Specializations</i> a/ in the country; b/ abroad. 4. <i>Learning and use of foreign languages</i> a/ English; b/ French; c/ German; d/ Russian; e/ other languages.</p>	<p>1. <i>Produced output/ BGN;</i> 2. <i>Produced output per one employee/ BGN;</i> 3. <i>Produced output per one person-day/ BGN;</i> 4. <i>Produced output per person-day of the management staff/ BGN.</i></p>	<p>1. <i>Basic payment and social security contributions</i> 2. <i>Social payments</i> 3. <i>Additional incentives</i></p>

Source: developed by the authors

The survey covers the period between 2016 and 2018. The data and information are collected through direct contacts, completing special reports, tables, company documentation, etc. developed for the purpose of the analysis. For the data processing and analysis the statistical package SPSS 13.0 and Microsoft Office (Word, Excel, Power Point) are implemented.

3. Results and discussion

3.1. Study on the impact of the factors for selection of management teams

The significant structural changes in the business organizations in Bulgaria over the past two decades have led to updated requirements for the managers' knowledge and skills. The improving, restoring and acquiring new knowledge and skills require time and resources. Their adequacy imposes a systematic study of the needs of the businesses and the corresponding level of education.

3.1.1. Influence of the factors Number, structure and professional experience of the management staff

The analysis of the factors Number, structure and professional experience of the management staff examines the strength of the relationship between the number of managers in the surveyed organizations, the age and gender structure and length of service of the management staff, and the economic situation as a guarantee for achieving sustainability and development of the business organizations in Bulgaria (Table 2.)

The study shows that the total number of people employed is a factor that has a strong impact on the sustainability and development of the organizations surveyed. The strongest impact of this factor is in the group of Ltd., where a very high correlation coefficient of 0.949 is recorded at $\alpha=0.01$. Of particular importance for achieving sustainability and development is the optimal number of the management staff. The proven correlation interdependence is observed in all types of economic organizations, the most significant being the influence of the factor again in the group of Ltd. – $R=0.933$ at $\alpha=0.01$. The data presented are a proof of the positive correlation between the number of managers employed in the business organizations and the realization of profit, providing sustainability and development in them. This leads us to the conclusion that the periodic balancing of the necessary and available workforce will help to optimize the number of management and subordinate staff, which will positively affect the sustainability and development of the business organizations.

Table 2. Influence of the factors Number, structure and professional experience of management staff

Factors	Correlation coefficient	Total	ST	Ltd.	LLC
1. Number of all employed in the organization		0,897**	0,786**	0,949**	0,628*
a/ incl. management staff		0,863**	0,884**	0,933**	0,824**
2. Age groups					
a/ from 15 to 35		0,639**	0,016	0,823**	0,597*
b/ from 36 to 55 yrs;		0,682**	0,933**	0,554*	0,331
c/ over 56.		0,387	0,362	0,211	0,328
3. Gender					
a/ Men;		0,527*	0,234	0,493*	0,316
b/ Women.		0,493*	0,184	0,511*	0,108
4. Work experience					
a/ to 15 yrs.		0,776**	0,096	0,873**	0,638**
b/ from 16 to 35 yrs		0,511*	0,889**	0,458*	0,504*
c/ 36 and over		0,364	0,204	0,339	0,386
Organizations Studied, %		100	37	27	36

Source: Author's data, Note:* The correlation is proven at 0.05 levels; ** The correlation is proven at 0.01 levels

For the optimization of the number of the management personnel, carriers of the greatest potential for sustainability and development of the business organizations in Bulgaria are the managers under 35 and those of 36-55 years of age. In these age groups high correlation coefficients are reported $R=0.639$ for $\alpha=0.01$ for the managers from the first age group and $R=0.682$ for $\alpha=0.01$ for those of the second age group/. The analysis of the types of organizations according to their legal structure shows a statistically proven high interdependence between the number of managers up to 35 years and the achievement of sustainable development. The significance of the age group of up to 35 years is statistically proven in the capital companies Ltd. $R=0.823$ at $\alpha=0.01$ / and LLC $R=0.597$ at $\alpha=0.05$ /. In ST, the sustainability and development of the economic organizations is mainly influenced by the managers between the age of 36 and 55 $R=0.933$ at $\alpha=0.01$ /. Average correlation coefficients are observed among managers over the age of 56. This indicates that in the surveyed of the business organizations, the competencies and skills of the young professionals are of particular importance for their economic viability and sustainable development.

Regarding the gender structure of the managerial staff in the surveyed organizations, a positive correlation is observed for both men $R=0.527$ for $\alpha=0.05$ / and women $R=0.493$ for $\alpha=0.05$ /. The results are similar in the types of business organizations surveyed according to their legal structure. It is indicative that the gender of the managers has an equal effect on the sustainability and development of the studied business organizations.

An important factor, taking into account the degree of experience, is the length of service. Its impact is very strong for managers with experience of up to 15 years with a correlation coefficient of 0.776, statistically proven at $\alpha=0.01$. Managers with work experience from 16 to 35 years also have a strong direct proportional relationship with the results achieved and the development of the organizations - $R=0,511$ at $\alpha=0,05$. The impact of this group of managers on the sustainability of the business organizations is very high at $ST /R=0.889$ at $\alpha=0.01/$. In the case of the capital companies, the main potential for achieving good economic results is the managers with work experience of up to 15 years. This indicates that the quality of the management decisions is not always directly related to the acquired work experience. The flexible administration, innovative thinking and application of new technologies is a must for good production and economic results, ensuring sustainability and development of the companies. In most cases, these managers are young individuals with not too long professional experience.

3.1.2. Influence of the factors Educational and professional qualification profile of the management personnel

The factors included in the educational and professional profiles of the managers focus on the acquired level of education, the improvement of the professional experience and qualification, as well as the opportunities for training and self-education of the management staff in the researched economic organizations in Bulgaria. The analysis of the impact of these factors on the sustainability and development of the companies will help to build a strategy for the subsequent selection, training and development of the management teams in them.

The study of the Education factor shows that managers with higher education of Master's and Bachelor's degrees have a major impact on the sustainability and development of the studied economic organizations. (Table 3).

Table 3. Influence of the factors Educational and professional qualification profile of the management staff

Factors \ Correlation coefficient	Total	ST	Ltd.	LLC
<i>1. Education</i>				
a/ secondary general;	-0,513*	-0,174	-0,611*	-0,316
b/secondary specialized;	0,170	0,003	0,204	0,011
c/ higher BA;	0,527*	0,291	0,836**	0,823
d/ higher MA.	0,711**	0,494*	0,918**	0,933**
<i>2. Work experience on the speciality</i>				
a/ to 15 yrs.;	0,626*	0,428*	0,734**	0,709**
b/ from 16 to 35 yrs;	0,643*	0,837**	0,563*	0,601*
c/ 36 and over.	0,444	0,681**	0,463*	0,033
<i>3. Specializations</i>				
a/ in the country;	0,402*	0,598**	0,584*	0,961**
b/ abroad.	0,658**	0,196	0,631**	0,994**
<i>4. Learning and use of foreign languages</i>				
a/ English;	0,564*	0,577*	0,626**	0,798**
b/ French;	0,031	0,000 nd	0,016	0,139
c/ German;	0,193	0,108	0,206	0,166
d/ Russian;	0,301	0,169	0,423*	0,018
e/ other languages.	0,462*	0,296	0,186	0,557*
<i>Organizations Studied, %</i>	<i>100</i>	<i>37</i>	<i>27</i>	<i>36</i>
Source: Author's data. Note:* the correlation is proven at 0.05 levels; ** the correlation is proven at 0.01 levels; nd – There is no data on the surveyed companies				

Their significance is evidenced by high correlation coefficients, respectively, in Master's degree with $R=0.711$ at $\alpha=0.01$ and at Bachelor degree with $R=0.527$ at $\alpha=0.05$. This shows that the high level of education of the

managers is a must for achieving the sustainability and development of the business organizations. The significance of this level of education is also confirmed by the types of organizations, with a stronger relationship with the capital companies - LLC with $R=0.933$ at $\alpha=0.01$ and Ltd. with $R=0.918$ at $\alpha=0.01$.

The professional experience is a factor which takes into account the acquired professional knowledge and skills as well as the possibility of their full application in practice. The present study shows that the most significant impact on the positive economic results is provided by the Work experience on the specialty factor of the managers from the age of 16 to the age of 35. They have a high coefficient of correlation - 0.643 statistically proven at $\alpha=0.05$. The significance of this group of managers is observed in the capital companies, respectively /in the group of Ltd. with $R=0.563$ at $\alpha=0.05$ and in the group of LLC with $R=0.601$ at $\alpha=0.05$ /, as well as in ST /0.837 at $\alpha=0.01$ /. The correlation of managers with internship in the specialty of up to 15 years and the achievement of sustainability and development in the studied economic organizations / $R=0.626$ at $\alpha=0.05$ / is also statistically proven. This group of managers has a particularly strong influence on the development of the capital companies in Bulgaria. The results obtained once again confirm that professional experience is a significant factor only when combined with innovative thinking and application of new techniques and technologies in the production.

The professional-qualification profile of the management staff also examines the impact of additional training and career development for managers (Nenkov et al., 2017), (Uteubayev et al., 2018). In this sense, specializations at home and abroad are a powerful tool for professional growth and development of potential. The application of the acquired knowledge in practice has a strong impact on the achievement of sustainability and development in the business organizations. In the survey, there is a strong correlation between the realized profit and the knowledge of the managers gained from specializations in the country / $R=0.402$ at $\alpha=0.05$ / and abroad / $R=0.658$ at $\alpha=0.01$ /. The significance of these factors for achieving sustainability and development of the studied companies is proven in the three types of economic organizations according to their legal structure.

Of particular importance for more effective communication between professionals at international level is the promotion of good foreign language skills. In this sense, the present study shows a strong interdependence between managers' knowledge and capabilities of using foreign languages and the achievement of sustainability and development of the business organizations in Bulgaria. Of particular importance is the free use and communication in English / $R=0.564$ at $\alpha=0.05$ / and other languages / $R=0.462$ at $\alpha=0.05$ /. Similar results are also observed in the types of economic organizations, according to their legal structure. This is proof that training and the use of foreign languages is of particular value for the achievement of the sustainability and development of the companies. This knowledge enables easy access to international scientific achievements, knowledge enhancement and professional development of the managers. The adoption and application of current techniques and technologies in production leads to the sustainability of the positive economic performance in the business organizations.

3.1.3. Impact of the Factors on Employee Efficiency

The survey on the factors demonstrating the effectiveness of use of the management staff covers the results achieved in labor productivity. (Table 4). We analyzed the level of production/ BGN per one employed person and one person-day in BGN, as well as the productivity of the managerial staff in their interaction with the economic results for the achievement of the sustainability and development of the business organizations in Bulgaria.

The current analysis reveals a statistically proven strong correlation between the factors in this group and the realized profit for the survey period. For the most part, the results obtained show a significant positive correlation

between the effectiveness of use of the employed and the economic performance as a guarantee for the sustainability and development of the businesses.

Regarding the types of organizations according to their legal form, there is a very strong correlation $R = 0.936$ at $\alpha = 0.01$ / of the factor Produced output per person-day by the management personnel/ BGN and the realization of profit.

Table 4. Influence of the factors Effectiveness of use of the management personnel

Factors	Correlation coefficient	Total	ST	Ltd.	LLC
1. Produced output/ BGN;		0,683**	0,238	0,814**	0,633**
2. Produced output per one employee/ BGN;		0,366	0,495*	0,331	0,217
3. Produced output per one person-day/ BGN;		0,468*	0,232	0,587*	0,365
4. Produced output per person-day of the management staff/ BGN.		0,724**	0,936**	0,663**	0,654**
Organizations Studied, %		100	37	27	36
Source: Author's data, Note:* the correlation is proven at 0.05 levels; ** the correlation is proven at levels of 0.01					

In the case of the capital companies, there is a strong impact of the factors Produced output/BGN and Produced output per person-day by the management personnel/BGN. The survey data proves that the performance of the management staff plays a key role in achieving sustainability and development of the business organizations.

3.1.4. Influence of the factors: remuneration and material incentives of the management staff

The adequate pay levels and additional material incentives are key factors in retaining skilled professionals and in developing economically viable business organizations. This necessitated the study of the impact of the basic remuneration, the social additional payments and any further stimulation on the achievement of the sustainability and development of the companies in Bulgaria (Table 5).

Table 5. Influence of the factors Remuneration and material incentives of the management personnel

Factors	Correlation coefficient	Total	ST	Ltd.	LLC
1. Basic payment and social security contributions		0,763**	0,908**	0,664**	0,536*
2. Social payments		0,168	0,223	0,069	0,117
3. Additional incentives		0,478*	0,346	0,533*	0,826**
Organizations Studied, %		100	37	27	36
Source: Author's data, Note:* the correlation is proven at 0.05 levels; ** the correlation is proven at levels of 0.01					

With regard to management staff, the data reveal a strong interdependence between basic pay and the level of sustainability in the businesses surveyed. A statistically proven high correlation coefficient of 0.763 is reported at $\alpha = 0.01$. This shows the close relationship between the economic interests of workers in the economic organizations and the performance of their activities. Good remuneration stimulates the managers to summon their mental and physical potential to achieve higher economic performance, ensuring sustainability and development of the business organizations. In this sense, the additional stimulation appears as a reward for the activity shown. Proof of this is the high correlation coefficient obtained $R = 0.478$ at $\alpha = 0.05$ /, showing the strong correlation between the additional material incentives of the management staff and the economic status of the organizations.

Regarding social co-payments, the study shows a low impact of this factor on the economic performance of the surveyed organizations. This low impact mainly applies to capital companies.

3.2. Modeling of the factors for selection of a management team, which directly or indirectly influence the sustainability and development of the business organizations

In order to study the impact of both the direct and the indirect correlations of the factors for selection of the management team, ensuring the sustainability and development of the economic organizations in Bulgaria, the Path-analysis method is applied. This method evaluates only those factors which have the most impact and the weak ones are eliminated. The results obtained from the Path analysis of the management personnel of the surveyed economic organizations are shown in Table 6.

Table 6. Direct and indirect effect of the factors for selection of the management team, which are particularly important for achieving the sustainability and development of the companies

Factors	Path-coefficient	Direct impact	Indirect impact
1. Total number of employed		1,033	-0,136
2. Total number of managers		0,655	0,208
3. Managers aged 15 to 35		-0,124	0,763
4. Managers aged 36 to 55		0,495	0,187
5. Work experience to 15 years		-0,340	0,966
6. Work experience from 16 to 35 years		0,505	0,138
7. Higher education - MA		0,472	0,239
8. Higher education - BA		0,844	-0,317
9. Specialized at home		0,633	-0,231
10. Specialized abroad		0,481	0,177
11. Proficiency in English		0,243	0,321
12. Output		-0,329	1,012
13. Output for one person-day		0,829	-0,361
14. Output per one person-day of the managers		0,677	0,047
15. Basic pay and social security		0,390	0,373
16. Additional incentives		0,789	-0,311

Source: Author's calculations

The data in the table show that some of the factors have a positive direct and indirect impact on the sustainability and development of the organizations. Such factors are assessed as highly positive. These are the factors related to the total number of managers in organizations aged 36 to 55, with professional experience of over 16 years, holders of Master's degree, fluent in English and specialized abroad. The factors related to the basic remuneration and the productivity of the managers' work are also very positive.

The factors related to the total number of persons employed in the business organizations as well as the managers with a Bachelor degree, specialized in the country, have a direct positive effect on the sustainable development of the studied organizations in Bulgaria. Factors linked to the labor productivity per person-day and the further stimulation of managers are also directly positive. However, the indirect impact of this group of factors on ensuring sustainability and development of the companies is negative. The third group of factors to which pertain the produced output/ BGN as well as the managers aged 15 to 35 years, with work experience of up to 15 years, have a direct negative impact on the achievement of sustainability and development in the studied organizations. By contrast, the indirect influence of these factors is highly positive. The indirect impact is higher than the direct one and the final impact of these factors is also positive.

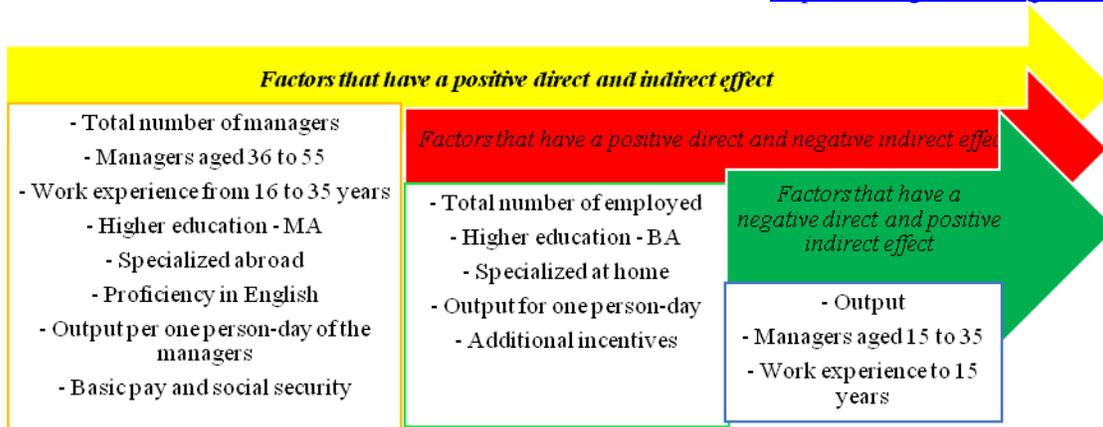


Fig. 2. Model of the factors for selecting a management team in the economic organizations

Source: Author's own study

A model of the main factors, which have a direct and indirect impact on the selection of a management team ensuring the sustainability and development of the economic organizations is presented in Figure 2.

The modeling of factors for the selection a management team, as well as their effect and interaction for the achievement of sustainability and development of the business organizations, is of paramount importance for the development of a system of selection, training and professional development. The construction of the system is an important prerequisite for increasing the efficiency of the management leading to the achievement of the sustainability and development of the businesses in Bulgaria.

The implementation of the system demonstrates the effectiveness of the practical application of the main activities for selection of a management team as well as their effect and interaction in achieving the sustainability and development of the business organizations. It ensures the observance of the causal relationships between the different components of the system, which contributes to their harmonious interaction. Their implementation has helped to improve communication and relationships among all those working in the business organizations. By increasing the motivation of the human resources is reached a better performance of the labor tasks. The achieved result of the activities performed is in fact the implementation of a regulated and effectively functioning system for selection, training and professional development of the management team guaranteeing the sustainability and development of the business organizations.

Conclusions

In today's conditions, where knowledge, skills and competencies become the mainstay of the business organizations' development, the role of an efficient management team is ever growing. Not only formal education, but also its quality and its adequacy to the current and future needs of the economy, are of paramount importance. That is why creating a good management team is a complex system of interrelationships and dependencies among a number of factors. They have a direct or indirect impact on the results of the production activity in the companies. The current study and the analysis of the factors for selecting a management team ensuring the sustainability and development of the economic organizations in Bulgaria leads to the following conclusions:

- The number of employees in the business organizations is a factor which has a strong impact on the sustainability and development of the business organizations in Bulgaria. Of particular importance for the positive economic performance is the optimal number of the management personnel, so it is important to periodically adjust the balance of the required and available workforce.
- Holders of the greater potential for sustainability in the businesses in Bulgaria are the management staff of up to the age of 55. The competencies, skills and knowledge of the young managers are the better prospect for economic vitality and development of the business organizations.
- The high educational and professional qualification degree of the management staff is a necessary condition for increasing the production and economic results and achieving the sustainable development of the business organizations in Bulgaria. Professional experience is a significant factor only when combined with innovative thinking and application of new techniques and technologies in production. Specializations in the country and/ or abroad are factors which have a positive impact on the professional development of the managers. They also help to better learn foreign languages and make communication more effective among professionals. This knowledge allows for easy access to international scientific achievements, ensuring a constant updating of the knowledge and professional development of the managers. The adoption and application of latest techniques and technologies in production leads to positive economic performance in the business organizations.
- Good remuneration levels and additional ways of material incentives are key factors for retaining skilled professionals and developing economically viable business organizations. This factor is particularly important during an economic crisis when the material incentive prevails and overrides the other motivating incentives.

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Inna GRYSHOVA is the Doctor of Economic Sciences, professor. She is a Visiting Professor at the Jiangsu Normal University, Jiangsu Sheng, China. In addition, she works at the Institute of Legislation of the Verkhovna Rada of Ukraine. She is an author of numerous paper and reports in the journals indexed in Web of Science. Research interests: international migration; social policy; sustainability; legal studies.

<http://orcid.org/0000-0001-6276-7619>

Mariana PETROVA, Professor, D.Sc in Physics and Mathematics, Assoc.Prof. St. Cyril and St. Methodius University of Veliko Tarnovo, Bulgaria; Professor Economics and Management in Department of Management, ISMA University, Riga, Latvia. Research interests: management of IT processes, project and services, business administration, modern information systems and innovations.

ORCID ID: <https://orcid.org/0000-0003-1531-4312>



Milena TEPAVISHAROVA, Professor of Business Enterprise and Innovation, Ph.D, Dean Faculty of Economics and Management, Higher School of Security and Economics, Plovdiv, Bulgaria

Research interests: entrepreneurship and regional development; innovation and small firms; small firm internationalization; sustainability.

ORCID ID: <https://orcid.org/0000-0003-3759-5426>

Aleksey Petrovich DIACHENKO, doctor of Economics, associate Professor

Jiangsu Normal University, 101 Shanghai Rd, Tongshan Qu, Xuzhou Shi, 221100, Jiangsu Sheng, China

ORCID ID: <http://orcid.org/0000-0001-9670-2266>

Tatiana GUTSUL PhD, as prof. National University of Life and Environmental Sciences of Ukraine, Kiev, 15 Heroiv Oborony Street, 03041

ORCID ID: <http://orcid.org/0000-0002-1826-240X>

Register for an ORCID ID:

<https://orcid.org/register>

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