

**PRIVATE LANGUAGE SCHOOLS IN BLAGOEVGRAD - LEGAL AND SOCIAL
DIMENSIONS**

Petar Parvanov

SWU "Neofit Rilski" - Blagoevgrad, Republic of Bulgaria petarparvanov@gmail.com

Boryana Dimitrova

SWU "Neofit Rilski" - Blagoevgrad, Republic of Bulgaria b_dimi@swu.bg

Abstract: Language competence is of paramount importance for the social inclusion and successful professional realization of the modern man, especially now - in times of globalization and migration. The foreign language gives the learner a variety of opportunities - access to post-secondary education in this language, starting work or preserving an existing job, career development, including mobility in another organization, industry or country, receiving a pay raise, leading to a higher standard of living, etc.

Employers of foreign-language-speaking-employees can boast of a higher competitiveness of their organizations; increased opportunities for the particular business to participate in European and other projects and to undertake work processes abroad and so on, which is a prerequisite for an increase of the financial result of the organization's activity.

The society in which people have a higher linguistic competence solves better its social and economic problems: unemployment is declining, integration is improving, the gross product and quality of life are rising, and so on.

Foreign language learning is a lengthy process and usually the years spent in public school and university are not enough. That's why a nice niche - that of language schools offering courses in English, French, German and other languages to people of different ages and with different needs, is being differentiated in the service market. It is of interest to review the legal and social dimensions of these educational entrepreneurs and their place in the social economy. This article summarizes the results of a conducted-in-early-May-2017 survey of the organizations in Blagoevgrad, Bulgaria, offering language training under the *I Can More* Programme.

Keywords: Educational entrepreneur, legal, social, economy.

1. INTRODUCTION

Foreign language communication is one of the eight key competences, defined at European level alongside mother tongue communication, mathematical competence and basic knowledge of natural science and technology, digital competences (ICT), learning skills, social and civic competences, initiative and entrepreneurial skills, and, last but not least, cultural and creative competences. These competences represent a combination of knowledge, skills and attitudes. They are crucial in the context of each individual's personal realization and development, active participation in civil society, social inclusion and employability¹.

Learning a language, other than the mother tongue, requires a long-standing effort on the part of the student. Very often, for various reasons, one cannot do this at school and university and has to attend additional classes offered by private teachers, schools and other organizations. Especially in the smaller and economically weaker countries, the importance of good command of a key foreign language such as English is enormous. Many parents urge their children to master the languages of Shakespeare, Hugo, Schiller, Cervantes, Tolstoy and others, thinking about their future professional realization abroad or at least at a foreign company in their own country. Awareness of this need is also one of the reasons for the establishment of companies, associations and other organizations, offering the foreign-language-training service on a market principle. The interest in this market niche has increased with the launch of the *I Can* Programme and its continuation *I Can More* Programme, part of *Human Resources Development* Operational Programme.

¹ Recommendation of the European Parliament and of the Council of 18 December 2007 on key competences for lifelong learning. (2006/962/EO). OB L 394/10, (30.12.2006)

2. LEGAL AND SOCIAL DIMENSIONS OF THE EDUCATIONAL ENTREPRENEUR AND THE SOCIAL ECONOMY IN BULGARIA

An entrepreneur is a person who organizes, manages and assumes the risks of doing business, as defined by Merriam-Webster ^{dictionary}². The entrepreneur in the field of education is one who offers education and training services to individuals for a fee, and in this sense the owners of private language schools are educational entrepreneurs. The link between educational entrepreneurs and the social economy can be derived from the very definition of the latter by Roberto di Meglio: "A concept encompassing businesses and organizations, in particular: cooperatives, mutual societies, associations, foundations and social enterprises, which produce and offer goods, services and knowledge while pursuing economic and social goals and promoting solidarity"³. Therefore the offering-knowledge educational entrepreneurs, who in addition to their strive for profit also aim to support the society through various social initiatives, are a key element of the social economy.

The social economy connects informal with formal economics, unifies communities and smooths economic and social problems. It is no coincidence that in recent years, the importance of this type of economy at regional, state and European scale is growing, as evidenced by the inclusion of the social economy in the Europe 2020 Strategy for Europe 2020⁴, as well as the National Concept for the Development of the Social Economy in Bulgaria⁵. Even more important is the development of the social economy in conditions of limited resources and crises in society. It helps to overcome crises, creating opportunities for accelerated economic development by engaging different layers of society in the economy. The social economy helps: (1) to overcome social exclusion; (2) the rehabilitation of persons with special needs; (3) the process of finding ways to reform traditional businesses; (4) to reform state social services; (5) to reduce the burden on local budgets when solving social problems, and so on.⁶

In the Republic of Bulgaria, although there are initiatives to promote the development of the social economy, there is no specific regulation for its development. For this reason, it is subject to the regulation of the general legislation of economic activity⁷ and above all - The Commerce Act (CA)⁸, The Non-Profit Legal Entities Act (NPLC)⁹ and the Cooperatives Act (CC)¹⁰.

Art. 1 of the CA regulates which persons are traders and can carry out commercial activity. In Part Two of the Commerce Act, the types of traders are regulated. They are a sole trader (ET in Bulgarian), state and municipal enterprises, whose activity is regulated by a special normative act and commercial companies. The types of companies are: collective company (SD in Bulgarian), limited partnership (KD in Bulgarian), limited liability company (OOD in Bulgarian), joint stock company (AD in Bulgarian) and limited partnership with shares (KDA in Bulgarian). As the most suitable enterprises for the development of activities related to the social economy and concerning the sphere of education can be mentioned the SD, KD and OOD. Of course, the entire conditionality of the allocation of responsibilities and duties on the activity must be taken into account, as members of the SD are unlimitedly responsible and KD members have different types of responsibilities. For this reason, it can be assumed that the most appropriate option for developing such a type of activity is OOD, as the need for capital is not large and the amount of liability is limited to its size. We exclude AD and KAA from the commercial companies that are suited to this activity because of the huge amount of capital that must be gathered.

Art. 1 of the CC regulates the cooperative as an association of natural persons with the purpose of mutual assistance, when carrying out a certain activity and it determines the cooperative as a legal person. Cooperatives are a typical example of socio-economic societies, but to the extent that they are aimed at mutual assistance, they should

² <https://www.merriam-webster.com/dictionary/entrepreneur>

³ Di Meglio, R. *Institutional and legal basis of the social economy. Supporting good practices on the part of institutions - international experience and standards*, Sofia, 2012, nfri.bg/documents/Soc-ikonomika-MOT.ppt

⁴ http://www.eesc.europa.eu/resources/docs/a_ces11042-2012_00_00_tra_etu_bg.pdf

⁵ <http://www.strategy.bg/StrategicDocuments/View.aspx?lang=bg-BG&Id=889>

⁶ More about the social economy during a crisis see: Marinova, Ts. *Development of the Social Economy in Bulgaria in the Period of Crisis*, 2016. <ebox.nbu.bg/ico16/view_lesson.php?id=12>

⁷ <http://seconomy.mlsp.government.bg/>; <http://www.strategy.bg/StrategicDocuments/View.aspx?lang=bg-BG&Id=889>

⁸ *Commerce Act*, Promulgated in the State Gazette No 48 of 18.06.1991.

⁹ *Non-Profit Legal Entities Act*, Promulgated in the State Gazette No 81 of 06.10.2000.

¹⁰ *Cooperatives Act*, Promulgated in the State Gazette No 113 of 28.12.1999.

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not be related to the modern development of the social economy aimed at giving the real economy purely social functions, which are aimed at persons, who are beneficiaries of social services.

Art. 1 of the NPLC, regulates associations and foundations as legal entities. They are detailed in Chapter Two of the Act. According to Art. 2 of the same law, non-profit legal entities are created for public or private benefit. They are a typical example of organizations that develop the social economy because, according to Art. 3(3) of the NPLC, they may carry out an economic activity which is related to their main purpose.

A brief legal analysis leads to the conclusion that according to the Bulgarian legislation, the most suitable for the development of activity in the social economy's field is a legal person, created according to the CA or NPLC.

To conduct activity in the field of education and training, individuals must do so based on the provisions of the Pre-school and School Education Act (PSEA) and the Vocational Education and Training Act (VETA). If they are not state or municipal, these legal entities belong to the registration regime - registration in a register, according to art. 40(1) of the PSEA.

The activity of the Bulgarian education system is regulated mainly by the Pre-School and School Education Act (PSEA)¹¹. Art. 1(1) regulates the public relations related to the provision of the right to pre-school and school education, as well as the structure, functions, organization, financing and management of the pre-school and school education system. According to para. 2, the law applies to the vocational education and training in schools, of which the training of cadres is a part too. Chapter Three of the PSEA regulates the state education standards and it also applies to the training of personnel. According to Art. 22(1) of the Act these standards are a set of mandatory requirements for the results in the system of pre-school and school education, as well as the conditions and processes for their achievement. Para. 2 of the same article, item 6 regulates the right to acquire professional qualification, and para. 5 and 6 refer to the Vocational Education and Training Act and the development of specific state educational standards by the Ministry of Education and Science, coordinated with the respective ministers and managers. Art. 23, para. 1, 2 and 3 of the Act regulate the National Qualifications Framework, which must be in line with the European Qualifications Framework in order to ensure mobility and recognition of qualifications within the European Union. The schools, which provide education and staff training, are detailed in Chapter Four of the PSEA. As the acquisition of vocational qualification is tied to the acquisition of vocational education, it is referred to in Art. 25 of the PSEA, which institutionalizes the schools, where the relevant training and professional qualification can be obtained. Art. 84(1) of the PSEA regulates the professional training. It covers the competences necessary for acquiring professional qualifications and for acquiring legal capacity for professions, the exercise of which requires such, including for the pursuit of regulated professions. According to para. 2 the vocational training ensures the achievement of the state educational standard for the acquisition of qualification in a profession in the two upper secondary education stages. It gives professional qualification and according to para. 3 of the same article is general, sectorial, specific and extended and includes training in the theory and practice of the profession. Para. 4 refers to the Vocational Education and Training Act. Art. 85(1) enables learners to improve their competencies through the additional training that can be provided by the school. Art. 106, para. 1, item 8 of PSEA introduces the dual form of education, which is exceptionally suitable for the development of socio-economic activity, as it enables enterprises to develop social activity through training. The dual form of education is detailed in Art. 115 of the same law.

The other main normative act on which training is based is the Vocational Education and Training Act (VETA)¹². In terms of personnel training, it is a special law, insofar as the training of personnel is by nature vocational training. The main purpose of the law and its scope are described in Art. 1(1). According to this paragraph, the purpose of the Law is to regulate the public relations, related to: item 1 - ensuring the right to vocational education and training of the citizens in accordance with their personal interests and opportunities; item 2 - meeting the needs for a skilled labor force, which can be competitive on the labor market; item 3 - providing conditions for the functioning and development of the vocational education and training system, based on cooperation between its institutions and the bodies of the executive and local self-government and the social partners; item 4 - validation of professional knowledge, skills and competencies. According to para. 2 of the same article the law regulates the organization, institutions, financing and management of the system of vocational education and training. It is clear that through VETA the Bulgarian legislator creates conditions for vocational education and training to be implemented and controlled by the Bulgarian education system but at the same time to take into account the needs of the business and the skills of the workers acquired during their work. Such is the main

¹¹ *Pre-school and School Education Act*, Promulgated in the State Gazette No 79 of 13.10.2015.

¹² *Vocational Education and Training Act*, Promulgated in the State Gazette No 68 of 30.07.1999.

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purpose of the VET according to its Art. 2, which states that the system of vocational education and training prepares the citizens for realization in the economy and other fields of public life, creating conditions for acquiring professional qualification and for its continuous improvement. This direction of professional development is also deepened with the main tasks of the vocational education and training system described in Art. 3(1), items 1 - 5. These are: acquisition of professional qualification; acquisition of the capacity to pursue a profession, including the pursuit of regulated professions; continuous improvement of the professional qualification; formation of a motivational system for realization in the civil society; formation of a common culture based on national and universal values.

Bulgarian vocational education is in line with the European one. This means that the training of professional personnel is tied to the European Qualifications Framework and the personnel prepared in the Republic of Bulgaria can be realized professionally on the European labor market, as well as professionals who are trained in Europe can find their professional realization in Bulgaria. For this reason, Bulgarian legislation, which regulates the education and training of professional staff is in line with Council Decision of 16 July 1985 on the comparability of the professional qualifications of the Member States of the European Communities (85/368/EEC)¹³, Council Decision of 2 April 1963 laying down general principles for implementing a common vocational training policy (63/266/EEC)¹⁴; Council Decision of 6 December 1994 establishing an action program for the implementation of a vocational training policy for the European Community, Council Directive of 21 December 1988 on general system for the recognition of higher-education diplomas, awarded on completion of vocational education and training of at least three years' duration (89/48/EEC)¹⁵ and others. Thus, the Bulgarian vocational education system is synchronized with the European and the Bulgarian National Qualifications Framework corresponds to the European Qualifications Framework.

The European Qualifications Framework (EQF) for lifelong learning was established on the recommendation of the European Parliament and Council Recommendation of 23 April 2008 on the establishment of the European Qualifications Framework for lifelong learning (2008/C 111/01). The EQF aims to help EU countries and their educational institutions, employers and individuals compare qualifications between education and training systems in the EU as this instrument is particularly important for the development of a European employment market¹⁶. The single Community framework for the transparency of professional qualifications and competences (Europass)¹⁷ is implemented. The European Credit System for Vocational Education and Training (ECVET)¹⁸ is used and so is the European Quality Assurance Reference Framework for Vocational Education and Training (EQAVET)¹⁹. It focuses on the results rather than on the duration of learning, with the key factors being skills, competencies and knowledge, with eight reference levels being defined. The EQF coordinates national qualifications frameworks. The EQF is part of the Bologna Process²⁰. A positive example in this direction is the *Human Resources Development Operational Programme* and the programmes *I Can* and *I Can More*, related to it²¹.

These programmes give employees the opportunity to receive free of charge additional training with vouchers in foreign languages, digital competences, professions, and more. Successful completion of training leads to obtention of a relevant document, incl. certificate of professional qualification, certificate for part of the profession, certificate of completion of language course. Language training vouchers amount to 700 levs and allow you to attend courses in three consecutive levels across the European Language Framework for no less than 300 study hours. The most interest is shown to the levels A1 to B1 in English. Due to the specifics of the *I Can* and *I Can More* programmes, some of the private language schools began offering digital and professional trainings, and conversely, part of the vocational training centers began offering language courses. In this way, the social effect of

¹³ <http://eur-lex.europa.eu/legal-content/BG/TXT/?uri=CELEX%3A31985D0368>

¹⁴ <http://eur-lex.europa.eu/legal-content/BG/TXT/?uri=celex:31963D0266>

¹⁵ <http://eur-lex.europa.eu/legal-content/BG/ALL/?uri=CELEX:31989L0048>

¹⁶ <http://ec.europa.eu/ploteus/>

¹⁷ <http://eur-lex.europa.eu/legal-content/BG/TXT/?uri=CELEX%3A32004D2241>

¹⁸ <http://www.navet.government.bg/bg/evropejski-instrumenti-i-politiki/>; http://ec.europa.eu/education/policy/vocational-policy/ecvet_bg; <http://eur-lex.europa.eu/legal-content/BG/TXT/?uri=uriserv:c11107>.

¹⁹ http://ec.europa.eu/education/policy/vocational-policy/eqavet_bg

²⁰ <http://eur-lex.europa.eu/legal-content/BG/TXT/?uri=uriserv:c11104>; <http://www.ehea.info/cid100210/ministerial-conference-bologna-1999.html>; <http://eur-lex.europa.eu/legal-content/BG/TXT/?uri=uriserv:c11088>

²¹ <http://ophrd.government.bg/>; <http://xn--80aagcmaj4bsck3h.com/>

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their activity has increased. This also generated an interest in the topic of this publication, which in turn led to a limited survey of the organizations offering language training under the *I Can* and *I Can More* programmes.

3. SURVEY OF PRIVATE LANGUAGE SCHOOLS IN BLAGOEVGRAD

At the beginning of May 2017, the authors of the publication made a survey of the organizations, which offer foreign language training under the programmes *I Can* and *I Can More* and have their headquarters in Blagoevgrad. The purpose of the survey was to determine whether the elevated hypothesis for LLC (OOD in Bulgarian) as one of the most appropriate forms of educational entrepreneurship would be confirmed and to identify the social initiatives of these organizations. The survey was implemented in three steps. Step 1: establishing the organizations to be studied, based on public information from the *Employment Agency*²². Step 2: collecting information about their legal status, owners, etc. from the Commercial Register²³. Step 3: conducting a brief telephone interview for their social activity.

The results of the study are as follows:

1. *Number of organizations*: 6. "AVS-E", "Alexander Business Center - ABC", "Lingua", "Magnaura-99", "Institute Alexander" and "Regional Non-profit organization "Knowledge"" have their headquarters in Blagoevgrad, and offer training in key competence "Communication in foreign languages". Additionally, most of them offer digital competency training and / or vocational training in accordance with the laws mentioned above.

2. *Languages they offer training in*: 7 - English (6 organizations), Greek (4), Spanish (4), Italian (3), German (5), Russian (1) and French (3). Obviously, they are all "European" languages. The English and German languages are most offered, as they are spoken in economically strong countries, and because of the larger set of trained teachers.

3. *Settlements in which they offer language training*: 17 as shown in the following Table 1. Of them 33% are villages and 67% are cities. Offering training in smaller settlements increases the social significance of the activities of these organizations. Three of the organizations offer training only within Blagoevgrad. We could identify them as smaller educational entrepreneurs because they lack the resources to develop outsourced activities.

Table 1. Number of organizations offering language training in the respective settlements

Settlements	Population by current address ²⁴	Languages, the training is offered in:						
		English	Greek	Spanish	Italian	German	Russian	French
Berkovitz	13 287	2	2	2	2	2		2
Blagoevgrad	74 882	7	4	4	3	6	1	3
Gotze Delchev	20 144	3	2	2	2	2		2
Garmen	1 865	1						
Dolna Gradeshnitsa	649	1						
Dupnitsa	36 294	2	2	2	2	2		2
Ihtiman	13 504	1						
Karlovo	23 255	1						
Katuntzi	1 205	1						
Kresna	3 612	1						
Mikrevo	2 404	1						
Montana	43 001	2	2	2	2	2		2
Ognyanovo	2 487	1						
Petrich	30 306	3	2	2	2	2		2
Razlog	12 680	1						

²² <https://www.az.government.bg/bg/news/view/aktualizirani-spisyci-na-odobrenite-dostav-ch-ici-na-obuchenija-po-profesionalna-kvalifikacija-i-kluchovi-kompetentnosti-syglasno-chl-7-al-2-na-pms-280-15-10-2015-g-kym-01-05-2017g-vkluchitelno-ae-utvyrden-na-04-05-2017-g-1748/>

²³ <https://public.brra.bg/CheckUps/Verifications/VerificationPersonOrg.ra>

²⁴ <http://www.grao.bg/tna/t41ob-15-03-2017.txt>

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Samuilovo	129	1						
Sandanski	27 458	1						
Simitli	7 196	1						
Sofia	1 295 430	2	2	2	2	2		2
Hadjidimovo	2 683	1						
Yavornitza	832	1						

Source: own study

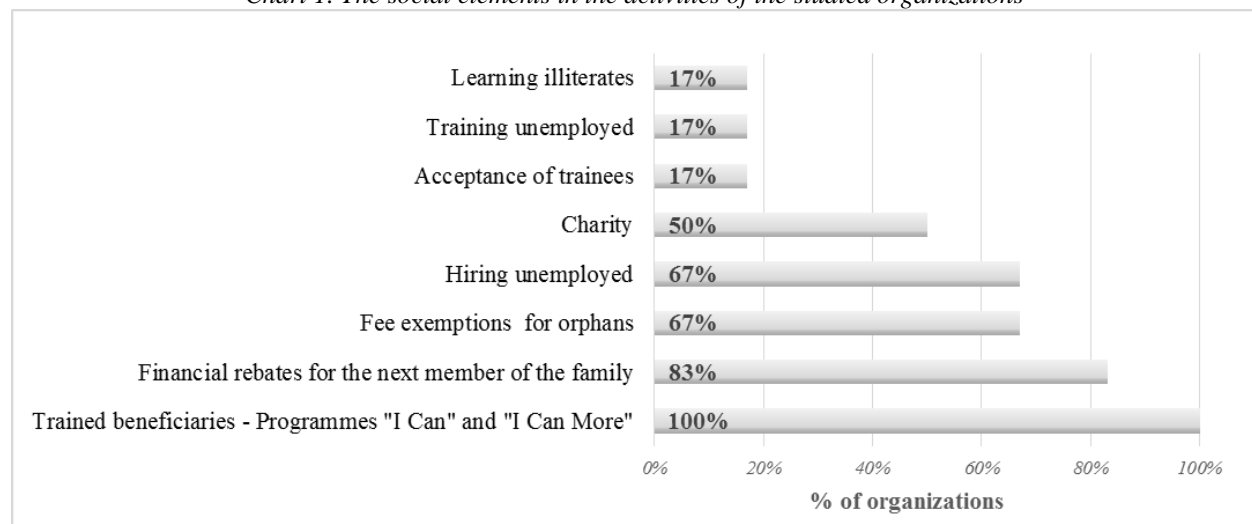
4. *Legal status of the organizations*: 83% of the organizations are registered as a LLC (OOD) under the Commerce Act and 17% as associations under the Non-Profit Legal Entities Act.

5. *Ownership of the organizations*: 33% of the organizations have one owner, 50% - two owners and 17% - three or more owners. In 83% of the organizations the owners are only natural persons and only 17% - both natural and legal persons (limited partnership with foreign capital participation).

6. *Social activity*: presented with the following Chart 1. It is important to note that:

- The interns have not been beneficiaries of the project "Students' Practices";
- The unemployed were directed to the organizations by the Bureau of Labor;
- The fee exemption for orphans also applies to half-orphans;
- 83% of the organizations provide financial discounts when training more than one family member;
- All respondents have indeed provided language training under the *I Can* and *I Can More* programmes;
- Charity initiatives include support for Kinderdorf children's homes.

Chart 1. The social elements in the activities of the studied organizations



Source: own study

4. CONCLUSION

The language schools in Blagoevgrad as educational entrepreneurs are important elements of the social economy, not only by providing the knowledge necessary for the personal, social and professional realization of the people, who use their services upon payment, but also as employers of unemployed individuals and organizations hosting interns. In addition, some of them conduct a social policy aimed at helping orphans and half-orphans, incl. making charitable donations. The legal form preferred by most of these organizations at incorporation is the LLC (limited liability company) under the Commerce Act.

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