

# **REVIEW**

by Prof. Dr. Daniela Bobeva

Department of "Finance and Insurance",

Graduate School of Insurance and Finance

of a dissertation for awarding the educational and scientific degree "doctor"

in Higher Education Area 3. Social, economic and legal sciences

Professional direction 3.8. Economy

**Doctoral Program** "Finance, Insurance and Assurance"

**Author:** Tanya Mihailova Genova

**Topic:** FINANCIAL ASPECTS OF THE DEVELOPMENT OF ELECTRONIC PAYMENTS TO INCREASE THE COMPETITIVENESS OF SMALL AND MEDIUM-SIZED ENTERPRISES

**Scientific supervisor:** Prof. Dr. Stanislav Dimitrov

## **1. General description of the presented materials**

By order No. 32 of 30.01.2023 of the Rector of the Higher School of Insurance and Finance, Prof. Doctor of Law Boris Velchev, I have been appointed as a member of the scientific jury to ensure the procedure for the defense of a dissertation on the topic: "Financial aspects of the development of electronic payments to increase the competitiveness of small and medium-sized enterprises" for the acquisition of the educational and scientific degree "doctor" in the field of higher education 3. Social, economic and legal sciences; professional direction 3.8. Economics; PhD program in Finance, Insurance and Assurance.

The author of the dissertation is Tanya Mihailova Genova, a doctoral student at VUZF on an independent form of study at the Department of Finance and Insurance with scientific supervisor Prof. Dr. Stanislav Dimitrov, She is enrolled with order No. 13/02/06/2018 and order No. 437/16.12.2019 for changing the topic of the dissertation.

The materials submitted by the doctoral student Tanya Mihailova Genova include documents on a composite inventory: brief biographical data and information on the fulfillment of the requirements for doctoral studies; copy of diploma No. 213955, registration No. 017376/2011 of the New Bulgarian University for the acquired educational and qualification degree "Master"; list of publications on the subject of the dissertation; a reference to the scientific and scientific-applied contributions in the dissertation work; reference on the fulfillment of the minimum national requirements for the acquisition of the ONS "doctor" in the professional field 3.8. "Economics"; dissertation work; abstract of the dissertation in Bulgarian and English; copies of the publications on the topic of the dissertation work and their summaries in Bulgarian and English. The doctoral student has attached 3 articles dedicated to electronic payments and the development of small and medium-sized enterprises in Bulgaria.

All documents necessary for the overall evaluation of the dissertation work and the candidate's compliance with the requirements for the award of the relevant scientific degree have been submitted

## **2. Short CV and presentation of the PhD student**

The doctoral student received a bachelor's degree in international economic relations at UNSS and a master's degree in business administration from the New Bulgarian University.

Her professional experience is entirely in global market-leading companies. The experience in Metro is also related to small and medium-sized enterprises as a business model of this global company. From here is her interest in the topic of the development of small and medium-sized enterprises. The business results of her activity are impressive. Since 6 years, he has been holding a high position in Mastercard, Bulgaria as Business Development Director, responsible at a supra-national level except for Bulgaria and North Macedonia, Albania and Kosovo. Her work at this global company specializing in payment services is directly related to her dissertation work and gives the PhD student the opportunity to build on her theoretical knowledge a significant practical experience in this field.

## **3. Actuality of the topic and appropriateness of the set goals and tasks**

The author has justified the topicality of the topic. The author's focus on the penetration of electronic payments in the sector of small and medium-sized enterprises is an extremely current and almost unexplored topic in Bulgarian literature, as can be seen from the list of literature used.

While the role of electronic payments for the general development of the economy and financial intermediation is a significantly developed topic with sufficiently definite results, the

relationship of payments with small and medium-sized enterprises, and in particular their competitiveness, does not fall into the focus of research. In this context, the dissertation answers an important question for practice, namely whether and how electronic payments can contribute to the sustainability of small businesses. The problem is even more relevant in the conditions of general market uncertainty in recent years, revolving crises and intensification of external shocks to the enterprise sector, to which small and medium-sized companies are mostly exposed.

As the author of the dissertation points out, the expansion of electronic payments for small companies is a sure tool for limiting the gray sector - a chronic problem of the Bulgarian economy.<sup>4</sup>

#### **4. Knowing the problem**

Doctoral student Tanya Genova demonstrates excellent knowledge of both the theoretical aspects of payments and their practical applications.

In the dissertation, 175 sources were studied, including about thirty from Bulgarian authors. The author has made a thorough analysis of the used literature, based on which the main concepts are defined, the main hypotheses are formulated and the research methodology is outlined. She demonstrates an excellent knowledge of the regulatory framework which is one of the main factors for the development of electronic payments.

#### **5. Research methodology**

In addition to the use of the classic methods of scientific research in the field of economics - analysis and syntheses, induction and deduction, comparative analysis, etc. in the dissertation, an own research methodology was formulated, based on two approaches:

First: Comprehensive data analysis and structuring of an econometric model based on the TAM model developed by Davis (Davis, Bagozzi, Warshaw, 1989) and further developed by Gable. The model fully corresponds to the set goals and objectives as well as to the specifics of the research object. The technology acceptance model is one of the most widely used and proven to be effective in technology adoption research.

Second: Carrying out own representative empirical research, the data of which can penetrate into the actual use of electronic payments and, on this basis, identify the benefits and obstacles to the electronic payment of SMEs. The methodology used by the author includes the presentation of data from various statistical sources. A review of the theses of various authors on the issue under consideration was carried out. An analysis of the presented data was carried out and some of them are presented in an appropriate graphic way.

#### **6. Characterization and evaluation of the dissertation work**

The dissertation has a volume of 198 pages and 2 appendices in 7 pages. It is structured in an introduction, an exposition in three chapters and a conclusion. The literature used contains 175 publications in Bulgarian and English. The dissertation work is extremely rich in data and empiricism, appropriately presented in 84 figures and 11 tables. Sources are cited correctly. The dissertation is structured and presented according to the requirements, professional terminology is used and a scientific style is demonstrated.

**In the first chapter:** Theoretical and methodological foundations of the study of the payment system in small and medium-sized enterprises, the theoretical foundations, essence and characteristics of electronic payment systems and electronic payments are examined. The Bulgarian and European regulations in this area are precisely described and analyzed. The main types of electronic payment instruments have been studied, with a focus on payment cards as the most frequently used ones by SMEs in Bulgaria. The European payment practices after the appearance of the single euro payment area SEPA, the TARGET2, RTGS systems, etc., were examined. The study of innovative technologies in the field of electronic payments is of interest.

**The second chapter** examines the conditions and factors for digitization of small and medium-sized enterprises in Bulgaria. The analysis begins with an analysis of the theories of small and medium-sized enterprises, their definition and functioning, after which the author focuses on the assessment of the degree of digitalization. A sign of the depth of the dissertation work is that the digitalization of small and medium-sized enterprises is considered in the context of the overall development of small and medium-sized enterprises, and not separately from the trends and processes of their market development. The activity of SMEs has been analyzed from the point of view of basic macro and microeconomic indicators, as well as by sector in view of the conditions for installing POS and accepting card and other electronic payments. The analysis of the regulatory framework and policies for the development of small and medium-sized enterprises is also of interest.

**In the third chapter,** the main problems and challenges for the development of electronic payments in Bulgaria are identified. This is based on the results of the conducted empirical research on the effects of using electronic payments on SMEs, the factors that determine them, the problems and the measures to overcome them. A theoretical model has been created for the impact of electronic payments on the Bulgarian economy and, in particular, on tax revenues - excise duties and VAT.

Although the emphasis of the dissertation work is on SMEs, a significant part of the methodological apparatus is used to assess the fiscal effects of electronic payments, thus expanding the applicable part of the research.

## **7. Contributions and significance of the development for science and practice**

The author formulates eight contributions to the dissertation work, three of which have a scientific character, and the rest are of a scientifically applicable character. The formulation and justification of a poorly developed scientific question - the study of the relationship between electronic payments and SMEs - has a strong theoretical contribution.

In the dissertation work, one significant additional contribution is found - it is the clarification of the overall categorical and conceptual apparatus, which is particularly useful due to the frequent use of similar categories in the same sense.

A significant theoretical contribution is the development of the methodology and econometric model for measuring the impact of electronic payments on the Bulgarian economy and on the SMEs themselves. This methodology has the potential for wide practical application.

I would add to the theoretical contributions the development of a tool-tarium for empirical research on the subject of the dissertation work, which gives the possibility for subsequent research for the purposes of reporting the dynamics. This opens up space for future research (not only the author's) in the field of electronic payments.

I value as a contributing element the conduct of a complete in-depth analysis of electronic payment instruments, their classification and evaluation from the point of view of their effectiveness.

The contributing moments undeniably show the significance of the development not only in a theoretical, but also in an applied aspect. The obtained scientific results can be directly applied in practice, especially by informing the relevant institutions.

The work of PhD student Tanya Genova contains scientific and scientific-applied results that represent an original contribution to science. The dissertation shows that the candidate has in-depth theoretical knowledge in the relevant scientific field and the ability for independent scientific research.

## **8. Evaluation of publications on the dissertation work**

The publications submitted for evaluation are 3 articles that are directly related to the content of the dissertation work.

The publication "Digitalization as a prerequisite for sustainable development of SMEs in Bulgaria" was published in the magazine "Money and Culture", ISSN 2683-0965, no. 1/2021, collection of papers "Economic challenges facing Bulgaria (2021 - 2023) - sustainability and risks", ISBN 978-619-7622-05-8 and contains an analysis of the main types of payment instruments and their applicability in small and medium enterprises.

The report "Franchising as a business model - essence and advantages" was presented at the Annual Scientific Conference of VUZF for 2019 and was accepted for publication in "VUZF Review", issue 4, 2022, ISSN 2534-9228. The article examines franchising as a tool for competitiveness of small and medium-sized enterprises.

The article "Payment instruments and their application in SMEs - benefits and challenges" has been accepted for printing in the VUZF Review and is rather a 37-page study that summarizes the main conclusions of the dissertation.

Submitted publications meet the minimum volume and quality requirements.

#### **9. Assessment of compliance with minimum national requirements**

The attached certificate shows that the doctoral student meets the minimum national requirements for the scientific degree "doctor" in the professional direction 3.8. Economy.

With a required 50 points, it proves the presence of 80 points.

#### **10. Personal participation of the doctoral student**

The review of the dissertation work shows that it is the result of personal participation, the sources used are correctly cited and I do not detect plagiarism.

#### **11. Abstract**

The abstract meets the requirements and reflects the main results of the research. The doctoral student has acted extremely responsibly towards the internal defense of the dissertation work by fully reflecting the notes made to improve the quality of the auto-abstract.

#### **12. Critical remarks and recommendations**

I believe that the proposed scientific work has undeniable merits and the author emerges as one of the few researchers of this issue. Despite the limited data, the PhD student has managed to form a good empirical base to investigate the problem and this makes the thesis significant for theory as it creates the possibility for further comparative studies. I do not have critical remarks on the thesis, but rather questions to be answered during the defense.

A significant part of the econometric research is directed to the fiscal area - assessment of the fiscal effects of electronic payments. The question of how the proven effects of electronic payments on tax revenues in the budget are reflected on the small and medium-sized enterprises themselves needs further clarification.

The empirical study covers the dynamics of electronic payments for the period 2016-2020, the dynamics of terminal POS devices, of commercial establishments and LUs working with POS. Does the author believe that if the empirical research is done now - after the pandemic, progress will be noted in the use of card payments by SMEs.

### **13. Personal impressions**

I have no personal impressions of the doctoral student.

### **14. Recommendations for future use of dissertation contributions and results**

The use of the TAM model is not popular in the Bulgarian economic literature, but it gives good results, as can be seen from the dissertation research. Therefore, I recommend a publication focusing on the advantages and conditions under which this approach has advantages in fintech research. In this regard, it would be appropriate to present the results to the Fintech Association as well.

I recommend that the scientific and applied results be also presented to the Association of Small and Medium Enterprises.

The results could be operationalized at the policy level of the SME Agency and presented in an appropriate form. Part of the results concerning the fiscal effects of electronic payments for small and medium-sized enterprises to be provided to the Ministry of Finance - the National Revenue Agency - for the formulation of measures and incentives for the expansion of electronic payments.

A key recommendation is to improve the quality of publications and to focus more on and build on the results of the dissertation work.

## **CONCLUSION**

The dissertation contains scientific, scientific-applied and applied results, which represent an original contribution to science and meet all the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (ZRASRB) and the Regulations for the Implementation of ZRASRB. The presented materials and dissertation results fully comply with the specific

requirements of the Regulations for the admission and training of doctoral students at the Higher School of Insurance and Finance.

The dissertation shows that the doctoral student Tanya Genova possesses in-depth theoretical knowledge and professional skills in Professional Direction 3. 8. Economics, demonstrating qualities and skills for independent conduct of scientific research.

Due to the above, I confidently give my positive assessment of the conducted research, presented by the above-reviewed dissertation work, abstract, achieved results and contributions, and I propose to the honorable scientific jury to award the educational and scientific degree "doctor" to Tanya Genova in Higher Education Area 3. Social, economic and legal sciences; Professional direction 3. 8. Economics; Doctoral Program "Finance, Insurance and Provision".

24 March 2023

Reviewer : .....

(Prof. Dr. Daniela Bobeva)