

## REVIEW

By: Prof. Ali Veysel, PhD; Department of Accounting and Audit, Higher School of Insurance and Finance – Sofia, professional field 3.8. Economics (Accounting, Auditing and Analysis).

Regarding: competition for associate professor in the field of higher education 3. Social, economics, and legal sciences, professional direction 3.8. Economics, scientific specialty 3.8 Economics (Audit, accounting and combating economic crime) at the Higher School of Insurance and Finance (VUZF).

### **1. Information about the contest**

The competition was announced in the State Gazette, No 93 of 22.11.2022 for the needs of the Higher School of Insurance and Finance (VUZF) – Sofia. I participate in the composition of the scientific jury according to Order No. 120/13.03.2023 of the rector of the VUZF.

### **2. Information about the candidates in the competition**

For participation in the announced competition, documents were submitted by one candidate – Diyana Bankova, PhD.

Bankova has secondary economic education and higher accounting-economic education. She graduated with a bachelor's degree in accounting and control in 2014 and a master's degree in audit and risk management at VUZF in 2015. She defended her dissertation on "Methodological problems of public supervision of registered auditors" at VUZF in 2018. Since 2018, she has been studying law at Southwestern University "Neofit Rilski" in Blagoevgrad. Since 2019, she has been a part-time teacher.

She also has extensive practical experience. She worked as: assistant auditor at HLB Bulgaria (2014), operational accountant at IPV Consult (2014 - 2015), manager at Iliyan 1983 (2010 - 2015), senior inspector at the Commission for Public Oversight on Statutory Auditors (2015 - 2018), assistant auditor at Moore Stevens Audit Bulgaria (2018). Since 2019, she has been working as an auditor at AM Audit.

### **3. Fulfillment of the requirements for occupying the academic position**

Diyana Bankova, PhD meets the requirements for occupying the academic position "Assoc. Professor" according to the Bulgarian laws: she has an acquired educational and scientific degree "doctor"; she has been a part-time teacher in a higher school for no less than two years; she has published a monographic work that does not repeat the presented works for obtaining the educational and scientific degree "doctor; she has fulfilled the minimum national requirements. She meets the requirements of VUZF.

With a minimum threshold of 400 points Bankova has 545 points. They are distributed as follows:

A group of metrics	National minimum requirements for "Assoc. Professor"	Points of Bankova
A	50	50
Б	-	-
B	100	100
Г	200	245
Д	50	150
E	-	-
Total	400	545

### **4. Assessment of teaching activities**

Diana Bankova has over 4 years of teaching experience. She has been a part-time teacher at the Academy of the Ministry of Internal Affairs since 2019. She was also a part-time teacher at the International Business School. She has taught the disciplines Operational-Investigative Activity to Counter Economic Crime, European Police Cooperation and Recording of Foreign Trade Transactions.

The candidate's teaching experience corresponds to the professional direction of the competition and the requirements for the position of "associate professor" at VUZF.

### **5. General characteristics of the presented scientific works/publications**

For participation in the competition, Diana Bankova submitted 19 publications. They include habilitation work – monograph; a book based on a defended dissertation; one study published in a non-refereed peer-reviewed journal; one article published in a

scientific publication, referenced, and indexed in world-renowned databases of scientific information; and 15 articles and reports published in non-refereed peer-reviewed journals or published in edited collective volumes. Three of the publications are co-authored.

In thematic content, the publications presented relate to auditing, accounting, and preventing economic crime.

The monograph presented as a habilitation thesis – Control in the management of insurance companies deserves special attention. It is dedicated to a current and important issue in the field of economics. It examines the importance of the control function in the management of insurance companies in the Republic of Bulgaria. Weaknesses and opportunities for management improvement are analyzed.

Structurally, the monograph consists of a preface, an introduction, three chapters, a conclusion, and references.

The preface and the introduction present the actuality of the topic, the main problems, and the purpose of the research – establishing the main weaknesses in the control function, incl. related to digitalization in the management of insurance companies, and offering ways to improve the control environment, as well as recommendations to regulatory and law enforcement authorities.

The first chapter is dedicated to the nature and forms of the control function in the management of insurance companies. Research is presented, according to which the insurance sector is one of the riskiest. The thesis is defended that due to inefficient management, incl. weaknesses in control, there are a number of bankruptcies of insurance companies. It focuses on some problems that lead to over-regulation and formalization. It is emphasized that control should not be strict, but optimal and effective. Internal control functions in insurance companies – risk management, actuarial, compliance, internal audit – have been studied in detail. The main risks and features of the insurance business are presented. The gaps in the management of insurance companies are summarized.

The second chapter is devoted to supervision, as the main form of external control. The importance of this control for enterprise management is substantiated. In relation to

supervision, the regulation, sanctioning and licensing regime have been analyzed. Trends toward overregulation were tracked. The need for appropriate and optimal supervision is argued. Considerable attention has been paid to the external financial audit, through which control over insurance companies is carried out. The author's study of audit reports of insurance companies is presented. In this way, the benefit of the independent audit for control has been proven.

The third chapter deals with the possibilities of improving control in insurance. The need for modification of the control function is motivated by the new challenges that require innovative methods and approaches. It is proposed to approve new forms of audit - cyber audit and criminal audit. Ways to improve legislative provisions are summarized.

The conclusion summarizes the main conclusions. They correspond to the problems investigated in the monograph. The proposals are related to ending the tendency towards over-regulation, the need to optimize control, the expansion of control objects, the introduction of cyber audit and criminal audit.

The results of the monographic work can be used for future research, incl. for a more detailed study of the cyber audit and criminal audit processes.

It can be summarized that the habilitation work represents an up-to-date and in-depth study in the field of control and auditing.

## **6. Evaluation of scientific and scientific-applied contributions**

The following scientific and scientific-applied contributions can be systematized in the presented publications of Diyana Bankova, PhD:

- study of the role and importance of internal control, supervision and audit in the management of insurance companies;
- study the importance of digitization of processes and cyber security of enterprises;
- analysis of opportunities to improve legislation in the field of cyber security;
- justification of the need for the introduction of cyber audit and criminal audit;
- systematization of innovative methods and approaches related to combating economic crime;

- analysis of the possibilities for improvements in the activity of audit committees;
- study of the possibilities for the regulation of the audit services market in Bulgaria;
- identification of normative challenges facing the audit profession and systematization of recommendations for improvements;
- study of the importance of the reliability of financial and accounting information for the minimization of financial abuses;
- study of the specific features in the auditing of electronic money companies;
- study of the necessary procedures related to the policy for the protection of personal data in the auditing activity;
- analysis of the possibilities of using the financial audit in relation to countermeasures against economic crimes.

All of them are related to improving audit activities, increasing the efficiency of the auditor's work, improving management, and combating economic crime.

#### **7. Critical notes and recommendations**

I have no critical comments on the presented scientific publications in the competition. I recommend Diyana Bankova, PhD to continue her work on researching modern aspects of auditing and combating economic crime.

#### **8. Conclusion**

The study of the scientific publications and educational activities of Diyana Bankova, PhD gives reason to conclude that she meets the normative requirements for occupying the academic position of "associate professor". Therefore, I give my positive assessment and propose to the members of the scientific jury to vote for the election of Diyana Bankova, PhD to the academic position of "associate professor" in the field of higher education 3. Social, economics, and legal sciences, professional direction 3.8. Economics (Audit, accounting and combating economic crime) at VUZF.

April 9, 2023 / Sofia

Signature: