

## REVIEW

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UNWE

dissertation for the award of the educational and scientific degree "**doctor**"  
in Higher Education 3. Social, economic and legal sciences Professional field 3.8.Economics  
Doctoral Programme in *Finance, Insurance and Assurance*

**Author:** *Vladimir Vladimirov Milev*

**Topic:** *Financing of the NGO sector during crises*

**Scientific supervisor:** *prof. dr Daniela Bobeva, Department of Finance and Insurance, VUZF*

### 1. General description of the submitted materials

By Order No. 522 of 18.10.2023.of the Rector of the University of Insurance and Finance Prof. Boris Velchev, DSc., I have been appointed as a member of the scientific jury for the procedure of defense of the dissertation on "*Financing of the Non-Governmental Sector in Times of Crises*" for the acquisition of the educational and scientific degree "PhD" in the Field of Higher Education 3. Social, Economic and Legal Sciences, Professional field 3.8. Economics, Doctoral Programme in *Finance, Insurance and Assurance*. The author of the dissertation is *Vladimir Vladimirov Milev* - PhD student in independent form of preparation at the Department of *Finance and Insurance*, with scientific supervisor *Prof. Dr. Daniela Bobeva, Department of Finance and Insurance, VUZF*. At the first meeting of the scientific jury, held on 24.10.2023, it was decided I should prepare a review.

The preparation of the review was carried out in accordance with the procedure and requirements of the LDASRB and the Regulations for its implementation. It was developed on the basis of the materials submitted by doctoral student Vladimir Milev in electronic version according to the submitted inventory: dissertation; abstract; declaration of originality and credibility; reference for fulfillment of the minimum national requirements for obtaining the PhD degree; list, scanned copies and abstracts of the publications on the topic of the dissertation; brief biographical data. The submitted materials fully comply with the specific requirements of the Regulations for Admission and Training of Doctoral Students at the Higher School of Insurance and Finance.

***In conclusion on point 1 of the review, I summarize that the candidate for the degree of Doctor of Education and Science Vladimir Milev has fulfilled the minimum national requirements under Article 2b, paragraphs 2 and 3 of LDASRB. The submitted dissertation and scientific publications are the personal work and personal merit of the candidate. There is no legitimate evidence to the contrary. The documents submitted are in accordance with the requirements of the LDASRB and the Regulations for its implementation. The procedure for the defence was correctly followed.***

## **2. Brief biographical data about the PhD student**

The dissertant has been studying in the doctoral program "*Finance, Insurance and Assurance*", in the Department of *Finance and Insurance* of the Higher School of Insurance and Finance, according to the Order No. 83 of 31.03.2022 of the Rector of the Higher School of Finance Prof. B. Velchev. The training was carried out in an *independent* form of training during the period 31.03.2022 - 27.06.2023. He concluded his studies with the right to defend according to the Order No. 263/27.06.2023 of the Rector of VUZF.

V. Milev was born on 21.11.1992. He graduated with a Bachelor's degree in Public Relations in 2015 and a Master's degree in Production and Creative Industry in 2016 from Sofia University "Kliment Ohridski". In the period 2015-2017 he worked on the development of a consortium for project implementation, on projects of SUPERNOVA MEDIA LTD and was a coordinator in humanitarian advocacy and capacity development projects in HOD Sofia.

## **3. Relevance of the topic and appropriateness of the objectives and tasks**

The dissertation contains all the major components to determine the limitations and emphases of the research. The subject, object, goal, tasks, thesis and hypotheses of the scientific work (introduction) are correctly formulated, which is one of the prerequisites for the successful realization of the research. The topicality and significance of the investigated problem is justified. The limitations of the scientific research are presented.

Issues related to the functions and role of non-profit and NGOs in our society and the funding models for their specific activities have been limitedly explored on a national level. For this reason, the present thesis is relevant in its attempt to find practical solutions to ensure the financial sustainability of non-profit organizations in the country, so that they, in turn, can adequately respond to the public needs not covered by the public sector in general and in particular in times of crisis.

*The object of the study* "is the financing of NGOs in Bulgaria as an important factor for sustainable economic and social development, overcoming inequalities, international cooperation and addressing humanitarian needs and challenges" (Introduction, p. 8).

*The subject of the study* "are the effects of the crises on the financing of NGOs and the processes related to it, including the sources and mechanisms of financing through which it is carried out, ensuring the financial and economic stability of NGOs, as well as the challenges they face related to the revolving crises. The focus is on the impact of the cyclical nature of the economy on the financing of the NGO sector and its flexibility and adaptability in the face of crises" (Introduction, p. 8).

The main objective of the dissertation "is to examine the mechanisms for financing NGOs and the degree of their compliance with the specificity of the NGO sector in the context of financial and economic crises. On this basis, funding models are identified to be part of an optimized methodology for funding NGOs in the context of crises" (Introduction, p. 8).

For the realization of the main goal the following main tasks are determined (p.9):

- "To provide a comprehensive analysis of the theories applicable to the study of the NGO sector and the crises that affect their functioning and funding. On this basis, to define the basic concepts, categories and methods of research. To examine the ways and models of financing NGOs depending on their specificity and classification, values and organizational culture.

- To consider the sources of funding for NGO activities and behaviour of NGOs during crises to respond to the challenges: funding in 2020-2021 during the COVID-19 pandemic to counter the challenges, and funding in 2022-2023 in the situation of the armed conflict in Ukraine and its financial and economic consequences.

- To study the administrative and organizational aspects related to the financing of NGOs as a basis for their economic sustainability and expansion and stability during financial and other crises.

- To analyze the sustainability of funding sources, the feasibility of existing funding mechanisms for NGOs, and innovations that are adaptive in crisis settings.

- To propose new approaches for funding NGOs in crisis situations that improve existing methodologies."

The main thesis of the paper is "that there are opportunities for funding NGOs in times of financial and economic crises that could lead to the development and strengthening of organizations as partners and implementers."

In the course of the study, the following hypotheses are tested:

- "The economic and financial theory that explains the functioning and role of the NGO sector is a work in progress, with the crises of the last twenty years providing an opportunity for the development of theory related to NGOs.

- The funding mechanisms of NGOs are directly related to their specificity, degree of development, sustainability and optimal implementation of their activities, as well as the overall environment in which they develop their activities. During crises, some mechanisms may lead to increasing funding, while funding through other mechanisms may decrease, depending on the crisis itself.

- Funding NGOs in crises is an opportunity to establish the organisation as a proven and reliable partner in providing responses to needs arising from the crisis itself, where the public and private sectors cannot provide solutions.

- There are various internal and external factors on which the financial viability of organisations depends, related to the supply and demand for finance. Different factors determine the cyclical and pro-cyclical nature of financing. On the one hand, donors have more funds available and can similarly provide more funds to NGOs in good times of the economic cycle, and on the other hand, NGOs need more funding in times of crisis and such funding can be provided by donors as a means of coping with the crisis.

- It is necessary to propose optimizations in the funding mechanisms of NGOs, as well as innovations applicable in normal conditions both for a more optimal performance and for the stability of the organization during financial and economic crises. This hypothesis is tested by exploring the possibility of applying already existing adaptation and transformation methods related to agile transformation that have been tested and used successfully in other fields."

The dissertation was developed under the following *limitations*: literature in Bulgarian and English only was used; the NGOs studied are legal entities (listed in the register of non-profit legal entities - associations and foundations), with the exception of political, religious, trade union organizations, community centers and informal associations; the empirical study on the feasibility of the proposed funding models was conducted in a group of respondents formed on the basis of the principle of response. The limitations do not specify the time frame of the regulations used.

I express my disagreement with the formulation of the working definition adopted by the dissertator (p.2). I believe that the concept of "non-governmental organisations" is much broader in scope than "non-profit/ideal purpose organisations" or "non-profit/ideal purpose organisations". The subjects of our study are not even all nonprofit NGOs, but only those reporting entities that are registered as NPLEs, as the author himself emphasizes in the limitations. Therefore, I believe that where the term "NGOs" is used in the dissertation it should be supplemented with "non-profit or organization with ideal goal" or replaced with NPLEs.

#### **4. Knowledge of the problem**

The dissertant researched 104 literature and normative sources for the writing of the thesis and for the conduct of the research (28 Bulgarian language sources, 70 foreign sources, 6 normative acts). They were used correctly with the corresponding

References. It can reasonably be confirmed that the dissertation writer is well versed in the literature and has extracted the necessary information from it.

In the presentation of the bibliographic reference, some inaccuracies have been made, such as: for the Internet sources, the dates of last access are not indicated; for the normative acts, the last amendments and additions used in the course of the development are not indicated, it is not specified whether they are used in electronic version and the dates of last access are also not indicated. Clarification of these details would help to better indicate the time parameters of the study.

## **5. Methodology of the study**

The methodology used is in line with the aim and objectives of the study, as well as to prove the thesis and hypotheses outlined in the introduction of the paper. Different approaches from different scientific fields have been skillfully combined: historical-logical method, induction and deduction method, comparative method, observation and monitoring method, system analysis, normative approach, thesis and antithesis, modeling and others (Introduction, p. 10-12). A micro-approach is applied by examining funding processes in terms of the data presented by the non-governmental organisations themselves. This is combined with a macro approach, with the NGO sector considered holistically in the context of the economic cycle, the government budget and funds from European sources. In connection with the empirical study, methods from mathematical-statistical tools have been applied. An empirical study of 50 NGOs in the immediate aftermath of the COVID-19 pandemic was conducted. The exploratory approach also necessitated in-depth interviews of funders, thereby identifying the challenges and motivations of donor organizations and highlighting trends on the supply side of resources for the NGO sector.

## **6. Characteristics and evaluation of the thesis**

The dissertation has 161 pages, a list of literature and an appendix (questionnaire for the empirical study). The thesis is structured in three chapters, an introduction and a conclusion. The text contains 18 tables and 27 figures. A large number of them are the author's personal work. Sources used by others are cited by institute and organisation, but without a link or date of access. The style of the dissertation is maintained at adequate specialized and scholarly level. The composition of the development in terms of content is logically coherent and balanced. The exposition would have been better presented if at the end of each chapter the conclusions of the specific scientific study had been formulated, the resolution of the specific tasks had been clarified, the proof of the respective hypothesis(es) had been provided, and the relation of the results to the issues to be investigated in the next chapter had been justified. Overall, throughout the paper the author's position is not clearly evident on most of the issues raised for study.

The first chapter is entitled "*Nature, emergence and specificity of NGOs and their financing*" and is 47 pages long. It is theoretical in nature. The main thematic areas of research in this chapter are: characteristics of non-profit organisations, functions and role in society, historical stages of emergence

and development; ways and models of financing non-profit organisations, depending on their specificity and classification, values and organisational culture; the impact of financial and economic and non-financial crises on the financing of the non-profit sector. The chapter is well structured and lays the theoretical foundations of the issues under study. The main concepts, categories and research methods are defined. ***In this part of the research the dissertation successfully accomplishes the first task of the research.***

The second chapter is entitled "Financing *Mechanisms for NGOs*" and is 59 pages long. It is of a scientific and applied nature. The main focuses of the study are: sources, mechanisms and planning of funding in non-profit organisations; innovative financing of the sector; management of funding and of non-profit organisations themselves. Many interesting innovative approaches and models for funding have been explored, but it is not clear from the presentation whether the dissertator believes that they can find application in the activities of national NPLEs. ***In chapter two of the dissertation, the author successfully implements the last two tasks of the research and proves the first three of his hypotheses.***

The third chapter is titled "*NGO Financing in Crises - Challenges and Opportunities*" and is 35 pages long. The issues presented are primarily of a scientific and applied nature and specifically explore: the impact of crises on the financing of the sector; the flexible transformation of non-profit organisations as an option for resilience in crisis conditions; and an empirical study of the adaptability of NPLEs in times of crisis. It may be appropriate for the dissertator to change the title of this chapter, as it is essentially identical to the topic of the entire dissertation. ***In chapter three of the dissertation, the author successfully accomplishes his second research task and proves the last two hypotheses.***

*Conclusion of the thesis.* With the conducted research the aim and objectives of the dissertation have been achieved. In each of the three chapters, a solution to the specific tasks is presented in a coherent, clear and comprehensible manner and the thesis and hypotheses originally set out are tested. The methodology is properly chosen and its use is justified. The aim of the development is successfully fulfilled. The thesis and the hypotheses have been defended. The implemented tasks allow the formulation of contributions of a scientific and scientific-applied nature.

As I noted at the beginning of this review, research on the issues is very limited on a national level. In this context, the way of design and implementation of the research, the proposed models for ensuring financial sustainability of NPLEs during crises, as well as the highlighted contribution points are the author's merit.

## **7. Contributions and Significance of the Development for Science and Practice**

On the basis of the fulfillment of the aim and the research tasks, as well as the verification of the hypotheses in the dissertation, contributions of scientific and applied nature have been made, with which the dissertant has evaluated the results of the conducted research in the following aspects:

- By analysing the effect of crises on funding for NGOs, it is demonstrated the dependence associated with a decrease in funding for NGOs during crises. This is argued by the author as a kind of paradox, since in these periods the need for these organizations to perform their functions is even higher.

- The role of NGOs as partners, catalysts and implementers in key areas - especially those where governments or the private sector cannot provide a response - is argued, and the ways in which these organisations are establishing themselves as proven partners of governments are explored.

- It is motivated by the consideration of crises as an opportunity to increase the financing of the organization through the analysis of the specifics of the organization, the financing party and the crisis and the study of the interrelationships between them.

- Recommendations are made to increase the financial sustainability and optimal functioning of NGOs in times of crisis through concrete proposals for the application of agile transformation methods.

- An empirical study conducted among 50 NGOs found that their functions, activities, goals and sustainability of results are highly vulnerable to crises. It found that crisis can also be an opportunity, as a number of organisations have expanded their crisis response activities.

All contributions have the significance of authorial merit and are the result of a thorough study of theoretical formulations, normative solutions and practical situations. This is the basis for their acceptance by the reviewer. The content analysis of the scientific and applied achievements in the dissertation gives reason to include them in the classification group "proving with new means of essential new aspects in existing scientific and applied issues". In summary, it can be concluded that the indicated contributions are sufficient to positively evaluate the achievement of the author of the dissertation work.

#### **8. Assessment of the dissertation publications**

Three separate publications are attached to the dissertation. The publications (one scientific report, two scientific articles) are relevant to the topic of the dissertation, they have been published in journals with editorial board and/or peer-reviewed. The national and internal university requirements and rules regarding publications for obtaining the PhD have been met.

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

The dissertant Vladimir Milev has fulfilled the minimum national requirements under Art. 2b(2) and (3) of the DASRBA.

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

As of the date of the review, there is no evidence of plagiarism of the dissertation and the attached publications.

#### **11. Abstract**

An abstract of 38 pages has been submitted with the dissertation. In it, the dissertant has presented the main thesis and the five hypotheses argued and defended in the scientific work. The aims and objectives of the research are stated. The content of the dissertation is summarized. A list of contributions and a list of publications on the topic of the dissertation are included, as well as a declaration of originality and authenticity. The abstract can be assessed as correctly structured and reflecting the results obtained from the research.

## 12. Critical comments and recommendations

In spite of the presented positive aspects of the thesis, the following critical remarks and recommendations can be noted:

- The working definition of NPLEs needs to be more precisely defined.
- It is necessary in the part of the limitations of the study to be supplemented with the post-amendments of the normative acts used in the scientific study and analysis.
- It is recommended that the ordering of the tasks to achieve the main objective of the study are in the order of their exploration in the development. In the dissertation submitted for review, they are not presented in this order (for example, task 2 should be linked to the order of presentation of the issues in chapter three).
- The dissertation needs further technical editing and refinement of the terms "figures" and "tables" used - in some places they are not correctly used (pp. 62-63; pp. 72-73, etc.). For figures and tables cited by the dissertation, the sources (publications and pages or links and date of last access) are not indicated; the attached bibliographic reference list also does not indicate links and date of last access, etc.
- I recommend that the dissertator strengthen the presentation and expression of his/her personal opinion on the researched scientific and applied cases.

***Question to the dissertator: Can you present your view on the applicability of the innovative approaches to financing in the context of crises of the activities of national non-profit organizations?***

## 13. Personal impressions

I have no personal impressions of the dissertant.

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

My recommendation is that the PhD student continue and expand his research on the activities and financing of NPLEs in general and in particular during crises.

I also recommend that in a subsequent publication of the dissertation, the dissertator should supplement the content of the three chapters by presenting the specific conclusions from each stage of the study and present his/her view on solutions to the individual scientific and applied cases.

## CONCLUSION

The dissertation work is distinguished by *scientific and applied results, which represent an original contribution to science* and meet all the requirements of the LDASRB and the Regulations for the Implementation of the LDASRB. The submitted materials and dissertation results **fully** comply with the specific requirements of the Regulations for Admission and Training of Doctoral Students at the Higher School of Insurance and Finance.

The dissertation thesis shows that the PhD student *Vladimir Vladimirov Milev* possesses in-depth theoretical knowledge and professional skills in Professional field 3. 8. Economics, demonstrating qualities and skills for independent scientific research.

In view of the foregoing, I confidently give my *positive evaluation of the* research presented by the above-reviewed dissertation, abstract, results and contributions, and *propose to the Honorable Scientific Jury to award the scientific and educational degree of PhD* to *Vladimir Vladimirov Milev* in the Area of Higher Education 3. Social, Economic and Legal Sciences; Professional field 3. 8. Economics; Doctoral Program "*Finance, Insurance and Assurance*"

15.11. 2023 г.

Reviewer:.....

(Prof. Dr. Romyana Pozharevska)