

OPINION

by Prof. Dr. Silvia Trifonova Trifonova-Pramatarova, University of National and World Economy (UNWE), Sofia

of a dissertation for awarding the educational and scientific degree “doctor” in the Area of higher education 3. Social, Economic and Legal Sciences, Professional field 3.8. Economics, PhD program “Finance, Insurance and Social Insurance”, Higher School of Insurance and Finance (VUZF University), Sofia

Author: PhD student Dilyana Metodieva Atanasova

Topic: “Managing the Trust Rating of Insurance Broker”

1. General description of the presented materials

By Order No. 163/13.05.2024 of the rector of the Higher School of Insurance and Finance (VUZF University), Prof. DSc. 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 “Managing the Trust Rating of Insurance Broker” for the acquisition of the educational and scientific degree “doctor” in the Area of higher education 3. Social, Economic and Legal Sciences, Professional field 3.8. Economics, PhD program “Finance, Insurance and Social insurance”.

The materials submitted by the VUZF University include all necessary documents for the procedure, namely: CV, dissertation, abstract in Bulgarian and in English, list of publications, annotations of publications, declaration for fulfilment of the national minimum requirements for obtaining a doctoral degree in professional field 3.8. Economics, declaration of authenticity and originality, impeachment order, scientific jury order.

2. Brief biographical information of the candidate

Dilyana Atanasova graduated in „International Economic Relations“ and „Insurance and Social Work“ specialty, Master’s degree , from the University of National and World Economy (UNWE), Sofia, in 1997 and 2010, respectively. She also has a master’s degree in specialty “Technics and technologies of non-metallic materials, mechanical engineer” from Technical University (TU), Sofia, 1997.

The candidate has extensive practical experience in the financial field. The positions held by her are the following: Currency cashier at Financial House “Karol” AD, Sofia (1994-1998), Head of Front Office at “Karol” AD, Sofia (1998-2002), Manager of “Karol Standard” EOOD, Sofia (2002-2015) and is currently the Managing Owner of “Cortier” EOOD, Sofia (2015-present).

3. Relevance of the topic and relevance of the goals and objectives

The topic of Dilyana Atanasova’s dissertation is very interesting, up-to-date and promising, as it concerns a little-spread problem such as the management of the trust rating in the field of insurance and,

in particular, of insurance brokers. The research enables the reader to get acquainted with the most important trends for the successful digitalization of the insurance business and their relationship with the trust rating of insurance brokers.

The relevance of the topic is determined by the growing role of the insurance broker in the market of insurance mediation in recent years. The increasing number of insurance brokers on the market, the opportunities to work abroad and the processes of digitalization of society, sharpen the competition between them extremely. Insurance brokers are forced to look for new forms and models of organization and management in order to maintain and increase their customer base, as well as to maintain the trust of existing customers and win the trust of new ones.

The author's concept of building and functioning of an insurance broker as a shop for financial services has not yet been considered to a sufficient extent in Bulgarian literature and practice, which is why the present study sets itself the task of revealing the advantages and disadvantages of this method of providing additional value to the offered insurance services and linking it to the credit rating scale of confidence in the insurance broker. The expansion of the services offered by the broker is intended to contribute added value to the insurance chosen by the user of insurance services, thereby increasing his trust in the insurance broker.

Several goals are set for the dissertation, and not, as is usual, one main goal.

The objectives of the dissertation are the following:

1. To reveal the role and necessity of the insurance broker in the current situation of the insurance market;
2. To reveal the different ways of regulating and regulating the activity of insurance brokers, as well as to compare the conditions for the work of insurance brokers according to the legal framework regulating their activity in different European countries;
3. To indicate how achievements in information technology can improve the activity of insurance brokers and increase confidence in them;
4. To consider the different types of financial services that can be used for intermediation and how they could be combined under one roof with insurance intermediation;
5. To develop a system of expert evaluations to determine the trust rating of an insurance broker.

I believe that part of the set goals should be attributed to the tasks of the dissertation.

6 research tasks are set in the dissertation:

1. To examine the legislative base regulating the activity of insurance brokers in Bulgaria and other European countries;
2. To examine the role and influence of insurance brokers on insurance companies and the insurance market;

3. To reveal the positive or negative impact of the latest achievements in the field of information technology on insurance brokers and how they could be implemented in their activities;
4. To give specific reasoned proposals for changes in the legislative framework regulating the activity of insurance intermediaries, based on the researched good practices in other European countries;
5. To propose a model for the construction, operation and management of a ‘store’ for financial services, including an insurance broker, satisfying to the maximum extent the needs of financial consultations and the satisfaction of certain specific financial needs – from insurance, leasing, credit, purchase of securities, real estate;
6. To develop a system of expert assessments for determining the trust rating consisting of three modules and a rating scale for assessing trust in the insurance broker, tested with specific representatives of the Bulgarian practice.

4. Knowledge of the problem

The PhD student is very familiar with the problem of dissertation research. Her extensive practical experience in the field of insurance also contributes to this. Object and subject of research, research thesis, limitations of the research are correctly defined.

The object of research is insurance intermediation and, more specifically, the insurance broker, as an important component of the insurance market. The subject of research is the management of the insurance broker, in such a way that he will be able to offer his clients added value to the insurance products in such a way as to gain and maintain their trust.

The research thesis of the dissertation is that the successful management of the trust rating in the insurance broker is the basis of its future development and survival in the conditions of the sharp competition in the market and the entry of information technologies in the field of insurance. Despite the emergence of more and more different channels for the distribution of insurance products, brokers remain the main channel through which most insurance products are concluded. In order to maintain their leading role in the conditions of an increasingly digitized society, insurance brokers need a reorganization of their activities and a successful management of the trust rating, which they can achieve by implementing the latest high-tech solutions and uniting “under one roof” various types of financial consulting and brokerage that would add additional value to the products they distribute.

5. Research methodology

To fulfill the aim and tasks of the dissertation, a variety of research methods were used: theoretical-methodological analysis, comparative analysis, review of literature sources on the research problems, descriptive analysis, method of analysis and synthesis, method of induction and deduction, empirical analysis, graphical and tabular method, etc.

The dissertation has processed the statistical data disclosed by insurance brokers to the Financial Supervision Commission for a 10-year period from 2010 to 2021 inclusive, which include the main

quantitative aspects of their activity. Also, the dissertation analyzes the general insurance and life insurance market in Bulgaria for a 12-year period – from 2010 to 2021 inclusive, and the share of their brokerage business is examined.

6. Characteristics and evaluation of the dissertation

Dilyana Atanasova's dissertation has a total volume of 351 pages, with the actual part covering 314 pages. The dissertation consists of an introduction, three chapters, a conclusion and appendices.

The bibliography of the dissertation includes numerous literary sources, which are divided into four groups: Bulgarian sources, foreign sources, Internet sources and normative sources. The total number of literary sources in the bibliography is 89.

The dissertation contains numerous figures and tables, the main part of which are presented in the appendices. The number of graphs in the main text of the dissertation is 12, and the number of tables is 11. The appendices are in a total volume of 29 tables.

The first chapter of the dissertation is dedicated to the theoretical-methodological analysis of brokerage activity in insurance. The need for insurance brokers in insurance is indicated. I am interested in the question of trust in the relationship “insurance broker – user of insurance services“ and what factors underlie these relationships. Much attention has rightly been paid to the analysis of the qualitative side of these relationships.

The second chapter of the dissertation is devoted to the analysis of the activity of insurance brokers in Bulgaria. The legal regulation of the activity of the insurance broker in our country has been reviewed. Of particular interest is the detailed analysis of the state and development of the insurance market, including general insurance and life insurance, in Bulgaria. A large volume of statistical data for a long period was analyzed tabularly and graphically, as a result of which significant results for science and practice were derived.

The third chapter of the dissertation is devoted to the management of the trust rating in an insurance broker. The most current trend in the development of the insurance market, namely digitalization, and the types of information technologies used in insurance are examined. The author has developed an innovative system of expert evaluations for determining the trust rating in an insurance broker, similar to the credit rating awarded to commercial banks or insurance companies, which would assess the reliability of an insurance broker from the point of view of the confidence voted to him by the users of insurance services. The proposed system of expert evaluations for determining the trust rating includes different criteria with weights and an evaluation scale. The system developed by the author has been tested with real brokers, representatives of the insurance brokerage market in Bulgaria. The proposed system of expert evaluations for determining the trust rating can be used for choosing an insurance broker when entering a new market, when a large corporation or company chooses a service broker for

the territory of a given country or when assessing individual risk, building and proactive security program management.

The main results of the study are presented in the conclusion.

7. Scientific contributions and significance of research results for science and practice

The contributions of Dilyana Atanasova's dissertation are indicated in the abstract. I confirm the received four scientific and scientific-applied contributions of the dissertation as follows:

1. Theoretical substantiation of the importance of the issue of trust in the relationship “insurance broker – user of insurance services”, with a critical analysis of the normative regulation regarding the activity of insurance intermediaries in Bulgaria and concrete proposals for changes in it.
2. An original system for expert assessment of trust in the insurance broker has been developed, using quantitative criteria to obtain a qualitative assessment, allowing to give an unbiased opinion on the ability of the insurance broker to attract and serve customers, as well as to create additional value to the products it offers of the different insurance companies in the market.
3. A system for expert assessment of trust in the insurance broker with real participants and indicators on the Bulgarian market has been approved. The reliability of the test data confirms its field of application and the benefits it would have for
4. users of insurance services or for insurance companies in their choice of a suitable and reliable intermediary.
5. A concept is proposed to build and operate the insurance broker as a “shop” for financial services, as an opportunity to contribute added value to the insurance chosen by the user of insurance services, and an opportunity to survive in the fierce competition between market intermediaries and the challenges of high technology.

8. Evaluation of the publications on the dissertation

The PhD student has submitted 3 scientific publications on the topic of the dissertation, which are in the form of papers published in non-refereed peer-reviewed journals or published in edited collective volumes. All three publications are independent and were published in “Money and Culture” magazine (2023).

9. Assessment of compliance with national minimum requirements

The reference on the fulfilment of the minimum national requirements for acquiring educational and scientific degree “doctor” in Professional field 3.8. Economics shows that the publications submitted by the PhD student form 80 points.

10. Personal participation of the candidate

I believe that the dissertation is the work of the doctoral student herself.

11. Abstract

The abstract corresponds to the structure and content of the dissertation. The abstract has a total volume of 52 pages.

12. Critical remarks, questions and recommendations

I have the following critical comments on Dilyana Atanasova's dissertation:

1. The dissertation has several goals, not one, as is usual for such scientific works. I believe that part of the set goals should be attributed to the tasks of the dissertation.
2. The dissertation currently talks about 'surplus value', and the correct name is 'added value'. I agree with the finding that the expansion of the services offered by the broker is intended to add value to the insurance chosen by the user of insurance services, thus increasing his confidence in the insurance broker.
3. Not only in the abstract, but also in the introduction of the dissertation, the methodology of the scientific research must be indicated and described. At the same time, in the abstract of the work, the methods used in the research are indicated in a single sentence.
4. A complete stylistic, punctuational and grammatical revision of the dissertation is required. In many places, the wording is incorrect, punctuation marks are missing, etc.

The mentioned critical remarks in no way belittle the merits of Dilyana Atanasova's dissertation.

13. Personal impressions

I do not know the doctoral student and I have no personal impressions of her.

CONCLUSION

The dissertation on the topic "Managing the Trust Rating of Insurance Broker", authored by Dilyana Metodieva Atanasova, is an in-depth study of this issue. The presented materials are in accordance with the requirements of the Law on the Development of Academic Staff in the Republic of Bulgaria (LASRB) and the Ordinance on the Implementation of the LASRB, as well as the Ordinance on Admission and Training of Doctoral Students at the VUZF University.

Based on this, I give a positive assessment of the scientific research presented in the above-mentioned peer-reviewed dissertation and abstract, and I propose to the respected members of the scientific jury to award Dilyana Metodieva Atanasova the educational and scientific degree "doctor" in the Area of higher education 3. Social, Economic and Legal Sciences, professional field 3.8. Economics, doctoral program "Finance, Insurance and Social Insurance", Higher School of Insurance and Finance (VUZF University), Sofia.

22.08.2024

Sofia

Author of opinion:

(Prof. Silvia Trifonova-Pramatarova, PhD)