

To  
The members of the Scientific Jury  
D. A. Tsenov Academy of Economics  
Finance and Credit Department

### STANDPOINT

of a member of the scientific jury, determined by Order No. **1005/16.11.2022.**  
of the Rector of D. A. Tsenov Academy of Economics – Svishtov  
on dissertation for awarding educational and scientific degree "Doctor" (in Economics)

**Author of the standpoint:** Assoc. Prof. Vanya Dencheva Tsonkova, PhD, Department of Finance and Accounting, St. Cyril and St. Methodius University of Veliko Turnovo, Professional field: 3.8. Economics (Finance, Money Circulation, Credit and Insurance)

**Author of the dissertation:** Bilyana Diyanova Damyanova, PhD student, d020218173, doctoral programme "Finance, money circulation, credit and insurance (finance)"

**Dissertation topic:** ASSET FINANCING THROUGH LEASING – CURRENT ISSUES AND CHALLENGES

**Scientific Advisor:** Prof. Teodora Dimitrova, PhD

## I. General presentation of the dissertation work

### 1. Subject

The doctoral student Bilyana Damyanova defines "leasing as a source of asset financing" as the **object** of research, and "current problems and challenges in the management of the leasing process" as the **subject**. On this basis, the research thesis, the aim and the tasks of the dissertation were formulated. The methods and sources used in the scientific research are indicated. The author also justifies that the dissertation covers the state of the leasing market in Bulgaria after the financial crisis of 2008 and does not include a detailed analysis of the impact of the Covid-19 pandemic, the military actions in Ukraine and digitalization.

### 2. Volume

The volume of the dissertation is 164 standard pages of main text, including an introduction, three chapters, and a conclusion. In addition, two appendices, a bibliography, references and a declaration of the doctoral student are included.

### 3. Structure

The structure is well chosen to realize the purpose and tasks of the work. It consists of theoretical aspects, an analysis of the leasing market in our country and the author's empirical study of the problems and challenges facing leasing financing.

**The introduction** contains what is necessary for such scientific research – significance of the topic and formulation of the object, the subject, the thesis, the purpose, the tasks, etc.

**Chapter One** begins with a search for the roots of leasing by presenting accounts of the practice in Ancient Sumer, the Old Babylonian Empire, Ancient Greece and Ancient Rome, and later in Medieval Europe. On this basis, the origin and evolution of real leasing after the beginning of the 19th century in the USA, Europe, Japan and Russia, and later its condition in Bulgaria during socialism and the transition to a market economy, are traced. It is concluded that today "leasing is one of the most efficient ways to

purchase expensive assets that are vital to the development and upgrading of existing capital markets" (p. 14). Further attention is directed to clarifying its essence and analyzing the individual forms by studying the legal regulation, accounting reporting, the opinions of our and foreign researchers, as well as through the prism of the author's practical experience. Finally, this chapter highlights the advantages and disadvantages of leasing, in the context of other forms of business financing.

The main part of **the second chapter** is devoted to a macroeconomic analysis of the leasing market in our country using data from the BNB and NSI for the period 2010-2020. The author examines in detail the structure of assets financed through leasing, the dynamics of receivables under financial and operating leasing, the dynamics of leasing contracts based on new business, as well as the dynamics of leasing penetration in our country. A strong point in this chapter is the author's structuring of the stages of the leasing transaction and the outlining of the potential problems in each of them. In the last paragraph, the doctoral student examines important aspects related to the management of the leasing process - accounting, termination of the contract under a condition, rescheduling of the residual value, etc.

**The third chapter** is primarily based on an analysis of empirical research results. In it, through a survey on the preferences of customers – individuals and legal entities, the author looks for the factors affecting the leasing process, as well as the specific problems and challenges in the sector. Further, guidelines for minimizing the risk in the leasing activity are indicated, with the focus being placed on the need to conduct a financial analysis of the lessees, as well as on systematizing the sources of risk for the lessor and the lessee. Finally, opportunities are sought for optimization of the leasing process in the conditions of digitalization, pointing out that "the construction of a web-based platform ... is a possible optimization of the leasing process ... and will contribute many times to fast, high-quality and profitable customer satisfaction" (p. 153).

In **the conclusion**, the results obtained from the development of the dissertation work are summarized.

#### **4. Bibliography**

The doctoral student used 100 sources in Bulgarian and English, related to the theoretical-methodological foundations of the dissertation work and including the contributions of our and foreign researchers, as well as regulations and statistical information.

#### **5. Appendices to the document**

The dissertation includes 2 appendices representing a sample request for a lease from individuals and legal entities. The main text contains numerous tables and figures, further illustrating the results of the research and the author's views and proposals.

### **II. Assessment of the form and content of the dissertation**

#### **1. Assessment of the relevance and development of the researched scientific problem**

The dissertation is dedicated to one of the popular nowadays ways of financing assets – leasing, which, given the dynamics of market processes and the changes in the macroeconomic environment, is undergoing development and transformation. Bilyana Damyanova, using her acquired knowledge and skills as a bachelor's and master's degree, as well as a doctoral student in finance, as well as the acquired professional competencies, undertook the task of researching the leasing sector in Bulgaria and making proposals for improving the management of leasing companies.

Bilyana Damyanova conscientiously points out the contribution of foreign and Bulgarian researchers who worked on the problems of financing enterprises, in particular through leasing. At the



same time, from her position as a specialist in practice, she researches the attitudes of users of leasing services and the specific problems faced by leasing companies in our country.

## **2. Opinion on the language, volume and toolbox of the dissertation work**

The dissertation is written in a good academic style, using general and specific scientific terminology relatively correctly.

The sources of statistical information, as well as scientific studies on the subject, are cited in accordance with the established requirements in compliance with the rules of scientific ethics. Applied research methods demonstrate skills for working with scientific literature and competencies for conducting and interpreting empirical studies.

In the dissertation, the author's presence stands out when "reading" the theoretical statements, when deriving own classifications, when planning and conducting the survey, when summarizing and interpreting the obtained results, when making proposals.

The volume, structure and content of the dissertation correspond to the formulated research thesis and follow the set goal and tasks.

## **3. Opinion as to how well the author's abstract accurately and completely reflects the work**

The mandatory elements are present in the abstract: general characteristics; main content of the dissertation work (and synthesized presentation); guidelines for future research; reference to scientific and scientific-applied contributions; a list of the doctoral student's publications; a reference for the compliance with the national requirements under the Regulations for the implementation of the Law on the development of the academic staff in the Republic of Bulgaria; statement of originality and authenticity.

The abstract faithfully reflects the structure, logic and content of the work.

Directly related to the topic of the dissertation are four publications – one article and three scientific papers, one of which was co-authored and one abroad (at a scientific conference in Ukraine).

## **III. Scientific and scientific-applied contributions of the dissertation work**

The author formulates four contributions that really reflect the qualities of the dissertation. My view of the main contributions of the scientific work is expressed in the following.

**First**, through an in-depth study of leading domestic and foreign authors working on the problems of leasing, the roots of leasing are traced since ancient times, as well as the evolution and reasons for its identification, imposition and distribution as a common way of financing. From now on, on the basis of the regulations and the practical experience of the doctoral student, its specific characteristics and forms of manifestation stand out nowadays.

**Secondly**, by using statistical data – from the BNB and NSI, an original analysis of the leasing market in Bulgaria for the period 2010 - 2020 was carried out, from which follows the conclusion about the dynamic development of the segment and the influence of changes in the economic situation.

**Thirdly**, on the basis of practical experience, the stages of the leasing transaction are derived, outlining the potential problems in each one, which is related to the optimization of the management process.

**Fourth**, through a specific empirical study, the attitudes of users of leasing services are studied and the determinants, problems and challenges for the development of leasing in our country are highlighted.

With these qualities, Bilyana Damyanova's dissertation contributes to the enrichment of research in the field of leasing in our country, as well as outlines new opportunities for researching the behavior of users of leasing services and optimizing the leasing process.

#### **IV. Critical notes and questions on dissertation work**

In her dissertation, the doctoral student demonstrates knowledge and skills in the field of economics and finance acquired during her studies as a student and doctoral student, as well as in her professional practice. Despite the merits of the work, there are also some weaknesses that should be noted given the need for precision in scientific work.

- 1) There are inaccuracies in the definition and use of some concepts (for example, in the introduction, leasing is associated only with bank lending; when clarifying the loan sources of financing, shares are also indicated – p. 30; self-employed persons and sole traders are indicated as legal persons, and they are actually individuals – pp. 107 and 108).
- 2) The group of respondents in the conducted survey and the manner of conducting it are not defined – how the sample was constructed and what is its volume to be considered representative, when the survey was conducted, etc. It is also not clear whether they are included only individuals and legal entities – users of leasing services (which is the logic of the reasoning on p. 109), or among them there are also persons who are not lessees (as indicated on p. 113, that such are 36.6% of respondents).
- 3) The doctoral student could successfully apply a more in-depth statistical toolkit in the second and third chapters in order to outline more clearly and categorically the trends and patterns in the development of leasing in our country.

My **questions** to the doctoral student are:

- 1) How does the leasing financing sector in Bulgaria compare with other countries in the European Union and with the countries of Central and Eastern Europe?
- 2) Is there a serious change in the indicators for the scale and structure of the leasing market in Bulgaria in 2021-2022, in the context of the dynamic environment.

#### **V. Summary evaluation of the dissertation work and conclusion**

The presented dissertation meets the requirements of the national and university regulations in the D. A. Tsenov Academy of Economics. Through it, the doctoral student demonstrates a very good level of general economic and financial theoretical preparation, complemented by practical experience, as well as the ability to conduct independent empirical research. There is the necessary topicality and importance of the topic, good faith in presenting the ideas and practical benefit of the author's proposals. The ideas and results of the conducted research have been popularized through participation in prestigious conferences and in scientific publications.

All this gives me grounds for a positive evaluation of the dissertation work and to propose to the respected members of the Scientific Jury to vote for awarding the educational and scientific degree "doctor" in the doctoral program "Finance, monetary circulation, credit and insurance (finance)" of doctoral student Bilyana Diyanova Damyanova.

26.12.2022  
Veliko Tarnovo