



REVIEW

**By Prof. Neno Pavlov, Doctor of Economics,
International Business School**

Subject: *Draft dissertation thesis for awarding the educational and scientific degree of 'Doctor' at the International Business School in Professional Field 3.7. 'Administration and Management', Scientific Specialty 'Administration and Management (Business Administration)'*

Candidate for awarding the educational and scientific degree of 'Doctor' - Ediz-Hanif Bayazidov Saidov, *a doctoral student on a self-study basis at the International Business School, with scientific supervisors Prof. Serafim Petrov, PhD and Assoc. Prof. Nadya Milanova, PhD*

Basis for presentation of the review: *Article 9 of the Development of Academic Staff in the Republic of Bulgaria Act (DASRBA), Article 30, Paragraph 3, Article 31 of the Implementing Regulations of the Development of Academic Staff in the Republic of Bulgaria Act (IRDASRBA) and Order No. 220/15.10.2021 of the Rector of the International Business School.*

Dissertation topic: *'Risk Management in Investment Projects'*

Position of the Reviewer: *member of the Scientific Jury in a competition for awarding the educational and scientific degree of 'Doctor', based on Order No. 220/15.10.2021 and Decision of the Scientific Jury from the constituent meeting – Minutes No. 1/ 19.10.2021*

Requirements regarding the review content: *Development of Academic Staff in the Republic of Bulgaria Act, its Implementing Regulations, Ordinance on the Development of Academic Staff of the International Business School.*

1. Brief information of the doctoral student

Doctoral student Ediz-Hanif Bayazidov Saidov was born on 24 September 1988. He acquired a Bachelor's Degree in Economics in 2013 and a Master's Degree in Economics in 2014 at the New Bulgarian University.

The beginning of the professional career of doctoral student Saidov is associated with taking the position of deputy-manager of a furniture manufacturing company in the town of Smolyan (2007 until present), partner in the distribution of food products (2011 until present), partner in the restaurant business (2013 until present), manager of the Olive Processing and Packaging Factory (2013 until present), etc.

He is fluent in written and spoken Turkish, English and Russian.

Within the scope of the individual curriculum for self-study training under the doctoral program 'Administration and Management (Business Administration)', the doctoral student has fulfilled the envisaged academic obligations and has been written off with the right to defense.

2. General characteristics and evaluation of the submitted dissertation

2.1. Evaluation of the volume structure of the dissertation

The reviewed doctoral thesis consists of 219 pages, structured in: introduction - 4 pages; main text (including three chapters) - 206 pages, conclusion - 3 pages, list of used literature - 6 pages with 107 literary and electronic sources, of which 56 titles in Cyrillic and 51 titles in Latin, 8 tables, 3 figures and 2 appendices.

The structure thus adopted provides the necessary scope, logical and semantic coherence, depth and unity of the relevant parts in the course of deriving retrospective trends, the substantiation of one or another concept and theoretical models for the purposes of the research, the author's thesis, judgments, recommendations and vision for change. The selected literature and information sources and the work with them confirm the doctoral student's awareness of the thematic area, his ability to systematize, analyze and critically interpret the existing information, theoretical concepts and scientific theses, as well as to present his views on them.

2.2. Evaluation of the relevance and significance of the topic

The leading arguments that prove in an indisputable way the relevance of the topic and social significance of the evaluated doctoral thesis and the achieved results are related mainly to:

First, the economically proven importance of investment projects on a global scale for the implementation of effective investments in investment projects, providing cash flows to cover costs and generate profitability/ profit, according to the level of risk taken; *second*, the duration, complexity, responsibility and creativity of the process of developing, managing and implementing investment projects directly related to investing financial resources, with systematic forecasting, analysis and assessment of their profitability/ investment risk in an environment of uncertainty for investors, of the mobility of the laws and regulations at a national and international level, the transformations in the quality of strategic management of business, etc.; *third*, the objectively growing requirements for the professional behavior of economic entities in the course of realization of their business ideas, entrepreneurial culture and activity to implement non-traditional, innovative investment technologies with higher risk due to uncertainty in profitability and volatility of the price of securities in the dynamic market environment of digital transformations and high competition; *fourth*, the key impact of investments on economic activity, technological restructuring, economic growth and rating, income and living standards; *fifth*, the pressure exerted by the growing need of the business for proactive investment activity and investment management in the development of the economy of knowledge, innovations and scientific service of the cycle of investment risk

management in business entrepreneurship. All of them become objective and indisputable factors of the effective implementation of each investment project, innovative tools for minimizing risk in the process of implementing financial, production and other types of activities within the ongoing investment projects.

The *goal* of the doctoral thesis is to analyze the conceptual foundations and systematically present the approaches and practices for improving risk management in investment activities, as a functional action for acquiring capital through financial investments, respectively long-term investments in securities transactions, entrepreneurial or other activities that directly influence the growth of economy and economic activity. To achieve this goal, four research tasks have been logically set.

The *object* of the research is the technology of investment risk management in a global and dynamically changing market environment, generating uncertainty and instability in the two interrelated parameters of the investment activity - risk and profitability (profit) in national and international financial aspects.

The *subject* of the research are the current trends in the methodology of investment risk management (consistent with the peculiarities of investment flows), as a probability of losing investments and profits from them, on the one hand, and as an opportunity for its minimization and positive impact on the quality, efficiency and vitality of the investment project, on the other hand.

The *research thesis* is the variety of scientific-theoretical, methodological and applied aspects of the analysis and evaluation of trends in investment, development and risk management in the conditions of the new, highly dynamic economic and 'volatile' financial realities.

All this proves: first of all, the interdisciplinary (financial and investment, managerial, informational, commercial, legal, macro and corporate) nature of the problems studied in the dissertation, fitting into the traditional cycle of professional risk management in investment projects, and second, the fulfillment by the author of the fundamental requirements of the Development of Academic Staff in the Republic of Bulgaria Act for the acquisition of the educational and scientific degree of 'Doctor' in the professional field.

3. Evaluation of the obtained scientific and scientific-applied results

The research achievements in scientific and applied aspect contained in the evaluated dissertation can be summarized in the following several fields:

First, focusing of the doctoral thesis on the study of fundamental scientific and theoretical concepts, methodological, institutional and applied problems of the risk management cycle in investment activities, as well as the related critical values that can generate financial losses in the entrepreneurial activity of investors.

The doctoral student pays special attention to the innovative solutions in the field of risk management in investment operations, in the context of the methodology for diagnosing the essential features, sources and causes for occurrence; the tools and method of identification; the results of the quantitative and qualitative analysis of the integrated investment risk; assessing the severity of possible resource losses from the occurrence of risky events; finding the appropriate balance between the practical benefits of risk reduction and the additional costs incurred in response to the level of risk, through the works and publications of leading researchers and good practices in the country and abroad.

Second, the methodological bases of the evaluation, analysis, monitoring and control of investment projects, developed on the basis of the philosophy of project management and the structural approach, have a contributing nature. Methodological solutions are proposed for the identification of: the phases in the process of initiation and implementation of investment projects with the roles and responsibilities of the participants, as formal structures, adequate to the project management; the scope, specifics, features and technological design of the innovative investment project, which presumably contains the potential to be the bearer of organizational change in each company and enterprise in their capacity as real investors.

In functional aspect, according to the logic and components of project management, the methodological solutions are complemented by: analysis of the environment and justification of the economic feasibility of the investment project; the duration and terms of the individual phases for the realization of the necessary investments in specific projects of material or financial nature; the steps of the entire duration in implementing the project; the analysis and evaluation of trends in the development of integrated risk in investment activities in an environment of dynamically changing economic and financial conditions of the markets; the detailed development of the specialized design and accounting documentation, in accordance with the current financial standards and requirements.

Third, the proposed investment portfolio approach as a tool for investors to minimize risk and achieve higher returns through the techniques of the traditionally known **method of diversification of risky assets**, optimizing the activities to reduce the impact of various risk factors and maintaining the project viability. An objective, critical analysis of the possible forms for its implementation has been made, supported by judgments about the position and role of the project manager (the subjective factor) in decision-making in the proactive management of project investments.

Based on the limited investment potential in countries such as Bulgaria, the author argues the need to apply more effective, innovative models and practices in investment risk management in the context of projects for ensuring financial stability and sustainable development in the European Union. According to the author, it is especially important to take into account the main constraints - time, price and budget-financial in the process of practical implementation of the investment project, as well as the related scope/ quality of the product/ service, which are ‘materialized – acquired – realized on the market’. Special attention should be paid to the analysis of innovative investments, traditionally having high risk, in the context of innovation management, project management practices and the problems of their financing through business entities, banking institutions and self-financing.

Fourth, the substantiated author's vision and recommendations for the future use of various forms and ways of project investment and management of investment portfolios, associated with financial participation through the placement of capital for objects of financial, entrepreneurial or other activities, aimed at achieving optimal profitability or other beneficial effect, based on the limited impact of market risk on the entire managed portfolio and the individual risk of the financial instruments contained in it.

The specified arguments make the dissertation relevant, socially significant and complete research, with specific scientific-theoretical and applied results, confirmed by the design of a specific theoretical and conceptual framework and methodological tools for assessing investment risks and identifying approaches, problems and practices of forecasting, analysis, management, monitoring and control of risk in project investment in business.

4. Evaluation of the implementation of the set tasks and requirements

My final conclusion is that *the main research goal has been achieved and the tasks fulfilled* by: the use of sufficient volume of systematically presented scientific and empirical information, adequate theoretical knowledge in the scientific specialty, appropriate academic training and ability to conduct independent research, which fulfills the main requirements of Article 49 of the Development of Academic Staff in the Republic of Bulgaria Act for acquiring the educational and scientific degree of 'Doctor'. The achieved scientific and scientific-applied results have the nature of expanding and enriching the knowledge in the specific scientific specialty.

5. Evaluation of the scientific and scientific-applied contributions

The research achievements of the doctoral student substantiate the theoretical-conceptual and methodological soundness of the presented doctoral thesis. They offer applicable methodology and tools for investment portfolio management with optimized efficiency and profitability, at a certain level of risk, and reducing the uncertainty of investments in financial markets, respectively achieving higher organizational and economic effectiveness/ efficiency in investor organizations. I consider the Report on contributions in the abstract to be realistic and objectively reflecting the research results.

6. Evaluation of the publications of the doctoral student

The *three scientific publications* (two reports and one article) in a Journal and Collections of materials from scientific conferences, submitted in the defense procedure, are an integral part of the doctoral student's research work in the context of the doctoral thesis. They provide the necessary publicity of the research results to the academic community and other stakeholders in practice.

7. Evaluation of the abstract

The abstract is 38 pages long. He objectively reproduces in a synthesized form the content structure, the main conclusions and the research results in the project of the dissertation.

8. Critical remarks and recommendations

It is natural to find inaccuracies in the doctoral dissertation, both in substance and in form. In my opinion during the internal discussion of the dissertation, I presented detailed critical remarks on: the formulated author's research thesis, the tasks, limitations and requirements of the doctoral thesis standard; the definition of the contributions and working concepts, citations, editorial notes and the layout of the List of used literature. I find that a very large part of the recommendations made have been taken into consideration by the doctoral student in good faith; therefore, I have no new remarks and questions.

Conclusion

Based on the relevance and significance of the research, the targeted scientific and applied results, specific conclusions about management practice and solving a real problem of indisputable importance, I give a positive assessment of the dissertation and propose to the honorable members of the Scientific Jury, based on Chapter Two, Article 6 of the Development of Academic Staff in the Republic of Bulgaria Act, to support the award of the educational and scientific degree of 'Doctor in Economics' to doctoral student *Ediz-Hanif Bayazidov Saidov* in the Professional Field 3.7 'Administration and Management', Scientific Specialty 'Administration and Management (Business Administration)', Scientific Field 'Social, Economic and Legal Sciences'.

**Reviewer: _____
/Prof. Neno Pavlov, PhD in Economics/**

**8 December 2021
Sofia**