

## REFERENCE

**From:** Prof. DSc Zhelyu Vladimirov, Sofia University "St. Kliment Ohridski", scientific field 3.7. "Administration and Management"

**On:** the scientific works of chief assistant professor Dr Marina Stefanova, for participation in a competition for the acquisition of the academic position "associate professor" in the professional field 3.8. Economics (Corporate sustainability and responsibility - in Bulgarian and English), announced in SG No. 30/15/04/2022

**Reason for the review:** Order RD-38-462/26.7.2022 of the Rector of SU "St. Kliment Ohridski"

### 1. Brief presentation of the candidate

Dr Marina Dimitrova Stefanova holds a Master of Laws from Sofia University "St. Kliment Ohridski" (2001) and in Business administration at the same university. In 2016, she defended her doctoral dissertation on "Factors for the implementation of corporate social responsibility in Bulgarian small and medium-sized enterprises" at the Sofia University "St. Kliment Ohridski" (SU). From 2015 to 2019, she taught "Introduction to corporate social responsibility and sustainable business development" to bachelors (in Bulgarian and English) and "Corporate development. Mergers and Acquisitions" (2017-2021) to masters in the SU. In 2020, she was appointed as a chief assistant in the Department of "Economics and Industry Management" at the Faculty of Economics of the Sofia University. From 2021 she is a director of the Master's program "Responsible and Sustainable Management". She delivers courses on "Systematization and standardization of CSR" and "Responsible and sustainable development". She is also a head of the ESG Academy at the Centre for Educational Services of the SU. Before she taught courses in the field of corporate sustainability and responsibility at the Higher School of Insurance and Finance and the American University in Bulgaria.

Dr Stefanova significant managerial, expert and consulting activities for the Bulgarian Network of the UN Global Compact, UNICEF in Bulgaria and UNIDO (2007-2021). She contributes to the creation of standards and policies in the field of CSR as a member of the ISO 26000 Review Committee at the Bulgarian Institute for Standardization, the Advisory Council on CSR at the Ministry of Labour and Social Policy, the National Contact Point at the Bulgarian Small and Medium Enterprises Promotion Agency, and the Economic and Social Council.

In the last four years, she participated in two international scientific projects, in one of which she was a head of scientific communications. She took part in a number of national and international scientific forums, round tables and discussions. She speaks English, uses Spanish and Russian. She is a Chairman of the Board of Directors of the Bulgarian Association of CSR Specialists and member of the Board of Directors of the Association of Investor Relations Directors in Bulgaria and the Bulgarian Food Bank.

### 2. General characteristics of the candidate's works

Dr Marina Stefanova is an author and co-author of 22 publications in scientific publications and 26 publications in popular scientific editions. She participates in the competition for associate professor with 11 of these publications. The publications include two independent monographs, one of which is based on a defended dissertation for the award of the educational and scientific degree "Doctor"; four book chapters and five articles. One of the articles and two of the book chapters appear in publications indexed in Scopus and Web of Science, respectively, while four

articles and one book chapter are published in non-refereed peer-reviewed journals and edited collective volumes, respectively. Seven of the publications are in English and 4 in Bulgarian. For one of the articles, a separation protocol has been attached with an indicated share of the two authors (50% each). The total volume of author's pages is 556, of which nearly 100 pages are in English. The candidate has a total of 4 citations in scientific publications, referenced and indexed in Scopus, while after 2021 one of the journals was removed from this database.

The publications submitted for participation in the competition do not repeat those for the acquisition of the educational and scientific degree "doctor". With these papers, the candidate meets the minimum national requirements under Art. 2b of Law for the development of the academic staff in the R of Bulgaria for professional field 3.7 "Administration and management". As far as I am familiar with the research areas of Dr Stefanova, no plagiarism was detected in the publications submitted for the competition.

The applicant's publications relate primarily to one thematic area with some variations, namely Corporate Sustainability and Corporate Responsibility with a focus on small and medium-sized enterprises: (Nos. 3.1, 5.1, 6.1, 7.1, 7.2, 7.5, 10.1). One article discusses the partnership between the UN and the private sector (No. 7.3), mainly in terms of the global compact and the promotion of sustainable corporate development; another article investigates the workplace well-being issues (No. 7.4) from the perspective of work-family balance; a third article outlines the orientations of young job seekers in close relation to CSR dimensions (No. 6.2); and the fourth article analyses human capital theoretically and on the example of Overgaz company (No. 10.2).

(1) *Corporate sustainability and responsibility of enterprises* (monograph - No. 3.1; book based on a dissertation work for awarding the educational and scientific degree "doctor" - No. 5.1; articles No.: 6.1, 7.1, 7.2, 7.5 - in English and 10.1 – in Bulgarian).

These issues are fundamental to the candidate's scientific interests. In the book based on a defended dissertation for the award of an educational and scientific degree "doctor" "*Corporate social responsibility in Bulgarian small and medium-sized enterprises*" (2020), an in-depth review of the factors influencing the implementation of CSR in SMEs is made. Theoretical developments on the topic in four areas are covered: strategic management, organizational management, human resources, and small and medium enterprises. An own empirical study is conducted among a sample of 309 SMEs, and the data are analysed using descriptive, factor, correlation and path analyses. A model with 7 hypotheses for the influence of the derived factors on the implementation of CSR is tested. The defended thesis is that the involvement of small and medium-sized enterprises in CSR is influenced by internal and external factors, the most important of which are the individual interest, the requirements and partnership of the most important stakeholders, the obstacles and, accordingly, the incentives to promote these activities. The close relationship between market volume, quality management, owner's interest, partnership and the implementation of CSR activities is shown.

The chapter "*Benefits of the implementation of CSR in Bulgarian SMEs*" (No. 10.1) from the book *Responsible Business in Bulgaria* (2017) presents in an abbreviated version the content of the book mentioned above. A number of studies are reviewed on the relationship between the systematic implementation of CSR and the competitiveness of companies. It is shown that for a large number of small and medium-sized enterprises CSR is still a challenge that does not fall into their business priorities. The incomplete understanding of the concept of CSR by SME managers is mainly associated with civic philanthropy and not so much with the core business or marketing positioning. The results and conclusions of the empirical research commented above are presented.

In the monograph *Accounting for Enterprise Sustainability. Environmental, Social and Governance (ESG) aspects of their activity* (2022) are analysed the historical and conceptual stages for the formation of the non-financial reporting of enterprises as a way to transparently present their activity. The types of data, their sources and users are shown. The three types of information forming ESG reporting are outlined. These include disclosing information about environmental protection, solving social problems (in the field of human rights, labour practices, and local community development) and governance issues (anti-corruption behavior, diversity and inclusion practices, disclosure). If until recently this approach was voluntary, it is gradually being imposed as an imperative for the disclosure of non-financial information. This is justified by the need to achieve the climate goals set by the EU in the Paris Agreement and Agenda 2030. The monograph defends the thesis that non-financial information and integrated reporting are necessary for a transparent public presentation of the results of the enterprises' activities. Such data contribute to a more responsible targeting of investments to such enterprises and sectors.

The book also reviews research on non-financial reporting in Bulgaria, the European Union and other countries outside Europe. Empirical studies are conducted among Bulgarian enterprises for the first two years of their mandatory reporting. Data processing, analysis and interpretation of the received results are carried out by means of an internationally approved methodology. On this basis, key recommendations are made to promote correct non-financial reporting of companies. The units of the empirical research include 67 companies publicly traded on the Bulgarian Stock Exchange and/or in the public interest with 500+ employees operating in Bulgaria. The results show that, along with the positive aspects of mandatory reporting, there are also certain weaknesses in non-financial declarations, mainly in terms of dimensions related to human rights and the fight against corruption. In general, the monograph represents a definite contribution to the theory and methodology of corporate accountability in Bulgaria.

A significant portion of these results have been validated in other publications such as articles and conference papers. For example, in article No. 6.1 (*CSR in Bulgaria: The Current State of the Field*) the current state of CSR in Bulgaria as of 2015 is presented. Four trends typical for most Central and East European countries are revealed (1) the development of CSR in Bulgaria primarily as a response to external influence and pressure; (2) more difficulties encountered by Bulgarian companies in undertaking CSR; (3) lack of political commitment on the part of the government, which is why companies are the main drivers of CSR; (4) insufficient knowledge and know-how in the field of CSR among Bulgarian companies. The majority of Bulgarian enterprises still understand CSR as a compliance with laws and philanthropy. Few companies consider CSR in a strategic aspect such as the integration of environmental and social issues into their business models, as well as the formation of partnerships with civil society organizations.

*Individual leadership as a factor in creating a sustainable company* is the subject of analysis in article No. 7.1. The idea is to clarify the nature of resilience and meta-leadership and how they can contribute to the transformation of a company in times of emergency and force majeure. The transformational change of business during a crisis and the leadership model for sustainable development are shown. Two theoretical models are tested among a sample of Bulgarian senior business leaders during the COVID-19 pandemic. CSR leadership characteristics are identified, such as systems thinking, emotional intelligence, value orientation, compelling vision, inclusive style, innovative approach and long-term perspective. These results are important for the implementation of CSR by managers. It is concluded that once embedded in the corporate DNA, CSR manifests itself both in times of crisis and in times of peace.

Article No 7.2 (*The CSR Professional – Undiscovered Agent of Change*) explores CSR professionals as undiscovered agents of organizational change. These professionals could be

leaders in various organizations and their business units regardless of company hierarchy. Directly or indirectly, they will be empowered to implement new processes, train employees and act as role models for successful change management. Empowered by the company, these leaders can demonstrate that CSR is not a side-line and sporadic activity of business units, but lies at the heart of day-to-day operations. The research shows that the CSR profession and its implementation in Bulgarian campaigns is in an early period of development. Still, these specialists are not recognized and do not participate according to their full potential to implement the changes.

Article No. 7.5 (*Social responsibility of mining industry in Bulgaria - partnership for sustainability*) examines the social investments of mining companies in Bulgaria. CSR programs have helped to improve the environmental and social performance of these companies, and they now provide more information to the public. Their outlined benefits of CSR include recognizable certification, increased competitive advantage, customer loyalty, reputation, labour productivity, and risk management. The methodology of the UN Global Compact (Principles for Social Investments) is used to discuss the current investment evaluation system and to show possible improvements in the approach and contribution of mining companies to the communities in Bulgaria. The results show that although they make large donations through their social programs, these companies still lack an understanding of the "investment" element in social activities. However, the first sporadic strategic social investment programs are emerging.

The partnership between the UN and the private sector from the perspective of the global compact and promotion of sustainable development of companies is analysed in article No. 7.3. It is shown that the Global Compact calls on companies to adopt and implement four main categories of values: human rights, labour standards, environment and anti-corruption with corresponding principles. The role of the Bulgarian Network of the Global Compact, which is a national representative organization in CSR Europe for Bulgaria, is highlighted. It is concluded that business can be a driver of the changes needed to achieve an inclusive and sustainable economy.

Chapter 8 (*Bulgaria*) of the book *Corporate Social Responsibility and Employer Attractiveness: An International Perspective* (No. 6.2) reveals the orientations of Bulgarian youth job seekers in relation to some dimensions of CSR. These are above all the good working atmosphere; career opportunities and responsible employers. Prospective employees are also paying attention to such aspects of CSR as work-life balance and family-friendly policies. At the same time, they show low concern for the environmental dimensions of CSR, apparently seen as less important.

The problems of well-being at the workplace from the point of view of the "work-family" balance are studied in article No. 7.4 (*Recognition of the value of labour - a successful practice for reinforcing the well-being at work*). The results of the project "I am proud of my parents' work" (2013) are presented. More than 420 children participate in it, visiting their parents' workplaces in 12 companies and learning about 71 professions. The impact of the initiative is assessed through a standardized questionnaire among the HR experts of these companies. The results show the strengthening of employee engagement and the building of sustainable communities within the respective enterprises. The expectation is that such initiatives can increase confidence in a collective approach to social and environmental challenges and thus improve business culture.

Article No. 10.2 analyses human capital theories and their application in one of the leading Bulgarian infrastructure companies - Overgaz. It is shown that in its strategy this company places CSR activities and the concept of sustainable development from the customer's point of view as a new social model. It is revealed how these concepts are also reflected on a wider business audience, becoming a model for other companies to follow in terms of responsible business in Bulgaria.

### **3. Significance of contributions for science and practice**

The review of the works presented for the competition of Dr Marina Stefanova reveals that these are author's studies that meet scientific standards. Based on the obtained results, the candidate has formulated five theoretical and five scientific and applied contributions, which are her personal achievement.

**Contributions of a theoretical nature** can be summarized as follows: (1) The specifics of research in the field of environmental, social and governance (ESG) aspects of the activities of business organizations are outlined; (2) Key factors influencing the adoption of CSR by companies in Bulgaria are presented; (3) An analytical model with basic elements of sustainability reports as a tool for the transparent behavior of organizations is proposed; (4) A methodology and toolkit for researching sustainability reports of obligated legal entities in Bulgaria is adapted and approved; (5) The obtained results for CSR in Bulgaria enable a comparison with other countries using the same methodology

**Contributions of a practical nature** include: (1) new knowledge about the orientations of business leaders towards the responsibility, sustainability and organisational transparency; (2) evaluation of known methodologies regarding the content of sustainability reports and the transparency of organizations; (3) using the obtained results as a means of knowledge/self-knowledge of managers and employees in business organizations regarding the development of successful ESG strategies; (4) enriching the content and quality of academic and other courses in the field of CSR; (5) training materials and practice-based case studies related to systematization and standardization of CSR, sustainability reporting, good corporate governance and sustainable leadership have been created and approved.

### **4. Critical notes, recommendations and questions**

I have two critical notes and two recommendations. The first note is related to the way of presenting the materials for the competition. So, for example, before the correction of the materials for the competition, four publications were provided, which were used to defend the doctoral dissertation and subsequently excluded. At the same time, the author participated in publications such as *Initiative for Corporate Transparency (Analytical Report Bulgaria)* - 2021 and 2019, which are close to the subject of the competition and with the relevant separation protocols could be included in the materials. Moreover, one of the articles was published in a journal indexed in Scopus, but rated as an article in a non-indexed database. The second note is that, with the exception of the book based on a defended doctoral dissertation, the candidate does not subsequently demonstrate a variety of data processing as previously shown. On this basis, it is also recommended to pay more attention to the possibilities of more complex data processing in order to extract meaningful relationships. The second recommendation is that the candidate should continue to publish more intensively in journals with an impact factor or impact rank for which she has already shown capacity.

### **5. Conclusion**

Regardless of the above made notes, the candidate's submitted publications testify to a thorough knowledge of issues related to CSR in organizations and non-financial reporting as a way to achieve greater transparency in business and sustainable development. This issue is extremely relevant from the point of view of the effects of globalization on companies and societies, and also in the context of the current geopolitical situation. An in-depth review of current Bulgarian and foreign literature was made, with which the author contributes to the transfer of knowledge in this field. The candidate demonstrates a very good knowledge of theoretical and practical issues and

correctness in referencing the publications used. Independently conducted quantitative and qualitative empirical studies reveal good skills in collecting and processing data and drawing meaningful conclusions. The obtained results contribute significantly to the understanding of the importance and benefits of the correct implementation of CSR and non-financial reporting. Part of these results have been turned already into the teaching content of the courses led by Dr Stefanova.

With the works presented in the competition and with his active teaching and popular science activity Dr Marina Stefanova demonstrates the qualities of a responsible researcher and teacher.

All this gives me a reason to recommend to the respected scientific jury to award chief assistant-professor, Dr Marina Stefanova, the academic position "associate professor" in professional field 3.8. Economics (Corporate Sustainability and Responsibility - in Bulgarian and English) at the Faculty of Economics and Business Administration of the Sofia University "St. Kliment Ohridski".

10.08.2022  
Sofia

Reviewer:  
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