

CHALLENGES TO THE PLANNING FUNCTION IN SMEs IN THE CONDITIONS OF DIGITAL TRANSFORMATION

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Abstract. The study aims to outline the framework and the main challenges for planning in SMEs in the context of digitalisation. The object of research is SMEs in Bulgaria, subject – the planning function and its digitization. Through a comparative, critical analysis, the picture in SMEs and the challenges of digital transformation are outlined. An empirical study of the state of planned activities in SMEs and the readiness for digital transformation are conducted, the data are processed by statistical analysis methods. Through deduction, induction and traduction, criteria for self-assessment of the digitalisation of the planned activity in SMEs are derived. The emphasis is on interventions to improve the digital competence of enterprises.

Keywords: digital transformation, SMEs, planning, competences.

JEL Classification: J24, O12.

Introduction

Small and medium enterprises (SMEs) are key actors for the Bulgarian economy. The official statistics for 2018 show that 99.8% of the enterprises in Bulgaria fall into this group. They provide 75.7% of employment and create 65.3% of the added value of the national economy. In comparison, the average value at EU level is 56.4%, which indicates their importance for the Bulgarian economic system. About 93% of all SMEs are micro-enterprises with up to 9 employees, about 6% are small enterprises with between 10 and 49 employees and 1% are medium-sized enterprises with between 50–249 employees. The contribution of SMEs to the competitiveness of the Bulgarian economy is significant and this presupposes the implementation of adequate policies at various levels to support and stimulate entrepreneurship and growth. The environment for SMEs development in Bulgaria is positive in terms of opportunities and access to finance, but is underdeveloped in terms of entrepreneurial attitudes and innovations. Building a knowledge-based economy presupposes a high degree of innovation of business entities. Information and communication technologies

and their intensive development, especially in the conditions of the COVID-19 pandemic, are the basis for the modernization of business processes and increase their efficiency. Innovation, including digital innovation, has a significant contribution to increasing the competitiveness of SMEs (Szczepańska-Woszczyna, 2014), improving market performance and reducing their costs (Cooke & Mayes, 1996). SMEs are more sensitive to the environment and more flexible in offering solutions inspired by changes in needs. At the same time, they are significantly more negatively affected by changes in the business environment (Sousa et al., 2012). As a large proportion of SMEs cannot survive in the first years of their creation, they need support for establishment and development. The rapid introduction of ICT technologies in all processes that take place in a business entity requires targeted interventions for digitalisation, especially of small enterprises, which are significantly behind in this regard. Research at the national level (PwC, 2020) identifies clear barriers for SMEs in the implementation of ICT technologies and digitalisation. These include insufficient human resources, ignorance of modern organizational and managerial tools, lack of digital and technological skills, lack of vision for digitalisation of

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business, limited knowledge of opportunities for digitalisation, lack of trust in the digital economy in general, etc. These barriers, combined with the insufficient financial resources traditionally used by SMEs, create a complex environment for the development of a high-tech digital economy. The same study states that the backbone of the Bulgarian economy, i.e. SMEs do not understand the role, importance and benefits of digitalisation of business processes. This leads to the implementation of inefficient and respectively uncompetitive development solutions, refusal to invest in digitalisation, which increases business risk and limits business opportunities. In this context, there is a need to create an appropriate culture among decision-makers in SMEs on digitalisation and its positive impact on the performance of individual business organizations in the medium and long term. In addition, it is necessary to intervene in support of offering adequate opportunities for providing digital qualifications to SMEs and human resources development in the direction of improving digital skills. Bulgaria in 2019 and 2020 is the least developed EU member state according to the index for the penetration of digital technologies in the economy and society (DESI). The country also registers the lowest levels of connectivity and integration of digital solutions for the organization of business processes, e-commerce, data and information exchange. The main reason for the poor position can be pointed out the competence of human resources and their digital skills. It is no coincidence that Bulgaria ranks last in the Human Resources component of the index for the penetration of digital technologies in the economy and society. Some improvement in this position was registered in 2021, when Bulgaria took the penultimate 26th place in the ranking of the EU index (European Commission, 2021). However, the level of digital skills and competences of human capital in the country is still among the lowest among the member states. Only 29% of the population between the ages of 16 and 74 have a minimum of digital skills, compared to the EU average of 56%. Business organizations face difficulties in finding qualified staff for the development and implementation of innovations, automation of business processes, improvement of organizational functioning.

The shading of this picture outlines the relevance of the issue and relates the level of digitalisation of SMEs to a strategically important process – the planning. In practice, digitalisation is the basis for achieving technological development in all sectors of the economy. An important condition for accelerated digital progress is the quality of human resources and their skills and competences in the field of ICT. Planning as part of management functions is also the subject of digital decisions that require specific expertise. Highly intellectual planning activity, which requires a wide range of knowledge in various fields, skills for analytical and critical thinking, strategic analysis and integration of various possible solutions, as well as proactive

assessment of possible scenarios of various management decisions, can be supported by relevant ICT solutions. They cannot automate the planning process, but they can significantly improve the information security, reliability and speed of management decisions with a planned nature at high and medium levels.

1. Research methodology

The present study is based on a standard scientific approach, which includes the application of a wide range of qualitative methods of analysis, incl. content analysis of documents at national and European level, comparative analysis, critical analysis. On this basis, the picture of SMEs and the challenges of digital transformation are outlined. An empirical study was conducted, which aims to establish the state of planned activities in SMEs in Bulgaria and readiness for digital transformation. A cross-analysis was made. Hypotheses are defined and tested by statistical methods. Through deduction, induction and tradition, criteria for self-assessment of the competence of the planner in the conditions of digitalisation are derived and discussion questions regarding the planned function in the digitalizing SMEs are outlined.

In the organizational plan of the research it goes through three stages:

Stage 1. Research. Within the stage, a review of the scientific literature was made regarding the digital transformation of management and planning processes in SMEs and the necessary competencies of the staff. The impact of the digital transformation of SMEs on the planning competence and in particular the global challenges for SMEs in the field of digitalization and their impact on the development of management and planning in business organizations is studied. An overview of the strategic and normative framework of the planned activity in the Bulgarian SMEs with an emphasis on human resources is made.

Stage 2. Empirical research. Based on the conclusions reached from the previous stage, a questionnaire was constructed, which was tested among 10 SMEs, and was precisely distributed among SMEs in Bulgaria. The survey is not representative and the answers collected are by the method of respondents. The electronic questionnaire was completed by 182 respondents in the period October–November 2019, which is before the outbreak of the COVID-19 pandemic. The results were processed with statistical software SPSS, an analysis of structures was made, hypotheses were defined and tested by Pearson's chi-square test. Through the methods of induction and deduction, conclusions have been made regarding the state of the planned activity in SMEs in Bulgaria and its readiness for digital transformation. The empirical study confirmed the outlined conclusions of the study of secondary information within the first stage.

Stage 3. Defining suggestions. Based on the research conducted in stage 1 and the empirical study in stage 2, within this stage of the work of the author's team a

checklist for self-assessment of the competence of the planner in the conditions of digital transformation of SMEs was derived. The checklist was discussed with SME managers operating in Bulgaria and was redefined based on suggestions from practice. Conclusions and summaries are made, which outline the prospects for future research of management processes in the conditions of digital transformation of the economy.

The defined stages are closely related and difficult to distinguish unambiguously. The lack of strict determinism at each stage allows for flexibility in its application and a higher degree of adaptability to the research demands of the authors. This flexibility provided an opportunity for corrective action at each stage of the study in order to refine the scientific findings and conclusions.

2. Digital transformation and competence of SMEs in management and planning

Digital transformation in different sectors is the focus of a number of studies outlining the need to adapt to the new digital reality at different levels (Marinova-Kostova, 2021). In recent years, the term digital entrepreneurship has appeared more and more frequently in the scientific literature, which according to the European Commission covers new ventures and the transformation of existing businesses to develop or use digital technologies to create economic or social value (European Commission, 2015). Researchers such as Fang and Collier define the capacity for digital entrepreneurship as the result of business behavior, culture, strategies and innovation ecosystem. Digital entrepreneurship has a significant impact on the structure of the business and respectively on the strategic positioning of the organization (Panteleeva, 2021). A number of studies focus on the digital transformation of SMEs, despite the need for greater investment and expertise, which are more common in large corporations (Moeuf et al., 2017; Cha et al., 2015; Li et al., 2018). Some of the factors that predetermine this choice are the flexibility of the processes, the higher level of decentralization, the proximity to the clients and the possibility for dynamics of management decisions, which are typical for SMEs and at the same time have a significant impact on digitalisation conditions. Leading researchers of these processes emphasize the need to introduce an innovative cultural approach to ensure radical organizational change, encompassing the entire organization (Lu, 2017) and tracking the evolutionary path of SMEs related to the level of digital change at which they are (Kane et al., 2019). The implementation of digital technological and organizational innovations inevitably leads to new business models. In particular, this change is reflected in the search for new mechanisms for creating and proposing value through digital transformation in SMEs (Muller et al., 2018). However, this process was associated with a number of difficulties, which are the subject of research by various authors (Peillona & Dubruca, 2019; Matt et al., 2015; Lerch &

Gotsch, 2015; Davenport & Westerman, 2018). They can be summarized in several main groups, namely technological, organizational, barriers related to human capital and barriers related to customers. Among them are significant deficits in terms of human resources with the necessary digital skills and competencies, lack of motivation among the governing bodies of SMEs, caused by low digital culture and last but not least the lack of sufficient incentives to promote the process by state institutions. Despite the caution identified by some authors in the digital transformation of SMEs (Moeuf et al., 2017), it is undeniable that this process offers them wide opportunities to integrate into global digital supply chains.

The process of change towards digitalisation covers various areas and key aspects of an organization's activities. The claim of researchers in this field (Ivanova, 2020), that successful digital transformation depends to a large extent, both on the digital competence of staff and on the choice of strategy and organizational culture in general, has its reasons. The lack of sufficiently qualified staff is a complex and systemic problem. In its analysis, Pew Research Center attempts to define digital readiness of staff, considering factors such as confidence in working with technology, awareness, ability to e-learning, ability to establish the reliability of a digital source, while introducing the concept for digital IQ (Horrigan, 2016). The latter is a set of social, emotional and cognitive abilities to cope in a digital environment. The concept of digital competencies is relatively new and is associated with the development of technology and the goals and expectations of citizens in the so-called "Knowledge society" (Ilomaki et al., 2011). The areas it covers can be summarized in the following four: media and communication, technology and computing, literacy, and information science. Regarding the digital transformation of SMEs, Uhl and Gollenia considers not only the digital competencies of the staff, but also their organizational competencies in view of their ability to manage the digital agenda (Uhl & Gollenia, 2016). They are a prerequisite for both initiating and advancing the process of transition to digital maturity of SMEs.

3. Global challenges for SMEs in the context of digital transformation

Ideas for digitalization in the EU are not new, they date back to the 1990s and have naturally evolved from a single European market to a single digital market in recent years (Krimmer & Schmidt, 2022). Switching to Industry 4.0 (I4.0) is much easier for large companies, while SMEs face constraints such as high operating costs and limited budgets that prove crucial when deciding on digitalisation. The main barriers to SMEs can be defined in the following categories (Amaral & Pecos, 2021a) – low information security; internal problems related to conservative strategy, large internal bureaucracy; lack of corporate culture and low qualification and desire for

staff development, lack of knowledge in I4.0; ignorance of market needs and ignorance of the potential economic benefits of I4.0; lack of transparency in the decisions of the top management; lack of norms and standards; inadequate broadband infrastructure or too slow technology upgrades. The use of simple digitalisation such as the application of internet-based portals with data sharing increases the readiness of SMEs to move to I4.0. In this way, the factors that will ensure the transition to digitalisation for SMEs can be highlighted (Amaral & Peças, 2021b) – it is necessary to have a pre-infrastructure (technology) on which to upgrade, create staff with the necessary skills, but also to be able to do objective self-assessment of their readiness to move to I4.0.

It is important to note that despite the great difficulties that SMEs face in their digitalisation and especially the limited budget they have, they have one undeniable advantage – they are much more flexible and adaptable than large companies, who, although they have the necessary resources, find it difficult to change their attitudes and accept the change. The lack of knowledge management and knowledge transfer (knowledge sharing) (Cottrino et al., 2021) is proving to be a common problem for SMEs to reach I4.0. And although knowledge management is not a new concept for science, it turns out that SMEs often fail to perform the basic actions related to knowledge creation, retention, transfer, and utilization. The fear of losing competitive advantage hinders the sharing of acquired knowledge, which often has the opposite effect – exhaustion of its availability to future users. Here is the role of the I4.0 HUB, where this knowledge transfer process can lead to sustainable results for SMEs.

The need to develop competencies at the business level is becoming increasingly clear (Bolek et al., 2021). It is the result of four circumstances – ongoing globalization; need for innovation; focus on services and deepening cooperation and interactivity of processes. The transformation driver dimension is of interest (Gregurec et al., 2021). It turns out that SMEs have a strong focus on their environment and their role in society, which underscores the importance of general social change as a driver, followed by customer and organizational drivers. This means that SMEs are sensitive to consumer attitudes and pay special attention to their internal organizational capabilities. Financial constraints affect their digitalisation more than technology as a driver. The Covid-19 pandemic, although having a strong negative impact on SMEs and calling their existence into question, has at the same time proved to be a serious incentive (coercion) for SMEs to harness all available digital technologies, develop new skills and gain new digital competencies in order to survive in the turbulent environment. In order to successfully implement digital solutions, the people responsible for it must respond with the necessary responsibility, flexibility and adaptability, to properly plan current and future needs for knowledge, skills and competencies. “It is no secret that the process of digitalisation in the world

economy has intensified enormously in recent years. It started at the beginning of the 21st century, but it has only taken shape in recent years, with the pandemic of the new coronavirus giving a very strong boost to businesses using digital and online platforms” (Bozhinova & Ganchev, 2022). Naturally, the strategic guidelines related to the acquisition of digital knowledge, skills and competencies are the responsibility of the institutions involved in education. In order to achieve the desired level of digital knowledge, it is necessary to assess and position the training correctly, as in terms of the time in which it will be carried out. The current business reality raises the question of the skills of SMEs to adequately respond to the challenges associated with their digitalisation and their ability to identify the necessary activities to ensure it. This is achieved through the human factor. The lack of qualified staff is a natural barrier and barrier, which in turn leads at best to delays in digital transformation.

Public policies in support of digitalisation consider the impact of the human factor and include the Digitalisation and Skills initiative. Prerequisites for digitalisation of SMEs are the use of ICT and the availability of human capital with well-developed skills in the field of ICT, the availability of analytical skills, specific professional skills, etc. Bulgarian SMEs lag behind in the development of these skills. In order to achieve the identified lag of knowledge, skills and competencies in relation to digital ones, six measures have been proposed: promoting the digitalization of SMEs; support for the digital transformation of industrial SMEs; support for the acquisition of digital skills; promoting the participation of SMEs in dual training (work-based learning); introduction of standards and procedures for validation of acquired skills; developing an e-learning platform and tools and promoting online training for SMEs.

Public policies outline a strategic framework that implies an adjustment to the current development in terms of digitalisation and related knowledge, skills and competences. Their effectiveness will depend on the organization of the implementation. Public authorities and educational institutions have the capacity to help SMEs in much-needed transformation because there are “good coordination and cooperation between all stakeholders in order to achieve the objectives and strategies as well as their periodic updating” (Bozhinova & Georgieva, 2019, p. 366).

4. State of planning activities in SMEs in Bulgaria and readiness for digital transformation

The state of SMEs in Bulgaria was studied through a survey (N = 182) conducted in October-November 2019. Its purpose is to show the state and attitudes of SME representatives for the planned activity and its relationship with the level of competitiveness of the company. The sample formed is according to the method of the

respondents. As it does not guarantee representativeness, the results are analyzed in triangulation with data from secondary sources – sectoral and horizontal surveys of SMEs in the country. This publication presents only some of the results of a larger study that are directly related to the topic.

Responses were received from 182 companies, distributed as follows: 166 (91.2%) are micro, 13 (7.1%) – small and 3 (1.6%) – medium-sized enterprises, which corresponds to approximately of the size distribution of these groups of companies in the country.

The main research questions for the team were related to: organizational planning conditions; the results of the planned activity. To define the organizational conditions for planning, the respondents were asked to answer several questions related to the availability of a separate unit, material conditions and the availability of qualified human resources for the implementation of planning activities.

Out of all 182 respondents (Table 1), 71.4% do not have a unit or other structure dealing with planning activities. For obvious reasons, the lack of a planning unit is typical for the majority (77%) of micro-companies. They have a staff of up to 9 people and a relatively small turnover, so they rarely invest in a specialized planning unit.

Table 1. Distribution of respondents to the question “Does your company have a planning department / unit or other structure dealing with planning activities?”

	Yes	No	Another structure	Total
Micro companies	16	128	22	166
Small companies	6	2	5	13
Medium companies	3	0	0	3
Total	25	130	27	182

Of those who have staff engaged in planning, nearly half of the respondents (44%) assess the level of training of these staff as insufficient. An equally large share is currently assessed as insufficient and the material and information base (hardware, software, other assets) for planning activities.

The second group of questions is related to the results of the planning activity and the challenges facing the companies in its implementation.

As a result of the planning activity, the respondents indicate a wide variety of planning documents, presented in Table 2. The highest relative share belongs to the projects, which are indicated by 70% of all respondents. With the lowest share are the forecasts, which were noted by only 11 respondents – 7 micro-companies, 2 small and 2 medium enterprises. This result is expected insofar as forecasting requires relevant quantitative information and more specific knowledge and skills to use correct forecasting models and to interpret the results (Armstrong & Collopy, 1992).

Table 2. Types of planning documents developed and implemented by companies

Type of document	Relative share
Projects	70%
HR Development Strategy	37%
Marketing Strategy	31%
Export Strategy	16%
Operational Production Plans	14%
Medium-term Plans	14%
Sectoral Programs	12%
Strategies – Company-wide	10%
Long-term Plans	8%
Technological Strategy	7%
Forecasts	6%

The companies in the sample are very interested in seeking free financial support for various projects. The highest demand is for financing the acquisition of material assets and energy security, as well as for technological renewal – over 60% of all respondents say they want to develop in these areas. With the lowest share are the so-called soft investments – in social innovation and knowledge management – less than 7% of respondents.

Respondents were asked to rate the importance of quality planning to achieve competitive advantage. Only 42% answered positively to this question (in micro-companies this share is 34%). The rest either answer negatively (6% of all) or give an evasive answer about the need for quality planning to achieve the success of the company.

Over 80% of all state that their organization does not adhere to a long-term planning document, as in the case of micro-companies this share reaches 88%. Nearly 2/3 of all respondents (66%) say that their company has only an unwritten (perhaps only shared during an event) business strategy, which is known only to the management team. Only 12% of all (5% of the representatives of the micro-companies) state that there is a written and known to all employees in the company business strategy, which has been followed so far.

Only 4% of the respondents indicate that the employees responsible for carrying out the planned activity are determined, including for the planning activities with a strategic focus. The availability of a quality management system in companies was also studied (Table 3). Nearly 60% of the respondents answered that such an ISO series system has been implemented in their company.

Table 3. Availability of quality management systems from the ISO series

	Yes	No	Total
Micro companies	92	74	166
Small companies	12	1	13
Medium companies	3		3
Total	107	75	182

In addition to ISO, other implemented systems were indicated, including planning:

- ERP – in 9% of respondents,
- CSRP (Customer Synchronized Resource Planning) – at 12%,
- HACCP – at 21%,
- HRMS – (Human Resources Management System) 3%,
- SCM (Supply Chain Management) – 5%.

As none of the respondents indicated that the company has implemented a system for managing planning processes in electronic form, they were asked to indicate whether they would implement such a system.

As can be seen from Table 4, nearly 45% show such readiness, including 40% of micro companies. Of course, the share of those who are not interested remains high, but given that the inquiry was made before the pandemic. The attitude towards a higher degree of digitalization and automation among business organizations is significantly increasing as a result of the restrictive restrictions on mastering COVID-19.

Table 4. Distribution of respondents by answer to the question whether they would implement a system for managing planning processes in electronic form

	Yes	No	No answer	Total
Micro companies	67	39	60	166
Small companies	11	1	1	13
Medium companies	3			3
Total	81	40	61	182

Hypotheses were tested for the connection between the existence of a quality management system on the one hand and on the other hand the existence of a written and known to all employees of the company business strategy, which has been followed so far. Both hypotheses were formulated as follows:

H0: There is no connection between the quality management system and the availability of a written and known to all employees in the company business strategy

H1: There is a connection between the quality management system and the availability of a written and known to all employees in the company business strategy.

Pearson's chi-square test was applied to test hypotheses. The results confirm the null hypothesis – the existence of a quality management system is not a condition for the business strategy to be written a document known to all employees in the company. This raises the big question about the motives for the planning activity and about the perceptions of the managers about the importance of planning.

As the sample of respondents is not representative, the conclusions of this empirical study should be carefully analyzed. It is obvious that they are not relevant to the whole set of SMEs in Bulgaria, but nevertheless, some of the conclusions made may be a reason for reflection and

future research. Planning is still far from the expected renaissance for the SMEs participating in the study. Even if there is agreement that it is an important function, that it makes a great contribution to competitiveness, when it comes to its actual application, it remains neglected. This is largely due to the low planning culture and insufficient planning capacity. To a large extent, the *motives* for planning remain *external* – for example, access to finance. That is why the interest in projects related to obtaining grants is so great. There are no expectations of returns from the other documents, as they remain either only good intentions, without being signed and announced, or are formal and unrecognizable.

Planning requires serious effort and time to implement, which fewer and fewer managers are willing to devote. *The digitalisation* of planning activities cannot completely replace the expertise in planning, but it can accelerate the collection of information and its analysis, which is a key condition in today's fast-paced world.

5. Defining a checklist for self-assessment of the digitalization of planning activities in SMEs

Human resources with their skills and competencies are the basis for the digital transformation of the economy, administration and business. Logically, the planned activity in SMEs, which is generally integrated and performed by an employee or manager responsible for many processes and activities, requires a specific approach to organization and measurement. Limited knowledge and skills in the field of ICT implementation prevent the identification of adequate digital solutions to adapt existing business models and processes to digital transformation.

The proposed checklist (Table 5) includes 7 areas of knowledge: digital literacy for working with data and information, autonomy in solving problems, security of information, creation and management of digital content and communication, interaction and cooperation in digital environment. The checklist is a tool for self-assessment of the organization regarding the phase of digitalization in which it is located.

Table 5. Checklist for self-assessment of the digitalization of the planning activity in SMEs

Area: Professional commitment to planning in a digital environment	
Phase Construction	Study and partial implementation of digital planning tools in parallel with conventional approaches. Laying the foundations for creating digital culture in the organizational functioning
Phase Development	More widespread use of digital planning tools and abandonment of conventional approaches. Regulation of digitalization in planning and management decisions
Phase Approval	Constantly expanding and searching for new digital tools for planning and making management decisions. Support for digitalization of management processes

Continued Table 5

End of Table 5

Area: Digital literacy in planning for working with data and information	
Phase Construction	Information needs can be articulated without effort. An assessment of the usefulness and suitability of the information data for the planning process, assessment of the correctness and reliability of the information sources is performed. Existing and accumulated information cannot be managed entirely through modern ICT
Phase Development	In addition, the organization retrieves data, manages the information and performs an analysis for the needs of the actual planning process at the level of the business organization
Phase Approval	In addition, the organization manages and stores data in a digital environment, automatically updates data and information for the needs of the planning process
Area: Autonomy in making management decisions of a planning nature in a digital environment	
Phase Construction	Adequate decisions are made regarding the volume, quality, sources of information for the needs of planning in the organization
Phase Development	In addition, the organization performs diagnostics of information gaps and works to fill them
Phase Approval	In addition, the organization uses adequate methods for processing and analysis, to draw sound planning conclusions – creative use of ICT for the needs of planning activities
Area: Security of information flow in relation to the planning processes in the organization	
Phase Construction	Storage of data and information from malicious influence, attacks, etc. risks arising from work in the digital environment
Phase Development	In addition, the organization applies adequate control mechanisms to manage the confidentiality and unauthorized dissemination of information
Phase Approval	In addition, the organization responsibly manages information and applies the principles of sustainable development in the context of working in a digital environment
Area: Creating and managing digital content in the field of planning	
Phase Construction	Limited application of digital tools for creating, correcting, integrating, improving digital content in the field of planning
Phase Development	Wide application of ICT (over 75% of workflows) for the creation and management of digital content in the field of planning in various formats and structures
Phase Approval	In addition, the organization works to create new knowledge based on digital tools for searching, processing, analyzing, summarizing and detailing data and information with a prospective planning nature

Area: Communication, interaction and collaboration for planning in a digital environment	
Phase Construction	Management of communication in the organization in conditions of digitalization, incl. interaction, sharing, retrieval of data and information, implementation of digital tools for communication and work with public authorities, contractors, customers, etc.
Phase Development	In addition, the organization applies digital technologies to implement joint work processes, incl. and of a planned nature, to achieve a shared resource in resource sharing
Phase Approval	In addition, the organization applies standards for good performance in terms of planning and their integration in working with digital tools, adapting methods, techniques and approaches to planning to the planning task. Individual management of digital content to the needs of the organization and its work processes
Area: Support for the acquisition of digital skills among staff	
Phase Construction	Occasional support for the development of digital skills in staff in response to regulatory requirements or external force majeure
Phase Development	Building and development of digital competence at all hierarchical levels in the organization, stimulating the sharing and implementation of digital technologies in the workflows
Phase Approval	Support for the development of digital skills at the highest organizational level, incl. and implementing strategic actions for human resource management, development and promoting the development of talents in the field of ICT application in work processes

The proposed checklist describes a common framework that aims to outline guidelines for working in SMEs in terms of implementing digital planning solutions. Without favoring the planning activity, it has a significant contribution both to the organizational efficiency at the operational level and to the competitiveness and growth potential at the strategic level. This requires looking for opportunities for digital transformation and planning activities and business processes.

Conclusions

The development of technology sets continuous requirements for improving the management and organizational processes in enterprises. The degree and readiness for digitalization to a large extent affect the competitiveness, employment and growth of companies. Finding effective digitization solutions tailored to the needs of a particular business organization is a long and expensive process. The optimization of costs and resources is possible by providing adequate expert support and assistance in the process of finding appropriate solutions, as well as their

financing and implementation. The leading initiatives at European level, as well as the national public policies and normative documents stimulate the digitalization of SMEs in Bulgaria. The limitations to this process are rather of an organizational nature and are related to the readiness to innovate and change approaches and technologies, as well as to the expertise for planning and managing change related to the digital transformation of the economy and society.

The need for targeted interventions in support of the digital transformation of SMEs in Bulgaria requires efforts at two levels: 1) macro level – supporting business organizations' policies and initiatives for innovation and digitalization of activities; 2) micro level – achieving organizational maturity and culture regarding the need for digitalization and active search for opportunities to accelerate the process by managers. Targeted efforts in this direction require adequate planning and budgeting, as digitalization requires investment not only in equipment, technologies and systems, but especially in skills, competencies and knowledge of human resources.

The present study leaves open the questions related to the ways of capacity building and expertise in the conditions of digitalization and the tools for their dissemination and multiplication of the results.

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