

REFeree's REVIEW

Program:	Master in International Business
Student:	Dmitry I. Saburov
Title of thesis:	Financial Constraints, Corporate Investment and Firm Survival: Importance of the Business Cycle

Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis. Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.	<u>5</u>	4	3	2
Structure and logic of the text flow. Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.	5	<u>4</u>	3	2
Quality of analytical approach and quality of offered solution to the research objectives. Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.	5	<u>4</u>	3	2
Quality of data gathering and description. Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.	<u>5</u>	4	3	2
Scientific aspect of the thesis. Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.	<u>5</u>	4	3	2
Practical/applied nature of research. Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.	5	<u>4</u>	3	2
Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defense, correct layout of tables, figures, references.	5	<u>4</u>	3	2

Each item above is evaluated on the following scale, as applicable: 5 = excellent, 4 = good, 3 = satisfactory, 2 = poor.

Additional comments:

The master thesis is devoted to a very actual topic of financial constraints that are tightly connected with the financial development of companies. There is a gap in studies that focus on the persistence of financial constraints for firms that were once subject to financial constraints and distinct patterns of such firms' behavior in relation to the business cycle. So the topic has very important implications for policy makers in developed economies and also is of great concern for policy makers in emerging markets. The goal of the master thesis is to reveal persistence of financial constraints and their influence on the firm survival and the investment and cash management policies in relation to macroeconomic factors. The goal is clearly stated. The main research objectives are clearly formulated and set. The text is clearly structured and consists of two chapters. The theoretical part is not too deep and the final length of the thesis is not enough (just 33 pages without introduction and appendixes). The author does not provide deep literature analysis and literature framework in the field. The definitions of firm survival and business cycle are not clearly formulated in the work. This is very critical as these concepts are introduced in the title of the work. In the empirical part the analysis of different empirical works is well structured.

The empirical research is held on the data of 1525 US companies over the period of 1978-2006. The panel data is analyzed with the use of all the necessary empirical tests, the data is obtained from COMPUSTAT Annual Merged Database.

Some of the hypotheses should be reformulated (for example, H1.1, H1.2.) as they include too many factors inside. In the conclusion the results of testing all the proposed hypotheses is not obviously presented.

The managerial application is well developed and is quite clearly stated, but more practical applications could be presented on the base of the obtained results.

There are some misprints in the master thesis.

Master thesis of Dmitry Saburov meets the requirements of Master in International Business program, and deserves a good grade, thus the author can be given the desired degree.

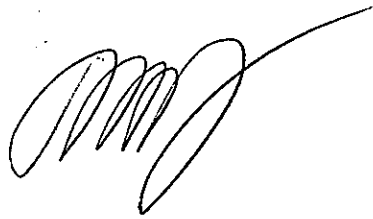
Date: 26.09.2011

Referee:

Candidate Degree in Economics

Senior Lecturer,

Tatiana A. Garanina

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.