

REFEREE'S REVIEW

Program:	Master in Corporate Finance
Student:	Sazonova Yulia Alexandrovna
Title of thesis:	THE INFLUENCE OF CORPORATE GOVERNANCE MECHANISMS ON FIRM'S AGENCY COSTS

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.	5			
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.		4		
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.		4		
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.	5			
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.		4		
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.		4		
Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defense, correct layout of tables, figures, references.		4		

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

Additional comments:

The thesis is a well-executed empirical work. The topic is interesting and important from the research and practical perspectives. The aim and objectives of the thesis are well defined. The structure and the logic of the text flow is very good, except for a few places, e.g., the beginning of Section 3.1. There is also some imbalance in terms of distribution of references across the sections. The quality of analytical approach is very good (one remark here concerns equation on page 29 involving products of matrices – it is not correctly written: the beta coefficients should stand after the data matrices; another remark concerns the lack of any information on legal regulation of board size, e.g., on page 34). The quality of data gathering is excellent; the author has indeed done a great job here. The scientific aspect of the thesis deserves a good grade; one of my concerns is the fact that “ownership structure” is called a governance mechanism (which is incorrect: structure cannot be a mechanism). There are also some occasional issues with the terminology used (e.g., “parameter estimates before significant variables”, page 40). The findings obviously have some practical implications, although the author could have elaborated on this a bit more. The quality of the thesis layout is in general very good, but there are some issues here and there (e.g., the reference list misses some papers mentioned in the text, such as Nicholson and Kiel 2003, page 10). Overall, the Master thesis of Yulia Sazonova meets the requirements of Master in Corporate Finance program, and deserves a good grade, thus the author can be given the desired degree.

Date 23/09/2012

Referee: Asc. Prof. Alexander A. Muravyev, PhD