

SCIENTIFIC ADVISOR'S REFERENCE

Program:	MIB
Student:	Olga Titova (Koryakina)
Title of thesis:	Raising start-up capital for technology-based entrepreneurial ventures: equity financing and subsidising

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.

The main pre-requisite of the selection of the Master thesis topic appears as a still wide spread of opinions among researchers on how innovation start-ups have to be financed. From the practical viewpoint, it is of interest to understand the current situation with financing start-ups in Russia and how the Russian national innovation system has to develop in the nearest future. Thus, the goal of the Master thesis prepared by Olga Titova to reveal the actual relationship between equity financing and subsidising in forming start-up capital of technology based entrepreneurial ventures (TBEVs) looks rather relevant. To reach the main aim of the study, several objectives have been assigned, namely (1) to analyse the nature of technology-based entrepreneurial ventures; (2) to describe the process of raising start-up capital for TBEVs and to give an overview of the main sources of equity financing of TBEVs; (3) to characterise the economic rationale and main measures of public policy in the area of financial support to TBEVs; and (5) to describe and analyse the results of quantitative study of seed and start-up stage TBEVs in Russia and experience of attracting capital in six TBEVs in Russia. The topic of the thesis, its main aim and objectives are aligned properly.

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.

The formulation of research question as 'What is the relationship between equity financing and public subsidising in forming start-up capital of TBEVs in Russia' looks logical and grounded properly on the literature overview. The structure of the thesis is rather balanced and provides an opportunity to show how the research question was elaborated and what were the main conclusions and implications.

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.

The theoretical framework proposed by the author (p. 13) looks rather well argued by the literature overview and opens a room for an empirical research undertaken in the thesis.

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.

Primary sources have been used to collect the necessary data through internet questionnaire (220 responses; 150 innovation projects at initial stage). Based on these data, the balance between equity financing and subsidising in overall start-up capital of TBEVs in Russia was revealed. Another primary source used in the paper included results of 6 case studies undertaken by the author.

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.

Based on the data collected, the preference order of financial sources for TBEVs in Russia was identified as from grant to equity + subsidy and to equity, according to the theoretical framework developed by the author. The EG-framework has been elaborated by the author independently to summarise the results of the case studies. The contents of the study leads to appropriate findings and conclusions.

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.

Managerial implications made in the thesis have been really confirmed by the research results. The case studies helped the author identify key innovation projects' selection criteria for private investors and governmental financiers. Managers of innovative projects can use these criteria to identify location of their projects within the EG-framework and thus to understand which financial sources could be available at the moment and which financial strategies may be applied in the nearest future. Another practical contribution by the author is a set of policy implications relevant to the task of supporting innovation development in the country.

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

The quality of layout and reporting style are absolutely appropriate.

The quality of data collection and analysis undertaken by Olga Titova shows her high analytical skills and appropriate qualification to make interpretations of research findings in the selected area. The Master thesis of Olga Titova meets the requirements for master thesis of MIB Programme, thus the author of the thesis can be awarded the required degree.

Date

June 21, 2012



Scientific Advisor: Professor Andrey Medvedev