

## SCIENTIFIC ADVISOR'S REFERENCE

<b>Program:</b>	Master in Corporate Finance
<b>Student:</b>	Smirnova Alena
<b>Title of thesis:</b>	Behavioral Financial Aspects of Inventory Management: Dynamics and Competition

**Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis.**

The theme chosen by the author is relevant and little studied, it has great practical significance. However, the stated goal of this work is described quite abstract. In fact, the author makes an attempt to understand how people intuitively assess and compare the present benefit and the future one. This is new and exciting. Objectives of the work are clear and fit the theme of the study.

**Structure and logic of the text flow.**

The research is at the crossroads of different sciences (microeconomic of uncertainty, operations management, experimental economics, and behavioral finance), so the author makes a brief overview of the methods and concepts on many topics. Nevertheless the presentation of the text is consistent and logical.

**Quality of analytical approach and quality of offered solution to the research objectives.**

The work is aimed at studying the behavior of companies under demand uncertainty. The author focuses on the intuitive behavior of people when they are forced to take risky decisions in a highly competitive environment. This problem is not solved yet in the literature. New scientific result of this work is the introduction of the new parameter that characterizes riskiness of the decisions of the people. The author uses numerical methods; it may be the only way to solve such problems.

**Quality of data gathering and description.**

As the source data the author used the results of multi-round controlled experiments on decision-making under risk and uncertainty.

**Scientific aspect of the thesis.**

Results of the study have a scientific interest. Some results was included in the report accepted for "The Global Business and Technology Association's XV Annual International Conference" (Helsinki, 2013) and "Vestnik of SPbSU (Management)" — A.Smirnova is co-author. Results of the study will be included in the final report of the research work of GSOM.

**Practical/applied nature of research.**


The author discusses a very simple model, but in its purest form this model describes a problem faced by many companies. Understanding why people's decisions do not correspond to the solution of an ideal rational subject can give a clue to many of the financial decisions corporations.

**Quality of thesis layout.**

Layout fulfils the requirements of the Regulations for master thesis preparation. Legend of tables and figures are present, the drawings are clear. References to literature are correct.

The Master thesis of Smirnova Alena meets for master thesis of Master in Corporate Finance program thus the author of the thesis can be awarded the required degree.

Scientific Advisor:  
Associate Professor  
15.06.2013

 / Okulov V.L./