

REFEREE'S REVIEW

Program:	Master in International Technology and Innovation Management
Student:	Startseva, Ekaterina
Title of thesis:	The Analysis and Mitigation of Risks in FMCG Supply Chain: The Case of BAT Eastern Europe

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	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	4	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	4	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.	5	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.	5	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	4	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	4	3	2

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

Additional comments:

The topic of the thesis written by Ekaterina Startseva "The Analysis and Mitigation of Risks in FMCG Supply Chain: The Case of BAT Eastern Europe" evidently assumes identification, evaluation and analysis of risks in the industry's supply chain and elaboration of ways to mitigate them. However, the author defines the goal of her thesis as to exploration of "... the most crucial solutions for risk mitigation in an FMCG supply chain." Recognizing that "...companies face thousand risks daily and there are even more solutions and methodologies for risks minimization", she puts "... more emphasis on developing and managing processes of relevant risks identification, bullwhip effect investigation and finding best fit solution for optimizing supply chain volatility, which will help to reduce costs by decreasing stocks levels, ensure better information exchange and improve chain dynamics" (p.7).

The wording of the goal is rather ambiguous:

1. What are most crucial solutions for risk mitigation and what are the criteria for their identification?
2. What is best fit solution for optimizing supply chain volatility and what is an objective function for optimization?
3. What is meant by "improved chain dynamics"?

It looks also strange that the tasks singled out do not contain issues of risk assessment in supply chains, investigation of a relationship between risks and Bullwhip Effect (BE).

Quality of analytical approach and quality of offered solution to the research objectives is rather low. In fact no analytical tools except those included in internal ERP system SAP are applied. It is remarkable, that chapter 2 "RESEARCH METHODOLOGY" includes only 2 paragraphs and is less than 6 pages long. The paragraph "Case study research consideration" is poorly structured set of references on case method from different sources (notably, most of them are not listed in the Reference list), while the paragraph "Data Analysis" mentions data analysis instruments used without any comments on how the data were processed (instead you'll find and appendices with no explanations on what the data means and how the meanings were

gotten). The referee could not figure out from the text the author's contribution to data analysis stated at p.43 as follows: "the findings (of *Supply chain risks solutions – referee's amendment*) for specific FMCG conditions are adapted and finally comprehensive approach to tobacco industry evaluation is designed".

Scientific aspect of thesis is poor, since it most of the text of chapters 1-2 is badly structured set of references on different sources on relevant topics without any judgments or critical analysis from the author. Most of the sources mentioned are not included in the reference list. The author puts in the center of her considerations the Bullwhip Effect. However, the text submitted reveals that she is not familiar with the basics of systems dynamics (Forrester approach) and other relevant methodologies (e.g. SCOR model).

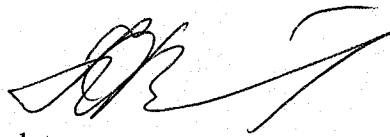
Recommendations given do not really come from empirical analysis. Moreover, they could be even be submitted just after the first chapter, so general and self evident they are.

Quality of thesis layout is poor. A lot of misprints in the text, the reference list does not meet any possible standard, no explanations/interpretations to the graphs, figures and tables, and absence of the sources mentioned in the text in the reference list. Most of Appendices look anonymous both in the meaning of material submitted and their interpretations, especially appendices 4-6. Noteworthy, despite the research topic which normally should assume quantitative analyses, there are very few formulas in the text (p.53), which are, actually, not analyzed.

The main contribution the referee could identify from the text is a good and rather complete description of the supply chain management in BAT EE.

Master thesis of Ekaterina Startseva meets the requirements of Master in International Technology and Innovation Management program, and deserves a "satisfactory" grade, thus the author can be given the desired degree.

Date: June 3, 2011.



Referee: Associate Professor Yuri V. Fedotov