

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in International Business
Student:	Timm Shrago
Title of thesis:	Multiple Directorships: The Study of Russian Companies with a Foreign Ownership

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 board structure and composition in its relationship with firm performance is a subject of many academic publications as well as disputes in professional journals. Multiple and interlocking directorships is a less investigated topic, especially with a focus on emerging markets. Thus the topic of the thesis is relevant. There are no studies on multiple directorships for Russian companies. This paper contributes to existing studies in the area, exploring the link between the number of additional directorships held by board members and market-based performance measure, on the sample of Russian companies with a foreign ownership. The research makes a theoretical contribution and provides managerial implications.

The goal of the research is stated clearly. Objectives are consistent with the goal.

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 structure is logical and consistent with the structure of academic research paper. Author starts with the research problem statement, provides a literature review on various aspects of board of directors characteristics, its role, multiple and interlocking directorships. The literature review is followed by the hypotheses and methodology. The data description is followed by the empirical results, their discussion, conclusions on theoretical contribution, practical and managerial 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 thesis has a research nature and contains practical implications. The quality of the thesis content could be evaluated as high. Objectives are covered and fulfilled thoroughly. Research questions and hypotheses are stated adequately. The author uses relevant methodology for testing hypotheses on the relationship between multiple directorship positions and other board characteristics and firm performance, measured by the conventional market-related metric – Tobin's Q. Thus objectives, hypotheses, methodology are consistent with those used in reputable publications. The literature review is rather thorough and used for hypotheses statement, choice of the methodology. Therefore the quality of analytical approach could be evaluated as high.

Quality of data collection 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.

The methodology, research tools and methods (regression analysis applied to panel data) are relevant for this research, processing the data collected. Data are valid, reliable, relevant. The list of references is

impressive; most authors are reputable experts in the area of corporate governance studies. The author carried out very labour-intensive work on data collection, demonstrated independent creative approach to processing and analyzing the data.

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.

The thesis is conducted independently, definitely has a research nature. The author applied methodology used in existing studies on the link between board of directors and firm performance, developed it for this study to meet objectives set. The theoretical contribution is new results, which could be extended to emerging markets companies, both with a foreign ownership and public companies in general. The author realized more tasks than it was set, exploring relationships between various board characteristics and performance, trying to find out the financial crisis impact on the links studied. All empirical findings are explained and have references to existing studies.

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.

Theoretical background is related to the practice of Russian public companies, conclusions made could be extended to other emerging markets, both for domestic and international public companies. Empirical results are interpreted properly. Practical recommendations are based on empirical findings. The lack of more profound managerial implications is explicable, given the limitations of the sample and specifics of Russian corporate governance system.

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

The layout of the thesis is good and in general meets the requirements for master thesis preparation. But it is worth noting the absence of chapters and sections numeration.

The Master thesis of Timm Shrago meets the requirements for master thesis of MIB program thus the author of the thesis can be awarded the required degree.

Date
17.06.2011

Scientific Advisor:
Asc. Prof. Yulia Ilina

