Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	**Anna Bezuchová**
Advisor:	**Mgr. Petr Polák, MSc.**
Title of the thesis:	**Drivers of Success of Insolvency Proceedings in the Czech Republic**

***OVERALL ASSESSMENT** (provided in English, Czech, or Slovak):*

Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.

In her thesis, Anna Bezuchová focuses on the insolvency proceedings of natural persons in the Czech Republic. The main finding of the thesis is that the debtor with a higher share of nonbank debt has a higher probability of being relieved of debts than the debtor with a higher share of bank debt. That is quite surprising since one would assume that credit risk management of banks is strict.

Anna selected the topic by herself since she has a working knowledge of this area. Therefore she worked on her thesis independently and with a high level of precision. She also managed to provide me with the draft in a timely manner. Hence all my notes and comments are already incorporated.

Contribution
The thesis uses a proprietary dataset, which allows for new and valuable analysis. The topic itself is not investigated very often due to the data availability (data are not very easily downloadable since basically everything is just a scanned pdf). Anna also came up with the idea to focus on the type of debt and whether it may play a role in the success of the insolvency. That is a completely new idea, never investigated before.

Methods
Anna works with the data with care and understands it well. To get the quantitative results, she uses a linear probability model and logit in her thesis. Both are proper techniques to investigate a dataset where the dependent variable is binary. She also does not ignore the assumptions connected to the models and not entirely straightforward interpretation of the results. The only minor thing I would prefer would be more charts of the dataset itself.

Literature
The literature overview covers all the introduction to the topic well and also all key-studies that were written in the Czech Republic. Since Anna uses the LaTex template, the work with the literature is proper and original ideas are correctly referred to.

Manuscript form
The thesis is well structured and formatted. The only comment from my side is that the flow of the text could be more fluent in the theoretical part. It is a hard thing to do, given the topic, but that is also just a reader's feeling and insignificant remark that I have towards the whole thesis.

One thing that I might like to be described more in the thesis is the overall logic and details of benefits/losses of the insolvency within the area of the economics (extension of chapter 2.1 and 2.1.1). Yet, that would make the thesis too long in my perspective, so it would be necessary to delete some other parts, but I do not know which ones.

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Summary and suggested questions for the discussion during the defense
I have not further questions regarding the content of the thesis. For the defense, I would suggest that Anna elaborates on her personal opinion about the current legal setting of the insolvency proceedings and whether she thinks that other rules would be more beneficial for the economy.

I recommend the thesis for defence and for reasons stated above I suggest grade A.

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
Contribution (max. 30 points)	30
Methods (max. 30 points)	29
Literature (max. 20 points)	20
Manuscript Form (max. 20 points)	18
TOTAL POINTS (max. 100 points)	**97**
GRADE (A – B – C – D – E – F)	**A**

NAME OF THE REFEREE: Petr Polák

DATE OF EVALUATION: 24. 5. 2020

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

Strong	*Average*	*Weak*
30	*15*	*0*

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

Strong	*Average*	*Weak*
30	*15*	*0*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong	*Average*	*Weak*
20	*10*	*0*

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Strong	*Average*	*Weak*
20	*10*	*0*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F