

# IMESS DISSERTATION



**Note: Please email the completed mark sheet to Year 2 coordinator (cc Chiara Amini [chiara.amini@ucl.ac.uk](mailto:chiara.amini@ucl.ac.uk) and fiona.rushworth@ucl.ac.uk)**

Please note that IMESS students are not required to use a particular set of methods (e.g. qualitative, quantitative, or comparative) in their dissertation.

<b>Student:</b>	Lulu Zhao
<b>Dissertation title:</b>	The determinants of access to finance of SMEs in Central and Eastern Europe during economic crisis

	70+	69-65	60-61	59-55	54-50	<50
	A	B	C	D	E	F
<b>Knowledge</b> <i>Knowledge of problems involved, e.g. historical and social context, specialist literature on the topic. Evidence of capacity to gather information through a wide and appropriate range of reading, and to digest and process knowledge.</i>				x		
<b>Analysis &amp; Interpretation</b> <i>Demonstrates a clear grasp of concepts. Application of appropriate methodology and understanding; willingness to apply an independent approach or interpretation recognition of alternative interpretations; Use of precise terminology and avoidance of ambiguity; avoidance of excessive generalisations or gross oversimplifications.</i>					x	
<b>Structure &amp; Argument</b> <i>Demonstrates ability to structure work with clarity, relevance and coherence. Ability to argue a case; clear evidence of analysis and logical thought; recognition of an argument's limitation or alternative views; Ability to use other evidence to support arguments and structure appropriately.</i>					x	
<b>Presentation &amp; Documentation</b> <i>Accurate and consistently presented footnotes and bibliographic references; accuracy of grammar and spelling; correct and clear presentation of charts/graphs/tables or other data. Appropriate and correct referencing throughout. Correct and contextually correct handling of quotations.</i>					x	
<b>Methodology</b> <i>Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.</i>					x	

<b>ECTS Mark:</b>	E(53)	<b>Charles Mark:</b>	E	<b>Marker:</b>	Julia Korosteleva
<i>Deducted for late submission:</i>				<b>Signed:</b>	Julia Korosteleva
<i>Deducted for inadequate referencing:</i>				<b>Date:</b>	07/06/2020

## MARKING GUIDELINES

**A (UCL mark 70+) = A (Charles mark- excellent):** *Note: marks of over 80 are given rarely and only for truly exceptional pieces of work.*

Distinctively sophisticated and focused analysis, critical use of sources and insightful interpretation. Comprehensive understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.

**B (UCL mark 69-65) = B (Charles mark – very good)**

**C (UCL mark 64-60) = C (Charles mark – good):** A high level of analysis, critical use of sources and insightful interpretation. Good understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research. 65 or over equates to a B grade.

**D (UCL mark 59-55) = D (Charles mark – satisfactory)**

**E (UCL mark 54-50) = E (Charles mark – sufficient):**

Demonstration of a critical use of sources and ability to engage in systematic inquiry. An ability to engage in sustained research work, demonstrating methodological awareness. 55 or over equates to a D grade.

**F (UCL mark less than 50) = F (Charles mark - insufficient):**

Demonstrates failure to use sources and an inadequate ability to engage in systematic inquiry. Inadequate evidence of ability to engage in sustained research work and poor understanding of appropriate research techniques.

## Please provide substantive and detailed feedback!

### Comments, explaining strengths and weaknesses (*at least 300 words*):

The research question has some conceptual and methodological flaws. Conceptually, it should have been explored from the perspective of the impact that the 2007-2009 global financial crisis had on SMEs financing in the emerging markets of CEE rather than what determines access to finance during economic crisis. Methodologically, it uses one wave of World Bank Business Survey data for 2018-19 (p.34) which falls outside the period of global financial crisis. Or is this just a genuine mistake with wrongly citing the years? In any case, to study the impact of crisis on perception of financing constraints, one needs to have at least two waves to enable the comparison prior and post-crisis. An extension to consider the implications of the Covid19 outbreak is potentially interesting, though a bit speculative.

There is some knowledge of the literature, but not always an attempt is made to provide its critical assessment. The discussion of the theoretical insights is somewhat superficial. There are a number of theories listed that may be relevant for explaining why SMEs are inherently more financially constrained than larger firms, but with exception of a credit rationing theory, none other theories are discussed in depth. There is no reference in the text to Stiglitz and Weiss's (1981) seminal work on credit rationing that they are credited with as its originators, though this study is listed in the bibliography.

The empirical part has some flaws as discussed above. Marginal effects are not reported. Testing income country group differences should be done within the same regression setting via controlling for respective income group dummy variables. It would also be interesting to go beyond financing constrained to focus on types of funding SMEs use to fund their investment activities, and what determines their choice of finance, and how these financing patterns change at the time of the crisis.

### Specific questions you would like addressing at the oral defence (*at least 2 questions*):

1. Why not considering to explore SMEs' financing structure and how it is likely to change during the time of economic crisis along with a question on financing constraints?
2. What SMEs policy measures should CEE governments consider in the first instance to mitigate the negative impact of Covid19 pandemic on SMEs?