

Report on Bachelor / Master Thesis

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

Student:	David Černík
Advisor:	Mgr. Petr Janský, M.Sc., Ph.D.
Title of the thesis:	Gender board diversity and its impact on firm performance in the Czech Republic

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

The purpose of the thesis is to study gender inequality on boards of joint-stock companies and to analyze the effect of board diversity on companies' performance, specifically return on assets. Author focuses on situation in the Czech Republic, using data from 204 Czech companies of various sizes in the period of 2003-2011. The main value added of the thesis thus lies in collecting relevant regional data and creating an empirical analysis of relationship between gender composition of board and firm performance in a country, that has so far lied outside the scope of research on such topic. The thesis constitutes of introduction, literature review, legislation environment overview, data description, methodology presentation, empirical results and concluding remarks with tips for further research.

The author shows his proficiency with resources by providing comprehensive literature review, pointing out mixed research outcomes and different methodology designs, that have to deal with issues arising from possible endogeneity of gender diversity variable. There might be room for improvement in the presentation of the methodology challenges mentioned in the literature review (Chapter 2) as the chapter covers examples of how researchers dealt with the endogeneity issue, without introducing (or at least briefly summarizing) the issue to the reader until Chapter 4 - Methodology.

Author furthermore adds discussion on several issues linked to gender inequality in corporate sector, such as pros and cons of gender board diversity or legislative situation in the Czech Republic together with EU initiatives. Nevertheless, there are also several topics or ideas that might deserve short but further elaboration (i.e. how could the resource dependent theory or resource-based view be applied to board gender diversity and firm performance?, p. 10, or what can stem from different corporate board system in the Czech Republic in comparison to other countries?, p. 15)

Regarding methodology and empirical analysis, author succeeds in discussing and addressing key sources of concerns with the model such as already mentioned endogeneity issue or reverse causality. Empirical results show that there is no significant effect of gender board diversity on firms' return on assets, resulting in conclusion that from financial perspective, supporting higher number of women in boards does not translate into better performance of the firm. The results also reject the possibility of reverse causality.

The use of English language is generally at very high standard, even though some parts would benefit from proof-reading as author did not avoid several minor errors in the manuscript. The form of the work meets the expectations containing all formal requirements, usage tables and graphs contributes to the clarity of the text.

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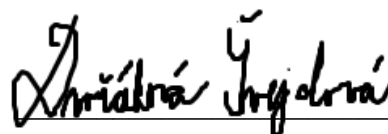
Overall, I am pleased with the thesis, where the author clearly demonstrates appropriate knowledge of the topic and the issues related to it, uses relevant empirical methods, performs comprehensive analysis and critical thinking and presents his conclusions in a clear way. The topic of the thesis is up to date and the results can be used as a contribution to policy discussions regarding economic effect of gender board diversity. The above mentioned criticism is only marginal, therefore I recommend grade 1.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	18
<i>Methods</i> (max. 30 points)	30
<i>Contribution</i> (max. 30 points)	25
<i>Manuscript Form</i> (max. 20 points)	17
TOTAL POINTS (max. 100 points)	90
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: *Lenka Dvořáková Švejdová*

DATE OF EVALUATION: 2.6.2016



Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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

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

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

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 POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě