

# IMESS DISSERTATION



Note: Please email the completed mark sheet to Year 2 coordinator (jiri.vykoukal@post.cz)

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>	YEFENG SUN
<b>Dissertation title:</b>	Determinants of Commercial Bank Efficiency in 11 CEE Countries: An External Two-stage Bootstrap DEA Approach

	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>		66				
<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>			60			
<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>				59		
<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>		68				
<b>Methodology</b> <i>Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.</i>	80					

<b>ECTS Mark:</b>	B/65	<b>Charles Mark:</b>	B/81	<b>Marker:</b>	Marek Vokoun
<i>Deducted for late submission:</i>			No	<b>Signed:</b>	
<i>Deducted for inadequate referencing:</i>			No	<b>Date:</b>	

## MARKING GUIDELINES

**A (UCL mark 70+) = A (Charles mark 91-100 - 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 81-90 – very good)**

**C (UCL mark 64-60) = C (Charles mark 71-80 – 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 61-70 – satisfactory)**

**E (UCL mark 54-50) = E (Charles mark 51-60 – 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 0-50 - 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.

The thesis demonstrates a solid understanding of the CAMEL DEA two-stage approach but is hindered by issues with academic writing, methodological clarity, and the relevance of its literature and recommendations. The introduction section: **Lack of a Clear Introduction to the Topic:** The thesis begins unconventionally by diving straight into the results without adequately introducing the topic. This approach can be confusing for readers who are not already familiar with the subject matter. A more conventional structure, which first introduces the topic, its significance, and the research questions, would provide a clearer context for the results. **Outdated Literature:** The literature cited in the introduction is relatively old, ranging from 1986 to 2014. There is no discussion on how this literature relates to the current debate or the relevance of older sources in the context of recent developments in the field. Updating the literature review with more recent sources would strengthen the foundation of the research. **Overemphasis on Methodology:** The introduction focuses excessively on the methodology rather than discussing the motivation behind the research, the importance of the sample selection, or the justification for the research period. This imbalance detracts from the overall narrative and fails to engage the reader with the research's broader significance. **Literature Review** can be improved as well. **Methodological Focus:** The literature review continues the trend seen in the introduction by concentrating too much on methodological issues rather than discussing results, theoretical frameworks, or comparing efficiency measures across sectors. There is a missed opportunity to explain why the banking sector is particularly challenging to analyse in terms of performance. A more balanced review that includes these aspects would provide a richer context for the study. **Introduction of DEA and CAMEL Framework:** While the introduction of the External two-stage DEA-bootstrap method and CAMEL framework is thorough, the discussion lacks a critical perspective and alternative approaches. Including a critique or comparison with other methods would enhance the depth of the analysis. **Methodology section** has issues as well. **Redundancy in Methodological Discussion:** The methodology section repeats much of the discussion already covered in the introduction, leading to redundancy. A more streamlined approach could focus on a detailed explanation of the methods used, without rehashing previous content. **Issues with Tables:** Some tables (e.g., Tables 9 and 12) are poorly formatted, with content overflowing or awkwardly split across pages. Additionally, some table titles (e.g., Table 13) appear unfinished, which detracts from the clarity and professionalism of the presentation. **Lack of Clarity in Regression Techniques:** The discussion on truncated regressions is unclear. There is ambiguity about whether the regressions address the balanced panel structure or if cross-sectional estimation with clustered/bootstrapped standard errors is used. This lack of precision could confuse readers and weakens the methodological rigor. **Insufficient Variable Description:** The thesis lacks a detailed description of the variables used, including whether they are measured in current or constant prices. This omission raises questions about the comparability of the sample and whether the use of a CPI control variable adequately addresses potential issues. **Results and Discussion section: Disconnect Between Results and Discussion:** The discussion section starts with a historical overview, which seems more appropriate for the introduction. It does not directly relate to the results presented and fails to provide a meaningful interpretation of the findings. **Vague Recommendations:** Several recommendations are too vague to be actionable. For example: **Advanced IT Systems and AI:** The suggestion to introduce advanced IT systems and AI lacks specificity. The thesis should provide examples of what constitutes "advanced" systems, how AI could be integrated, and the expected impact on process efficiencies. **Customer Management Approaches:** The recommendation to improve customer satisfaction through advanced customer management approaches is unclear. It should outline what these approaches entail, potential costs, benefits, and supporting literature. **Bank Size and Diseconomies of Scale:** The assertion that bank managers should keep bank size reasonable to avoid diseconomies of scale is not supported by the study's results. Making such a recommendation without evidence can undermine the credibility of the discussion. **Risk Management:** The recommendation for banks to focus on risk management is too generic. Given that risk management is a core function of any bank, the thesis should specify what new or additional strategies are being suggested. **Broad and Unsubstantiated Claims:** Statements like "CEE countries should construct a well-designed and well-functioning banking system" are overly broad and lack practical value. The discussion would benefit from focusing on specific challenges or new moral hazards that banks in these regions face.

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

- 1) Provide discussion of your recommendations and how they are different from current banks context or endowment in CEE or how they differ from BASEL regulation in areas:
  - Advanced IT Systems and AI
  - Customer Management Approaches
  - Bank Size and Diseconomies of Scale
  - Risk Management
- 2) What other frameworks than CAMEL are used, provide critique of this approach.
- 3) Are your financial variables measured in constant prices? What is better for panel international samples?
- 4) Is your estimation panel estimation procedure or cross-sectional? Can there be auto-correlation and how you dealt with it?