

HIGHER SCHOOL OF ECONOMICS
NATIONAL RESEARCH UNIVERSITY

Yuliya Dulyak

**DETERMINANTS OF THE BOARDS
OF DIRECTORS EVOLUTION
IN RUSSIAN PUBLIC
AND NONPUBLIC COMPANIES**

Working Paper WP1/2013/01
Series WP1
Institutional Problems of Russian Economy

Moscow
2013

УДК 005.742
ББК 65.290-2
D88

Editor of the Series WP1:
A. Yakovlev

D88 **Dulyak, Yuliya.** Determinants of the boards of directors evolution in Russian public and nonpublic companies [Electronic resource] : Working paper WP1/2013/01 / Y. Dulyak ; National Research University "Higher School of Economics". – Electronic text data (225 KB). – Moscow : Publishing House of the Higher School of Economics, 2013. – 28 p. – (Series WP1 "Institutional Problems of Russian Economy").

This study examines the development of the board of directors institution in Russian companies. The purpose of the paper is to determine the stages of the evolution of the board role in Russia and to evaluate the further perspectives of this institution. Therewith we detect the stages according to the change of the board of directors role in Russian companies. We demonstrate the system of factors (institutional, legal, human, economic factors, and features of corporate sector) that influence the transformation of the board's role. Studies of experts in the field of corporate governance and the updating of the corporate law form the informational base of the paper. Moreover we use the materials of interviews with the members of the boards conducted in spring-summer 2012.

УДК 005.742
ББК 65.290-2

JEL Classification: D23, G30, G34, P26

Key words: board of directors, corporate governance, institutional environment, Russia

Dulyak Yuliya – PhD student, Research Assistant of the Institute for Industrial and Market Studies; Phone number: +7 905 752 17 38; +7 (495) 698-15-57; E-mail: julie_dulyak@list.ru

The paper is prepared as the part of the project "The Institutional evolution of industrial enterprises in transition economy" of the Basic Research Program in 2012. The results of the study were discussed at the 6th International Conference "An Enterprise Odyssey: Corporate Governance and Public Policy – Path to the Sustainable Future" (Croatia, Sibenik, 2012). The author is grateful to all participants of the conference, especially to Dr. Fran Galetic, Dr. Ivana Nacinovic, Veronika Vynaryk. Special gratitude to the scientific adviser of the author – Prof. T. Dolgopyatova.

**Препринты Национального исследовательского университета
«Высшая школа экономики» размещаются по адресу: <http://www.hse.ru/org/hse/wp>**

© Dulyak Y., 2013
© Оформление. Издательский дом
Высшей школы экономики, 2013

Introduction: problems and background of the study

Corporate governance is the question that for a long time attracts attention of experts that study transition economies. The reason is that economic development and transformation depend on the economic agents' behavior and motivations. Privatization and liberalization create the external prerequisites for the changes of firms' behavior. Corporate governance norms and rules form the system of internal incentives for shareholders and managers of companies. A whole number of studies in Russia and in other transitional economies are dedicated to the analysis of corporate governance problems [Dolgopyatova, 2007], [Filatotchev, Wright, Bleaney, 1999], [Jensen, 1993], [Iwasaki, 2007].

The specific features of the institutions depend on the peculiarities of the environment in which these institutions are created. Creation and development of corporate governance in Russia is not an exception. This institution was introduced at the beginning of 1990th from above as the result of the changes that took place in Russian economy and policy: there was a wrack of the former economic ties and the adoption of new market relations. The transformation of socio-economic relations required the rise of new institutions, the forming of the appropriate infrastructure and structural changes. But the specific features of the Russian transition economy became the barrier for these institutions forming. Firstly, the adoption of market relations was under trying starting conditions: drop of production, the state budget deficit, the shortage of goods and services, and the rupture of internal economic relations. Secondly, the structure of the economy was ineffective: this was expressed in the prevalence of military-industrial establishment with the lack of the consumer goods and poor development of the service sector. Thirdly – political instability and the absence of property rights protection that led to the high ownership concentration and creation of insider model of corporate governance. Finally, one of the most important factors was a human factor: people were not ready to adopt the changes. The implementation of corporate governance institution, equally with the other reforms, was a measure of compulsion, incitement to which according to A. Radygin was “a political will of governmental authorities” [Radygin, 1998].

But the import of institutions in the sphere of corporate legislation and ownership deconcentration did not stop the rise of the demand on the insider model of corporate governance. The control of the owner over the financial flows as the way to get income is what was typical for this model. This characteristic, wide spread in Russia and in many other transitional economies countries became the reason for negative image creation in the eyes of foreign investors. This resulted in the changes in corporate legislation to protect the rights of

investors. But in practice this innovation meant the growth of transaction costs. The increase of costs connected with the law enforcement development was not balanced by the bonuses of corporate governance.

Economic agents in transition economies usually do not understand the benefits that corporate governance can bring. The agency conflict inside the corporation can be settled if the efficient corporate control without transaction costs exists [Jensen, Ruback, 1983]. But market failures create barriers for the balance of interests between shareholders and managers [Schleifer, Vishny, 1997]. Market imperfections include information asymmetry between shareholders (principles) and managers (agents), asymmetry of top-managers labour market, uncertainty. Such mechanisms as independent directors on the board, institutional investors, and bonus schemes for managers can ease the agency problem [Eisenhardt, 1989].

None of this instruments existed in Russian companies. Most of the mechanisms of corporate governance are the result of concentrated ownership [Shleifer, Vishny, 1997]. But in theory exactly the board of directors is the main monitoring instrument of corporate governance that implements internal control. What is more important the characteristics of the board (its composition, structure, personal characteristics of the boards' members) make board efficient. Jensen [Jensen, 1993] admits the connection between the characteristics of the board of directors members and corporate performance of the company as the board's quality allows to design efficient corporate strategies, create efficient system of internal audit, perfect communications with external stakeholders. For example the research of Leblank and Gillies [Leblank, Gillies, 2010] based on the data of in-depth five-year study of 39 boards of directors of both for- and not-for-profit organizations helps to understand the inner workings of boards of directors, including how they make decisions. The authors prove that decision-making process depends on competencies and behavioral peculiarities of the board's members as well as on their ability to work as a team. The authors classify the members of the boards according to the behavioral characteristics and analyze the interconnection of groups with different personal characteristics. Based on these results they conclude what professional and personal characteristics make board efficient.

That's why a large number of studies during the last 30–40 years in developed and developing markets are dedicated to the analysis of the role of the board of directors and interaction between boards' characteristics and business efficiency. This question in developed markets is a subject matter in studies of [Rosenstein, Wyatt, 1990], [Klein, 1988], [Vafeas, Theodorou, 1998], [Campbell, Vera, 2010], [Yermack, 1996]. [Black, 2001], [Mak,

Li, 2001], [Jackling, Johl, 2001] examine the influence of boards' characteristics on corporate performance in transition economies.

In our paper we analyze the history of the board of directors' development in Russian companies. We define the stages of the board of directors evolution in Russia and evaluate the perspectives of the development of this institution. Meanwhile the stages are defined according to the change of the board's role. Theoretically the board of directors is like an intermediary between the shareholders and managers that settles the disputes between them [Fama, Jensen, 1983]. The peculiarities of the Russian corporate governance model have stipulated the specific features of the board of directors' institution: the board does not perform the functions that are assigned to it theoretically. We should also mention that functions performed by the board differ greatly for different types of the companies, in particular for public (listed) and nonpublic companies.

The first part of the study is dedicated to the board as a formal body: it is the first stage, the beginning of 1990th. In the second part we make a conclusion that the role of the board in public companies changes under the influence of the external factors. In the third part of the research we define the third stage of the board's evolution: the role of the board is to improve corporate performance and to make business efficient. All in all we conclude that the role of the Russian boards changes with the transformation of micro- and macro factors. To make deeper analysis of the third stage in the fourth part we examine the role of the boards in Russia empirically by analyzing 15 in-depth interviews with the board of directors members and corporate governance experts who give us better understanding of Russian corporate governance peculiarities. We also pay great attention to the analysis of boards members characteristics.

The informational base of the paper is the analysis of the studies in the field of corporate governance and of corporate law updating. We also use the results of the in-depth interviews conducted with the boards' members and corporate governance experts in spring-summer 2012.

Historical context. The formal role of the board of directors (the beginning of 1990th – 1998)¹

The development of corporate governance institution, including the board of directors, is the result of new competition-based system adoption. All reforms and changes were

¹ The scope of the steps is subjective.

of radical character and “were defined by the government authorities’ knowledge about the market economy” [Kuznetsov, 2003]. Corporate relations at the beginning of 1990th were regarded not as an instrument of investment attraction and business development, but as the way of control redistribution [Redkin, 2003]. As the result all economic agents had similar objectives, that’s why we analyze all Russian companies while investigating the board of directors role (the beginning of 1990th – 1998).

According to A. Radygin the starting point for the corporate governance analysis in Russia is the study of the ownership structure that in its turn was determined as the result of privatization program [Radygin et al., 1995]. Privatization as well as liberalization was one of the main institutional reforms during the adoption of market-oriented system. There were three steps of privatization in Russia. Many authors mention that a lot of enterprises became private even before 1992, it means before the first step of privatization [Radygin, 1998], [Andreff, Kalyuzhnova 2003]. A. Radygin singles out three forms of spontaneous privatization. The opportunity of resources reallocation from governmental sector to the private one was one of the main incentives of spontaneous privatization. As the result of an Executive Order of 1992 enterprises that were included in the Privatization Program were transformed into joint-stock companies.

Employees and managers had the prior right to take into possession the shares of post-privatized companies. This fact decreased the incentives of the outsiders [Andreff, Kalyuzhnova 2003]. That is why the second step of privatization that started at the 1st of June, 1994 was aimed at the lowering of the insiders’ control by selling assets for money. Nevertheless, most of the managers reserved the rights for controlling the largest block of shares by using different formal and informal methods. As the result the high ownership concentration became typical for post-privatized enterprises. According to the researches data the proportion of the largest shareholder in the capital of the industrial enterprise by 2000 was 40–50% [Dolgopyatova, 2006]. What is more, surveys showed that 2/3 of joint-stock companies had the blockholder that controlled the whole company.

The conditions of property rights protection were not followed. The legal base for joint-stock companies is covered by the Federal Law on joint-stock companies № 208 (№ 208-ФЗ) that determines the legal status of the companies, the rights and duties of the shareholders, and also provides the protection of their interests. This law was implemented on the 1st of January 1996. Before the Federal Law on joint-stock companies the corporate law consisted only of executive regulations and by-laws that could not control numerous abuses and violations: there were a lot of shares without registration; shares were issued by persons

who did not have a right for such operations etc. These crying abuses are not even surprising: voucher privatization finished earlier than the corporate law was formed. Later some other federal laws that regulate corporate relations were put in force. They are the Federal Law on equity market (April 22nd, 1996), Federal Law on financial industrial groups (November 30th, 1995). Certainly, implementation of these laws streamlined the companies' activity, but these laws had a lot of gaps, they required changes. What is more, a lot of joint-stock companies did not follow the regulations of these laws: the reason was very weak enforcement as well as the lack of knowledge or the lack of understanding of the law matter.

According to A. Yakovlev, the main reason of this problem is the following: state authorities take the lead in all legislative initiatives, but demand for law is determined by economic agents, i.e. it is determined by their attitude to the specific laws [Yakovlev, 2004]. That is why peculiar behavioral strategies of economic agents arise when laws are introduced from above: the ignorance of the legislation or imitation of its following (or imitation of the bodies described in the laws; the formal role of the board of director, for instance). The ignorance strategy of the Federal Law on joint-stock companies arose in 1990th. As the result of obligatory transformation of all Soviet enterprises a lot of quasi-public joint-stock companies were created: in fact these companies did not need outside investors and therefore required another legal status.

Thereby, what role did the board of directors play in Russian companies during the period between the beginning of 1990th – 1998? The board of directors was formal: there was no separation of ownership and management. This fact can be explained by several reasons. Firstly, when A. Radygin describes privatization he calls it “technical”, non-economic act adopted by a compulsory decision [Radygin et al., 1995]. We think that this definition is also suitable for other reforms and institutions of that time: the rights and duties of the board of directors were determined by the law, but there was no application practice of this institution, no law enforcement. All institutions including the board of directors are the product of evolution [Kuznetsov, 2003]. Secondly, the formal character of the Russian boards is explained by the fact that managers and directors were not ready to apprehend innovations, to introduce and to use the institution of the board of directors properly. Awareness of new motivations and new behavioral stereotypes was very slow [Radygin et al., 1995]. Positions of top-managers were taken up by former “red directors” with already formed mentality and management style. According to the historical approach the world business develops from simple to complex forms of organization: from individual, family firms to the corporations [Ustuzhanina, 2001]. But evolution of Russian business took only several years in 1990th.

Thirdly, the insiders' model of corporate governance with concentrated ownership was formed in Russia. Moreover, directors tried to retain the power and oust the outside investors. In some way they were not even interested in market relations and stock market development, and the gap in the laws helped them to benefit from the property redistribution. The largest shareholders that took the companies under their control used the board of directors institution in their own interests. According to the corporate legislation they had an opportunity not only to form the board of directors, but also to head it. It is mentioned in the studies of the middle of 1990th that in 97% of privatized companies the former "red director", i.e. the new owner, took the position of the chairman/ CEO or both positions at the same time [Radygin et al., 2003]. Even if the owner, that felt the lack of knowledge and skills, decided to employ a professional manager, he still retained the power and had the main right in decision-making. All in all the board of directors played a formal role in 1990th and it did not settle corporate conflicts, as all the power was concentrated in the hands of dominating owner.

Integration, globalization and the new role of the board of directors, 1999–2007

The Russian board of directors was formal in 1990th, because the operational as well as strategic control over the company was concentrated in the hands of the largest shareholder and corporate governance regulations were ignored. But after the economic crisis of 1998 and as the result of the economic growth of 2000th the role of the boards changed. The board of directors became an instrument of the company's investment attractiveness growth, but it was still under the influence of the owner. On this stage of the board's role evolution we speak basically about holding companies: specifically large joint-stock companies that entered stock markets and became listed, and as consequence needed to increase their investment attractiveness. The reasons that caused the change of the board's role in public companies in Russia are described below.

T. Dolgopyatova examines two aspects that influence the nature of corporate relations: factors of macro- and micro levels [Dolgopyatova, 2008]. The first means the institutions that regulate corporate relations, law and law enforcement, and also economic activities. Institutional nature of corporate relations becomes also apparent in the micro-level aspect, where demand for corporate governance institutions determines the behavior of economic agents, i.e. the participants of corporate relations. We think that both of these aspects had an impact on the change of the board's role at the end of 1990th – the first half of 2000th.

After the economic crisis of 1998 large groups of companies (term 'business-groups' is usually used in Russia) appeared that were formed as the result of the governmental

activity, notably as the result of specific privatization with the creation of vertically integrated companies in oil business etc. S. Avdasheva singles out three stages of Russian holdings emergence: before 1992 (before the mass privatization); from 1993 to 1998 (the period of mass privatization and transformational recession), from 1999 (the period of economic growth) [Avdasheva, 2007].

Integration became an integral part of the Russian economy development. Business at that time functioned in the form of business-groups, and it was typical not only for large but also for medium-sized businesses [Dolgopyatova, 2008]. The firm's benefits from belonging to holding groups are connected with the simplification of the adaptation to the market, growth of competitiveness and better supply access [Avdasheva, 2007]. These benefits became the reason for the fact that a lot of holdings were created not only by the government, but also privately. Another thing that characterizes the business-groups is that corporate relations are better developed in holdings than in independent companies: the growth of ownership concentration, the increase of information disclosure – the processes that are typical for large companies.

Why were large listed companies motivated to perfect corporate relations? The opportunity to extend the market share and to attract additional financial resources is especially urgent during the period of the economic growth and entering the global market. Russian economy began to reinstate after the crisis of 1998, mainly because of the growth in oil prices, ruble devaluation and the political situation stabilization [Standard & Poor's, 2003]. The growth of the real GDP in 1999–2000 was 6.5%, in 2002 – 4%. The development of the domestic market and the growing opportunities of the companies urged them on the entering international stock markets. The growth of the Russian stock market capitalization began in 2001–2002, and it was nearly 127 billions of dollars in March 2003 [Standard & Poor's, 2003]. At the same time first Russian companies began to make their public offerings on the international stock exchanges.

In such a way, when most of the largest business-groups finished property consolidation, their owners became interested in the attraction of external funds. And what is more, large and medium-sized companies reached the top of the efficiency of the equity capital usage: entering global market allowed attracting debt [Potanin, 2003]. Priority of the owners changed: on the first stage they were concerned with purchase, keeping and restructuring of assets. And at the beginning of 2000th they wanted to increase the quality of corporate management and corporate governance in order to get the funds of the investors. Shareholders of Russian companies felt the necessity of corporate relations development, as

the compliance with international standards of corporate governance allowed to obtain foreign partners confidence and to improve company's reputation. Another thing that motivated owners to perfect corporate governance quality was the necessity to get the market valuation of the company. In the middle of 1990th the purchase of any accessible asset was the main aim of the owners, later the time of property rights redistribution began: useless assets were sold, M&A deals took place. Shareholders wanted to get the market value of their businesses to implement the plans. Despite these, the practice of the board of directors activity had the formal character alias, although boards began to function as instruments of investment attractiveness increase. Here are the words of S.Avdasheva: "Corporate relations in this context act as the element of imitation in order to obtain either demonstration effect or to attract external investors, whose role as the source of financing is insignificant. In this case the role of investors has more demonstration character, than financial" [Avdasheva, 2007].

At the first stage of board's evolution the structure of the boards was determined by corporate legislation, while in the middle of 2000th the boards had to comply with the stock exchanges requirements. For example, in order to place the shares on the largest Russian stock exchange firms had to satisfy its requirements on the board of directors structure forming. The requirements of foreign stock exchanges are even stricter. As the result the boards' composition and structure became more balanced, the quality of the boards raised. For instance, the research of 2002 shows that 24% of top-managers thought that attraction of independent directors is an obligatory thing, and 29% were ready to employ them [Association of Independent Directors, 2002]. The study of 2006 demonstrates that the boards of more than 100 companies (57% public, 43% nonpublic) include independent directors [Association of Independent Directors, 2006].

As new market conditions required different corporate governance standards, the necessity of corporate law improvement arose. Thus, the Corporate Governance Code was implemented in 2002, the largest part of which covers composition and structure of board of directors forming. It is a kind of government decree that determines the rules to be followed by joint-stock companies, the basic principles of corporate governance and the settlement of internal disputes. According to this Code the board of directors has to be formed from non-executive directors up to 75% and from independent directors up to 25% (not less than 3 directors). The Code includes the definition of "independent director", it recommends to form committees: strategic committee, audit committee etc. As the result of corporate governance standards improvement different nongovernmental organizations appeared: The Investor Protection Association, the Independent Directors Association etc [Standard & Poor's, 2003].

One of the main organizations that favors the development of corporate governance in Russia is National Council on Corporate Governance, formed in 2003. It unites representatives of business and government, experts in corporate relations. National Council on Corporate Governance is aimed at corporate law improvement, experts surveys and investigations conduction, relations with Russian and foreign partners coordination.

The demand for investment mobilization and firm's valuation by market was the reason of Russian companies IPO that made them follow the international standards of corporate governance. Generally it was formal meeting of stock markets requirements; the practice of real internal transformation was not common. For example, the separation of ownership and management took place mainly in holdings and listed companies, the activity of which was too massive to control by one owner [Dolgopyatova, Iwasaki, Yakovlev, 2009]. Mostly the board of directors was under the influence as before: the owner manipulated it easily as the ownership concentration was still very high. The interviews with 20 top-managers of joint-stock companies at the beginning of 2000th proved that in more than 50% of companies there was an owner with at least 50% block of shares. The level of concentration in other 6 companies was also high: the shareholder with 25–50% block of shares [Dolgopyatova, 2008]. The high level of ownership concentration was the reason of two groups of stakeholders (shareholders and management) coalescence. The board of directors was formal, and respondents mentioned that the boards were like window dressing. But the examples of the real activity of the boards existed, too.

But even the formal meeting of requirements of international stock exchanges was the progress in corporate governance development and the change of the board's role. The results of rating agencies and conclusions of researchers show that in public companies that are aimed at the growth of investment attractiveness and image improvement the board of directors institution is developed much better than in companies which are not public. Non-public companies are not motivated to change the role of the board of directors. Let's analyze the results of the survey (the study of 2001–2002, 31 joint-stock companies of Sverdlovskaya, Chelyabinskaya and Kurganskaya regions) of 72 board members and top-managers. Respondents gave the following answers to the question "Is there the balance of interest between managers and shareholders?": 11% gave the positive answer, 54% supposed that this balance was followed to some degree, 28% – minimally, 7% thought that there was no balance of interest. These answers show that the boards in Russia do not work as an intermediary that settles corporate disputes [Romanova, Tkachenko, 2004]. Probably, it is

caused by the fact that the structure of Russian boards is not balanced. Only 3% of respondents proved that committees existed, but 3% did not know about the committees at all.

Let's mention the main features of the board of directors institution in Russia during the period between 1999–2007. The board of directors for the owners of public companies becomes the key factor that helps to gain foreign partners' confidence and to attract the funds of investors. This fact means that the role of the board in Russia is in the increase of investment attractiveness of a company. As the result the independent directors are involved in the boards' activity, the percentage of managers on the board reduces, committees are created. These changes take place on the back of corporate law improvement and non-governmental organizations development. But these changes are mostly of image character. In nonpublic companies the evolution of the board's role was much slower. In fact in most of these companies the board of directors was still a formal institution.

The board of directors – the instrument to improve company's performance (2008 – until now)

Companies' difficulties become acute during the crisis moments even though they are not obvious before. The same situation took place during the crisis of 1997–1998 which showed that companies could not be evaluated by banks adequately and that the market valuation was more efficient: as the result there was the adoption of Anglo-Saxon model of corporate governance (instead of Continental model) [Yakovlev et al., 2009]. But the world financial crisis of 2007–2009 demonstrated that the valuation of a company by the market was also not objective. On the backdrop of a steep decline in the securities market all companies, public and non-public, suffered losses, but crisis had an influence on listed companies mostly.

A lot of gaps in the Russian corporate governance practice were revealed as the result of the market fall of 2008. T. Dolgopyatova singles out a number of crisis consequences: the strengthening of opportunistic behavior of managers, the new wave of stock ownership redistribution (which leads to the violation of the minor shareholders rights), suspension of the separation of ownership from executive management etc [Dolgopyatova, 2009]. As the result of the financial crisis companies should change their attitude to the risk-management system, information transparency etc. According to the survey of National Council on Corporate Governance the key aspects that have to be changed after crisis are: risk-management system (90% of respondents), internal audit system (48%), strategic planning

process (42%), responsibility of top-managers and the members of the board (39%) etc. [Research of National Council on Corporate Governance and KPMG, 2009]. Other researchers conclude the following: corporate governance problems are not only because of the increased opportunism of managers, but also because of the positions losing by owners as the result of the block of shares dilution [Yakovlev et al., 2009]. This is typical for public corporations, listed on the world stock exchanges. As the result the interests of shareholders and their planning horizons change, what is more the agency problem intensifies.

The results of Russian Institute of Directors (RID) study of 2004–2009 prove that the role of corporate governance in Russia changes. The authors conclude that corporate governance is not just an indicator of external investment attractiveness anymore [Russian Institute of Directors, 2010]. The demonstration effect of corporate governance is not enough. Corporate governance should be improved in order to increase business efficiency. This means that the role of corporate governance is in satisfying the internal needs of the company. The results of RID study prove that the practice of mechanisms creating that prevent corporate conflicts is becoming more and more widespread: the percentage of companies that use such mechanisms has increased by 29 pct, among public companies – by 23 pct. What is more, there is a practice of creating audit committees and nominating committees: the percentage of such firms has increased to 77% and 65% respectively. The researchers also pay attention to the following positive trends: almost 100% of companies convene the board of directors meeting more often than once in a quarter; the percentage of companies that have board of directors regulations is 94%; the percentage of firms that pay remuneration to the board is 82% in 2009. The number of independent directors becomes greater. Moreover, the owners begin to understand the significance of the individual characteristics of the board members. Different training and retraining programs of the board members are created, external consultants are attracted: the percentage of public companies that have practice of the directors' skills upgrading increase from 11% in 2005 to 18% in 2008. But we need to emphasize that the RID study includes only 150 large public companies in Russia.

The world financial crisis identified the drawbacks of legal and regulation mechanisms. That is why a lot of laws in the field of corporate governance were modified after 2008. The laws “About Consolidated Financial Statements” and “About the Resistance to the Illegal Insider Information Use” were adopted in 2010 [Standard & Poor's, 2011]. Several amendments to the laws about the improvement of dividends payout procedures and increase of transparency of ownership structure were also adopted in 2010. Another important factor of corporate law improvement is strengthening of administrative liabilities in the

financial markets. The new law provides for a wider category of subjects (the board of director members, top-managers) that carry administrative responsibility, increases statute of limitations and fines [Strengthening of administrative liabilities on financial markets, interview with A. Sinenko].

In spite of the fact that there are some positive changes in the corporate legislation and that corporate governance practice is being improved, there are still some gaps in the corporate law, and corporate relations require further modifications. Particularly, there is no definition of affiliated person; there are no rules of independent directors identification etc. Nevertheless, we see that the owners of some large public companies begin to realize the real role of the board of directors: it is necessary to improve the activity of the board of directors in order to make business functioning more efficient. At first sight these tendencies in nonpublic companies are not so obvious. In the next part we analyze the results of the in-depth interviews to compare the situation of corporate governance development in public and non-public companies.

New role of the board in Russia: recent empirical evidence

To prove the results made above (the third stage) and to make some new conclusions we conducted the series of interviews with the board of directors members and the experts in the field of corporate governance. Here you can find some initial results.

The informational base of the analysis – 15 in-depth interviews with the board of directors members and the experts in the field of corporate governance that were conducted in spring-summer 2012. The additional information for the board of directors study and information about the activity of joint-stock companies is taken from the open sources like companies' sites and informational internet-resources.

Respondents are divided into two groups: practitioners and experts. Practitioners are people that are involved in the activity of the board of directors of Russian companies (generally nongovernmental companies, some are with foreign ownership). The aim of the in-depth interviews with this category of respondents is the opportunity to get a feedback from the members of the board who have a real working practice, who can share their experience, can demonstrate on the own example what mechanisms of Russian boards are real and effective and what – are myth. Experts are the specialists in the field of corporate governance; they are the people whose expert opinion, experience and knowledge in this professional field allow to gain integrated estimators of the typical situation in Russia, to compare the

peculiarities of different business-processes visualization in different companies and sectors of economic activity. Among the experts are: researchers, the representatives of governmental authorities and public organizations.

There are 8 experts and 7 practitioners in the sample. Interviews were conducted in two Russian cities: Moscow and Ekaterinburg. Three respondents (2 board members and 1 expert) are the representatives of Ekaterinburg, other – from Moscow. Meanwhile some companies where practitioners work as the board of directors members are located in other regions, in Tyumen for instance. Researchers, working in such research centers as National Research University Higher School of Economics, institutes of Russian Academy of Science, Ural Federal University named after the first President of Russia B.N. Yeltsin form the major part of the respondents-experts. Respondents-practitioners are the independent directors almost in 100% cases. All interviewed practitioners are the board members more than in one company. The analyzed companies belong to such economic sectors as industry, communication, and construction. Also some respondents work as the board of directors members in banks. We include in the sample the board of directors members that work in public companies as well as in the companies which are not listed. This helps to take into consideration the peculiarities of functioning of these two types of companies. Most of the companies are newly created, but not privatized.

Qualitative analysis forms the basis of our research. The specific feature of our research is the analysis of the subjective opinions of the respondents that is why the results of the interviews cannot be generalized to all Russian companies, but allow to identify the characteristics that cannot be revealed with the help of formalized surveys. The results of the study can be the basis for the future quantitative research.

On the basis of the in-depth interviews analysis we create the portrait of the Russian board of directors: through the eyes of the experts and practitioners. We define 13 key characteristics of the board's role and activity that were discussed with the respondents in the course of the interview. Then we aggregate the positions of all respondents among which are:

- The driver of the board of directors development;
- The main stakeholders;
- The impact of the ownership concentration on the board of directors institution;
- The balance of the board's composition and structure;
- Corporate performance that prove the board's efficiency;
- Characteristics of the board's chairman;

- The role of committees in the board's activity;
- Working experience of the boards members;
- Education of the board members;
- Role of the implicit characteristics (life experience, age, wisdom) of the board's members in its activity;
- Criteria of independence of the independent directors;
- Term of work limits of the independent directors.

What is the Russian board through the eyes of the practitioners? The board of directors in Russia can be a really working body, as well as the formal one. Its role and place in the corporate governance structure is defined by the dominating shareholder. Even though the board is working (it is not a rarity in Russia now) it is explained by the fact that the owner-shareholder wants the board to be working and real. It means that the owner is the main stakeholder interested in the efficient board's activity. What is more the high ownership concentration is not an a priori factor of the board's formality as it is usually discussed in the academic studies in Russia. If the major shareholder makes thoughtful acts, if he realizes the real necessity of the working board (to tackle some tasks, to control the risks) then the board would play such a role. It is typical for non-public companies too. But the fast growing capital market, competition and the opportunity to attract foreign investors are the initial drivers of the board's development in Russia.

The independent director, who is able to give objective and impartial judgments concerning the quality of boards' decisions, is the main element of the efficient board. But the formal independence criteria of the independent directors (not a management, not an owner, not counterparty) do not always define the real independence. The ability to give independent judgments, the understanding of what professional reputation means and what his place in the labour market is – these are the factors that describe a true independence that is in general detected by the personal characteristics of a person. According to the respondents' words the work term of the independent director should be not more than 5–7 years. What is more, the board should include not only independent directors, but also shareholders, managers, the representatives of state authority (if the company is with the state ownership). But the balance of the board (correlation of different types of directors in it) is not always important; the presence of professional, intelligent, honest people plays the greatest role. The type of education, working experience (in same industry/in foreign companies) are essential, but these factors are not determinant factors. The bouquet is important: the combination of people

with different competences and background. It should be mentioned that two factors make the board working: good chairman and committees. Committees are like whales on which the board is based. Committees allow to work between meetings, they are like hobby groups that unite specialists in definite fields. The good chairman allows all board's members to show themselves, to demonstrate their strong points. Firstly, he is a good moderator. He directs, he is a good listener, he does not dominate. He is possessed with high authority, leadership skills, wisdom. The quality and efficiency of board's activity as of the body that takes strategic decisions is measured by the ability of the board to settle corporate conflicts and by company's capitalization.

According to the experts' words the board in Russia is still formal. Experts as well as practitioners suppose that the role of the board in the corporate governance structure is defined by the shareholder. But this role is formal. At best the board in Russian companies is an expert body that performs service function. In such case the board of directors helps the owner to make strategic decisions, to control management and creates the image of the company: it demonstrates its "rightness" to the stakeholders (investors, banks, government). But all final decisions are taken by the owner. If the majority shareholder thinks that there is no sense in the board's activity than no one among the stakeholders needs it. The ownership structure fully defines the role of the board, as well as the quantitative and qualitative combination of the directors in it. If the company is really public then it follows the best practices of corporate governance even in Russia: it includes independent directors on the board, minimum insiders and shareholders. The problem is that such companies are rather exception than a rule. According to the respondents' opinion Russian peculiarities influence greatly the board of directors activity, as well as its structure, that is why implicit characteristics of the board's members begin to play the leading role: reputation, ties, age. The efficiency of the board's activity cannot be measured by corporate conflicts. The board is on the one side with majority shareholder: the board goes into the issue, the owner makes a decision.

Comparative characteristic of the board of directors activities on the basis of 13 main factors is presented below (table 1).

Table 1. The role and activity of the board through the eyes of experts and practitioners

№	Boards' characteristics	Experts	Practitioners
1	Driver of board development	1. Increase of market share, competition 2. Investors requirements, international capital markets entrance	1. Capital market 2. Competition
2	Stakeholders	Owner	Owner
3	High ownership concentration	The greatest influence	Depends on the owner
4	Corporate conflicts settlement	The board does not settle corporate conflicts, as it plays formal role	The board finds the balance of interests; the main function of the board
5	Balance of the board	Defined by the ownership structure. The more mixed the composition of the board is the more reasonable decisions are taken	The main role of independent directors. The representatives of other stakeholders are also of importance. The combination of different competence of directors is much better than their quantitative combination
6	The way to measure board's efficiency	1. To tackle the current tasks of the owner 2. The victory in competition	1. Corporate conflicts settlement 2. Company's capitalization
7	Characteristics of the board's chairman	1. Possesses authority and reputation 2. Moderator 3. Has working experience, he is not a young man 4. Has ties, can pressure if necessary	1. High authority 2. Moderator 3. Good listener, allows other directors to show themselves 4. Life experience, wisdom
8	Committees	Not wide spread	1. Allow to work between meetings 2. Concrete activity: main but highly specialized questions
9	Working experience and type of education of the board's members	1. Working experience in foreign companies: works as plus (business-culture, technologies), as well as minus	1. The mixture of knowledge and education 2. Life experience; the quality of education, not the type
11	Implicit characteristics of the board's members	Life experience, ties, marital status, age – factors that play the main role	1. Have an influence on a personality type of the board member 2. Reputation as the indicator of ties 3. Wisdom, maturity, life experience 4. Motivation is more important than personal characteristics
12	Independence criteria of independent directors	“Double agent” (the director is not chosen by the company)	1. Not management, not owner, not counterparty 2. Should value their credit history 3. Are able to make independent judgments
13	Working limitations of independent directors	1. 7 years 2. Defined by the shareholders decision	1. 5–7 years 2. Marginal utility: the member himself should understand the benefits he can bring the next year

Source: prepared by the author.

The high-level conclusions about the activity of Russian board and its characteristics (and the description of what respondents have in common) are the following.

1. All respondents, including the board of directors members, agree that there are real working boards, and “sleeping” boards, formal boards. *“Where the board is sleeping, there is no sense to speak about it. It does not play any role in business development”*. Meanwhile the type of the company, public or not, does not influence the quality of the board activity. Real working board is necessity of the owner, but not the modern trend, that is why the factor of the companies’ publicity does not matter.
2. The board of directors – is the real instrument of business performance increase. The ability to solve corporate conflicts is the factor which reflects its working capacity: *“...the board helps to harmonize the interests of the main stakeholders: investors, shareholders, owners, managers. And other stakeholders, including the government. If there is a struggle, the board is real and it forms the strategy of business development”*. Despite it, the ownership concentration influences the board activity that is why the board in Russia is aimed at the solution of the concrete tasks set by the owner.
3. The owner has the strategic influence on companies’ activity in many Russian firms. This fact defines the key role of Russian boards. That is why *“the mission of the board – to be the brake pedal, but not the gas pedal. The gas pedal is management. In this case we can say that we are in the automobile but not in the means of the suicide. The board is an instrument of risk management, and the main risk, because the key risk-factor is the owner”*.
4. Committees are not typical for Russian companies. But respondents attach great importance to the role of the committees. Committees are the foundation of the board, they help the board to take reasonable decisions, as committees unite specialists in definite fields, for instance in the field of finance, accounting etc. If committees do not work *“the board suffers from a lack of well-prepared decisions”*. What is more, committees allow to organize the work between the board of directors meetings: *“committee is always in working regime, people do something, communicate, they can meet to discuss sharp questions or can communicate using telephone conferences”*.

5. Speaking about the board of directors characteristics, respondents pay attention to the qualitative characteristics of the board firstly, but not to the quantitative: not the type of the education, but its quality; not the quantitative balance of the directors on the board, but the presence of the directors with definite competences and so on: *“When I’m asked who the good board of director member is, I answer that it’s a bearer of urgent knowledge. The wider the mental outlook is the better it is. But there should be specialists in a definite field too. This combination is the most optimal variant”*.
6. According to the respondents words the significance of the individual characteristics is revealed to an even greater degree in the figure of the chairman. He has to be endowed not only with the number of formal characteristics as good education and rich professional experience, but also with personal qualities. Firstly, good communication skills. It means that the chairman, on the one hand, should find common language with all members of the board which in turn have their own individual, professional characteristics. But on the other hand – not put pressure on them by his authority. But the chairman, without any doubt, should have high authority: *“the chairman should have such an authority that he can stop the discussion or settle the dispute with the help of it, and establish good relations, set things going”*. What is more important, the chairman is not only a bright figure himself, he should have an ability to achieve the potential of the other board members: *“...if the chairman is endowed with such a skill, than he can find the synergy effect of the board on the whole. If he recognizes that every board member is an individual, a professional, an experienced person and he can achieve these potential, than it is an outstanding achievement”*.

Factors affecting the transformation of the board’s role in Russian companies

In our research we define three stage of the evolution of the board of directors role in Russian companies. Every stage is characterized by some changes that take place at macro- and micro levels. In our paper we show that institutional environment, the behavior of economic agents, legal framework and other factors influence the board of directors activity in Russia. These factors (new or transformation of the existing factors) have an impact on the change of the board’s role, and that is why they can be the criteria of the finish of one stage and the beginning of another. The system of the main characteristics of internal and external

environment of the company that define the evolution of the board's role in Russia is shown in table 2.

Table 2. Factors affecting the transformation of the board's role in Russian companies on different stages of its development*

	The formal role of board of directors	Board of directors as an instrument of investment attractiveness increase	Board of directors as the internal instrument of corporate performance improvement
Legal factors			
The presence of legal acts and regulations in the field of corporate law	+/-	+	+
The correspondence of legal acts to the interests of economic agents	-	+/-	+/-
Property rights protection	-	+/-	+/-
Human factor			
The understanding of new model of management necessity and the willingness to adopt innovations	-	+/-	+/-
The existence of knowledge and competence in the field of management	-	+/-	+
Factors of institutional environment			
Instability of institutional surroundings	+	+/-	+/-
Existence of nongovernmental public organizations	-	+	+
Economic factors			
Distribution of property rights (purchasing and holding of assets)	+	-	-
Redistribution of property rights (sales of assets, M&A deals)	-	+	+
Strengthening of competitive pressure as the result of globalization	+/-	+	+
To attract investment in the global market	-	+	+/-
Factors of corporate sector			
Interpenetration of management and ownership	+	+/-	+/-
High ownership concentration	+	+/-	+/-
Involvement of professionals as top-managers	-	+	+
Following the international standards of corporate governance (internal control system, independent directors, committees)	-	+/-	+/-
Mechanisms of management motivation that connect the personal interests of managers and the long-term interests of the company	-	-	+/-

*Signs "+" or "-" mean presence or absence of the factor on the certain stage of the evolution of the board of directors role.

Source: prepared by the author.

The board of directors on the first stage (the beginning of 1990–1998) was formal, and it did not settle corporate conflicts at all; the power among the company was concentrated in the hands of the owner. The board of directors on the second stage (1999–2007) became for the owners of large public companies the instrument to gain the confidence of foreign partners and to attract the funds of investors. The role of the board was to increase the investment attractiveness of the company. The role of the board of directors in non-public companies practically did not change. In fact the board in these companies was still a formal institution. The role of the board on the third stage (2008 – until now) is to improve corporate performance and to make business efficient. The owners begin to understand that corporate governance can increase the quality of business. The changes need a lot of time to be completed.

The results of the interviews emphasize two things mainly. The first – the importance of the human factor. The main driver of the boards' development in Russia is the owner interested in its company efficiency. The personal characteristics of the boards' members are also of high priority in this situation. The second thing is that the changes of the board role depend not only on the type of the company, but on the aims of the company (its owner). In this case there is no difference between public and nonpublic companies.

Concluding remarks

In the research with the help of the examples and cases we show that some factors (institutional environment, economic surroundings etc.) impact the structure and activity of the board of directors in Russia. Using the system of these factors we define the stages of board's evolution. We conclude that the role of the board is being changed under these factors. Nowadays the role of the board is to improve companies' performance, to tackle tasks set by the owner and to decrease risks. We also present the results of the in-depth interviews (conducted in spring-summer 2012). We compare the views of experts and practitioners; find what they have in common. The results help us to prove empirically that the new role of the Russian board appears. They also emphasize the key role of the personal characteristics of the board of directors members. The results of the interviews can also form the basis for future empirical research.

References

1. Andreff W., Kalyuzhnova Y. Privatization and Structural Change in Transition Economies. Palgrave Macmillan, 2003.
2. Association of Independent Directors. Activity of Independent Director. Research of the Association of Independent Directors. М., 2002 [Деятельность независимого директора. Исследование Ассоциации независимых директоров. М., 2002].
3. Association of Independent Directors. Joint Portrait of the Independent Director. The Research of the Association of Independent Directors. М., 2006. [Коллективный портрет независимого директора. Исследование Ассоциации независимых директоров. М, 2006].
4. Avdasheva S. Russian holding groups: New empirical evidence // Problems of Economic Transition. 2007. Vol. 50. Issue 5. P. 24–43.
5. Black B.S. The corporate governance behavior and market value of Russian firms // Emerging Markets Review. 2001. No. 2. P. 89–108.
6. Campbell K., Vera A.M. Female board appointments and firm valuation: Short and long-term effects // Journal of Management Governance. 2010. Vol. 14. No. 1. P. 37–59.
7. Dolgopyatova T. Corporate control models in Russian companies and business integration // State and Society in Post-Socialist Economies / J. Pickles (ed.). Basingstoke: Palgrave MacMillan, 2008. P. 92–110.
8. Dolgopyatova T.G. Corporate governance in Russian companies: the Role of the Globalization and the Crisis // Problems of Economic Transition. 2009. Vol. 52. Issue 6. P. 76–92.
9. Dolgopyatova T.G. Corporate ownership and control in Russian companies: trends and patterns // Corporate Restructuring and Governance in Transition Economies / B. Dallago, I. Iwasaki (eds.). Basingstoke: Palgrave Macmillan, 2007. P. 250–274.
10. Dolgopyatova T. Integration Processes, Corporate Governance and Management in Russian Companies / T. Dolgopyatova (ed.). М.: Moskovskii obshchestvennyi nauchnyi fond, 2006 [Интеграционные процессы, корпоративное управление и менеджмент в российских компаниях / под ред. Т.Г. Долгопятовой. М.: Московский общественный научный фонд, 2006].
11. Dolgopyatova T., Iwasaki I., Yakovlev A. (eds.). Organization and Development of Russian Business: A Firm-level Analysis. Basingstock: Palgrave Macmillan, 2009.

12. Eisenhardt K. Agency theory: An assessment and review // *Academy of Management Review*. 1989. Vol. 14. No. 1. P. 57–74.
13. Fama E.F., Jensen M. Separation of ownership and control // *Journal of Law and Economics*. 1983. Vol. 26. No. 2. P. 301–325.
14. Filatotchev I., Wright M., Bleaney M. Privatization, insider control, and managerial entrenchment in Russia // *Economics of Transition*. 1999. No. 7. P. 481–504.
15. Iwasaki I. Legal forms of joint stock companies and corporate behavior in Russia // *Problems of Economic Transition*. 2007. Vol. 50. Issue 5. P. 73–86.
16. Jackling B., Johl S. Board structure and firm performance: evidence from India's top companies // *Corporate Governance: an International Review*. 2009. Vol. 17. No. 4. P. 492–509.
17. Jensen M.C. The modern industrial revolution, exit, and the failure of internal control systems // *Journal of Finance*. 1993. Vol. 48. P. 831–880.
18. Jensen M., Ruback R. The market for corporate control: The scientific evidence // *Journal of Financial Economics*. 1983. No. 11. P. 5–50.
19. Klein A. Firm performance and board committee structure // *Journal of Law and Economics*. 1988. Vol. 41. No. 1. P. 275–303.
20. Kuznetsov B.V. Development of demand on institutions on the example of corporate law (the view of economist) // *Razvitie sprosna na pravovoe regulirovanie korporativnogo upravleniya v chastnom sektore*. M.: Moskovskii obschestvennyi nauchnyi fond, 2003. P. 1–339. [Кузнецов Б.В. Развитие спроса на институты на примере корпоративного законодательства (взгляд экономиста) // Развитие спроса на правовое регулирование корпоративного управления в частном секторе. М.: Московский общественный научный фонд, 2003. С. 1–339].
21. Leblanc R., Gillies J. *Inside the Boardroom. How Boards Really Work and the Coming Revolution in Corporate Governance*. John Wiley & Sons. 2010.
22. Mak Y.T., Li Y. Determinants of corporate ownership and board structure: Evidence from Singapore // *Journal of Corporate Finance*. 2001. Vol. 7. No. 3. P. 235–256.
23. Potanin V. Corporate governance: on the way to the Russian model // *Rossiia v globalnoi politike*. 2003. Vol. 1. No. 3. P. 43–46 [Потанин В. Корпоративное управление: на пути к «российской модели» // Россия в глобальной политике. 2003. Т. 1. № 3. С. 43–46].
24. Radygin A.D. Russian privatization: national tragedy or institutional base for the post-soviet reforms? // *Mir Rossii*. 1998. Vol. VII. № 3. P. 3–32 [Радыгин А.Д. Российская приватизация: национальная трагедия или институциональная база постсоветских реформ? // Мир России. 1998. Т. VII. № 3. С. 3–32].

25. Radygin A.D., Entov R.M., Mezheraupc I.V. The Peculiarities of National Corporate Governance Model Forming. Moscow: 2003. [Радьгин А.Д., Энтов Р.М., Межеераупс И.В. Особенности формирования национальной модели корпоративного управления. М., 2003].
26. Radygin A.D., Gutnik V.P., Malginov G.N. Post-privatized structure of shareholder capital and corporate control: counter-revolution of managers? // *Voprosy ekonomiki*. 1995. No. 10. P. 47–69 [Радьгин А.Д., Гутник В.П., Мальгинов Г.Н. Постприватизационная структура акционерного капитала и корпоративный контроль: «контрреволюция управляющих»? // *Вопросы экономики*. 1995. № 10. С. 47–69].
27. Redkin I. The main steps of the demand development on corporate law in Russia // *Razvitie sprosa na pravovoe regulirovanie korporativnogo upravleniya v chastnom sektore*. М.: Moskovskii obschestvennyi nauchnyi fond, 2003. P. 36–44 [Редькин И. Основные этапы развития спроса на корпоративное право в России // *Развитие спроса на правовое регулирование корпоративного управления в частном секторе*. М.: Московский общественный научный фонд, 2003. С. 36–44].
28. Research of National Council on Corporate Governance and KPMG. Corporate Governance under Financial Crisis // *The Study of National Council on Corporate Governance*. Moscow: 2009 [Корпоративное управление в условиях финансово-экономического кризиса // *Исследование Национального совета по корпоративному управлению и компании КПМГ*. М., 2009].
29. Romanova O.A., Tkachenko I.N. The empirical analysis of institutional dynamic of corporate relations (the experience of the regional study of 1999–2002 in the Urals region) // *Interperiodika*. 2004. No. 2. P. 104–115 [Романова О.А., Ткаченко И.Н. Эмпирический анализ институциональной динамики внутрифирменных корпоративных отношений (опыт регионального исследования 1999–2002 гг. в Уральском регионе) // *Интерпериодика*. 2004. № 2. С. 104–115].
30. Rosenstein S., Wyatt J.G. Outside directors, board independence, and shareholder wealth // *Journal of Financial Economics*. 1990. Vol. 26. No. 2. P. 175–191.
31. Russian Institute of Directors. Research of Corporate Governance Practice in Russia: Comparative Analysis of 2004–2009. New Tendencies in 2009. Moscow: Russian Institute of Directors and New Economic School, 2010 [Исследование практики корпоративного управления в России: сравнительный анализ по итогам 2004–2009 гг. Новые тенденции в 2009 г. М.: Российский Институт директоров и Российская экономическая школа, 2010].

32. Shleifer A., Vishny R.W. A survey of corporate governance // *Journal of Finance*. 1997. Vol. 52. P. 737–783.
33. Standard & Poor's. *Analysis of Infrastructure of Corporate Governance in Russia*. М.: Standard & Poor's, 2011 [Анализ инфраструктуры корпоративного управления в России. М.: Standard & Poor's, 2011].
34. Standard&Poor's. *Corporate Governance in Russia. Analytical report*. Moscow: Standard&Poor's, 2003 [Корпоративное управление в России. Аналитический отчет. М.: Standard & Poor's, 2003].
35. Strengthening of administrative liabilities on financial markets: practical questions – the interview with A. Sinenko (<http://www.finmarket.ru/z/nws/interview.asp?id=1293454>) [Усиление административной ответственности на финансовых рынках: практические вопросы – интервью с замруководителя ФСФР А. Синенко (<http://www.finmarket.ru/z/nws/interview.asp?id=1293454>)].
36. Ustuzhanina E.V. “Different” private property: privatization the Russian way // *Ekonomicheskaya nauka sovremennoi Rossii*. 2001. No. 2. P. 74–95 [Устюжанина Е.В. «Другая» частная собственность: приватизация по-русски // *Экономическая наука современной России*. 2001. № 2. С. 74–95].
37. Vafeas N., Theodorou E. The relationship between board structure and firm performance in the UK // *British Accounting Review*. 1998. Vol. 30. No. 4. P. 383–407.
38. Yakolev A.A. Evolution of corporate governance in Russia: government policy vs. real incentives of economic agents // *Post-Communist Economies*. 2004. Vol. 16. No. 5. P. 387–404.
39. Yakovlev A.A., Danilov U.A, Simachev U.V. *The Russian corporation: patterns of behavior during the crisis* // *Economics Working Paper No. 100*. Centre for Comparative Economics, UCL School of Slavonic and East European Studies, 2009.
40. Yermack D. Higher market valuation of companies with small board of directors // *Journal of Financial Economics*. 1996. Vol. 40. No. 2. P. 185–211.

Дуляк, Ю. И. Детерминанты эволюции совета директоров в российских публичных и непубличных компаниях [Электронный ресурс] : препринт WP1/2013/01 / Ю. И. Дуляк ; Нац. исслед. ун-т «Высшая школа экономики». – Электрон. текст. дан. (225 КБ). – М. : Изд. дом Высшей школы экономики, 2013. – 28 с. – (Серия WP1 «Институциональные проблемы экономики») (на англ. яз.).

Исследование направлено на изучение развития института совета директоров в российских компаниях. Цель работы – определить этапы эволюции роли совета директоров в России, а также оценить его перспективы. Эти этапы отражают разные функции советов в российских компаниях. Представлена система факторов (институциональные, правовые, экономические, человеческий фактор, а также характеристики корпоративного сектора), оказывающих влияние на трансформацию роли советов. Информационной основой анализа послужили исследования специалистов в области корпоративного управления, а также изучение изменений российского корпоративного законодательства. Кроме того, мы используем материалы углубленных интервью, которые были проведены с членами советов директоров весной – летом 2012 г.

Ключевые слова: совет директоров, корпоративное управление, институциональная среда, Россия

Препринт WP1/2013/01
Серия WP1
Институциональные проблемы
российской экономики

Дуляк Юлия Ивановна

**Детерминанты эволюции совета директоров
в российских публичных и непубличных компаниях**
(на английском языке)