AFIN805

Research in Banking and Finance

S1 Day 2019

Department of Applied Finance

Contents

General Information

Unit convenor and teaching staff
Lecturer and Convener
Terry Pan
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Refer to iLearn

Guest Lecturer
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Credit points
4

Prerequisites
(Admission to MCom in Finance or MBkgFin) and (AFIN808 and AFIN818)

Corequisites

Co-badged status

Unit description
This unit describes and analyses the methodology of contemporary research in banking and finance. It investigates research methods employed across a wide variety of current topics in banking and finance.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at https://www.mq.edu.au/study/calendar-of-dates

Learning Outcomes

On successful completion of this unit, you will be able to:

Obtain knowledge of a variety of different research methods

Articulate research questions in response to a business problem or opportunity

Design a research study that successfully answers a research question using a chosen method

Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method

variance, ethical issues)

Work productively in a group to make recommendations regarding a business problem or opportunity

General Assessment Information

General Information

This course introduces you to the fundamentals of doing research. The course is designed to introduce you to an understanding of a variety of different methods, study designs and the fundamentals of qualitative and quantitative analysis. You will apply the skills by developing your own research questions, study design and project relevant to your studies or professional lives. The course will also provide a foundation to those of you who plan to conduct further research as part of your postgraduate studies. No prior knowledge or experience in research is required to take this course, apart from the prerequisites listed. The course is aimed at the postgraduate level.

Marks

It is the responsibility of students to view their marks for each within session assessment on iLearn within 20 working days of posting. If there are any discrepancies, students must contact the unit convenor immediately. Failure to do so will mean that queries received after the release of final results regarding assessment marks (not including the final exam mark) will not be addressed.

Feedback Prior to the Census Date

Self-assessment exercise question(s) will be released in Week 3 for feedback prior to the census date. The answers will be discussed before the census date in Week 4.

Assessment Criteria

Assessment criteria for all assessment tasks will be provided on the unit iLearn site.

Assessment Tasks

Name	Weighting	Hurdle	Due
Data Analysis Project	20%	No	Week 7
Research Proposal	40%	No	Week 12
Final Exam	40%	No	Examination Period

Data Analysis Project

Due: **Week 7**
Weighting: **20%**

Task Description: A project will be designed to test the knowledge on data analysis using R (Week 3 to Week 5). More details will be announced in class. **Type of Collaboration:** Individual **Submission:** on-line **Format:** Refer to ilearn **Length:** Refer to ilearn **Inherent Task Requirements:** Refer to ilearn **Late Submission:**
No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for special consideration is made and approved. No submission will be accepted after solutions have been posted

On successful completion you will be able to:

- Obtain knowledge of a variety of different research methods
- Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method variance, ethical issues)

Research Proposal

Due: **Week 12**
Weighting: **40%**

Task Description:
This task involves the oral presentation of a research proposal. You are to form a team with your colleagues (final number of teams and members per team is dependent on the class size).

Your group will prepare a 15 minute presentation (10 marks), outlining a research proposal suitable for the chosen scenario building on the knowledge from the previous weeks. Students failing to join a group by Week 6 or not partaking in the group presentation without grounds will be awarded a mark of 0 (zero).

A formal research proposal (max. 2000 words excluding references) (20 marks) should be submitted by Friday 5pm of Week 12.

An individual working log (max. 500 words) (10 marks) should be submitted by Friday 5pm of Week 12.

 Further details will be announced in class.

Type of Collaboration: Team Project **Submission:** In Class & On-line **Format:**
Refer to iLearn

Length: Refer to iLearn **Inherent Task Requirements:** Refer to iLearn **Late Submission:**
No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for special consideration is made and approved. No submission

will be accepted after solutions have been posted

On successful completion you will be able to:
- Obtain knowledge of a variety of different research methods
- Articulate research questions in response to a business problem or opportunity
- Design a research study that successfully answers a research question using a chosen method
- Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method variance, ethical issues)
- Work productively in a group to make recommendations regarding a business problem or opportunity

Final Exam

Due: **Examination Period**
Weighting: **40%**

Task Description:
This task involves the analytical assessment using methods covered in the whole semester.

Further details for the examination will be announced in class.

Type of Collaboration: Individual **Submission:** Take home exam (provided 48 hours before) to be submitted online **Format:** Refer to iLearn **Length:** 48 hours to complete the exam **Inherent Task Requirements:** Refer to iLearn **Late Submission:**
 No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for special consideration is made and approved. No submission will be accepted after solutions have been posted

On successful completion you will be able to:
- Obtain knowledge of a variety of different research methods
- Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method variance, ethical issues)

Delivery and Resources

Required Text:	There is no prescribed textbook. Readings (where applicable) are taken from relevant academic books and journals. Refer to iLearn for further details.
Unit Web Page:	Access to iLearn

Technology Used and Required:	• Internet access • Software for producing presentations • Open-source software for reproducible research.
Delivery Format and Other Details:	**Classes** Students must thoroughly read all assigned materials before coming to the class so that they are fully prepared to discuss the key issues. **Timetables** You are required to attend your timetabled classes. The timetable for classes can be found on the University web site http://www.timetables.mq.edu.au/
Recommended Readings:	
Other Course Materials:	

Unit Schedule

Week	Seminar
1	Module 1 - The Research Process
2	Module 2 - Problem Formulation, Research Design and Literature Reviews
3	Module 3 - Introduction to Research Data
4	Module 4 - Linear Regression: OLS
5	Module 5 - Instrumental Variable Regression
6	Module 6 - Natural Experiments (DiD and RDD)
7	Module 7 - Event Study and Performance Evaluation
	RECESS
8	Module 8- Exploratory Research & Qualitative Methods
9	Module 9 -Introduction to Survey Research & Questionnaire Design
10	Module 10 - Survey Research & Questionnaire Design II
11	Module 11- Lab and Field Experiment
12	Group Presentations
13	Revision

Learning and Teaching Activities

Module 1 - The Research Process

Introduction to the course

Module 2 - Problem Formulation, Research Design and

Literature Reviews

Introduces the fundamentals of research design, formulating research questions and conducting literature reviews

Module 3- Introduction to Research Data

Introduces different data types and sources in banking and finance research; and introduces R software - the tool to analyze data

Module 4- Linear Regression: OLS

Introduces the basic ideas of using linear regression to estimate coefficients; introduces the impacts of omitted variable bias and measurement errors on the estimation results

Module 5- Instrumental Variable Regression

Introduces the source and impact of endogeneity; introduce the instrumental variable regression approach

Module 6 - Natural Experiments

Introduce the idea of natural experiments and the associated research methods

Module 7- Event Study and Performance Evaluation

Introduces the event study method to analyse the effect of a firm announcement and then extends to fund performance evaluation

Module 8- Exploratory Research & Qualitative Methods

Introduces the fundamentals of exploratory research and qualitative methods

Module 9 - Introduction Survey Research & Questionnaire Design

Introduces survey research as a quantitative technique

Module 10 - Survey Research & Questionnaire Design II

Offers further in-depth insights into survey research, questionnaire design and analysis

Module 11 - Experiments

Introduces experimental research and sampling design in both lab and field settings

Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- Academic Appeals Policy
- Academic Integrity Policy
- Academic Progression Policy
- Assessment Policy
- Fitness to Practice Procedure
- Grade Appeal Policy
- Complaint Management Procedure for Students and Members of the Public
- Special Consideration Policy *(**Note:** The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.)*

Undergraduate students seeking more policy resources can visit the Student Policy Gateway (https://students.mq.edu.au/support/study/student-policy-gateway). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central).

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/study/getting-started/student-conduct

Results

Results published on platform other than eStudent, (eg. iLearn, Coursera etc.) or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in eStudent. For more information visit ask.mq.edu.au or if you are a Global MBA student contact globalmba.support@mq.edu.au

Supplementary exams

Information regarding supplementary exams, including dates, is available at:

http://www.businessandeconomics.mq.edu.au/current_students/undergraduate/how_do_i/disruption_to_studies

Student Support

Macquarie University provides a range of support services for students. For details, visit http://students.mq.edu.au/support/

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- Workshops

- StudyWise
- Academic Integrity Module for Students
- Ask a Learning Adviser

Student Services and Support

Students with a disability are encouraged to contact the Disability Service who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

If you are a Global MBA student contact globalmba.support@mq.edu.au

IT Help

For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the Acceptable Use of IT Resources Policy. The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

- Obtain knowledge of a variety of different research methods
- Articulate research questions in response to a business problem or opportunity
- Design a research study that successfully answers a research question using a chosen method
- Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method variance, ethical issues)

Assessment tasks

- Data Analysis Project
- Research Proposal
- Final Exam

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Articulate research questions in response to a business problem or opportunity
- Design a research study that successfully answers a research question using a chosen method
- Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method variance, ethical issues)
- Work productively in a group to make recommendations regarding a business problem or opportunity

Assessment tasks

- Data Analysis Project
- Research Proposal
- Final Exam

PG - Research and Problem Solving Capability

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

Learning outcomes

- Articulate research questions in response to a business problem or opportunity
- Design a research study that successfully answers a research question using a chosen method
- Apply relevant methods to make recommendations regarding a business problem or opportunity and identify potential issues and pitfalls (endogeneity, common method variance, ethical issues)
- Work productively in a group to make recommendations regarding a business problem or

opportunity

Assessment tasks

- Data Analysis Project
- Research Proposal
- Final Exam

Changes from Previous Offering

The course has been resigned to cover a wider variety of different methods with broader applicability.