



FINA 6301 PhD Seminar in the Theory of Finance, Fall 2019

Instructor

Dr. David Rakowski

Office Number

COBA 616, UTA

Office Telephone Number

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Course Website

Access through Canvas: To access the Canvas course site go to uta.instructure.com, click the login button, and enter your UTA email and password.

Faculty Profile

<https://www.uta.edu/profiles/david-rakowski>

Office Hours

Monday and Wednesday: 12:00-1:30PM (Arlington campus, COB 616); by appointment: other times at the Arlington campus.

Section Information

001-LEC(91955)

Time and Place of Class Meetings

Thursdays, 2:00pm-4:50pm

COBA 139

Description of Course Content

Development of the fundamental theories of modern finance from their microeconomic origins. Topics include: investment under uncertainty, asset pricing models, market equilibrium, market efficiency, and expected utility theory. Prerequisite: FINA 5311

Learning Objectives

Students will display complex and high level understanding of the theories that shape modern academic theory and which guide empirical research and industry practice in finance. This understanding will be displayed through conference-style presentations, conference-style

discussions, journal-style written reviews of academic research papers, and a proposal for a research paper.

Recommended Textbooks and Other Course Materials

Campbell, J., Lo, A.W., and MacKinlay, A.C., 1997. *The econometrics of financial markets*. Princeton University press.

Copeland, T.E., Weston, J.F. and Shastri, K., 1988. *Financial theory and corporate policy*. Reading, MA: Addison-Wesley.

Topics and Course Structure

This course is intended to train you in several skills and knowledge areas that are essential for a successful PhD in finance or a related field. We are going to learn about the primary theories that form the basis of academic research in finance, but we are also going to gain a detailed knowledge of what to expect in a career path based on a PhD in finance. We will study the CVs, dissertations, early publications, best publications, and most recent research projects for faculty members who work most actively with PhD students at UTA. Our course will consist of these components:

CVs - An examination of the Curriculum Vitae (CVs) of faculty members in the departments of Finance, Accounting, and Economics at UTA. From this, we should gain a better awareness of what is expected both in a PhD program, and in the years that follow. We will also learn what it takes to succeed in the world of academic research. You will research the work of 4 to 6 faculty members at UTA. Of these, you will make conference style research paper presentations on the CVs, dissertations, and other early work of at least two faculty members. This component of the course will primarily take place during September. This component of the course is intended to give you a better understanding of what successful dissertations look like, as well as what happens early in a faculty member's career following completion of a PhD.

Best papers— An examination of the most high impact and/or most prestigious publication of faculty members at UTA. You will research the most important research publication of at least two UTA faculty members. You will make conference style research paper presentations of these papers. You will also write journal style reviews on the best papers of several additional faculty members. This component of the course will take place mostly during October. This component of the course is intended to give you a better understanding of what you may aspire to achieve, or surpass, in a career in academic research. You will also gain a better understand of the topics that UTA faculty members are leading experts on. Ideas related to, and derived from, these topics are excellent possibilities for you to consider for your own dissertation and research proposals.

Current research – An examination of the most current research being conducted by UTA faculty members and other scholars. For faculty members not scheduled to present

seminars this semester, you will learn how to search for their current work through resources like [SSRN](#), conference websites, and personal websites. In addition, you are expected to attend the research incubator seminar series (please see course schedule). There will also be seminars conducted by invited researchers (for example, Dr. Gilbert Park, September 6th). There is also a research conference hosted at TCU on November 7-8. You are expected to attend as many of these as possible. Reviews and discussions of the material from these seminars will be an integral part of this course. You will write journal style reviews on the best papers of several faculty members, visiting scholars, and conference presenters.

Theoretical Foundations – An examination of the theoretical papers that form the basis of the research program of faculty members at UTA. After examination the early work, best work, and current work of faculty members at UTA, you will identify the papers that form the theoretical foundation for each faculty member’s research. We will then examine a selection of these papers in more detail. You will make conference style research paper presentations of one to two of these papers. You will also write journal style reviews of several of these theory papers. This component of the course will take place mostly during November.

Research paper proposal – You will write a research paper proposal, with the topics derived from the papers that we have examined over the semester. This is meant to be the beginnings of a project that may develop into a publishable paper or even a dissertation. More details are given below. This will be due at the end of the course in December.

Technical Requirements

Course materials are online via Canvas. Students should have adequate internet access and computer resources to stream online video files and to read or print materials from Canvas.

The technology required in this course includes:

- a computer to access the course
- a word processing software, such as Microsoft Word
- data processing software, such as Microsoft Excel

Mozilla Firefox and Google Chrome are the recommended and supported browsers for this course.

The course also has the following options for system requirements:

- Windows Vista or higher
- Mac OSX 10.6 or higher

Please see the required technology resources on Canvas for additional details.

Students will be required to download and conduct basic data analysis. Data will be downloaded from the [WRDS](#) database and additional sources. Please contact [Ruthie Brock](#) at the [UTA library](#) for a WRDS login and password. Data analysis will be conducted in SAS or Stata.

Canvas Resources

For an introduction to the Canvas interface, please watch this [Canvas Overview video](#). For help with other features of Canvas, see [Getting Started as a Student](#) or the more comprehensive [Canvas Student Guide](#). You can access Canvas from a web browser or by downloading the free Canvas Student app on Android (Google Play) and iOS (iTunes) devices. If you run into any technical problems this semester, you can reach Canvas support from within Canvas by clicking on the Help icon (question mark) on the bottom of the left menu and selecting "Chat with Canvas Support (Students)" or "Canvas Support Hotline (Students)".

Assessment

Assessment will take the following forms:

Paper presentations – conference style presentations of research papers and CVs. These presentations will be made orally in class, using appropriate slides or other visual aids in powerpoint or similar presentation software, and should be approximately 10-15 minutes in length. Each paper presentation should clearly identify the paper's major theoretical background, hypothesis, data source, methodology, and result. A discussion post with the paper upload or other data is also required content. Read and follow this [guidance](#) on conference presentations and discussions. These are the types of presentations that you should endeavor to make at conferences in the next couple of years.

Paper presentations will be worth 50 points each towards your grade. The rubric for paper presentations is:

	Points
Slides quality and style	15
Coverage of required topics	15
Spoken presentation	10
Data summary	10
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Total	50

Paper discussions - conference style discussions of research paper presentations. These discussions will follow research paper presentations and will be made orally in class, using appropriate slides or other visual aids in powerpoint or similar presentation software, and should be approximately 5-8 minutes in length. These discussions are an activity that you should plan to engage in at academic conferences in the future.

Paper discussions will be worth 10 points each towards your grade. The rubric for paper discussions is:

	Points
Slides quality and style	4
Coverage of required topics	4
Spoken presentation	2
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Total	10

Paper reviews – journal style reviews of research papers. You will take the position of a journal reviewer and write a brief (2-3 page) review of a research paper. Include at most 1 paragraph summarizing the contribution. Emphasize what is unique about the paper rather than simply what it does. For the rest of the review, focus on how the shortcomings of the paper can be remedied. A discussion post with the paper upload or other data is also required content. Extensions of these papers will be the basis for your research proposal.

These types of reviews are something that you should expect to do for academic journals as a service to the professional community.

Paper reviews will be worth 10 points each towards your grade. The rubric for paper reviews is:

	Points
Writing quality and style	5
Summary of contribution	1
Suggestions for improvement	4
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Total	10

Written research proposal – write a proposal for a research paper that extends, improves, or modifies one of the papers that was discussed in this class. It would also be great if you can suggest a new test of a theory that is the focus of one of the papers presented in this class. The proposal should be like the first half of a full journal article: include an introduction, motivation, literature review, hypothesis, and rough outline of the methodology and data sources. You must download and include basic descriptive statistics of data that can be used to form a sample for this project but you do not need to conduct any further statistical analysis or empirical tests. This proposal is to be an extension of an existing paper rather than a completely new idea.

The research proposal will be worth 100 points each towards your grade. The rubric for research proposal is:

	Points
Quality of writing and style	20
Summary of theory	20
Coverage of how theory was already tested	20
Coverage of how you would test theory	20
Data summary	20
Total	100

This research proposal should be something that you may consider continuing to work on as a research paper or even the starting points for a dissertation.

Participation and Discussion

Attendance and participation are essential in a PhD-level course. Non-approved absences will result in a deduction of 10 points from your course participation grade. Attendance at non-class events (research incubator seminars and other events) is strongly encouraged. Even if not attending outside events, such as seminars, work related to these is still required.

Grading

Student grades are based on the following plan:

Assignment	Points	#	Total points	weight
Seminar reviews	10	5	50	9.3%
Seminar discussion	10	1	10	1.9%
CV presentation	50	2	100	18.5%
Best paper presentation	50	2	100	18.5%
Best paper discussions	10	2	20	3.7%
Best paper reviews	10	2	20	3.7%
Theory presentation	50	1	50	9.3%
Theory discussions	10	2	20	3.7%
Theory reviews	10	2	20	3.7%
Participation	50	1	50	9.3%
Written research paper proposal	100	1	100	18.5%
Total			540	100%

Students are expected to keep track of their performance throughout the semester and seek guidance from available sources (including the instructor) if their performance drops below satisfactory levels. The grading scale will be: A = 486 points and above; B = 432-485 points; C = 378-432 points; D= 324-377 points; F = below 324 points. The instructor will make every

attempt to have assignments graded, with grades posted on Canvas, within a week of the assignment due date.

Expectations for Out-of-Class Study

Beyond the time required to view online course materials, students enrolled in this course should expect to spend at least an additional 9 hours per week of their own time in course-related activities, including additional reading, completing assignments, preparing for exams, etc.

Working with other students

You are expected to discuss your work and seek feedback from other students. However, all submissions should be your own original work. All work may be scanned for plagiarism. Proper referencing and citations are required.

Make-up Exams and Assignments

There are no make-up assignments. If you are going to be late with an assignment then contact the instructor beforehand in order to arrange for an extension, with a suitable deduction in points.

Grade Grievances

Any appeal of a grade in this course must follow the procedures and deadlines for grade-related grievances as published in the current undergraduate / graduate catalog. For undergraduate courses, see http://www.uta.edu/catalog/content/general/academic_regulations.aspx#19; for graduate courses, see http://grad.pci.uta.edu/about/catalog/current/general/regulations/#grade_grievances .]

Drop Policy

Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. **Students will not be automatically dropped for non-attendance.** Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (<http://www.uta.edu/aao/fao/>).

Americans with Disabilities Act

The University of Texas at Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including the *Americans with Disabilities Act (ADA)*. All instructors at UT Arlington are required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Any student requiring an accommodation for this course must provide the instructor

with official documentation in the form of a letter certified by the staff in the Office for Students with Disabilities, University Hall 102. Only those students who have officially documented a need for an accommodation will have their request honored. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability or by calling the Office for Students with Disabilities at (817) 272-3364.

Title IX

The University of Texas at Arlington does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disabilities, genetic information, and/or veteran status in its educational programs or activities it operates. For more information, visit uta.edu/eos. For information regarding Title IX, visit www.uta.edu/titleIX.

Academic Integrity

Students enrolled all UT Arlington courses are expected to adhere to the UT Arlington Honor Code:

I pledge, on my honor, to uphold UT Arlington's tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.

I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.

UT Arlington faculty members may employ the Honor Code as they see fit in their courses, including (but not limited to) having students acknowledge the honor code as part of an examination or requiring students to incorporate the honor code into any work submitted. Per UT System *Regents' Rule* 50101, §2.2, suspected violations of university's standards for academic integrity (including the Honor Code) will be referred to the Office of Student Conduct. Violators will be disciplined in accordance with University policy, which may result in the student's suspension or expulsion from the University.

Electronic Communication

UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for

using this account, which remains active even after graduation. Information about activating and using MavMail is available at <http://www.uta.edu/oit/cs/email/mavmail.php>.

The instructor will make every effort to respond to emails within 24 hours during the normal work week. Responses may take longer during weekends and holidays.

Etiquette expectations (sometimes called “netiquette”) for online discussions, email, and other forms of communication

When creating and replying in the discussion forum, you *must* follow the below guidelines.

- Review your work before you post.
- Make sure to present your ideas in a clear, logical order and in a non-threatening tone.
- To help convey tone, use popular emoticons such as 😊 (smiley face). But, be careful not to overuse them.
- Avoid writing in all capital letters as this conveys shouting.
- Use appropriate and non-offensive language. Additionally, slang, sarcasm, and abbreviations can be misunderstood.
- Respect others and their opinions. Disagree respectfully.
- Adhere to copyright rules and cite your sources.

When emailing your instructor or academic coach, you must follow the below guidelines:

- Always include the course name in the subject of your email
- Use appropriate language – no slang or abbreviations
- Emails are professional in manner, so no emoticons

Student Feedback Survey

At the end of each term, students enrolled in classes categorized as “lecture,” “seminar,” or “laboratory” shall be directed to complete an online Student Feedback Survey (SFS).

Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student’s feedback enters the SFS database anonymously and is aggregated with that of other students enrolled in the course. UT Arlington’s effort to solicit, gather, tabulate, and publish student feedback is required by state law; students are strongly urged to participate. For more information, visit <http://www.uta.edu/sfs>.

Final Review Week

A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following

this week *unless specified in the class syllabus*. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.

Emergency Exit Procedures

Should we experience an emergency event that requires us to vacate the building, students should exit the room and move toward the nearest exit.

When exiting the building during an emergency, one should never take an elevator but should use the stairwells. Faculty members and instructional staff will assist students in selecting the safest route for evacuation and will make arrangements to assist individuals with disabilities.

Student Support Services

UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

OIT Help Desk

The OIT Help Desk is your first stop for meeting most of your computing needs. Help Desk provides support to UTA students, faculty, and staff by phone, e-mail, walk-in, and LiveSupport - live web chat session. Some types of support you may seek from them include help with your password, NetID, and MavMail.

Email: helpdesk@uta.edu

Call: 817.272.2208

Website: <http://www.uta.edu/oit>

Emergency Phone Numbers: In case of an on-campus emergency, call the UT Arlington Police Department at **817-272-3003** (non-campus phone), **2-3003** (campus phone). You may also dial 911. Non-emergency number 817-272-3381

Tentative Course Schedule:

(shaded items are outside of scheduled course meetings)

Date	Topic 1	Topic 2
22-Aug	Introduction	Group Assignments, Syllabus
29-Aug	Journals, Faculty	Sources of information, software
4-Sep	Adams seminar	
5-Sep	CV presentations	Adams discussion
6-Sep	Park seminar	
12-Sep	CV presentations	Park discussion
19-Sep	CV presentations	
26-Sep	CV presentations	
2-Oct	Rosser seminar	
3-Oct	Current paper presentations	Rosser discussion
10-Oct	Current paper presentations	
17-Oct	Current paper presentations	
24-Oct	Current paper presentations	
31-Oct	Theory presentations	
7-Nov	TCU Conference	
8-Nov	TCU Conference	
13-Nov	Samuel Seminar	
14-Nov	Theory presentations	TCU Discussions, Samuel discussion
21-Nov	Theory presentations	
28-Nov	<i>No class</i>	<i>Thanksgiving</i>
5-Dec	proposals due 5:00pm	Exam day (no exam)

