

MASTER'S THESIS SEMINAR

Sami Torstila's group

Credits in three phases

- Phase 1 (this fall): 10 Credits
- Phase 2 (typically this spring): 10 Credits
- Finished thesis: 10 Credits

Requirements

- Phases I and II of the thesis
- Both phases include:
 - A written submission
 - I phase: research plan
 - II phase: nearly final work for comments
 - A presentation of your work in class
 - I phase: 10 min
 - II phase: 15 min
 - A discussion of another student's work in class
 - Both phases: 10 min

Discussant's reports and participation

Discussant's report

- 3-4 slides, comments *or questions*
- A couple of well-thought comments or questions are enough if they are specific enough
- Discussant's reports typically include one or two slides recapping the main points of the paper in your own words
- The rest provides critical but constructive commentary on how to improve the paper

Seminar participation

- The seminar's purpose is to have an active discussion on each work presented. For this, also nonpresenting students need to actively participate in the discussion. Asking questions is the ideal way.

Deadlines

- I and II phase written material must be submitted to the group and me **one week before** the seminar session by email. If you are missing this deadline by a couple of days, send email to the group on when to expect the paper.
- The discussant's report should be submitted to the presenter and to me by email **following** the presentation.
- If you need to cancel a presentation, that's OK, but do it **at least two weeks** before your presentation date, and send email to the whole group

Seminar (not thesis) grading

Requirements for Grade level 1 (minimum passing level):

- Presenting phase I and II of own work
- Acting twice as a discussant
- Turning in a completed thesis (at some point)

Requirements for Grade level 5:

Level 1 requirements +

- Phase II completed during the second semester of thesis work
- Completed thesis turned in within 12 months of starting.
- No significant absences from thesis sessions (barring force majeure)
- Constructive criticism for others' work, beyond those where one is opponent
- Overall professional approach to communication and ability to take feedback

Seminar grading continued

Grade levels < 5

Starting with 5,

- Subtract one point for each semester the thesis is late
- Subtract one point for significant amount of unexcused absences during the first two semesters
- Subtract one point for any no show (canceling presentation / opponent duty / regular participation without prior agreement)
- Subtract one point for not being an active and contributing member

[In case this calculation yields less than 1, assign 1 as long as level 1 requirements (see above) are met]

Resources on MyCourses

Further thesis instructions:

https://mycourses.aalto.fi/pluginfile.php/504240/mod_resource/content/2/MScThesisInstructions.pdf

Assessment form:

https://mycourses.aalto.fi/pluginfile.php/504241/mod_resource/content/1/Evaluation%20form_Masters_Thesis_BIZ_form_edit.pdf

Returning the thesis and graduation:

<https://mycourses.aalto.fi/course/view.php?id=16332§ion=4>

(note: send thesis to me by email at the same time you submit it)

What would be a good topic?

- A good thesis / research article makes a **contribution** to the literature: ie. **complements** what we already know and **tells us how** it does so
- A good master's thesis in Finance (or any research piece for that matter) is an **evidence-based, well-argued** answer to a sharply framed question in Finance.
- First, a topic needs to be feasible:
 - Is there previous research? Where can I get the data? How much data is there?
- A survey of the existing literature on a topic is not enough for a Finance thesis
- In practice, a thesis needs, in addition to a literature review, one or more of the following:
 - Statistical analysis (data from publicly available sources, corporate material, surveys, or simulation)
 - Experiments: Randomized Controlled Trials (RCTs) are particularly hot topics at the moment. See e.g. List, Sadoff, Wagner (2010), "So you want to run and experiment, now what?". Aalto Choice Tank in Chydenia provides laboratory infra.
 - Analytical modelling
 - One or more in-depth case analyses

Some ideas

- The more concrete the work, the more useful the comments (generally)
 - A bad plan is better than no plan
- Thesis with a corporate sponsor are welcome, but they must also be academically acceptable
 - Two final products are often necessary
 - A critical attitude becomes even more important than usual
- There are many useful writing guides. One I can recommend is:
 - Thomson, William: A guide for the young economist. Writing and speaking effectively about economics (The MIT Press)

Common problems

- Small contribution or none
- Research problem not well focused
- Statistical analysis or reporting is inadequate (remember eg. descriptive statistics, correlations, regressions with t-tests, various robustness checks)
- Superficial cases
- Lack of critical thinking with sources
- Tables not self-explanatory
- Lack of finishing touch, language problems
- Structure of the introduction: CARS-model (1. Why is this question important? 2. What do we already know? 3. How does this research contribute?)
- Title – contents mismatch

Technical details

- Use references within text: “Kasanen ja Puttonen (1994a) report that...” (page numbers not necessary, except sometimes for books)
- Minimize use of footnotes
- Line spacing 1,5 (abstract, footnotes and references 1)
- Align both edges
- Font size 12, typically Times New Roman
- Also check the Journal of Financial Economics style guide
<http://jfe.rochester.edu/jfestyle.htm>

Reference style

- Articles:
Jensen, M., Meckling, W., 1976, Theory of the firm: managerial behavior, agency costs and ownership structure, Journal of Financial Economics 3, 305-360.
- Working papers:
Hermalin, B., Weisbach, M., 1995, Endogenously chosen boards and their monitoring of the CEO, Unpublished working paper, University of California, Berkeley.
- Books:
Williamson, O., 1986, Economic Organization: Firms, Markets and Policy Control. New York University Press, New York.
- Articles in books:
Smith, C., 1979, Application of option pricing analysis. In: Bicksler, J. (Ed.), Handbook of Financial Economics, North Holland, Amsterdam, pp. 80-121.