



Jan 1st, 12:00 AM

## 04. Finance

University of Central Oklahoma

Follow this and additional works at: <https://dc.swosu.edu/ordabstracts>

 Part of the [Finance and Financial Management Commons](#), and the [Higher Education Commons](#)

---

University of Central Oklahoma, "04. Finance" (2013). *Oklahoma Research Day Abstracts*. 4.  
<https://dc.swosu.edu/ordabstracts/2013oklahomaresearchday/businessadministration/4>

This Event is brought to you for free and open access by the Oklahoma Research Day at SWOSU Digital Commons. It has been accepted for inclusion in Oklahoma Research Day Abstracts by an authorized administrator of SWOSU Digital Commons. An ADA compliant document is available upon request. For more information, please contact [phillip.fitzsimmons@swosu.edu](mailto:phillip.fitzsimmons@swosu.edu).

## **Abstracts from the 2013 Oklahoma Research Day**

**Held at the University of Central Oklahoma**

### **01. Business Administration**

#### **04. Finance**

##### **01.04.01 An Exploratory Multi-Campus Survey on Student Study Habits**

**Marty Ludlum, Brittany Smith, Kara Ludlum,**

*University of Central Oklahoma*

The conventional wisdom assumes college students do not study as much as in previous generations. The current project is a preliminary examination of this assumption. In the current project, we surveyed business students (n=725) across five campuses in fall, 2009. We found disappointing results on the amount of time college students spend studying. We found significant differences between students on their study habits based on several demographic factors. We conclude by discussing the implications for further research in this area.

##### **01.04.02 Personal Finance and the Millennial Generation: A Cooperative Collaboration**

**Allen Arnold, Patrick Harrel, Rodney Applewhite, Victoria Campbell,**

*University of Central Oklahoma*

This project seeks to fill a crucial need in the discipline of teaching, in general, and for the purposes of this study, effectively teaching personal finance by establishing an innovative curriculum redesigned to actively engage the learner in a shared process of knowledge acquisition and assessment via creatively constructed learning strategies of "peer-led" learning and "re-presentation" of course objectives and assessments through creative and scholarly processes. Personal Finance is one of the largest credit-hour production courses on campus that is not a required course for any major. While housed in the College of Business, students in Personal Finance classes come from every college and major program on campus, thereby creating a dynamic inter-disciplinary classroom environment. Curriculum redesign that escapes the cult of the average and acknowledges the unique experiences and skills that the learners bring to the table will be a predictor of an increase in student engagement in the course as well as on the campus and in the community. It is necessary to modify design and delivery techniques of course content and presentation in order to ensure students' reception, retention, and application of required outcome objectives.

### **01.04.03 Financial Analysis and the Statement of Cash Flows**

**Vaidya Krishnan, Allen Arnold, R. Barry Ellis,**

*University of Central Oklahoma*

The Financial Accounting Standards Board made the statement of cash flows (SCF) a required part of financial reporting in 1987 and since 1988 companies have included the SCF in their quarterly and annual reports. However, our review of more than fifteen textbooks in Finance and Accounting show that financial analysis as seen in most of these textbooks is predominantly based on the income statement and the balance sheet. The SCF is typically discussed as an after-thought, if at all. Practically all the financial ratios are based on numbers drawn from either the income statement or balance sheet. The focus of the analysis is on income and assets/liabilities rather than cash flows. This paper develops an approach to financial analysis that uses the information provided by the SCF to supplement the extant financial analysis tools. The paper develops a common-size analysis framework as the starting point for the financial analysis using the SCF. We describe four different common-size models and compare the relative merits and disadvantages of these. The common-size statements are then shown as easy diagnostic tools to identify a firm's relative strengths and weaknesses. The common-size SCF can also be used to examine the quality of a firm's earnings as well its life cycle phase (growth, mature, declining, etc.) We develop a number of ratios based on components of the SCF and compare these as analytical tools against traditional financial ratios.

### **01.04.04 The Value of the PEG Ratio**

**Teri Allen,**

*Southwestern Oklahoma State University*

Value investing has gained popularity among not only professional fund managers, but also with individual investors who have hopes of achieving a higher than normal portfolio return. Many value investors rely on the price-earnings-to growth (PEG) ratio as one of the primary tools used to help determine if stocks meet the "value" designation. Although the ratio has become popular due to canonical literature, little academic research has been conducted to verify if PEG investing is in fact a profitable investment strategy. The PEG ratio is said to help investors estimate fair valuation by comparing a corporation's expected growth to its price-to-earnings (P/E) ratio. It is commonly thought that a benchmark PEG of 1.0 represents a correct valuation, with lower (higher) values representing under (over)-valued stocks; however, differences based upon industry, growth rates, and cost of equity can impact this benchmark. The relationship between the PEG, its determinants, and the benchmark are discussed. A research proposal is presented utilizing historical PEG ratios as the primary selection criteria for a portfolio, then the performance of the portfolio will be evaluated and compared to the S&P 500 return over the same time period.

#### **01.04.05 The Study of US Trade Deficit against China**

**Puskar Bhurtel, Sangam Magar, Zhimin Wang,**

*East Central University*

U.S. trade deficit against China has been increasing. U.S. imports more goods and service from China than it exports. The gap has been increasing. We want to study what causes the big and increasing trade deficit for U.S. Many factors can influence trade balance, for example, exchange rate, U.S. economic growth rate relative to the economic growth rate of China, the price level in U.S., and the wage rate in China, etc. This research puts the main factors that could influence the trade between U.S. and China, and study how big the impact on U.S. trade deficit from each factor. We regress U.S. trade deficit against China on the main factors that could influence the trade deficit. The data we use in our study is quarterly data during the period 2001-2012. We collect the data from various resources, for example, US Bureau of Economic Analysis, National Bureau of Statistics of China, International Monetary Fund (IMF), etc. Our result shows that the most significant influence is from the wage rate in China, which influences the cost of goods produced in China and its competition in U.S. market, and the price level in U.S. The relative economic growth rate and the exchange rate between U.S. dollar and Chinese RMB also impact the U.S. trade deficit.

#### **01.04.06 Impact of Sustainability on Performance: Case Study**

**Julia Kwok, Elizabeth Rabe,**

*Northeastern State University*

Sustainability involves three major components: ecological, economic and social aspects. Current literature on sustainability performance assessment focuses mainly on qualitative description of the extent of sustainable efforts. Majority of the quantitative analysis is in the ecological area due to government regulations. The traditional discounting method may significantly underestimate the financial impact on sustainable companies since effects of current sustainability efforts may only become apparent in the distant future. A more efficient approach to estimating the impact of sustainable practices is to review a company's operating performance. The lack of literature in the non-ecological areas is a result of limited access to company's internal operating data. This paper proposes a case study approach which allows us to examine those fore-running firms that are willing to self-disclose detailed internal operational data through CSR. The study examines impacts of sustainable practices on company's operating performance. Through detailed examination of the CSR and operating performance of those companies, we are able to identify additional reporting areas that can improve the existing CSR reporting requirement.

#### **01.04.07 Student Learning Outcomes Assessment: An Example From a Finance Course**

**Julia Kwok, Ernst Bekkering,**

*Northeastern State University*

Assessing students learning outcomes is a priority in higher education. Even though essays, work problems and case studies are better ways to assess student learning in most areas, multiple choice questions are often used because of its ease to implement and manage. The authors present an example of a course subject better assessed with functional testing (Investment course) and explain how competencies within the student learning outcomes can be assessed with baseline testing, functional assessment during the course, and embedded assessment during the final examination.

