

Bachelor Thesis Topics for WiPäd students

January 2018

Topic 1: FinTech

Like many other industries, the financial industry has also been impacted by recent, rapid changes in information technology. Financial companies that use these innovations as part of their business models are collectively called “FinTech” companies (Philippon, 2016).

The goal of the thesis is to survey and critique the existing academic finance literature on FinTech. The thesis should find answers to the following questions: What does the term “FinTech” entail and how can the field be structured? What effects does FinTech have on the financial market in terms of market efficiency as well as on other financial market participants such as analysts, investors, financial advisors, and/or banks? The thesis should also describe the data that the existing empirical research has used to arrive at their conclusions.

Introductory Literature

- Farboodi, Maryam; Veldkamp, Laura (2017): Long Run Growth of Financial Technology. Working Paper.
- Grennan, Jillian P.; Michaely, Roni (2017): FinTechs and the Market for Financial Analysis. Working paper.
- Philippon, Thomas (2016): The FinTech Opportunity. Working Paper.
- Yermack, David (2017): Corporate Governance and Blockchains. In *Review of Finance* 21 (1), pp. 7–31.

Topic 2: Media Representation and Corporate Governance

The media plays an important part in our society by collecting, aggregating, disseminating, and amplifying information. As such, the media can influence firm behavior through two channels: The first and direct channel is that it influences the information that the CEO and directors have and the way they perceive it. The second and indirect channel is that it influences the information and beliefs of outside stakeholder such as investors and the society at large.

The goal of this this thesis is to survey and critique the theoretical and empirical literature on the influence of the media on corporate governance to answer the following questions: Which, if any, factors determine the representation of firms and their managers by the media? How does the media affect corporate governance mechanisms such as CEO turnover, CEO compensation, and corporate governance quality? If the media influences any of these outcomes—how does it do so, i.e., what are the channels through which the media affects corporate governance?

Introductory Literature

- Blankespoor, Elizabeth, and Ed deHaan, 2015, CEO Visibility. Are Media Stars Born or Made?, SSRN Electronic Journal.
- Dyck, Alexander, and Luigi Zingales, 2002, The Corporate Governance Role of the Media, Working Paper, National Bureau of Economic Research.
- Liu, Baixiao, and John J. McConnell, 2013, The role of the media in corporate governance: Do the media influence managers' capital allocation decisions?, Journal of Financial Economics 110, 1–17.
- Malmendier, Ulrike, and Geoffrey Tate, 2009, Superstar CEOs, Quarterly Journal of Economics 124, 1593–1638.

Topic 3: Who seeks financial advise?

Choosing how to allocate savings across risky assets is a complicated task. Many households and companies therefore outsource this task to professional investment advisors.

The goal of this thesis is to survey and critique the theoretical and empirical literature on financial advice. The thesis should answer the questions of how financial advice affects clients' investment decisions and whether financial advisers act in the best interest of their clients. Moreover, the thesis should shed light on what determines advisor fees and whether investors make use of financial advisors.

Introductory Literature

- Foerster, Stephen; Linnainmaa, Juhani T.; Melzer, Brian T.; Previtero, Alessandro (2017): Retail Financial Advice. Does One Size Fit All? In The Journal of Finance 72 (4), pp. 1441–1482.
- Gennaioli, Nicola; Shleifer, Andrei; Vishny, Robert (2015): Money Doctors. In The Journal of Finance 70 (1), pp. 91–114.
- Gurun, Umit G.; Stoffman, Noah; Yonker, Scott E. (2017): Trust Busting. The Effect of Fraud on Investor Behavior. In The Review of Financial Studies.
- Hackethal, Andreas; Haliassos, Michael; Jappelli, Tullio (2012): Financial advisors: A case of babysitters? In Journal of Banking & Finance 36 (2), pp. 509–524.