Phase 1: Problem Statement and Literature Reivew - Guideline

DDA3600 - Factor Investing

Fall 2025

Objective: This phase aims to establish a clear and well-defined research problem while providing a literature review that situates the project within the existing body of knowledge. You should select a topic (or propose one, subject to approval) and develop a foundational understanding of the problem, its significance, and relevant prior research.

Guideline for Problem Statement:

1. **Define the Problem**

   - Clearly articulate the research problem, describing its relevance to factor investing.

   - Highlight the significance of the topic, addressing why the problem is important.

   - Explain how solving this problem could contribute to advancing knowledge or practices within the field.

2. **Set Goals and Objectives**

   - Identify one main goal for the project, directly linked to addressing the problem.

   - Break down each goal into specific, measurable objectives, detailing the planned steps to achieve the project's aims (e.g., methodological approach, data analysis, or model building).

Guideline for Literature Review:

- Summarize key studies and contributions in the field related to the problem.

- Discuss trends, shared findings, or divergent results among relevant research, demonstrating a clear understanding of the topic's background.

- Highlight how your project is uniquely positioned to add value to the field.

- **Important:** The literature review must be based on high-quality, peer-reviewed journal papers. Web reports, Wikipedia, or non-peer-reviewed sources are not acceptable.

Deliverables: A report with:

- A clearly defined problem statement.

- Articulated goals and objectives.

- A (brief) literature review that demonstrates an understanding of the current landscape of the problem at hand.

- **Important: We emphasize the originality of the report and strictly prohibit AI-generated content. All submissions must reflect the student's own understanding and critical analysis. Any evidence of AI-generated content will result in a penalty.**

Deadline: November 9, 2025, 23:59:59

Word Count Requirement: Minimum 1,000 words; recommended 1,000–1,500 words.

Grading Rubric for Phase 1

Criteria	Points	Description
Clarity and Relevance of Problem Statement	30	The problem is clearly stated and contextually relevant, with an emphasis on significance and any gap it seeks to bridge in current knowledge or practice.
Relevance and Structure of Goals/Objectives	30	Goals are well-defined and relevant to the problem; objectives are clear; planned steps are logically sequenced, and actionable.
Depth and Insight of Literature Review	20	Review of relevant studies, with a critical analysis of key research. Demonstrates in-depth understanding of the field.
Writing Quality	10	Structured and well-articulated, with clarity in language, proper grammar, and logical flow of ideas.
Source Quality and Citation	10	Use of high-quality sources (e.g., peer-reviewed articles) with consistent, accurate citation in a specified professional format (e.g. APA or Chicago).