

APPLIED PROJECT CRITERIA

Before starting on your final project, it is important to remember that the mark you achieve can have an impact on the overall classification of your MSc degree as it counts for one whole module in the summer term and is included in your summer term average.

If you are aiming for a higher classification, therefore, you should give careful consideration to the selection of your topic, the grading criteria (overleaf), and the time commitment that will be required to ensure your final submission will be at the appropriate level.

An Applied Project is meant to provide real insights into professional financial practice, based on current financial theory and current analytical or computational tools. Projects will be marked in light of this general principle.

Each project will be assessed on its own merit. A good project might offer a fresh insight into an interesting financial problem, or it might provide a useful implementation of an existing analytical tool. All projects must be informed by current academic finance, with the emphasis on practical application rather than rigorous academic discussion. For example, it may be helpful to provide a succinct summary of the theoretical model that is being used, but usually there is no need or room for an extensive literature survey. Instead, there must be a clear practical purpose that is being addressed and solved by the project.

The key to each individual project is the “client specification”. This is a one-page summary that provides the brief for the project, written by a fictitious professional client or supervisor. The report must meet the requirements of this brief and will be assessed by this standard. It will help if the client specification is motivated by actual current practice in the financial sector. We strongly recommend that the specification should be tightly focused so that it is possible to give a clear answer to the client question; broad ranging overviews tend to do less well. If possible, we would also suggest using some quantitative analysis to help inform your answer to the question.

Projects need not be innovative but they have to provide real insights.

Depending on the task, different projects will have different key outputs. Many projects will have the actual project report (3,000 words) as their main output. Other projects will have a piece of software as the key product and the report documents this product. The initial section of your report must state clearly what the main output of your project is.

If you pursue a modelling project, then the main result is the software and your report needs to document this, for example in the form of a User’s Manual and Developer’s Manual. If you pursue a more descriptive or analytical project, the main result is the report itself but you may wish to provide supplementary material, such as a spreadsheet used in your analysis.

Additional Grading Criteria Information for Corporate Investment Project

Students are free to research any recent significant corporate investment decision. This investment decision might be an acquisition, divestment, business or capital restructuring, or investment project or expansion. The project must describe the background to this decision, analytically evaluate the decision and include a recommendation on whether this decision is likely to create value for shareholders and potential investors.

Examples of recent investment decisions that could be researched would be Volvo's decision to go 100% electric by 2030, Facebook's decision to change its name to Meta, BHP's recent deal with BBAC on Aboriginal Heritage Sites. These are big name examples, but smaller corporate ventures would be acceptable too; these ventures simply must be a significant decision for that company.

We have included some examples on the Hub from previous years of good corporate finance and corporate investment projects.

Project reports should not follow a formulaic structure (Introduction to the company and industry, SWOT analysis, DCF valuation and sensitivity analysis, etc) that is similar to numerous online broker reports available to retail investors and of little investment value. Projects that are predominantly overviews of a company will not be marked highly. Remember, the report must predominantly focus and analyse the corporate investment decision.

Reports may include charts/diagrams etc. However please keep charts and diagrams pasted from other publicly available reports to a minimum and only use when they really support your argument; remember it is your discussion and argument that will earn marks. For this reason submitting the project in the form of a PowerPoint presentation is not acceptable as this hides the analysis and discussion.

Key points

- A corporate investment report provides an opportunity for deeper analysis or original thinking
- The project should focus and analyse a particular corporate investment decision or event
- Focus on providing your own discussion and argument, rather than rely on publicly available reports
- Keep charts and diagrams pasted from public reports to a minimum
- An equity valuation project will not be acceptable as it does not analyse a particular corporate decision or event.
- PowerPoint presentations are not acceptable as this hides the analysis and discussion.
- Examples of good projects are available as a guideline on the Hub

Frequently Asked Questions:

Q: Should I only be looking for deals that have yet to happen or can I look at hypothetical (made up) deals or ones that have already happened?

A: It does not matter whether it is a deal that has happened, will happen or is hypothetical. However, this choice will affect how your project is structured.

- If it has already happened, then obviously the project will need to assess whether the deal worked.
- If it is a potential deal, then the report needs to argue why it will create (or destroy) value.

- If it is a hypothetical deal, they the project should include an analysis of why it would be a good idea.

Q: Can I include an Introduction to the Company/Industry and/or a SWOT Analysis in my report?

A: Clearly an Introduction to the Company will be required for a Corporate Investment Report. A SWOT analysis might also be part of the story.

However, the important point is that the Company information, industry background, SWOT analysis and valuation are just support material your project needs to focus on the investment decision.

Q: How do I prove the analysis in the main body of the report is my own? There are only 3000 words permitted and I cannot fit all my calculations.

A: You may provide all your calculations in an appendix to the main text of the report for reference. Any content in the appendix will not be counted as part of the 3000 words within the main body of the report

In all cases, any references must be correctly cited and listed.

Criteria for Grading the Project

The internal examiners marking the AP will use these general criteria to provide a numerical mark. The relative weighting for each criterion will vary slightly depending on the nature of the project. The project should represent a substantial intellectual challenge. Although project difficulty is not specifically mentioned below, it is taken into consideration.

	Distinction	Merit	Pass	Fail
Project brief	Met in every respect	Met appropriately	Met in most respects	Fails to meet most of objectives
Structure	Clear and appropriate	Clear and suitable	Generally clear and meaningful	Incoherent
Basis of work	Correct methodology drawn from the course, from professional practice etc	Correct methodology	Broadly correct methodology	Inappropriate methodology
Range of evidence	Broad range including relation to professional practice.	Competent	Adequate	Poor
Clarity of analysis/discussion	Well focussed and clear	Generally coherent	Coherent, possibly minor flaws	Poor, flawed arguments
Contribution to debate	Includes any existing or new evidence in a compelling way.	Draws on relevant evidence	Has drawn on some relevant issues	Little or nothing relevant
Modelling/Software implementation	Follows good practice, the implementation is robust, reliable and user friendly.	generally follows good practice	Correct, possibly minor errors	Major flaws, poor user information
Quality of Presentation	Professionally presented with appropriate use of headings, figures and examples. Wording is persuasive and elegant.	Well presented, appropriate use of figures etc	Sensible with appropriate use of figures etc	Poor