

Eastern University, Sri Lanka
Faculty of Commerce and Management
Third Year Second Semester Examination in Bachelor of Commerce
(Specialization in Accounting and Finance)
2017/2018 (January 2020) (Proper / Repeat)
DAF 3103 Research Methodology in Accounting and Finance

Answer all questions

Time: Three Hours

Part I

Choose the correct answer for the following questions and write the label of the answer in the answer script.

01. Which of the following best describes the meaning of a research?
- (a) Research is one of the ways to find answers to your questions.
 - (b) Research is a structured inquiry that utilizes acceptable scientific methodology to solve problems and creates new knowledge that is generally applicable.
 - (c) Research is a systematic observation, classification and interpretation of data.
 - (d) Research is a systematic investigation to find answers to a problem.
02. When a research study is undertaken to find out answers to a question, it is implied that the process being applied is
- (a) Being undertaken within a framework of a set of philosophies.
 - (b) Using procedures, methods and techniques that have been tested for their validity and reliability.
 - (c) Designed to be unbiased and objective.
 - (d) All of the above.
03. The research concerned with developing and testing theories and hypotheses that are intellectually challenging to the researcher but may or may not have practical application at the present time or in the future is called as
- (a) Hypothetical research
 - (b) Applied research
 - (c) Pure research
 - (d) Action research
04. The research that attempts to clarify why and how there is a relationship between two aspects of a situation or phenomenon is called as
- (a) Correlational research
 - (b) Explanatory research
 - (c) Exploratory research
 - (d) Feasibility study

05. The relevant operational steps to be included in a research process are.....
- (a) Deciding what to research, planning a research study, and conducting a research study.
 - (b) Formulating a research problem, conceptualising a research design, constructing instrument for data collection, selecting a sample, writing a research proposal, collecting data, processing and displaying data, writing a research report.
 - (c) Defining a research problem, raising research questions, formulating objectives, identifying study population, conceptualizing and operationalizing of variables, collecting data, presenting and analyzing data, and concluding and recommending.
 - (d) Identifying a research problem, conceptualizing variables, collecting data, analyzing and interpreting data, and discussing and concluding findings.
06. Which of the following is not a feature of a quantitative research?
- (a) It covers multiple issues assembling required information from fewer respondents
 - (b) It quantifies the extent of variation in a phenomenon, situation, and issue.
 - (c) It emphasizes on greater sample size.
 - (d) It enhances reliability and objectivity in measurement of variables.
07. Which of the following is not a definition of a variable?
- (a) Variable is a concept that can be measured.
 - (b) Variable is a symbol to which numerals or values are attached.
 - (c) Variable is a rational unit of analysis that can assume any one of a number of designated sets of values.
 - (d) Variable is a mental image or perception and therefore its meanings vary markedly from individual to individual.
08. Which of the following is an example for retrospective–prospective study?
- (a) The impact of incentives on the productivity of the employees of an organisation.
 - (b) The relationship between levels of unemployment and street crime.
 - (c) The attitude of the community towards equity issues..
 - (d) The attitudes of students towards the facilities available in their library..

09. A causal study is one that.....

- (a) attempts to capture a population's characteristics by making inferences from a sample's characteristics and testing resulting hypotheses.
- (b) emphasizes a full contextual analysis of a few events or conditions and their interrelations.
- (c) discovers answers to the questions who, what, when, where, or how much.
- (d) attempts to reveal why or how one variable produces changes in another.

10. Which of the following can best be described as a categorical variable?

- (a) Age
- (b) Annual Income
- (c) Educational Level
- (d) Civil Status

11. A researcher studies achievement by children in poorly funded elementary schools. She develops a model that posits parent involvement as an important variable. She believes that parent involvement has an impact on children by increasing their motivation to do school work. Thus, in her model, greater parent involvement leads to higher student motivation, which in turn creates higher student achievement. What kind of variable student motivation is in this study?

- (a) Independent Variable
- (b) Dependent Variable
- (c) Moderating variable
- (d) Mediating or intervening variable

12. Which type of nonprobability sampling technique involves choosing participants arbitrarily for their unique characteristics, experiences, attitudes, or perceptions?

- (a) Purposive sampling
- (b) Convenience sampling
- (c) Snowball sampling
- (d) Quota sampling

13. A researcher is conducting interviews to identify patterns in consumer decision making for high-involvement products. Which type of interview should he use if he needs a high degree of comparability among responses, no question variability, and to maintain his own neutrality during the interviews?

- (a) Unstructured
- (b) Structured
- (c) Semi structured
- (d) Closed-ended

14. What type of data is produced by summated rating scales?

- (a) Nominal
- (b) Ordinal
- (c) Interval
- (d) Ratio

15. The list of elements in a population from which the sample is actually drawn is known as the.....
- (a) Sampling frame (b) Population frame (c) Database (d) Sampling base
16. A respondent replies to a survey about her experience using the Pizza delivery service. One set of questions on the survey asks questions such as "How satisfied are you with your overall experience with Pizza delivery?" The survey response options provided are Strongly Agree to Strongly Disagree. Which of the following sources of error in communication research is present in this example?
- (a) Measurement questions (b) Observers (c) Interviewers (d) Participant
17. Which of the following types of validity refers to the extent to which measurement scales provide adequate coverage of the investigative questions?
- (a) External (b) Content (c) Criterion-related (d) Construct
18. In Systematic sampling:
- (a) The population is divided into groups, and some groups are randomly selected for study.
- (b) Every n^{th} item is chosen in the sample, beginning with a random start for the choice of n .
- (c) The population is divided into subpopulations. (d) None of the above.
19. If population = 100, sample size = 10, interval size = 10, and randomly selected number from the first interval is 06, then for choosing a systematic random sample, the first unit 6 will be followed by
- (a) 16, 26, 36, 46, 56, 66, 76, 86, 96 (c) 16, 26, 38, 46, 56, 66, 78, 86, 96
- (b) 06, 16, 26, 36, 46, 56, 66, 76, 86 (d) 15, 25, 35, 45, 55, 65, 75, 85, 95
20. The extent to which a measurement tool actually measures what is intended to measure is known as.....
- (a) Reliability (c) Practicality
- (b) Validity (d) Significance

(20 x 2 = 40 Marks)

Part II

01. Read the following text and answer the questions given below.

Investments can be made by an individual or firm on real assets such as land and buildings, motor vehicles or financial assets like saving deposits, shares / stocks, bonds, treasury bills, other financial derivatives. These types of investments have certain level of risk and return. Investment in shares can earn high returns in terms of dividend and capital gain while it has to assume the risk of uncertainty of earning such returns and the risk of losing assets.

It is generally observed that the general Sri Lankan public is less interested in making the investment in shares of companies. Only a few percentages of investors from the Sri Lankan public, especially from the metropolitan areas, is interested in investing their wealth in stock market while majority of them have not grasped such investment opportunities. This phenomenon could be resulted due to the obvious fact that they are far away from access to stock market dealings as they are residing in different parts of the island where neither a Stock Exchange nor stock brokers are in operation. At the meantime, the participation and investment contribution from the general public all over the island are seen as essential requirement for the development of stock market of Sri Lanka. However, other than the above fact of geographical deviation between investors and stock market, there are many more other factors under the category of investors' characteristics; such as awareness level, education level, income level, risk attitude, information seeking ability, contact with consultant and brokers or advisors which could influence the propensity of people to invest in stock market. But, the significant factors and the extent of their impact must be identified through research in order to design policies and actions towards promoting stock market investment in Sri Lanka. However, no research on this problem is carried out so far except some researches which look into the matter of studying the financial behaviour of existing institutional investors in the Sri Lankan Context.

Questions:

- (a) Identify a research problem from the above text.
- (b) Raise three research questions from the problem identified above.
- (c) Formulate the objectives for the study
- (d) Develop a Conceptual framework by identifying variables

(20 Marks)

02. (a) The process of formulating a research problem consists of a number of steps. Briefly explain them with examples in the field of accounting and finance.
- (b) Write four well defined research problems in the field of accounting and finance as interrogative statements (Questioning format).
- (c) Measurability is the main difference between a concept and a variable. Explain.
- (d) One of the most important requirements of a research design is to specify everything clearly so a reader will understand what procedures to follow and how to follow them. Explain such contents of a research design.

(20 Marks)

03. (a) From the viewpoint of the unit of measurement, there are two ways of categorising variables. Explain such variables.
- (b) Distinguish between ranking scale variables and interval scale variables.
- (c) The main advantage of the before-and-after design (also known as the pre-test/post-test design) is that it can measure change in a situation, phenomenon, issue, problem or attitude. It is the most appropriate design for measuring the impact or effectiveness of a programme. Write five examples of research titles in the field of accounting and finance which can be studied under this study design.
- (d) In stratified random sampling the researcher attempts to stratify the population in such a way that the population within a stratum is homogeneous with respect to the characteristic on the basis of which it is being stratified. Illustrate schematically the procedure for selecting a sample in this method with an example.

(20 Marks)