Abstract

Purpose – The purpose of this paper is to apply the pitching research template that Faff (2015, 2016) developed to a research proposal on firm characteristics, innovation, resilience and survival of firms in the financial institutions sector.

Design/methodology/approach – this paper begins with a brief commentary on using the pitching research template to identify the core elements of the research proposal. It then describes the researcher's personal reflections on the pitch exercise itself.

Findings – The pitch exercise is an excellent avenue of clearly and efficiently presenting and communicating the researcher's thoughts on the research proposal.

Originality/value – This paper shows that the pitching research template that Faff (2015, 2016) developed is an interesting and effective research tool useful in starting a research journey in a straight-forward and simple avenue to avoid unnecessary off-tangent from the envisaged research direction.

Introduction

This letter discusses the application of the pitch template that Faff (2015; 2016; 2017) developed, to the current finance research topic. Faff (2015) proposed a simple new research tool – a template designed for pitching research. The two-page pitching template begins with four ‘preliminaries’: working title, research question, key papers and motivation. The core of the template based on a ‘3-2-1 countdown’, namely THREE elements – idea, data and tools; TWO questions – What's new? and So what?; and ONE bottom line – contribution. ‘Other’ considerations section, then ends. This ‘other considerations’ section is not so much to simply impress regarding the deep thinking about the research plans, but also to maximize the opportunity of gaining the best advice possible from mentors such as PhD or masters dissertation supervisors.

I am an Msc Ac&Fin student at Makerere University Business School and has recently submitted my thesis for examination. I was originally driven to the idea of a pitch template by my academic supervisors (Assoc. Prof. Stephen K. Nkundabanyanga and Dr. Irene Nalukenge) as a means by which I could organize my research ideas to come up with an acceptable research proposal for a masters thesis which is one of the requirements for the award of the degree of Master of Science in Accounting and Finance of Makerere University. The pitch discussed in this letter was completed in June 2017. After applying the pitch template to my research proposal, I have found it to be, as Faff (2015) suggests, a simple and systematic way to organizing research ideas into a coherent piece of acceptable proposal for research. The template focuses the ideas into vital areas, leading to clear and concise planning and restructuring the research idea.

The remainder of this pitch letter is organised as follows: The next section is a brief commentary on the completed pitch. The third section offers personal reflections on the exercise of completing the pitch, while the last section concludes.
Brief commentary on the application of the pitch template

The original pitch template was completed over a period of 1 (one) month. This of course was also a period of initial reading to identify the necessary motivation for the study. The period was also marked with constant touch with my supervisors in an iterative process of refining my research idea. During that period, I estimate I spent approximately 60 hours working on the pitch, which, as already indicated, included meeting with my academic supervisors to discuss various elements and refining the written version of the pitch. Table 1 shows the completed pitch template for the research proposal ‘Firm Characteristics, Innovation, Financial resilience under austerity and Survival of financial institutions’ (item A). The primary research question (item B) is ‘Do firms with better characteristics, innovation and operating in conditions of financial resilience under austerity reduce their chances of failure?’ The key papers (KPs) (item C) related to the basic research question are those by Spaliara and Tsoukas (2013); Ahrens and Ferry (2015) and Buddelmeyer, Jensen and Webster (2006). These KPs appeared to encapsulate the three selection criteria advised by Faff (2017): 1) recently published 2) in top-tier journals 3) by the gurus/experts in the field. Of these KPs, the most critical paper to the primary research idea is that of Ahrens and Ferry (2015), who investigate ‘Newcastle City Council and the grassroots: accountability and budgeting under austerity’. This paper was recently published in the Accounting Auditing and Accountability Journal which is ABDC A-ranked. Moreover, Spaliara and Tsoukas are well renowned in firm survival studies. The proposed research, also inspired by the generic guidelines given in Faff (2017), is motivated (item D) by three factors: The government of Uganda through Uganda Investment Authority promotion of firm growth and survival by offering tax holidays and incentives to startup firms with a view of ensuring their sustainability; Scholars’ (e.g., Geroski, Mata & Portugal, 2007) continued presentation of the relevance of firm survival in the growth of an economy; and, statistics indicating increasing failure rates for financial institutions (Javiriyah, 2011; Muhumuza & Adengo, 2016) that require resilience in times of austerity (real-world problem) and a lack of empirical research using the African experience on the financial resilience as a critical determinant of survival of financial institutions (gap in the literature).

The application of the three core elements (IDioTs’ guide) to this pitching letter indicates: The idea (E) that boosting firm innovation in conditions of financial resilience under austerity can positively influence firm survival besides the possibility of firm characteristics explaining the difference between failure and survival of financial institutions. As in most research traditions, we expect data (F) and in this particular pitch I reveal the study setting, unit of analysis, expected sample, the data collection tool and how the data will be managed. The core tool (G) is OLS regression as the research is correlational. Now with the knowledge about the idea, data and tools, this pitch goes ahead to epitomize the ‘two’ part of the countdown. I address the question of what is new (H) where I convince the mentors/supervisors about the meaningful novelty within the research proposal that I propose. Consistent with Faff (2013), I meaningfully apply the Mickey Mouse diagram (Figure 1) to impress my supervisors/mentors with my conceptualization of the novelty that I am targeting in the pitch. Generally, the idea is based on the characterization of relevant literature, the three circles of research attention are defined to meaningfully overlap in ways that have not been explored in extant literature; with the novelty area as the intersection. Realising that novelty alone may not suffice, the ‘so what’ (I) question is answered. The bottom line of the countdown – the number one – is the incremental (potential) contribution (J). Lastly – (K) is the ‘other considerations’.

To complete the pitch, I began working through the template in order, completing the sections that were uppermost of mind, frisking over the sections that required profounder contemplation. After this initial pass, I worked arbitrarily to complete each section. Once I had each section roughly outlined, I went back and worked on refining each section paying attention to the advice given
by Faff’s (2015) ‘hints’. I found meeting the requirements of the cues to be challenging, and yet these were also the elements I found most useful in the process. For example, choosing three key papers to include in the pitch with the thought that the pitchee may rely on those papers requires a mental consolidation and evaluation of what reading has been completed around the topic to date. Similarly, as Beaumont (2015) has testified, summarising the motivation for the research into 300 words requires more than a superficial consideration of the ‘puzzle’ at hand.

<table>
<thead>
<tr>
<th>Pitcher’s name</th>
<th>Purpose</th>
<th>Proposal</th>
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<tbody>
<tr>
<td><strong>(A) Working Title</strong></td>
<td>Firm characteristics, innovation, financial resilience under austerity and survival of financial institutions</td>
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<tr>
<td><strong>(B) Basic Research Question</strong></td>
<td>Do firms with better characteristics, innovation and operating in conditions of financial resilience under austerity reduce their chances of failure?</td>
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<tr>
<td><strong>(D) Motivation/Puzzle</strong></td>
<td>The government of Uganda through Uganda Investment Authority (UIA) has promoted firm growth and survival by offering tax holidays and incentives to startup firms and with a view to ensuring their sustainability. Similarly, scholars have continuously presented the relevance of firm survival in the growth of an economy. Notably, Geroski, Mata and Portugal (2007) asserted that business survival creates goodwill and reputation in the market, provides continuous flow of GDP to the economy and is considered one of the key objectives for which businesses are established. Yet, statistics have indicated increasing failure rates for financial institutions (Javiriyah, 2011; Muhumuza &amp; Adengo, 2016).</td>
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<tr>
<td><strong>THREE</strong></td>
<td>Three core aspects of any empirical research project (the IDioT’s guide)</td>
<td></td>
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<tr>
<td><strong>(E) Idea</strong></td>
<td>Boosting firm innovation in conditions of financial resilience under austerity can positively influence firm survival. Moreover, firm characteristics can explain the difference between failure and survival of financial institutions</td>
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(F) Data

(1) Setting: Uganda because of notable government effort encouraging investments
(2) Unit of analysis: individual firms in the financial institutions sector because of the recent spate of failures of firms in this sector.
(3) Expected sample: There are 25 commercial banks, 4 Micro Deposit-taking institutions (MDIs) and 22 insurance firms. This totals 51 financial institutions hence 44 firms form the sample consistent with Krejcie and Morgan (1970) sample selection table. Then 44 are obtained using stratified sampling: 21 commercial banks, 4 MDIs and 19 insurance companies. Target units of inquiry from each institution: 1 finance officer, 1 operations manager, 1 risk manager and 1 chief executive officer/general manager; bringing the total number of potential respondents to 176.
(4) Data collection tool: Closed-ended 3-point Likert scale questionnaire
(5) Standard data: Follows the guidelines by Field (2009) for data management

(G) Tools

(1) Econometric software needed/appropriate: OLS regression, the results will be analyzed using SPSS. This is appropriate for the research's basic empirical framework:
   (a) Survival of financial institutions (dependent variable).
   (b) Independent variables: Firm characteristics (age, size, diversification)
      Innovation, (R&D, Technology intensity, patent & intellectual property)
   (c) Mediating variable: “Financial resilience under austerity (adaptability, flexibility and financial robustness)
(2) Knowledge: The researcher in this study has adequate knowledge on conducting appropriate tests for experimental designs.
(3) Compatibility of data with planned empirical framework: The data is compatible with the planned conceptual framework

TWO Two key questions

(H) What is New

The study is novel in a sense that it focuses on public interest firms than on public firms generally (e.g., Barbera et al., 2014; Ahrens & Ferry, 2015) and considers the effect of firm characteristics, innovation and financial resilience under austerity as a mechanism to ensure survival of financial institutions because financial resilience under austerity is said to steer firms in tough times (Acquaah, Amoako-Gyampah & Jayaram, 2011). Previous studies explaining survival of firms using variables such as length of existence (Dunne et al., 2010), firm characteristics (Madhoushi & Nasiri, 2011), level of innovation and technology adoption (Cefis & Marsili, 2005), firm diversification (Ramanujam & Varadarajan, 2009) as well as firm size and performance (Liu & Pang, 2013) without financial resilience under austerity have been inconclusive. Thus examining the tripartite effect of firm characteristics, innovation, financial resilience under austerity and survival of firms in a single study might offer new insights. Notably, a study by Bovaird and Quirk (2013) in Birmingham looked at risk and resilience without looking at a third variable. This leaves how financial resilience under austerity in the private sector or a combination of financial resilience under austerity with innovation can explain survival of public interest firms in a developing country context, unexplored.
By examining whether survival of financial institutions, the findings add to the current debate on whether firm characteristics, innovation and financial resilience under austerity can adequately explain the survival of financial institutions and help policy makers design policies aimed ensuring survival of financial institutions. Also, examining whether financial resilience under austerity can help mitigate business failure stimulates firm managers to design innovative products to counteract the likelihood of firm exit.

### (J) Contribution?
1. Adds to the limited financial institutions literature.
2. Provides the first empirical evidence of the efficacy of financial resilience under austerity on firm survival

### (K) Other Considerations?
1) Collaboration needed/desirable: The researcher is supervised by competent university academic supervisors.
2) Target Journal: International Journal of Social Economics
3) Risk assessment: Low. I am unaware of any “competitor” risk and there is a low risk of obsolescence because austerity measures have become the norm. With regard to “no result” risk, the researcher believes that even if she does not obtain predicted results, the findings will still be meaningful considering the number of financial institutions that have applied for bail from the government of Uganda. This is an indication that they are not able to withstand economic shocks in their operations.
4) Challenges: None serious.
5) Ethical considerations: A letter of introduction has to be obtained.
6) Scope: Appropriate. The study is neither not too narrow nor too broad as it covers financial institutions as a whole - ensuring sufficient contribution to the literature, and conducting it will become too cumbersome to the researcher.

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**Figure 1:** Mickey Mouse diagram characterizing novelty of research idea

Where: $X = \text{Firm Survival}$
Personal reflection on the pitch exercise

Consistent with Faff’s (2015) suggestion, as a masters student I have felt extremely challenged by my research supervisors to develop embryonic research ideas into a formal research proposal. When I read Ratiu’s (2015) account of preparing a pitch that other students find this process daunting, but manageable, I was encouraged to soldier on. My supervisors initially recommended to me to read Faff’s (2015, 2016) pitch template which provided me with a systematic, guided, infallible tool to put my thoughts into a manageable and usable format. Consistent with Ratiu’s (2015) account, I found the process of completing the template very stimulating at times. In particular, the requirement to concisely state the research question and explain the motivation in limited space was thought-provoking and infuriating, but also the most useful component of the pitch. Other areas of the template gave me pause to consider issues that previously had never entered my consciousness, but which are fundamental if one were to publish work from a masters thesis. For example, section K ‘Other Considerations’ highlighted to me the need to consider target journals and to actively contemplate the ‘risks’ associated with the proposed research idea. These are considerations that in my student life I had hitherto never even considered, but which as an early career researcher are imperious. I suspect, like others (e.g. Beaumont, 2015), that these are elements of the publishing process that academia have learned intuitively over time and therefore do not ‘teach’ to early career researchers. I think that getting into the habit of considering these ‘other issues’ at the same time as constructing the research idea is an example of best practice and would stand most early career researchers in good stead. Like others (Ali, 2017; Nguyen & Truong, 2017; Lee & Turner, 2017; Zhang, 2017), I would consider this to be the most beneficial element of the research process to me personally.

After completing the pitching exercise and had my proposal approved, I realised that if one has to embrace the pitching template as a novice researcher (e.g., masters student), then it would be more captivating if the supervisor(s) directs this effort. However, there is then a need for encouraging the supervisors to recommend and probably apply the pitch template as a tool for refining the research ideas of novice researchers. Indeed as Ali (2017) has put it, the ease with which researchers can adopt the pitching template may first depend on their ‘know-how of the template’ and then on their ‘level of research experience’. The more one knows about the pitching research framework and has research experience, the more one can enjoy the exercise of completing the pitching template. Therefore, masters and PhD supervisors alike need to guide students during the pitching exercise.

Concluding remarks

This pitch letter provides an ephemeral explanation of a pitching template example for a finance research topic on Firm Characteristics, Innovation, Financial resilience under austerity and Survival of financial institutions. The pitch presented was constructed at a preliminary stage of developing my masters research proposal with the help of my supervisors mentioned earlier. Therefore this pitch letter outlines the applicability Faff’s (2015) pitching research to an early stage of a research project. Constructing my pitching template helped me to identify the core elements that form the framework of my research project. Undoubtedly, the pitch exercise is very helpful to synthesise and present key research information to other academics and masters student colleagues in a concise and clear manner. The pitching template should be well-leaflled in the hands of a novice researcher and experienced research mentors alike because it can be a trusted “compass for their research journey” (Unda, 2015, p.360.)
References


