2018 GMBA Thesis Workshop

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My Research Area

- Insurance Industry
- Property-Casualty Insurance Industry
My Research Interests

- Empirical Research
  - Accounting, Financial Reporting, and Loss Reserve Estimation
  - Mergers & Acquisitions
  - Underwritings Cycles
  - Corporate Governance and Organizational Form
  - Solvency Measurement and Regulation
  - Reinsurance
Major Data

NAIC Insurance Database
A Model of the Research Process

- What general finance research is likely to inform the general area of interest?
- What financial institute research is likely to inform the general area of interest?
- What insurance research is likely to inform the general area of interest?
- How do all of the above lead to and interface with what you propose to do?
- What are the research questions (hypothesis) to be answered?
The Types of Thesis

- Basic Research
- Application Research
Distance and M&A Performance in the U.S. Property-Liability Insurance Industry

This paper investigates the effect of distance between the acquirer or merger and its target on the performance of mergers and acquisitions in the U.S. property-liability insurance industry. This paper finds mergers and acquisitions that occur within shorter distances are more likely to perform better on ROE, implying the relevance of distance and information advantage and synergy. In addition, this paper finds a positive correlation between the ratio of equity capital to total asset and the performance of mergers and acquisitions, while the ratio of income from stock investment to income from both debt and stock investment and the degree of geographical diversification are negatively correlated with the performance of mergers and acquisitions.
The impact of executive pay-for-performance compensation, corporate governance and SOX Act on the loss reserve error in the U.S. property-liability insurance industry

This paper utilizes the loss reserve error to investigate the impact of executive pay-for-performance compensation on the magnitude of loss reserve error in the U.S. property-liability insurance industry with different ownership structure. This paper demonstrates that managers with higher pay-for-performance sensitivity are more likely to make earnings-increasing reserving decisions. In addition, this paper examines the effect of corporate governance and the SOX Act on firms’ earnings management. This paper finds insurers with higher board independence are more inclined to under-stating reserve estimates. And due to the SOX Act, insurers tend to undertake earnings-decreasing decisions.
Opportunities and Challenges for Taiwanese Life Insurance Companies entering Vietnam: The case study of Company E

The goals of this study are to examine the motives, opportunities, and challenges of a Taiwanese life insurance for entering the Vietnamese market using the mixed method. The empirical evidence is based on a Taiwanese life insurance company branch Vietnam. Survey method and management board interviews are applied for studying the consumption of life insurance as well as the strategies of the selected company to operate in Vietnam. In addition, SWOT is employed to examine the potential development and challenges of this subsidiary.