MGT 298D, Section 22: “Special Topics in Management: Empirical Methods in Strategic Management 1”

Location and Time: Tuesdays 4:00-7:00 pm (Feb 16th – Mar. 16th), Cornell Hall C303
Instructor: Jason Snyder
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Overview:

Establishing causal relationships is the primary challenge that every empirical researcher faces. This course will help you appreciate the difficulties associated with establishing causality in empirical research and study common methodological remedies to these difficulties. We will pay close attention to the practical problems associated with the implementation of these methods. Though this course is being taught for business school students we are going to focus on reading and replicating papers that provide the best means of learning the methods. Although most of the papers will not be on strategy, marketing, or finance, the methods are applicable. For the empirically minded student a large part of your future research will involve applying these methods to your substantive field of research.

This is a two-part course. The first part is the current course taught in the winter. The second part is a separate two unit course taught during the first five weeks of the Spring term by Professor Ramanarayanan. Enrollment in both courses is expected. The first course will cover the basics of identification, experiments, matching, propensity score, and sharp regression discontinuity design. The second course will cover instrumental variables, difference in differences, panel data, and other topics if time allows.

Course Format:

In this course we will emphasize intuition and (mostly) eschew proofs. Compared to many other courses the reading for this course is light. For most of our meetings there will be a brief textbook reading and a set of articles related to a common setting.¹ Students are expected to read the textbook and articles before coming to class. Please read the required materials before the first week of class! Read the articles in the order that they are listed. It will make your life easier.

It is my belief that you learn more by doing than by reading piles of papers. So after the first week the major task will be to perform a weekly replication assignment due at the beginning of class. You will replicate and extend many of the results in the papers. For each set of articles assigned I will distribute the data associated with each article. You are required to use Stata to do these assignments. Final grades will be based on the quality of the assignments.

¹ For example in week 4 there are three articles all related to the analysis of data from a single job training program.
Prerequisites:

This course is designed for students at the UCLA Anderson School of Management enrolled in the Ph.D. program. All other students should contact the instructor before enrolling.

Main Textbook:

Suggested Reading:
Manski, C. (1999), Identification Problems in the Social Sciences
Wooldridge, J. (2001), Econometric Analysis of Cross Section and Panel Data
Andrew Gelman’s blog: http://www.stat.columbia.edu/~gelman/blog/

Course Outline and Readings:

Week 1 (Feb. 16th): Identification


Mostly Harmless Econometrics: 1-24

Week 2 (Feb. 23rd): Regression, Causality, and Experiments

Mostly Harmless Econometrics: 27-68 (You should be familiar with pages 27-51 so this should be a brief refresher. Take particular care in reading pages 51-68)

Week 3 (Mar. 2nd): Matching and Selection on Observables

Mostly Harmless Econometrics: 68-80


Week 4 (Mar. 9th): Propensity Score

Mostly Harmless Econometrics: 80-90


Week 5 (Mar. 16th): Sharp Regression Discontinuity Design

Mostly Harmless Econometrics: 251-259