

UNIVERSITY OF ROCHESTER

William E. Simon Graduate School of Business Administration

FIN 423
Corporate Financial Policy & Control

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Grading Policies

The details of the grading for this course are described in the course outline. This memo is intended to describe my general grading philosophy and policies.

Types of questions

My goal in teaching this course is to develop the analytical skills of the students. Therefore, most of the graded exercises will be aimed at assessing the ability of students to **apply** the concepts and evidence that are discussed in class and in the required readings. I will rarely ask questions that rely heavily on memorizing formulas, authors' names, or detailed results from an assigned paper (although knowledge of such information usually improves the quality of an analytical answer, so it is a good idea to be familiar with the assigned readings, etc.).

You have a copy of the entire population of my old exam questions for this course, and you are free to study these questions as part of your learning in this course. In fact, I think one of the most constructive ways for students to learn the material in this course is to work in a study group to prepare and discuss answers to these questions. Spirited debate and discussion of these questions with peers is one of the best ways to learn to apply this material.

Students often ask me if I will provide a list of "answers" to the old exam questions. I won't do this because too many students would be tempted to memorize or mimic these answers, rather than going through the harder work of learning how to do the analysis

themselves. My goal is to improve the ability of students to do their own analysis (since the questions they will face after the M.B.A. program may not look exactly like the old exam questions). I usually provide copies of "good" answers from students when graded exercises (exams, quizzes, or cases) are returned. These are not model answers, but they are examples of answers that were relatively good.

Grading Procedures

There are many graded exercises in this course (and many students). Therefore, I use graders to help me. These are people who have taken and done well in this course. I always explain the question or problem and the answers that I think are reasonable. I also audit and monitor the graded exams, quizzes, or cases (particularly the best and worst ones). I grade the most difficult things myself. In my experience, this process yields grades that are as reliable (or more so) than if I graded every item myself.

Nevertheless, as with anything that is as subjective as grading (or many similar decisions that are made in everyday business practice), errors can occur. In the past, I had a policy of regrading anything that any student felt was graded too low (I have never had a student complain about a grade that was too high). Several years ago I noticed a dramatic increase in regrade requests and a smaller proportion of them where there was any basis for changing the assigned grade. Therefore, I have adopted the following policy on regrade requests:

- (1) I do not litigate grades in person (I am willing to talk about the substance of any course-related question, but not "why did I only get 5 points for this answer?").
- (2) You should write a short note or memo describing why the answer that you wrote deserves more credit and attach it to the graded exercise (needless to say, do not attempt to alter the answer you originally wrote).

- (3) The regrade request will cost you 10% of the possible points on the assignment (e.g., 1 point on a 10 point quiz). If your complaint is justified so that your grade is increased, this “regrade fee” is refunded. Otherwise, the 10% fee lowers your grade on the assignment. Of course, if I decide that the original grade assignment was too high, your grade can also be lowered and the fee will not be refunded.
- (4) As an example, suppose you received a 6 out of 10 on a quiz and thought you deserved more credit:
- If there is no change in your grade, you now have a 5.
 - If your grade should have been a 7, you now have a 7.
 - If your grade should have been a 5, you now have a 4.

The reason for this regrade fee is to provide fairness to me and to the students who do not request reevaluations. If a student has a real basis for expecting a grade improvement, there is no expected penalty. On the other hand, frivolous requests for regrading will be discouraged.