



Interactive Learning Environments >

Volume 30, 2022 - [Issue 9](#)

205 | 1 | 0
Views | CrossRef citations to date | Altmetric

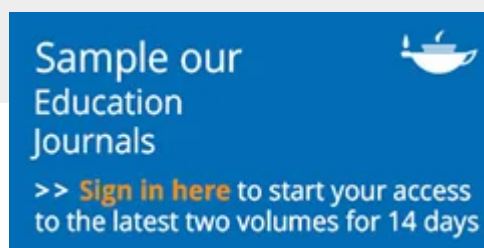
Articles

A hands-on approach to teaching the financial concept of diversification

C. R. Narayanaswamy & Vignesh Narayanaswamy

Pages 1708-1716 | Received 09 Dec 2018, Accepted 20 Mar 2020, Published online: 03 Apr 2020

Cite this article <https://doi.org/10.1080/10494820.2020.1746671>



Full Article

Figures & data

References

Supplemental

Citations

Metrics

Reprints & Permissions

Read this article

Share

ABSTRACT

In this article we apply R, a free software, and recent stock-price data to illustrate the portfolio diversification concept, a corner stone of modern finance theory. Currently, recent stock-price data are available on the internet at no cost to users. By using current market data to construct realistic and authentic examples, student engagement can be improved in classroom discussions. However, to focus on learning the finance concepts, the process of accessing the data and applying the statistical software must be user friendly and learner centered. In this article we demonstrate that this can be achieved. We use Shiny – an R package – to provide a user-friendly dashboard that could make the process interactive and easy to use. The proposed tool, when used as a supplement to existing resources, could promote self-discovery and sustain student interest. We also provide the computer code we used for obtaining the results discussed in the article.

KEYWORDS:

Diversification

active learning

finance

R

Shiny

Acknowledgements

We thank the editors Dr Greener and Dr Rospigliosi and two anonymous reviewers.

Disclosure statement

No potential conflict of interest was reported by the author(s).

Additional information

Notes on contributors

C. R. Narayanaswamy

C. R. Narayanaswamy is Professor of Finance at Clayton State University where he has been teaching since 2004. He has also served as the Area Coordinator for the Finance and Economics disciplines for several years. He received his Ph.D. in Finance from Temple University, Philadelphia, USA, and M.S. in Computational Finance from Carnegie Mellon University, Pittsburgh, USA. He is also a C.F.A. charter holder.

Vignesh Narayanaswamy

Vignesh Narayanaswamy is a Quantitative Fellow at the Federal Reserve Bank of New York, USA. He received his M.Eng. in Systems Engineering from the University of Virginia, Charlottesville, USA and a B.B.A. from Emory University, Atlanta, USA.

People also read

Recommended articles

Cited by
1

Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

 Sign me up

