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OP Group Research Foundation is launching a call for grant applications to researchers and research groups in Finnish universities studying financial institutions as part of a special initiative in celebration of its anniversary year. In the special initiative, the selected research group receives a grant of 400,000 euros annually for the years 2023–2025. The Foundation is prepared to provide long-term funding for the research group even after this period.

### Starting point

“Financial institutions” refers to various financial intermediaries such as banks, private equity firms, finance companies, investment funds, hedge funds, credit institutions and crowdfunding platforms. They also include various securities market institutions, including stock exchanges, settlement systems and other marketplaces and platforms related to financial brokerage. The financial sector that is made up of these various institutions is undergoing a significant transformation. Key reasons for this include technological development (including digitalisation) and changes in the regulatory environment, which have both altered the operating models of existing institutions and brought in new companies to the sector.

### Aims of the initiative

The aim of the initiative funded by the Foundation is to establish a strong international research group in Finland to study financial institutions and their business environment from different perspectives at the interface between two disciplines, economics and financial economics.

The initiative will strengthen economic and financial economic research into financial institutions in Finland and augment and pool together existing research infrastructure. In the first phase, the initiative's primary goal is to increase the volume and quality of research and training related to financial institutions and to bring together existing research units to create synergies. The aim is to establish a mode of operation that leans on the strengths of existing research, units and which will become self-reinforcing over time.

Recipients of the initiative's funding must further the aims described above by:

- organising scientific research seminars that convene more frequently than once a year, providing researcher training in collaboration with other Finnish research units and potentially organising occasional conferences related to research in the field;
- organising seminars and training that are open to the public and to researchers based in Finland and taking efforts to ensure that the participants represent different institutes as broadly as



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possible;

- collaborating with existing units (the Graduate School of Finance (GSF), Helsinki Graduate School of Economics (GSE) and the Finnish Doctoral Programme in Economics (FDPE) in providing economics and financial economics training to graduate students.
- coordinating and facilitating the purchase and collection of research materials related to financial institutions, inviting leading researchers in the field to conduct research visits to Finland, coordinating the supervision of doctoral dissertations (such as facilitating supervision between universities) and applying for other external funding for the activities.

In addition to research and education aims, it is hoped the initiative will bring visibility to OP Group Research Foundation as a funder of scientific research.

### **Project duration and monitoring**

The project is intended to be ongoing, with the Research Foundation committing to funding in three-year periods. The project's progress and the achievement of its aims are reviewed annually and in more detail whenever the funding decision for the next three-year period is made.

The first three-year funding period will run from 1 January 2023 until 31 December 2025.

Recipients of the funding must report annually to the Research Foundation on what actions they have taken to further the aims described above and the creation of a coherent national research group. The report must also describe how the project has sought to attain suitable and appropriate visibility in Finland and internationally.

### **Organisation**

The Research Foundation expects to receive joint applications ("consortium" applications). In other words, the proposed projects must be coordinated and prepared as a collaboration between different units in advance. The aim is for the initiative to be administratively light.

An executive committee is set up for the project that is responsible for the project and directs its activities. The Research Foundation has the right to appoint a representative on the executive committee. The executive committee is expected to consist of researchers who are tenured professors (professor, associate professor, assistant professor), each of whom represent different units (of different universities). Each member of the committee has their own budgetary responsibility.

Project funding is appropriately distributed between the home universities of each member of the executive committee.

- Example: If the proposed project has three participating universities, the distribution of the project's annual grant may be as follows: 40% of the annual funding is granted to the university of the principal investigator, with 30% of the annual funding granted to the other two universities.

The grant must be used for research into financial institutions and researcher training on the topic. The



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project funding can be used to pay salaries of postdoc researchers and/or graduate students studying financial institutions, as well as a possible part-time salary to executive committee members (when the time and effort invested in developing the research group is particularly significant). The funding must also be used for organising courses and research visits in the field and for purchases of research materials. It is the policy of OP Financial Group Research Foundation that universities may charge up to 30% in indirect personnel costs and up to 15% in overhead expenses.

Where possible, the projects and units that receive funding from the special initiative are given a recognisable unique name. The Research Foundation asks applicants to propose names as part of the application, but the final decision on the name is made by the Foundation's Board. The principle is that the funder of the project is suitably and appropriately indicated in the name.

### Detailed application instructions and process

The special initiative was announced at the Research Foundation's 50th anniversary seminar on 27 January 2022. The application system at <http://www.tutkimusapurahat.fi/> opens on 1 March 2022, and **the deadline for applications is 1 June 2022.**

The decision on the grant recipient will be made in the autumn of 2022. The project is expected to begin on 1 January 2023.

The Research Foundation expects applicants to specify how they would further Finnish research into financial institutions. The funding in the special initiative is granted to a university. It cannot be granted directly to individual researchers.

The Research Foundation expects to receive joint applications from several universities ("consortium" applications).

- Applications must have a principal investigator, who appends the project description to the principal application submitted in the application system.
  - The project description is a single document (PDF file) which the principal investigator appends to the application.
  - The project description document must contain all the materials which the participants in the joint application wish to be considered when reviewing the application.
  - The project description document must consider the aims and preconditions listed in this document appropriately for the applicants' own proposed project.
  - Mandatory information includes project participants (universities, lead researchers, other researchers), project aims and activities, how the activities are organised, proposed executive committee members, key lead researchers' CVs and lists of publications, and the total project budget for 2023–2025. In addition, the application must include a proposal



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on how to distribute the annual grant applied for between the participating universities. The project description must also include a proposed name for the project in accordance with the above requirements.

- The project description document may not include original publications, working papers, books, or similar material.
- The total length of the project description document may not exceed 50 pages (A4). The minimum font size is 12 pts.
- Other participants in the application must submit their own applications in the system if they represent a university for which a part of the grant is applied for. Other participants in the application must include a reference to the principal investigator in the application system and need only provide their contact information to the system.
  - Example: Universities A, B and C are co-applicants in application ABC. The lead researchers are A1 (principal investigator, PI), B1 and C1. The applicants are the universities A, B and C, and they are represented in the application by the researchers A1, B1 and C1. In this example, A1, B1 and C1 form the research group's executive committee, which directs the special project. The researcher representing the principal investigator, A1, must submit their personal and the university's contact information + the project description document (single PDF file, see above). Applicants B1 and C1 submit only their personal and their respective universities' contact information in the system and indicate that they are members of consortium ABC.

The Foundation reserves the right not to review applications that have not been submitted in accordance with the above instructions. The Foundation also reserves the right to grant only partial or limited funding to a project.

**Further information about the application process:**

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