

# FINANCIAL TIMES

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## PROFILE

# LBS Masters in Finance

Masters in Finance does not sound like the degree you would embark on if you were keen on a career in archaeology. But when you apply for London Business School's version of it, this is not taken as read.

According to Sabine Vinck, Associate Dean of the LBS Masters in Finance programme, the aspirations of each candidate for this technically specialised and demanding degree are one of the main considerations during the admissions process.

LBS launched the degree in 1993 as "the logical thing to do" in response to a growing need for this type of training in the financial sector. The first batch of 45 students started a 2-year part-time version of the course in 1993 and 57 students embarked on the first 10-month full-time programme in 1994. This year, 67 part-time and 143 full-time students from more than 40 countries will graduate.

This is most definitely not a programme for fresh-faced youths who have just completed their bachelors degree – a minimum of two years work experience is required and an average of six to seven years has been

the norm since the programme started. It is not generally a route into an academic career either.

In the words of Ms Vinck, "it is an applied degree for professionals" and she describes the job profiles of the typical applicant as follows: working in a financial institution or in a company's finance department, for example the treasury.

However these profiles are not all-encompassing. LBS states that "no formal prior training in finance is required" and Ms Vinck gives examples of lawyers and financial journalists wishing to develop financial expertise who have completed the degree.

None the less, you have to admire the career commitment and wonder at the secret interests of any applicant who does not have a strongly quantitative professional background. The four core courses are as follows: Capital Markets and Financing, Corporate Finance and Valuation, Financial Accounting and Analysis, and Foundations of Finance. The long list of electives, of which students must complete five, is also short on softer or softer-

skill options. Additionally, every student must complete an individual project.

It is natural enough that the course should focus on the technical nitty-gritty of the finance industry. However, LBS makes every effort to teach the material in an involving manner. Lectures are accompanied by case studies, group work and guest speakers.

Ms Vinck enthuses that one of the advantages about being in a leading financial centre is that case studies can be brought to life by bringing in, for example, the chief financial officer, who was involved.

This teaching style has been used since the start of the course. The content, however, is updated as the industry changes. Electives in hedge funds and private equity, among others, have been added along the way and, as of next year, for the first time an entire elective will be devoted to the subject of credit risk.

When students at LBS have made it through their 10 or 21-month stint of capital markets, corporate finance and so forth, it seems that many choose to stay in the UK: 56 per cent of the class of 2006 named

the UK as their primary work location. Only 13 per cent of this class was working in the UK before they started the degree.

Median salaries partly explain the eagerness of graduates to work in Great Britain: the median UK salary of the class of 2006 was £61,528, while classmates who worked in continental Europe earned a median salary of £44,821.

Whether in the UK, the Continent or the rest of the world, the largest proportion by some way (44 per cent) went into investment banking, while 24 per cent of jobs were described as "doing deals" of some kind – including mergers and acquisitions, private equity and venture capital. Only 5 per cent ended up in general management.

This highlights a point that Ms Vinck is at pains to stress; the Masters in Finance is a suitable qualification for what she calls "career advancers", whereas those identified by the admissions process as "career changers" are politely but firmly directed towards a more general management degree such as an MBA.

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