



**SCHOOL of BUSINESS
ADMINISTRATION**

PhD Program in Finance: Policies and Procedures

University of Miami, School of Business Administration, Department of Finance

Revised: 1/3/2017

Introduction

The internationally well-recognized faculty members of the [University of Miami's Department of Finance](#), as well as the university's many research centers and programs, establish an environment conducive to the goal of educating PhD students to develop new knowledge and disseminate it among the academic community and into business practice.

The PhD Program in Business with Concentration in Finance (herein referred to as the PhD Program in Finance) is primarily concerned with such research areas as: (i) the behavior of asset prices, e.g., stocks, bonds, options, and real estate, (ii) the financing of corporations, including the choice of investments and sources of funds, (iii) household finance and individual investor behavior, (iv) corporate governance and incentives of executives and employees, and (v) the management and regulation of banks and other financial intermediaries.

In recent years, the finance faculty at the University of Miami has created a strong profile in the area of "behavioral finance," which emphasizes inter-disciplinary scholarship, e.g., finance combined with psychology research. It is an important goal of the PhD program to train PhD students interested in this emerging research area. The department of finance organizes the [Miami Behavioral Finance Conference](#) each year, which attracts finance researchers from all around the world to present and discuss research in this area. The finance faculty also organizes a weekly [Finance Seminar Series](#) with invited speakers from top research universities in the U.S. and around the world. In addition, the department organizes a [Finance Brown Bag Seminar Series](#) as a forum for presentations by its own faculty and PhD students.

All students should note that "graduate study" in the PhD program in finance at the University of Miami implies an integrated program of advanced study and research, based on an adequate academic background, presupposing personal maturity, and making much more than an average demand on the initiative as well as the scholarship of the student. Being a student in the finance PhD program means a commitment to full-time and in-residence study. Students are expected to be present in the finance department on a regular basis, and those who must be absent for a period longer than ten days have to get permission from the finance PhD program coordinator.

The policies and procedures provided in this document seek to ensure that each student graduating with a PhD from the program has demonstrated significant in-depth knowledge in the area of finance. Additionally, the policies seek to ensure that PhD graduates have a proven ability to become independent scholars, contributing their own high-impact research to the knowledge base in finance.

The general academic regulations governing the PhD program in finance are provided in the *Graduate Student Handbook*, which is available at www.miami.edu/grad. The remainder of this document describes additional policies and procedures relevant for students in the PhD program in finance. It is a PhD student's responsibility to ensure that he or she is aware of all applicable academic regulations. Any questions should be referred to the coordinator of the finance PhD program.

Initial Advisor

The finance PhD program coordinator is the point of contact for all incoming students. The coordinator is normally the initial advisor for all PhD students in finance during the first two years in the program.

The responsibilities of a student's initial advisor during the first two years in the program include assisting the student in designing an appropriate program of study based on the student's academic background and research interest.

Pre PhD Program Requirement

Incoming PhD students are required to complete the MS in Finance course Quantitative and Analytical Fundamentals for Finance (Bus 640) offered before the first semester. A grade of 3.3 (B+) is required. This requirement may be waived by the finance PhD program coordinator if a student can show evidence of successful performance in an equivalent course within the past three years.

First Year Course Requirement

During the first year, students are required to take courses from the University of Miami's Department of Economics and Department of Finance as part of their PhD core course education. There is minimal flexibility in the course selection to assure that each student has a critical knowledge base in the areas of economics, econometrics, and finance.

Fall semester:

- Microeconomic Theory (Eco 602)
- Macroeconomic Theory (Eco 601)
- Econometrics (Eco 600)
- Financial Economics I (Fin 705)

Spring semester:

- Advanced Microeconomic Theory I (Eco 633)
- Choice of one other core course in economics or econometrics: Advanced Econometrics (Eco 620), Advanced Macroeconomic Theory (Eco 621), or Mathematical Economics II (Eco 612)
- Corporate Finance Theory (Fin 706)
- Empirical Methods in Finance (Fin 707)

All finance PhD students must maintain a cumulative GPA of 3.3 (B+) during the first year.

Before the start of each academic year prior to the admission to candidacy and the completion of the MBA or MS in Finance Course Requirement, a student is required to submit the "Proposed Program of Study" form (in the Appendix) specifying the courses the student plans to complete. A student's selection of courses has to be approved by the finance PhD program coordinator prior to registration. Any change to the proposed program of study has to be approved by the coordinator, following the submission of a new form.

Qualifying Finance Exam

In the summer of the first year, all finance PhD students are required to complete a qualifying finance exam. The exam is administered by the qualifying finance exam committee. The committee is chaired by the finance PhD program coordinator, and with the finance faculty teaching in the first year of the program as the other members. This exam covers each of the areas of finance covered in the PhD program in the first year.

The exam is scheduled for six hours and is graded pass or fail. A pass means that the student has demonstrated significant in-depth knowledge in the area of finance. A fail denotes significant deficiencies in the student's finance knowledge base and results in a periodic performance evaluation of "unsatisfactory." A student who fails the first qualifying finance exam is offered a second and final opportunity to take the exam at the end of the first summer. Any student who fails the qualifying finance exam two times is not allowed to continue as a PhD student in finance.

Finance Database Boot Camp

A Finance Database Boot Camp is offered during the summer of the first year. This boot camp is normally administered by one of the senior finance PhD students in the program. The goal is to introduce less experienced PhD students to the Wharton Research Data Services (WRDS), a commonly used research database used by finance researchers, as well as some other relevant databases. It is required for finance PhD students to participate in the boot camp during their first year in the program.

First Year Summer Finance Paper

Students must complete the summer paper requirement by the end of the first summer in the program. Two types of papers are allowed:

- Junior Co-Author. Work as a junior co-author with a finance faculty member.
- Original Research. Work on an original research paper, individually or jointly with another PhD student. If the paper is an extension of a paper previously written for a course, the extension must be significant and the original paper must be submitted with the summer paper.

The requirements and procedures are as follows:

- Students must be in residence and work during the summer.
- All papers must have substantial finance content.
- A student must submit the "First Year Summer Paper" form (see the Appendix) to the finance PhD program coordinator no later than the start of the summer.
- The summer paper must be submitted to the finance PhD program coordinator by the first day of the fall semester of the second year. It is evaluated by the finance PhD program coordinator, in consultation with the department chair and student's summer paper advisor. The summer paper will be graded pass or fail. A fail results in a periodic performance evaluation of "unsatisfactory."

Second Year Course Requirement

During the second year, students take courses from the School of Business Administration as well as other schools and departments at the University of Miami (e.g., Law, Psychology, Neuroscience) as part of their continued PhD course education. The goal is to (i) broaden a student's knowledge beyond the core courses, and (ii) deepen a student's base knowledge and introduce the student to the current research frontier. Some courses are required, but most are electives.

Fall semester:

- Financial Economics II (Fin 708)
- Choice of three additional PhD courses

Spring semester:

- Behavioral Finance (Fin 709)
- Choice of three additional PhD courses

All finance PhD students must continue to maintain a cumulative GPA of 3.3 (B+) also during the second year of the program.

Second Year Finance Research Paper

The ability of a student to become a scholar, contributing own high-impact research to the pre-existing knowledge base in the area of finance is a critical requirement in the finance PhD program.

The requirements and procedures are as follows:

- Students must be in residence and work during the summer.
- All papers must have substantial finance content.
- A student must submit the "Second Year Finance Research Paper" form (see the Appendix) to the finance PhD program coordinator no later than the start of the summer.
- A preliminary draft of the paper is due in the middle of the summer, and has to be submitted to the faculty advisor for the paper and the finance PhD program coordinator.
- The finance research paper must be submitted to the finance PhD program coordinator by the first day of the fall semester of the third year. It will be evaluated by a finance research paper committee. The finance PhD program coordinator, in consultation with the student's faculty advisor for the paper and the finance department chair, appoints the student's evaluation committee. The committee is chaired by the finance PhD program coordinator, and with regular (i.e., tenure or tenure track) finance faculty as the other members.
- If the paper is an extension of the summer paper or a paper previously written for a course, the extension must be significant and the original paper must be submitted with the finance research paper.

The finance research paper is graded pass or fail. A pass means that the student has the ability to become a scholar, contributing own high-impact research to the knowledge base in finance. A fail denotes significant deficiencies in the student's ability to become a scholar and results in a periodic performance evaluation of "marginal" or "unsatisfactory." A student who fails the finance research

paper is offered a second and final opportunity to revise and resubmit the finance research paper by the end of the fall of the third year of the program. Any student who fails the finance research paper requirement two times is not allowed to continue as a PhD student in finance.

Admission to Candidacy and Dissertation Committee

Students who have passed the qualifying finance exam and the finance research paper requirements, are admitted to candidacy for the PhD degree at the University of Miami.

When the student is admitted to candidacy, a dissertation committee is appointed by the department chair, in consultation with the finance PhD program coordinator and the PhD student. The committee must be comprised of at least four faculty members. One member is designated the chair of the committee, and must be a tenured faculty member in the finance department. The chair becomes the advisor of the student. Two other members must be regular finance faculty. The fourth must be an outside faculty member, i.e., a faculty member outside the finance department.

The responsibilities of the dissertation committee include:

- advising the student on the dissertation research.
- meeting with the student, at regular intervals, to review progress.
- reading and commenting on the draft dissertation.
- performing an annual performance evaluation of the student.
- meeting, when the dissertation is completed to conduct the final oral defense and to satisfy itself that the dissertation is a significant contribution to the base of finance knowledge.

A student may request a change of advisor. To ensure an orderly change, a student requesting a change of advisor has to complete the "Change of Responsibility for PhD Student Advising" form, and submit it to the finance PhD program coordinator.

Proposal

Students are required to present a proposal to the dissertation committee by the end of the summer of the third year in the program. The proposal is based on a complete academic research paper on a topic of the student's choice. The student must distribute the paper to be presented at the minimum one week before the proposal.

A complete paper will at the minimum consist of:

- A clear description of the research question and the contribution to pre-existing work
- A review of related literature
- If empirical paper:
 - o overview of empirical predictions
 - o description of data
 - o discussion of empirical methodology
 - o empirical analysis of data
- If theory paper:

- discussion of assumptions
- derivation of model
- discussion of empirical predictions from model
- Discussion of approach to develop the proposal into a competitive job market paper

The student's dissertation committee will evaluate the proposal, and vote pass or fail. If a strict majority votes pass, the student is expected to continue to develop the proposal into a competitive job market paper, and work on the remainder of the dissertation. If the student fails, it results in a periodic performance evaluation of "unsatisfactory." A student who fails the proposal is offered a second and final opportunity to present a proposal in the fall of the fourth year in the program. Any student who fails the proposal two times is not allowed to continue as a PhD student in finance.

MBA or MS in Finance Course Requirement

In addition to the aforementioned PhD courses, all students are also required to take three MBA or MS in Finance courses. Suggested courses include Financial Investments (Fin 650) and Corporate Finance (Fin 670). A student's choice of MBA or MS in Finance courses has to be pre-approved by the finance PhD program coordinator. The goal of this requirement is to ensure that all finance PhD students have basic intuition of the finance concepts discussed in such classes. Many students will end up teaching in MBA or MS in Finance programs after graduating with a PhD in finance. Students are encouraged to complete these courses with instructors who are recognized for their successful MBA teaching styles.

Students must satisfy this requirement no later than at the end of the summer of the third year in the program. A cumulative GPA of 3.3 (B+) is required. The MBA or MS in Finance course requirement may be waived by the finance PhD program coordinator if a student can show evidence of successful performance in equivalent courses within the past three year. For example, this requirement may be waived for PhD students who already have an MBA recently from a business school of equivalent quality to the University of Miami.

Pre-Seminar Workshop and Behavioral Finance Conference Requirement

Students must complete the Pre-Seminar Doctoral Workshop in Finance (Fin 715) during each semester of their first to fourth year in the finance PhD program.

Students are also required to actively participate in the annual Behavioral Finance Conference organized by the finance department at the University of Miami during each of their years in the program. At the minimum, students are required to attend all the paper presentations.

Research Presentation Requirement

Students are required to present their research at the University of Miami two times in each of the third and fourth years. The proposal requirement or a finance brown-bag seminar counts towards this requirement. At least three finance faculty members must be present at each presentation.

When a student has completed a significant portion of the dissertation, the student must present in a workshop for all the finance faculty. The presentation is normally part of the finance department's weekly seminar series, and may only be scheduled by the dissertation committee chair. The student must distribute the paper to be presented at the minimum one week before the workshop. The goal of this presentation is to prepare the student for the job market. After the workshop, the finance faculty will meet to discuss the research and provide written feedback.

Final Oral Dissertation Defense

A final oral defense of the dissertation is required. The goal is to ensure that each student graduating with a PhD in finance from the University of Miami has (i) demonstrated significant in-depth knowledge in the area of finance, and (ii) a proven ability to become an independent scholar, contributing their own high-impact research to the knowledge base in finance.

The student's dissertation committee will evaluate the defense, and vote pass or fail. If a strict majority votes pass, the student passes the defense and is expected to graduate with a PhD in finance from the University of Miami. If the student fails, it results in a periodic performance evaluation of "unsatisfactory" and the dissertation committee must decide whether the student will be offered a second and final opportunity to defend the dissertation. The dissertation committee evaluating the defense a second time must be the same as the first time.

Student Performance Evaluation

Each student is subject to an annual performance evaluation in the spring of each year. Students are required to schedule a meeting with their advisor. At least one week before the meeting, the student must send the advisor the "Annual Performance Evaluation" form (see the Appendix) and a current academic CV.

At the minimum, the following should be discussed in the annual performance evaluation meeting:

- Is the student making significant progress compared to the department's expectations?
- If in first or second year, is the student taking appropriate courses?
- Does the student experience any academic difficulties?
- If in third or fourth year, is the student making significant progress on the dissertation? Is the student at risk of running out of time?
- What can the finance department do to increase the student's research productivity and otherwise enhance the student's professional development in the PhD program?

The evaluation criteria include progress on course work, performance on the qualifying finance exam, progress on the proposal and the dissertation, and other performance (e.g., research assistant responsibilities, participation in finance seminars, and tutoring and teaching responsibilities). The annual evaluation for each student must be one of: (i) satisfactory, (ii) marginal, or (iii) unsatisfactory. The annual student performance evaluation, and an explanation, will be shared with the student by the finance PhD program coordinator.

Each student is also subject to periodic performance evaluations at times of critical requirements in the PhD program. Students who fail the Finance Qualifying Exam, the First Year Summer Finance Paper, the Second Year Finance Research Paper, or the Proposal Requirement will receive an unsatisfactory periodic performance evaluation.

Students who receive a marginal or an unsatisfactory performance evaluation will be sent a warning by the finance PhD program coordinator indicating that they may not be allowed to continue in the PhD program if the following annual or periodic evaluation is unsatisfactory. Students who receive two consecutive unsatisfactory evaluations, or who receive a marginal evaluation followed consecutively by an unsatisfactory evaluation, will not be allowed to continue in the finance PhD program.

Financial Assistance

There are several sources of assistance for finance PhD students, including:

- Tuition and Health Insurance. Students receive full tuition and health insurance for five years, conditional on being in residence and receiving satisfactory performance evaluations. Students remaining in the program after five years will be charged full tuition.
- Stipend. Students receive a stipend for four years of full-time in-residence study, conditional on receiving satisfactory performance evaluations. Student may receive stipend support for a fifth and final year, conditional on satisfactory performance evaluations and teaching one finance course one time during their third to fifth year in the program.
- Research Funding. Support may be provided for a student to: i) travel to a top finance conference (e.g., the American Finance Association's annual conference), ii) purchase data to support the student's research (conditional that the data become property of the department), or iii) perform human subjects research (conditional on approval by the Human Subjects Research Office at the University of Miami). Pre-approval by the finance PhD program coordinator is required before research funding may be provided.

Students must work as a tutor for undergraduate students during two hours per week from the start of the program. In addition, students are required to assist finance faculty members with their research (and teaching to some extent) up to ten hours per week. Before the start of each academic year, the finance PhD program coordinator will assign each student to a faculty member based on faculty needs and PhD students' research interests and capabilities. The goal is to seek to ensure that this requirement also has positive impact on the PhD student's research productivity.

Appendix I
Proposed Program of Study Form

Student Name: _____

Change of Previous Proposed Program of Study? Yes No

First Year

Fall Semester: Course & Department & Number	Credits
_____	_____
_____	_____
_____	_____
_____	_____

Spring Semester: Course & Department & Number	Credits
_____	_____
_____	_____
_____	_____
_____	_____

Second Year

Fall Semester: Course & Department & Number

Credits

_____	_____
_____	_____
_____	_____
_____	_____

Spring Semester: Course & Department & Number

Credits

_____	_____
_____	_____
_____	_____
_____	_____

MBA or MS in Finance Course Requirement Waived?

Yes

No

MBA or MS in Finance Courses: Course & Department & Number

Credits

_____	_____
_____	_____
_____	_____
_____	_____

Student Signature

Date

_____	_____
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Signature of Finance PhD Program Coordinator

Date

_____	_____
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Appendix II
First Year Summer Finance Paper Form

Student Name: _____

Type of Paper: Junior Co-Author Original Research

Extension of Paper Previously Written for Course? Yes No

Tentative Area of Research:

Name and Signature of Finance Faculty Advisor for Summer Paper

Date

Appendix III
Second Year Finance Research Paper Form

Student Name: _____

Type of Paper: Junior Co-Author Original Research

Extension of First Year Summer Paper: Yes No

Extension of Paper Previously Written for Course: Yes No

Tentative Area of Research:

Name and Signature of Finance Faculty Advisor for Finance Research Paper

Date

Appendix IV

Change of Responsibility for PhD Student Advising

I am accepting the responsibility for advising _____
in preparation for the PhD dissertation and the final oral dissertation defense.

Name and Signature of New Advisor (Dissertation Chair)	Date
_____	_____

Names and Signatures of Other Dissertation Committee Members	Dates
_____	_____
_____	_____
_____	_____

Tentative Area of Research: _____

The change of advisor for this student has my approval.

Name and Signature of Current Advisor	Date
_____	_____

Student Signature	Date
_____	_____

Appendix V
Annual Performance Evaluation Form

Student Name: _____

First Year Course Requirement

Fall Semester: Course & Department & Number Credits & Grade

Spring Semester: Course & Department & Number Credits & Grade

GPA (Cum. Year 1)

<u>Qualifying Finance Exam (1st attempt)</u>	Pass	Fail	
<u>Qualifying Finance Exam (2nd attempt)</u>	Pass	Fail	N/A
<u>Attended "Finance Database Boot Camp"</u>	Yes	No	
<u>First Year Summer Paper</u>	Pass	Fail	

Second Year Course Requirement

Fall Semester: Course & Department & Number	Credits & Grade
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_____	_____
_____	_____
_____	_____
_____	_____

Spring Semester: Course & Department & Number	Credits & Grade
---	-----------------

_____	_____
_____	_____
_____	_____
_____	_____

GPA (Cum. Year 1 & 2)

Second Year Finance Research Paper (1st attempt)

Pass

Fail

Second Year Finance Research Paper (2st attempt)

N/A

Pass

Fail

Admitted to Candidacy

Yes

No

Dissertation Committee

Chair: _____

Other Member: _____

Other Member: _____

Other Member: _____

Proposal (1st attempt)

Pass

Fail

Proposal (2nd attempt)

Pass

Fail

N/A

MBA or MS in Finance Course Requirement

Course & Department & Number

Credits & Grade

GPA

Pre-Seminar Workshop

Year 1	Pass	Fail
Year 2	Pass	Fail
Year 3	Pass	Fail
Year 4	Pass	Fail

Participated in Behavioral Finance Conference

Year 1	Yes	No
Year 2	Yes	No
Year 3	Yes	No
Year 4	Yes	No

Research Presentation Requirement

Workshop for All Finance Faculty

Date

Other Presentations at University of Miami

Date

Student Signature

Date
