

Fuqua School of Business, Duke University
Master of Management Studies in Finance, UAE

Overview

The Fuqua School of Business proposes (hereafter “Proposal”) to offer a two year open enrollment Master of Management Studies in Finance (MMS - Finance) degree in the United Arab Emirates (UAE). The courses in the MMS-Finance program would be similar to the courses offered in the MMS-Foundations of Business program in Durham; some course content beyond the core courses would differ. In addition, the delivery of the program would differ from the Durham-based MMS program due to the working and more experienced nature of the students that the MMS-Finance program would attract.

This open-enrollment program is intended for working professionals in the Middle East region who have some exposure and experience in business and are interested in obtaining certain basic business skills and specific subject matter knowledge in finance and accounting.

Program Design

The proposed program will consist of 13 courses (three credits each; a total of 39 credits) taught over approximately two years. The program includes a quantitative skills course at the beginning of the program to ensure that all incoming students have comparable quantitative skills.¹ Of the remaining 12 courses, the first eight courses will cover the breadth of business skills in a typical master’s level business education, complemented by four thematic courses which create the concentration in finance. Because the audience consists of working professionals, we do not offer the business communication skills courses that are provided in the Durham-based MMS; these courses are designed to provide entry level communication skills which the MMS-Finance students will already have.

One course will be offered every two months; each course will be taught over eight days. The contact hours for each course are the same as the current MMS courses delivered in Durham (27 hours per course). Because most of the students in the MMS-Finance program are expected to be working professionals, the 8-day delivery model minimizes time away from work. At the same time, it capitalizes on the existing work and business experience of the students. Each 8-day term will be preceded by a reading period of at least one or two weeks. The reading period will contain required readings and materials to ensure that students are prepared and ready at the beginning of each course. The final exam (or final project) in each course can be offered as late as just prior to the start of the reading period for the next course; this would allow time for students to review and study after the 8-day delivery term. In addition, as needed, teaching assistant support will be provided before, during, and after the face-to-face faculty delivery time to facilitate student learning.

¹ All students enrolled in the MMS – Finance program will be required to complete a Quantitative Business Analysis (DECISION 202F) course, which will be taught at the start of the program. A foundation in quantitative skills is necessary for the successful completion of subsequent coursework.

The eight core courses will be:

1. Management: Foundations of Management and Organizations (MANAGEMENT 220F)
2. Accounting: Introduction to Financial Accounting (ACCOUNTG 245F)
3. Finance: Foundations of Capital Markets (FINANCE 250F)
4. Decision Sciences: Spreadsheet Modeling and Decision Analysis (DECISION 210F)
5. Marketing: Introduction to Marketing Analysis (MARKETNG 260F)
6. Strategy: Principles of Strategy (STRATEGY 230F)
7. Economics: Fundamentals of Business Economics (MGRECON 200F)
8. Operations: Introduction to Operations and Supply Chain Management (OPERATNS 270F)

The eight core courses represent each of the areas within the Fuqua School of Business. The intent of these eight core courses is to provide the breadth typically associated with a master's level business program.

The four additional courses that constitute the finance concentration would be drawn from topics similar to those offered as daytime MBA elective offerings in finance and accounting, including the following:²

FINANCE 356 - Entrepreneurial Finance
FINANCE 451 - Advance Corporate Finance
FINANCE 452 - International Corporate Finance
FINANCE 455 - Corporate Restructuring
FINANCE 456 - Emerging Markets
FINANCE 457 - Venture Capital & Private Equity
FINANCE 458 - Raising Capital: Financial Instruments, Institutions & Strategy
ACCOUNTG 441 - Financial Statement Analysis
ACCOUNTG 442 - Valuation and Fundamental Analysis
ACCOUNTG 491 - Management Control and Financial Reporting

The four additional courses to be offered will be determined jointly by the accounting and finance faculty of The Fuqua School of Business. The specific content in each of the courses will be determined by the faculty teaching the courses, in consultation with the respective area coordinator.

Admissions Requirements

Applicants to the Master of Management Studies in Finance, UAE will follow the same admissions process and criteria that are currently in place for the MMS-Foundations of Business degree offered in Durham, as outlined below.

² For comparison purposes, the “elective” courses in the MMS Foundations of Business are: Foundations of Corporate Finance (FINANCE 251F), Fundamentals of Market Intelligence (MARKETNG 261F), Principles of Cost and Managerial Accounting (ACCOUNTG 246F), Fundamentals of Financial Analysis (247F). Thus, the MMS-Finance program would offer one less marketing course and substitute in either a finance or an accounting course.

Duke University and The Fuqua School of Business are challenging and rigorous academic institutions, to which admission is highly selective. For the MMS-Finance, UAE program, applicants will be expected to possess outstanding intellectual ability and strong academic credentials. In addition, applicants will be expected to have demonstrated leadership in their undergraduate programs and professional activities. The Master of Management Studies in Finance, UAE coursework will require that students to work together in teams, so accepted students will need to possess excellent interpersonal skills.

To be eligible for admission, a student must have earned a bachelor's degree from an accredited college or university. No specific undergraduate major will be considered preferable to any other. Individuals who have already received an MBA or its equivalent or an applied master's degree in business (from an institution located in the U.S. or abroad) will not be eligible for admission to the Master of Management Studies in Finance, UAE program.

All admissions will be handled through The Fuqua School's Office of Admissions, with admissions decisions made solely by the Fuqua Office of Admissions. Applicants will be required to submit the following:

- *Application*
- *Resume*
- *Essays*
- *Graduate Management Admissions Test (GMAT) or Graduate Record Examination (GRE) Score*
- *English Language Proficiency Test Score (TOEFL, IELTS, or PTE)*
- *Transcripts*
- *Two Recommendations*
- *Interview (interviews will be scheduled upon invitation only, following review of application)*
- *Nonrefundable Application Fee*

As is true for all Duke University programs, the following statement, found in our application instructions, will apply to the application process for the Master of Management Studies in Finance, UAE program: "Duke University does not discriminate on the basis of race, color, national and ethnic origin, sex, physical abilities, age or sexual orientation for preference in the administration of educational policies, admissions policies, financial aid, employment or any other University program or activity. It admits qualified students to all rights, privileges, programs and activities generally accorded or made available to students. The Fuqua School of Business appreciates and values differences inherent within our community. As an organization we are committed to building and sustaining an environment conducive to capitalizing on the diversity within our community as a source of intellectual, personal and professional growth and innovation."

It also is standard practice in the application process for Fuqua for all applicants to read and sign their agreement to the Fuqua Honor Code. Specifically, it notes on the application that "The signature in the last section of the application indicates that the applicant has read the Honor Code and agrees to accept and abide by the Honor Code and its bylaws." This requirement will

also be a part of the application process for the Master of Management Studies in Finance, UAE program.

It should be noted that The Fuqua School currently admits a large population of international students to its MBA and MMS: Foundations of Business programs and, as a result, has a solid base of experience in assessing students' English-language proficiency. The same guidelines which govern our admissions efforts in this area will also apply to all applicants for the Master of Management Studies in Finance, UAE.

Admissions Process

The admissions process will be conducted by the Fuqua School of Business, and all admissions decisions will be made by the Fuqua School of Business. To be eligible for admission, the application will require:

- a. Undergraduate (bachelor's) degree
- b. Academic transcripts
- c. Responses to essay questions to assess readiness and interest
- d. GMAT or GRE scores
- e. Two letters of recommendation
- f. Interview as deemed necessary
- g. Appropriate readiness in statistics and computer skills
- h. Application Fee

We stress that the goal is to enter a class of students comparable in quality to the students who participate in other Fuqua Masters degree programs. A minimum class size of 20 is needed to ensure an educational experience that is also comparable to that experienced by students in other Fuqua programs.

Tuition

Tuition will be set at the standard rates for our MMS degree in Durham.

Career Management Services

Career management services will not be included in this MMS program.

Contractual Arrangement with ESCA

The proposed program will be partially funded by the Securities and Commodities Authority of the United Arab Emirates (ESCA). The Fuqua School of Business shall enter into an agreement with ESCA that contains the following elements.

- 1) ESCA agrees to fund the full tuition and costs of ESCA employees or employees of ESCA affiliates who are admitted to the program. The admission standards for ESCA (or

its affiliates) applicants will be the same as all other applicants. In other words, an ESCA sponsored applicant does not guarantee admission to the program.

- 2) ESCA agrees to provide financial support for the program up to \$1,475,000 (this includes funding for the 13 courses, along with program delivery support). In addition, ESCA will fund all travel and lodging expenses for all faculty plus one teaching assistant per course. The amount ESCA will pay Fuqua follows the following formula: ESCA pays tuition costs as described in (1) and costs as described in (3) plus the maximum [0, \$1,475,000 – Total tuition dollars collected by Fuqua]. Thus, if total tuition dollars are \$1,000,000, ESCA will pay Fuqua \$1,475,000; if total tuition dollars are \$2,000,000, ESCA pays no incremental costs (other than those described in 1 and 3), and Fuqua retains \$2,000,000.
- 3) ESCA will provide facilities sufficient to deliver the Program as required for accreditation and as approved by Duke, at no cost. Because the Fuqua School of Business is accredited in Dubai, this program will be taught in Dubai. If ESCA prefers that this program be taught in Abu Dhabi, Fuqua cannot commit to delivering the program in summer 2012 because teaching in Abu Dhabi would require re-accreditation by the UAE Ministry of Education.
- 4) The agreement with ESCA is a one-time agreement. However, as with other degree programs, Fuqua will evaluate the program at the end of the first year to determine whether the MMS –Finance Program is viable and sustainable without external sources of funding and should continue. ESCA will also have the right to reevaluate its support of the program after one year.
- 5) Fuqua reserves the right to cancel the program unless at least 20 students are admitted to the program. However, we believe this event is unlikely to happen given our experience in the region to date.

Property Rights

ESCA has neither property rights nor approval rights over the content of the courses offered by Fuqua. Because the proposed MMS-Finance is an open enrollment program, Fuqua retains both the approval rights as well as the property rights over the materials developed and content of the courses offered in the program.

Risk Factors

Given the funding support from ESCA, there is little financial risk in the initial offering of the program. Based on applications and enrollments realized during the initial year of the program, ongoing financial and program risks will be reviewed and evaluated for subsequent years' deliveries. If cash negative, the program cannot be sustained.

Whether this proposed program will continue to be offered beyond the first cohort will depend on several factors, including applicant quality, whether there is ongoing support from ESCA, faculty feedback about student performance, student evaluations, and overall financial risks.