

# BUSINESS, MANAGEMENT AND ECONOMICS - FINANCE CONCENTRATION - FOR STUDENTS MATRICULATED AFTER DEC. 1, 2013 BUT BEFORE JAN. 1, 2020

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## March 21, 2013 – AOS Guidelines: Business, Management and Economics Background

Finance is a branch of applied economics which studies monetary and financial decision making under conditions of risk and uncertainty. Firms and investors utilize various instruments and institutions to manage the transfer of funds from those who save to those who invest in regulated markets.

### Foundation Studies

The concentration in finance should include principles and concepts of micro- and macroeconomics, accounting, and legal aspects of business. Problem solving in finance uses advanced quantitative methods, including statistical analysis and often calculus.

### Progression in the Concentration

The finance function consists of assessing the financial horizon, utilizing quantitative and analytical tools and methodologies. The concentration typically will include one or more studies which focus on the firm as the generator of financial instruments and on the valuation of those instruments. In addition, students should comprehend tools and analysis used by businesses to make their financial decisions (e.g., Corporate Finance, Financial Management). Building on this, students explore financial instruments and valuation and investment of those instruments (e.g., Investments, Security Analysis and Portfolio Management). Knowledge of financial markets – both domestic and international – is crucial for full understanding of funds transfers in the global economy (e.g., Money and Banking or Financial Markets and Institutions and International Finance). In the current financial arena, an understanding of ethical and social responsibility is imperative. Sophisticated financial modeling software and electronic spreadsheets are used in “real world” simulations using advanced quantitative skills and methodologies, which might include econometrics.

Students seeking a broad-based finance career should build competencies in the topics listed above through a combination of experience, studies and/or internships. Students are encouraged to take an integrative (capstone) study to assimilate their knowledge of finance. The capstone might integrate prior knowledge and create pathways to the professional work.

### Career Paths

There are various career opportunities in finance. Among them are:

- Working within a corporate financial structure.
- Theoretical analyzer of finance.

- Financial professions as an investment banker or trader.
- Public finance professional.
- Wealth management advisor.

For students wishing to study finance as a path to corporate management, many of the studies in the management or business administration concentrations (such as accounting, strategic management and leadership) are also appropriate. Other students might wish to focus more on the theory of finance and would find additional studies in economics, corporate finance, portfolio theory and research methods appropriate. Those interested in a more “Wall Street”- focused career might consider international accounting, risk analysis and symbolic logic.

### Notes:

- Students interested in personal financial consulting might be better served by designing a degree based on the Certified Financial Planner (CFP) curricular guidelines.
- Students preparing for graduate work in finance should explore entrance requirements. Graduate work generally requires facility with sophisticated quantitative methods, as well as depth in microeconomic analysis.