

Finance PhD in Business Administration Policies and Procedures

West Virginia University is proud to add a new chapter to the legacy of the College of Business and Economics with the addition of the Doctor of Philosophy Program in Business Administration. The program is designed to prepare students to assume faculty positions at business schools around the globe. Students are exposed to world-class faculty members who are committed to fostering the development of the students through academic research and instruction of university-level courses. Coursework will be tailored to students' specific interests to provide depth in key areas most relevant to their planned research.

The Ph.D. Program in Business Administration is designed to provide students with enough flexibility to discover an intellectual niche while ensuring that all students acquire:

- Research expertise in a particular concentration of study;
- Practical application and teaching exposure within undergraduate business classes; and
- Competence in quantitative and qualitative research methods.

The Finance Ph.D. program at West Virginia University seeks to maintain a small cohort of high quality doctoral students to allow for individualized attention from the faculty. The primary goal of the program is to prepare students for academic careers in research and teaching. Small classes and a faculty dedicated to a collegial environment and an open-door policy with students allows for close interaction between students and faculty, with ample opportunities to discuss ideas and to work on joint research projects. The Finance Faculty is committed to student involvement in research projects early on in their program of study. It is expected that each PhD student will present their work at several professional conferences and have at least one accepted research article published by the time they complete their PhD. Students will also have the opportunity to acquire teaching experience through teaching undergraduate finance courses during the third and fourth year of the program.

Program Objectives

After completing the program, graduates will be able to:

- Explain the holistic nature of business opportunities and problems.
- Explain the role of inquiry and research in solving business problems.
- Build a theoretical framework that addresses a particular business problem and may be generalized to aid in the understanding of similar business problems.

- Produce and defend original research in their major area of study.
- Apply research skills to analyze business problems.
- Complete a dissertation that develops new knowledge in their major area of study.

Program Identification

Classification of Instructional Program (CIP) identifier: 00.0000

Program Features

Among the program features described below are:

- Recruitment and admissions, including admissions standards.
- Performance standards.
- Plan of study.
- Comprehensive examinations.
- Summer papers.
- Dissertation requirements.
- Faculty support.
- Advising.
- Catalog description.

Recruitment and Admissions

Admission into the program will take into consideration the following:

- A completed application received by February 1 of each year for admission in the succeeding Fall Semester.
- A Bachelor's degree or equivalent from an accredited university.
- A statement of purpose regarding the PhD degree.
- A current résumé.
- Three letters of reference.
- Official copies of all university transcripts with cumulative GPA scores of 3.25 or better on all undergraduate courses and 3.50 on graduate courses (based on U.S. standard of 4.0).
- An official Graduate Management Admissions Test (GMAT) score. A target acceptable GMAT score of 650 is required for admission to the PhD Program in Business Administration with a concentration in finance. Comparable GRE scores will also be considered.
- Students whose native language is not English must demonstrate that they are able to perform successfully in university-level coursework where English is the language of instruction and assessment. Applicants must submit the appropriate English test scores. The minimum acceptable TOEFL score is 620

on the paper-based format or the equivalent computer and internet-based scores.

These entrance requirements are minimum requirements for regular admission. Since there is limited space in each year's class, meeting these entrance requirements does not guarantee admission. Applicants will not be accepted on a provisional basis.

Performance Standards

Students in the PhD program are subject to the following performance standards:

1. Students are expected to maintain a 3.0 or better GPA for all courses completed as a doctoral student at WVU.
2. A student may only carry one C grade for courses taken within the College of Business and Economics in the doctoral Plan of Study. A second C grade will result in dismissal from the program. (This rule does not apply to classes taken outside of the College of Business and Economics.)
3. A grade of D or F in any course to be applied toward the doctoral degree will result in dismissal from the program.
4. All courses (excluding dissertation credits) will be taken for a letter grade. Dismissal from the program may also occur as a result of failure on either of the comprehensive examinations or failure to complete all degree requirements.

Program Requirements

The program is designed to be completed in four or five years, depending on the student's background, interests and dissertation progress. The program of study requires the satisfactory completion of coursework plus dissertation research. Students will take courses in economic theory, econometrics and finance, followed by a comprehensive examination and dissertation research.

The PhD Program in Business Administration at WVU is a full-time graduate program and requires at least three years in residence. The residency requirement is important because the doctoral degree has aspects of an apprenticeship which can only be accomplished on campus, working directly with the business faculty and because teaching on campus is a requirement of the program.

To prepare PhD candidates for eventual university teaching responsibilities, students are expected to teach after their second year in the program. They will work closely with faculty to ensure quality instruction and receive feedback on their development as university-level teachers.

Plan of Study

Normally, admitted students in Finance will be appointed a single program advisor until the student is prepared to undertake dissertation research. A typical transition to a formal dissertation chair and committee will occur after the majority of coursework is completed, and before a dissertation topic is selected.

Shortly after entrance into the PhD program and before 12 hours of graduate coursework have been completed, the student, the advisor, and the dissertation committee (if appointed) will draw up a plan of study (or prospectus). The plan of study must be approved by the advisor (and dissertation committee, if appointed) in conjunction with the PhD Program Coordinator. The plan of study becomes a formal agreement between student and program faculty regarding the conditions to be met to complete the degree. Any subsequent changes in the plan of study or prospectus can only be made through mutual agreement of the student, the advisor, and the dissertation committee (if appointed).

A sample plan of study appears in *Appendix A*. *Appendix B* reports the catalog descriptions of courses required in the finance concentration.

Annual Reviews

Each student will be reviewed each year of their studies to ensure they are making satisfactory progress in coursework, assistantship duties, teaching performance, and research progress.

These reviews will be conducted in the Spring of each year and will consider courses completed, performance in classes, and performance in assistantship duties. Poor annual reviews may lead to remediation plans, and in extreme cases, dismissal from the program. Program dismissals are subject to the appeals process required in the WVU Code of Student's Rights and Responsibilities.

Comprehensive Examinations

After the second year of coursework, a written second-year comprehensive examination will be administered. Successful completion of the comprehensive examination will admit the student to candidacy for the doctorate degree. Students formally admitted to candidacy for graduate degrees are required to register for at least one dissertation credit hour each semester as a condition of their continued candidacy. Candidates for graduate degrees who fail to maintain continuity of enrollment may be dropped from candidacy.

The written comprehensive examination will be administered not later than September 30th of each year. The grading committee will be comprised of the professors most active in teaching doctoral seminars and will always include at least three graduate faculty in finance. Grades for written comprehensive examinations will normally be available within four weeks. If needed, students will be given one week to prepare for their oral, follow-up examination. Grading of comprehensive examinations will result in a Fail, a Marginal Fail, or a Pass.

Students who receive a Fail on their comprehensive examinations will be provided with a plan for remediation. The plan will be prepared by the PhD Coordinator in consultation with faculty. The remediation plan may require students to successfully complete additional course work, independent study, and/or participate in other action deemed necessary and appropriate. After the remediation plan is completed, students that receive a Fail on the comprehensive examination will re-take the exam. Remedial examinations will be given in January of each year.

Students that receive a Marginal Fail on the comprehensive examination may be given an oral examination, normally within four weeks of the comprehensive examination grades being available. Students that pass the Oral examination are considered to have passed the comprehensive exam. Students that receive a Fail on the Oral examination will be provided with a plan for remediation and will follow the procedure described for other students that received a Fail on their comprehensive exam.

Students will be allowed to re-take the comprehensive examination once. Failure to pass the examination after the second attempt will result in dismissal from the program. Program dismissals are subject to the appeals process required in the WVU Code of Student's Rights and Responsibilities.

Summer Papers

Doctoral students are expected to work with faculty that share joint research interests during the summer months. Early research experiences are expected to be heavily influenced by faculty guidance.

Before the end of December of the third year of the doctoral program students must present a workshop of a working paper representing their research progress.

During the fall semester, following their comprehensive examinations, students will be required to submit a research proposal for their dissertation. This proposal will include a literature review, formal hypotheses to be tested, a plan for collecting and analyzing the data to test the hypotheses, and preliminary pretests of the research. Basic research proposals that do not involve empirical work need not discuss data collection or empirical implementation, but rather use the logic of mathematics to verify their hypotheses.

Dissertation Requirements

After successful completion of the comprehensive examination, each student will form their dissertation committee and set a date for their dissertation proposal defense. The dissertation committee will consist of no fewer than five members, the majority of whom must be regular graduate faculty, including the chairperson. At least one member of the committee must be from a department other than the one in which the student is seeking a degree. All committee chairs must have graduate faculty status and no more than one person may be a nonmember of the graduate faculty.

The proposal will be written in the manuscript format appropriate for the relevant discipline and will include an extended literature review as well as the proposed method for addressing the research question. The proposal should also include any pretest studies that have been undertaken to support the dissertation research. The written proposal must be defended by the student in an open forum that includes the student's doctoral dissertation committee. This proposal defense normally occurs between six to nine months (but no more than twelve months) after passing the comprehensive examination. Following approval of their dissertation proposal, students will then conduct their research under the guidance of the dissertation committee, especially the committee chair.

The dissertation will normally take one of two forms. One form is a traditional dissertation in chapter format. A second form is the essay format, consisting of a series of papers or monographs written on a theme relevant to the student's field. The specific number of papers required will be decided by the dissertation committee. Regardless of which form is taken, the dissertation must be consistent with prevailing standards in the student's field of research.

The dissertation in chapter format will include an extended literature review and development of hypotheses, research design and analysis, findings, and implications for theory and practice. Dissertations using the essay format will be designed in conjunction with a student's chair and/or committee. Successfully completed essays should result in a publishable paper that will be submitted to a quality peer-reviewed journal. Normally, students will complete two or three essays.

The final oral defense of the doctoral dissertation must occur within 5 years after being admitted to candidacy (i.e., successfully passing the comprehensive examination). Note that all graduate students must enroll for at least one credit hour (e.g., 797 *Research*) during the term (or summer) of graduation.

Students who encounter circumstances that make them unable to complete a semester can request a "hardship" deferment. Examples of these situations might include **death of an immediate family member, personal injury, illness of the student, or other circumstances as explained by the student**. These deferments will be granted by the PhD Coordinator in consultation with the faculty advisor and will be determined on an individual basis.

NOTE: All examinations will be given in English and all dissertations will be written in English.

Additional Recommended Policies and Procedures

Graduate Assistant Workload – Doctoral students who receive a PhD graduate assistantship are required to engage in activities that require 15-20 of hours per week during the semester. Normally, doctoral student graduate assistants will serve for two semesters as a TA, two semesters as a research assistant, and teach four courses over the course of the program.

Summer Teaching – Summer teaching will be available for doctoral students at the discretion of the department chair.

Fifth-year funding – Fifth-year funding will often be available for doctoral students in finance conditional on satisfactory progress in the program, at the discretion of the department chair and the respective PhD committee.

Recruiting and Budgets – The recruiting responsibilities for the PhD in Business Administration resides with the respective departments. Similarly, each department is responsible for their respective PhD recruiting and marketing budgets, doctoral student travel and research support budgets, doctoral student advising and doctoral course scheduling. Each department will have a faculty member assigned to coordinate the PhD activities in their respective department. The graduate programs office will support the application process and the doctoral candidate examination and dissertation process compliance with the University.

Teaching Practicum – A required teaching practicum will be developed to assist doctoral candidates with their teaching responsibilities.

Stipends – In consultation with the Associate Dean for Academic Affairs, the PhD in Business Administration will set the GA stipend for each academic year.

The graduate programs office will support the creation of an Outstanding Doctoral Student Award. The PhD in Business Administration will establish the guidelines, solicit nominations and select the award winner. It is anticipated that this will be an annual award and the first award will be given at the end of the 2015-2016 academic year.

Appendix A – Sample Plan of Study, Ph.D. in Finance

A well prepared student will have a good breadth of course work at the introductory MBA level; advanced undergraduate or MBA level finance course work including investments, financial management, and financial markets; strong quantitative skills including linear algebra, intermediate multivariable calculus, and mathematical statistics; and a solid underpinning in economics in preparation for graduate economics courses including at least one semester of intermediate microeconomics. Students without the required background will often require some pre-Ph.D. course work.

Students with a strong undergraduate degree in finance will normally require a year to obtain the necessary breadth and depth courses before enrolling in the finance Ph.D. program. Students are recommended to take ECON 721 and ECON 725 as part of the pre-Ph.D. course work.

Accepted students will be advised regarding specific course requirements to help ensure success in the doctoral program.

First Year

Fall

ECON/FIN 735 Portfolio Theory

ECON 701 Advanced Microeconomic Theory 1

ECON 721 Mathematical Economics

Spring

ECON/FIN 736 Asset Pricing

ECON 711 Advanced Microeconomic Theory 2

ECON 725 Econometrics 1

Summer: Student Research Paper – May be coauthored with guiding faculty, or solo authored (with approval of topic by guiding faculty member). Must be presented in Fall workshop.

Second Year

Fall

FIN 741 Corporate Finance Seminar

ECON 702 Advanced Macroeconomic Theory 1

ECON 726 Econometrics 2

Spring

FIN 742 Investments Seminar

FIN 743 Advanced Topics Seminar

ECON 727 Econometrics 3

Finance Comprehensive Examination – Scheduled during the summer months.

Third Year

Fall

FIN 797 Dissertation Research

Second year research paper. Must be presented to faculty and doctoral students during the fall semester. Normally this work should be of publication quality.

Spring

Elective *

FIN 797 Dissertation Research

April or May at the end of the third year: Defend dissertation proposal

Fourth Year

Fall

FIN 797 Dissertation Research

Job Market

Spring

FIN 797 Dissertation Research

* **Electives** include: Monetary Economics 1 and 2, International Finance, Game Theory, Microeconomics 2, Macroeconomics 2, Advanced mathematics and statistics courses, Econometrics 4 (ARE 693L), and Dynamic methods (1 credit).

Appendix B – Catalog Description of Finance Courses

Descriptions of New Courses:

FIN 737 Corporate Finance Theory. 3 hr.

A comprehensive examination of the foundational theories in corporate finance. Topics include finance theory under certainty and uncertainty, agency theory, capital structure, issuance, dividend policy, corporate governance, M&A theory, and financial distress.

FIN 741 Corporate Finance Seminar. 3 hr.

This course acquaints students with theoretical and empirical research in corporate finance. Topics include capital structure, dividend policy, stockholder-manager and bondholder-stockholder agency conflicts, governance mechanisms, market for corporate control, bankruptcy and corporate restructuring.

FIN 742 Investments Seminar. 3 hr.

A comprehensive examination of the theoretical and empirical literature covering the foundational topics in investments. Topics include portfolio theory, performance evaluation, derivatives, market anomalies, investor behavior, and other pertinent developments in the investment area.

FIN 743 Advanced Topics Seminar. 3 hr.

Examination of the theoretical and empirical research in important areas of finance not covered in other courses. Examples include financial institutions, international finance, behavioral finance and market microstructure.

Descriptions of Existing Courses:

http://www.be.wvu.edu/phd_economics/coursedescriptions.htm?expandable=10

Financial Economics

735. Portfolio Theory. 3 hr.

PR: ECON 701. Issues concerning the choice of optimal portfolios. Topics include: decision making under risk; mean-variance portfolio choice; the utility specification and optimal portfolio choice; asset allocation over time.

736. Asset Pricing. 3 hr.

PR: ECON 702, 735. Static and dynamic models of asset pricing. Focus on general factors as well as specific economic determinants of financial asset prices from a theoretical and empirical perspective.

739. Seminar in Financial Economics. 3 hr.

PR: ECON 735, 736. Further topics in financial economics. Includes issues in corporate finance and the pricing of derivative assets.