

ASSESSMENT REPORT

Report of the assessment of the improvement plan (herstelplan) of the programme

Master in International Finance University of Amsterdam

Croho registration number: 75016

with reference to the NVAO accreditation framework

The site visit took place on 15 October 2012

Contents of the report

| | |
|--|----|
| Assessment process | 2 |
| Assessment findings and considerations | 4 |
| Annex 1: Schedule of site visit | 10 |
| Annex 2: Documents reviewed | 11 |
| Annex 3: Composition of panel..... | 12 |
| Annex 4: Statements of independence | 13 |

Chair of the panel: prof.dr. F.G.H. Hartmann
On his behalf,

M. Lathouwers
Certiked-vbi
november 2012

Assessment process

University of Amsterdam
Faculty of Economics and Business
Spui 21, 1012 WX Amsterdam
Postbus 19268, 1000 GG Amsterdam

Responsible for the programme: prof.dr. H.G. van Dissel, Dean Faculty of Economics and Business
Responsible for the programme quality: prof.dr. R. Does, Director of the Amsterdam Business School

Scope and aim of assessment

The assessment regards:

- University of Amsterdam, Amsterdam Business School
- Master in International Finance
- Study modes: full-time and part-time
- Located in Amsterdam

In the assessment process in September 2010 three standards of the NVAO Accreditation Framework were assessed to be unsatisfactory (standards 2.1, 2.5 and 2.8). The goal of this assessment has been to assess whether these standards, after the remediating measures taken by the programme management, are satisfactory and whether, therefore, the programme complies with the requirements of the NVAO Accreditation Framework of February 2003.

Assessment panel's composition

Chair: prof.dr. F.G.H. Hartmann
Experts: prof.dr. E. de Jong, prof.dr. P. Sercu
Student: Y. Oualhadj

For more detailed information about the panel members, please refer to Annex 3.

Assessment procedure

This assessment procedure has been the result of the following events:

- The initial assessment process in September 2010 resulted in the standards 2.1., 2.5 and 2.8 of the NVAO Assessment Framework being assessed as unsatisfactory.
- Thereupon, the programme management drafted an improvement plan ("herstelplan", 6 December 2010) in order to remedy the standards, assessed as unsatisfactory.
- Having verified this improvement plan, NVAO, in their letter of 25 January 2011, granted a prolongation of the accreditation term for two years, ending 28 November 2013.
- In the letter of 25 January 2011, NVAO requested the programme management to have the improvements assessed by a panel of experts and to send their advice to NVAO before 28 November 2012.

Prior to the site visit on 15 October 2012 the assessment panel members studied the programme's self-assessment report and appendices (please refer to Annex 2 for an overview). The panel members, also, studied fifteen master's theses, evenly distributed among them, i.e. three or four per panel member. The secretary and the panel members discussed in detail the assessment procedure and the events which had led to this assessment. The panel members each presented their individual questions to the secretary who, subsequently, compiled a complete list of questions. The list served as a guideline for the interviews conducted by the panel during the site visit.

On 15 October 2012, after the interviews, the panel members discussed their findings and considerations, taking their assessment of the theses into account. During the closing session of the day, the panel's chair presented the main findings and considerations to the programme management. The secretary drew up a draft assessment report and sent this draft to the panel members. They edited and amended the draft report. The secretary drew up a second draft which he, then, sent to the programme management to enable them to correct the draft report for factual errors. After having been corrected for factual errors, the final report was sent to the programme management.

Having studied the programme's documentation, having met with representatives of the programme and having discussed the findings and considerations internally, the panel is convinced to have been able to come to a sound assessment of the quality of the standards 2.1, 2.5 and 2.8, which are presented below.

Assessment findings and considerations

2.1 Requirements university

The programme meets the following criteria for programme at a university (WO): The students acquire knowledge on the interface between teaching and academic research within the relevant disciplines. The programme follows the developments in the relevant academic discipline(s), as is demonstrated that it incorporates current academic theories. The programme ensures the development of skills in the field of academic research. For those courses for which it is applicable, the programme has clear links with the current professional practice in the relevant professions.

Outline of findings

The improvement plan did not result in any changes to the final qualifications of the programme. The curriculum, however, did change. Compared to the curriculum of September 2010, the number of core courses and the number of electives have both been reduced to allow for the study load of the master's thesis to increase from 10 EC to 18 EC.

| | Current programme | Programme in September 2010 | Change |
|----------------------|--------------------------------|---------------------------------|----------|
| Introductory courses | | 2 courses (4 EC) | -/- 4 EC |
| Core courses | 8 courses (32 EC) | 9 courses (36 EC) | -/- 4 EC |
| Electives | 3 courses (12 EC) | 4 courses (16 EC) | -/- 4 EC |
| Leadership programme | 1 course and study trip (3 EC) | 3 courses and study trip (4 EC) | -/- 1 EC |
| Master's thesis | Including workshop (18 EC) | No workshop (10 EC) | +/+ 8 EC |
| | | | |
| Total of programme | 65 EC | 70 EC | |
| Pre-course training | 5 EC | n.a. | +/+ 5 EC |
| Programme + PCT | 70 EC | 70 EC | 0 EC |

In the current programme the introductory courses have been removed from the curriculum. Instead, two programmes prior to this programme are offered for specific categories of students to remedy their deficiencies, one of which is specifically designed for the Master in International Finance (MIF) programme. Please refer to standard 2.5 for more detailed information on these programmes.

The MIF programme is intended and qualified as an academic programme (in Dutch: WO). The objective of the programme is to qualify graduates to enter the professional field. The MIF graduates are typically qualified for positions in the financial services industry or corporate financial management positions, for which an MSc qualification is a typical requirement. In this sense, the programme has a professional (career) orientation rather than a research (career) orientation. It is not the objective of the programme to qualify graduates for a research career and entry to a subsequent PhD programme. Rather, the students are trained in key areas of the finance practice and are trained to address complex multidisciplinary and interdisciplinary problems that occur in these areas. Because of these multidisciplinary and interdisciplinary requirements, the programme is based on academic standards, and students are, therefore, educated in fundamental and applied knowledge in finance, economics and accounting.

They are also trained to apply research methods and techniques to solve the problems which may arise in the professional field. In a number of courses, they, also, are confronted with ethical dilemmas, which adds to the academic nature of the programme. The programme further aims to be a broad finance programme, as is evident from the collection of courses providing comprehensive knowledge of finance, the understanding of the conceptual underpinnings of finance as well as techniques, such as valuation, financial instruments and asset management.

Since September 2010, the programme has added the course Financial Research Workshop to address research methods and techniques and to increase the weight of the academic skills component in the programme. In this workshop (3 EC) students are trained to draft a research proposal for the master's thesis, to select a research design and a research method for the thesis and to relate their empirical work to theoretical insights. In addition, the study load of the master's thesis itself has been increased from 10 EC in September 2010 to, currently, 15 EC. Together with the workshop, this amounts to an 18 EC working load for the thesis. This increased EC-load allows students to achieve more in-depth handling of their subject and to improve the methodological aspects of the thesis.

In the previous assessment process in September 2010, some of the literature was assessed as not being at an MSc degree level. The literature has been reviewed and reassessed by the programme management, which has resulted in a number of replacements by more advanced literature. In several courses, textbooks are supplemented by articles from academic journals. In some courses, academic articles form a less important part of the course material, mainly because articles are deemed less relevant, given the more applied nature of such courses.

The professional field is more involved in the programme than at the time of the previous evaluation in September 2010. The programme committee, which is responsible for programme design and content, includes the programme management as well as three representatives from the professional field, all working at financial institutions. The programme committee meets two times per year in a formal setting. Informal contacts between the programme management and the professional field representatives are more frequent. The programme committee's role is to compare and benchmark the programme to other programmes in international finance, to discuss the requirements of the professional field and to advise programme management on improvements in line with (inter)national comparisons and labour market demands

Considerations and conclusion

The orientation of the programme is clearly a professional orientation, within an equally clear academic field of research and practice. The panel considers this orientation to be perfectly viable and appropriate. The panel would like to advise the programme management to express the orientation of the programme even more explicitly and more vigorously.

The panel considers the research skills, methodology and academic skills to be appropriately represented in the curriculum. The introduction of the Finance Research Workshop and the increase of the study load for the final master's thesis together sufficiently ensure the methodological content and quality of the programme and of its graduates.

The panel deems the literature in the programme to be appropriate for an MSc programme. The upgrade of some of the literature by the programme management has clearly contributed to the programme's academic quality and level. As the programme is a broad programme, which addresses a number of topics and problems in finance and which, also, addresses the qualitative interpretation of quantitative analyses, it is understandable that some of the literature is qualitative in nature in addition to fundamental, quantitative, finance and economics texts. The panel assesses this to be appropriate, given the goal of putting finance into perspective.

The panel considers the representation of the professional field in the programme to be adequate. The programme committee is an effective institution for programme management to keep abreast of the professional field's requirements and to adapt the programme to these requirements. Nevertheless, the panel would advise the programme management to further strengthen the presence of the professional field in the programme by increasing the number of formal meetings of the programme committee, by having more high-ranking officials in this committee and by formally instituting improvements via an agenda and action lists geared towards action.

On account of these considerations, the panel assesses this standard to be satisfactory.

2.5 Admission requirements

The structure and contents of the curriculum are in line with the qualifications of the students that embark on the programme: for a master's degree at a university: bachelor's degree and possibly selection (on contents of the subject)

Outline of findings

There now are three ways to enter the programme:

- Direct admission to the programme has been limited to those students who have an academic (in Dutch: WO) bachelor's or master's degree in a relevant subject area, such as business, economics or finance, with a number of specific topics having been included in their programme. In addition, they are required to have a solid GRE- or GMAT-score. The students have to demonstrate their command of the English language by completing a TOEFL- or an IELTS-test with a favourable score.
- The students who have a bachelor's degree from a university of applied sciences (HBO in Dutch) are required to complete a pre-master programme (PMP). This programme is of a general nature and is required for HBO-students to enter other University of Amsterdam programmes as well. The pre-master programme includes a broad range of courses and, normally, takes one year. The courses in this programme prepare these students to enter the MIF programme.
- The students with an academic bachelor's or master's degree in a subject area other than business, economics or finance, have to complete a so-called pre-course training (PCT). This training includes three separate courses, Fundamentals of Finance, Financial Accounting and Quantitative Methods and Research Skills. The students, mostly, take these courses during the summer, preceding the start of the programme. They may study from their home, as the courses are offered online. The students take the examinations of this programme in Amsterdam. Based on the exact content of the previous qualifications obtained by the student during previous studies, exemptions for parts of this PCT may be granted by the admission board.

The programme management has adopted an admission procedure to enforce these requirements and to ensure that only the students with the right qualifications and a strong motivation enter the programme. The admission officer is the person who is responsible for conducting the admission adequately. The admission officer acts under the authority of the admission board, which consists of a member of the examination board, the programme director and the programme manager. The students are to complete an online form, specifying their meeting the requirements. The admission officer scans these applications. Those students who meet or seem to meet the requirements, are interviewed in person or online (Skype) by the admission officer. The admission officer discusses her findings with the programme director who decides on the admission.

The programme management intends to make one or two years of working experience in a relevant position mandatory for entering the programme. The programme management considers this option to foster the quality of the class room discussions.

Considerations and conclusion

The panel considers the improvements in the intake requirements of the programme satisfactory. The pre-master programme for the HBO-students and the pre-course training for the students who do not have an academic degree in business, economics or finance are both routes that sufficiently enable prospective students to enter the programme at the required level.

The admission procedure is appropriate for identifying the various categories of students. The panel advises the programme management to apply the requirements for mastering the English language even more strictly, as some students still seemed to demonstrate an occasionally insufficient command of the language in the theses the panel evaluated.

As a consequence of the introduction of the pre-masterprogramme and the pre-course training programme the programme management has fulfilled the conditions to upgrade the courses in the first block of the curriculum by dropping some of the elementary contents of these courses. The panel encourages the programme management to further raise the level of these courses by enhancing the end level quality.

The panel considers the entry requirements of the programme to be satisfactory.

2.8 Assessment and examinations

The system of assessments and examination provides an effective indication whether the students have reached the learning objectives of the curriculum or its components.

Outline of findings

The programme management has reviewed the examinations to see which of these did not meet the master's requirements. The programme management has amended these examinations and has brought these to the required level. As of September 2012, the examination board reviews all of the examinations. Previously, these were reviewed by the programme director.

As indicated above, the study load of the master's thesis has been increased from 10 EC to 15 EC. The programme management has drafted thesis guidelines to ensure the academic and methodological quality of the theses. According to these guidelines the students, among other things, are to relate their empirical work to theoretical concepts. They, also, have to ensure the research methods and techniques chosen by them, are sound. The structure of the thesis should be clear and the contents of should be presented in a coherent way.

Four kinds of theses are distinguished in the thesis manual, including the classical empirical thesis, the systematic case study, the overview of best practice and the systematic and critical literature survey. The thesis is assessed by the supervisor. The supervisors are teachers in the programme or from other universities and, occasionally, from the financial industry. All lecturers, with one exception, hold PhD-degrees. As a second reader the programme director reviews all of the theses. The theses are assessed using a form with criteria without communicating an a priori weight to these criteria, however. The students do not have to present or defend their theses. The programme director operates as co-supervisor of all theses, to maintain first hand control on thesis quality.

The examination board of the programme works according to the applicable Dutch law (WHW) and monitors the quality and level of the examinations and theses. As the board needs some time to perform these tasks, not all of the theses have been reviewed yet. Nevertheless, the board will do so in the near future. The board seems very much aware of the challenges of maintaining quality in the programme and the importance of adopting a pro-active role under recent changed legislation. The board is also actively involved in reforming the board for the MIF programme to become part of an overall examination board of the UvA faculty of economics and business.

Considerations and conclusion

The panel has studied the examinations and regards these to be of an MSc level. The examinations reflect the literature the students have to study, which is not restricted to text books but also includes the scientific journal articles. The level and the quality of the examinations are appropriate and have improved sufficiently since September 2010.

The panel has studied a relatively large sample of theses (15 out of 17 available at the time) by students who graduated in the year 2011/2012. The panel considers these theses to have a sufficient quality and to meet the master's degree requirements. The methodological aspects of the theses correspond to these requirements as well. The panel, however, encourages the programme management to try and further increase the quality of the theses and observes that achieving an even higher level, including the usage of the English language, is a realistic and desirable target.

Although the programme management allows for four types of theses to be written by the students, only one (classical empirical thesis) was present in the sample of theses the panel studied. The panel advises the programme management to stimulate some of the students to also write more reflective oriented theses, in which empirical findings and results are not only related to theoretical concepts and conclusions, but also to implications for business and society.

On account of these considerations, the panel assesses this standard to be satisfactory.

Concluding assessment of Curriculum, theme 2

In the table below the panel's assessments have been summarized.

| Theme and standards | full-time/part-time |
|--|----------------------------|
| Curriculum (theme 2) | Satisfactory |
| ▪ Requirements university (standard 2.1) | Satisfactory |
| ▪ Admission requirements (standard 2.5) | Satisfactory |
| ▪ Assessments and examination (standard 2.8) | Satisfactory |

The panel assesses the standards 2.1, 2.5 and 2.8 of the NVAO Accreditation Framework to be satisfactory. The other standards of theme 2, Curriculum, have been assessed to be satisfactory in September 2010. Therefore, the panel assesses theme 2 of the NVAO Accreditation Framework to be satisfactory. As a consequence, the assessment panel concludes the programme to meet the requirements of the NVAO Accreditation Framework.

Annex 1: Schedule of site visit

Site visit in Amsterdam on 15 October 2012

| | |
|---------------------|---|
| 09.00 h. - 10.00 h. | Assessment panel (internal meeting) |
| 10.00 h. - 12.00 h. | Meeting with representatives of the programme Dr. S.R. Arping (programme director) Drs. S. de Brieder (programme manager) Drs. S. Ibrahim (programme assistant) G. Herudzinksa MSc MBA (admission officer) |
| 12.00 h. - 13.15 h. | Assessment panel (lunch) |
| 13.15 h. - 14.15 h. | Meeting with Examination Board Dr. J. Ligterink (chair) Dr. A. Kourula |
| 14.15 h. - 15.15 h. | Meeting with representatives of the professional field and alumni Drs. D. Jullens, S. Salieski MSc, J. van Gent MSc (professional field) C. Engel MSc, D. Moens BSc, J. Acosta BSc, R. Dash MBA, D. Jinara MSc (alumni) |
| 15.15 h. - 16.15 h. | Assessment panel (internal meeting) |
| 16.15 h. - 17.00 h. | Concise feedback on findings and considerations by panel's chair Dr. S.R. Arping (programme director) Drs. S. de Brieder (programme manager) Drs. S. Ibrahim (programme assistant) G. Herudzinksa MSc MBA (admission officer) |

Annex 2: Documents reviewed

Prior to the site visit the panel studied the following documentation:

- Supplement to 2010 Self-Assessment Report Master in International Finance, the Implementation of the “Herstelplan”, September 2012
- 15 master’s theses (student numbers full-time: 10282025, 10241221, 10241248, 10241396, 10241442, 10241426, 10241388, 10241264, 10241302, 10282017, 10241361; student numbers part-time: 6237681, 6386687, 6237630, 6381480)

During the site visit the panel studied the following documentation:

- Course outlines
- Course Materials
- Teachers in 2011/2012 and in 2012/2013
- Examinations, including grading
- Assessment and grading of master’s theses
- Compulsory and recommended literature
- Minutes of Examination Board
- Minutes of the Programme Committee

Annex 3: Composition of panel

Prof.dr. F.G.H. Hartmann, chair

Mr. Frank Hartmann received his PhD in 1997 from the Maastricht University. He holds positions as a member of the editorial board and as a reviewer of a number of international scientific journals. He, also, is a member of the Board of the European Accounting Association. Mr Hartmann is a full professor of Management Accounting & Management Control and holds the position of chair of the Department of Accounting and Control at the Rotterdam School of Management of the Erasmus University.

Prof.dr. E. de Jong, expert

Mr. Eelke de Jong received his PhD in Economics from the University of Amsterdam in 1990. Among other positions, he has been a research assistant at the University of Groningen, an associate professor in International Economics and International Finance at the University of Amsterdam and a research fellow at the Tinbergen Institute. Since 1994, he is full professor in International Economics at the Radboud University Nijmegen. Mr. De Jong held and holds various management positions within the research and university communities.

Prof. dr. P. Sercu, expert

Mr. Piet Sercu is a full professor of International Finance at both the Katholieke Universiteit Leuven. He lectured at the New York University (USA), Cornell University (USA), University of British Columbia (Canada), London Business School (United Kingdom) and Tias-Nimbas (the Netherlands), among others. He has published in a number of scientific journals and has written texts books on international finance, the latest of which is published by Princeton University Press.

Y. Oualdhadj, student

Mr. Youssef Oualdhadj, currently studies the Master programme in Dutch Language and Culture at the University of Leiden. In 2010, he completed the bachelor programme Public Administration and Public Management of the Haagse Hogeschool. Mr. Oualdhadj founded the Student Union of The Hague and is working for the Dutch Student Union.

The panel has been assisted by drs. W.J.J.C. Vercouteren RC, process co-ordinator and secretary.

Annex 4: Statements of independence