

Press report

The Swiss Finance Institute after 5 months: Full steam ahead!

Five months after its inauguration, the Swiss Finance Institute is moving ahead on all fronts. Established at the initiative of the Swiss Bankers Association, the Swiss Finance Institute is a private foundation funded by the Swiss banks and SWX. It merges 3 existing foundations: the International Center FAME, the Swiss Banking School and the Banking and Finance Foundation at the University of Zurich. With its university partners, the Swiss Finance Institute pursues the objective of forming a competence center in banking and finance commensurate to the importance of the Swiss financial center. It will be active in research, doctoral training and executive education while also proposing activities fostering interactions between academia and the industry.

Today the Swiss Finance Institute is pleased to announce that

- ✓ its Foundation Board is complete and operational;
- ✓ its research and executive education centers are up and running;
- ✓ the merger of FAME and Swiss Banking School operations is effective subject to the approval of federal authorities;
- ✓ the main advisory bodies (Executive Education Advisory Board & Scientific Council) have been nominated and are at work;
- ✓ a new executive education strategy has been defined, validated by the Executive Education Advisory Board and approved by the Foundation Board;
- ✓ Recruitment of 8 new professors is under way at partner universities;
- ✓ two new research programs have been approved under co-financing with the NCCR Finrisk;
- ✓ the former FAME and Swiss Banking School executive education courses came onstream successfully this spring;
- ✓ the first knowledge transfer activities have been planned, including the first Swiss Finance Institute annual meeting to take place on November 14, 2006, in the presence of Federal Councilor Pascal Couchepin;
- ✓ The first Swiss Finance Institute Research Prize will be awarded this fall.

Research and PhD program

At the academic level, the Swiss Finance Institute has signed cooperation agreements with the Universities of Geneva, Lausanne and Lugano while the details of the cooperation agreement with the University of Zurich and the Federal Institute of Technology in Zurich are currently being worked out. These texts confirm that two of the Swiss Finance Institute's regional centers, SFI-Léman and SFI-Lugano, are now operational.

An important cooperation agreement with the Swiss National Science Foundation and FinRisk has been signed as well. This agreement leads to the constitution of the *Swiss Finance Institute PhD program*, effectively merging and harmonizing doctoral activities formerly organized by FAME, FinRisk and the University of Lugano. It is expected that the Swiss Finance Institute PhD program will attract participants from all over the world. The inaugural class of highly-selected individuals will count about 20 students fully financed by the Swiss Finance Institute out of a total of about 80 PhD students in residence.

The FinRisk cooperation agreement also stipulates that the Swiss Finance Institute and FinRisk will be close partners in the financing and monitoring of fundamental research programs. The Scientific Council and rules of operations of FinRisk are being extended to the research programs offered by the Swiss Finance Institute. Two new research projects co-financed by the Swiss Finance Institute and FinRisk will be launched this fall. A joint research paper series is being set up that will distribute the research output of both organizations worldwide via the Social Science Research Network.

The Swiss Finance Institute has also developed an offer of collaboration aimed at non-partner universities. All doctoral courses offered by the Swiss Finance Institute, on either one of its 3 campuses, will be opened to qualifying doctoral students from all Swiss universities. In addition, fundamental and applied research funds will be awarded on a competitive basis with researchers from all Swiss universities being eligible. Activities of Knowledge Transfer developed by non-partner universities may also benefit from co-financing by the Swiss Finance Institute. Finally, a small number of doctoral fellowships will be available for doctoral students from non-partner universities.

Executive Education Strategy

The executive education offering of the Swiss Finance Institute will focus on two areas of key importance for banking: *Advanced finance programs* aimed at enhancing the technical skills required by modern finance specialists; and *bank management programs* addressing banking-specific issues targeted at senior managers and high-flyers from the industry. In both areas the offering will include non-degree programs as well as programs leading to a Master's degree.

The executive education offering of the Swiss Finance Institute is geared towards two main objectives: First, it aims at increasing the visibility of Switzerland as a global center for education in banking and finance, and thereby its attractiveness to international talent; second, it wants to support the development of finance experts and banking managers for the Swiss banking industry.

To achieve these two objectives, the Swiss Finance Institute's executive education will concentrate on expanding its international offering, while continuing with its well-established current program. This international focus is designed to enhance recognition of Swiss expertise with the international participants. At the same time it will permit Swiss experts to exchange ideas and learn from international colleagues. The additional focus on programs of advanced standing, i.e. of programs aimed at experts in finance and at senior managers, will provide further support both to visibility and to education.

This will be especially true for the three planned flagship programs leading to Master degrees, all to be held in English. In finance two full-time Master programs are planned: the first as a consecutive Master of Science in Finance, aimed at young international Bachelor graduates with a strong background in mathematics and who are interested in developing advanced technical expertise in finance. While this is not strictly speaking an executive program, it is an important building block to develop the much-needed young finance talent for the banking industry. The second program is planned to be a Master's in Banking and Finance, aimed at international high potentials with three to five years industry experience, who wish to strengthen their technical understanding as a basis for their future career in banking.

In the area of management the flagship program will be a part-time international Executive MBA in Bank Management. This program is aimed at executives from the banking industry with 5 to 20 years' industry experience who want to broaden their management expertise for the next step in their banking career.

For all three Master programs the co-operation of a Swiss university will be sought in issuing the degree, and in fact for the full-time programs this will be an essential prerequisite. In addition, international universities will be sought as partners, be it to provide lecturers with additional international insights, or possibly even to award a degree. These three Master programs are planned to become operational in a phased approach over the next 4 years.

In the area of non-degree courses the Swiss Finance Institute will continue with its current finance courses and will adapt these to the changing needs of the industry, while at the same time expanding its roster of international management programs over the next three years from the current focus on private banking to other areas of bank management, such as asset management or retail banking.

The current successful German programs, the Executive Program for Vice Presidents and the Advanced Executive Program for Directors, will be continued as they stand. But here too an international link will be established by offering the Advanced Executive Program also in an internationally-oriented English version, and by enabling graduates from the Executive Program to join the Executive MBA program to obtain a Master's degree.

The executive education offering of the Swiss Finance Institute was developed with the support of a permanent Advisory Board, an international body consisting of selected line managers and Human Resource managers from banking as well as university professors. The chosen executive education strategy reflects the needs of the industry, but also builds on the experience and the reputation brought to the table by the foundations FAME and Swiss Banking School, which have both been integrated into the Swiss Finance Institute, and which have been active in executive education in finance and in bank management for over 20 years.

More information about the Swiss Finance Institute is available on www.SwissFinanceInstitute.ch or at

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