The University of Florida's finance Ph.D. program will be admitting new students for the 2016-17 academic year. We currently have 12 students in the program, and the equilibrium size of our program is 14-15 students. Thank you for your interest, and we will be happy to consider your application for fall 2016 admission, when we will probably admit about 4-5 students. Please be sure your application is complete by January 15, 2016.

<table>
<thead>
<tr>
<th>Anticipated number of new students</th>
<th>Four to five students for 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current size of the Ph.D. program</td>
<td>14 students</td>
</tr>
<tr>
<td>Typical stipend</td>
<td>$30,000 per year plus tuition</td>
</tr>
<tr>
<td>Focus of the program</td>
<td>Corporate finance and banking</td>
</tr>
<tr>
<td>Eminent scholars</td>
<td>Mark Flannery, Chris James, Jay Ritter</td>
</tr>
<tr>
<td>&quot;Required&quot; exam score to get in</td>
<td>GMAT - 660 or higher or GRE – Verbal+Quant 1350 (200-800 scale) or higher 323 (130-170 Scale) or higher</td>
</tr>
<tr>
<td>Expected teaching load of Ph.D. student</td>
<td>Varies with student qualifications and undergraduate teaching needs. Two classes in the 3rd or 4th year, and zero to two classes in the 5th year (if present)</td>
</tr>
<tr>
<td>Placements during the past five years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2015: University of Central Florida and Cattolica University (Milan, Italy)</td>
</tr>
<tr>
<td></td>
<td>2014: University of Arkansas, University of Missouri (2), University of Pittsburgh, Federal Reserve Bank of Richmond</td>
</tr>
<tr>
<td></td>
<td>2013: Kansas State</td>
</tr>
<tr>
<td></td>
<td>2012: University of Oregon, Saint Louis University, Salisbury University, Northeastern Illinois University</td>
</tr>
<tr>
<td></td>
<td>2011: University of Georgia, University of Tulsa</td>
</tr>
<tr>
<td>Placements and Current positions from 1993-2015 can be found on our website.</td>
<td></td>
</tr>
<tr>
<td>Basic structure of the program</td>
<td>1st year—take classes, pass 1st-year qualifying exam 2nd year—take classes, finish 2nd-year paper &amp; comprehensive exam 3rd-5th years—teach at least two classes in the three years, finish dissertation</td>
</tr>
<tr>
<td>Ph.D. Coordinator</td>
<td>Mahendrarajah Nimalendran</td>
</tr>
</tbody>
</table>
University of Florida
Ph.D. in Business Administration – Finance and Real estate

Website: http://warrington.ufl.edu/graduate/academics/phd-fre/requirements.asp

FAQs About our Ph.D. Program’s Admission Process

1. What do you look for in Ph.D. applicants?

   First of all, we’re interested in placing students at research institutions to publish papers in top-tier publications (Journal of Finance, Journal of Financial Economics, Journal of Financial and Quantitative Analysis, and Review of Financial Studies, etc.). This is the main, if not the only, goal. If you are getting a Ph.D. to teach without doing research, then we’re not the place for you. Not every graduating finance Ph.D. student from Florida accepts a job at a research institution, but when they started the program, this was usually their intention. A Ph.D. usually takes five years of working 50 to 70 hours per week, and almost all good jobs require that type of time commitment. Part of our evaluation of a prospective student's application includes figuring out if the student has the mindset to do research and is really willing to make such a long commitment. Most of our graduates start as assistant professors in business schools, but some go to consulting, money management firms, or government institutions.

2. What are some specific criteria for applicants?

   a. Work ethic. We want to see evidence that the applicant is an intellectually curious person. A Ph.D. usually takes five years to complete. Work ethic is the most important aspect that we assess: does the applicant understand how large a commitment s/he is making? It is rare that a smart, hard-working student will not have a record of excellent grades.

   b. Strong English skills. Throughout the world, the language of finance is English. Applicants must be able to read well and to express complex thoughts and ideas.

   c. Math skills. The ideal candidate will be proficient in calculus (of several variables), linear algebra (to help master econometrics), and statistics (because much finance involves data analysis). It’s possible to start the program without these preparations, but easier with them. If you need to take a math or stat course in preparation for a Ph.D., it’s often best to stay away from those offered to business undergrads or MBA students. Go to the math or engineering departments instead.

   d. Programming ability. We want to see classes or projects involving a higher level programming language (C, Pascal, Visual Basic, and perhaps an econometrics package (SAS, Stata, MATLAB, R, etc.).

   e. Any demonstration of past research work is a big plus. This is particularly true if the work was as an assistant or co-author with respected professionals that we know.

   f. GMAT score--most of our PhD students have scores of over 700. We really do not consider anyone who has lower than a 660. For students who take the GRE instead of the GMAT, the conversion is calculated as

   \[
   \text{GMAT equivalent} = \frac{(\text{GRE verbal score} + \text{GRE quantitative score} - 50)}{2}.
   \]
3. When is your application deadline?

   January 15, 2016

4. What is your minimum acceptable test score?

   We don’t have a strict minimum, but math aptitude is very important. For either the GRE or the GMAT, a quantitative score below the 98th percentile will severely hurt your chances. Most of our PhD students score in the 99th percentile.

5. Do I need a master’s degree to apply to your Ph.D. program?

   No, although many applicants do have an MBA or a masters in economics or finance. The median age of our applicants is about 25. There isn't really a preference for younger or older. However, the older an applicant is, the higher the expectations are for covering all the bases described above. Academic pedigree is important--a degree at a top 10 or top 30 universities is better than a lower-tier place. Consistency is really important. We are looking for backgrounds where the applicant has made steady progress, even if there is sometimes a change in direction (like changing from engineering to business).

6. What impact does work experience have in the admissions process?

   We view work experience as neutral to positive, because it helps you to understand what's going on in the real world – where finance is applied. But ultimately, we will ask whether your work experience has developed some of the key areas.

7. How do you view a student with weak math preparation?

   Math, statistics and programming are crucial to a finance scholar’s work. If you are admitted with a deficiency in any of these areas, we will explain carefully why you need to address it promptly. There are courses here to help people learn some new math, and to review some of the things they already learned. You can also try to catch up between the time you are admitted and the time you arrive. Basically, though, someone with demonstrated math ability will tend to be ranked more highly than someone without it already in hand.

8. I have room in my last year (semester) to take some courses to prepare me for grad school. What should I take?

   First of all, take the courses in the fall semester if you can and make sure we get an unofficial transcript from that semester. (Send it to Finance, not to the Grad School.) Second, what to take? That really depends on what skills you already have. If you have some math but no programming, take programming. If you have programming already, take math. If you’ve never taken a finance course, try one of them. The harder decisions will involve choosing between another math course (say, linear algebra) vs. a second programming course. Go with the one whose teacher has a better reputation. Consider taking a grad-level class instead of an undergrad-level one.

9. Regarding letters of recommendation: should I focus on letters from my math professors instead of my humanities professors?

   Try both, but make sure that at least some can comment on your quantitative and/or economic analysis skills. Remember, you are trying to cover many bases--all four listed above, plus that you're a nice person, easy to get along with, a great worker, etc. You want each of your recommendation letters to address multiple aspects of your skills.

10. How about a letter from my boss?
These tend to be less helpful than letters from professors, simply because most employers do not have first-hand experience with doctoral programs. Being creative and a hard worker at your job is often less relevant than understanding what a Ph.D. program entails and have the characteristics required to succeed in the Ph.D. environment.

11. Should I send you some research papers as part of my application?

If you have written papers for advanced undergrad or graduate courses, and you think they reflect your skills and analytical ability, please include them in your application packet.

12. Will I improve my admission chances by visiting the Department before the application deadline?

Probably not. We will select the top 10 or so candidates on paper and then bring most of them down for a visit (at our expense). We discourage visiting before that time, unless we ask you to. So submit your material (ideally by January 15) and sit tight.

13. The instructions on the web site are not clear about what I need to send where. Some things go to the Graduate School, some to the Finance Department, and some to both. What’s up?

Yes, it is a bit confusing. Here’s why.

   a. The Grad School manages all the (electronic) paperwork, including your “official” transcripts. They also compute a standardized grade point average for your past work.

   b. The Finance Department has access to all that information and makes the admission decisions. We ask that you send us a copy of everything you send to the Grad School. (The department copies do NOT need to be “official” with raised seals, etc.)

   c. Sending a second copy of your materials to the Department helps in two ways. First, shortly after the admission deadline, things tend to stack up in the Grad School. If we also have a copy of your material, we can start working on it sooner. Second, occasionally we mis-communicate with the Grad School and someone’s application gets lost. If you have sent a copy directly to the Finance Department, this won’t happen.

14. I mostly see addresses with PO Box numbers on your web site. What if I want to send you something using a courier (like FedEx, DHL, etc.) that won’t use boxes?

Good question! Here are the two addresses for courier services

   Admissions Office
   Office of Admission, Graduate Programs
   201 Criser Hall
   Gainesville, FL 32611-4000

   Finance Department office
   Department of Finance, Insurance, and Real Estate
   321 Stuzin Hall
   (Matherly Hall Mail Room)
   Gainesville, FL 32611-7168

15. What range of schools should I apply to given my qualifications?

This depends on your situation, but you should have a broad range of schools. Since most Ph.D. applications are similar, I would recommend applying to at least 10 or 15 schools with a fairly broad range.
16. How much does school ranking matter in the job market?

Some, but not so much. Your advisor is much more important.

17. Should I work on research prior to applying as a means of beefing up my resume?

If you can, yes. But usually, this is very hard to do, and even harder to do well.

18. What is a typical starting salary for someone with a finance Ph.D.?

Starting 12-month salaries for our graduates in recent years have generally been in the $150,000 to $250,000 range. Hedge funds typically start at the lower end but offer more upside potential and less job security. Consulting salaries for full-time consultants are similar to academic salaries at the start, but also can escalate faster. In general, if you are successful in academic research and are a good teacher, the money management industry and the consulting industry will pay more to people with experience. Government jobs pay towards the lower end, but offer good job security.

19. How is Florida different in its approach towards and selection of Ph.D. students?

Our Ph.D. students play an important role in recruiting. So we narrow down the applicant field to a small number (about 10) and invite them to visit our campus. This helps to screen out people who won't like being here. Our dropout rate is very low—about 10%. Basically we like to screen applicants thoroughly versus letting anyone in and weeding them out later.

20. Where do I find school rank in determining what schools I apply to? Everybody knows that Chicago and M.I.T. are prestigious schools, but how do you rank the rest?

This is very hard. There is no definitive list. First, try looking at a paper entitled “What’s New in Finance?” by Matti Keloharju available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1053261 and published in the 2008 in European Financial Management. Also, look at the bibliography of the paper here (http://papers.ssrn.com/sol3/papers.cfm?abstract_id=271661) for lists of research productivity by school. The 2013 Journal of Empirical Finance has an article by Chan, Chang, and Chang entitled “Ranking of Finance Journals: Some Google Scholar Citation Perspectives” that also has an appendix listing the top 50 authors. Of course, just because a school is good at research doesn't mean it is necessarily good at producing top Ph.D. students. For that, you have to ask each school about its placement record. Ours is available online (warrington.ufl.edu/departments/fire/phd/alumni.asp), but many schools don’t do this. But to understand what placements are good, you have to understand how schools are ranked – so there’s some circularity here. A good source of further information is your favorite finance professor.

There are two other ways that universities are sorted. The best research universities tend to be so-called AAU schools (https://www.aau.edu/about/article.aspx?id=5476). The next level of quality is so-called “Research 1” schools (see http://www.washington.edu/tools/universities.html). The more placements a school has in these universities, the better their placement record. On the web page listing our recent placements (http://warrington.ufl.edu/departments/fire/phd/alumni.asp), AAU schools are indicated in blue and Carnegie Research 1 schools are indicated in orange.
21. I would like to make sure I fully understand what it is like being a professor. Would you mind describing what your days/months/years are like? What type of person tends to do well in this career, and what type of person doesn’t do well? What are the advantages and disadvantages of this career in your opinion?

There is a lot of pressure on you until you get tenure--5 years of Ph.D. studies, followed by 5 or 6 years as an assistant professor. So that's 10 or 11 years of high pressure, 60-hour workweeks. Of course, every week isn't 60 hours, but some are 80 hours. It's a very uneven workload. Research projects take a long time (between 2 and 5 years), and then can fall apart at any time (the results change when you do something slightly differently, or someone else publishes your idea first). Teaching takes time and effort, but there is little reward for doing it. There is a lot of luck involved, especially at the beginning. If your first few papers got published quickly, that's great. But the acceptance rate at top journals is only around 10%. Those are tough odds.

To be a successful finance professor, you can't be inclined towards procrastination--that will kill you. It's kind of like you're in business for yourself. There's nobody to tell you how much to work each day. There are short-term duties (teaching) and long-term goals (published papers). If you let short term success override your long-term efforts, you won't make it.

You cannot be a perfectionist. Nobody ever tells you when to stop working on a paper and send it in to a journal. If you are a perfectionist, you won't be able to recognize when a paper is good enough to get published. This is not good.

You'll need to be a hard worker, but also a smart worker. You need to be able to figure out where to put your effort so that you can publish enough.

You'll need to be able to connect ideas on your own; to think on your own. If you feel uncomfortable unless someone gives you directions, then being an academic is probably not a good idea. Intellectual curiosity also counts for a lot. If you don't love learning about new things, your probably won't find research very rewarding and this makes it harder to do well in the profession.

You need to be good at a lot of different things: original thinking, writing, public speaking, math, and programming. It also helps to be good at politics, though that isn't critical.

The advantages of the career: you meet some really smart people and most of the people that you spend time with are fantastic, you get to choose your co-workers (co-authors), you basically are your own boss, and you have a pretty flexible schedule so you can work when you want.

The disadvantages of the career: (1) with the skill set you have, you could make a lot more money on Wall Street--in other words, you will not get rich being just an academic; (2) doing top quality research is hard--there is not a formula for how to do it, and luck is an important component; (3) you spend 25% of your teaching time thinking about and dealing with the worst 5% of your students; (4) thinking up an idea is pretty fun, but executing the idea can be excruciating--working on a paper that has been rejected seven times and has been around for four years is not fun at all; and (5) your papers will sometimes get rejected either for wrong or really stupid reasons--that's frustrating.