

Program Overview

The primary goals of the Department of Finance are to conduct leading edge research and to offer courses and broader educational programs in finance. These courses help students prepare for careers in business. - *Dr. Parrino, Finance Chair*

Potential Careers

Finance majors pursue a wide range of careers, most of which are related to financial analysis. The most popular career paths for Finance majors include:

- Asset Management: This is all about buying and selling financial assets, including stocks or positions in investment funds. Asset managers generally use their own capital to buy and sell such assets.
- Consulting: This path involves helping clients (corporations, the government, nonprofits, etc.) resolve a difficult problem. For example, after American Airlines filed for bankruptcy in 2011, the company hired the Boston Consulting Group to provide recommendations on cost-cutting strategies.
- Corporate Finance: Typically, it entails working in the Finance or Accounting department at a large corporation, such as Phillips 66 or Walmart.
- Investment Banking: Investment bankers give companies advice and facilitate various financial transactions, such as mergers and acquisitions. For example, when Amazon bought Whole Foods, Goldman Sachs advised Amazon on who Amazon should buy, how much Amazon should pay, and how Amazon can get the money to make the purchase.
- Real Estate: This career path is extremely varied, but typically entails buying and selling land, properties, and more for a client or an investment fund.
- Sales & Trading: Traders usually buy and sell assets for large clients (and thus use their clients' money to do so).

Related Student Organizations

Note: Since most McCombs students can't take any finance courses until the spring of their sophomore year, **students potentially interested in finance are *highly encouraged to join a Finance org during their freshman year!*** This will give students an opportunity to see if Finance is a good fit for them.

If you are interested in these organizations, please visit their websites and reach out to the upperclassmen. Some of these organizations require potential members to apply and be

selected, while other organizations accept any interested students as general members. These differences are marked below.

(Key: **Application-Only**, **General Membership Only**, **Both Application and General Member Model**)

MASOs:

- **University Securities Investment Team:** <https://www.texasusit.org/>
- **Texas Undergraduate Investment Team:** <http://www.texasuit.com/>
- **Texas Undergraduate Computational Finance:** <http://texasucf.org/>
- **University Finance Association:** <http://texasufa.org/>
- **Texas Stock Team:** <https://www.texasstockteam.com/>

Real Estate Organizations: <https://www.mcombs.utexas.edu/Centers/Real-Estate-Center>

- **Texas Real Estate Center:**
- **Undergraduate Real Estate Club**
- **Real Estate Investment Fund**

Overview of Classes*

Required:

- FIN 357 (required for every McCombs major)
 - Topics: Overview of Business Finance
 - Gist: Basic exposure to investment decisions, sources/costs of capital, and management of financial assets.
- FIN 367
 - Topics: Investment Management
 - Gist: Overview of various investment theories and the mechanics/pricing of different financial assets, such as options, bonds, and public equities.
- ACC 326
 - Topics: Intermediate Accounting, Financial Statement Analysis
 - Gist: Principles underlying financial statements and key accounting items such as current assets, current liabilities, and PP&E (property, plants, and equipment).
- FIN 370
 - Topics: Integration of Prior Finance / Accounting Courses
 - Gist: The final capstone class. Combines material learned from other business courses and applies concepts to different real-life business cases.

Electives:

Electives are heavily dependent on each student's Finance track (6 total: General, Corporate Finance & Investment Banking, Energy, Investment Management & Banking, Quantitative, Real Estate).

Each Finance student must take four electives and can choose from the list below:

- FIN 371M - Money and Capital Markets
- FIN 372 - Managerial Economics **or** Financial Technology **or** Mergers and Acquisitions **or** Titans of Investing
- FIN 372.1 - Environmental/Social/Government Investing
- FIN 372.3 - Financial Planning and Wealth Management
- FIN 372.10 - Economic Principles of Decisions
- FIN 372.18 - Corporate Finance Fellows
- FIN 374C - Valuation
- FIN 374S - Entrepreneurial Finance
- FIN 376 - International Finance
- FIN 377.1 - Portfolio Analysis and Management
- FIN 377.2 - Financial Risk Management
- FIN 377.3 - Financial Analyst Program
- FIN 377.3 - REIT Security Analysis
- FIN 377.4 - Financial Analysis
- FIN 377.5 - Energy Financial Risk Management

*Consult the Finance degree plan for your course catalog at

<https://my.mcombs.utexas.edu/BBA/Advising/Degree-Planning/Degree-Plans>

Related Study Abroad Trips

- London - over the summer, you can take finance classes (such as FIN 367, a required course) at the London School of Economics
 - <https://my.mcombs.utexas.edu/BBA/IP/Programs-Overview/Summer%20Faculty-led%20Programs/BBA-London>
- Athens - 4-week Maymester to take FIN 357 in a short and rigorous format
 - <https://my.mcombs.utexas.edu/My/BBA/IP/Programs-Overview/Summer%20Faculty-led%20Programs/BBA-Athens%20Maymester>

Upperclassmen Contact Information

Catherine Cheng (BHP/Finance), Class of 2020: cat.cheng@utexas.edu

Extracurricular Involvement: University Securities Investment Team, Quantitative Market Intelligence (USIT), Texas Convergent, Genesis

Work Experience: Susquehanna International Group (Equity Research), Evercore (Investment Banking)

Any Major Specific Information or Requirements (if applicable)

It's common for Finance majors to simultaneously pursue minors in other McCombs areas, such as Accounting and MIS.

FAQ

- What is the culture within Finance like?
 - Although Finance may have a reputation for being more cutthroat than other majors, Finance students are actually extremely collaborative and work well in teams. In particular, finance upperclassmen help foster a strong culture of mentorship, especially in UT's various Finance orgs.
- Does everyone in Finance do investment banking?
 - Definitely not! The vast majority (I'd guess 90+%) of Finance majors do not pursue investment banking at all.
- What's the difference between Finance and Accounting?
 - Accounting focuses more on the day-to-day flow of money in and out of a company, whereas finance is broader and entails high-level corporate, investment, and acquisition strategies. For example, if you were interested in taking a deep dive into Amazon's financial statements, you're probably better suited for Accounting. If you're more interested in looking at a company's overall strategy or advising a company on how to adjust their strategy, Finance may be a better fit.
- Are there personal finance classes?
 - The Finance Department offers an elective that focuses on personal money management (FIN 372-3: "Financial Planning Wealth Management"). That said, no personal finance classes are required to graduate.
- Is Finance a very quantitative major?
 - If you are interested in pursuing a more math-heavy course load, the Finance Department does offer a "quantitative finance" track. In general, however, Finance is about as, or slightly more, quantitative than most other majors in McCombs.
- Can this major work in non-corporate industries as well?
 - Yes! Many Finance majors end up in non-corporate roles, with some working in nonprofits and corporate social responsibility.