BUSINESS: FINANCE, INVESTMENT, AND BANKING, BBA

OVERVIEW

The finance curriculum prepares students for careers in corporate financial management, the investments and securities business, and the management of financial institutions—e.g., banks and insurance companies. The theory of finance and its applications are emphasized. Students learn about: security analysis and valuation, security trading, government policy and financial markets, financial forecasting, capital structure, financial risk management, venture capital, security issuance and international finance.

A significant part of the coursework teaches you to understand risk and uncertainty, both at an intuitive level and at a technical level. More important, you learn to construct models of financial decisions—e.g., an investor’s portfolio choice problem, the issuance of securities by corporations and the structure of financial investments by banks.

RELATED STUDENT ORGANIZATIONS

Capital Management Club (https://win.wisc.edu/organization/capitalmanagementclub)
Fantasy Sports & Finance Club (https://win.wisc.edu/organization/fsf)
Finance & Investment Society (https://win.wisc.edu/organization/fis)
Investment Banking Club (https://win.wisc.edu/organization/ibc)
Society of Personal Investments (https://win.wisc.edu/organization/SPI)
Wealth Management Group (https://win.wisc.edu/organization/WMG)

HOW TO GET IN

Students wishing to pursue this major must be admitted to the School of Business. Once admitted, students are able to pursue any business major they choose. To find out more about the school’s admissions process for undergraduate students, please see Entering the School (http://guide.wisc.edu/undergraduate/business/#enteringtheschooltext).

REQUIREMENTS

UNIVERSITY GENERAL EDUCATION REQUIREMENTS

All undergraduate students at the University of Wisconsin—Madison are required to fulfill a minimum set of common university general education requirements to ensure that every graduate acquires the essential core of an undergraduate education. This core establishes a foundation for living a productive life, being a citizen of the world, appreciating aesthetic values, and engaging in lifelong learning in a continually changing world. Various schools and colleges will have requirements in addition to the requirements listed below. Consult your advisor for assistance, as needed. For additional information, see the university Undergraduate General Education Requirements (http://guide.wisc.edu/undergraduate/#requirementsforundergraduatestudytext) section of the Guide.

SCHOOL OF BUSINESS REQUIREMENTS

The Wisconsin Bachelor of Business Administration (BBA) degree program is based on a broad educational foundation combined with courses in business and economics. This curriculum is designed for those students who wish to prepare for careers in business. Students completing any School of Business major (http://guide.wisc.edu/undergraduate/business/#requirementstext) are required to satisfy a common set of Pre-Business Requirements, Liberal Studies Requirements, Business Preparatory Requirement, Business Core Requirement, Business Breadth Requirement, and Credits for BBA Degree.

FINANCE MAJOR REQUIREMENTS

Undergraduate finance majors should enroll in GEN BUS 306 Business Analytics I or its equivalent as early as possible in preparation for this major. Before enrolling in FINANCE/ECON 320 Investment Theory, FINANCE 325 Corporation Finance, or FINANCE 330 Derivative Securities, students must complete:

1. FINANCE/ECON 300 Introduction to Finance;
2. MATH 213 Calculus and Introduction to Differential Equations or MATH 222 Calculus and Analytic Geometry 2;
3. Either complete or concurrently enroll for GEN BUS 307 Business Analytics II (or its equivalent).

ACCT I S 301 Financial Reporting I must be completed before enrolling for FINANCE 325 Corporation Finance.

Students planning on a major in finance should complete FINANCE/ECON 300, GEN BUS 307 (or equivalent) and ACCT I S 301 in or before the first semester of their junior year. FINANCE/ECON 320, FINANCE 325, or FINANCE 330 should be completed prior to a summer internship. Ideally, the mathematics requirement should be completed prior to admission to the School of Business, but if not, then MATH 213 Calculus and Introduction to Differential Equations or MATH 222 Calculus and
Analytic Geometry 2 should be completed as early as possible. Finance majors should also be aware of enforced prerequisites for other finance courses.

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>MATH 213</td>
<td>Calculus and Introduction to Differential Equations</td>
<td>3</td>
</tr>
<tr>
<td>or MATH 222</td>
<td>Calculus and Analytic Geometry 2</td>
<td>3</td>
</tr>
<tr>
<td>GEN BUS 307</td>
<td>Business Analytics II ¹</td>
<td>3-4</td>
</tr>
<tr>
<td>or ECON 410</td>
<td>Introductory Econometrics</td>
<td></td>
</tr>
<tr>
<td>or STAT/ MATH 310</td>
<td>Introduction to Probability and Mathematical Statistics II</td>
<td></td>
</tr>
<tr>
<td>or STAT 312</td>
<td>Introduction to Theory and Methods of Mathematical Statistics II</td>
<td></td>
</tr>
<tr>
<td>ACCT 301</td>
<td>Financial Reporting I</td>
<td>3</td>
</tr>
<tr>
<td>FINANCE/ECON 320</td>
<td>Investment Theory</td>
<td>3</td>
</tr>
<tr>
<td>FINANCE 325</td>
<td>Corporation Finance</td>
<td>3</td>
</tr>
<tr>
<td>FINANCE 330</td>
<td>Derivative Securities</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Select one of the following:</td>
<td>3-4</td>
</tr>
<tr>
<td>FINANCE 305</td>
<td>Financial Markets, Institutions and Economic Activity</td>
<td></td>
</tr>
<tr>
<td>ECON 301</td>
<td>Intermediate Microeconomic Theory</td>
<td></td>
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<tr>
<td>ECON 302</td>
<td>Intermediate Macroeconomic Theory</td>
<td></td>
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<tr>
<td>ECON 311</td>
<td>Intermediate Microeconomic Theory - Advanced Treatment</td>
<td></td>
</tr>
<tr>
<td>ECON 312</td>
<td>Intermediate Macroeconomic Theory - Advanced Treatment</td>
<td></td>
</tr>
<tr>
<td>ECON 330</td>
<td>Money and Banking</td>
<td></td>
</tr>
<tr>
<td>Complete one 3-credit Finance course numbered above 400 ²</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Total Credits</td>
<td></td>
<td>24-26</td>
</tr>
</tbody>
</table>

¹ GEN BUS 307 Business Analytics II or its equivalent is required to fulfill other requirements within the business curriculum, therefore this requirement double-counts.

² FINANCE 340 Fixed Income Securities and FINANCE 365 Contemporary Topics may be used to fulfill this requirement.

### UNIVERSITY DEGREE REQUIREMENTS

#### Requirements Detail

**Total Degree**

To receive a bachelor's degree from UW–Madison, students must earn a minimum of 120 degree credits. The requirements for some programs may exceed 120 degree credits. Students should consult with their college or department advisor for information on specific credit requirements.

**Residency**

Degree candidates are required to earn a minimum of 30 credits in residence at UW–Madison. "In residence" means on the UW–Madison campus with an undergraduate degree classification. "In residence" credit also includes UW–Madison courses offered in distance or online formats and credits earned in UW–Madison Study Abroad/Study Away programs.

### Quality of Work

Undergraduate students must maintain the minimum grade point average specified by the school, college, or academic program to remain in good academic standing. Students whose academic performance drops below these minimum thresholds will be placed on academic probation.

### LEARNING OUTCOMES

1. Students will be able to explain the trade-off between risk and returns, and to explain methods of measuring and managing risk.
2. Students will use financial models, including those for optimal portfolios and the estimation of expected returns.
3. Students will be able to distinguish between equilibrium and no-arbitrage pricing, and be able to apply both approaches.
4. Students will explain the costs and benefits of the separation of ownership and control in the typical large firm.
5. Students will understand how market frictions can influence financial decisions.
6. Students will be able to explain how investment and financing decisions can create and destroy value.

### ADVISING AND CAREERS

#### ADVISING

**MEET THE ACADEMIC AND CAREER ADVISORS FOR FINANCE, INVESTMENT AND BANKING.**

Kathleen Rause
Career Advisor
kathleen.rause@wisc.edu

Hao Yuan
Academic Advisor
hao.yuan@wisc.edu

Please see your Student Center for academic advisor contact information. Please visit the advising (http://www.bus.wisc.edu/bba/mybiz/advising) page for information on advising and appointments.

#### CAREERS

Finance is the integration of time, returns and risk and how they are interrelated. Two pressing questions in finance are:

- What do I invest in?
- How do I pay for it?

Organizations that focus on finance include banks, credit card companies, insurance companies, consumer finance companies, corporations, stock brokerages, investment funds, government sponsored enterprises, education, and individuals.

Students may pursue careers in many different industries, including but not limited to:

- Commercial and retail banking
- Corporate finance
- Investment banking
- Investment management
• Equity and debt capital markets
• Research
• Sales and trading

Find more details about these industries on the BBA Finance Website (https://bus.wisc.edu/bba/academics-and-programs/majors/finance).

PEOPLE

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