

Masters in Finance rankings 20120: key and methodology

How the rankings were researched and compiled

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Key

Weights for ranking criteria are shown below in brackets — (pre-experience) [post-experience] — as a percentage of the overall ranking.

Salary today US\$ (20) [20]: average alumnus salary three years after graduation, US\$ purchasing power parity (PPP) equivalent.†

Salary percentage increase (10) [20]: average difference in alumnus salary between graduation (pre-experience) or before their masters (post-experience) and today.†

Value for money (5) [3]: calculated according to alumni salaries today, course length, fees and other costs.†

Career progress (5) [5]: calculated according to changes in the level of seniority and the size of company alumni are working for between graduation (pre-experience) or before their masters (post-experience) to today.†

Aims achieved (5) [3]: the extent to which alumni fulfilled their goals.†

Careers service (5) [3]: effectiveness of the school careers service in terms of career counselling, personal development, networking events, internship search and recruitment, as rated by their alumni.†

Employed at three months % (5) [3]: percentage of the most recent graduating class that found employment within three months. The figure in brackets is the percentage of the class for which the school was able to provide data.*

Female faculty % (5) [5]: percentage of female faculty.

Female students % (5) [5]: percentage of female students on the masters.

Women on board % (1) [1]: percentage of female members on the school advisory board.

International faculty % (5) [5]: calculated according to faculty diversity by citizenship and the percentage whose citizenship differs from their country of employment (published figure).

International students % (5) [5]: calculated according to the diversity of current students by citizenship and the percentage whose citizenship differs from country of study.

International board % (1) [1]: percentage of the board whose citizenship differs from the school's home country.

International mobility (8) [8]: based on alumni citizenship and the countries where they worked before their masters, on graduation and three years after graduation.†

International course experience (8) [8]: calculated according to whether the most recent graduating masters class completed exchanges, attended short classes, study tours and company internships in countries other than where the school is based.*

Extra languages (1) [n/a]: number of extra languages required on graduation. The figure shows the number of languages required for graduation minus the number required for entry. For example, if a school requires two languages on entry and two languages on graduation then the figure is zero.

Faculty with doctorates % (6) [5]: percentage of full-time faculty with doctoral degrees.

The following are for information only and are not used in the rankings:

Average course length: average completion of the masters programme in months for the latest graduating class.

Company internships: percentage of the most recent graduating class that completed an internship as part of the masters programme.

Overall satisfaction: average evaluation by alumni of the masters course, scored out of 10.

For gender-related criteria, schools with 50:50 male/female composition receive the highest possible score.

† Includes data from current and previous ranking where available.

** Graduated between April 2019 - March 2020.*

Methodology

This is the ninth edition of the FT Global Masters in Finance rankings, which list both pre-experience programmes and post-experience degrees.

The FT defines pre-experience programmes as those aimed at students with little or no professional experience, while post-experience programmes require participants to have worked in finance. Most full-time programmes are aimed at pre-experience students.

Masters in financial engineering degrees are not included in these rankings as they tend to place greater emphasis on quantitative skills.

Programmes must meet strict criteria to be eligible. They must be full-time, cohort-based and have a minimum of 30 graduates each year. Finally, the schools must be accredited by either AACSB or EQUIS.

A total of 83 schools took part in the 2020 edition of these rankings, 79 in the pre-experience ranking and five in the post-experience listing. One school, Singapore Management University's Lee Kong Chian, took part in both.

The rankings are based on information collected in two separate surveys. The first is from the business schools and the second by alumni who completed their degrees in 2017.

For a school to be eligible for the rankings, at least 20 per cent of its alumni must respond to the FT survey, with a minimum of 20 responses. This year, the FT surveyed about 5,960 graduates from pre-experience programmes and about 300 alumni from post-experience courses. The two surveys achieved a response rate of 35 per cent and 37 per cent, respectively.

There are 17 different categories in the pre-experience ranking, alumni responses inform seven categories that together constitute 58 per cent of the total weight. The other ten categories are calculated from the school data and account for the remaining 42 per cent.

The post-experience table has 16 categories, alumni responses inform seven criteria that make up 62 per cent of the total weight. The remaining nine categories are taken from the school data that account for 38 per cent.

In both rankings, the current average salary of alumni has the highest weighting: 20 per cent. Local salaries are converted to US dollars using purchasing power parity rates supplied by the International Monetary Fund. The salaries of non-profit and public service workers, and full-time students, are removed. Salaries are normalised by removing the highest and lowest salaries reported.

The pre-experience ranking measures salary increase three years after graduation compared with the first masters-level job after graduation. The post-experience ranking compares salaries three years after graduation with students' jobs before enrolment. Salary increase has a respective weight of 10 per cent and 20 per cent in each ranking. Half of this figure is calculated according to the absolute salary increase and half according to the percentage increase relative.

Data provided by schools are used to measure the diversity of teaching staff, board members and finance students by gender and nationality, and the international reach of the programme. For gender criteria, schools with a 50:50 (male:female) composition receive the highest score. When calculating international diversity, in addition to schools' percentage of international students and faculty — the figures published — the FT also considers the proportion of international students from each country of citizenship.

For the post-experience rankings, however, the calculations of value for money differ in that the total cost of the degree also includes the opportunity cost — the cost of not working during the programme.

All alumni criteria use information collected from 2020 and, if available, 2018. Responses from 2020 carry 70 per cent of the total weight and those from 2018 account for 30 per cent. The FT did not publish the Masters in Finance rankings in 2019.

Finally, a relative FT score is calculated for each school. First, Z-scores — formulas that reflect the range of scores between the top and bottom schools — are calculated for each ranking criterion. These scores are then weighted, according to the weights outlined in the key to the 2020 ranking, and added together to give a final score. Schools are ranked accordingly, creating the FT Masters in Finance rankings 2020.

Judith Pizer of Pizer-MacMillan acted as the FT's database consultant