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Being a leader in financial education

SMU has a role to play as a strategic asset of Singapore, says Annie Koh

EVEN after being in academia for the last 25 years, Annie Koh doesn't believe in sitting still.

Not for a minute, and certainly not when there are so many items that this senior leader of the Singapore Management University (SMU) faculty has yet to check off on her to-do list.

High on her agenda is to spearhead the university's push to be a national and regional leader when it comes to financial education.

"Financial education is going to get a lot more exciting in the coming years. It's no longer just the textbook way of learning," says the current Vice-President of Business Development and External Relations at SMU and Associate Professor of Finance.

"We have learned a lot from the theories of the West in the past, but it's now time for Asia to further develop and contribute to the thought leadership of Asian knowledge. Our own institutes, centres and universities in Asia should be players in this growing space," she says.

Speaking of institutes and centres, Assoc Prof Koh, a former treasury manager at DBS Bank before she went into teaching, knows more than a thing or two about setting these up. She is the academic director of no fewer than four key bodies at SMU – the Financial Training Institute (FTI), Centre for Professional Studies (CPS), International Trading Institute (ITI) and Business Families Institute (BFI). She speaks proudly of them, having pushed hard over the years to make each of them a reality.

The ITI, for instance, was formed in 2007 as the result of a collaborative effort between leading industry players in the trading sector, SMU and government agency International Enterprise (IE) Singapore.

The first international trading centre in Asia to be set up within a university, ITI has a specialist focus on international commodities trading and is supported by a unique public-private partnership.

At ITI, the students only have to pay 20 per cent of the out-of-classroom learning costs and the 23 trading partners currently on board will give them access to excellence awards, internships and learning opportunities in some

of the world's top trading markets including Australia, Shanghai and Dubai. These international trading concentration students have found employment in many of the trading firms operating in India, China, Latin America and South-east Asia.

"This Singaporean core can learn what trading is all about. Trading is in our DNA," Assoc Prof Koh, part of the team that founded SMU 14 years ago, enthuses.

"We've now got a pipeline of trading talent that comes from SMU, a local university. What we can tell the foreign companies who want to set up their overseas headquarters in Singapore is that there will never be a shortage of human capital."

This brings Assoc Prof Koh back to a point she makes several times during this interview – a university is more than just a place to learn and gain academic knowledge; a university can, and should make a positive impact on the country.

"I'm a strong advocate that any university, and not just SMU, has a role to play as a strategic asset of the country," she says.

"We are all strategic assets. You have human capital here, very smart people, students and faculty, but you need to know how to tap and unleash their potential. There's so much interface and exchange of ideas that can take place between academia and industry," she adds.

On SMU's part, Finance and Financial Markets is one of its key areas of excellence, having played an integral role in terms of developing talents for Singapore's financial sector since the university first opened its doors back in 2000.

Among SMU's signature offerings are the Master of Science in Applied Finance (MAF), the university's first post-graduate programme; the Master of Science in Quantitative Finance (MQF) which awards a joint degree by SMU and City University London; and the Master of Science in Wealth Management (MWM), ranked second in the world by *The Financial Times* in its Masters in Finance Post-experience Ranking 2013, making SMU the top institution in Asia to be ranked.

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– Associate Professor Annie Koh, Vice-President, Business Development and External Relations at SMU

"These three specialised Masters programmes were created and launched to meet the needs of Singapore as a global financial centre," she says.

"The first batch of MAF and MWM graduates are doing well and I keep in touch with them. Many are leaders in the industry, in banks, private equity, asset management and corporate advisory. A number of candidates who completed the MAF entered the programme as engineers and later took on finance roles. Many are currently in leadership positions. Finance is a wonderful core skill that allows you, in whatever job you are in, to be a likely candidate to take on the role as CEO," says Assoc Prof Koh, who taught the MAF programme in the early years.

When it comes to teaching banking, Assoc Prof Koh feels that, increasingly, universities are not doing enough in this area. This is a problem given that the need has become much more apparent with the increased complexities due to additional regulatory requirements in the financial sector.

"These days, in banking, students are learning the specialisation without learning the whole business of banking including operational flows. I would love to bring some of that back," she says.

"Maybe banks nowadays don't have the luxury to train people in the way that we were trained before. Some of the pre-employment training should be done at the university-level, which is how I would like to close the gap," she adds.

As far as she is concerned, the next wave of financial education is about building a strong core of Singaporean leaders in the fields of finance and banking, combining specialised knowledge with soft skills in management, strategic thinking and managing uncertainty.

What motivates Assoc Prof Koh is the desire to produce a steady stream of Singapore talents who are "job-ready" even before they graduate. And while the industry has to do its part by ensuring

enough quality jobs for graduates when they enter the workforce, the universities, too, can play a part by providing enough avenues for lifelong learning.

This is where the FTI comes into the picture. The Institute was set up by SMU in 2007, with the support of the Monetary Authority of Singapore (MAS) and the Singapore Workforce Development Agency (WDA), to champion competency-based training programmes that focus on practical applications for professionals in the banking and financial services industry.

Many of FTI's certification programmes are accredited under the Financial Industry Competency Standards (FICS) framework that relates to critical and relevant competencies required for practitioners in specific job roles. Eligible banks, financial institutions and qualified individuals are able to have 70 per cent of their course fees paid for by the Government.

Assoc Prof Koh is in conversation with employers to support final-year university students to enrol in many of FTI's FICS-accredited programmes. In her eyes, this is a win-win situation for all.

"The Government pays 70 per cent of the fees, the employer covers the rest and the students get this pre-employment training. They will have both their finance degree and a competency-based certification when they graduate, and they are job-ready. On top of that, the Government is helping to bring the companies' training costs down. We want to grow the competencies of all our financial professionals. This is for the future of our country," she says.

This is the tenth in a monthly series by the Singapore Management University. Next month's feature will discuss how Singapore can nurture a nation of innovators.