

Double Degree Experience Report: HEC Paris



Program: Double Degree

Year: 2019/2020

Master: Master in Finance

HSG Master: Master in Unternehmensführung resp. Master in Banking and Finance

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1 HEC Paris

As one of the most prestigious schools in France, continuously ranked in the top spots of various university rankings, HEC has around 5,000 students ranging from students, who just passed “Classe Prépa” to MBA students. “Classe Prépa” are the first two years of higher education in the French education system for people who want to apply for the “Grande Écoles”, the most prestigious schools in France, of which HEC is a member.

HEC is located **outside of Paris** in Jouy-en-Josas (takes about 1 hour to commute to the city center with metro and a shuttle bus provided by HEC – if there is heavy traffic or strikes, it can take much longer...). As a result, most students decide to live on campus or in close proximity (Marie decided to move to the city in the second semester which will be talked about later). The campus includes numerous amenities.

On the one hand, there are two restaurants (the RU - comparable to the Mensa and the Gustave - a slightly more expensive, but qualitatively better restaurant, basically like adhoc as a restaurant) and a variety of food trucks on the premises. All food options are quite affordable, especially compared to Swiss prices, for instance the “menu eco” for lunch costs only 4€ in the RU. Moreover, there is a supermarket (Auchan) in 2 minutes walking distance from campus.

On the other hand the campus hosts numerous sports facilities, including a gym, an indoor sports hall, beach volleyball courts, football courts, a rugby court and tennis courts, as well as a huge green area including a forest and two lakes for running, cycling and other outdoor activities.

Last, there are two main buildings for lectures. The older building T, which also contains the library, and hosts lectures for master and bachelor students, while the newer MBA building (S building) hosts lectures mainly for MBA students. However, its study rooms can also be used by other students.

2 Housing

In the fall semester, we both lived on campus. However, different to previous years HEC decided to accommodate double degree students not in the new buildings as other master students, but

in the old buildings with L3 students (students in their last year of Bachelor - i.e. those just coming out of Classe Prepa) and exchange students. Marie lived in the M1 building (old - see photos) and Fabian in the AP buildings (old - see photos). These old buildings were quite run down and have no (individual) kitchen and refrigerator. In the AP buildings there are shared kitchens, which are shared with 40 other people. As the kitchen is quite small, this renders them basically useless. Both of us had to purchase basic kitchen supplies, including refrigerators, hotplates (Marie did not buy one and stuck to hot meals in the canteens), plates etc.

As a result, in the spring, Marie moved to Paris and rented a flat through LODGIS (agency) - this worked well for me as I only had classes 2-3 times a week and commuted with the metro and shuttle provided by HEC (it took me roughly 1 hour door to door). I really enjoyed my (short due to Corona) time in Paris and would definitely recommend it to anyone wishing to experience some city life. You can try to pick your electives in a way that they are concentrated around a few days, making the commuting easier. On the downside, living in the city of course means missing out on some of the evening campus activities.

Fabian stayed on campus in spring, but moved into one of the new buildings. There were new available rooms, as some students moved off campus. The rooms in the new buildings are also quite small. However they include a kitchen, a fridge and (often) a balcony. All rooms on campus cost around 550-650€ depending on their size (there is no difference between old and new buildings in terms of price).

3 Academics

We were both part of the Master in Finance program, the number 1 ranked finance master in the FT ranking. The fall semester of the program offers little flexibility in choosing classes, as most classes are compulsory courses. The only choice you have is taking either the corporate restructuring or the capital markets specialization. You are able to make the choice before the semester starts. We both chose the corporate restructuring specialization.

The spring semester courses are purely electives. You can choose different concentrations to do (e.g. we both chose Corporate Strategy - which includes all the courses below marked with an asterisk (*)) OR you can choose to have 'open electives' whereby you choose individual courses across different concentrations. When you choose a concentration as a whole, you are 100% ensured that you will be enrolled, however, when you choose an open elective, you will only be allocated a spot after all other students who had picked the concentration will be placed in the classes. Additionally, when choosing a concentration as a whole you are not allowed to drop any classes in that concentration. Retrospectively we would advise to choose the open concentration, as nearly all classes did not get full anyway. Therefore, there is no bidding process as at HSG and usually the program managers are quite flexible. Additionally, contrary to HSG most classes have mandatory attendance, with exceptions for job interviews.

Moreover, you can choose to do a so-called certificate (not obligatory for DD, also no credits awarded for DD) which will take place from May-June and is a project where you work together with a company (see: <https://www.hec.edu/en/master-s-programs/certificates>). Neither of us

did one and instead chose to use the time after our exams (end of April) to write our thesis for HSG.

Lastly, you have the opportunity to join the **LONDON STUDY TRIP**, a one week trip to London happening in September, during which you will visit a number of companies (mostly banks, but also asset managers, private equity and others) together with your new colleagues. This is the perfect opportunity to build connections right at the beginning of your year at HEC and we definitely recommend it. You can find a video with impressions here: <https://www.youtube.com/watch?v=nIW6Vilmui8>

We completed the following classes:

INTRODUCTORY CLASSES (take place in the first week of the fall semester, most of them are mandatory)

Conference Blanchet (Pierre BLANCHET) (mandatory)
Lecture on global macro analysis of financial markets.

Preparation for Banking Applications (Ferdinand PETRA) (mandatory)
Ferdinand Petra, an ex-investment banker, is the designated career advisor for MIF students. In this session he shares his insights and tips for banking applications. If you're doing applications during your time at HEC and in banking you will likely have much more contact with him.

Ace your fit and case interviews (Jessyn Katchera) (prior registration)
Ex-BCG Jessyn Katchera gives tips on case interviews in his 4 hour lecture. However, the lecture content is rather basic, meaning if you have prior case experience, you can probably skip it.

Jobs in Finance (Corporate & Capital Markets) (prior registration) (Olivier Bossard / F. Petra)
A 4 hour lecture on the finance landscape and its job opportunities.

Jobs in Capital Markets and Asset Management (Matthieu Chausset) (mandatory)
A 4 hour lecture on the CM and AM landscape and its job opportunities.

Ethic Seminar (Nathalie COLUMELLI) (mandatory) - 1 ECTS
A 4 hour workshop on ethics in finance, which gives a good outline on the ethical dilemmas students will face and how to solve them.

Probability and Statistics Refresher (mandatory) - 2 ECTS
The class covers the basics for probability and statistics. However, you can also take a waiver exam in the first week, which we would recommend. Do review some of your old notes from Research Methods in the Bachelor, as it basically covers the key themes of that course. We both recommend investing a few hours into preparing for the waiver exam as it is quite tedious to take additional classes during the semester. If you waive the course, the credits are given anyway and in all cases you only get a pass-fail and no grade.

Fall 1 (compulsory courses are in italics)

EMF 1: Introduction to Derivative Pricing (Olivier BOSSARD) - 1 ECTS

This course provides an introduction into derivatives and is taught during the first few weeks of the semester by Olivier Bossard, the program director. Bossard is also an ex-banker who used to trade exotic options and thus has a lot of interesting insights. He definitely does not shy away from teaching what really happens in the finance world and provides entertaining classes. He also really tries to make sure that each student fully understands the content of the course, by doing little (ungraded) Kahoot! quizzes during lectures. The content is quite basic, however if you have no prior finance knowledge it can take a while to really understand the key ideas, as they may not be as intuitive to you as for others. The final exam is a short closed-book exam done in the last class and is structured very fairly.

Asset Management (Jean-Charles BERTRAND) - 2 ECTS

The course is taught by Prof. Bertrand, Global CIO Multi Asset at HSBC Global Asset Management. Prof. Bertrand provides an in-depth view on asset management, introducing the various strategies and approaches to it. The course is very hands-on and quite interesting if you do not have a good understanding of asset management yet. He covers topics such as alpha and beta strategies, portfolio insurance, active portfolio management, portfolio construction and returns as well as portfolio performance evaluation. The group assignments can at times be a bit difficult as the professor sometimes has not covered some topics in class yet that are asked for in the assignment. The overall grade is based on an open-book final exam and the group assignments and cases prepared for class. A small bonus may be assigned for participation, but we are unsure if this was the case anywhere, as he does not even know the names of students.

Corporate Valuation (Alexei OVTCHINNIKOV) - 2 ECTS

The course is taught by Alexei, who is the academic director of the MIF and someone you have quite a bit of contact with. It mainly covers different valuation techniques and analytical tools, such as DCF, APV, real options, option pricing theory, cost of capital etc. It is a great course to help you understand how to do the various valuations, however can be challenging if you have never done this before and have no prior experience. The final grade is made up of a final computer-based and open-book exam as well as homework / participation and group cases. Alexei has a very interesting grading structure, whereby you can choose not to do the cases and the weighting of the components varies depending on your performance in the final.

Financial Statement Analysis (Davide CIANCIARUSO) - 2 ECTS

This course was at times very interesting but sometimes also very dull. It covers a lot of the basics of financial statement analysis that a lot of us have already covered in controlling and other courses in the bachelor's. The class looks at how financial reports are used to value businesses and how these are also impacted by financial standards. The grade is based on group

assignments, a bonus for active participation and a final semi-open-book exam, where you are allowed to bring one A4 cheat sheet.

Financial Modelling (Nicolas NAILLON) (partly recommended) - 2 ECTS

Mr. Naillon teaches a very practical introduction to financial modelling in excel. It surely provides a great foundation to financial modelling at work. However, for people who had extensive experience with Excel modelling already the marginal benefit is small.

Fall 2

International Finance (Blaise ALLAZ) - 2 ECTS

Prof Allaz conducts very entertaining classes due to his bubbly nature. He is a great professor that provides insights into the multi-currency environment. Topics covered in his class include the FX market, spot and forward exchange rates, international parities, international asset pricing and diversification as well as currency exposure. The course lies at the intersection of corporate finance and financial markets and is very interesting. The final grade is based on four announced in-class closed-book quizzes (he clearly announces which slides these are based on) and a final open-book exam. Due to the quizzes, attendance is compulsory and recommended.

Fixed Income & Money Markets (Anders TROLLE) - 2 ECTS

Although this course may seem dull at first, anyone finding pleasure in maths will enjoy the course in the end. Prof. Trolle covers a rather dry topic however is able to provide very deep and interesting insights into FIMM. His course is divided into three parts covering bonds, forwards, futures, swaps, options, corporate bonds, convertible bonds, credit derivatives, monetary policy etc. The final grade is based on two group assignments and a final closed book exam, where a formula sheet is provided. He does not require you to memorize ridiculous formulae by heart, but rather focuses on the understanding of the topics.

Empirical Methods in Finance II (Hugues LANGLOIS) - 1 ECTS

This course is an introductory course for Matlab, however is honestly rather useless. The professor aims to provide a good insight into Matlab in very few classes and rushes through a lot of the topics. It might be useful if you aim to use Matlab in your thesis or later on in life, however otherwise you won't learn much from it. For some of us the main focus was just to pass it since it is only 1 credit. The final grade is based on some group assignments as well as in-class closed-book pop-quizzes.

Derivatives (Philippe HENROTTE) (Corporate Restructuring Specialization) - 2 ECTS

Prof. Henrotte is a very knowledgeable and entertaining professor with an academic past. His course goes into a lot of depth and is divided into four parts: derivative fundamentals, strategic equity products, convertible bonds and banking CoCo & Credit Derivatives. The grading is based on five homeworks done individually, 11 quizzes done at the beginning of each class and a final exam where one cheat sheet is allowed. The homework and quizzes are all submitted and conducted through the professor's own online platform.

Corporate Restructuring (Ferdinand PETRA) (Corporate Restructuring Specialization) - 2 ECTS

Prof. Petra is known for his rather tough and old-school teaching approach, meaning no distractions in class and expulsion from class in case of misconduct. Attendance is not compulsory (except for a few specified dates) but highly encouraged. Moreover, no one can deny that his courses are interesting and useful. He covers several topics such as Valuation, IPO, M&A Process, Types of M&A deals and sharing of synergies, technical & legal issues in M&A and LBOs. His classes are accompanied by several case studies that need to be prepared in advance. The final grade is based on a group assignment, a mini-exam midway through the course as well as a final closed-book exam.

Spring

Behavioral Finance (Augustin LANDIER) (Corp. Rest. Specialization) (recommended) - 2 ECTS

The course presents an overview of behavioral finance and exposes the students to the state-of-the-art results in this field. Topics range from post-earnings-announcement-drift to betting-against-beta-strategies. Even if you studied behavioral finance before, you are sure to learn something new. The grade is based on two in-group problem sets, a presentation and a final exam.

Financial Regulation (Jean E. COLLIARD) (Corp. Rest. Specialization) (recommended) - 2 ECTS

Prof Colliard, previously worked for the ECB, and is so passionate about financial regulation that he manages to make a subject, which to be fair can be quite dry, very interesting. His teaching approach includes a number of in and out-of-class games that teach you the effects of financial regulation, well structured lectures and a final exam.

**Behavioral Strategy (Olivier SIBONY) (recommended) - 2 ECTS*

Olivier Sibony, previously a Partner at McKinsey, defined the field of behavioral strategy. His class mainly focuses on the behavioral biases, their relation to strategic decision making and how to cope with them. The class includes a lot of in-class participation and experiments. As a result attendance is vital. The grade is based on participation and a short final essay.

**Financial Dimension of Strategic Decisions (Pascal QUIRY) (partly recommended) - 2 ECTS*

Pascal Quiry, previously in a high ranking role at the corporate finance department at BNP Paribas, co-authored one of the most well-known corporate finance textbooks. His class is purely case based. Meaning there are no slides, but solely case discussions. Each week a group of students prepares a corporate finance case, ranging from CFO dilemmas to treasurer decisions. This case is presented and then challenged. The class is highly interactive and one can learn a lot. However, sometimes it is hard to follow due to its lack of structure. The grade is based on the case presentation and a final exam.

Entrepreneurial Finance (Aram ATTAR) (recommended) - 2 ECTS

Aram Attar conducts the course through his own platform called Tytchme (<https://tytchme.academy/>), where he offers courses on investing, funding and pitching to entrepreneurs, investors and others for a fee. During the course you will go through his course on pitching and are required to build a pitch deck for a 'fake' start-up that you have come up with

in your group. You will take his course online through the platform, in addition to four in-person classes on campus, where you will be able to work on your projects in your team while receiving further guidance from the prof and in the end need to pitch your start-up as well as act as a VC investor to another start-up presenting. The course was very entertaining and provided a creative approach to academics. Moreover, having one online class with few in-person lectures was refreshing as you could finish the tasks in your own time. The final grade was based on a component of factors, including your in-class participation, performance in the final pitch, quality of the final pitch as well as your performance as a VC investor. He combined both the individual and group performance, making it a very fair grading scheme. I highly recommend the course to anyone wanting to learn how to pitch properly and gain insights from someone with a lot of experience in the VC world. Here's an insight into the course from the 2018/2019 cohort: <https://youtu.be/kcip5yUPVHs>

Startup Valuation and Financing (Jean-Noel BARROT) (partly recommended) - 2 ECTS

Prof. Barrot has a background in economics and teaches entrepreneurial finance at HEC. His course is great for anyone interested in the details of start-ups, such as the structure of deals, term sheets, exit strategies and the role of PE and VC investors. He teaches you about the dilution of ownership and how to calculate participation amongst other things. The course is a great complement to "Entrepreneurial Finance" (above) as both courses complement each other exactly where each one is lacking. The final grade is based on 3 case studies prepared in groups, class participation as well as a final exam. If you are not interested in the details of start-ups but rather in receiving a more hands-on and practical insight into entrepreneurship, I recommend to take Aram Attar's course.

**Corporate Strategy and Financial Institutions (Elie FARAH) (partly recommended) - 3 ECTS*

Elieh Farah, Partner at Oliver Wyman, focuses his class on strategic issues the CEOs of financial institutions face. The class is part lecture and part case-based. In each session a guest lecturer will present his insights on a relevant strategic topic (e.g. digitization, PSD2, etc.), followed by a case discussion. Each topic is highly interesting, yet the class lacks a bit of structure. However, the cases, which are done in groups, are very interesting and the feedback of the Oliver Wyman team helpful. The grade is purely based on participation and three case presentations done in groups.

**Topics in Valuation (Didier SAINTOT) (not recommended) - 1 ECTS*

Mr. Saintot is Partner at KPMG Corporate Finance in France and thus has a lot of hands-on experience. His course has four four-hour lectures and covers the basics of valuation from a more interpretive standpoint. While his course is interesting and complements existing knowledge by providing another viewpoint on how to interpret valuation, it is quite repetitive. Most of the topics have already been covered in a lot more depth in previous compulsory courses, making his course quite redundant. The final grade is solely based on participation and a final closed-book MCQ exam.

**Strategies for International Expansions (Olivier SCHAEFER) (not recommended) - 1 ECTS*

Olivier Schaefer is the global COO at YOOX Net-a-porter group and used to be the global COO at Sephora. Given his background he can provide a lot of insights into the consumer goods and retail industry. While his course is definitely interesting and he can provide a lot of first-hand insights into the topic, it is quite repetitive, as it covers very basic topics of retail marketing that have likely already been covered in more depth at HSG. The final grade was based participation and a final exam.

Energy and Finance (Layal NABHAN) (recommended) - 1 ECTS

Layal Nabhan is a Director at Société Générale with a focus on energy. Her class provides a deep dive into the energy value chain from oil and gas to power and utilities to renewable energy solutions. Moreover, it explains the links between the energy industry and finance. Mrs Nabhan's experience makes the lectures quite lively and practical. The grading is fair resulting from a group presentation and a short essay. I would recommend it to anyone interested in the energy industry.

Infrastructure and Real Assets Private Equity (Aurélien ROELENS) (recommended) - 2 ECTS

As an investment director at the infrastructure PE fund "Cube Infrastructure Managers", Mr Roelens can leverage his extensive industry experience to widen his students' knowledge of PE and real assets investments and more specifically teach them the specifics of infrastructure investments. He does this with the help of excellent, well structured powerpoint presentations, in-class exercises, and hands-on infrastructure modelling cases, which are solved in groups. The final grade is a composite of mostly MC final exam, the cases and in-class participation.

Sustainable and Responsible Investing (Arnaud APPFEL) (recommended) - 2 ECTS

In his class Arnaud Appfel provides insights into the world of sustainable and responsible investing (SRI). To do this he puts a lot of weight on the seven SRI strategies, which he explains in-depth. Moreover, he also provides an introduction to sustainability in terms of finance and why it matters. With the use of guest lecturers the class then gives deep dives in impact investing and ESG analysis, as well as other topics. As founder of Perennium a financial advisor focusing the management of capital of non-profits (foundations, endowments), Mr Appfel is clearly passionate about this topic and manages to transmit this passion to his students. Grading is based on a short essay and a group presentation.

French Courses

HEC offers several French courses ranging across all levels through Alliance Française. Classes are conducted on campus once a week for 3 hours. At the beginning of the semester you have the opportunity to take a placement test which will then place you in one of the classes ranging from A1-C1 level. At the end of the course you will have an exam that is similar to a DELF/DALF test (excluding the oral component) and courses are free of charge. The final grade will be a pass/fail.

Overall, the French classes were great and the teachers very competent. It is definitely recommendable for any student that wishes to improve his French skills while being in an

environment where one is confronted with the language on a daily basis. Efforts put into the course (e.g. homework etc) are kept at a minimum and the course serves as a nice distraction from other courses in the program.

4 Paris and other trips

During our time at HEC, we all went on frequent trips to Paris to escape from the country life a little. With regards to Paris there are endless sources for great restaurant tips and activities. There are also a number of great discounts for attractions for students (such as the opera) which we definitely recommend you to take advantage of. In terms of discounts, one app we definitely recommend for Paris in light of sometimes extraordinary high beer prices is “Mr GoodBeer”, which shows you a map with the cheapest happy hour beer around.

As France has a great high speed railway system, visiting cities around the country proves to be very convenient. During this year, we went on trips to Bordeaux (highly recommended: great wine, buzzing student life and beautiful sights), Dijon (capital of the Burgundy: perfect for every foodie) and Reims (capital of the Champagne).

We both also went on a ski trip with other MIF students to Courmayeur in the spring break. This was a great experience and is an approx. 6 hour drive away from Paris. It was great fun and enabled us to deepen our friendships with other students.

5 Application to the DDP

The application process proves rather easy, because of the excellent support of Lamis El Farra (lamis.elfarra@unisg.ch). As a first step, you will have to submit a 2-page cover letter to the outbound exchange team in St Gallen. We would advise you to clearly focus on your motivations for attending the double degree, the specific program and for the chosen university.

If you pass this stage, Mrs. El Farra will have a 20 minute interview with you focusing on your personal experiences and motivation. After this, you will soon know, whether you are selected.

The process at HEC then is just formality. The university will contact you in spring semester with a to-do-list of forms and other tasks.

6 Conclusion

Overall we can definitely recommend this double degree to any student who:

- Likes a more anglosaxon approach to studying with many assignments, compulsory attendance and group works
- Is fine to live outside of Paris (in the countryside) for at least one semester, with a great campus life
- Is highly interested in Finance and (optional) wants to work in Finance

Please don't hesitate to contact Fabian or Marie if you have any questions about the program. We are happy to help!

7 Pictures

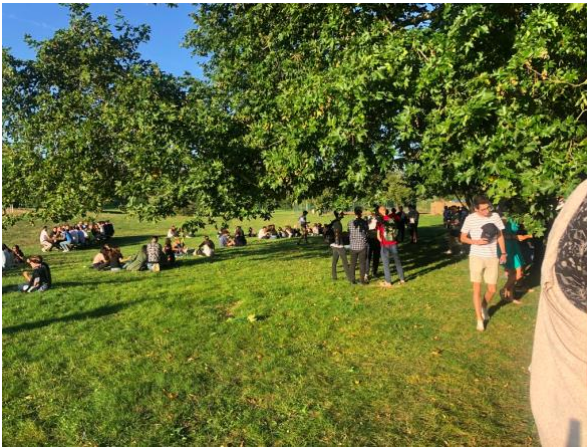
Some impressions from our time at HEC:



Building on campus



HEC Chateau on campus



Summer BBQ on campus



Jogging on campus



Food in Campus Restaurant Gustave



London Study Trip

Visit to Versailles (15 mins drive)



M1 Building (Marie's Room)



M1 Building (Marie's Room)



M1 Building (Marie's Room)