Economic crisis spurs change in classroom conversations

BY BETH MURTAGH

Earlier this year, explaining a structured investment vehicle to students would have sent Duquesne University investment management professor Tom Nist thumbing through his financial terms dictionary.

"Now everybody knows what a SIV is," Nist said. "Nobody would have won a game show on that question six months ago."

From crash courses in financial esoteria to shifting strategies to land jobs for graduates, the economic downturn has taken center stage within Pittsburgh's business schools and programs.

"Personally, none of us like our investment portfolio getting smaller, but there's a lot of great material to talk about with students preparing for a whole new economic environment that they'll be competing in," Nist said. "We shall see."

At the University of Pittsburgh's Katz Graduate School of Business, the dean said the faculty was examining possible changes in the curriculum, though these conversations are spurred more by the globalization of the markets versus the upheaval this fall.

"I fully expect we'll end up making some adjustments, but it'll be adjustments the faculty believe are appropriate," Dean John Delaney said. "What you see in the markets is something you can't ignore. Clearly there are lots of issues that have to be addressed, related to ethics, finance questions to management questions."

Katz's career services center is focusing on how to reengage organizations that have had a past relationship with the business school and hadn't recruited on campus recently.

"In the middle of recruiting, it's difficult to reach out to attract companies that haven't had a relationship, given the state of the economy," said Shawn Graham, director of career services.

The downfall of Bear Stearns and Lehman Brothers, and across-the-board hiring freezes at other big firms have opened up opportunities for other players to recruit at Carnegie Mellon University, said Rick Bryant, director of the institution's master in computational finance program.

"We have one firm that has long sought to hire out of the program and has never been successful," Bryant said. "This year, I said, 'Come on down. I think your chances are better.'"

The placement rate for the class graduating in December is at 53 percent, down from 73 percent last year, "but definitely not a disaster," Bryant said of the program, which is not wholly part of the Tepper School of Business. During boom years, some students had three offers in their first few months in the program.

"Not surprisingly, some of our students are readjusting their expectations, rather than working on one very small piece of their niche degree, like sales and trading," he said.

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