



USAID
FROM THE AMERICAN PEOPLE

ESAF Program
Expanded and Sustained
Access to Financial Services

ESAF & *University Strengthening*



Photos by ESAF

ESAF's University Strengthening program component helps Palestinian universities by addressing the lack of resources and faculty exposure to advanced knowledge and pedagogical best practices, key barriers to the provision of quality education.

The higher education system in the West Bank and Gaza is comprised of 10 universities and 16 community colleges. Most universities are private. Although each receives a small amount of financial assistance from the PA, many university programs are underfunded and short-staffed. The universities serve as the major recruiting ground for financial institutions in the West Bank and Gaza and employers are not satisfied with the level of competence from new hires, as many recruits arrive with a limited and wholly theoretical understanding of finance, and require significant retraining. While financial institutions encourage their staff to enroll in Master's programs, many institutions and banks feel that the programs have little added value since the topics and teaching methods are the same as in Bachelors' programs.

In response, USAID's ESAF program seeks to expand and improve course curriculum, pedagogical methodologies, and faculty capacity within selected universities in the West Bank, with the end goal of

At-a-Glance

Key achievements under this component include:

- Catalyzing the resumption of the Major in Finance Program, with an improved curriculum, at the Al Quds University School of Business and Economics.
- Facilitating Bethlehem University's launch of a Minor in Finance Program with Accreditation from the Ministry of Higher Education.
- Delivering three Faculty Exchange Programs and one Visiting Scholar program, resulting in knowledge transfer, pedagogical reforms, and curricular improvements and developments.

improving the depth of knowledge and analytical skills of finance graduates who will constitute the future labor pool for the financial sector in Palestine. Through ESAF, the William Davidson Institute at the University of Michigan (WDI) has partnered with two local universities to raise the quality of financial education at the undergraduate and graduate levels. These activities are described below.

Revitalizing the Finance Major at Al Quds University

Under the ESAF program, WDI facilitated the university's resumption of the Major in Finance program, which had been suspended in 2006 due to lack of institutional capacity and resources for instruction. WDI launched a series of interventions in order to strengthen internal capacity, curriculum development, and program delivery.

WDI's Visiting Scholar program brought Dr. Mahmoud Haddad, a US-based Finance Professor, to the Faculty of Business and Economics for one semester. During his tenure, Dr. Haddad taught two finance courses, supervised a master's thesis, and delivered monthly faculty seminars and public lectures, among other activities. As interim chairman of the Finance Department, he facilitated changes in the design of course offerings as well as curricula. (The Dean of the Business School reports that this has resulted in increased demand from Al Quds students wishing to transfer into the finance program.)

In addition, WDI's Faculty Exchange program offers the opportunity for English-speaking faculty members to spend a semester at the University of Michigan's

Ross School of Business, therefore, Dr. Mohammed Bader, an Assistant Professor of Finance, audited seven finance courses at BBA, MBA, and PhD levels at the University of Michigan. Following the program, Dr. Bader returned to Al Quds University with a deepened knowledge base, a new set of teaching techniques, a detailed course outline, and teaching materials to be adopted at home. He has since shared his experience widely with his colleagues and students in the capacity as new Finance Department chair.

Introducing Finance Education at Bethlehem University

The College of Business Administration at Bethlehem University maintains a competitive and progressive approach to business education. Its undergraduate program is delivered exclusively in English, and the professors encourage collaborative relationships with students, an approach not widely practiced in Palestine. While the College of Business Administration has been able to integrate these elements into their Accounting and Business Administration programs, it has not been able to offer a finance track due to a lack of qualified faculty. To address this need, WDI has offered technical assistance to the university along with financial education opportunities for faculty.

At the university's request, WDI deployed a US-based Professor of Finance, Dr. Tarek Zaher to develop a detailed work schedule for a new Minor in Finance program. Dr. Zaher's assistance culminated in the Provisional Accreditation from the Ministry of Higher Education for the new academic program granted in June 2010 which rolls out for the Spring Semester 2011.

WDI's Faculty Exchange program, described above, is also open to Bethlehem University, with the objective of ensuring that the Minor in Finance program would be delivered by knowledgeable staff and competitive standards. Mr. Elias Mukarker, a Finance Instructor at the Bethlehem University's College of Business Administration, spent the 2010 Fall Semester at the Ross School of Business. Upon completion of the program, Mr. Mukarker returned to Bethlehem University as lead professor for the newly launched Minor in Finance program. With the teaching techniques and course materials he obtained at the University of Michigan, Mr. Mukarker will develop the outlines for the program's core finance courses.

Merging Theory & Practice in the Classroom

Finance sector employers find that many post-undergraduate workers are ill-equipped with practical skills for their respective positions, in part because business school programs do not actively facilitate linkages with the business community. WDI responded to employers' concerns by deploying US-based faculty to Al Quds and Bethlehem Universities for short periods to review and change existing finance curricula and course content. The assistance included developing new courses and/or changing current course contents to better prepare students for real-world careers in business.

Dr. Taher and Dr. Haddad each made several visits to both universities to deliver intensive abbreviated finance and investment courses. They focused on bridging finance theory and practice through the use of trading room and virtual investment portfolio building tools, as well as incorporating the universities' various resources such as libraries and career centers. Outside the class and office hours, they mentored faculty on new pedagogical techniques that aim to build practical skills in addition to theoretical knowledge.

The revitalized Major in Finance Program at Al Quds, has introduced two new courses: Corporate Finance and Introduction to Investment. The latter is now a core course in the departments of Finance, Economics, Accounting and Business Administration and will be offered each semester. Over 70 students took the course last year and another 50-60 are expected to register next semester.

WDI's Wealth Management Specialist Dr. Bishara Bahbah was recently deployed to Al Quds to deliver a pilot "Wealth Management and Investment" undergraduate-level course, which teaches students to build a well-diversified, international, and balanced investment portfolio, and engages them in a semester-long Virtual Stock Exchange (VSE) competition. The students stepped outside the classroom for field trips to observe the workings of the Palestine Stock Exchange and other key institutions involved in finance and investments in the West Bank. To date, with his classroom and co-teaching activities, Dr. Bahbah has instructed approximately 250 students. WDI anticipates that Al Quds will integrate the course into its regular finance curriculum.

The Expanded and Sustained Access to Financial Services (ESAF) program is a three-year US\$36 million program designed to build a more inclusive financial sector in the West Bank and Gaza, for Palestinian households and enterprises. The program is funded by USAID and implemented by AED in partnership with The William Davidson Institute at the University of Michigan, ShoreBank International, CHF International, CARE and Save the Children. ESAF is an Associate Award under USAID's FIELD-Support Leader with Associates cooperative agreement, which is managed by AED. www.microlinks.org/esaf. The content of this report is the sole responsibility of ESAF and does not necessarily reflect the views of USAID or the United States Government.

