

07.14.318.025

Doc. 300.1.2

Higher Education Institution's Response

Conventional-face-to-face programme of study

- Higher Education Institution: Frederick University
- Town: Limassol
- Programme of study Name (Duration, ECTS, Cycle)

In Greek:

Λογιστική και Χρηματοοικονομικά (4 ακαδημαϊκά έτη, 240 ECTS, Πτυχίο (BA))

In English:

Accounting and Finance (4 academic years, 240 ECTS, Bachelor (BA))

- Language(s) of instruction: English
- Programme's status: Currently Operating

The present document has been prepared within the framework of the authority and competencies of the Cyprus Agency of Quality Assurance and Accreditation in Higher Education, according to the provisions of the "Quality Assurance and Accreditation of Higher Education and the Establishment and Operation of an Agency on Related Matters Laws of 2015 to 2019" [N. 136 (I)/2015 to N. 35(I)/2019].

A. Guidelines on content and structure of the report

- The Higher Education Institution (HEI) based on the External Evaluation Committee's (EEC's) evaluation report (Doc.300.3.1) must justify whether actions have been taken in improving the quality of the department in each assessment area.
- In particular, under each assessment area, the HEI must respond on, <u>without</u> changing the format of the report:
 - the findings, strengths, areas of improvement and recommendations of the EEC
 - the deficiencies noted under the quality indicators (criteria)
 - the conclusions and final remarks noted by the EEC
- The HEI's response must follow below the EEC's comments, which must be copied from the external evaluation report (Doc. 300.3.1).
- In case of annexes, those should be attached and sent on a separate document.

1. Study programme and study programme's design and development

(ESG 1.1, 1.2, 1.7, 1.8, 1.9)

Areas of improvement and recommendations

a. While in broad terms the program of study is adequate there is space for improvement. Below, the committee suggests some elements to put in attention: Include a clear Ethics course that is among the elementary courses in most of BA programs world-wide as well as it would help the CFA orientation.

Department's Response:

We thank the committee for the suggestion which we have taken into consideration. We fully understand the significance of Ethics, in particular relating to the possible further CFA orientation of the program. Ethics is currently taught as a separate elective course (AFBE320.ACCOUNTING AND BUSINESS ETHICS). Recognizing that additional emphasis may be needed for the CFA material, we have decided to integrate a chapter in the course that focuses on CFA code of ethics as it is covered in Module 2 of the CFA Foundations for investments diploma (Link). See Annex I (Section B) – Updated CIP.

The additional material provides among other things, examples of ethical dilemmas in the investment industry, an overview of benefits and consequences for investment professionals of not following ethical behaviour, and an overview of legal systems relating investments and conduct with customers. In addition, we have decided to encourage students to undertake this elective and especially those that would like to pursue careers in the investment industry and the CFA program (see Annex I, Section A for information on further guidance provided to students for the selection of elective courses).

It should be noted that we also cover a number of ethics related topics in ABSA408-Auditing Theory and Practice I and AFOT101 Organization Theory I. Specifically, in ABSA408 as described in the course outline, we analyse the position of the auditor concerning fraud and identify and apply the rules of professional ethics including the areas of client acceptance, independence, integrity, objectivity, confidentiality, and due care. Students in this course solve mini-case studies on issues of ethics that involve amongst others issues related to auditor independence and ethical conflicts of interest and dilemmas. Ethics is also studied in management courses and in particular in AFOT101 Organization Theory I. The emphasis in

this course is on the organizational structures that support ethical behaviour and corporate social responsibility.

Finally, we would like to note that the Department has recently enhanced its relations with CFA by offering, through the Frederick Training and Certification Centre, a series of seminars based on the CFA Foundations for investment diploma (see Annex 2). This will start to take place from Fall 2021 and has also been approved for funding from the Cyprus authority for the Human Resource Development Authority of Cyprus.

A faculty member of the Department and one external member (CFA holder) will be in charge of these seminars. The seminars include topics on Ethics as covered by the CFA Foundations for investment diploma.

b. The BA is a programme for accounting and Finance; however, only 3 professors with research interest and agenda in accounting are currently teaching at the programme. This should be taken into consideration.

Department's Response:

We would like to clarify that there are four (4) full time faculty with Accounting and finance specialization. These are:

- Dr Nicos Koussis (PhD in Finance)
- Dr Christos Minas (PhD in Accounting)
- Dr Andreas Georgiou (PhD in Accounting)
- Dr Michalis Makrominas (PhD in Accounting and Finance)

Based on the percentage of hours allocated to part time staff, our current measures indicate that the program is currently well-supported by the existing full-time members. The program currently only covers very few specialized courses by utilizing a few qualified staff to consider specialized courses in accounting relating to professional bodies exemptions (e.g., ACCA). We have thus decided to complement our existing part-time or visiting staff with PhD holders which are more research active wherever possible.

Furthermore, the Department and the University has recruited Prof. Achilleas Zabranis, (Visiting Professor in Finance (CV)), to collaborate in course teaching, seminars delivery as well as to further enrich the research activities and collaborations of the academic staff. (Annex

- 3). Furthermore, a call has been announced at the University Website (<u>Link</u>) for the recruitment and further enrichment of the Department with faculty member in the Finance area.
 - c. Strength the link between the BA program and a master level program provided from Frederick.

Department's Response:

The Department's Council is discussing and preparing the submission of a proposal for a new Master's programme in the area of Accounting and Finance. The operation of such master programme is in line with the Department's strategic goal of further academic development in the area of Accounting and Finance. Additionally, a new master requires the fulfilment of academic positions by new academic calls that will furthermore enhance the research activities of the Department in that area.

d. A well balanced of the contents (especially electives) should also be taken into account. Some courses "stand alone" in the programme. The faculty shown to the EEC that these courses are not going in-depth but fundamental and required knowledge is provided, however this might not be clear to students.

Department's Response:

We note at the outset that each program course defines course prerequisites in the respective course description. Students are thus well-informed of the knowledge and requirements needed to enroll in a particular course. Compulsory program courses provide the foundations, especially in early years, while more specialized knowledge is provided in advanced years (3rd and 4th). On the other hand, elective courses provide opportunities to expand both in breadth and depth in content related to program. Thus, electives provide the potential for the development of the students developing their future careers. Students discuss course selection with their advisors in order to cater for their individual needs. Elective courses focus on additional topics in accounting and finance, however, we also complement the list with knowledge and skills that are important for accounting or finance professionals such as the management of human resources, strategy, and communication and computer skills.

The committee's suggestion has led us to provide further guidance to students by splitting the elective list in the following categories: Accounting, Finance, Management and strategy,

Economics & Econometrics, Marketing and Communications Skills, Computers and Information's management. See Annex I, section A for further information.

This information will be communicated on the program website and be readily accessible to students once a final approval is obtained from accreditation body for running the program under the new structure. In addition, we also further provide students suggestions depending on the career prospect they wish to follow (e.g., auditing, financial advisory, investments and fund management etc).

For example, we recommend that students wishing a career in an auditing firm may focus on additional accounting electives supplemented with some courses from other categories. On the other hand, students focusing on a career in financial advisory or investments may focus more on Finance, Management and Economics (e.g., enhancing data analysis skills such as Econometrics), and less so in accounting.

The above steps will further help the advisor's role to communicate with students in selecting electives depending on the career path they wish to follow. However, it should be stressed that we do not offer any specializations and students are flexible in choosing courses between the different lists if they so wish.

 Student – centred learning, teaching and assessment (ESG 1.3)

Areas of improvement and recommendations

a. Greater focus on in-course applications of theory and methods, e.g. by introducing tutorials and expanding projects and problem sets.

Department's Response:

We have taken the suggestion on board and have requested faculty members to clearly demonstrate an improvement in tutorial use, projects and problem sets starting from the coming semester. These improvements vary depending on course. Some examples include:

- Applying valuation techniques and financial analysis to actual cases (AFIN102-Business Finance II
- Developing real portfolio strategies of investments and evaluating performance (AFIN203-Corporate Finance)
- Programming the valuation of options using Visual Basic for Applications (VBA) and R programming (AFIN204- Derivatives and Risk Management)
- Developing further examples/cases in socially responsible strategies in firms (AFOT101-Introduction to Organizational Theory I)
- Developing interactive games of the economy (ABSE205- Managerial Economics)
- Various applied examples on using Powersoft accounting software (ACSC106-Accounting information systems)

The process and implementation will be monitored by the Department internal quality committee and the results will be assessed and reported to the Department Council.

b. More practical training (internship) for students.

Department's Response:

It should be noted that internship is already an integral part of the accounting and finance program and a number of students have already utilized it. We have also recently followed

up on our students' suggestions for expanding the internship opportunities available. Specifically, the Department has engaged the Liaison Office of the University in the internship process, which ensures that students' the involvement and support has increased and further broadened. The Liaison Office is a central administrative service of the University operating under the Research and Interconnection Service. It is staffed with two dedicated full-time members and It is responsible for providing the University's academic and student community and the regional business sector a partnering platform, enabling both sides to explore effective mechanisms for the transferring of specialized know-how in terms of research, technology and innovation.

Its involvement will assist with the raising of awareness and opportunities for internship in the Department, the administrative handling of such internships, and the significant expansion of the list of collaborating organizations. In the table below, we provide a list of firms that we already have an established collaboration. A number of students have already enrolled in the course and pursued internship with these companies.

Table 1 Students in Placement

Num	Student	Company
1	Aleksandr Kipnis	Markitectured LLC
2	Dimitra Kefala	CY Audit LTD
3	Smaragda Ioannou	Ernst & Young
4	Dimitris Ioannou	House of Brands. HOB
5	Aggeliki Akrita	CORPFLOW LTD
6	Marianna Constantinou	A.Soutzi Audit
7	Andreas Constantinou	KC ONE AUDIT LTD
8	Sotiris Pieri	P.G.X. KKOSTI CONSTRUCTIONS LTD
9	Theodora Boncheva	CY Audit LTD
10	Theodosis Stylianou	Ernst & Young
11	Elenios Nicolaou	Ernst & Young

The Liaison Office has already expanded the Department's network of organizations (table 2) with accounting and financial services firms which is the main focus of the program.

Table 2 Companies for Placement

Num	Company
1	Andreas Sofocleous Group of Cpmanies
2	Enoros Consulting Ltd
3	YNB Consulting
4	Crowe Cyprus
5	RSM Cyprus
6	CBU Cyprus
7	Andersen Business Audit Services Limited
8	GM Biosun Ltd
9	GNI Chartered Accountants
10	IBCCS TAX
11	Bakertilly
12	MPM IMPORTS
13	The Junior and Senior School
14	Anthousia Holdings Itd
15	PWC
16	Deloitte
17	KPMG
18	Grant Thornton Cyprus
19	ServPRO accountants and consultants
20	TRANSCAPITAL BUSINESS CONSULTING
21	ANDREY ST. TIKHONOV & CO LLC
22	rocket food-tech company
23	Codeuniverse
24	ERGODOTISI.COM (MEMBER PF DIGITAL TREE COMPANIES)
25	IDEA
26	BDO
27	BAKER TILLY
28	Manpower Cyprus
29	Central Bank of Cyprus
30	CYENS
31	KC FIRIAKIS
32	G.A.P. Vassilopoulos Group





Num	Company	
33	FIN CREW	
34	Uniteam Global Business Services	
35	TRANSCAPITAL BUSINESS CONSULTING	
36	SOLTEMO	
39	FHG (Fameline Holding Group)	
40	M.C. FANDEOS Co LTD Chartered Certified Accountants	
41	MCTC	
42	Yomora 4Media Ltd	
43	EDT SHIPMANAGEMENT	

c. Considering introduction of some CFA oriented courses like Ethics which are essential and in line with the international practices.

Department's Response:

Please refer to answer 1a.

3. Teaching staff

(ESG 1.5)

Areas of improvement and recommendations

a. While research is appreciated and encouraged, there is space for improvement in terms of how research is evaluated. In broad terms, quantity receives equal credit as quality. Although this approach has virtues as quantity has a quality of its own, focusing on higher quality publications informed by international metrics could further enhance the reputation of Frederick University in the long term.

Department's Response:

After careful consideration of the committee's suggestions, the Department updated its research policy in a Departmental meeting taking place on the 7th of June 2021 (attached Annex 4). The updated policy of the Department offers guidance and sets targets for its faculty members that relate to key performance indicators (KPIs) in the following:

- The number of publications as listed in Scopus
- High impact (quality) publications as measured by SJR index in Scopus
- Submitted funding proposals & funding
- h-index (measured in Scopus)
- Citations (measured in Scopus)
- PhD supervision (Number of students)

The Department has measured and assessed all KPIs listed above for each faculty member and has set overall targets in each KPI for a horizon of 3 years. These KPIs and each faculty member's contribution is evaluated every year against these targets. Specifically relating to publications, faculty members are expected to contribute to the research output of the Department with a focus on Scopus ranked publications. In order to provide merit for high quality research output, the Department measures high rank publications for each faculty member based on SJR with high impact publications considered when a rating SJR>=1. The SJR>=1 appears highly correlated with other international rankings such as ABS. Following the committee's suggestions, the department decided in the meeting of 7th of June 2021 to

also adopt the guide for quality of publication-journal based on the Academic Journal Guide published by the Chartered Association of Business Schools. The journal list is a list widely used by academic business schools internationally. The list can be found here: https://charteredabs.org/academic-journal-guide-2021-view/. The guide covers a wide range of business-related fields including Accounting, Finance, Economics Econometrics and Statistics, Operations Research and Management Science, Marketing, Strategy etc. It thus covers all functional areas in business. The list uses the AJG rank (1-4 with 4* for reserved for few leading journals in respective fields). The Department aims to also complement and measure the quality of publications of members according to this index.

Clearly, in line with the University's strategic plan to become an internationally recognized research-based institution, the Department proposes to use the above criteria to provide further transparency and clarity to faculty for research evaluations, in addition to the explicit criteria and guidelines for promotion set by the University. With regards new recruitments, these criteria will be applied where priority will be placed on high quality research output.

b. Along the same lines, more encouragement, incentives and support for research activities among faculty is recommendable (e.g., increase of the research budget). The transition from college (i.e. teaching-focused institution) to university (i.e. research-based institution) seems not to have fully materialized yet (which is understandable as this is typically a lengthy process), and research output for more of the faculty members must be stronger. A means could be to find ways to reduce the required teaching load, which is 12 h/week (even though the department has managed to reduce it to some extent.). Another means would be to make the criteria for research evaluations more transparent and quantifiable.

Department's Response:

To accommodate for the fact that the university is still in transition from an era of teaching to an era of research focus, the Department is focusing on building the necessary culture of research and adding further support mechanisms for developing research output of existing and new members. More specifically the following support mechanisms are provided:

 Reduce faculty teaching load. The University's teaching load reduction scheme is applied in the case of faculty who are engaged in research activities, participate in research projects or supervise PhD students. This scheme will release time for faculty to develop their research agenda and build up their research output. Furthermore, the Department's decision to proceed with the recruitment of visiting faculty to strengthen program development and delivery, contributes to the teaching load reduction of resident faculty and further concentration on their research activities.

- Increase research support mechanisms. It has been identified that many colleagues are reluctant to engage in funded research initiatives due to the administrative load this often entails. For this reason, a new research officer has been hired in the Research and Interconnection Service to offer support in this direction. Administering research projects, editing research proposals, and enhancing/facilitating the development of research networks are some of the duties of the new research officer.
- Offer opportunities for internal funding to encourage faculty members that require financial assistance to develop their research ideas. Notably, faculty members can take advantage of the decision taken by the Senate in Fall 2020 to fund competitive research proposals. The Senate has allocated a portion of the University's Research Fund to an internal funding scheme through which members of staff can apply for internal small-scale financial support (5,000 to 10,000 euros per project). The call was announced in January 2021 and several faculty members submitted proposals in their field of expertise.
- Encourage/ fund a greater number of visits from external academics and other collaborators to promote research engagement and identify areas for collaboration with resident faculty. To this end, the research seminar series can provide a platform for faculty members, as well as, invited speakers of international calibre, to present their research work. The use of online technology contributes in limiting the travel costs for invited speakers. For example, it is noted that the Department has already put in place arrangements with two visiting faculty members, one from the University of Miami (in the field of Management /Entrepreneurship) and one from the University of Kent (in the field of Digital Marketing) to provide research seminars to faculty members and PhD students of the Department. See Annex I for specific information. We believe this type of initiatives can have a positive impact in initiating potential research collaborations.
- Increase the funding for participation in Scopus indexed conferences that lead to publications. It is noted that the University already allocates a budget to the Department for such activities.

 Further encourage the use of European funds and in particular European COST actions. A number of faculty members already participated and expressed their interest to continue. They have also shared experiences with other faculty members to increase participation in this important form of European funding.

Furthermore, the University already has procedures in place for the evaluation of its academic staff. As per the Mission, the Regulation and Rules and of the University, the academic staff are evaluated based on four (4) pillars:

(1) Teaching, (2) Research, (3) Administrative Work, (4) Contribution to society.

These procedures are publicly available at the University's website (<u>Link</u>) and indicate specific criteria for the evaluation for each rank. These criteria include publications in peer reviewed journals, funded research projects, international recognitions, doctoral studies supervision, contribution in teaching and administrative work of the University, professional achievements and social contribution.

The University's Council has decided to further expand and specify the evaluation criteria and at the 150th Senate Meeting, after a first discussion the suggested framework of evaluation of each pillar was:

Teaching

- Student evaluation reports for the last 3 years
- Educational material that has been developed since the last evaluation
- Samples of two (2) detailed course descriptions
- Presentation of a sample course on the online learning platform
- Participation in training programmes
- Design and development of innovative courses

Research

- Total number of publications
- Number of scientific publications since the last evaluation
- Percentage of publications submitted, that appear in international databases (eg. Scopus, Web of Science)
- Number of Citations
- Scientific recognition

- Research Work Autonomy
- Research projects
- Funding
- Laboratories
- Doctoral Student Supervision
- Creating / leading a research team

Administrative Work

- Election to an academic position such as Head, Dean etc
- Participation in Senate / Council Committees
- Participation in Departmental Committees
- Committee Chair
- Program of Study Coordinator
- Participation in the planning and submission of a new programme of study
- · Participation in the design and delivery of training programmes
- Participation in activities for the development of the University

Social Contribution

- Participation and planning of programmes and actions for the society
- Representation of the University in National Committees
- Representation of Cyprus in European and Internaional Committees
- Organizing events, open to the public
- Commons Participation (ex. Non-scientific articles, media presence etc).

The Rector's Council has been authorized to finalize the evaluation criteria in order for the process to be initiated before summer 2022.

c. More financial accounting professors should be included in the programme.

Department's Response:

Please refer to answer 1b.

4. Student admission, progression, recognition and certification

Areas of improvement and recommendations

a. Some students somewhat highlighted the internships and wished to have more opportunities for practical internships.

Department's Response:

Please refer to answer 2b.

b. The students mentioned that, if there were more specific pathways, it might increase the motivation of the students to engage more heavily with research and perhaps lead them at an even more increased rate to pursue dissertation that would communicate more to the private sector – a process that could further enhance the reputation of the Department.

Department's Response:

The students' recommendation has been taken into consideration. The program is very specialized and does not render itself easily for further specialization areas. We have however provided further classification of elective courses in an effort to provide more direction for our students in selecting more specific pathways depending on their career focus.

In particular, we have separated the list of electives in the following categories: Accounting, Finance, Management and strategy, Economics & Econometrics, Marketing and Communications Skills, Computers and Information's management. This information is readily available to students on the program website. We also provide further suggestions following the provision of list depending on the career prospect they wish to follow (e.g., auditing, financial advisory, investments and fund management etc). For example, for a student wishing a career in an auditing firm may focus on accounting electives supplemented with some courses in other areas such as management and strategy, communications or accounting and other software skills (and less so in Economics or Finance). On the other hand, a student focusing on a career in financial advisory or investments may focus on Finance, Economics (e.g., enhancing data analysis skills such as Econometrics etc) and management and less so in accounting. We anticipate that this will further help the advisors to communicate the

approach a student should follow in selecting electives depending on the career path they wish to follow. However, it should be stressed that we do not offer any specializations and students remain flexible in choosing courses between the different sub lists.

5. Learning resources and student support

Areas of improvement and recommendations

a. Access to more databases would be a welcome addition. This could be on subscription fee basis or through bilateral agreements with other Universities in Cyprus. Especially in doctoral programs (say in Finance) such access can be a game changer.

Department's Response:

The University of Cyprus Library is the sole higher education institution in the Republic of Cyprus that purchases access to highly specialized databases such as COMPUSTAT and CRSP achieved via subscription to WRDS (Wharton Research Data Services, Wharton University of Pennsylvania). It follows that their subscription is not facilitated by CALC – the Cyprus Academic Libraries Consortium - which is consortium of Cyprus universities where Frederick U. is a current member. We intend to explore the possibility of arriving at a special arrangement with University of Cyprus Library to cater for the remote access requirements of our students and researchers although this may not be possible based on the current agreements with providers. We also plan to raise the issue within the CALC consortium and explore whether some solutions can be reached at the consortium level.

b. The University will need to ensure that the adequacy of resources is maintained and updated in light of changing student numbers (especially if the year-on-year increases are realized) and in light of ongoing advances in academic knowledge, and developments in professional practice.

Department's Response:

The Committee's comment is already taken into consideration during the planning stage of the required resources (such as, academic materials, subscriptions to journal databases, IT resources, staffing levels across the University, etc), taking place on annual basis, to cater for the changing needs arising as a result of various circumstances, such as, changing number of students, staff availability, advances in academic knowledge, developments in professional practice. In addition, the University is expanding its infrastructure; in particular, the Limassol campus is currently undergoing re-innovation and further modernization to keep-up with the

changing needs and ensure adequacy of facilities. Further expansion plans for the campus are planned for the coming years in anticipation of any future needs as a result of increasing student population.

c. The uncertainty about 'face to face' teaching post-Covid19 faced by all education institutions means that the University will need to ensure that it has 'fail safe' contingencies in place to ensure that students can access materials and learning remotely at any times when this is necessary

Department's Response:

We appreciate the impact of the uncertainty created as a result of the pandemic and we are proud of the speed and effectiveness with which the University has responded in addressing the emerging challenges. Significant investment has been made to enhance the IT infrastructure facilities and remote access capacity, deploy training programs for students and staff, setup virtual computer laboratories and more. For example, the university undertook the development of several hybrid classrooms that enable the seamless blending of teaching delivery and two-way communication with students both physically and virtually present.

Even before the pandemic, the University adopted a policy of shifting investment in educational resources to electronic ones. The library investment has shifted from 80% physical resources to 80% electronic resources over the past five years and had an almost 100% increase in its budget. Access to key academic electronic resources such as Elsevier and Springer is provided to all community members through VPN although an electronic solution for access to textbooks has not yet been found.

The University has invested in infrastructure and practices that allow for flexibility and has put in place contingencies to ensure its students can continue to learn remotely at times when this becomes necessary. For example, some online functionality using ZOOM will be maintained in the transition period for students that due to the pandemic may not be able to attend classes. The experience acquired in prior semesters of using the online quiz/ exam functionality will prove to be useful in the future. Classrooms are equipped with flexibility to adapt to hybrid mode of teaching where some students attend face to face while others (due to pandemic restrictions) may only be able to attend remotely using the in-class available screens. It should be noted that this technology has been tested during the pandemic so there is significant accumulated experience in the Department.

6. Additional for doctoral programmes

(ALL ESG)

N/A

7. Conclusions and final remarks

a. This BA programme Accounting and Finance has great potential to appeal both to Cypriot and international students interested in careers in accounting and finance both in profit and non-profit entities. In the era following the financial/fiscal crisis in Cyprus but also due to the current pandemic, the focus of this program should be attractive to many but also needs to be communicated, locally and internationally, with targeted promotion efforts. This is achieved to a great extent by the University and the faculty/administrative members enrolled with the program.

The EEC has identified numerous strengths in the various sub-areas listed above and few minor issues were made concrete recommendations for specific improvements with a view to meeting these objectives. Rather than summarizing, we prefer to refer the reader to the bullet lists in the relevant sections of this report.

In overall, the EEC believes that this BA program is a very good program, within an academic institution and, for the purposes of this evaluation. The main issues raised were the inclusion of some courses which are essential to the programme and other certification that the University is aiming (such as Ethics for CFA) and more professors in the field of accounting and finance should be involved with the programme.

Department's Response:

Concluding we would like to thank the EEC for their hard work and candid discussions held throughout the rigorous process of the evaluation. We have adopted and implemented all suggestions by the EEC as shown in sections 1-6.

We are particularly pleased and gain much needed strength from the overall positive remarks and will strive to further improve and achieve our strategic goals in the near future.

B. Higher Education Institution academic representatives

Name	Position	Signature
		α 1

Prof. George Demosthenous Rector



