## **Business Economics and Management – Banks**

## Prof. Ilaria Tagliabue (module I); Prof. Massimo Giardina (module II)

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to explore the structure of the financial system, the functions carried out by financial intermediaries, the main regulatory framework governing their activities, and, in particular, the organisation and management issues faced by banking intermediaries.

At the end of the course, students will:

* be able to understand the functioning, the evolutional trends, and the main actors of the financial system (supervisory authorities, financial intermediaries and markets), and the technical-economic characteristics of banking operations;
* be able to assess the main dynamics at the basis of the organisational structure and the activity of financial intermediaries – with a focus on banks – and the opportunities for the use of banking products and services;
* have developed the competences they need to interpret the main events related to the financial system and its actors, also through the analysis of the information documents about banking management and offer;
* be able to express their point of view in a clear and effective way, using appropriate terminology;
* have developed the learning skills they need for their subsequent autonomous studies in this field.

***COURSE CONTENT***

1. *Structure and evolution of the financial system*
   1. The key elements of the financial system.
   2. The key theoretical elements of financial intermediation and the different types of intermediaries.
2. *The functions of the financial system*
   1. The monetary function: bank money and settlement systems.
   2. The credit function: credit and economic development, allocative efficiency, and default risk assessment.
   3. The transmission of economic policy impulses: monetary policy operations.
3. *The risks related to financial intermediation*
   1. Risk taxonomy.
   2. Risk management.
4. *Regulation and supervision of the banking system*
   1. The reasons at the basis of the regulation of financial activities.
   2. The European Banking Union.
   3. The key banking supervision controls.
5. *Bank organisation and management*
   1. The main organisational models.
   2. The most important branches of banking management: loans, fundraising, liquidity and treasury, the financial tools portfolio.
   3. Financial statements for banks and the main bank performance indicators.
6. *Bank operations*
   1. Retail and wholesale fundraising.
   2. Bank loans.
   3. Payment and investment services.

***READING LIST***

*Coursepack per il corso di Economia e gestione della banca*, ISEDI, 2022.

M. Borroni-M. Oriani (edited by), *Le operazioni bancarie*, Il Mulino, Bologna, ed. 2020, also available in e-book format.

Further teaching material will be made available on Blackboard.

Both textbooks mentioned above and the teaching material on Blackboard must be considered as an integral part of the reading list for the final exam.

***TEACHING METHOD***

Frontal lectures and practical activities, and meetings with experts.

***ASSESSMENT METHOD AND CRITERIA***

Written tests (interim test and a final test, or taken as a single exam), aimed to assess the achievement of the learning outcomes mentioned above, independent judgment skills, and use of appropriate terminology. All the written tests will consist in open/closed-ended questions and exercises, each of which will attribute a specific score.

Students will have the possibility to take an interim test (during the period at the end of semester 1 classes); the interim test is based on the topics listed at points 1, 2 and 6 of the course content.

After passing the interim test (50% of the final mark) with a score of at least 18/30, students will have to take – and pass – the final test (50% of the final mark, with a score of at least 18/30) no later than the summer session (June-July 2024).

Students who do not take/pass the interim test will have to take the exam on the whole course content (generalc course and practical activities) during one of the official sessions.

Further information on test arrangements will be made available on Blackboard.

***NOTES AND PREREQUISITES***

In order to get the most out of this course, students should have a good knowledge of the topics explained during the courses of Business Economics, Financial Accounting (corporate structure, organisation and management, value system, balance sheet and book values, etc.) and Statistics. Students will be allowed to take the exam at the end of this course only after passing the Business Economics one.

Class attendance is highly recommended, together with active participation during lectures (also because the topics under analysis are constantly changing).

Students will have to study the topics explained during the academic year in which they intend to take the final exam.

For additional information on degree theses, students are invited to check the lecturer’s webpage.

Further information can be found on the lecturer's webpage at <http://docenti.unicatt.it/web/searchByName.do?language=ENG>, or on the Faculty notice board.