



## UNSW Course Outline

# FINS5530 Financial Institution Management - 2024

Published on the 01 Feb 2024

## General Course Information

**Course Code :** FINS5530

**Year :** 2024

**Term :** Term 1

**Teaching Period :** T1

**Is a multi-term course? :** No

**Faculty :** UNSW Business School

**Academic Unit :** School of Banking and Finance

**Delivery Mode :** In Person

**Delivery Format :** Standard

**Delivery Location :** Kensington

**Campus :** Sydney

**Study Level :** Postgraduate

**Units of Credit :** 6

### Useful Links

[Handbook Class Timetable](#)

## Course Details & Outcomes

### Course Description

In this course, you will be introduced to the management of financial institutions, focusing on commercial banks. Your learning will focus on the importance of applying state-of-the-art risk management techniques to manage the varied types of risk that arise in bank operations. You

will be first introduced to the important roles of financial institutions. Through a combination of basic and applied knowledge, students examine the principles of the theory and practice of defining and measuring various types of risk these institutions can be exposed to, and effective policies and strategies for successful risk management. You will also be introduced to international regulations and standards of banking practice and how they impact the functioning of domestic and multinational institutions.

## Course Aims

This course is offered as an elective for Master of Financial Analysis, Master of Finance and Master of Commerce degrees. It builds on the fundamental finance theory and knowledge that students have learned in core course and aims to give students an introduction to the application of these theories to the financial decision-making and management of financial institutions. Students are expected to have taken the core courses in their program and have a basic working knowledge of statistics, accounting, derivatives, and portfolio theory. The course will prepare you for a wide range of careers in the financial industry.

# Course Learning Outcomes

Course Learning Outcomes	Program learning outcomes
CLO1 : Explain the importance of financial institutions in the economy.	<ul style="list-style-type: none"> <li>PLO1 : Business Knowledge</li> <li>PLO3 : Business Communication</li> </ul>
CLO2 : Articulate the sources and management of risks faced by financial institutions.	<ul style="list-style-type: none"> <li>PLO1 : Business Knowledge</li> <li>PLO2 : Problem Solving</li> <li>PLO3 : Business Communication</li> </ul>
CLO3 : Apply relevant techniques for measuring, managing and monitoring financial institutions' exposures.	<ul style="list-style-type: none"> <li>PLO1 : Business Knowledge</li> <li>PLO2 : Problem Solving</li> <li>PLO4 : Teamwork</li> </ul>
CLO4 : Analyse the regulatory framework and its effects on financial institution capital.	<ul style="list-style-type: none"> <li>PLO1 : Business Knowledge</li> <li>PLO3 : Business Communication</li> </ul>
CLO5 : Communicate and work effectively in teams and as individuals in solving financial institution problems.	<ul style="list-style-type: none"> <li>PLO4 : Teamwork</li> </ul>
CLO6 : Identify the strategic implications of evolving market and societal issues on financial institutions.	<ul style="list-style-type: none"> <li>PLO3 : Business Communication</li> <li>PLO5 : Responsible Business Practice</li> </ul>

Course Learning Outcomes	Assessment Item
CLO1 : Explain the importance of financial institutions in the economy.	<ul style="list-style-type: none"> <li>Class Contribution</li> <li>Quiz</li> <li>Group Assignment</li> <li>Individual Project</li> </ul>
CLO2 : Articulate the sources and management of risks faced by financial institutions.	<ul style="list-style-type: none"> <li>Class Contribution</li> <li>Quiz</li> <li>Group Assignment</li> <li>Individual Project</li> </ul>
CLO3 : Apply relevant techniques for measuring, managing and monitoring financial institutions' exposures.	<ul style="list-style-type: none"> <li>Class Contribution</li> <li>Quiz</li> <li>Group Assignment</li> <li>Individual Project</li> </ul>
CLO4 : Analyse the regulatory framework and its effects on financial institution capital.	<ul style="list-style-type: none"> <li>Class Contribution</li> <li>Quiz</li> <li>Individual Project</li> </ul>
CLO5 : Communicate and work effectively in teams and as individuals in solving financial institution problems.	<ul style="list-style-type: none"> <li>Group Assignment</li> </ul>
CLO6 : Identify the strategic implications of evolving market and societal issues on financial institutions.	<ul style="list-style-type: none"> <li>Group Assignment</li> <li>Individual Project</li> </ul>

# Learning and Teaching Technologies

Moodle - Learning Management System | Echo 360

## Learning and Teaching in this course

The philosophy underpinning this course is summarised by the following list of guidelines extracted from

### Guidelines on Learning

that inform teaching at UNSW.

- Effective learning is supported when students are actively engaged in the learning process.
- Students become more engaged in the learning process if they can see the relevance of their studies to professional, disciplinary and/or personal contexts.
- Clearly articulated expectations, goals, learning outcomes, and course requirements increase student motivation and improve learning.
- Effective learning is facilitated by assessment practices and other student learning activities that are designed to support the achievement of desired learning outcomes.
- Meaningful and timely feedback to students improves learning.

## Assessments

### Assessment Structure

Assessment Item	Weight	Relevant Dates	Program learning outcomes
Class Contribution Assessment Format: Individual	10%	Start Date: See Moodle announcement Due Date: See Moodle announcement	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO2 : Problem Solving</li><li>• PLO3 : Business Communication</li></ul>
Quiz Assessment Format: Individual	30%	Start Date: See Detailed assessment description Due Date: See Detailed assessment description	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO2 : Problem Solving</li></ul>
Group Assignment Assessment Format: Group	30%	Start Date: See Detailed assessment description Due Date: See Detailed assessment description	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO2 : Problem Solving</li><li>• PLO3 : Business Communication</li><li>• PLO4 : Teamwork</li><li>• PLO5 : Responsible Business Practice</li></ul>
Individual Project Assessment Format: Individual	30%	Start Date: Final exam period Due Date: Final exam period	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO2 : Problem Solving</li><li>• PLO5 : Responsible Business Practice</li></ul>

# **Assessment Details**

## **Class Contribution**

### Assessment Overview

Students are expected to attend and actively participate in regular class activities.

Assesses: PLO1, PLO2, PLO3

### Course Learning Outcomes

- CLO1 : Explain the importance of financial institutions in the economy.
- CLO2 : Articulate the sources and management of risks faced by financial institutions.
- CLO3 : Apply relevant techniques for measuring, managing and monitoring financial institutions' exposures.
- CLO4 : Analyse the regulatory framework and its effects on financial institution capital.

### Detailed Assessment Description

<b>Weight</b>	<b>Assessment Name</b>	<b>Assessment Due Date / Timing</b>
10%	Class contribution	On-going, weeks 1-10

### Submission notes

See Moodle announcement

### Assignment submission Turnitin type

This is not a Turnitin assignment

## **Quiz**

### Assessment Overview

Online tests where students will use an online system or webpage to access the exam questions and submit answers or responses during a specified time. Details of the access method and structure of the test will be shared on the Moodle course site.

Assesses: PLO1, PLO2

### Course Learning Outcomes

- CLO1 : Explain the importance of financial institutions in the economy.
- CLO2 : Articulate the sources and management of risks faced by financial institutions.
- CLO3 : Apply relevant techniques for measuring, managing and monitoring financial institutions' exposures.
- CLO4 : Analyse the regulatory framework and its effects on financial institution capital.

### Detailed Assessment Description

Weight	Assessment Name	Assessment Due Date / Timing
30%	Online Quizzes	TBA

Further information about online tests will be posted on the course website.

### Submission notes

See Detailed assessment description

### Assignment submission Turnitin type

This is not a Turnitin assignment

## Group Assignment

### Assessment Overview

Students working in teams will integrate skills and knowledge already learned about financial institution management to recommend evidence-based solutions to a problem. A specific announcement about the group project will be posted on the Moodle course site. Please check the Moodle site in due course.

Assesses: PL01, PL02, PL03, PL04, PL05

### Course Learning Outcomes

- CLO1 : Explain the importance of financial institutions in the economy.
- CLO2 : Articulate the sources and management of risks faced by financial institutions.
- CLO3 : Apply relevant techniques for measuring, managing and monitoring financial institutions' exposures.
- CLO5 : Communicate and work effectively in teams and as individuals in solving financial institution problems.
- CLO6 : Identify the strategic implications of evolving market and societal issues on financial institutions.

### Detailed Assessment Description

Weight	Assessment Name	Assessment Due Date / Timing
30%	GroupProject	See the separate group project guide for detailed instructions.

More information about the group assignment will be posted on the course website. Please check your Moodie in due course.

## Submission notes

See Detailed assessment description

## Assignment submission Turnitin type

This assignment is submitted through Turnitin and students can see Turnitin similarity reports.

## **Individual Project**

### Assessment Overview

An individual case-based project designed to transform knowledge from the course into practice.

Held at the end of the teaching period, an announcement about the project and dissemination/submission will be posted on the course website. Please check the Moodle course site for this announcement about the schedule and other guidelines about the project.

Assesses: PLO1, PLO2, PLO5

### Course Learning Outcomes

- CLO1 : Explain the importance of financial institutions in the economy.
- CLO2 : Articulate the sources and management of risks faced by financial institutions.
- CLO3 : Apply relevant techniques for measuring, managing and monitoring financial institutions' exposures.
- CLO4 : Analyse the regulatory framework and its effects on financial institution capital.
- CLO6 : Identify the strategic implications of evolving market and societal issues on financial institutions.

### Detailed Assessment Description

<u>Weight</u>	<u>Assessment Name</u>	<u>Assessment Due Date / Timing</u>	
---------------	------------------------	-------------------------------------	--

30%      Final Exam      Final exam period

The Final Examination will be held during the University Final Exam period. You will be notified closer to the exam period on the date and time of your exam. The exam covers all topics covered in the lectures from week 1 to week 10, focusing mainly on the second half of the term.

An announcement about the final exam will be posted on the course website. Please check your Moodle or myUNSW for this announcement about the schedule and other guidelines about the exam toward the end of teaching period.

### Submission notes

An announcement about final exam will be posted on the course website. Please check your Moodle or myUNSW for this announcement about the schedule and other guidelines about the exam toward the end of teaching period.

### Assignment submission Turnitin type

This is not a Turnitin assignment

## General Assessment Information

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Student Code](#) with respect to academic integrity, the University may take disciplinary action under the Student Misconduct Procedure. To assure academic integrity, you may be required to demonstrate reasoning, research and the process of constructing work submitted for assessment.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Student Code, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

### Grading Basis

Standard

### Requirements to pass course

In order to pass this course students must:

- Achieve a composite mark of at least 50 out of 100
- Engage actively in course learning activities and attempt all assessment requirements
- Meet any additional requirements specified in the assessment details
- Meet the specified attendance requirements of the course (see Schedule section)

# Course Schedule

Teaching Week/Module	Activity Type	Content
Week 1 : 12 February - 18 February	Lecture	Introduction and Depository Institutions Chapters 1 & 2
Week 2 : 19 February - 25 February	Lecture	Other Financial Institutions and Interest Rate Risk I Relevant content in Chapters 3 - 7 & 8 - 9
Week 3 : 26 February - 3 March	Lecture	Interest Rate Risk II Chapter 8 & 9
Week 4 : 4 March - 10 March	Lecture	Credit Risk I Chapter 10
Week 5 : 11 March - 17 March	Lecture	Credit Risk II & Foreign Exchange Risk Chapter 11 & 13
Week 6 : 18 March - 24 March	Homework	Flexibility Week - No Class
Week 7 : 25 March - 31 March	Lecture	Liquidity Risk Chapters 12 & 19
Week 8 : 1 April - 7 April	Lecture	Capital Adequacy Chapter 21
Week 9 : 8 April - 14 April	Lecture	Market Risk Chapter 15 Technology and Other Operational Risk Chapter 17
Week 10 : 15 April - 21 April	Lecture	Securitization Chapter 27 Summary and Review

## Attendance Requirements

Students are strongly encouraged to attend all classes and review lecture recordings.

## Course Resources

### Prescribed Resources

The prescribed textbook is:

- Anthony Saunders, Marcia Millon Cornett, Otgo Erhemjamts, "Financial Institutions Management: A Risk Management Approach", 11th Edition, McGraw-Hill.

Important resources are available on course website and are accessible via [Moodle](#), including:

- Lecture notes, lecture recordings, problem sets and additional reference articles
- Important notices, via message board and other forms of communication

- Assessment results

## Course Evaluation and Development

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the myExperience survey, which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

## Staff Details

Position	Name	Email	Location	Phone	Availability	Equitable Learning Services Contact	Primary Contact
Convenor	Sherry Zhang		Room 308		TBA	No	Yes
Lecturer	Hao Zhang					No	No

## Other Useful Information

### Academic Information

#### COURSE POLICIES AND SUPPORT

The Business School expects that you are familiar with the contents of this course outline and the UNSW and Business School learning expectations, rules, policies and support services as listed below:

- Program Learning Outcomes
- Academic Integrity and Plagiarism
- Student Responsibilities and Conduct
- Special Consideration
- Protocol for Viewing Final Exam Scripts
- Student Learning Support Services

Further information is provided on the [key policies and support page](#).

Students may not circulate or post online any course materials such as handouts, exams, syllabi or similar resources from their courses without the written permission of their instructor.

## STUDENT LEARNING OUTCOMES

The Course Learning Outcomes (CLOs) – under the Outcomes tab – are what you should be able to demonstrate by the end of this course, if you participate fully in learning activities and successfully complete the assessment items.

CLOs also contribute to your achievement of the Program Learning Outcomes (PLOs), which are developed across the duration of a program. PLOs are, in turn, directly linked to [UNSW graduate capabilities](#). More information on Coursework PLOs is available on the [key policies and support page](#). For PG Research PLOs, including MPDBS, please refer to the [UNSW HDR Learning Outcomes](#).

## Academic Honesty and Plagiarism

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Student Code](#) with respect to academic integrity, the University may take disciplinary action under the Student Misconduct Procedure. To assure academic integrity, you may be required to demonstrate reasoning, research and the process of constructing work submitted for assessment.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Student Code, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

## Submission of Assessment Tasks

### SPECIAL CONSIDERATION

You can apply for special consideration when illness or other circumstances beyond your control interfere with your performance in a specific assessment task or tasks, including online exams. Students studying remotely who have exams scheduled between 10pm and 7am local time, are also able to apply for special consideration to sit a supplementary exam at a time outside of these hours.

Special consideration is primarily intended to provide you with an extra opportunity to demonstrate the level of performance of which you are capable. To apply, and for further information, see Special Consideration on the UNSW [Current Students](#) page.

Special consideration applications will be assessed centrally by the Case Review Team, who will update the online application with the outcome and add any relevant comments. The change to the status of the application immediately sends an email to the student and to the assessor with the outcome of the application.

Please note the following:

1. Applications can only be made through Online Services in myUNSW (see the UNSW [Current Students](#) page). Applications will not be accepted by teaching staff. The lecturer-in-charge/ course coordinator will be automatically notified when your application is processed.
2. Applying for special consideration does not automatically mean that you will be granted a supplementary exam or other concession.
3. If you experience illness or misadventure in the lead up to an exam or assessment, you must submit an application for special consideration, either prior to the examination taking place, or prior to the assessment submission deadline, except where illness or misadventure prevent you from doing so.
4. If your circumstances stop you from applying before your exam or assessment due date, you must apply within 3 working days of the assessment or the period covered by your supporting documentation.
5. Under the UNSW Fit To Sit/Submit rule, if you sit the exam/submit an assignment, you are declaring yourself well enough to do so and are cannot subsequently apply for special consideration.
6. If you become unwell on the day of – or during – an exam, you must stop working on your exam, advise your course coordinator or tutor and provide a medical certificate dated within 24 hours of the exam, with your special consideration application. For online exams, you must contact your course coordinator or tutor immediately via email, Moodle or chat and advise them you are unwell and submit screenshots of your conversation along with your medical certificate and application.
7. Special consideration requests do not allow the awarding of additional marks to students.

Further information on Business School policy and procedure can be found under “Special Consideration” on the [key policies and support](#) page.

## LATE SUBMISSION PENALTIES

For assessments other than examinations, late submission will incur a penalty of 5% per day or part thereof (including weekends) from the due date and time. An assessment will not be accepted after 5 days (120 hours) of the original deadline unless special consideration has been approved. An assignment is considered late if the requested format, such as hard copy or electronic copy, has not been submitted on time or where the ‘wrong’ assignment has been

submitted.

For assessments which account for 10% or less of the overall course grade, and where answers are immediately discussed or debriefed, the LIC may stipulate a different penalty. Details of such late penalties will be available on the course Moodle page.

## FEEDBACK ON YOUR ASSESSMENT TASK PERFORMANCE

Feedback on student performance from formative and summative assessment tasks will be provided to students in a timely manner. Assessment tasks completed within the teaching period of a course, other than a final assessment, will be assessed and students provided with feedback, with or without a provisional result, within 10 working days of submission, under normal circumstances. Feedback on continuous assessment tasks (e.g. laboratory and studio-based, workplace-based, weekly quizzes) will be provided prior to the midpoint of the course.

## Faculty-specific Information

### PROTOCOL FOR VIEWING FINAL EXAM SCRIPTS

UNSW students have the right to view their final exam scripts, subject to a small number of very specific exemptions. The UNSW Business School has set a [protocol](#) under which students may view their final exam script. Individual schools within the Faculty may also set up additional local processes for viewing final exam scripts, so it is important that you check with your School.

If you are completing courses from the following schools, please note the additional school-specific information:

- Students in the **School of Accounting, Auditing & Taxation** who wish to view their final examination script should also refer to [this page](#).
- Students in the **School of Banking & Finance** should also refer to [this page](#).
- Students in the **School of Information Systems & Technology Management** should also refer to [this page](#).

## COURSE EVALUATION AND DEVELOPMENT

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the [myExperience survey](#), which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are

carefully considered and do lead to action towards enhancing educational quality.

## QUALITY ASSURANCE

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential.

## TEACHING TIMES AND LOCATIONS

Please note that teaching times and locations are subject to change. Students are strongly advised to refer to the [Class Timetable website](#) for the most up-to-date teaching times and locations.