



Hessen:ISU  
Frankfurt 2017  
**EUROPEAN FINANCE**



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## SEMINAR I – CULTURAL AWARENESS AND NEGOTIATIONS IN DEBT FINANCING



### PART I – THE CHALLENGES OF INTERCULTURAL COMMUNICATION

#### CLASS HOURS

Week 1	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
FRA-UAS	17.07.2017	18.07.2017	19.07.2017	20.07.2017	21.07.2017	22.07.2017	23.07.2017
9:00-10:30	Welcome	German	German	German	German	Dokumenta Kassel	EBERBACH - Rüdesheim - Niederwald-denkmal
10:45-12:15	Info & Presentation	German	German	German	German		
12:15-1:00	Lunch						
1:00-2:30	German	ICC	ICC	ICC	Climbing Park		
2:45-4:15	ICC	ICC	ICC	ICC			
Evening	Opening Ceremony	Guided City Tour FFM	City Welcome in Römer	Apfelwein Evening			

#### LECTURERS

Mark Bramwell  
Lecturer in English and Intercultural Competence  
Frankfurt University of Applied Sciences

Roisin Russ  
Lecturer in English and Intercultural Competence  
Technische Hochschule Mittelhessen

#### INFORMATION ON THE COURSE CONTENT

##### COURSE DESCRIPTION AND OBJECTIVES

Overview of Intercultural Studies

- necessity of intercultural competence for resolving conflicts in business and politics

Cultural Awareness

- culture defined
- types of culture (national, local, professional, etc.)
- the pervasiveness and persistence of culture
- the important role of values and attitudes
- process of acculturation

Dimensions across national cultures: The Hofstede Model

1. IDENTITY: Collectivist and individualist cultures and the impact on society and workplace (social networks, loyalties, role of group); Universalism and particularism; nepotism
2. HIERARCHY (“Power distance”) Equality versus inequality of power, wealth, status and the impact on society and workplace

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3. SOCIAL GENDER ROLE (“Masculine-type and feminine-type cultures”) and the impact on society and the workplace
4. AMBIGUITY Openness versus resistance to the new and the different (Uncertainty Avoidance Index) and the impact on society and the workplace
5. LONG-TERM AND SHORT-TERM ORIENTATION

Dimensions across national cultures: verbal and non-verbal communication

- Non-verbal communication: interactions in time and space; body language; paralanguage; turn-taking
- Verbal communication styles
  - high and low context cultures (The Hall model)
  - task and relationship-oriented cultures
  - directness and indirectness; levels of politeness; “getting to the point”
  - role of mediators

Culture shock and cross-cultural adjustment

1. Barriers to intercultural communication
  - Attitudes
  - ethnocentrism
  - perception
  - communication (verbal and non-verbal)
  - stereotyping (need for, limitations of, need to revise; role of “do’s and don’ts”)
  - evaluation (judging)
  - need for cultural competence in use of language
  - basic rules for successful communication
2. Culture clash and culture shock
  - the stages in acculturation from disorientation to biculturalism
  - integration and assimilation
  - “re-entry shock”

Cultural profiling

1. Profiling one’s own cultural styles and competence
2. Case studies and critical incidents: dealing with conflicts in intercultural work situations

### COURSE MATERIALS

All course material will be provided free of charge – both online (e-learning platform) and as hard copy.

Preparatory reading: Understanding Intercultural Communication: An Overview (on Moodle Platform)

### COURSE METHOD

This course will be taught as a mixture of lectures and group discussions. Teaching methods include: interactive presentations, task sheets and group discussions, articles, case studies, and critical incidents, comprehension tasks using film and radio, and simulations.

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## PART II – NEGOTIATIONS IN DEBT FINANCING

### CLASS HOURS

Week 2	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
FRA-UAS	24.07.2017	25.07.2017	26.07.2017	27.07.2017	28.07.2017	29.07.2017	30.07.2017
9:00-10:30	ES:Pilz/ FI:Schüßler	ES:Pilz/ FI:Schüßler	ES:Pilz/ FI:Schüßler	Exam prep time	Weekend Trip to Berlin		
10:45-12:15	ES:Pilz/ FI:Schüßler	ES:Pilz/ FI:Schüßler	ES:Pilz/ FI:Schüßler				
12:15-1:00	Lunch						
1:00-2:30	ES:Pilz/ FI:Schüßler	ES:Pilz/ FI:Schüßler	ES:Pilz/ FI:Schüßler	Mid-Term Exam			
2:45-4:15	German	German	German				
Evening	Study in Hessen	German Movies					

### LECTURER

Dr. Johannes Schüßler  
Attorney  
FPS Frankfurt

### INFORMATION ON THE COURSE CONTENT

#### COURSE DESCRIPTION AND OBJECTIVES

For most entities it is essential to be provided with debt financing. However, it is sometimes a long way from first discussions with the bank about financing needed until the final set of documentation is reached. In this course students will learn the essentials of a term-sheet and how its terms will be integrated into the respective documentation. Students will also learn about the perspectives of entities and banks in this process.

The course will cover the following topics:

#### Part I: Equity vs. Debt

- from Venture Capital to Capital Markets
- various forms of equity and debt financing
- different legal and economic positions of equity and debt Provider
- the "correct" financing structure

#### Part II: Structure of Debt Financing

- term Sheets in debt financing
- documentation in debt financing (loan Agreements, intercreditor, security)
- economic and legal ratios behind the Terms of Debt Financing

#### Part III: Negotiation

- preparing a negotiation between "bank" and "customer"
- real case scenario between the different groups in class
- practical tips and hints how to success negotiate

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## COURSE MATERIALS

All course material will be provided free of charge – both online (e-learning platform) and as hard copy.

- Jonathan Berk, Peter de Marzo (2011): "Corporate Finance", 2nd Edition.

## COURSE METHOD

This course will be taught as a mixture of lectures and group discussions.

## SEMINAR II – FINANCING IN THE EUROPEAN UNION & RISK MANAGEMENT

### PART I – GERMAN AND EUROPEAN CENTRAL BANKING

#### CLASS HOURS

Week 3	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
GOETHE UNI	31.07.2017	01.08.2017	02.08.2017	03.08.2017	04.08.2017	05.08.2017	06.08.2017
9:00-10:30	ES:Schumacher/ FI: Bülbül	ES:Schumacher/ FI: Bülbül	ES:Karpf/Fl: Sauer	German Review + Test (9:00-11:15)	Visit to the European Parliament	Free Weekend	
10:45-12:15	ES:Schumacher/ FI: Bülbül	ES:Schumacher/ FI: Bülbül	ES:Karpf/Fl: Sauer				
12:15-1:00	Lunch			Travel to Strasbourg	Strasbourg		
1:00-2:30	ES:Schumacher/ FI: Bülbül	ES:Schumacher/ FI: Sauer	ES:Karpf/Fl: Sauer				
2:45-4:15	German	German	German				
Evening	German Cooking	German Cooking					

## LECTURERS

Prof. Dr. Dilek Bülbül  
Professor for Business Administration, emphasis in Finance  
Faculty of Business and Law  
Frankfurt University of Applied Sciences

Ingo Sauer  
Research Assistant and Lecturer in Economics  
Goethe University Frankfurt am Main

## INFORMATION ON THE COURSE CONTENT

### COURSE DESCRIPTION AND OBJECTIVES

The course will cover the following topics:

- Nature of financial intermediation

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- Overview of the German banking system (three-pillar banking system)
- Changing role of savings banks in Germany and other European countries
- The European debt crisis

## COURSE MATERIALS

All course material will be provided free of charge – both online (e-learning platform) and as hard copy.

1. Casu, B., Girardone, C., Molyneux, P (2006), Introduction to Banking, Prentice Hall
2. Mishkin, F (2007), The Economics of Money, Banking and Financial Markets, Addison-Wesley
3. Dilek Bülbül, Reinhard H. Schmidt und Ulrich Schüwer (2013), "Savings Banks and Cooperative Banks in Europe", White Paper No. 5, Policy Publication, Center of Excellence SAFE
4. Bofinger, Peter (2010), Monetary Policy: Goals, Institutions, Strategies, and Instruments, Oxford University Press
5. Sinn, Hans-Werner, The European Balance of Payments Crisis: An Introduction, CESifo
6. Sinn, Hans-Werner, "Rescuing Europe", CESifo Forum 11 (Special Issue August 2010)

## COURSE METHOD

This course will be taught as a mixture of lectures, group discussions and working groups, and homework readings.

## PART II – NON-FINANCIAL RISK MANAGEMENT IN BANKS

### CLASS HOURS

Week 4	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
GOETHE UNI	07.08.2017	08.08.2017	09.08.2017	10.08.2017	11.08.2017	12.08.2017	13.08.2017
9:00-10:30	German Stock Exchange	ES:Wendt/ Fl: Kaiser	ES:Wendt/ Fl: Kaiser	ECB	Final Exam	Program Ends/Free Weekend	
10:45-12:15		ES:Wendt/ Fl: Kaiser	ES:Wendt/ Fl: Kaiser				
12:15-1:00	Lunch						
1:00-2:30	ES:Wendt/ Fl: Kaiser	ES:Wendt/ Fl: Kaiser	Money Museum	Exam prep time			
2:45-4:15	ES:Wendt/ Fl: Kaiser	German Central Bank					
Evening							

## LECTURER

Prof. Dr. Thomas Kaiser  
Honorary Professor  
House of Finance  
Goethe University Frankfurt am Main



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## INFORMATION ON THE COURSE CONTENT

### COURSE DESCRIPTION AND OBJECTIVES

Risk management is a core competency of banks. Non-financial risks (operational risk, reputational risk and strategic risk) are of growing importance. Nevertheless, the financial crisis has demonstrated that while risk models are fairly advanced at a number of banks, risk culture and risk governance is still not fully developed at many banks. Thus, while presenting some techniques for quantifying non-financial risks, this course is more focused on the qualitative elements of risk management, including case studies on recent examples in the industry.

### COURSE MATERIALS

All course material will be provided free of charge – both online (e-learning platform) and as hard copy.

1. Thomas Kaiser/Petra Merl (eds): Reputational Risk Management in Financial Institutions, Risk Books, London 2014
2. Mark Laycock: Risk Management at the top, Wiley 2014

### COURSE METHOD

This course will be taught as a mixture of lectures and group discussions.

## GENERAL INFORMATION ABOUT ACADEMIC SEMINARS

### ACADEMIC STANDARDS

Upon successful completion, 3 ECTS points will be awarded for each seminar. The entire European Finance program is worth a total of 6 ECTS points. One ECTS point is defined as the equivalent of 25-30 hours of student workload, which includes class hours, readings, preparation for class activities, and the final exam.

### GRADING

Grades for each seminar will be awarded according to the following scale:

1,0-1,3	sehr gut	very good: an outstanding achievement
1,7-2,3	gut	good: an achievement that is substantially above average requirements
2,7-3,3	befriedigend	satisfactory: an achievement that satisfies average requirements
3,7-4,7	ausreichend	sufficient: an achievement that still meets the requirements
5	nicht ausreichend	not sufficient / failed: an achievement that does not meet the requirements
NP	No Participation	

### ASSESSMENT

Students are expected to attend class regularly and to actively engage in discussions. There will be an exam at the end of Seminars I and II.

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### **EMAIL AND MOODLE E-LEARNING PLATFORM**

We strongly encourage students to use Moodle, our E-Learning Platform. Using Moodle enables students to stay in contact with program administration, lecturers, and fellow students. We also expect students to check their emails on a regular basis.

### **PROFESSIONALISM AND CLASS PARTICIPATION**

The courses in this outline are part of the ISU Frankfurt Program in European Finance. Class participation is considered a requirement for successfully completing the Hessen:ISU Program. An attendance list will be issued for each class. Student questions, answers, comments, and insights over the course will not only profit to the whole class, but it will also ensure that they have a better understanding of the class material and contribute to their overall academic success. Please avoid being late for class, not turning off your cell phone before class, leaving class before the end of it, talking while someone else (either the professor or one of your fellow students) is talking, and any other unprofessional conduct.

### **MISSED CLASSES**

We strongly suggest that students attend each class. If students have to miss a class, they should a) complete the required homework or readings, b) get copies of the notes presented that day, and c) talk with classmates about what they missed.

### **ACADEMIC HONESTY**

Students caught cheating or plagiarizing will fail, at our discretion, either the assignment in question or the entire Hessen:ISU Program.