

# Hessen International Summer University Frankfurt

## Course Outline

### European Finance

**2018**

# HESSEN:ISU Frankfurt 2018

## UNIT 1

### Course 1: The Challenges of Intercultural Communication

Course Date	16.07.2018 – 19.07.2018
Class Hours	14 contact hours. Course will be taught in a block style.
Lecturer(s)	<p>Mark Bramwell Lecturer in English and Intercultural Communication Frankfurt University of Applied Sciences</p> <p>Roisin Russ Lecturer in English and Intercultural Communication Technische Hochschule Mittelhessen</p>
Course Description	<p>This course features an overview of intercultural studies and focuses on the knowledge, skills and attitudes for communicating effectively with people from diverse cultural backgrounds. It examines the ‘how’, the ‘what’ and the ‘why’ of intercultural communication. The following topics will be discussed:</p> <ul style="list-style-type: none"> <li>• Cultural Awareness (What is culture?)</li> <li>• Developing Intercultural Awareness (interpreting the behavior of others)</li> <li>• Dimensions of culture (Theories of culture and communication)</li> <li>• Sending and interpreting messages for effective communication</li> <li>• Cultural briefings - my culture, your culture</li> </ul>
Learning Outcomes	<p>This course aims to assist students in developing what Bennett &amp; Bennett (2004) refer to as the intercultural skillset and mindset. For the purpose of this course, this means:</p> <ul style="list-style-type: none"> <li>• Developing a conscious understanding of one’s own culture</li> <li>• Using frameworks for understanding cultural contrasts</li> <li>• Having a clear understanding of how to use cultural generalizations without stereotyping</li> <li>• Communicating effectively in an intercultural setting</li> </ul>
Course Method	<p>This course will be taught as a mixture of mini-lectures and group discussions. Teaching methods include: experiential exercises, small group activities, group discussions, case studies, and critical incidents.</p>
Course Materials	<p>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).</p>
Credits	<p>Students will earn a total of 3 ECTS points for the successful completion of Unit 1.</p>
Assessment	<p>Learning will be assessed with an exam following the end of Unit 1. The exam for this course will be 45 minutes and will be in the form of a case study/short essay.</p>
Grading	<p>Students will be graded on their exam results following the end of Unit 1.</p> <p>The grade you earn in this course will make up half of your grade for Unit 1. The</p>

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	total grade for Unit 1 is made up of your results in Course 1 and Course 2 of this unit. The average of the two grades will count as your final grade and this is the grade that will appear on your transcript.
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## Course 2: European Banking

Date	23.07.2018 – 25.07.2018
Class Hours	18 contact hours. Course will be taught in a block style.
Lecturer(s)	Prof. Dr. Dilek Bülbül Professor of Finance Faculty of Business and Law Frankfurt University of Applied Sciences
Course Description	This course covers the following topics: theory of financial intermediation, theory of bank behavior, the German banking system, European banking systems, and trends and current issues in banking.
Learning Outcomes	The course provides students with an overview about the German and European banking sector, the corresponding institutional design, as well as fundamental theoretical approaches and related empirical evidences.
Course Method	This course will be taught as a mixture of lectures, class discussions and presentations.
Course Materials	<p>All course material will be provided free of charge – both online (e-learning platform) and as hard copy.</p> <ol style="list-style-type: none"> <li>1. Casu, B., Girardone, C., Molyneux, P (2006), Introduction to Banking, Prentice Hall</li> <li>2. Mishkin, F (2013), The Economics of Money, Banking and Financial Markets, Addison-Wesley, 10th Edition</li> </ol>
Credits	Students will earn a total of 3 ECTS points for the successful completion of Unit 1.
Assessment	Learning will be assessed with an exam following the end of Unit 1. The exam for this course will be 45 minutes and will be a mixture of open questions and multiple choice questions.
Grading	<p>Students will be graded on their exam results following the end of Unit 1.</p> <p>The grade you earn in this course will make up half of your grade for Unit 1. The total grade for Unit 1 is made up of your results in Course 1 and Course 2 of this unit. The average of the two grades will count as your final grade and this is the grade that will appear on your transcript.</p>

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## UNIT 2

### Course 1: The Economics of Money and Banking in the Eurozone and its Current Crisis

Date	30.07.2018 – 06.08.2018
Class Hours	18 contact hours. Course will be taught in a block style.
Lecturer(s)	Ingo Sauer Research Assistant and Lecturer in Economics Faculty of Economics and Business Goethe University Frankfurt am Main
Course Description	This course gives a non-technical overview of the main concepts of monetary theory, the monetary system in the Euro area, and the current challenges for central banks and governments to handle the so-called Euro crisis. Students will learn the economic concepts necessary to form their own opinion about the pending (sovereign) debt crisis and be able to argue – using the acquired scientific apparatus – on a profound theoretical base in one direction or the other.
Learning Outcomes	After successfully completing the course, students will understand: <ul style="list-style-type: none"> <li>• the basic theoretical concepts of monetary theory</li> <li>• the main targets and instruments of monetary policy</li> <li>• how the Eurosystem is constructed</li> <li>• the LOLR function of central banks</li> <li>• how commercial banks make profits and the importance of the banking system for investments (in comparison to other funding markets)</li> <li>• the structural change in the banking system (MMMFs and shadow banks)</li> <li>• the difference between liquidity and solvency problems</li> <li>• the autonomy of a banking crisis</li> <li>• how a sovereign debt crisis arises</li> <li>• why the “Euro crisis” is in part a sovereign debt crisis</li> <li>• why the “Euro crisis” is in part a balance-of-payments crisis</li> <li>• why the central banks of the Euro area (the Eurosystem itself) are probably in crisis</li> <li>• why some European commercial banks do have funding problems</li> <li>• what kind of rescue facilities have been implemented by policymakers (EFSF, ...) and how they work</li> <li>• the instruments used by the ECB (OMT, ...) and how they work</li> <li>• how all of that reflects the current political debate in Europe</li> </ul>
Course Method	This course will be taught as a mixture of lectures and class discussions.
Course Materials	All course material will be provided free of charge – both online (e-learning platform) and as hard copy. <ol style="list-style-type: none"> <li>1. Hans-Werner Sinn, <i>Rescuing Europe</i>, CESifo Forum 11 (Special Issue August 2010), 2010</li> <li>2. Hans-Werner Sinn, <i>The European Balance of Payments Crisis: An</i></li> </ol>

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	<p><i>Introduction</i>, CESifo Forum 13 (Special Issue January 2012), 2012, 03-10</p> <p>3. Ingo Sauer, <i>The Dissolving Asset Backing of the Euro</i>, CESifo Forum 13 (Special Issue January 2012), 2012, 63-72</p>
Credits	Students will earn a total of 3 ECTS points for the successful completion of Unit 2.
Assessment	Learning will be assessed with an exam following the end of Unit 2. The exam for this course will be 45 minutes and will be a mixture of open questions and multiple choice questions.
Grading	<p>Students will be graded on their exam results following the end of Unit 2.</p> <p>The grade you earn in this course will make up half of your grade for Unit 2. The total grade for Unit 2 is made up of your results in Course 1 and Course 2 of this unit. The average of the two grades will count as your final grade and this is the grade that will appear on your transcript.</p>

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## Course 2 – Non-Financial Risk Management in Banks

Date	07.08.2018 – 08.08.2018
Class Hours	14 contact hours. Course will be taught in a block style.
Lecturer(s)	Dr. David Nicolaus, FRM, PRM Manager Financial Services, Transformation Banking and ECB Office KPMG WPG AG
Course Description	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.
Learning Outcomes	By taking this course, students will be able to name and discuss key elements and current challenges of non-financial risk (NFR) frameworks of banks. Furthermore, students will have an overview of the management of NFRs and how these risks i) compare to other key risk types of banks, and ii) are regulated.
Course Method	This course will be taught as a mixture of lectures, group discussions and working groups.
Course Materials	All course material will be provided free of charge – both online (e-learning platform) and as hard copy. <ol style="list-style-type: none"> <li>1. Mark Laycock: Risk Management at the top, Wiley 2014;</li> <li>2. Thomas Kaiser/Petra Merl (eds): Reputational Risk Management in Financial Institutions, Risk Books, London 2014;</li> <li>3. Pakhchanyan, S. (2016): Operational Risk Management in Financial Institutions: A Literature Review, International Journal of Financial Studies.</li> </ol>
Credits	Students will earn a total of 3 ECTS points for the successful completion of Unit 2.
Assessment	Learning will be assessed with an exam following the end of Unit 2, class presentations of the working groups (case study) and group discussions. The exam for this course will be 45 minutes.
Grading	Grading will be based on the results of a closed book exam (50%), case study (35%) and participation within group discussions (15%).  The grade you earn in this course will make up half of your grade for Unit 2. The total grade for Unit 2 is made up of your results in Course 1 and Course 2 of this unit. The average of the two grades will count as your final grade and this is the grade that will appear on your transcript.

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## **GENERAL INFORMATION ABOUT ACADEMIC SEMINARS**

### **Assessment and Credits**

The *European Finance* academic track is made up of two units: Unit 1 and Unit 2. Each unit has a total of 32 contact hours. The entire *European Finance* academic track consists of a total of 64 contact hours. Upon successful completion, 3 ECTS points will be awarded for each unit. The entire *European Finance* academic track is worth a total of 6 ECTS points. A single ECTS point is defined as the equivalent of 25-30 hours of student workload, which includes class hours, readings, preparation for class activities, as well as the exam.

Students will write an exam at the end of each unit. At the end of Unit 1, students will write two exams based on the classes that they took for the first two weeks. Each exam has a time limit of 45 minutes for a total time of 90 minutes. The average of the grades that they are awarded on the exams will count for the final grade they receive for Unit 1. This is the grade that will appear on their transcript. Successful completion of Unit 1 will result in 3 ECTS points.

Students will write two exams at the end of Unit 2 based on the classes that they took for the last two weeks. Each exam has a time limit of 45 minutes for a total time of 90 minutes. The average of the grades that they are awarded on the exams will count for the final grade they receive for Unit 2. This is the grade that will appear on their transcript. Successful completion of Unit 2 will result in 3 ECTS points.

A total of three grades will appear on students' transcripts: a grade for Unit 1, a grade for Unit 2, and a grade for the German course.

### **Grading**

Grades will be awarded based on the German grading system:

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	



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## **Email and Moodle Online Learning Platform**

Students are strongly encouraged 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. All course materials will be posted on Moodle.

## **Professional and Class Participation**

The courses in this outline are part of the ISU Frankfurt academic track *European Finance*. Class participation is considered a requirement for successfully completing the ISU Frankfurt Program. An attendance list will be issued for each class. Student questions, answers, comments, and insights over the course will not only profit the whole class, but it will also ensure that students 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.

## **Attendance**

Students should 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. Students also need to inform the ISU Frankfurt Coordinator or their professor if they need to miss class. This can be done in person or via email.

## **Academic Honesty**

Students caught cheating or plagiarizing will fail, at our discretion, either the assignment in question or the entire ISU Frankfurt program.