



Course Syllabus
Summer 2023
<Dr. Yaqoub Ahmad Baqer Alabdullah>
FIN 315 – Managing Financial Institutions

Lecture Time and Location:

FIN 315/51	:	Sun, Tue, and Thur	02:00 – 02:50 PM	Room # 1001C3
FIN 315/01	:	Sun, Tue, and Thur	03:00 – 03:50 PM	Room # 1001C3

Contact Information:

Location	:	Department of Finance & Financial Institutions – CBA - Shudadeya Campus
Email	:	yaqoub.alabdullah2@ku.edu.kw
Phone #	:	You can call me on MS Teams
Office Hours	:	Half an hour before class or by appointment.
Website	:	www.ybaqer.com
MS Teams	:	Please join our team for all class materials.

Teaching Assistant: TBA

Course Description:

This course intends to provide a conceptual framework of why financial institutions exist and how they function. In addition, the course intends to shed light on what various services those institutions offer. In describing each type of institution, the course emphasizes how financial institutions participate in financial markets. The course also provides complete exposition on financial institutions management, performance, and regulatory aspects. It will also analyze how financial institutions manage, absorb and control the risk they face. The objective of this course is enriching the students' knowledge with the practical aspects of financial institutions management which should serve a noble objective of enhancing the student's learning process.

This is not a "how to" course. This is a "why do" course. By way of analogy, think of the set of plans for a building. Both an architect and a draftsman can read the plans and even copy the plans with minor changes. But an architect can do more than a draftsman can do. When it is time to design a completely new building that responds creatively to the needs of the client and the context of the built and natural environment, you want an architect. I am here to train financial architects—not draftsmen. Please do not expect to learn a cookbook of formulas that you plug numbers into. (Now that we have macros in Excel, no one will pay a salary for that skill.) Expect to learn a few simple, but powerful, intuitions and be able to apply them creatively to a variety of new situations. Finance is such a rapidly changing area that you would be poorly served with a set of rote formulae—such knowledge would be rapidly obsolete.



Course Learning Outcomes:

The learning outcomes for this course, listed below, relate to the learning goals of the College of Business Administration Undergraduate Program, which can be found at the end of this syllabus

Upon successful completion of the course, students will:

- CLO1. Understand commercial banks and their role.
- CLO2. Understand how other financial institutions function and their role.
- CLO3. Understand the financial risks faced by the various financial institutions and the various methods to manage them.
- CLO4. Understand the role of financial institutions in global markets.
- CLO5. Possess the necessary analytical and communication skills to produce and present sound and logical investment and financial reports.
- CLO6. Work effectively in a team setting and have the appropriate interpersonal and leadership skills.
- CLO7. Be able to analyze and solve financial problems.
- CLO8. Understand the ethical problems that may occur in financial decision-making.

CLO Mapping to CBA Skill Based Competency Goals

CLO	Competency Goal				
	Analytical	Communication	Technology	Ethical	Business Knowledge
1	A				I
2	A				I
3	R	A			
4	R	R			
5	A				
6		A			
7	A				
8				I	

Type of Emphases:

- (I)ntroduce: Students will be introduced to the skill and their grasp of it assessed in the course.
- (A)pply: The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
- (R)einforce: Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

Required Material:

Textbook Saunders, Anthony and Marcia Cornett. *Financial Markets & Institutions*. 8th ed. McGraw-Hill Education, 2022. Or later editions.



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Additional Material :

- Other material, including course PPT Slides are available on MS Teams.
- Financial Calculator

Course Requirements and Policies:

Expectations: I expect every student to read the chapter before and after the class. I do not expect you to depend on PowerPoint slides for your studying. I expect you to attend each class and participate in discussions. I expect you to do your project on time and attend the tutorials.

Quizzes: I will give some quizzes throughout the semester, so you should always be prepared. We will use Moodle for the quizzes.

Exams: There will be two midterm exams and a final exam. The dates of the exams are as follows:

Date	Event	Notes
Tue 07/11/2023	Exam 1 (chapters 1,11,12, 13,15, 16 & 17)	Time and place TBA
Mon 12/12/2023	Exam 2 (chapters 19, 20, 21, 22 & 23)	Time and place TBA
Tue 04/01/2024	Final (comprehensive)	11:00-13:00 in a place TBA

Project: There will be a project in which you apply the various tools you learn during this course on several banks. More information regarding the project will be provided later. This project is here to help you understand the material and tie the concepts and expose you to real-world problems and situations.

Attendance: I will not take attendance each class. However, your attendance is highly encouraged since I will give quizzes in some classes and I might cover something that is not covered in your textbook. Each student must abide by KU's bylaws and the student guide. A copy of the student guide can be accessed online on:

http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

Cheating and Plagiarism: Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (published in the Student Guide, Chapter 3, Section 2). A copy of the student guide can be accessed online on:

http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

Please carefully note all sources and assistance when you turn in your work. Under no circumstances should you take credit for work that is not yours. You should neither receive nor give any unauthorized assistance on any deliverable. If you have any questions about what constitutes "unauthorized assistance" please email me before the deliverable is submitted.



Grading:

The scores in this course will be the weighted average of the following items:

	Weight
Two midterm exams	50%
Quizzes and Participation	5%
Project	15%
Final Exam	40%
Total	110%

Grade Distribution:

Grade	Range
A	≥ 95
A-	≥ 90 and < 95
B+	≥ 87 and < 90
B	≥ 83 and < 87
B-	≥ 80 and < 83
C+	≥ 77 and < 80
C	≥ 73 and < 77
C-	≥ 70 and < 73
D+	≥ 65 and < 70
D	≥ 60 and < 65
F	< 60

The instructor always reserve the right to amend the above guidelines



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Course Outline (tentative and subject to change):

Course Schedule		
Sun	17-Sep-23	Introduction to the course
Tue	19-Sep-23	Chapter 1: Introduction
Thu	21-Sep-23	Chapter 11: Commercial Banks
Sun	24-Sep-23	Chapter 11: Commercial Banks
Tue	26-Sep-23	Chapter 11: Commercial Banks
Thu	28-Sep-23	Chapter 12: Commercial Banks' Financial Statements & Analysis
Sun	01-Oct-23	Chapter 12: Commercial Banks' Financial Statements & Analysis
Tue	03-Oct-23	Chapter 12: Commercial Banks' Financial Statements & Analysis
Thu	05-Oct-23	Chapter 12: Commercial Banks' Financial Statements & Analysis
Sun	08-Oct-23	Chapter 13: Regulation of Commercial Banks
Tue	10-Oct-23	Chapter 13: Regulation of Commercial Banks
Thu	12-Oct-23	Chapter 13: Regulation of Commercial Banks
Sun	15-Oct-23	Chapter 13: Regulation of Commercial Banks
Tue	17-Oct-23	Chapter 15: Insurance Companies
Thu	19-Oct-23	Chapter 15: Insurance Companies
Sun	22-Oct-23	Chapter 16: Securities Firms & Investment Banking
Tue	24-Oct-23	Chapter 16: Securities Firms & Investment Banking
Thu	26-Oct-23	Chapter 16: Securities Firms & Investment Banking
Sun	29-Oct-23	Chapter 17: Investment Companies
Tue	31-Oct-23	Chapter 17: Investment Companies
Thu	02-Nov-23	Chapter 17: Investment Companies
Sun	05-Nov-23	Chapter 19: Fintech Companies
Tue	07-Nov-23	Exam 1
Thu	09-Nov-23	Chapter 19: Fintech Companies
Sun	12-Nov-23	Chapter 20: Types of Risks Incurred by Financial Institutions
Tue	14-Nov-23	Chapter 20: Types of Risks Incurred by Financial Institutions
Thu	16-Nov-23	Chapter 20: Types of Risks Incurred by Financial Institutions
Sun	19-Nov-23	Chapter 21: Managing Credit Risk on the Balance Sheet
Tue	21-Nov-23	Chapter 21: Managing Credit Risk on the Balance Sheet
Thu	23-Nov-23	Chapter 21: Managing Credit Risk on the Balance Sheet
Sun	26-Nov-23	Chapter 22: Managing Liquidity Risk on the Balance Sheet
Tue	28-Nov-23	Chapter 22: Managing Liquidity Risk on the Balance Sheet
Thu	30-Nov-23	Chapter 22: Managing Liquidity Risk on the Balance Sheet
Sun	03-Dec-23	Chapter 23: Managing Interest Rate Risk & Insolvency Risk on the Balance Sheet
Tue	05-Dec-23	Chapter 23: Managing Interest Rate Risk & Insolvency Risk on the Balance Sheet
Thu	07-Dec-23	Chapter 23: Managing Interest Rate Risk & Insolvency Risk on the Balance Sheet
Sun	10-Dec-23	Chapter 24: Managing Risk off the balance sheet with Derivative Securities
Tue	12-Dec-23	Exam 2
Thu	14-Dec-23	Chapter 24: Managing Risk off the balance sheet with Derivative Securities
Sun	17-Dec-23	Presentations
Tue	19-Dec-23	Presentations
Thu	21-Dec-23	Presentations
Sun	24-Dec-23	Presentations
Tue	04-Jan-24	Final Exam (11:00 - 13:00) Place TBA



CBA Competency Goals

1. **Analytical Competency:** A CBA graduate will be able to use analytical skills to solve business problems and make a well-supported business decision.

Student Learning Objectives:

- 1.1. Use appropriate analytical techniques to solve a given business problem.
- 1.2. Critically evaluate multiple solutions to a business problem.
- 1.3. Make well-supported business decisions.

2. **Communication Competency:** A CBA graduate will be able to communicate effectively in a wide variety of business settings.

Student Learning Objectives:

- 2.1. Deliver clear, concise, and audience-centered presentations.
- 2.2. Write clear, concise, and audience-centered business documents.

3. **Information Technology Competency:** A CBA graduate will be able to utilize Information Technology for the completion of business tasks.

Student Learning Objectives:

- 3.1. Use data-processing tools to analyze or solve business problems.

4. **Ethical Competency:** A CBA graduate will be able to recognize ethical issues present in business environment, analyze the tradeoffs between different ethical perspectives, and make a well-supported ethical decision.

Student Learning Objectives:

- 4.1. Identify the ethical dimensions of a business decision.
- 4.2. Recognize and analyze the tradeoffs created by application of competing ethical perspectives.
- 4.3. Formulate and defend a well-supported recommendation for the resolution of an ethical issue.

5. **General Business Knowledge:** A CBA graduate will be able to demonstrate a basic understanding of the main business disciplines' concepts and theories.

Student Learning Objectives:

- 5.1. Acquire a fundamental understanding of knowledge from the main business disciplines (e.g., finance, accounting, marketing, and management information systems, among others).