FINC 4561 – BANK MANAGEMENT – SUMMER 2006

Professor: Ron Best
Web-page: http://www.westga.edu/~rbest
Phone: (678) 839-4812
Email: rbest@westga.edu
Office: Room 11 - Richards College of Business
Office Hours: TBA
(I am in my office most days. Feel free to “drop-in.”)

I. Catalog Description:

Analysis of functions and operations of commercial, investment, and savings banks. Primary emphasis is on investment, financial structure, and the bank’s role in determining financial variables and resource allocation.

II. Required Background or Experience:

A. Prerequisite: FINC 3511

B. Prerequisite Justification: Basic knowledge of finance is needed to work with risk/return tradeoff, analysis of financial data, security markets, financial instruments, and present value analysis.

C. General Education (Core) Contributions: The course uses the oral skills developed in communication courses and the critical thinking and analysis abilities developed in mathematics.

III. Expected Outcome: (www.westga.edu/~accfin/outcomes.htm)

A. Improve communication effectiveness in oral and written presentations (LG 1; ER 1, 7).

B. Improvement in spreadsheet skills and word processor usage (LG 3; ER 2).

C. Apply basic quantitative skills to banking issues (LG 2; ER 2).

D. Have an understanding of political, legal, and ethical considerations that affect the economic environment and decision-making in banking organizations (LG 5, 6; ER 4).

E. Understand in detail financial principles, institutions, and management in banking related activities (LG 4, 7; ER 4).

F. Work in teams to develop interpersonal and leadership skills (LG 10; ER 8)
IV. Text:
B. American Bankers Association BankExec Simulation Manual

V. Special or Unique Student Materials:
Additional handouts from various sources will be distributed during the session.

VI. Special or Unique University Facilities:
Access to the Richards College of Business Computer Lab.

VII. Expanded Description of the Course and Instructional Methods:
A. Expanded Course Description: The course provides a conceptual framework within which key financial decisions and risks relating to banking within the international environment are analyzed. Analytical techniques such as financial analysis of banking data, analysis of duration relating to bank portfolio investments' traditional gap and gap management, securitization, key elements relating to bank capital management, and analysis various different risks faced by the banking organization.

B. Instructional Methods
a) Lecture and problem solving: Financial markets and institutions topics are discussed in lectures (both in-class and online) presented by the instructor. During lectures, students contribute through their comments and their evaluation of analytical problems.

b) Simulation Participation and Presentation: Student groups of 3-5 members manage the activities of a simulated bank. Each bank competes with other banks in the economy. Students obtain a hands-on experience in managing the various functions of a commercial bank.

c) Visitation Reports: Each student is required to prepare a comprehensive written report of any three of the visits which include expert presentations on a related area of international banking/finance. These reports will be graded on the basis of their organization, quality of presentation, and content.
VIII. Methods of Evaluating the Outcomes:

A. Evaluation Tools

**GRADING WEIGHTS**                      **GRADING SCALE**

<table>
<thead>
<tr>
<th>Tool</th>
<th>Weight</th>
<th>Scale</th>
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<tbody>
<tr>
<td>Quiz 1</td>
<td>15%</td>
<td>Letter Grade/Final Average</td>
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<tr>
<td>Quiz 2</td>
<td>15%</td>
<td>A</td>
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<tr>
<td>Quiz 3</td>
<td>15%</td>
<td>B</td>
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<tr>
<td>Quiz 4</td>
<td>15%</td>
<td>C</td>
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<tr>
<td>Simulation Journal</td>
<td>15%</td>
<td>D</td>
</tr>
<tr>
<td>Simulation Presentation</td>
<td>10%</td>
<td>F</td>
</tr>
<tr>
<td>Simulation Bank Performance</td>
<td>5%</td>
<td>Below 60</td>
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(I reserve the right to ‘curve’ grades.)

Visitation Reports 10%

B. Administrative Policies

a) Code of Conduct: Honesty and integrity are necessary to the academic and professional functions of business. Dishonesty undermines the foundation of the academic environment. Improper academic conduct shall be interpreted to mean the obtaining and using of information during an examination by means other than those permitted by the instructor, including supplying such information to other students. All forms of academic dishonesty, including cheating, plagiarism, and falsification of academic records are subject to disciplinary action.

C. Learning Domains

a) Cognitive: Knowledge; comprehension; synthesis; analysis; evaluation.
b) Affective: Receiving; responding; valuing; organization; characterization.

IX. Daily Course Outline:

**TENTATIVE SCHEDULE**

The WebCT site address for this course is [http://webct.westga.edu](http://webct.westga.edu). A link to the course homepage will be available at [http://www.westga.edu/~rbest](http://www.westga.edu/~rbest). The exams on the WebCT site for this course should be completed before arriving on campus. All exams may be taken multiple times with the highest score for each retained. Your course grade is highly affected by these grades, so it is in your best interest to score as highly as possible. The course site should be operational no later than May 17, 2006.

The on-campus class schedule will be posted on the course WebCT site before the start of campus classes.

**PLEASE NOTE:** The schedule is tentative and could require modification.
NOTE 1. This course covers the following AACSB perspectives:
- Influences of legal and regulatory issues
- Ethical issues
- Oral communication
- International issues
- Social issues

NOTE 2. This course covers the following teaching objectives:
- develops oral communication skills
- develops ability to do research
- develops problem solving (analytical) skills
- develops critical thinking
- encourages social responsibility
- provides depth in major

Web Materials

Always begin a section by first going to the Study Plan page. Under this page you will find documents that describe the chapters covered and the goals and objectives for each section of material. The exams correspond with the material in each section. You may take the exams as often as you wish and only the highest grade will be retained.

Feel free to use the bulletin board to ask and answer questions from your classmates regarding the material. Also, you are welcome to directly ask me questions (email me through my regular email address listed on the top of the syllabus). Please give me at least a 24-hour window for responding (possibly longer on weekends).

Section 1 – Exam 1
Chapters 1, 2, 3

Section 2 – Exam 2
Chapters 4, 5, 6, 7

Section 3 – Exam 3
Chapters 9, 10, 11, 12

Section 4 – Exam 4
Chapters 14, 15, 20, BankExec Manual