UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Bank Management

2122-1-F1601M057

Learning objectives

The course provides students with suitable tools aimed at understading the main issues of bank strategic management from the point of view of board and top management. The topics refer to the context of EU bank market after the recent financial turmoil.

Part 1 describes the framework of risk supervision (Basel 2 and 3 rules) and other main regulatory issues; An analysis of governance models and internal control system in banking institutionsis also provided. In the last sections the course discusses policies and business models in the banking industry, with a specific focus on retail banking; mid-term strategies and strategic goals are examined through the structure and the information of bank's strategic plan.

During the course seminars and cases will be held by bankes and proctitioner in order to provide the industry's point of view on relevant issues. A section will be also dedicated to the analysis of liquidity risk and liquidity policies

Contents

INTRODUCTION

THE INDUSTRY'S SCENARIOS

THE EU BANKING MARKET AND THE POSITION OF THE ITALIAN BANKS

THE FRAMEWORK OF SUPERVISION AND MAIN REGULATORY ISSUES ON RISK SUPERVISION

THE INTERNAL CONTROL SYSTEM

COMPETITION AND BUSINESS MODELS

BANK STRATEGIES AND THE DEVELOPMENT OF THE STRATEGIC PLAN

Detailed program

INTRODUCTION
Course content and organization
THE INDUSTRY'S SCENARIOS
The perspectives of the banking industry after Covid19 pandemic
Asset quality and the management of NPL
Profitability and capital management
THE EU BANKING MARKET AND THE POSITION OF THE ITALIAN BANKS
Market structure and the role of credit institutions
Significant and Less Significant Banking Institution
The evolution of Italian domestic market and the consolidation of the industry
Big player, regional banks and new Fintech competitors

THE FRAMEWORK OF SUPERVISION AND MAIN REGULATORY ISSUES ON RISK SUPERVISION
Trend in prudential regularion: risk based regulation.
The structure of supervision and the RAF (Risk Assessment Framework).
The measurement of Second Pillar risks. The prudenial supervision through ICAAP e SREP

THE INTERNAL CONTROL SYSTEM
The design of the control system.
The different level of the internal control. Risk Management, Compliance and Internal Audit: organization and functions
The Risk management function in the bank's organization,: processes, responsibilities and the control of risks

COMPETITION AND BUSINESS MODELS
Business models: strategic decisions, risks and regulatory approach
Business models: a review of the academic studies
BANK STRATEGIES AND THE DEVELOPMENT OF THE STRATEGIC PLAN
Banks' strategies : the relationships among environment, strategy and structure
Corporate vs business unit strategies
Strategic decisions and structural design
Objectivs and stakeholder of the strategic plan
Steps in developing of a strategic plan

Prerequisites

Students are required to have a good knwoledge of the structure of the financal systems, of the financial institutions and financial instruments. They also should have a sufficient knowledge of the fundamentals of bank management and banks' risks

Teaching methods

Lessons will be provided as usual in the classroom,; case studies will be discussed with invited proctitioners

If required by the health situation lessons will be provided according to the following scheme

- Recorded distance lessons available in asynchronous mode on the Bicocca e-learnig platform
- Weekly/twice-weekly distance lessons in synchronous mode according to the official published calendar
- Case studies discussed in meeting with practitioners (distance learning in synchronous mode)

A cycle of exercise hours will concern liquidity risk managemen and regulation (in the classroom or in asynchronous mode with record available on the e-learning platform if required by the health situation)

A detailed calendar of the lessons provided will be available before the beginning of the academic year

Assessment methods

Written exam with a series of questions (4 to 6) requiring structured answers. A complementary oral exam may be scheduled.

Students may be required to use or discuss reading material available on the e-learning platform

Textbooks and Reading Materials

List of references and papers to be defined

Semester

1st term

Teaching language

Italian