UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Bank Management

2223-1-F1601M057

Learning objectives

The course provides students with knowledge 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 non financial problematic events.

Part 1 describes the framework of risk supervision (Basel 2 and 3 rules) and other main regulatory issues, and examines the relationships with risk policies in banks. An analysis of governance models and internal control system in banking institutions is also provided. Two sections of the course are also focused on policies and business models in the banking industry, mainly on retail banking; mid-term strategies and strategic goals are examined by analyzing the structure and informationcontents of bank’s strategic plan.

During the course workshops and case studies will be heldand discussed by bankes and practitioner 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 FRAMEWORK OF SUPERVISION AND MAIN REGULATORY ISSUES ON RISK SUPERVISION

THE INDUSTRY'S SCENARIOS

THE EU BANKING MARKET AND THE POSITION OF THE ITALIAN BANKS

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 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 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 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. Case studieswill be discussed during meeting with practitioners. A cycle of lessons will concern liquidity risk managemen and regulation

A detailed calendar of the worshops and lessons on liquidity policies will be available before the beginning of the academic year

Assessment methods

Written exam with a multiple choice qeustions and a series of questions (usually 3) 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 provides befor the beginning of the lessons

Semester

1st term

Teaching language

Italian

Sustainable Development Goals