



# MCAST

Malta College of Arts, Science & Technology

MQF Level 6

BC6-02-16

**MCAST B.Sc(Hons) Financial Services Management**

**Course Specification**

## **Course Description**

The area of Financial Services is a dynamic one which attracts dedicated human resources in its various aspects. This programme has been introduced to delve deeper in the main aspects underlying Financial Services operations. Besides placing under focus knowledge content which is necessary to enhance one's career in financial services, the programme also focuses on specialist areas, thus equipping students preparing themselves to take up work within financial services, and making the studies even more interesting and exciting. The content covered by this programme provides the requirements to further one's studies at higher education in conjunction with the ifs University College (UK).

## **Programme Learning Outcomes**

At the end of the programme the learner will be able to:

- 1. Understand the essential foundations of the financial services industry*
- 2. Appreciate the various underpinning financial decision making, including risk*
- 3. Provide financial advice and other retail services within Financial Services Organisations*
- 4. Develop technical and management skills for a junior managerial career in financial services and for strategic decision making.*

## **Entry Requirements**

MCAST Advanced Diploma in Financial Services

## Current Approved Programme Structure

<b>Unit Code</b>	<b>Unit Title</b>	<b>ECVET/ECTS</b>
BCFIN-512-1501	Financial Markets and Risk	12
BCMRK-512-1501	Marketing in Financial Services	12
BCFIN-512-1503	Practice of Financial Advice	12
BCFIN-506-1504	Foundations of Islamic Banking and Finance	6
BCFIN-506-1505	Practice of Islamic Banking and Finance	6
BCFIN-506-1506	Quantitative Methods for Finance and Investments	6
BCMGT-512-1501	Fundamentals of Leadership and Management	12
BCECN-506-1501	Economics	6
BCFIN-512-1507	Assessing Financial Performance	12
BCFIN-512-1508	Retail Lending	12
BCFIN-512-1509	Research Methods	12
BCFIN-612-1601	Financial Services Law and Compliance	12
BCFIN-606-1602	Wealth Management	6
BCFIN-606-1603	Globalisation of Financial Markets	6
BCFIN-606-1604	Foundations of Risk Management in Financial Services	6
BCFIN-606-1605	Statistics within Financial Services	6
BCFIN-606-1606	Fund Management and Administration*	6
BCFIN-606-1607	Risk Management Practices in Financial Services*	6
CDKSK-606-1615	Entrepreneurship	6
CDKSK-506-1523	Malti	6
CDKSK-506-1605	English	6
BCDIS-612-1601	Dissertation	12
<b>Total ECVET/ECTS</b>		<b>180</b>

\*Students choose 1 subject from the below

- Fund Management and Administration
- Risk Management Practices in Financial Services

## **Unit: BCFIN-512-1501-Financial Markets and Risk**

**Unit Level (MQF):** 5

**Unit Credits:** 12

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### **Unit Description**

The unit is designed to provide an introduction to the environment within which the financial services industry operates and to explore the main components of the financial system.

It begins by describing the major financial institutions, the markets within which they operate and the main participants in the markets. The emphasis is on how the financial system works and on the inter-relationships between market participants and stakeholders.

The unit goes on to explain the core concepts of a monetary system, such as the money supply, inflation and the factors influencing interest rates and foreign exchange rates. It describes the role of monetary policy in controlling inflation and the role of the central banks in providing liquidity to the markets.

The unit also explores the concept of risk, and the nature of the risks relating to the financial markets, financial institutions and non-bank companies. Particular attention is dedicated to the management of risk. This includes the concept of hedging and financial products and strategies for managing risk, but also extends to issues such as systemic risk, capital adequacy and liquidity risk.

The unit also covers the principles and nature of regulation in the financial markets, and the impact of regulation on the markets and financial institutions.

There is emphasis on current trends and issues in the financial markets, including those of ethics and sustainability, so that the unit has direct and up-to-date relevance for individuals working in the financial services industry.

## Learning Outcomes

**On completion of this unit, students will be able to:**

1. Demonstrate knowledge and understanding of financial institutions and be able to identify the different types of services that they provide to meet the needs of their customers.
2. Identify and explain the concepts of money, interest rates, exchange rates and inflation and identify and explain the main functions and importance of the monetary and financial system.
3. Demonstrate an understanding of the concept of risk and its importance.
4. Demonstrate an understanding of the reasons for regulation of the financial services industry and be able to understand the key principles of that regulation, including both statutory and self-regulation.
5. Recognise and appreciate the influences on financial institutions and markets, including financial intermediation and disintermediation, and ethical and sustainability issues.
6. Identify and analyse the factors influencing monetary policy, its functions and the role of central banks in the management of liquidity, the money supply and the rate of inflation. To be able to analyse the implications of changes in exchange and interest rates.
7. Analyse the types and levels of risks and how they can be managed.
8. Analyse the roles and objectives of the regulators of the financial services industries in Malta and internationally, and analyse particular regulatory needs in a given situation.

## **Unit: BCMRK-512-1501-Marketing in Financial Services**

**Unit level (MQF): 5**

**Credits : 12**

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### **Unit description**

Marketing is an essential element of any business today as it enables businesses to create an identity and to portray this image to their customers with the aim of inspiring trust and finally driving business. The financial services area is no exception. As competition increases, businesses need to find differentiation criteria that enable them to attract and retain the most valuable customers.

In this Unit learners will develop an in-depth understanding of how financial services organisations identify, anticipate and meet the needs, expectations and aspirations of customers to ensure the effectiveness of an organisation's marketing effort.

Learners will also develop understanding of the importance of being aware of changes in the marketing place (including the competitive landscape), which is having a significant impact on the customers of financial services organisations and the way the organisations interact with customers.

Learners will also develop knowledge, understanding of, and skill in, the use of different marketing tools, techniques and concepts and how these can be used in practise. Focus will be given as to how financial services organisations employ marketing practices to ensure sustained and profitable growth in their businesses. Learners will develop knowledge of effective relationship marketing and the need for excellent customer service to support and underpin business growth.

For marketing to be effective it must be a central component of management activity. Learners will be shown how to grow effective relationship with customers and will be led to understand the importance of nurturing those relationships to ensure long term business survival.

Customer loyalty cannot be built without proper customer service. Learners will develop understanding of how the provision of excellent services to customers can lead to long term profitability and sustained competitive advantage.

## Learning Outcomes

**On completion of this Unit the student will be able to**

- 1) Demonstrate an understanding of marketing and its value and contribution to financial institutions.
- 2) Recognise the importance of understanding the needs of customers and building effective relationships with them (consumers and customers).
- 3) Recognise the components of the marketing environment and their impact on marketing activities.
- 4) Assess the impact of competitors and the benefits of competitive advantage.
- 5) Demonstrate an understanding of segmentation, targeting and positioning as core marketing techniques.
- 6) Demonstrate an understanding of the application of an extended marketing mix in a financial services environment.
- 7) Explain the underlying principles of relationship marketing and customer service.

## **Unit: BCFIN-512-1503-Practice of Financial Advice**

**Unit level (MQF): 5**

**Credits: 12**

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### **Unit description**

This unit has been designed to provide students with sound knowledge and understanding of the skills required to provide effective financial advice. It focuses on how the advisor can identify the needs, goals and risk tolerance of the investor subject to the investor's constraints. The main aim of this unit is to enable the adviser to formulate an investment policy statement (IPS) and delimit an investment strategy and/or planning to address the financial needs of the investor.

It begins by detailing the regulatory and ethical framework that embraces the financial advice environment. The first part considers the financial regulator responsibilities and its approaches and covers ethical behaviour and professional standards.

The unit goes on by considering the role and relevance of taxes. Because tax-efficient strategies vary across countries and individuals, it is of utmost important that tax-efficient strategies need to be devised for investment construction and wealth transfer. The unit also describes the importance of the macro-economic environment and its impact on asset classes and investment planning.

Risk management is a key component of investment management. The unit incorporates this key component by explaining the nature and impact of the main types of risk on the performance of asset classes and how can they affect the investments and planning of the individual investor. The unit then analyses the different types of customer needs, taxes implications, retirement planning and the interrelationship of regulation and taxes.

The unit also touches briefly on behavioural finance. It distinguishes between cognitive errors and emotional biases and how these biases affect investment policy and asset allocation decisions. The unit concludes by developing the learners' understanding of the importance of gathering information client information and needs consumer and devising investment strategies and planning through practical application.



## Learning Outcomes

**On completion of this unit, students will be able to:**

1. Explain the role of the financial regulator with specific focus on the principles and rules of the regulatory framework relating to financial advice environment.
2. Understand and explain the role and relevance of taxes in relation to individuals and investments.
3. Describe and evaluate the macro-economic environment and its impact on asset classes.
4. Identify and explain the nature and impact of the main types of risk on investment performance and how risk can be contained.
5. Describe the main financial instruments to minimise risk.
6. Distinguish between cognitive errors and emotional biases and evaluate how these biases affect investment policy and asset allocation decisions and be able to recommend approaches to contain their effects.
7. Describe the advisor-client relationship and how it can be detailed in an investment policy statement (IPS).
8. Explain the ethical responsibilities of financial advisors.

## Unit: BCFIN-506-1504-Foundations of Islamic Banking and Finance

Unit level (MQF): 5

Credits : 6

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### Unit description

Islamic banking refers to a system of banking or banking activity that is consistent with the principles of Sharia which emphasise moral and ethical values in all dealings. Sharia prohibits the payment or acceptance of interest charges (*riba*) for the lending and accepting of money, as well as carrying out trade and other activities that provide goods or services considered contrary to its principles. In the late 20<sup>th</sup> century a number of Islamic Banks were formed to provide alternative banking methods to Muslims and non-Muslims.

Islamic banking has the same purpose as conventional banking except that it operates in accordance with Islamic rules on transactions, known as *Fiqh al-Muamalat*. Islamic banking activities must be practiced consistently with Sharia. Many of the principles upon which Islamic Banking is based are commonly accepted all over the world and these principles are not new but arguably, their original state has been altered over the centuries.

Individuals studying this unit will obtain a good introductory level of knowledge and understanding of Islamic Banking and Finance to ensure that they are familiar with all the major issues relating to Islamic Banking and Finance. This will include an introduction which provides a background to the growth in recent years and the reasons why this is important. Students should then understand the following topics: the ideological background, Islamic economic theory, the concept of ownership and wealth under Islamic law and the relationship between prosperity and Islamic economic theory.

Moreover students will be introduced to key principles and concepts of Islamic Banking and Finance, i.e.

- the prohibition of Riba (interest) which shall be examined in some detail as this is fundamental to an understanding of this subject of Islamic Banking and Finance
- the issue of uncertainty (*gharar*) is introduced and
- the important difference between interest and profit is considered.

This unit will then outline the main contracts used by Islamic Banks. Finally, the regulatory aspects are considered. The religious aspects will be considered wherever necessary, but it should be noted that this is a module about Islamic Banking and Finance and not about an understanding of Islam generally.

This unit provides a solid foundation for individuals wishing to learn the basics of Islamic Banking and Finance. The unit is designed to help students develop and learn how banking and financial transactions are undertaken in the non-conventional world of banking and identify the types of contracts used in achieving a particular outcome. This will allow students to apply knowledge within an Islamic Banking service context.

## **Learning Outcomes**

**On completion of this unit, the learner will be able to**

1. Describe the origins and development of Islamic Banking and Finance.
2. Comment on the central role of Islam in terms of law, ideology, ethics, moral values etc. in determining Islamic economic theory and the provision of Islamic financial services.
3. Explain the Islamic interpretation of socio-economic concepts such as wealth, ownership, prosperity etc. and the consequent impact upon economic theory and financial services.
4. Understand some of the fundamental principles of Islamic Banking and Finance and describe the consequent effect in terms of contractual obligations.
5. Compare and contrast the approaches taken by Islamic Banking with those adopted by conventional western financial service providers, in terms of economic theory, financial services provision, banking regulation and the underpinning drivers.

## **Unit: BCFIN-506-1505-Practice of Islamic Banking and Finance**

**Unit level (MQF): 5**

**Credits: 6**

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### **Unit description**

The unit is designed to ensure that students who have completed the introductory module on Islamic Banking and Finance are able to understand how the principles learned are applied in practice. Furthermore, this unit will ensure that students are familiar with the contractual principles used in all Islamic Finance agreements.

This course shall provide an introduction to the main Islamic contractual principles and how they developed. It shall also chart the restrictions which are imposed on all Islamic finance agreements, and the rationale behind these restrictions. Students will be introduced to the following topics:

1. the doctrines of Islamic commercial and contract law; and
2. the autonomy of the will and freedom of contract principles from Islamic law perspective.

At the latter stages of the course the main five divisions of Islamic financial alternatives are set out which will be analysed in comparison with the conventional banking products.

Finally this unit goes on to consider some of the legal difficulties that the operations of Islamic banking encounter.

### **Learning Outcomes**

**On completion of this unit ,the learner will be able to**

1. Understand the key features of Islamic contract law and explain how they influence Islamic finance agreements.
2. Describe the complex structure of Islamic banking products and the main contract types upon which they are based.

3. Compare and contrast Islamic banking products and their conventional western counterparts.
4. Apply their knowledge of the main types of Islamic finance agreements.

## **Unit: BCFIN-506-1506-Quantitative Methods for Finance and Investments**

**Unit Level (MQF):** 5

**Unit Credits:** 6

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### **Unit Description**

This module provides students with an understanding of the quantitative methods for finance and investment at an introductory level. This includes the ability to formulate problems into quantitative models, to aid the successful resolution of the problem. Students will learn how to apply statistical methods to analyse past data and infer future trends. Using output from mathematical and statistical models, students will learn to analyse, interpret and derive potential outcomes from quantitative information.

Upon completion of this module students will be able to demonstrate an understanding of applying quantitative techniques to a range of problems in the accounting, finance and investment environment. Students will also be able to communicate the results of quantitative analyses in the contexts of accounting, finance and investment, to both specialists and non-specialists, recognising any limitations of the underlying models.

### **Learning Outcomes**

**On completion of this unit, the learner will be able to:**

1. Understand basic mathematical concepts;
2. Collect and present data using methods that are appropriate within a business context;
3. Summarise statistical data using appropriate methods;
4. Use index numbers within a business context;
5. Understand the principles of probability and its link to risk;
6. Apply the concepts financial mathematics in a business context;
7. Use statistical methods to analyse past data and infer future trends.

## **Unit: BCMGT-512-1501-Fundamentals of Leadership and Management**

**Unit Level (MQF):** 5

**Credits:** 12

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### **Unit Description**

Effective management is fundamental to the success of any organisation. An understanding of the different types of organisational structure, and the ability to analyse an individual's own organisation and an individual's place within it are therefore critical to an individual's ability to manage effectively.

This module focuses on the principles of management, in terms of the management of people, systems and self. It also identifies the importance of management skills in the strategic context, personal skills for the delivery of quality customer service and the increasing importance of organisations operating in a socially responsible manner.

The syllabus topics have been chosen to develop the student's knowledge and understanding of organisational structures and theories, institutional management issues and their importance for effective management within the workplace. The module also allows students to appreciate the importance of effective organisational management when dealing with customers and other external stakeholders.

### **Learning Outcomes**

**On completion of this unit the student will be able to:**

1. Ensure an adequate level of management skills in order to boost personal performance over time.
2. Evaluate the features of selected management and leadership styles, the theories of group operations, motivation and theory to ensure a high level of effective management.
3. Outline the legal background of employing staff, together with the procedures and systems involved in their recruitment for long-term development.

4. Apply different structures of organisation and related theories according to the specific corporate culture.
5. Demonstrate a broad understanding of the strategic importance of management skills at individual, team and institutional levels for a better socially responsible organisation.
6. Evaluate the external environment and its key stakeholders.



## **Unit: BCECN-506-1501-Economics**

**Unit Level (MQF):** 5

**Unit Credits:** 6

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### **Unit Description**

This unit is designed to provide an introduction to the general principles of microeconomics and macroeconomics with application to financial products and markets and to the economy as a whole.

The module begins with an overview of microeconomic theory. It considers the allocation of scarce resources in mixed economies and describes how this happens via the market mechanism. It considers the theories of price and of competition and then looks at why and how governments intervene in free markets.

The module goes on to describe national income identities and discusses critically the extent to which they can be used to compare living standards over time and between countries. The module then turns to macroeconomic theory. It takes a brief look at conflicting Keynesian and monetarist theories, describes a country's main macroeconomic objectives and analyses how monetary, fiscal and supply-side policies can be used to achieve a sustainable economic position.

Finally, the module studies international trade, a country's balance of payments position and the exchange rate of its currency. It looks at the work of international economic institutions.

### **Learning Outcomes**

**On completion of this unit, the learner will be able to:**

1. Understand the fundamental economic problem in terms of the allocation of scarce resources;
2. Demonstrate a descriptive and graphical approach to the theory of price and the theory of competition;
3. Explain the concept of market failure and its related reasons;
4. Describe the main national income identities, explain the relationships between them and critically discuss their use in assessing living standards;

5. Understand the main variables underpinning the Keynesian theory of employment and the relationships between them;
6. Understand the main objectives of government macroeconomic policy and explain the main tools of monetary and fiscal policy;
7. Understand international economic issues and describe the functions of international economic and financial organisations.

## **Unit: BCFIN-512-1507-Assessing Financial Performance**

**Unit level (MQF): 5**

**Credits: 12**

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### **Unit description**

The unit is designed to provide an introduction of how organisations set and monitor core areas of their business. The unit focuses on how market participants can understand, explain and enhance the performance and objectives of organisations. The objectives are generally expressed in financial terms but at a business department/function, objectives are expressed in non-financial terms.

It begins by describing the dynamic environment in which businesses operate and the main stakeholders in a business organisation and how they interact to make decisions. Initially, the unit will also introduce financial performance information by looking at the contents of financial statements and examine approaches to interpret and evaluate financial statements.

The unit goes on to describe the fundamental accounting concepts, the difference between profit and cash flow, and the differing accounting bases of measurement. The regulatory requirements of financial reporting and the interrelationships of financial statements will also be covered.

The unit also explores the double-entry system of accounting and the recording of transactions, focusing on the accounting for inventory, depreciation, accruals, prepayments, provisions, contingencies and the use of suspense accounts and the correction of errors. An understanding of the nature and structure of cash flow will be discussed. The unit will then cover the production of financial statements and how accounting ratios to assess profitability, efficiency and liquidity of a particular organisation can be calculated.

The unit will then review the role and the preparation of budgets and how they can be used to forecast an organisation's performance. The unit concludes by examining the use of performance indicators in the non-financial elements of the balanced scorecard approach. Topics covered include the four perspectives of the balanced scorecard and how they are linked.

## Learning Outcomes

On completion of this unit, students will be able to:

1. demonstrate an understanding of market participants that make use of financial information, the financial statements that are presented to them and the qualitative characteristics that make the financial information useful;
2. understand the principles of double-entry book-keeping including the recording of transactions through day books, ledgers and journals;
3. prepare a set of financial statements, including the Statement of Profit or Loss, Statement of Financial Position and Statement of Cash Flows;
4. identify and explain pertinent data for measuring performance including the use of financial ratios as part of an analysis / appraisal of an organisation's financial position, performance and liquidity, and recognise the limitations of such financial analysis;
5. understand the objective-setting and monitoring process including budget setting and budget preparation for performance forecasting;
6. demonstrate an understanding of the purpose and components of the balanced scorecard approach to setting and monitoring performance measures of organisational success;
7. use the principles of the balanced scorecard approach to assess the non-financial aspects of business performance and recognise its limitations.

## Unit: BCFIN-512-1508-Retail Lending

Unit Level (MQF): 5

Credits: 12

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### Unit Description

This module has been designed to provide students with a sound introductory level of knowledge and understanding of the requisite skills to effectively manage the varied lending requests made by customers. In this context customers are defined as consumers, micro-enterprises and small charities and associations.

The early syllabus sections provide a broad framework of the lending environment, ensuring that the student is aware of the implications of lending responsibly, in compliance with the legal and regulatory environment in which lenders operate, before moving on to analyse the range of lending services that can now be offered to satisfy those borrowing needs.

Increasingly, such facilities are administered on a centralised basis - whether by bankers, credit operators, or others - and may be delivered electronically, by cheque, plastic card or other debit transaction. The subject is therefore relevant to all such providers of consumer credit. *Note:* Students will be familiar with at least the basic characteristics of the products described above, and how they are used.

The syllabus provides the student with an overview of the whole lending process. This includes a review of the lending cycle, including making the initial lending decision, but also moving on to discuss the control and monitoring of any lending made, early warning signals that repayment of the debt could potentially be an issue and, where necessary, consideration of the process of debt recovery.

The general principles and features of collateral/security are considered, in outline only, together with an overview of some of the advantages and limitations of differing types, whether direct or third party. However, there is no detailed coverage of the specific legal aspects of taking and perfecting particular forms of collateral, nor of

the legal intricacies of different methods of dealing with insolvency, both of which can vary significantly according to geographic location.

## **Learning Outcomes**

**On completion of this unit the student will be able to:**

1. Evaluate the borrowing and lending environment in which lenders operate.
2. Demonstrate an understanding of the various types of lending solutions.
3. Describe and apply judgmental lending analysis and application scoring theory for lending decisions.
4. Understand all the stages involved in the lending application process.
5. Demonstrate a broad understanding of customer management in the lending function, which involve authorisation, controlling the lending portfolio through behavioural scorecards and granting additional credit.
6. Evaluate the need to monitor and control lending once approved, in line with the 'lending cycle': from the initial lending decision, to recognition of early warning signals, control actions and refinancing.
7. Describe how the customer relationship is managed should the recovery of debt be necessary, understand the possible routes for customers to deal with their liabilities and evaluate how delinquent accounts are handled by the organisation.

## Unit: BCFIN-512-1509-Research Methods

### Unit Description

#### Learning outcomes

1. Describe the research process
2. the literature sources and research philosophies
3. Demonstrate fundamental research skills
4. Demonstrate knowledge of data accessibility and data analysis

## **Unit:**

**Unit Level (MQF):**                    **6**

**Unit Credits:**                        **12**

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### **Unit Description**

Financial Services Organisations (FSOs) operate within an increasingly complex regulatory environment and thus considerable importance is being placed on the implementation of compliance programs. Therefore, the purpose of this unit is twofold. Primarily, students will understand the main laws that regulate the local financial services industry and subsequently understand how compliance programmes should be implemented.

The unit begins by introducing learners to the Maltese legal system, where the different categories of laws and the Maltese legal infrastructure are considered. Consequently the fundamental concepts relating to rights, obligations and contracts are considered together with their application in the financial services industry. The unit also considers legal principles relating to organisations and the different legal forms that exist under Maltese law. Considerable importance is given to the laws and regulations making up the local financial services regulatory framework. Indeed, a range of banking, insurance, securities, markets and money laundering laws and regulations are considered. Furthermore, the financial and statistical reporting which is made to competent authorities together with the importance of confidentiality, data protection and consumer protection in the financial services industry are also considered.

The unit concludes by considering the fundamental principles of compliance so that, following completion of this unit, learners will be able to develop appropriate compliance programs to monitor, manage and mitigate compliance risk within FSOs.



## Learning Outcomes

**On completion of this unit, the learner will be able to:**

1. Understand the Maltese legal system.
2. Examine rights and obligations, and the elements of a contract in a Financial Services Environment.
3. Explain the legal principles relating to legal organisations.
4. Evaluate the local financial services regulatory framework.
5. Evaluate the legislative framework concerning the prevention of money laundering and the funding of terrorism.
6. Explain the financial and statistical reporting which is made to competent authorities.
7. Understand the importance of confidentiality, data protection and consumer protection in the financial services industry.
8. Understand the importance of compliance in the financial services industry.

## **Unit: BCFIN-606-1602-Wealth Management**

**Unit Level (MQF):** 6

**Unit Credits:** 6

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### **Unit Description**

This module builds upon the learners' previous knowledge of financial markets and products, by considering the specific services offered by a wealth management division and the financial planning services that are provided to clients according to their particular requirements. It has been designed to provide learners with a sound knowledge and understanding of the wealth management industry, its clients and their respective needs, and related wealth management investment strategies, including tax implications.

The unit commences by considering the unique characteristics of the wealth management industry and highlights its increased significance. It also considers the major changes occurring over the past recent years within the wealth management industry, in particular the changes in clients' behaviour and needs. In view of all this, it is extremely important for wealth managers to identify, understand and address changing clients' needs and preferences to be able to develop appropriate investment solutions. Consequently, the wealth management model and its client-centric approach would really help wealth managers to fully understand clients' requirements.

The role and relevance of taxes in investment decision-making is also considered. The unit considers the various types of taxation systems found in Malta, the tax implications on wealth management and any practical and ethical issues that need to be considered by wealth managers when providing tax efficient advice.

### **Learning Outcomes**

**On completion of this unit, the learner will be able to:**

1. Define the wealth management segment and identify its main distinctive characteristics

2. Provide a detailed description of the wealth management model and discuss the main reasons and challenges for adopting it
3. Analyse the market for wealth management products
4. Identify clients' investment needs and present suitable investment recommendations
5. Analyse issues related to tax and taxation planning

## **Unit: BCFIN-606-1603-Globalisation of Financial Markets**

**Unit Level (MQF):** 6

**Unit Credits:** 6

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### **Unit Description**

This unit will provide learners with an understanding of the implications of financial market integration and the emergence of a global financial system. In addition, through this module learners should be able to understand the impact that globalisation has on the operations of international financial markets and finance models.

Starting with an overview of globalisation and the international financial system, the unit eventually progresses by considering the role of financial markets and institutions in sustaining the global financial system. Subsequently, the way in which the globalisation of financial markets is affected by risk and the key drivers of change, such as regulation and government policy, is considered. Additionally, the role of various financial instruments and markets within a global setting is considered. This includes bonds, interest rates, central banks, foreign exchange markets and international equity markets.

Since the globalisation of financial markets is a highly dynamic field of study, learners are encouraged to keep constantly up to date with current developments in the area. The module will broaden the learners' knowledge of the financial services industry from an international point of view, so that they will be able to fully appreciate the opportunities and risks that the globalisation process brings about.

### **Learning Outcomes**

**On completion of this unit, the learner will be able to:**

1. Understand globalisation and the international financial system
2. Analyse the role of international financial markets and institutions in sustaining the global financial system
3. Evaluate how the key drivers of change and risk impact the globalisation of financial markets
4. Analyse the function of bonds, interest rates and central banks in the global financial system
5. Analyse the role of foreign exchange (forex) markets and equilibrium in the globalisation of financial markets
6. Examine the growth and development of international equity markets

## **Unit: BCFIN-606-1604-Foundations of Risk Management in Financial Services**

**Unit Level (MQF):** 6

**Unit Credits:** 6

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### **Unit Description**

Organisations that operate within the financial services industry face various risks and so it is essential that a robust approach to risk management is adopted by such organisations. This unit primarily considers how risk is identified and measured by Financial Services Organisations (FSOs). It starts off by considering the fundamental principles of risk management and the application of risk management in the financial services industry. Subsequently, the different stakeholders of the financial services industry and their attitudes towards risk management, together with the role of corporate governance and ethics in influencing a risk culture are considered.

Through this unit, learners will also learn about the different categories of risk within the financial services industry together with a range of techniques that are used to identify risks within the aforementioned industry. The characteristics, appropriateness of use and limitations of such risk identification techniques are considered. Furthermore, the risk indicators within the financial services sector are also considered so that learners will be able to identify the risks arising and their resulting impact. Subsequently, the measurement of risks to which a financial services organisation is exposed is also considered. This involves the methods used to measure market risk, credit risk, operational risk and the Capital Asset Pricing Model (CAPM).

### **Learning Outcomes**

**On completion of this unit, the learner will be able to:**

1. Explain the history and fundamental principles of risk management in financial services.
2. Analyse the influence of stakeholders, corporate governance and ethics on risk management in financial services.
3. Identify the risks to which a local financial services organisation is being exposed.
4. Measure the risks to which a local financial services organisation is being exposed.

## **Unit: BCFIN-606-1605-Statistic in Financial Services**

**Unit Level (MQF):** 6

**Unit Credits:** 6

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### **Unit Description**

Statistics is the science of collecting and interpreting data, and then using this data to draw inferences. The purpose of this unit is to cover the different methods of data collection and analysis, since it is imperative that learners are confident in using such methods within the financial services industry and in the writing of their dissertation. It emphasises the learner's ability to make sense of data-sets and the statistical processes used to analyse them since this involves a dynamic rather than a static numerical exercise.

This unit will discuss the summarisation and interpretation of data using descriptive statistics and Pivot Tables. Eventually, the unit considers concepts related to sampling and data collection. With regards to sampling, the different sampling techniques, the estimation of a sample size and the difference between sampling and non-sampling errors is considered. With regards to data collection, the various primary and secondary sources of data are considered, together with survey design, the different types of surveys and questions included therein, and pilot surveys.

The unit also considers the techniques that can be used to make predictions and derive estimates about a large body of data. Furthermore, the ability to construct confidence intervals and to assess the level of reliability of inferences will be dealt with in detail. Finally, the unit concludes by considering the various techniques that can be used to analyse and generalise the relationship between variables, such as regression and correlation analysis, the Pearson's and Spearman's correlation coefficient and the Chi-squared test.

## Learning Outcomes

**On completion of this unit, the learner will be able to:**

1. Summarise and interpret data appropriately by using adequate descriptive techniques.
2. Describe, evaluate and justify the use of survey methods and techniques.
3. Make inferences related to a financial services scenario by using confidence intervals and hypothesis testing.
4. Analyse and generalise the relationship between variables.



## **Unit: BCFIN-606-1606-Fund Management and Administration**

**Unit Level (MQF):** 6

**Unit Credits:** 6

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### **Unit Description**

The aim of this unit is to give students a practical insight into the funds industry, which is one of the most thriving within the local financial services environment. The unit will focus on the environment in which investment management takes place and the way in which funds are operated.

Primarily, the unit considers the fundamental concepts of fund administration and management. These include funds-related terminology, an overview of the local funds industry and the process and documentation involved in setting up and launching an investment fund. In addition, the roles and responsibilities of the main service providers and stakeholders of the funds industry are considered. Learners will also learn about the book-keeping entries that are used to record portfolio transactions and general ledger entries, and the various calculations involved in fund accounting. In addition, the ways in which a fund's assets may be valued using appropriate pricing sources, and asset verification and control procedures are considered. The statutory reporting requirements and importance of cash management procedures for an investment fund are also considered.

Following completion of this unit, learners will be able to analyse the impact of regulations and risk on the local funds industry. The key areas of regulation relating to fund management and administration, the different types of agreements, the sources of risk in fund administration and management and the importance of compliance by an investment fund are considered.

## Learning Outcomes

**On completion of this unit, the learner will be able to:**

1. Understand the fundamental concepts of fund administration and management.
2. Explain the roles and responsibilities of the main service providers and stakeholders of the funds industry.
3. Calculate the valuation of an investment fund and complete accounting procedures.
4. Analyse the impact of regulations and risk on the local funds industry.

## **Unit: BCFIN-606-1607-Risk Management Practices in Financial Services**

**Unit Level (MQF):** 6

**Unit Credits:** 6

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### **Unit Description**

This unit builds upon the unit entitled “Foundations of Risk Management in Financial Services”. It takes a practical approach towards risk management by considering how risk is evaluated by Financial Services Organisations (FSOs) so that the appropriate response to risk is adopted. Initially, the main standards and regulations concerning risk management in the financial services industry are considered. These include the Risk Management and Internal Capital Adequacy Assessment Process, the Forward Looking Assessment of Own Risks concept, the Basel recommendations, Solvency II Directive, Capital Requirements Directive (CRD) and the Markets in Financial Instruments Directive (MiFID). Subsequently, the unit progresses to consider how the results obtained from risk measurement can be evaluated, so that eventually appropriate recommendations can be made for FSOs to adopt a sustainable risk reward profile that optimises risk and return.

Following the completion of this unit, learners will be able to apply a range of risk management response techniques. This includes concepts related to, and the importance of risk avoidance, transference, retention and acceptance. In addition, the use of various financial instruments as a risk management response is also considered. Finally, the communication strategies through which FSOs keep their stakeholders informed of the risks they are exposed to and the importance of controlling, monitoring and enhancing the risk management process are considered.

### **Learning Outcomes**

**On completion of this unit, the learner will be able to:**

1. Understand the main standards and regulations concerning risk management in the financial services industry.
2. Evaluate the results obtained from risk measurement and make recommendations to optimise risk and return.
3. Apply a range of risk management response techniques.
4. Understand the importance of risk communication and review of the risk management process.

