SUBJECT DATASHEET

FOUNDATIONS TO RISK MANAGEMENT

BMEGT35M101

I. SUBJECT DESCRIPTION

1. SUBJECT DATA

Subject name
FOUNDATIONS TO RISK MANAGEMENT

ID (subject code) BMEGT35M101

Type of subject
contact lessons

Course types and lessons

Type	*Lessons*
Lecture	4
Practice	0
Laboratory	0

Type of assessment
exam grade

Number of credits
5

Subject Coordinator

Name	*Position*	*Contact details*
Dr. Bethlendi András	associate professor	bethlendi.andras@gtk.bme.hu

Educational organisational unit for the subject
Department of Finance

Subject website

Language of the subject
angol - ENG

Curricular role of the subject, recommended number of terms

Direct prerequisites

Strong	None
Weak	None
Parallel	None
Exclusion	None

Validity of the Subject Description
Approved by the Faculty Board of Faculty of Economic and Social Sciences, Decree No: 580672/5/2023 registration number. Valid from: 25.10.2023.

2. OBJECTIVES AND LEARNING OUTCOMES

Objectives

Business decisions are based on significant business uncertainty and risk. The aim of teaching the subject is that students get to know the basic concept of risk management. What types of risks do companies and financial instituti-ons face. Risk management, and more broadly, how responsible corporate governance can effectively manage these, thereby increasing the value of the organization. Students will get an idea of the basic methods and best practices of risk management, with emphasis on value at risk; expected shortfall; stress test and scenario analysis. Market risks are presented through option and bond pricing models (what risks these financial instruments are sensitive to). We describe the credit risk and its two components: expected and unexpected loss. We also cover operational and sovere-ign risks. In developing the topic, we made great efforts to cover the first and fourth topics of the international FRM (Financial Risk Manager) exam (Foundations of Risk Management; Valuation and Risk Models). In the course of education, we keep in mind the objective that, as a result of the learning process, the student should be able to apply the acquired theory in practice.

Academic results

Knowledge

1. the different types of risk;
2. basic risk management methods;
3. modern corporate governance systems, in which the risk management function also plays a role;
4. risk mitigation techniques.

Skills

1. plan and organize independent learning,
2. comprehend and use the professional literature of the topic,
3. to identify and measure corporate / banking risk,
4. perform calculations to support decision making

Attitude

1. is open to learn about and adapt innovations in finance,
2. collaborates with their instructors and peers during the learning process,
3. gains knowledge and information,
4. makes use of ICT tools.

Independence and responsibility

1. is open to accept reliable critical remarks,
2. collaborates with other students in performing assignments during the learning process,
3. is capable of making informed jusgements in the financial (risk) decision-making,
4. can weigh the significance of their responsibilities and foresee the consequences of their decisions.

Teaching methodology

Lectures, verbal and written communication, use of ICT tools and techniques, optionally independent and group assignments.

Materials supporting learning

- Az előadások prezentációinak anyaga, ami a félév során folyamatosan fog feltöltésre kerülni.
- Lecture slides which will be uploaded continously during the semester.
- Az aktuális irodalmi lista az első órán kerül ismertetésre.
- The actual bibliography will be presented in the first hour

II. SUBJECT REQUIREMENTS

TESTING AND ASSESSMENT OF LEARNING PERFORMANCE

General Rules

Assessment of the learning outcomes described under 2.2. is based on the end-term exam. The optional homework can affect the outcome.

Performance assessment methods

A. Detailed description of mid-term per-formance assessments The audience could gain extra points with the optional homework. Presence
on at least 70% of the lectures is required to being allowed to take the exam. B. Detailed description of examination performance as-sessments There will be a written exam in the examination period. The part of the curriculum on which the assessment is based is determined by the lecturer of the subject. The time available for the exam will be announced during the semester.

Percentage of performance assessments, conducted during the study period, within the rating

Percentage of exam elements within the rating

Conditions for obtaining a signature, validity of the signature

Attendance at lectures is a condition for obtaining a signature. The condition for writing the exam is to obtain a sig-nature. The obtained signature is valid for the period according to the TVSZ.

Issuing grades

Excellent	91
Very good	86-90
Good	71-85
Satisfactory	61-70
Pass	51-60
Fail	50

Retake and late completion

Grade improvment and retakes by TVSZ.

Coursework required for the completion of the subject

participation on contact lessons	56
optional home work	10
preparing for the exam	84
total	150

Approval and validity of subject requirements

Consulted with the Faculty Student Representative Committee, approved by the Vice Dean for Education, valid from: 09.10.2023.

III. COURSE CURRICULUM

THEMATIC UNITS AND FURTHER DETAILS

Topics covered during the term

Subject includes the topics detailed in the course syllabus to ensure learning outcomes listed under 2.2. can be achieved. Timing of the topics will be arranged by the calendar or other circumstances in each semester.

Additional lecturers

Szallerné Sereg Nikoletta tanársegéd sereg.nikolett@gtk.bme.hu

Approval and validity of subject requirements