



School of Economics and Management

BUSO85, Business Administration: Corporate Risk Management, 5 credits

Företagsekonomi: Företagsriskhantering, 5 högskolepoäng
Second Cycle / Avancerad nivå

Details of approval

The syllabus was approved by The Board of the Department of Business Administration on 2018-05-21 and was last revised on 2024-03-05 by Academic Director of Studies at Department of Business Administration. The revised syllabus comes into effect 2024-03-05 and is valid from the autumn semester 2024.

General information

BUSO85 is a course on Business Administration at the advanced level.

Language of instruction: English

Main field of study *Specialisation*

Business Administration A1N, Second cycle, has only first-cycle course/s as entry requirements

Learning outcomes

A passing grade on the course will be awarded to students who:

Knowledge and understanding

- have demonstrated knowledge of how to define and measure risk, with a particular focus on financial risks
- have demonstrated knowledge of theories of how risk management affects firm value
- have demonstrated knowledge of corporate risk management, especially of the modelling of derivative strategies, and their effects on financial statements
- have demonstrated knowledge of regulation may affect hedging and derivative strategies

Competence and skills

- have demonstrated ability to identify problems and situations where the theories learnt are applicable
- can communicate the results, and their analyses and conclusions, of an empirical investigation clearly and unambiguously

Judgement and approach

- have demonstrated ability to use theories and concepts to critically appraise risk management strategies
- have demonstrated ability to understand the role of risk management in the context of the firm's financial and strategic policies

Course content

The main purpose of the course is to provide students with a deep understanding of the pros and cons of corporate risk management, as well as different strategies for value-creating risk management. The course builds on knowledge from introductory courses in finance, especially corporate finance and corporate valuation, and it reinforces and evaluates this progression. The examination also reflects the progression.

It is a course in applied corporate finance that emphasizes practical applications of analytical models. In particular, the course financial risk management from the perspective of a Chief Financial Officer. It includes methods for identifying, measuring and mitigating market, credit, fx and liquidity risks, different financial instruments for risk management.

Course design

The course is conducted in the form of lectures, exercises, and assignment work based on real companies. The course emphasizes applied learning, where participants learn to use the studied analysis techniques.

To facilitate this, assignment work makes up an important part of the teaching and learning activities on the course. Lectures will cover parts of the course literature, with particular emphasis on the more challenging parts. This means that self-study of the course literature is essential and that the assigned readings are integral parts of the teaching and learning activities.

Assessment

Assessment and grading are based on assignment work and an examination covering all teaching and learning activities and all assigned readings. Since the course emphasizes applied learning, important parts of the examination are focused on participants employing the studied analysis techniques.

The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

Grades

Grading scale includes the grades: U=Fail, E=Sufficient, D=Satisfactory, C=Good, B=Very Good, A=Excellent

Grading scale includes the grades: Fail, E, D, C, B, A

A (Excellent) 85-100. A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

B (Very good) 75-84. A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.

C (Good) 65-74. The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought and lives up to expectations.

D (Satisfactory) 55-64. The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

E (Sufficient) 50-54. The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.

F (U) (Fail) 0-49. The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought.

Some occasional examination elements of the course may have the grading scale pass (D) / fail U(F). Plagiarism is considered to be a very serious academic offence.

The University will take disciplinary actions against any kind of attempted malpractice in examinations and assessments. The penalty that may be imposed for this, and other improper practices in examinations or assessments, includes suspension from the University for a specific period of time.

Entry requirements

Students admitted to a Master Programme where this course is either a compulsory or elective part, are qualified for the course.

For other students, at least 90 UCP or ECTS- cr in Business Administration is required. These must include a course in basic Business Administration (e.g. FEKA90 Business Administration: Introductory course in Business Administration). Students are also required to have successfully completed FEKH81 Corporate Finance or an equivalent advanced level undergraduate course in corporate finance, and must hold background knowledge of theories regarding how corporate risk management affects firm value equivalent to BUSO98 Theory of Corporate Finance.

Further information

The course BUSO85 cannot be combined with the course BUSO86 in a degree.

In case of closure of the course: Within three semesters after the course closure there will be offered three additional occasions for examination of respective examination part of the course, for students with no successful result. Note that after this you can get a certificate only regarding completed examination parts.