This course investigates sound and efficient techniques for the management of commercial banks. Topics of inquiry include industry structure and competition, regulation, administrative organization, and the management of asset and liability composition to achieve corporate objectives regarding profitability, liquidity, capital adequacy, asset quality, and sensitivity to market risk factors.

Course Objectives

To provide students with an introduction to financial management within the commercial banking enterprise; and equip students with the technical, analytical, and strategic abilities necessary to assume an entry-level management career in the commercial banking industry. Our attention will focus on:

1. developing students' technical, analytical, communications, and decision-making skills in preparation for managerial responsibility within banking firms;
2. understanding how the economic and regulatory environments affect managerial decision-making, bank profitability, and firm value;
3. examining how and why the daily operations, strategic management, and corporate culture of many commercial banks have changed dramatically in the last decade;
4. identifying some of the major contemporary issues which challenge bank managers, and exploring how bankers are responding to these challenges;
5. acquiring a working knowledge of how the competitive, economic, and regulatory fabric surrounding the banking industry is likely to change in coming years, and formulating effective managerial responses to these anticipated changes; and
6. providing a foundation for advanced academic training and professional development in commercial bank management.
At the discretion of the department offering a course, a student may be disenrolled from the course. Under the UNCC Course Withdrawal Policy, students may withdraw from a course on a certain date when they are registered at the close of the add/drop period. If you are concerned about your ability to succeed in this course, it is important to make an appointment to speak with me as soon as possible. Because University policy on withdrawal allows students only a limited number of opportunities available to withdraw from courses, it is important for you to understand the financial and academic consequences that may result from course withdrawal. The last day to withdraw is Monday, March 20th.

### Important University and/or College Policies

1. **ACADEMIC INTEGRITY** “All UNCC students have the responsibility to be familiar with and to observe the requirements of The UNCC Code of Student Academic Integrity (see the Catalog). This code forbids cheating, fabrication or falsification of information, multiple submission of academic work, plagiarism, abuse of academic materials (such as Library books on reserve), and complicity in academic dishonesty (helping others to violate the code). Any further specific requirements or permission regarding academic integrity in this course will be stated by the instructor, and are also binding on the students in this course. Students who violate the code can be punished to the extent of being permanently expelled from UNCC and having this fact recorded on their official transcripts. The normal penalty is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to “F”. If you do not have a copy of the code, you can obtain one from the Dean of Students Office. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty they become aware of to the course instructor who is responsible for dealing with them.”

2. **ATTENDANCE** Students are expected to attend punctually all scheduled sessions in the courses for which they are registered and are responsible for completing the work from all of the class meetings. Absences from class may be excused by the instructor for such reasons as personal illness, religious holidays, participating as an authorized University representative in an out-of-town event, or unavoidable professional responsibilities that require missing a class. Whenever possible, students are expected to seek the permission of the instructor prior to absences.

3. **DISENROLLMENT** At the discretion of the department offering a course, a student may be disenrolled from a course section if he or she does not attend the first scheduled meeting of the section. The department chair has the responsibility for providing timely notification to the student who is disenrolled.

4. **COURSE WITHDRAWAL** Under the UNCC Course Withdrawal Policy, students may withdraw from a course until the withdrawal deadline and the mark of “W” will be assigned. No withdrawals will be permitted after the course withdrawal deadline. It is the student's responsibility to determine by the withdrawal deadline whether to withdraw from the course or stay in for a grade. Students are expected to complete all courses for which they are registered at the close of the add/drop period. If you are concerned about your ability to succeed in this course, it is important to make an appointment to speak with me as soon as possible. Because University policy on withdrawal allows students only a limited number of opportunities available to withdraw from courses, it is important for you to understand the financial and academic consequences that may result from course withdrawal. The last day to withdraw is Monday, March 20th.

5. **ELECTRONIC DEVICES IN CLASS** The use of cell phones, smart phones, or other mobile communication devices during class time is disruptive, and is therefore prohibited during class. Except in emergencies, those using such devices must leave the classroom for the remainder of the class period. Students are permitted to use computers during class for note-taking and other course-related work. Those using computers during class for activities not related to class must leave the classroom for the remainder of the class period.

6. **DIVERSITY** The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to, ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

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### Other Valuable Information

1. The dates shown below in Table 1 are subject to modest change, depending on the pace at which the class is able to cover material. This schedule, however, should serve as a guide so that you can maintain an appropriate reading pace. Students are expected to read the assigned material and be prepared to discuss it PRIOR to the date each topic is covered in class. In addition, students are expected to review on a regular basis current business events which involve financial markets and commercial banking. The best way to develop an awareness of current financial events is by reading The American Banker, The Wall Street Journal, and Business Week.

2. This course is an applications-oriented course. Lectures are based on the material in the text, the assigned articles, and current events drawn from The American Banker, The Wall Street Journal, and Business Week. Throughout the semester we will relate the textbook material to real financial problems in an effort to understand and evaluate current events occurring within financial markets and the commercial banking industry. Exams are based on the assigned reading materials and lecture notes (including current events and Stanford Bank Game material).

3. Given the limited number of hours allocated for class meetings, class time is not sufficient to cover all of the material presented in the assigned readings. However, students are responsible for all assigned material, whether or not it is discussed in class. We will devote class time to (1) discussion of the more difficult conceptual material contained in the readings, and (2) analysis of current events. The more descriptive material contained in the course readings can be assimilated easily by students outside the classroom, and therefore, this material will be frequently discussed in class in a cursory fashion.
The Stanford Bank Game Commercial Bank Simulation Project

The Stanford Bank Game represents a microcomputer-based commercial bank simulator used to train bankers since 1964. We will use this simulation program in a variety of ways as we study commercial bank management this semester, including (1) as the basis for class presentations, and (2) to conduct an extended simulation exercise in which student teams of bank managers will operate a competitive community of commercial banks. A separate handout, entitled The Stanford Bank Game Version 11 Commercial Bank Management Course Packet, that describes the objectives and structure of the SBG Project is available from the University’s FTP site (see access information on Page 1 above). Each course examination after the first exam (i.e., Exam #2 and the Final Exam) will include a question or two derived from SBG Project material introduced in class during the normal course of the semester.

Examinations and Grading

I. Examinations

1. Exams will cover the assigned reading materials (including the Stanford Bank Game Players’ Manual), lecture notes, and current events topics discussed in class. Exam questions will include essay questions, short answer questions, and problem solving opportunities; and the final exam will include a series of extended answer and/or more lengthy problem-solving exercises. Because many questions will require arithmetic computations, you should bring a calculator on exam days.

2. Three examinations will be given in this course: Two midterm exams covering the material indicated in the course outline, and a comprehensive final exam. Each midterm exam includes ten short answer and/or problem-solving questions, and students are required to complete all of the questions/problems on these midterm exams. The final exam includes (1) ten short answer and/or brief problem-solving questions, and (2) a single, longer-answer comprehensive question covering multiple learning objectives introduced over the course of the semester. Sample hypothetical examination questions will be introduced in class lectures throughout the semester so that students will have the opportunity to become familiar with the structure and content of examination questions prior to each exam.

3. Students will be permitted to bring ONE 8½”-by-11” sheet of paper containing notes, formulae, etc. into each examination session during the semester. Note that this “cheat sheet” may not be prepared mechanically using the compressed print mode available on most binary printers; it must be handwritten. Given the use of a cheat sheet, it is not necessary for students to memorize equations, names, dates, places, etc. when preparing for course examinations. Rather, students should emphasize understanding financial concepts and relationships when preparing for exams.

4. Students who are unable to attend a scheduled examination must (1) notify the instructor in advance of the examination date that will be missed and arrange to take the exam early; or (2) present the instructor with documentation of a valid medical, family, or personal emergency to obtain permission to make-up the missed examination. In this circumstance, all make-up exams will be given on Tuesday evening, May 2nd at 6:15 p.m. Note that this is AFTER the last drop day for the semester. Students who fail to make-up a missed examination, or fail to attend the scheduled final exam, will receive a score of zero for all missed work.

II. Grading

Final course grades will be determined according to the following schedule. While the point-grade assignment may be subject to downward revision, it will never be increased.

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<thead>
<tr>
<th>Assignment</th>
<th>Possible Points</th>
<th>Assignment Weight</th>
<th>Weighted Total Points</th>
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<td>100</td>
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<td>80 - 89</td>
<td>B</td>
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<td>Final Examination</td>
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<td>70 - 79</td>
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