



## Syllabus Course Program



# Fundamentals of financial management in commercial banks

### Specialty

072 – Finance, banking, insurance and stock market

### Institute

Institute of Education and Science in Economics,  
Management and International Business

### Educational program

Finance and banking

### Department

Accounting and finance (205)

### Level of education

Bachelor

### Course type

Discipline profiled package

### Semester

6

### Language of instruction

English

## Lecturers and course developers



### Svitlana Osypova

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Candidate of Economic Sciences, Associate Professor, Associate  
Professor of the Department of Accounting and Finance (NTU "KhPI")

The author of more than 40 scientific and educational and methodical  
publications. Leading lecturer on the courses: "Banks and Banking",  
"International Banking", "Bank Management".

General information, number of publications, main courses, etc.

[Детальніше про викладача на сайті кафедри](#)

## General information

### Summary

The discipline "Fundamentals of financial management in commercial banks" offers students an understanding of the main aspects of financial management in commercial banks and its key roles in the financial system. The course provides students with the necessary knowledge of financial management in banks. The course examines the role of financial management in commercial banks, important aspects of banking management, to form a knowledge system in the field of organization and technology of bank management of passive and active operations, provision of banking services, as well as regulation and supervision in a commercial bank.

### Course objectives and goals

- formation of students' system of theoretical knowledge and practical skills in the field of financial management in commercial banks;
- assimilation of the conceptual apparatus of financial management in commercial banks;
- study of means of financial management organization in commercial banks;
- study of financial management methods in commercial banks;

- acquisition of practical skills of analysis of modern financial management in commercial banks.

### **Format of classes**

Lectures, practical classes, self-study, consultations. The final control is an exam.

### **Competencies**

GC01. Ability to abstract thinking, analysis and synthesis.

GC 02. Ability to apply knowledge in practical situations

GC 05. Skills in using information and communication technologies.

GC 06. Ability to conduct research at an appropriate level.

GC 07. Ability to learn and master modern knowledge.

GC 08. Ability to search, process and analyze information from various sources.

GC 09. The ability to be critical and self-critical.

GC 10. Ability to work in a team.

GC 13. The ability to realize one's rights and responsibilities as a member of society, to realize the values of a civil (free democratic) society and the need for its sustainable development, the rule of law, the rights and freedoms of a person and a citizen in Ukraine.

SC 01. The ability to investigate trends in economic development using the tools of macro- and microeconomic analysis, to evaluate modern economic phenomena.

SC 02. Understanding the peculiarities of the functioning of modern global and national financial systems and their structure.

SC 03. Ability to diagnose the state of financial systems (state finances, including budget and tax systems, finances of economic entities, household finances, financial markets, banking system and insurance).

SC 04. Ability to apply economic and mathematical methods and models to solve financial problems.

SC 05. Ability to apply knowledge of legislation in the field of monetary, fiscal and financial market regulation.

SC 06. Ability to use modern information and software for obtaining and processing data in the field of finance, banking and insurance.

SC 07. Ability to compile and analyze financial statements.

SC 08. Ability to perform control functions in the field of finance, banking and insurance.

SC 09. Ability to communicate effectively.

SC 10. Ability to determine, justify and take responsibility for professional decisions.

SC 11. The ability to mai

SC 12. The ability to apply theoretical knowledge and practical skills in conducting credit and settlement and currency operations on the world market when managing commercial banks, ensuring their financial security based on risk assessment and monitoring activities during the implementation of business projects.

### **Learning outcomes**

LO 02. Know and understand the theoretical foundations and principles of financial science, the peculiarities of the functioning of financial systems.

LO 04. Know the mechanism of functioning of state finances, including budget and tax systems, finances of business entities, household finances, financial markets, banking system and insurance.

LO 05. Possess a methodical toolkit for diagnosing the state of financial systems (state finances, including budget and tax systems, finances of economic entities, household finances, financial markets, banking system and insurance

LO 07. Understand the principles, methods and tools of state and market regulation of activities in the field of finance, banking and insurance.

LO 11. To have methodical tools for the implementation of control functions in the field of finance, banking and insurance.

LO 24. To have an analytical apparatus for managing the functioning and development of a commercial bank when carrying out credit and settlement and currency operations, ensuring its financial security based on risk assessment and constant monitoring and analysis of the implementation of business projects..

## Student workload

The total scope of the discipline is 90 hours. (3 ECTS credits): lectures – 24 hours, practical activities – 12 hours, self-study – 54 hours

## Course prerequisites

To successfully complete the course, you must have knowledge and practical skills in the following disciplines: "Corporate finance", "Financial planning and budgeting", "Financial markets", "Banks and banking".

## Features of the course, teaching and learning methods, and technologies

Interactive lectures with presentations, discussions, seminars, individual and team work, work with literature and information sources, problem-based learning.

## Program of the course

### Topics of the lectures

#### Topic 1. Theoretical principles of financial management in the bank

Financial management of the bank: essence, subsystems, main element.

#### Topic 2. Strategic management of the bank's activities

The essence and functions of the bank's strategic management. Determination of financial goals of the bank.

#### Topic 3. System of financial planning of banking activity

The place of financial planning in the process of bank management. Construction of the bank's financial plan. Budget as the main type of financial plan.

#### Topic 4. Capital management of a commercial bank

Bank capital and bank capital: essence, differences, functions. The structure of regulatory capital of the bank. Bank capital regulations.

#### Topic 5. Management of obligations of a commercial bank

Management of attracting bank resources from deposit sources. Management of non-deposit resources. Determining the cost of resources raised from non-deposit sources

#### Topic 6. Management of the bank's loan portfolio

Credit portfolio management: purpose, subjects and objects. Definition of bank credit risk and its types. Pricing of bank loans.

#### Topic 7. Management of the investment portfolio of a commercial bank

The bank's investment portfolio: its structure, functions and main characteristics. Basic principles of formation of the bank's securities portfolio.

#### Topic 8. Management of bank assets and liabilities

The structure of the bank's assets and the main principles of their management. The structure of the bank's liabilities. Liability management strategy. The influence of the regulatory function of the NBU on the management of assets and liabilities of a commercial bank.

#### Topic 9. Financial result of the bank's activity: components, management basics

The essence and components of commercial bank income. Bank expenses: essence, classification of elements. Elements of the financial result in absolute terms and in relative terms.

#### Topic 10. Profit management of a commercial bank

The purpose of bank profit management and its main tasks. Management of the use of bank profits. The essence and principles of profit distribution of a commercial bank.

#### Topic 11. Banking risks: essence, types, basics of management

The essence of risk in banking. Classification of banking risks. Levels of banking risk management. Bank risk management as a risk management system.

#### Topic 12. Liquidity management of a commercial bank

Bank liquidity: types, types of management processes, management system and strategies. Basic strategies of liquid funds management.

## Topics of the workshops

### Topic 1. Study of the main aspects of financial planning and management of banking activities of a commercial bank

Functions and principles of bank financial management. Information provision of financial management. Analysis of the external and internal environment as a basis for developing the bank's financial plan. Organization of the budget planning process in the bank.

### Topic 2. Study of the process of capital and liability management of a commercial bank

Methods of determining the amount of capital. Evaluation and selection of the source of capital. Dividend policy of the bank. External sources of capital. Management of attracting bank resources.

### Topic 3. Management of credit and investment portfolios of a commercial bank

Basic methods of securities portfolio management. Development of a set of measures to repay problematic debt.

### Topic 4. Study of the main aspects of managing assets and liabilities of a commercial bank

Basic elements of asset management. The concept of a bank portfolio of assets and the basics of its management. Management of bank liabilities. Asset and liability management strategies of the bank.

### Topic 5. Research of the financial result and process of profit management of a commercial bank

Principles, functions, tools of managing the financial result of the bank's activity.

### Topic 6. Consideration of the main aspects of risk and liquidity management of a commercial bank.

Risk identification and measurement system. Risk monitoring and control system in banking. Decision-making in the field of management of banks' need for liquid funds.

## Topics of the laboratory classes

Laboratory work is not provided within the discipline.

## Self-study

The course involves the completion of an individual task on the problematic questions of the course. The result of writing the work is compiled into a written report and a presentation is prepared. Students are also recommended additional materials for independent study and analysis.

## Course materials and recommended reading

1. Financial management in the bank. Teaching manual / Zhuravlyova T.O., Makarenko Y.P., Turova L.L., Sirko A.Yu. – Dnipro: Porogy, 2021. - 360 p.
2. Galtsova O.L., Khakimova H.R. Bank income management, their composition and analysis. Pryazovsky Economic Bulletin. 2019. Issue 5(16). - P.239-242
3. Zyanko V.V., Yepifanova I.Yu., Koval N.O., Tkachuk L.M. Banking management: educational manual. Vinnytsia: VNTU, 2022. 170 p
4. Dolinskyi L. Financial levers of activation of credit and investment activity of banking institutions in Ukraine/ Problems and prospects of economy and management. 2019. No. 3. P. 321-329.
5. Putintseva T.V. The essence of liquidity of commercial banks. Bulletin of the University of Banking. 2019. No. 2-3(25-26). - P.73-80
6. Koblyanska O.I., Zakharchuk A.I. Methodology and organization of accounting of income and expenses of commercial banks. Modern Economics. 2019. No. 13, pp. 130-134

Additional literature:

1. Banking system: study guide / Krylova O.V., Antipenko N.V., Vladyka Y.P., Volchanska L.V. - Dnipro: Thresholds, 2020.- 324 p..
2. Sirchyn O.L. The role of bank management. Herald of social and economic research. 2019. No. 2-3(70-71). P.170-17.
3. Girchenko, T., Boyarko, I., Storozhenko, O., & Semenyuk, I. Ensuring the stability of economic development through the effective functioning of the banking sector/ Financial and Credit Activity Problems of Theory and Practice, 4(39), 35–49. 2021
4. Nakonechna, O., & Mykhailyk, O. FINTECH in the banking business: development features and potential opportunities / Entrepreneurship and Innovation, (23), 2022 108-119.

5. V. V. Kalusenko. Analysis of the investment portfolio of banks of Ukraine and its management strategy / V. V. Kalusenko / Collection of scientific works of the State Fiscal Service University of Ukraine, 2019. - No. 1. - P. 63-78.

6. Makarenko Y.P., Onishchenko I.S. Theoretical aspects of the problem debt management system in banks. Investments: practice and experience. 2019. No. 1. - P.18-23..

## Assessment and grading

### Criteria for assessment of student performance, and the final score structure

100% of the final grade consists of assessment results in the form of: final test (20%); Calculation task (20%) and performance of the student's independent work (60%). 60% of independent work consists of: • 40% of current assessment (including preparation of presentations on syllabus topics, reports on topics and work in practical classes); • 20% of the current semester control (tests). A rating system for obtaining an estimate is provided. The assessment is performed in writing and contains: 2 theoretical questions of varying difficulty and 1 practical task..

### Grading scale

Total points	National	ECTS
90-100	Excellent	A
82-89	Good	B
75-81	Good	C
64-74	Satisfactory	D
60-63	Satisfactory	E
35-59	Unsatisfactory (requires additional learning)	FX
1-34	Unsatisfactory (requires repetition of the course)	F

## Norms of academic integrity and course policy

The student must adhere to the Code of Ethics of Academic Relations and Integrity of NTU "KhPI": to demonstrate discipline, good manners, kindness, honesty, and responsibility. Conflict situations should be openly discussed in academic groups with a lecturer, and if it is impossible to resolve the conflict, they should be brought to the attention of the Institute's management.

Regulatory and legal documents related to the implementation of the principles of academic integrity at NTU "KhPI" are available on the website: <http://blogs.kpi.kharkov.ua/v2/nv/akademichna-dobrochesnist/>

## Approval

Approved by

Date, signature

Head of the department  
Oleksandr MANOYLENKO

Date, signature

Guarantor of the educational program  
Marina SHEVCHENKO