



UNIVERSITY
of
TECHNOLOGY,
MAURITIUS

School of Accounting, Finance and Economics

**Master of Business Administration
(Financial Risk Management)**

PROGRAMME DOCUMENT

VERSION 2.0

MBAFRM v1.1

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University of Technology, Mauritius

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MBA Financial Risk Management

A. PROGRAMME INFORMATION

Management of risk is now a key issue for all major businesses and effective risk management is an essential element of successful organisational performance. Assessment and formal treatment of risk and uncertainty is needed in all aspects of management including: investment decisions, business continuity, corporate security and strategic decision making.

Effective risk management is increasingly becoming recognized as a necessary condition for successful organizational performance. The Master of Business Administration degree in Risk Management will train managers to deal with risks internally, inter-organisationally by skillfully financing it. Attention will also be paid to international dimensions of risks which have become growing aspect of risk management with continued globalization.

The postgraduate degree duration is of 2 years on part time mode of study. Two exit points are allowed at levels of: (a) post graduate certificate; and (b) post graduate diploma more information on required number of credits and award can be found in Section (J) and (M), below. Successful MBA graduates are expected to develop and nurture constructive and creative faculty for effective implementation of strategic financial management with critical evaluation of risk.

B. PROGRAMME AIMS

The programme is designed for students who want to develop organisational and analytical skills in a number of financial risk management roles in industrial, commercial and governmental organizations. The programme will enable students to critically evaluate and utilise new and established risk management tools in national and international contexts and measure the effectiveness of risk policy implementation.

C. PROGRAMME OBJECTIVES

Upon completion of the MBA Financial Risk Management programme, students should be able to

- Demonstrate key personal and inter-personal skills for effective management and implementation of solutions in organisations.
- Show critical understanding of the significance of recent advances and theoretical developments in business, in financial risk management and their strategic implications.
- Understand the concepts and contexts of risk, uncertainty and hedging.
- Develop skills and methods for identifying risk signals and communicate these to stakeholders.
- Develop specific knowledge and skills in risk management.
- Critically evaluate and utilise new and established risk management tools in national and international contexts and measure the effectiveness of risk policy implementation.

PART I - Regulations

D. GENERAL ENTRY REQUIREMENTS

As per UTM'S Admission Regulations, and 'Admission to Programmes of Study at Masters Degree Level'

E. PROGRAMME REQUIREMENTS

Admission decisions will be made by the School of Accounting, Finance and Economics on a case to case basis.

Candidates must either be:

Graduates of a recognised university or other institutions of higher education with at least a second class honours degree or holders of an approved professional qualification deemed equivalent to an honours degree.

Or

Other honours graduates or holders of an equivalent qualification may be admitted if they produce evidence which satisfies the School Board of their competence to pursue the programme;

Note: Applicants who do not satisfy the above requirements but who submit satisfactory evidence of having passed examinations or have acquired managerial experience which are deemed by the APL/APEL Committee to be equivalent to any of the above..

Overseas Candidates

Overseas candidates whose first language is not English and who do not hold a degree or equivalent professional qualification taught in English will be required to produce evidence of their competence in English.

F. PROGRAMME MODE DURATION

Part Time: **2** years, comprising **4** Semesters

G. TEACHING AND LEARNING STRATEGIES

The programme will employ a wide variety of teaching methods, including lectures, individual or group projects, presentations, workshops, case studies, field visits and talks by guest speakers. Self-learning will be the key feature of the programme, enabling students to explore, investigate and research into the various topics, interact with practitioners, and work in a team on projects.

H. STUDENT SUPPORT AND GUIDANCE

In addition to traditional lectures, group tutorials or individual tutorials may be arranged for students.

I. ATTENDANCE REQUIREMENTS

As per UTM's Regulations and Policy.

J. CREDIT SYSTEM

1 module = 3 credits as indicated in programme document

Dissertation = 12 credits

Post-Graduate Certificate: 18 credits

Post-Graduate Diploma (in area of registration): 30 credits

Master: 42 credits (inclusive of dissertation)

K. STUDENT PROGRESS AND ASSESSMENT

- Written examination shall be of duration of 3 hours for modules except where the paper is assessed by 100% Coursework.
- All modules are normally assessed over 100 marks.
- The overall pass mark for a module shall be 40%.
- Where a module is assessed by both, coursework and exams, a minimum of 40% should be attained in
 - a) Coursework, and
 - b) Examination

Grading

Undergraduate / Postgraduate		
Overall Marks	Grade	Remarks
$70 \leq X \leq 100$	A	Excellent
$60 \leq X < 70$	B	Very Good
$50 \leq X < 60$	C	Good
$40 \leq X < 50$	D	Satisfactory
$X < 40$	F	Referred

L. EVALUATION OF PERFORMANCE

All modules carry equal weight, except for dissertation which counts for the equivalent of 4 modules.

M. AWARD CLASSIFICATION

Overall weighted mark y (%)	Classification
$y \geq 70$	MBA with Distinction
$60 \leq y < 70$	MBA with Merit
$40 \leq y < 60$	MBA
$y < 40$	No Award

Minimum Credits Required for the Award of:

MBA Degree: 42

Postgraduate Diploma in Business Administration: 30 (excluding dissertation)

Postgraduate Certificate in Business Administration (General): 18 (excluding dissertation)

N. PROGRAMME ORGANISATION AND MANAGEMENT

Programme Coordinator: As assigned by the School

Contact Details:

School of Accounting, Finance and Economics (SAFE)

Telephone Number: 2075250

Email: safe@umail.utm.ac.mu

Part II - Programme Structure

P. Master of Business Administration in FINANCIAL RISK MANAGEMENT– Part Time

YEAR I Semester 1			
Code	Modules	Hrs/Wk	Credits
ECON 5101	Economics For Managers	2 + 1	3
ACCF 5103	Financial and Managerial Accounting	2 + 1	3
ACCF 5206	Fundamentals of Risk Management	2 + 1	3

Semester 2			
Code	Modules	Hrs/Wk	Credits
MGMT 5127	Human Resource Management	2 + 1	3
ACCF 5205	Corporate Financial Management	2 + 1	3
QUAN 5403	Research Methods in Finance	2 + 1	3
MGMT 5101	Marketing Management	2 + 1	3

YEAR II Semester I			
Code	Modules	Hrs/Wk	Credits
ACCF 5208	Investment Analysis and Management	2 + 1	3
ACCF 5207	Financial Hedging and Derivatives	2 + 1	3
LLAW 5101	Financial Regulation, Law and Governance	2 + 1	3
DISS 5000	Dissertation		

Semester II			
Code	Modules	Hrs/Wk	Credits
MGMT 5310	Strategic Management	2 + 1	
DISS 5000	Dissertation		12
	Workshops/Seminars		

*Dissertation starts in Year II Semester I and completed in Year II Semester II

Q. MODULE OUTLINE

YEAR 1, SEMESTER 1

ECON 5101 Economics for Managers (3 credits)

The module presents the foundation to understanding how the economy works, covering microeconomic descriptions of business applications as well as some macroeconomic issues.

Content: pricing for profit maximisation, price elasticity, market structures and modelling of businesses in varying economic climates. Demand analysis and forecasting, production and costs, cost benefit analysis. Government role in the market and business strategies. Inflation, economic growth and international trade, Fiscal policy, Monetary policy, Foreign exchange policy. Foreign exchange markets.

ACCF 5103 Financial and Managerial Accounting (3 credits)

Accounting is the primary channel for communicating the economics of any business. Managers must understand the concepts and language of accounting in order to use this critical tool effectively for communication, monitoring, and resource allocation. This module provides a broad view of how accounting contributes to an organisation and how managers can make the best use of accounting information, accounting records, and systems, and accountants as internal resources for the purpose of making effective financial decisions.

Content: financial reporting, interpretation and analysis of financial statements. Contribution analysis and relevant costing techniques. CVP analysis and capital Budgeting. Case study analysis.

ACCF 5206 Fundamentals of Risk Management (3 credits)

This course provides students with fundamental concepts of risk and risk management. It further introduces financial instruments, financial risks and risk management tools used in financial products.

Content: Financial institutions, financial intermediaries, financial markets, financial instruments, risks in financial institutions, the nature and classification of risk, The importance of Risk Management, The function of Risk Management and its role in the business organisation, Risk Identification, Risk management objectives and tools, Risk management and value creation, The risk management process, risk identification, measurement and management, financial risk management policy, Credit risk Management, liquidity risks, Interest Risk management, foreign exchange risk and management, market risks and VAR, Securities risks, Portfolio management, fixed income securities and immunization, international diversification, Recent developments in risk management, Corporate Governance.

MGMT 5127 Human Resource Management (3 credits)

This unit provides an introduction to the concepts and practices of HRM effectiveness. It covers topics such as personnel management, planning and procurement, monitoring and rewarding employees, employer-employee relation management and employee exit.

Content: HRM- Concept and Philosophy, HRM functions, HRD Instruments, Processes and Outcomes, Human Resource Planning – Concept, Quantitative and Qualitative dimensions, HRM in the changing environment, Recruitment and Selection, Job Analysis, Manpower Search, Induction and orientation, Training and Development, Compensation, Pay, Incentives, Benefits, Performance and potential appraisal, Industrial Relations, Collective Bargaining, Grievance and Dispute, Participation and Employee Empowerment.

MGMT 5101 Marketing Management (3 credits)

Every Manager needs to understand the key concepts and theories in Marketing and develop analytical and presentation skills in this field. This module introduces the concepts of Marketing Management.

Content: Marketing Analysis; Marketing Planning: An overview of marketing; The marketing environment; Understanding consumer behaviour; Understanding organizational buying behaviour; Marketing Research and Information system; market segmentation and positioning; Marketing strategy; Analysing competitors and creating competitive advantage; competitive marketing strategy, International marketing strategies; Managing marketing implementation, organization and control.

ACCF 5205 Corporate Financial Management (3 credits)

This module aims to provide students with a critical understanding of the importance of working capital management, investment analysis and appraisal, the strategic relationship and interaction between a firm's investment, and financing and dividend policy decisions within the context of Shareholder Value Analysis. It also considers the agency problems that can arise in these key corporate financial decisions of the firm and how they can be minimised.

Content: Capital Budgeting decisions, present values, discuss the impact of inflation and risk on optimal capital budgeting, Construct and interpret discounted cash flow models used to value assets, working capital management and models, Sources of Finance, Discuss the goal of the firm, capital structure and agency relationships, Discuss, calculate, and apply optimal dividend and capital structure policies, the uses of standard option contracts for modifying corporate risk exposure, the role of international financial markets and discuss how international financial risk impacts firm decisions.

QUAN 5403 Research Methods in Finance (3 credits)

The module explores applied research techniques in the field of finance and related fields. The emphasis is on dissemination of research practice while integrating and differentiating between processes of reading, writing and thinking.

Content: Research applications in finance, Processes of research, How to write research proposals; Identification of literature and design of research; Data collection: measurement, scaling, sampling, secondary sources, survey methods and instrument design; Analysis, reporting and data presentation: data reliability and validity, preliminary analysis, hypothesis testing (mean analysis, ANOVA, non-parametric analysis, correlation and causality tests, multivariate regression for time series, cross sections, and longitudinal data; Written Report and Oral Presentation.

YEAR 2, SEMESTER 1

ACCF 5208: Investment Analysis and Management (3 credits)

This module deals with a thorough analysis of the theory and application of investments. It covers the analysis of risk and return in the first instance and also deals with the valuation of equity and fixed-income securities. Financial markets will be covered in relation to business cycles, institutional behavior and risk and return opportunities in the economics setting. It examines portfolio theory, portfolio selection models, equilibrium asset pricing models such as the CAPM and the APT, earnings estimation, and the evaluation of portfolio performance.

Content: Risk and Returns, The modern portfolio theory, the capital asset pricing model (CAPM), The arbitrage pricing theory (APT), financial markets and intermediaries, different investment tools and their markets, mutual funds, market efficiency and anomalies, bond valuation and duration, stock valuation models, other related issues, international financial instruments.

ACCF 5207: Financial Hedging and Derivatives (3 credits)

This module introduces the world of derivatives and hedging to the students. It thoroughly discusses the main types of derivatives, namely forward, futures, options and swaps with respect to their application and pricing in risk management.

Content: Introduction to derivatives markets, Applications of derivatives, concept of arbitrage; Forwards, forward options and forward swaps, pricing of forwards, Futures markets, uses in investment and hedging, interest rate futures contracts, marking to market and margin requirements, pricing futures contracts, Bond futures and stock index futures, speculating and hedging with stock index futures and futures price parity relations; The options market, margins and commissions, option pay-offs and option strategies, options combinations, relationship between option prices, American and European option valuations models, hedging and trading strategies, pricing of options, the BS option pricing model; The Swap market, rationales for swaps, comparative advantage, pricing swaps, swap portfolios, types of swaps, currency swaps, commodity swaps, interest rate swaps, Creating synthetic securities with swaps, risks in swaps, basis risks, derivatives products evaluation and selection, legal aspect of hedging (ISDA).

LLAW 5101 Financial Regulation, Law and Governance

The module aims at discussing the rationales for regulations, regulatory structures and at reviewing the laws pertaining to banking and non banking services. Issues of combating money laundering and terrorist financing through abuses of the financial system are also addressed along with corporate governance and ethics.

Content: Evolution of the international banking regulation and supervisory system, capital adequacy ratios, issues in capital regulation, internal models, recent development in capital requirements, Basel deposit insurance, regulation of financial services, Regulation of Investment market, Practical issues in Banking and Security, Laws relating to Banking, Banking Act, The Financial services Act, legal dimension of Insurance, Money laundering, international standards for combating money laundering and terrorist financing-FATF, AML/CFT framework, Money Laundering offences, conspiracy to commit the offence of money laundering, the role of the financial intelligence Unit, functions, reporting and other measures to combat money laundering, FI and ALL Act, Ethics and Corporate Governance, Insider Dealing, Model Code for Directors.

YEAR 2, SEMESTER 2

MGMT 5310 Strategic Management (3 credits)

The aim of this unit is to develop students' familiarity with the principal concepts, frameworks and techniques of business policy and strategy. This will involve an evaluation of the impact of the external operating environment and the need to adopt organizational strategies to ensure effective business performance.

Content: The strategic management process, Flexible system view of strategic management, Strategic situations analysis, PEST analysis of competitive environment, Competitive advantage profile, Industry foresight, strategic-capability analysis-resource audit, value chain analysis, Comparative analysis, SWOT analysis, Core competencies, Culture and stakeholder expectations.

DISS 5000 Dissertation (12 credits)

Dissertation is a major piece of work required for the fulfilment of an MBA award. Students are expected to demonstrate rigorous research skills and appropriate methodologies acquired during the course. The dissertation must involve problem solving research and more details on the structure of the thesis are available in the Postgraduate Dissertation Guidelines (PDG). Student is expected to submit a thesis on the key findings at the end of Year II Semester II. Student SHALL BE CALLED UPON TO defend himself/herself through a presentation and viva voce and will be evaluated on the work done by him/her during the industrial training. Students are expected to maintain individual contact with their dissertation supervisor.

Note: DISSERTATION

Candidates should compulsorily submit a business related dissertation at the end of the final semester of the programme or a dissertation. The scope of the research will be assessed and approved through a research proposal that will be due after completion of Research Methods in Finance module. The dissertation will mainly involve real business problems solving situation or will be on business administration themes as approved by the post graduate dissertation committee.

The dissertation should be around 15000-20000 words and shall be defended in a viva-voce

Workshops/Seminars

Different workshops/seminars will be conducted in close collaboration with Ministries, Private Sector, NGOs and other stakeholders with a view to increase awareness on Emerging Issues. For this unit attendees are awarded certificate of attendance as testimonial to Continuous Professional Development.