



THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT
COURSE UNIT DESCRIPTION

Course Unit Title	Risk Management	
Course Unit Code	FB455	
Type of Unit	Core	
Level of Course Unit	Second cycle	
Year of Study	First / second year	
Semester	On demand	
Number of ECTS Credits	6	
Class Contact Hours	28	
Minimum Learning Effort (In Hours)	112	
Course Unit Objectives	This course aims to provide a set of tools that can be used by today's manager to deal with unforeseen events and uncertainty, which in turn may lead to substantial losses for their business and threat its viability. The course aims to give a pragmatic and practical approach to the topic of risk management, as it is nowadays used in the international business arena. Particular emphasis is given to risks faced by financial institutions.	
Learning Outcomes	The students completing the course should be able to:	
	CILO 1	Recognise and understand the various types of risk in international business.
	CILO 2	Measure and assess risk exposure and practically apply risk management techniques to mitigate and hedge potential risks.
	CILO 3	Design sophisticated methods and tools used by risk management professionals.
Name of Lecturer(s)	Dr. Stelios Markoulis	
Mode of delivery	Face to Face	
Prerequisites or co-requisites	Corporate Finance, Quantitative Methods	
Course Content	<ol style="list-style-type: none"> 1. Introduction to risk management. What is risk? How can it be quantified? 2. Types and sources of risk. 3. Credit risk; what is it, how it can be measured, assessed, and hedged 4. Operational risk 5. Market risk; what is it, how it can be measured, assessed, and hedged 6. Financial institutions and risk; Basel I, II and III 7. Value at Risk (VaR); theory and practice 	

	8. Derivatives and risk management; applications using forwards, futures, options, and swaps (as time permits)
Recommended or required reading	<p>Hull J.C. (2012), Options, Futures and Other Derivatives, Pearson</p> <p>Hull J.C. (2015), Risk Management and Financial Institutions, John Wiley & Sons</p> <p>Irwin Jorion, P. (2001), Financial Markets and Institutions: A Modern Perspective, McGraw-Hill</p> <p>Jorion, P. (2003), Financial Risk Manager Handbook, Wiley Finance</p>
Planned learning activities and teaching methods	Lectures, case studies, article reviews, workshops, in-class cases and discussion, student presentations
Assessment methods and criteria	50% coursework 50% exam
Language of Instruction	English
Work Placement(s)	Not applicable