The Future of Banking in a Digitalized World [INF50023\_] Modulkoordinator Fischer, Leonhard H. Studiengang Bachelor of Science Studienabschnitt 7th Semester Moduldauer 1 Semester Pflicht- /Wahlpflichtmodul Pflicht Credits: 6 Jährlich Sprache Englisch Präsenz: 44 h Selbststudium: Voraussetzungen für die Teilnahme - Kurzbeschreibung / Lerninhalte HS-BSc-17 - Änderungen vorbehalten - 16 Stand (21/07/2020) 106 h This elective challenges the students to think about the risks and opportunities for the banking industry today and the challenges to its business model. The students shall analyse what have been the key drivers of the banking industry and in which way digitalization proposes to keep it challenged. To achieve this, the elective is structured into three parts: - The first part describes where the banking industry has come from and by which forces it has been transformed. We will examine what makes up its business model. - In the second part we will decompose the classic business of a bank into its different value chains, before exploring and discussing the impact that digitalization has and will have on these value chains. - In the third part the students will be divided into groups, each of which will represent the executive leadership team of a bank that will be chosen at the time of the course. The goal is that the teams will use their learnings from modules 1 and 2 in order to analyse the challenges and opportunities of this bank and undertake the task of defining a strategy going forward. Ultimately each group will be asked to present and defend their findings in the simulated environment of a challenging investor and analyst meeting. Häufigkeit des Angebots Workload: 1 h Qualifikationsziele / Lernergebnisse Lernformen, Methodik und Betreuung HS-BSc-17 - Änderungen vorbehalten - 17 Stand (21/07/2020) Short description of module: This module analyses the intrinsic value proposition of banking and asks the question 'what will be left of it in the age of digitalization?'. Special focus is given to: (i) the impact technology has on the different business models that comprise banking. The challenges stemming from new regulation and the open question of globalization. (ii) an exploration of potential future banking business models. As part of the module, strategies of different incumbent players will be analysed and compared to the entrepreneurial vision of the Fintech startups. Knowledge: On successful completion of the module: - students will have gained an understanding of the value proposition and the value chains of banking ie. they can identify the principle underlying business model of banking - they can explain the different variations of business models ie. investment bank v private bank etc. - they can outline the key drivers of profitability and risk Skills: On successful completion of the module: - students will have the ability to analyze the different challenges of the underlying business model as a result of globalization, digitalization and new forms of regulation ie. they are able to evaluate the potential challenge of digitalization in the underlying value chain of the banking business model - they will be able to assess the new regulatory regime and its impact on profitability - they will be able to analyse the challenges posed to traditional banks from new non-bank competitors Competence: On successful completion of the module: - students will be familiarized with the strategic challenges to the different elements of the banking business model and will evaluate the validity of different strategise - in addition they will be able and be encouraged to look for potential new startup approaches Interactive lectures, case study analysis and group participation. Modulstruktur Art der Prüfungsleistungen im Modul und Akkumulationspunkte Literaturhinweise Verwendbarkeit für andere Module und Programme - Letztes Freigabedatum 14.07.2020 HS-BSc-17 - Änderungen vorbehalten - 18 Stand (21/07/2020) Type of examination Duration or length Due Date or Date of Exam Points Written exam 50 Minutes End of module 50 Team presentation 30 Minutes During module 50 Individual performance Continuos assessment 20 Compulsory: 1. The Economics of Banking - Kent Matthews and John Thompson 2. The Bank That Lived a Little: Barclays in the Age of the Very Free Market - Philip Augar 3. Bank 4.0 - Banking Everywhere, Never at a Bank - Brett King 4. Techs raid on the banks - Economist, 4th May 2019 Optional: 1. The Richest Man Who Ever Lived: The Life and Times of Jacob Fugger - Greg Steinmetz 2. Es Waren Einmal Banker: Warum das moderne Finanzsystem Gescheitert ist - Leonhard Fischer (German speakers only) 1. What is the value proposition of banks and how is it translated into different business models? 2. Different banking models from investment banking to retail banking 3. The impacts of globilisation, new regulation and non-bank competitors on these business models 4. The technological challenge and what can digitalisation potentially do to the incumbent business models? 5. Strategic alternavives for banking business models to adopt 6. Conclusion