

EMBA 515
Financial Risk Management
College of Business & Entrepreneurship
Texas A&M University-Commerce

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REQUIRED BOOKS:

- Essentials of Risk Management in Finance, Anthony Tarantino with Deborah Cernauskas, Publisher: Wiley, ISBN: 978-0-470-63528-5
- Mastering Corporate Finance Essentials, Stuart A. McCrary, Publisher: Wiley, ISBN: 978-0-470-39333-8

COURSE DESCRIPTION: This course aims to engage students in an active discovery of the basic principles of corporate finance, investments and risk management. The student will gain an awareness of the challenges witnessed as well as tools and processes used by decision makers in these fields.

COURSE OBJECTIVES: Students are exposed to a variety of concepts, methods and theories in corporate finance and investment management from the perspectives of risk and uncertainty; and will learn how corporations add value to their shareholders and grow

in a sustainable manner given the challenges and opportunities in a global setting. More specifically, upon completion of the course, students should be able to:

1. Understand the time value of money and its applications
2. Understand how corporations deal with capital budgeting decisions including real options analysis
3. Understand the significance of risk and uncertainty in portfolio management including Value-at-Risk and various performance measures
4. Understand the corporate governance mechanism within the context of strategic risk taking and enterprise risk management
5. Understand statistical methodologies surrounding risk and uncertainty

COURSE OUTLINE

Week 1 and 2

Chapter 1: The Time Value of Money Toolbox (McCrary)

Chapter 1: Introduction to Risk Management (Tarantino)

Week 3 and 4

Chapter 4: Capital Budgeting Tools (McCrary)

Chapter 2: Risk Frameworks and Standards (Tarantino)

Week 5 and 6

Chapter 6: Real Options Analysis of Capital Investments (p. 99-108, McCrary)

Chapter 3: Conducting Your Own Risk Assessment and Alignment (Tarantino)

Week 7 and 8

Chapter 2: Statistics for Finance (McCrary)

Chapter 3: Core Finance Theories and Cost of Capital (McCrary)

Week 9 and 10

Chapter 11: Market Risk - From Value at Risk to Black Swans (Tarantino)

Chapter 12: Volatility, Risk Aversion, and Portfolio Management (Tarantino)

Chapter 14: Corporate Governance and Compensation (Tarantino)

EXAMS

Exam #1 (100 points):	April 18 - April 21	Material from Week 1 through 4
Exam #2 (100 points):	May 16 - May 19	Material from Week 5 through 8
Exam #3 (100 points):	May 30 - June 2	Material from Week 9 and 10

GRADING SCALE

Points	Grade
270 and above	A
240 to 269	B
210 to 239	C
180 to 209	D
Below 180	F

TECHNICAL PROBLEMS AND QUESTIONS

Personal computer problems do not excuse the requirement to complete all course work in a timely and satisfactory manner. Each student needs to have a backup method to deal with these inevitable problems. These methods might include the availability of a backup PC at home or work, the temporary use of a computer at a friend's home, the local library, Office Services such as Kinko's, an Internet cafe, or a bookstore such as Barnes & Noble, etc.

Technical assistance is available 24 hours a day/ 7 days a week. If you have questions related to eCollege, Texas A&M - Commerce's online course management system, click on "TECHNICAL SUPPORT" on the left side of your course screen. An email box will appear. Fill out this technical support form, click submit, and your questions will be forwarded to the technical support staff. A resolution will be sent to you from the technical support staff via email. If at any time you experience technical problems (e.g., you cannot log in to the course, you do not have access to any course material), please contact the eCollege HelpDesk, available 24 hours a day, seven days a week.

HelpDesk can be reached by sending an email to helpdesk@online.tamuc.org or by calling (866) 656-5511. Additionally, you can click on the "Help" button located at the top of each page for more information. If you use an Internet Service Provider other than the university, please contact a company representative if you are having difficulty accessing the Internet.

Other support questions may be addressed to Computing, Telecommunications, and Information Systems (CTIS). CTIS help desk is staffed between Monday and Friday from 8AM to 5PM; and can be reached at (903) 468-6000. The after-hours and weekend emergency phone number is (877) 808-1607. When the after-hours support number is dialed, the answering service representative will ask for your name and phone number. The representative will then contact the on-call CTIS technician who should return your call within about 15 minutes.