



COURSE DESCRIPTION

1. Information about the programme

1.1 Institution of higher education	Alexandru Ioan Cuza University of Iasi
1.2 Faculty	Faculty of Economics and Business Administration
1.3 Department	Department of Finance, Money and Public Administration
1.4 Field of study	Finance
1.5 Level	Master
1.6 Study programme/ Qualification	Finance and Risk Management

2. Information about the course

2.1 Course name	Governance and Regulation						
2.2 Course coordinator	Prof. Ovidiu STOICA, Assoc. Prof. Iulian IHNATOV						
2.3 Seminar coordinator	Prof. Ovidiu STOICA, Assoc. Prof. Iulian IHNATOV						
2.4 Year of study	2	2.5 Semester	4	2.6 Type of assessment	E	2.7 Course status	E

* C – Compulsory / E – Elective

3. Total estimated time (hours allocated to teaching activities per semester)

3.1 Number of hours per week	6	of which: 3.2 lecture	4	3.3 seminar/lab	2	
3.4 Number of hours in the curriculum	84	of which: 3.5 lecture	56	3.6 seminar/lab	28	
Time distribution						hrs
Study of the textbook, coursebook, bibliography and lecture notes						20
Additional research in the library, online and on the field						20
Preparation of seminars/labs, homework, projects, portfolios and essays						20
Tutorials						4
Assessment						2
Other activities.....						
3.7 Total number of self-study hours						66
3.8 Total number of hours per semester						150
3.9 Number of credits						6

4. Prerequisites (if applicable)

4.1 Curriculum-based	-
4.2 Competence-based	-

5. Conditions (if applicable)

5.1 For lectures	General conduct and behavior Students are expected to conduct themselves with consideration and respect for the needs of their fellow students and teaching staff. Conduct that unduly disrupts or interferes with a class, such as ringing or talking on mobile phones, is not acceptable and students may be asked to leave the class.
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	<p>Attendance Your regular and punctual attendance at lectures and seminars is expected in this course.</p>
5.2 For seminars / labs	<p>General conduct and behavior Students are expected to conduct themselves with consideration and respect for the needs of their fellow students and teaching staff. Conduct that unduly disrupts or interferes with a class, such as ringing or talking on mobile phones, is not acceptable and students may be asked to leave the class.</p> <p>Attendance Attendance is compulsory at minimum 80% of the seminars. In case of absence, the instructor should be informed in advance.</p>

6. Specific competencies

Professional competencies	<p>C1. Analysis of the theoretical and practical aspects of financial markets, models, instruments that are used in the management of risks.</p> <p>C2. Adequate use of mathematical and statistical concepts, methods and techniques in assessing risks and performing independent research in finance.</p> <p>C3. Evaluation of the main risk factors for organizations and financial systems.</p> <p>C4. Implementing effective financial management and reporting within the business environment to ensure value creation.</p> <p>C5. Ensuring effective and appropriate governance and management of risk within an organization, in the context of an overall ethical framework.</p>
Transversal competencies	<p>CT1. Application of the professional ethical norms and values in decision-making and undertaking of complex professional tasks, independently or within a team.</p> <p>CT2. Human resources planning within a group or organization, in the context of awareness of own responsibility for professional outcomes.</p> <p>CT3. Assuming the need for continuous development to create prerequisites for career progression and adapt own professional and managerial competencies to the economic dynamics.</p>

7. Course objectives (provided by the specific competencies grid)

7.1. Main objective	<p>The course aims to offer a broader picture on the strategies, objectives and instruments of the monetary policy in order to further analyze the present situation and the perspectives of the future financial integration of the European financial markets, the changes in the financial regulation and supervision in a globalized world. Further, this course will examine how modern corporations are governed and to whom they should be responsible. It will discuss the role of the board of directors, shareholders and other stakeholders. Consideration is given to legal issues arising in contests for corporate control.</p>
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7.2. Specific objectives	<p>On completion of the course, the students will be able to:</p> <ul style="list-style-type: none"> • Explain the monetary strategy of the European Central Bank; • Describe the functioning of the instruments of the monetary policy used by the ECB; • Analyze the efficiency of the single monetary policy; • Evaluate the degree of integration of the European financial markets; • Understand the implications of the financial crisis on the financial regulation • Describe the importance of the corporate governance in a company • Explain the role of the stakeholders in the corporate governance mechanism • Identify the corporate governance problems • Adopt the appropriate mechanism for effective governance • Implement best practices on corporate management
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8. Content

8.1	Lectures	Teaching methods	Observations (hours & readings)
MODULE I – Monetary Policy and Financial Regulation			
1.	Monetary policy and the Central Bank's role in ensuring financial stability	PowerPoint presentation, interactive course	2hrs (DG)
2.	The Organization and functioning of the ECB	PowerPoint presentation, interactive course	2hrs (DG)
3.	The monetary policy strategy of the ECB	PowerPoint presentation, interactive course	2hrs (DG)
4.	Instruments of monetary policy of the ECB	PowerPoint presentation, interactive course	2hrs (DG ECB,)
5.	The transmission mechanism of monetary policy in the euro area	PowerPoint presentation, interactive course	2hrs (DG, ECB)
6.	Monetary policy in the euro area in the context of the financial crisis	PowerPoint presentation, interactive course	4hrs (D, DG, M)
7.	Compared financial systems	PowerPoint presentation, interactive course	2hrs (DH)
8.	Special features of the European financial system	PowerPoint presentation, interactive course	2hrs (DH)
9.	Trends in the development of contemporary financial systems	PowerPoint presentation, interactive course	2hrs (DH)
10.	European financial markets	PowerPoint presentation, interactive course	4hrs (DH)
11.	Financial regulations and financial supervision	PowerPoint presentation, interactive course	2hrs (DH)
12.	Financial crises	PowerPoint presentation, interactive course	2hrs (DH)
Bibliography			
Main readings:			





- De Grauwe, P. (2014), The Economics of Monetary Union, Oxford University Press, Oxford, 10th edition (DG);
- De Haan, J., Oosterloo, S. and Schoenmaker, D. (2012), Financial Markets and Institutions: A European Perspective, Cambridge University Press, Cambridge, 2nd edition (DH);
- Delivorias, A. (2015), Monetary policy of the European Central Bank. Strategy, conduct, trends, European Parliamentary Research Service (D);
- ECB, (2011), The Monetary Policy of the ECB, www.ecb.int/pub/pdf/other/monetarypolicy2011en.pdf (ECB);
- Micossi, S. (2015), The Monetary Policy of the European Central Bank (2002-2015), CEPS, no. 109 (M).
- CFA Institute Investment Series' Books published by Wiley – available at
<https://www.wiley.com/learn/cfashowcase/#economics>
https://www.wiley.com/learn/cfashowcase/#currency_management
https://www.wiley.com/learn/cfashowcase/#derivatives&alternative_investments

Other readings such as cases, simulations, journal papers, press articles will be provided periodically throughout the course via FEAA eLearning platform, e-mail or handed-in in class.

MODULE II – Corporate Governance

1.	Introductory session	Lecturing and class participation	2hrs: T(2)
2.	Corporations and Corporate Governance	Lecturing and class participation	2hrs: KNM (1)
3.	Executive Incentives	Lecturing and class participation	2hrs: KNM (2)
4.	Accountants and Auditors	Lecturing and class participation	2hrs: KNM (3)
5.	The Board of Directors	Lecturing and class participation	2hrs: KNM (4)
6.	Investment Banks and Securities Analysts	Lecturing and class participation	2hrs: KNM (5)
7.	Assignment/Executive Summary Report	Presentations by student panels	2hrs: no readings
8.	Creditors and Credit Rating Agencies	Lecturing and class participation	2hrs: KNM (6)
9.	Shareholders and Shareholder Activism	Lecturing and class participation	2hrs: KNM (7)
10.	Corporate Takeovers: A Governance Mechanism?	Lecturing and class participation	2hrs: KNM (8)
11.	The Securities and Exchange Commission and the Sarbanes-Oxley Act	Lecturing and class participation	2hrs: KNM (9)
12.	Moral Hazard, Systemic Risk and Bailouts	Lecturing and class participation	2hrs: KNM (10)
13.	Corporate Citizenship	Lecturing and class participation	2hrs: KNM (11)





14.	Assignment/Executive Summary Report	Presentations by student panels	2hrs: no readings
<p>Bibliography Main readings:</p> <ul style="list-style-type: none"> Kim, Kenneth A.; Nofsinger, John R. & Mohr, Derek J. (2010), Corporate Governance, 3rd Edition, Pearson (KNM) CFA Institute Investment Series' Books published by Wiley – available at https://www.wiley.com/learn/cfashowcase/#economics https://www.wiley.com/learn/cfashowcase/#currency_management https://www.wiley.com/learn/cfashowcase/#derivatives&alternative_investments <p>Additional readings:</p> <ul style="list-style-type: none"> Lipman, F. D., & Lipman, L. K. (2006). Corporate Governance Best Practices: Strategies for Public, Private, and Not-for-Profit Organizations (1st edition). Wiley. (LL) Onofrei, Mihaela (2009), Guvernanța financiară corporativă, Wolters Kluwer (O) Tirole, Jean (2006), The Theory of Corporate Finance, Princeton University Press (Ch. 2, pp. 15-74)(T) <p>Other readings such as cases, simulations, journal papers, press articles will be provided periodically throughout the course via FEAA eLearning platform, e-mail or handed-in in class.</p>			
8.2	Seminars / Labs	Teaching methods	Observations (hours & readings)
MODULE I – Monetary Policy and Financial Regulation			
1.	Comparative analysis of organization and functioning of the ECB and the FED	Small group discussion, Simulation	2hrs (DG, DH)
2.	Comparison of monetary policy of the ECB and the FED	Small group discussion, Simulation	2hrs (DG, ECB, M)
3.	Evaluation of the degree of financial integration in the EU, and its consequences	Small group discussion, Simulation	2hrs (DH)
4.	The Banking Union and its perspectives	Small group discussion, Simulation	2hrs (D)
5.	From Basel I, to Basel III. What's next?	Small group discussion, Simulation	2hrs (C, DG)
6.	The financial regulations in the context of globalization	Small group discussion, Simulation	2hrs (DH, K-O)
7.	The financial crisis, the unconventional monetary policy and its effectiveness	Small group discussion, Simulation	2hrs (DG, M)
<p>Main readings:</p> <ul style="list-style-type: none"> Cannata, F., Quagliariello, M. (2011), Basel III and Beyond. A guide to banking regulation after the crisis, London: Risk Books; De Grauwe, P. (2014), The Economics of Monetary Union, Oxford University Press, Oxford, 10th edition (DG); De Haan, J., Oosterloo, S. and Schoenmaker, D. (2012), Financial Markets and Institutions: A European Perspective, Cambridge University Press, Cambridge, 2nd edition (DH); Dullien, S. (2014), How to complete Europe's banking union, European Council on Foreign Relations (D); Delivorias, A. (2015), Monetary policy of the European Central Bank. Strategy, conduct, trends, European Parliamentary Research Service (D); ECB, (2011), The Monetary Policy of the ECB, www.ecb.int/pub/pdf/other/monetarypolicy2011en.pdf (ECB); Kalemli-Ozcan, S., Papaioannou, E. and Peydró, J.-L. (2013), Financial Regulation, Financial 			





Globalization, and the Synchronization of Economic Activity. The Journal of Finance, 68: 1179–1228. doi:10.1111/jofi.12025 (K-O).

- Micossi, S. (2015), The Monetary Policy of the European Central Bank (2002-2015), CEPS, no. 109 (M).
- CFA Institute Investment Series' Books published by Wiley – available at <https://www.wiley.com/learn/cfashowcase/#economics>
https://www.wiley.com/learn/cfashowcase/#currency_management
https://www.wiley.com/learn/cfashowcase/#derivatives&alternative_investments

Other readings such as cases, simulations, journal papers, press articles will be provided periodically throughout the course via FEAA eLearning platform, e-mail or handed-in in class.

MODULE II – Corporate Governance

1.	Introductory session	Small group discussion, Simulation	1hr: T(2)
2.	Corporations and Corporate Governance	Small group discussion, Simulation	1hr: KNM (1)
3.	Executive Incentives	Small group discussion, Simulation	1hr: KNM (2)
4.	Accountants and Auditors	Small group discussion, Simulation	1hr: KNM (3)
5.	Case Study	Case study	1hr: case study provided on FEAA eLearning platform
6.	The Board of Directors	Small group discussion, Simulation	1hr: KNM (4)
7.	Investment Banks and Securities Analysts	Small group discussion, Simulation	1hr: KNM (5)
8.	Creditors and Credit Rating Agencies	Small group discussion, Simulation	1hr: KNM (6)
9.	Shareholders and Shareholder Activism	Small group discussion, Simulation	1hr: KNM (7)
10.	Corporate Takeovers: A Governance Mechanism?	Small group discussion, Simulation	1hr: KNM (8)
11.	The Securities and Exchange Commission and the Sarbanes-Oxley Act	Small group discussion, Simulation	1hr: KNM (9)
12.	Case Study	Case study	1hr: case study provided on FEAA eLearning platform
13.	Moral Hazard, Systemic Risk and Bailouts	Small group discussion, Simulation	1hr: KNM (10)
14.	Corporate Citizenship	Small group discussion, Simulation	1hr: KNM (11)

Main readings:

- Kim, Kenneth A.; Nofsinger, John R. & Mohr, Derek J. (2010), Corporate Governance, 3rd Edition, Pearson (KNM)
- CFA Institute Investment Series' Books published by Wiley – available at





<https://www.wiley.com/learn/cfashowcase/#economics>
https://www.wiley.com/learn/cfashowcase/#currency_management
https://www.wiley.com/learn/cfashowcase/#derivatives&alternative_investments

Additional readings:

- Lipman, F. D., & Lipman, L. K. (2006). Corporate Governance Best Practices: Strategies for Public, Private, and Not-for-Profit Organizations (1st edition). Wiley. (LL)
 - Onofrei, Mihaela (2009), Guvernanta financiară corporativă, Wolters Kluwer (O)
 - Tirole, Jean (2006), The Theory of Corporate Finance, Princeton University Press (Ch. 2, pp. 15-74)(T)
- Other readings such as cases, simulations, journal papers, press articles will be provided periodically throughout the course via FEAA eLearning platform, e-mail or handed-in in class.

9. Corroboration of the course content with the expectations of community representatives, professional associations and representative employers from the programme's related field

This course provides students with the core knowledge, skills, and abilities that are generally accepted and applied by finance and investments professionals throughout the world. Topics are selected in accordance to the requirements of Chartered Financial Analyst (CFA) and Professional Risk Manager (PRM) world-leading certifications for finance and risk management, to offer the adequate preparation for CFA and PRM exams. The course content is correlated to that of similar courses taught at renowned universities and is continuously updated based on the feedback of students and alumni. Moreover, this is a student-centered course that follows the best practices of learning and teaching in undergraduate education through the adoption of a variety of active-learning instructional methods.

10. Assessment

Type of activity	10.1 Assessment criteria	10.2 Assessment methods	10.3 Weight in final grade (%)
MODULE I – Monetary Policy and Financial Regulation			
10.4 Lectures	<ul style="list-style-type: none"> • Active involvement during the course classes 	<ul style="list-style-type: none"> • The degree of involvement in discussions, answers to questions 	I: 5%
10.5 Seminars/ Labs	<ul style="list-style-type: none"> • Elaborate and present a research paper. Elaboration of two essays, active involvement during the seminar classes 	<ul style="list-style-type: none"> • Quality of the research paper and its presentation, quality of essays, involvement in discussions, answers to questions 	R: 25% E: 15% I: 5%
10.6 Minimum performance standard			
Minimum 5 for the written exam and minimum 5 as weighted average			
MODULE II - Corporate Governance			
10.4 Lectures	<ul style="list-style-type: none"> • Demonstrate the relevant theoretical and practical aspects of corporate governance; • Identify and solve corporate governance problems in provided case studies; 	<ul style="list-style-type: none"> • Written exam 	50%
10.5 Seminars/ Labs	<ul style="list-style-type: none"> • Demonstrate the relevant theoretical and practical aspects of corporate 	<ul style="list-style-type: none"> • Answers to textbook questions; • Student panel report 	50%





	<p>governance;</p> <ul style="list-style-type: none">• Solve case studies;• Elaborate and present panel reports / research papers;• Elaborate essays.	<p>presentation;</p> <ul style="list-style-type: none">• Discussion on case studies from the handout material.	
10.6 Minimum performance standard			
<ul style="list-style-type: none">• Involvement in at least one of the case studies• Involvement in writing and presentation of the student panel report• Exam and final grade of minimum 5.			

Date
14.09.2023

Course Coordinator
Prof. Ovidiu STOICA
Assoc. Prof. Iulian IHNATOV

Seminar Coordinator
Prof. Ovidiu STOICA
Assoc. Prof. Iulian IHNATOV

Date of approval
26.09.2023

Head of Department
Prof. Ovidiu STOICA

