

UNIVERSITY OF ECONOMICS - VARNA
FACULTY OF „FINANCE AND ACCOUNTING“
DEPARTMENT „FINANCE“

Adopted by the FC (record №/ date): 2/06.03.2020

Adopted by the DC (record №/ date): 6/24.02.2020

ACCEPTED BY:

Dean:

(Assoc. Prof. Hristina Blagoycheva, PhD)

SYLLABUS

SUBJECT: “FINANCIAL INNOVATIONS”

DEGREE PROGRAMME: “International Business”, “Business and Management” and “Accounting”; BACHELOR’S DEGREE

YEAR OF STUDY: 2; SEMESTER: 4

TOTAL STUDENT WORKLOAD: 180 h.; incl. curricular 60 h.

CREDITS: 6

DISTRIBUTION OF WORKLOAD ACCORDING TO THE CURRICULUM

<i>TYPE OF STUDY HOURSE</i>	WORKLOAD, h.	TEACHING HOURS PER WEEK, h
CURRICULAR:		
incl.		
• LECTURES	30	2
• SEMINARS (lab. exercises)	30	2
EXTRACURRICULAR	120	-

Prepared by:

1.
(Assoc. Prof. Nedyalko Valkanov, Ph.D.)

2.
(Chief Assist. Prof. Atanas Kamelarov, Ph.D.)

Head of department:
„Finance“ (Prof. Stefan Vachkov, Ph. D.)

I. ANNOTATION

In recent years financial sector undergoes a rapid change. Completely new providers of financial services and products, as well as distribution channels are emerging. In turn, traditional financial services and institutions are also affected by rapidly evolving external environment, resulting in technological, structural and process renewal.

This lecture course could be considered as a continuation of the fundamental course “Introduction to Finance” and is targeting a wide range of students in all bachelor programmes. The aim of the course is to form a basic understanding about emergence, nature and development of financial innovations, together with resulting consequences.

Proposed ten topics give knowledge about development and specifics of innovation processes in different fields of finance – banking, financial markets, insurance and social security, corporate and public finance. Some of most recent trends in financial sector, concerning penetration of financial technology companies, the involvement of high-tech sphere, the regulatory challenges, as well as the financial estimation and risk profile of innovations are examined.

Knowledge and skills acquired during the course complete the required fundament for different specializing disciplines studied in following semesters.

II. THEMATIC CONTENT

No. по ред	TITLE OF UNIT AND SUBTOPICS	NUMBER OF HOURS		
		L	S	L.E.
THEME 1. INTRODUCTION IN PROBLEMATICS OF INNOVATIONS		3	3	
1	The general concept of “innovation” phenomenon			
1.1.	Approaches for definition			
1.2.	Types of innovations			
2	Development and classification of innovation in financial sphere			
2.1.	Short historic review			
2.2.	Classification possibilities			
THEME 2. FINANCIAL MARKETS INNOVATIONS		3	3	
2.1.	Product innovations (new types of financial assets)			
2.2.	Process innovations (new operational processes in finance)			
2.3.	Institutional innovations (new financial intermediaries and markets)			
2.4.	„Dark side” of financial innovations			
THEME 3. INNOVATIONS IN BANKING – FROM PRODUCT DISTRIBUTION TOWARDS SOCIAL COMMUNICATION		3	3	
3.1.	Mobile banking – monetary transactions in new context			
3.2.	Destiny of bank affiliates			
3.3.	Social Banking – „product” and „engine” of innovations			
3.4.	In search for optimal mix			
THEME 4. BANKS – BETWEEN COMPETITION AND PARTNERSHIP		3	3	
4.1.	The competitive potential of FinTechs and BigTechs			
4.2	From competition towards partnership			
THEME 5. INSURANCE INNOVATIONS AND DIGITALIZATION		3	3	

5.1.	Specifics of insurance innovations			
5.2.	Product innovations in insurance			
5.3.	Digital distribution of insurances			
THEME 6. SEED AND START UP FINANCING		3	3	
6.1.	Own funds and funding from relatives and friends			
6.2.	Angel investors			
6.3.	Crowdfunding			
6.4.	Risk capital			
6.5.	Corporate risk capital			
6.6.	Venture leasing			
THEME 7. INNOVATIONS IN PUBLIC FINANCE		3	3	
7.1.	Advantages, barriers and drivers of innovations in public finances			
7.2.	Comparison between innovations in public and private sector			
7.3.	Public projects – notion and managerial concepts			
7.4.	Elements of the project cycle in public sector			
THEME 8. SOCIAL INNOVATIONS		3	3	
8.1.	Factors for increasing interest toward social innovations			
8.2.	Social innovations as quasi-concept			
8.3.	The social innovations process			
8.4.	Who are the social innovators?			
8.5.	Funding opportunities for emerging ideas in the field of social innovations			
8.6.	Support by the public sector – funding, procurement and alternative assets utilization			
8.7.	Digital technologies in social innovations			
THEME 9. INNOVATIONS IN THE FIELD OF FINANCIAL REGULATION		3	3	
9.1.	Actual challenges to financial regulation			
9.2.	New technologies and financial regulation			
9.3.	Cooperation with RegTech			
9.4.	A vision for high-tech regulators (SupTech)			
THEME 10. PERFORMANCE AND RISK CONTROLLING OF INNOVATIONS		3	3	
10.1.	Are innovations a factor for success?			
10.2.	Financial estimation of innovations			
10.3.	Measurement of innovation performance (non-financial dimensions)			
10.4.	Risk controlling and innovations			
		Total:	30	30

III. FORMS OF CONTROL:

No. by row	TYPE AND FORM OF CONTROL	№	extra-curricular, h.
1.	Midterm control		
1.1.	Midterm test	1	20
1.2.	Assignment for midterm control (case study, scholarly essay)	1	40
	Total midterm control:	2	60
2.	Final term control		
2.1.	Combined test with open and closed questions	1	60
	Total final term control:	1	60
	Total for all types of control:	3	120

IV. LITERATURE

REQUIRED (BASIC) LITERATURE:

1. Вазов, Р. (2019). Предприемачество, иновации и мениджмънт. София: УИ „Св. Григорий Богослов“.
2. Вачков, Ст. (2015). Иновациите – новата нормалност в банкирането. Варна: Наука и икономика.
3. Вачков, Ст. (2018). Дигитални рефлексии върху банковата организация. // Годишник на ИУ, т. 88, 2016, Варна: Наука и икономика, с. 129-230.
4. Вълканов, Н. (2019). Compliance в помощ на финансовото регулиране. Варна: Наука и икономика.
5. Георгиев, Л., Вълканов, Н. (2014). Финансово посредничество. Варна: Стено.
6. Киров, С. (2019). Индексните застраховки - иновация за управление на климатичните рискове. Инвестиции в бъдещето - 2019. Сборник доклади, Варна : НТС - Варна.
7. Управление на риска, Методи за оценяване на риска (IEC/ISO 31010:2009).
8. Arundel, A., C. Bloch and B. Ferguson. (2019). Advancing innovation in the public sector: Aligning innovation measurement with policy goals. Research Policy. Vol. 48, Issue 3, p. 789-798.
9. Kaplan, S. (2017). The Invisible Advantage: How to Create a Culture of Innovation, Greenleaf Book Group Press.
10. Magnus Penker, Sten Jacobson, Peter Junermark (2017). How to Assess and Measure Business Innovation (The Complete Guide to Business Innovation), 1st Edition.
11. Nicoletti, B. (2016). Digital Insurance: Business Innovation in the Post-Crisis Era. Palgrave Macmillan, UK.

RECOMMENDED (ADDITIONAL) LITERATURE:

1. Вачков, Ст. (2016). Дигитализацията на банкирането – реалност без алтернатива. // В: Вачков, Ст. и др. Финансовата наука – между догмите и реалността. Варна: Наука и икономика, с. 13-107.
2. Bezpartochnyi, M., Britchenko, I. (Eds) (2018). Management of innovative development the economic entities. NOVA SANDEC, Poland.
3. Blagoycheva, H. (2018). The Involvement of the Public Sector in Corporate Social Responsibility – the Changing Reality// International Journal of Economic Research, Volume 15, Issue 1, pp. 119-131.
4. De Haan, J., Oosterloo, S., Schoemaker, D. (2015). Financial Markets and Institutions: a European Perspective. Third Edition, Cambridge University Press.

5. How Do I Measure “Innovation”?!?,
<http://www.balancedscorecard.org/portals/0/pdf/HowToMeasureInnovation.pdf>.
6. How to Measure the Effectiveness of Your Innovation, <http://www.brg.co.za/how-to-measure-the-effectiveness-of-your-innovation/>.
7. Innovation Balanced Scorecard, <https://innovationbeats.wordpress.com/2012/07/25/innovation-scorecard-15-design-your-innovation-strategy-map/>.
8. Leach, C., R. Melicher. (2020). Entrepreneurial Finance. 7th ed., Cengage Learning
9. Oinarov, A. and D. Eshimova. (2017). Project management methodology in the public and private sector: The case of an emerging market. Journal of Governance and Regulation. Vol. 6, Issue 1, p. 26-37.
10. The Complete Guide to Innovation Metrics – How to Measure Innovation for Business Growth, <https://www.innovation-point.com/innovationmetrics.htm>