

## **Rajagiri College of Social Sciences (Autonomous)**

### **Department of Commerce**

#### **RETAIL BANKING**

##### **About the course:**

A value added course offered by Finmark in association with Rajagiri College of Social Sciences. This programme covers an extensive overview of retail banking, from viewing banks as financial intermediaries to considering the roles that a retail bank serves in the real economy. major shifts and trends that have taken place in retail banking channels before moving on to uncover more about the changing nature of the multi-channel customer. Programme examine four key principles at the heart of omni channel banking, while considering a strategy that strikes the right balance between automation and the human touch.

The value added course 'Retail Banking' is being offered to **Sixth semester B.com Students** of Rajagiri College of Social Sciences (Autonomous) from **Jan 7<sup>th</sup> to Feb 15<sup>th</sup>** 2019 .The duration of the course was **thirty contact hours** which included both theory and case studies.

##### **Objectives of the course:**

- To give a brief introduction about Business ethics and compliance, business ethics and compliance products channels
- To know about Marketing, Effective sales, Management, Customer service, Quality operations credit and lending
- To give an idea on Relationship management, Performance management, wealth management, Balance sheet management
- To understand Customer care, Financial management, Leadership in retail banking, Business strategies for retail banking, Brand management
- T know Governance, Operational excellence, Risk and capital management

Day	Date	Syllabus Covered
Day 1 to Day 5	Jan 7- Jan 11	Morality and ethics-distinguish between ethical models based on motives, consequences and behaviours-Identify an appropriate ethical model for customer-centric retail banking -Apply this model to determine appropriate courses of action in retail banking when faced with choosing between 'right and wrong' and between 'right and right'- Explain how business ethics encourages

		trust, and so improves financial performance-Analyse the principal-agent relationships between different stakeholders in retail banks and managers- Explain the role of Organisational culture in preventing misuse of these relationships-Define compliance and explain the role of the compliance function in retail banks, including mitigating risks of laundering money and financing terrorism- Evaluate the impact on customers of ethical breaches in retail banking, and recommend appropriate remedial action.
Day 6 - Day 10	Jan 14- Jan 18	Marketing function- Recent changes in the market environment- Demographics- Social behavior- Technology- Models of the marketing mix- Models of buyer decision making-Kotler's typology of buyers' behavior the stimulus-Response model Johnston's 5 stages of buying- Challenges faced by retail banks in making use of existing customer data- Strategies to address these challenges- Appropriate qualitative and quantitative customer research techniques- Marketing process in the context of retail banking- Stages of analysis-Strategy- Planning- Execution and control- Impact of digital innovation on each of these stages-Outline the social and commercial benefits of improving financial inclusion-Suggest ways in which financial technology can help to deliver these benefits.
Day 11- Day 15	Jan 21- Jan 25	Digital marketing life cycle- Customer attribution in the context of retail banking- Digital marketing mix-including media- channels- relationship management systems -communication platforms- GLOBAL Model of Millennial behavior- GAFA Preference-Loyalty-Free- Online-Social-media Consumers-Buyers of Instant Experience-Audio visual Readers-Less Oriented to Own- BCG Growth-Share Matrix- 5Cs model -character- capacity-collateral-capital and conditions- P2P lending and crowd funding- different types of crowd funding activities -product oriented -equity-oriented-loan oriented -mixed
Day 16- Day 20	Jan 28- Feb 1	Harvard model of people management- Resource-based View (RBV) approach- Content-based -Process based -Theories of motivation- 3Es model of bank staff quality- Digital lock-in effect- Calculate and evaluate ROE-Economic profit and RAROC - How to keep KPIs at a minimum and related to both results and

		behaviour and identify hidden traps in people performance- concept of WealthTech- identify the client's degree of risk aversion- Personal Financial Management (PFM)- diversified product portfolio - Diversification methods- Strategic asset allocation- Measures of portfolio performance.
Day 21- Day 25	Feb 4 – Feb 8	Capital allocation procedures for credit risk (Standardised Approach)-Market risk (Value at Risk) and operational risk (Basic Indicator Approach and the Standardised Approach)- Asset liability management through a consideration of duration gap- Management soundness-Earnings and profitability-Liquidity and Sensitivity to market risk – CAMELS approach- Tier 1 capital adequacy ratio- leverage ratio-RWA, Asset quality via the Loan Book-Loan loss provisions- ROA-ROE- CIR- Liquidity ratios- Cost of funds.
Day 26- Day 29	Feb 11- Feb 14	API (Application Programming Interface) banking strategies-Bank brand management-Berry Model Distributed Ledger Technology (DLT)-Identify the role of emerging technologies such as Artificial Intelligence (AI) -Cloud banking in operational excellence and efficiency-Gulati 4Cs model Over-The-Counter (OTC) and Central Counter Party (CCP) transactions -Corporate Venture Capital (CVC) advanced measurement approaches (AMA) – Loss Distribution Approach (LDA) - Internal Measurement Approach (IMA) – prudent risk taking-being symmetric with risk outcomes-sensitive to time horizon and subject to clawback/malus.
Day 30	Feb 15	Evaluation on Value added course

### Assessment Procedure:

The exams for this will include two parts, A and B, each lasting for two hours. Part A comprises of 20 multiple choice questions, each with one correct answer. Each question is worth one mark which totals 20 marks for part A. The questions examine the mastery of key principles and concepts presented in each module. Part B of the exam includes six scenarios or mini-cases. Each of these six will require answers to five multiple choice questions, totalling 30 marks. Questions in this part again examine the mastery of key principles and concepts presented in each module, in addition to the application of knowledge to a retail banking scenario or real banking case.

**Grading Structure:**

Component	Marks
Attendance	20
Case study	30
End of Course test	50
Total	100

**Anticipated Outcome:**

The value added course ‘Retail Banking’ is being offered to students with an anticipated outcome of gaining excellence in the area of Retail Banking.